

2020 Budget Notes

Financial Services

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What we do

Financial Services manages the capital budget for Finance & Treasury Services, which includes the Office of the Chief Financial Officer & Treasurer and Office of the Controller. We manage financial systems and technology for enterprise-wide financial processes and to provide timely, accurate and efficient services to Divisions, Agencies, City Council and the public.

Why we do it

The capital budget provides funding to maintain and upgrade our financial systems. In addition, service improvement projects focus on the enterprise-wide modernization of systems and transformation of business processes that improve service delivery. The Service Improvement projects are focused on enhancing the City's capability to provide real-time financial & management information. This will enable the City to make better informed, transparent and strategic decisions through business intelligence, analytics and reporting.

Who we serve

- Property owners
- City Council and Committees
- City Manager and DCMs
- Staff – City Divisions, Agencies & Corporations, Retired Staff
- Toronto Investment Board
- OMERS Pension Boards & Committees
- Registered Utility Account Holder
- Parking Ticket Recipient
- Legal Community
- Suppliers

Beneficiaries

- Residents / Taxpayers
 - Businesses
 - Provincial & Federal Governments
-

Budget at a glance

STAFF RECOMMENDED OPERATING BUDGET

Please refer to the Budget Notes of the Office of the Chief Financial Officer & Treasurer and the Office of the Controller.







STAFF RECOMMENDED 10-YEAR CAPITAL PLAN

\$Million	2020	2021-2029	Total
Gross Expenditures	\$13.9	\$38.4	\$52.3
Debt	\$11.2	\$26.2	\$37.4

Key service outcomes

Outcomes	Description
Efficient Account Administration, Billing and Collection.	Provide administration, billing and collection for 850,000 property tax accounts, 475,000 utility accounts and 2.2 million parking tickets annually. This includes issuing all billings, processing assessment appeals, refunds and rebates, providing collection of overdue accounts and providing customer service support.
Improve efficiency in purchasing services, appropriate training, quality assurance and sustainment of Ariba	Provide purchasing services to procure goods and services for City Divisions using an e-bidding platform that supports collaboration and line of sight into the process throughout its lifecycle. Design and deliver formalized training for staff which includes a continuous improvement method and quality assurance elements to support best practice procurement process and maturation of the SAP Ariba system.
Financial Transformation	Advance the transformation, modernization and accountability agenda for the City's financial systems, processes and budget activities. Strengthen public trust and confidence in the City through improved transparency and accountability.

Goals and metrics

Planned Activities to Achieve Outcomes		2018 Actual	2019 Proj. Actual	2020 Target	Status
	Property Tax, Utility & Parking Ticket Look-up Usage	4,181,827	4,646,622	4,786,021	
	% Early Discounts Earned as a % of Discounts Available	85%	85%	90%	
	Procurement Cycle Time (in working days)	115	115	110	

Our experience and success

- Corporate Asset Management (CAM) policy approved by Council in June 2019
- Successfully completed the roll out of SAP Ariba Sourcing module on September 1, 2019 and now all new procurements issued by PMMD and submissions received will all be through the cloud based system, which will lead to more efficiency and better reporting of the procurement process
- Enhanced online service allows customers to update their mailing address information online at their convenience. Averaging 1,400 mailing address changes per month, and over 21,000 since launching in April 2018
- Updates to Online Property Tax Lookup for residential properties includes 18 months of payment history, and detailed messaging for credit and overdue amounts

Key challenges and risks

- Finance & Treasury Services' capital projects are complex, transformative and have City-wide implications requiring an extensive consultation process, project governance, collaboration and partnerships with key divisions and internal and external expertise. There are significant change management considerations including stakeholder engagement, communication, culture and training
- Finance & Treasury Services' capital projects have experienced significant delays in completing deliverables and spending approved budget allocations. The timing of capital cash flow estimates have been adjusted to reflect capacity to deliver on project plans
- Finance & Treasury Services operates in a complex and highly legislated environment, including Provincial Asset Management Legislation

Priority actions

- Modernize and streamline the City's accounting and finance functions
- Continue the Supply Chain Transformation Program – with ARIBA Sourcing implemented and the Internal Control Framework being currently developed, continue to configure and deploy remaining modules of Ariba, Contracts and Supplier Lifecycle Performance Management in 2020
- Develop an integrated asset management framework to enable the City to make better informed, strategic decisions and set priorities for capital infrastructure investments
- Continue the Tax and Utility Systems modernization strategy as a system redesign and upgrade to accommodate new technology and programs that will improve the efficiency and automation of billing and revenue processing operations. Improved customer service will also result from incorporating new web-based technology to support self-service options
- Advance the Parking Tag Management System (PTMS) solution to be able to include new requirements from Legal, Court Services and Transportation. This will include Administrative Penalty System (APS) phase 2, Red Light Camera (RLC) and Automatic Speed Enforcement (ASE) infractions

Our key service levels



85% of invoices paid within 60 days.



