



**Giuliana Carbone**  
Deputy City Manager

**Shelter, Support and Housing  
Administration**  
Metro Hall, 6th Floor  
55 John Street  
Toronto, ON M5V 3C6

**Phillip Abrahams**  
General Manager

Tel: (416) 392-7885  
Fax: (416) 392-0548  
pabraham@toronto.ca  
www.toronto.ca

---

## 2016 OPERATING BUDGET BRIEFING NOTE

### TCHC Line by Line Analysis

---

#### Issue/Background:

Budget Committee at its meeting of January 5, 6, 8 and 11, 2016 requested that the General Manager, Shelter, Support and Housing Administration (SSHA) provide a Briefing Note to the January 18, 2016 Budget Committee meeting on Toronto Community Housing Corporation (TCHC) expenditures in 2013, 2014, 2015, and the 2016 request for the following cost categories:

- Mailing
- Advertising and Promotion
- Office Supplies
- Travel
- Training/Conferences
- Material and Equipment – Communications
- Rental of Office Equipment
- Contracted Services – Renovations
- Material and Equipment Hand Tools
- Professional and Tech-Management Fees
- Catering Services
- Uniforms

#### Key Points:

The Budget Committee request was forwarded to the Chief Financial Officer and Treasurer of TCHC, attached is his response.

---

**Prepared by:** Glenn Morgan, Director Program Support, Shelter, Support & Housing Administration, (416) 397-4161, [GMorgan@toronto.ca](mailto:GMorgan@toronto.ca)

**Further information:** Phillip Abrahams, General Manager, Shelter, Support & Housing Administration, (416) 392-7885, [pabraham@toronto.ca](mailto:pabraham@toronto.ca)

**Date:** January 15, 2016




---

## 2016 OPERATING BUDGET BRIEFING NOTE

### BU15.1 – 2016 Tax-Supported Capital and Operating Budget Launch, Recommendation-1 Briefing Notes

---

Reasons for the changes are explained by program below:

#### Toronto Community Housing Corporation

Category	(\$'000s)					
	2013 Actual	2014 Actual	2015 Year End Projection	2015 Budget	2016 Preliminary Budget Gross	2016 Preliminary Budget Net
Advertising and Promotion	20.9	15.2	26.6	55.4	20.9	20.9
Catering	84.3	136.1	124.2	438.9	368.2	368.2
Conferences	34.6	53.4	90.4	217.0	255.9	255.9
Contract Services - Renovations <sup>(1)</sup>						
Mailing	566.9	692.8	685.7	764.5	686.4	686.4
Material and Equipment - Communications	1,119.5	1,697.7	1,551.9	1,664.1	1,637.1	1,637.1
Material and Equipment Hand Tools	4,135.9	5,421.1	4,813.8	3,502.0	3,573.7	3,573.7
Meetings	1.6	1.8	3.6	19.0	19.2	19.2
Office Supplies	968.1	659.6	639.4	1,080.1	1,030.1	1,030.1
Professional and Tech - Management Fees	332.4	301.2	316.0	442.8	412.3	412.3
Rental of Office Equipment	333.4	368.7	77.4	340.1	277.1	277.1
Training	184.1	916.9	358.0	1,800.0	1,470.0	1,470.0
Travel	17.7	20.9	10.3	58.4	36.5	36.5
Uniforms	338.7	139.5	391.3	452.9	521.9	521.9
<b>Total - Toronto Community Housing</b>	<b>8,138.1</b>	<b>10,425.0</b>	<b>9,088.6</b>	<b>10,835.4</b>	<b>10,309.2</b>	<b>10,309.2</b>

(1) Excludes \$250M of building capital repairs in the 2016 budget that is substantially contracted out to vendors.

#### Advertising and Promotion

Advertising and promotion is budgeted at \$21 K in 2016, which is consistent with historical levels in 2013 and 2014.

#### Catering Services

Catering services is budgeted at \$368 K in 2016 which are substantially for tenant meetings.