Online mailing address changes averaging 1,400 per month, and over 21,000 since launching in April 2018.



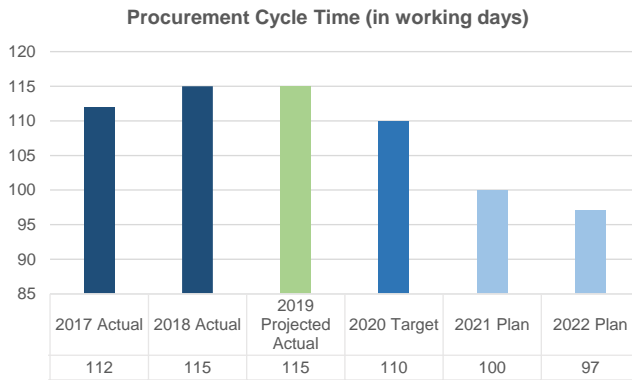
Issuing purchasing call documents within 2-5 days from time of receipt of final approved document.

Key service deliverables

- Modernize Tax and Utility billing systems and integration with SAP to enable public access to bills, statements and brochures, to implement on-line preauthorized tax and utility payment application process and to automate the collection process.
- Facilitate and expand online applications and enrolment.
- Develop processes and systems to enable e-billing options for property tax and utility accounts.
- Upgrade Parking Tag Management Software to support new offence types, such as Red Light Camera and Automated Speed Enhancement, which require new online services for inquiries, disclosures, and dispute resolution.
- Deploy Procure to Pay (P2P) module, which focuses on improving the processes and technology related to ordering, goods receipt and invoice processing.
- Configure and deploy the Ariba Contracts and Supplier Lifecycle Management modules in 2020.
- Review the City's current capital program software with the intent to develop asset management framework for infrastructure assets.
- Rebuild the foundations for accounting within the City with streamlined and standardized processes and system design that support improved reporting and analytics based on best practices.
- Complete a review focused on implementing improvement opportunities which include establishing a new general ledger, cost centre structure, standardized and automated processes.
- Upgrade the Risk Management Information System from a locally-hosted solution to a cloud-based system to ensure sustainability and ongoing support of the City's claims management software.

How well we are doing

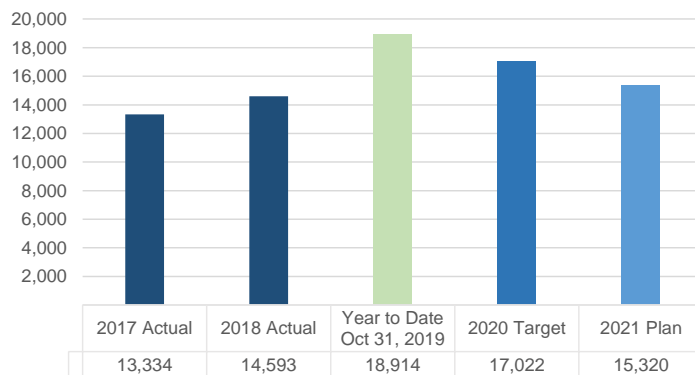
Performance measures



Behind the numbers

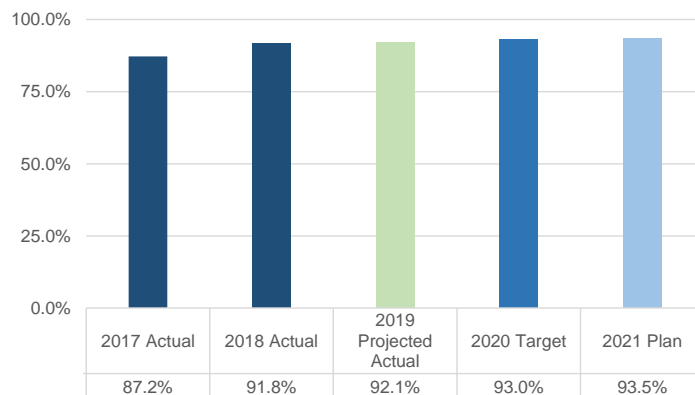
- The full transition to SAP Ariba Sourcing was complete on September 1st. In keeping with the learning and stabilization period of a new system, the 2019 target to complete a competitive procurement is 115 working days (from purchase requisition to issuance of purchase order, including award and contract execution).
- The forecast to reduce Procurement cycle times by 15 working days from 115 to 100 between 2018 - 2021 is on track with a further 3 day reduction target for 2022.

Average Number of Parked Invoices



- Parked invoices are invoices received by the City but require validation, verification or further action prior to payment.
- Accounting Services continues to work with vendors and divisions to ensure that invoices received and internal processes allow for timely payment anticipating an improvement in 2020.
- Given that 93% of parked invoices are parked as a result of purchasing document related issues, a complete invoice initiative has been communicated and is set to begin in 2020.

% Electronic Payments (Tax, Utility & Parking Tickets)



- Percentage of electronic payments received compared to total payments processed for property tax, utility and parking tickets is increasing over time due to consumer adoption of electronic payments.
- Electronic payments improve accuracy, are more cost-effective, and can be posted to the City's accounts sooner than cheque payments.
- Development of additional online services for electronic billings and payments will see an increasing trend in the overall percentage of electronic payments over 2019 - 2021.

RECOMMENDATIONS

The City Manager and Chief Financial Officer and Treasurer recommend that:

1. City Council approve 2020 Staff Recommended Capital Budget for Financial Services with cash flows and future year commitments totaling \$31.468 million as detailed by project in Appendix 5a.
2. City Council approve the 2021-2029 Staff Recommended Capital Plan for Financial Services totalling \$20.800 million in project estimates as detailed by project in Appendix 5b.

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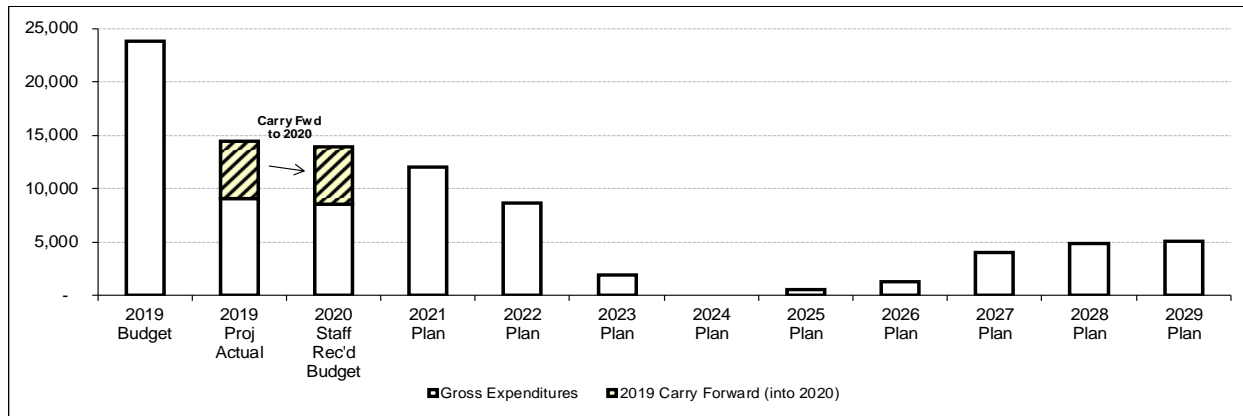
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2020 – 2029 STAFF RECOMMENDED CAPITAL BUDGET AND PLAN

2020 – 2029 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview
(\$'000)