#### Conferences

TCHC has budgeted \$255 K in 2016 for conferences. Of this, \$152K is budgeted for the Ontario Non-Profit Housing Association conference which TCHC has attended annually for over a decade. TCHC has 1,600 employees and considers conferences something that is required for TCHC employees to maintain good standing with associated professional organizations, and stay exposed to best in class practices in the market place.

#### Contract Services – Renovations

TCHC has a \$250 Million budget for building capital spend in 2016 that is substantially based on repairing its buildings. This work is substantially outsourced to vendors and hence falls under the category of “contracted services”. This compares to \$175 Million in 2015 and these figures are in line with City Council’s approved 10 year capital financing plan.

In addition, it has budgeted \$1.2 Million in 2016 for upgrades to its existing offices where employees reside, largely to ensure we meet fire code compliance for site locations which have not been upgraded sufficiently to meet code requirements. Further, these renovations will enhance seating capacity of TCHC staff in facilities with lower rent expense, leading to longer term operating cost savings. TCHC has 1,600 employees that work in multiple office locations across the city, and the \$1.2 Million compares favourably to \$1.5 Million as budgeted in 2015.

#### Mailing

TCHC has budgeted \$686 K in 2016 for mailing. TCHC is a landlord and mailing is part of its normal course business and is a shareholder direction requirement regarding communicating with tenants. This compares favourably to \$765 K as budgeted in 2015.

#### Material & Equipment – Communications

TCHC has budgeted \$1.64 Million in 2016 and budgeted \$1.66 Million in 2015 substantially for data equipment communications and telephone. TCHC has 1,600 employees, including front line staff at 13 Operating Unit offices and 9 other locations that interact directly with tenants, and require computers and phones to do their jobs in an effective and efficient manner.

#### Material & Equipment – Hand Tools

TCHC has budgeted \$3.57 Million in 2016 and budgeted \$3.50 Million in 2015. Hand tools are predominantly to do with electrical supplies, plumbing supplies, and other repair and maintenance type tools which TCHC staff utilize to fix and maintain our buildings in its normal course of operations.

#### Meetings

We generally have meetings in TCHC facilities and tenant meetings at TCHC locations thereby incurring no rental costs for facilities. TCHC has budgeted \$19K in 2016 for audio visual equipment rental for board meetings.

#### Office Supplies

TCHC has budgeted \$1.03 Million in 2016, and \$1.08 Million in 2015. TCHC has 1,600 employees, including front line staff at 13 Operating Unit offices that interact directly with tenants, and require office supplies to do their jobs in an effective and efficient manner. Back office functions also require office supplies so as to conduct their jobs in an effective and efficient manner.

#### Professional & Tech – Management Fees

TCHC has budgeted \$412.3 K in 2016 compared to \$442.8 K in 2015. TCHC has Chartered Accountants, Lawyers and Engineers under its employment. As a result, such

professionals require memberships to professional organizations in the context of providing their employment services. As a result, these expenditures are deemed to be a required cost of business in the normal course of operations by Management.

Rental of Office Equipment

TCHC has budgeted \$277 K in 2016 and \$340 K in 2015. This includes TCHC's rental of all photocopiers across its offices, as well as mail and credit card machines at various locations for the benefit of tenants.

Training

TCHC has budgeted \$1.47 Million in 2016 and budgeted \$1.8 Million in 2015. The monies are substantially dedicated to ensuring front line staff have the appropriate skill set to meet the needs of our residents in areas such as customer service and building sciences as well as ensuring overall legislative compliance, for example AODA training. TCHC deems this training as a required part of its normal operations.

Travel

TCHC has budgeted \$36 K in 2016 and budgeted \$58 K in 2015 for travel. This is substantially for employee mileage reimbursement within various TCHC locations.

Uniforms

TCHC has budgeted \$521.9 K in 2016 and \$452.9 K in 2015. TCHC has multiple units where employees are required to wear uniforms on the job and in some situations are mandatory pursuant to their respective collective bargaining agreements. These are mainly for staff who are out at the TCHC locations, for example, Community Safety Officers, site superintendents, and maintenance staff.