2020 Staff Recommended Capital Budget and 2021 - 2029 Capital Plan										
	2019		2020	2021	2022	2023	2024	2020 - 2024	2025 - 2029	Total 10 Year Plan
	Budget	Projected Actual								
Gross Expenditures by Project Category:										
Health & Safety & Legislated	1,155	160	150	125	450	-	-	725	600	1,325
SOGR	6,850	879	3,520	6,610	6,346	-	-	16,476	15,125	31,601
Service Improvement & Growth	15,802	7,982	10,260	5,282	1,900	1,900	-	19,342	-	19,342
Total by Project Category	23,807	9,021	13,930	12,017	8,696	1,900	-	36,543	15,725	52,268
Financing:										
Debt	12,439	3,929	11,171	8,818	5,516	1,900	-	27,405	9,950	37,355
Reserves/Reserve Funds	1,103	118	622	2,355	2,730	-	-	5,707	5,175	10,882
Development Charges	355	60	150	125	450	-	-	725	600	1,325
Provincial	-	-	-	-	-	-	-	-	-	-
Federal	-	-	-	-	-	-	-	-	-	-
Debt Recoverable	-	-	-	-	-	-	-	-	-	-
Other Revenue	9,910	4,914	1,987	719	-	-	-	2,706	-	2,706
Total Financing	23,807	9,021	13,930	12,017	8,696	1,900	-	36,543	15,725	52,268



Changes to Existing Projects (\$28.4M)	New Projects (\$3.0M)	Capital Needs Constraints (\$0M)
<ul style="list-style-type: none"> Carry forward from 2019 into 2020 is projected at \$5.372M Where feasible, project and cash deferrals have been made based on Financial Services' capacity to spend and to reduce the impact on debt 	<ul style="list-style-type: none"> PPEB Transformation Program project is the continuation of the seed funded Employee Service Centre project that will design, establish and implement a customer-centric employee service centre (\$3.0M) 	<ul style="list-style-type: none"> Nil

Note:

For additional information, refer to [Appendix 5](#) for a more detailed listing of the 2020 and 2021-2029 Capital Budget & Plan by project; [Appendix 6](#) for Reporting on Major Capital Projects – Status Update; and [Appendix 7](#) for Capital Needs Constraints, respectively.

2020 – 2029 CAPITAL BUDGET AND PLAN

\$52.3 Million 10-Year Gross Capital Program

	
Information Technology	Development Charges Studies
\$51.0M 97.5%	\$1.3M 2.5%
Supply Chain Management Transformation Integrated Asset Planning Management Finance Accounting Systems Transformation Employee Service Centre / PPEB Transformation Program Tax & Utility Billing Systems	Development Charges Background Studies

How the Capital Program is Funded

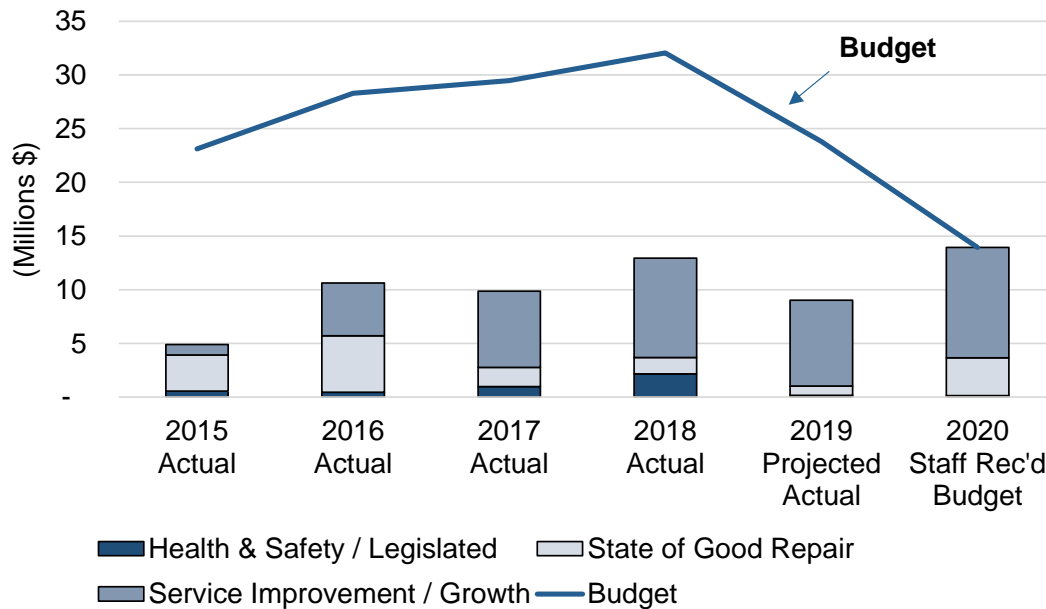
City of Toronto		Provincial Funding	Federal Funding
\$52.3M 100%		\$0M 0%	\$0M 0%
Debt	\$37.4M		
Reserves / Reserve Funds	\$10.9M		
Development Charges	\$1.3M		
Other	\$2.7M		

CAPACITY TO SPEND REVIEW

The Recommended 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with the Financial Services' ability to spend and the market's capacity to deliver.

Key components in determining an appropriate level of annual cash flows include historical capacity to spend, reviews by project categories (Chart 2 below), as well as the level of projected 2019 underspending that will be carried forward into 2020 to complete capital work.

Chart 2 – Capacity to Spend



Category (in \$ Million)	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Projected Actual	2020 Staff Rec'd Budget
Health & Safety / Legislated	1	0	1	2	0	0
State of Good Repair	3	5	2	2	1	4
Service Improvement / Growth	1	5	7	9	8	10
Total	5	10	10	13	9	14
% Spent	21%	37%	33%	40%	38%	

Capacity to Spend Review Impact on the Recommended 10-Year Plan

Based on the review of historical capital spending constraints, \$7.0 million in capital spending originally cash flowed in 2020 has been deferred to 2021 or future years.

The 2020 Staff Recommended Budget of \$13.9 million has been reduced as compared to the 2019 Council Approved budget of \$23.8 million (a reduction of \$9.9 million from 2019) and is consistent with Financial Services' historical spend capacity.

STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

N/A

OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

Approval of the 2020 Capital Budget will impact the 2020 Operating Budget by a total of \$0.240 million net for the Supply Chain Management Transformation project, as shown in Table 4 below. An additional \$1.926 million has been included in the 2020 IT Operating Budget for the annual ARIBA subscription.

Table 4: Net Operating Impact Summary
(In \$000's)

Projects	2020 Budget		2021 Plan		2022 Plan		2020 - 2024		2020 - 2029	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
Previously Approved										
<i>Supply Chain Management Transformation</i>	240.000	-			-	-	240.000	-	240.000	-
Sub-Total: Previously Approved	240.000	-	-	-	-	-	240.000	-	240.000	-
New Projects - 2019										
<i>NA</i>										
Sub-Total: New Projects - 2019	-	-	-	-	-	-	-	-	-	-
New Projects - Future Years										
<i>NA</i>										
Sub-Total: New Projects - Future Years	-	-	-	-	-	-	-	-	-	-
Total	240.000	-	-	-	-	-	240.000	-	240.000	-

- The Supply Chain Management Transformation project will require \$0.240 million in 2020 in operating funding for PMMD support.

APPENDICES

Appendix 1

2020 Staff Recommended Operating Budget by Expenditure Category

Please refer to the Budget Notes of the Office of the Chief Financial Officer & Treasurer and the Office of the Controller.

Appendix 2

Summary of 2020 Service Changes

N/A

Appendix 3

Summary of 2020 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 4

Summary of 2020 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 5

2020 Capital Budget; 2021 - 2029 Capital Plan Including Carry Forward Funding

Project Code	(In \$000s)	2020 Budget	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2020 - 2029 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
FS001	Development Charges Background Study	150	-	-	-	-	-	-	-	-	-	150	150	-	-
FS002	Development Charges Background Study 2021	-	125	450	-	-	-	-	-	-	-	575	575	-	-
FS003	Development Charges Background Study 2026	-	-	-	-	-	-	150	450	-	-	600	600	-	-
FS004	Risk Mgmt Information System Upgrade	400	343	-	-	-	-	-	-	-	-	743	-	743	-
FS005	Parking Tag Mgmt Software Upgrade	900	900	89	-	-	-	-	-	-	-	1,889	-	1,889	-
FS006	Utility Billing System	920	2,091	2,730	-	-	-	-	-	-	-	5,741	-	5,741	-
FS007	Tax Billing System	1,300	2,776	3,527	-	-	-	-	-	-	-	7,603	-	7,603	-
FS008	Investment & Debt Mgmt System Replacement 2021	-	500	-	-	-	-	-	-	-	-	500	-	500	-
FS009	Risk Mgmt Information System Replacement 2025	-	-	-	-	-	600	-	-	-	-	600	-	600	-
FS010	Investment & Debt Mgmt System Replacement 2026	-	-	-	-	-	-	600	-	-	-	600	-	600	-
FS011	Parking Tag Mgmt Software Replacement 2026	-	-	-	-	-	-	500	800	440	1,260	3,000	-	3,000	-
FS012	Utility Billing System Replacement 2027	-	-	-	-	-	-	-	500	1,775	1,700	3,975	-	3,975	-
FS013	Capital Migration to New System 2027	-	-	-	-	-	-	-	500	597	1,878	2,975	-	2,975	-
FS014	Tax Billing System Replacement 2027	-	-	-	-	-	-	-	1,775	2,000	200	3,975	-	3,975	-
FS015	eBilling Initiative	83	-	-	-	-	-	-	-	-	-	83	-	-	83
FS016	Revenue System Phase 2	291	-	-	-	-	-	-	-	-	-	291	-	-	291
FS017	PPEB - Employee Service Centre (ESC)	565	-	-	-	-	-	-	-	-	-	565	-	-	565
FS018	PPEB Transformation Program	2,171	863	-	-	-	-	-	-	-	-	3,034	-	-	3,034
FS019	Electronic Self Service Tax and Utility	138	280	-	-	-	-	-	-	-	-	418	-	-	418
FS020	Integrated Asset Planning Management (IAPM)	1,939	2,136	-	-	-	-	-	-	-	-	4,075	-	-	4,075
FS021	Finance Accounting Systems Transformation (FAST)	2,066	296	-	-	-	-	-	-	-	-	2,362	-	-	2,362
FS022	Supply Chain Management Transformation (SCMT)	3,007	1,507	-	-	-	-	-	-	-	-	4,514	-	-	4,514
FS023	Financial Systems Transformation	-	200	1,900	1,900	-	-	-	-	-	-	4,000	-	-	4,000
Total Expenditures (including carry forward from 2019)		13,930	12,017	8,696	1,900	-	600	1,250	4,025	4,812	5,038	52,268	1,325	31,601	19,342

Appendix 5a

2020 Cash Flow and Future Year Commitments Including Carry Forward Funding

Project Code	(In \$000s)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total 2020 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
FS015	eBilling Initiative	83	-	-	-	-	-	-	-	-	-	83	83	-	-
FS001	Development Charges Background Study	150	-	-	-	-	-	-	-	-	-	150	150	-	-
FS016	Revenue System Phase 2	291	-	-	-	-	-	-	-	-	-	291	291	-	-
FS019	Electronic Self Service Tax and Utility	138	280	-	-	-	-	-	-	-	-	418	418	-	-
FS004	Risk Mgmt Information System Upgrade	400	343	-	-	-	-	-	-	-	-	743	743	-	-
FS020	Integrated Asset Planning Management (IAPM)	1,939	2,136	-	-	-	-	-	-	-	-	4,075	4,075	-	-
FS021	Finance Accounting Systems Transformation (FAST)	2,066	296	-	-	-	-	-	-	-	-	2,362	2,362	-	-
FS022	Supply Chain Management Transformation (SCMT)	3,007	1,507	-	-	-	-	-	-	-	-	4,514	4,514	-	-
FS005	Parking Tag Mgmt Software Upgrade	900	900	89	-	-	-	-	-	-	-	1,889	1,889	-	-
FS006	Utility Billing System	920	2,091	2,730	-	-	-	-	-	-	-	5,741	5,741	-	-
FS007	Tax Billing System	1,300	2,776	3,527	-	-	-	-	-	-	-	7,603	7,603	-	-
FS017	PPEB - Employee Service Centre (ESC)	565	-	-	-	-	-	-	-	-	-	565	565	-	-
FS018	PPEB Transformation Program	2,171	863	-	-	-	-	-	-	-	-	3,034	-	-	3,034
Total Expenditures (including carry forward from 2019)		13,930	11,192	6,346	-	-	-	-	-	-	-	31,468	28,434	-	3,034

The 2020 Cash Flow and Future Year Commitments as noted in the table above, reflects a sub-set of the 10-Year Capital Plan. This sub-set consists of 2020 and future year cash flow funding estimates for projects that have either previously received Council approval or will require approval in 2020 to begin, continue or complete capital work. This approval will enable Financial Services to begin work and/or commit funding for expenses that may not be incurred until 2021 or future years.

Appendix 5b

2021 - 2029 Capital Plan

Project Code	(In \$000s)	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2021 - 2029 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
FS002	Development Charges Background Study 2021	125	450	-	-	-	-	-	-	-	575	575	-	-
FS003	Development Charges Background Study 2026						150	450	-	-	600	600	-	-
FS008	Investment & Debt Mgmt System Replacement 2021	500	-	-	-	-	-	-	-	-	500	-	500	-
FS009	Risk Mgmt Information System Replacement 2025					600	-	-	-	-	600	-	600	-
FS010	Investment & Debt Mgmt System Replacement 2026						600	-	-	-	600	-	600	-
FS011	Parking Tag Mgmt Software Replacement 2026						500	800	440	1,260	3,000	-	3,000	-
FS012	Utility Billing System Replacement 2027							500	1,775	1,700	3,975	-	3,975	-
FS013	Capital Migration to New System 2027							500	597	1,878	2,975	-	2,975	-
FS014	Tax Billing System Replacement 2027							1,775	2,000	200	3,975	-	3,975	-
FS023	Financial Systems Transformation	200	1,900	1,900	-	-	-	-	-	-	4,000	-	-	4,000
	Total Expenditures (including carry forward from 2019)	825	2,350	1,900	-	600	1,250	4,025	4,812	5,038	20,800	1,175	15,625	4,000

Appendix 6

Reporting on Major Capital Projects: Status Update

Division/Project name	2019 Cash Flow			Total Project		Status	Start Date	End Date		On Budget	On Time
	Appr.	YTD Spend	YE Projec Spend	Appr. Budget	Life to Date			Planned	Revised		
Financial Planning											
Financial Planning Analysis Reporting System (FPARS) - Phase 1 (PBF Implementation)	2,154	545	545	60,820	58,208	On Track	Jan-10	Dec-14	Oct-15	Ⓞ	Ⓞ
Financial Planning Analysis Reporting System (FPARS) - Phase 2 (EPM)							Jan-15	Dec-19	Dec-20	Ⓡ	Ⓡ
Comments:	Phase 1 - PBF Post-Implementation Phase 2 - EPM on hold awaiting budget modernization review and recommendation										
Explanation for Delay:	EPM component of FPARS is currently on hold awaiting the completion of the budget modernization review and its recommendations.										
Pension, Payroll & Employee Benefits											
SAP-Supported Cross-Application Timesheet (CATS)	185	118	185	7,540	7,473	On Track	Jan-14	Dec-19	Dec-19	Ⓞ	Ⓞ
Comments:	<ul style="list-style-type: none"> • CATS went live, on-schedule, on Sept 14, 2016. • TASS/Kronos went live for PF&R on November 9, 2016 and for TPS on February 15, 2017. • PPEB is currently working the External Consultant to fix outstanding defects before project closing. 										
Explanation for Delay:											

On/Ahead of Schedule	Ⓞ	>70% of Approved Project Cost
Minor Delay < 6 months	Ⓨ	Between 50% and 70%
Significant Delay > 6 months	Ⓡ	< 50% or > 100% of Approved

Appendix 7

Summary of Capital Needs Constraints

(In \$ Millions)

N/A

Appendix 8

2020 User Fee Changes (Excludes User Fees Adjusted for Inflation)

Table 8a - New User Fees

N/A

Table 8b – Fees Above Inflation

N/A

Table 8c - User Fees for Discontinuation

Please refer to the Budget Notes of the Office of the Controller.

Table 8d - User Fees for Technical Adjustments

N/A

Table 8e - User Fees for Transfers

N/A

Table 8f - User Fees for Rationalization

N/A

Appendix 9

Inflows and Outflows to/from Reserves and Reserve Funds 2020 Operating Budget

Please refer to the Budget Notes of the Office of the Chief Financial Officer & Treasurer and the Office of the Controller.

Inflows and Outflows to/from Reserves and Reserve Funds 2020 – 2029 Capital Budget and Plan

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2019 *	Contributions / (Withdrawals)										Total
			2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	
XQ0011 Capital Financing Reserve	Beginning Balance	547,992.4	439,585.8	386,763.8	378,732.8	369,793.8	196,001.8	43,341.8	53,341.8	43,098.8	83,098.8	123,098.8	
	Withdrawals (-)												
	• Transfers to Capital	(242,480.6)											
	• Investment & Debt Management System Replacement			(500.0)						(600.0)			
	Total Withdrawals	(242,480.6)	-	(500.0)	-	-	-	-	-	(600.0)	-	-	-
	Contributions (+)												
	• Transfers from Operating	134,074.0											
	Total Contributions	134,074.0	-	-	-	-	-	-	-	-	-	-	-
Other Program/Agency Net Withdrawals and Contributions			(52,822.0)	(7,531.0)	(8,939.0)	(173,792.0)	(152,660.0)	10,000.0	(9,643.0)	40,000.0	40,000.0	38,744.0	(276,643.0)
Balance at Year-End		439,585.8	386,763.8	378,732.8	369,793.8	196,001.8	43,341.8	53,341.8	43,098.8	83,098.8	123,098.8	161,842.8	

* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2019 *	Contributions / (Withdrawals)										Total
			2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	
XR1010 Insurance Reserve Fund	Beginning Balance	34,554.0	29,462.4	26,035.4	22,539.9	19,392.1	82,215.0	145,038.0	207,261.0	270,084.0	332,906.9	395,729.9	
	Withdrawals (-)												
	• Transfers to Capital	(450.0)											
	• Transfers to Operating	(5,166.6)											
	Information System Upgrade		(400.0)	(343.0)									
	• Risk Management Information System Replacement 2025							(600.0)					
	Total Withdrawals	(5,616.6)	(400.0)	(343.0)	-	-	-	(600.0)	-	-	-	-	
	Contributions (+)												
	• Interest	525.1											525.1
	Total Contributions	525.1	-	-	-	-	-	-	-	-	-	-	
Other Program/Agency Net Withdrawals and Contributions			(3,027.0)	(3,152.5)	(3,147.9)	62,823.0	62,823.0	62,823.0	62,823.0	62,823.0	62,823.0	62,823.0	430,433.5
Balance at Year-End		29,462.4	26,035.4	22,539.9	19,392.1	82,215.0	145,038.0	207,261.0	270,084.0	332,906.9	395,729.9	458,552.9	

* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2019 *	Contributions / (Withdrawals)										Total
			2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	
XR1404 Waste Management	Beginning Balance	78,877.0	56,316.9	47,090.5	36,693.7	36,923.3	40,463.9	53,444.6	67,180.2	83,208.8	97,913.0	103,607.0	
	Withdrawals (-)												
	• Transfers to Capital	(43,976.3)											
	• Utility Billing System		(198.0)	(450.0)	(587.0)								
	• Electronic Self Service Tax & Utility		(15.0)	(30.0)									
	• eBilling Initiative		(9.0)										
	• Utility Billing System 2027								(107.5)	(381.6)	(365.5)		
	Total Withdrawals	(43,976.3)	(222.0)	(480.0)	(587.0)	-	-	-	-	(107.5)	(381.6)	(365.5)	
	Contributions (+)												
	• Interest	1,108.9											
	• Transfers from Operating	20,307.4											
	Total Contributions	21,416.3	-	-	-	-	-	-	-	-	-	-	
Other Program/Agency Net Withdrawals and Contributions			(9,004.4)	(9,916.8)	816.6	3,540.6	12,980.6	13,735.6	16,028.6	14,811.6	6,075.6	1,899.6	50,967.8
Balance at Year-End		56,316.9	47,090.5	36,693.7	36,923.3	40,463.9	53,444.6	67,180.2	83,208.8	97,913.0	103,607.0	105,141.1	

* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2019 *	Contributions / (Withdrawals)										Total	
			2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan		
XR6003 & XR6004 Toronto Water & Wastewater Capital Reserves	Beginning Balance	1,149,459.8	1,262,612.3	1,241,958.1	837,345.8	475,028.7	235,355.8	127,691.5	113,307.9	81,257.0	42,105.9	74,573.4		
	Withdrawals (-)													
	•Transfers to Capital	(266,196.1)												
	•Utility Billing System			(967.0)	(2,143.0)								(3,110.0)	
	•Electronic Self Service Tax & Utility			(65.0)									(65.0)	
	•Utility Billing System 2027									(392.5)	(1,393.4)	(1,334.5)	(3,120.4)	
	Total Withdrawals	(266,196.1)	-	(1,032.0)	(2,143.0)	-	-	-	-	(392.5)	(1,393.4)	(1,334.5)	(6,295.4)	
	Contributions (+)													
	•Interest	14,471.1												-
	•Transfers from Operating													-
•Transfers from Reserve and Reserve Funds													-	
Total Contributions	14,471.1	-	-	-	-	-	-	-	-	-	-	-	-	
Other Program/Agency Net Withdrawals and Contributions	364,877.5	(20,654.2)	(403,580.3)	(360,174.1)	(239,672.9)	(107,664.3)	(14,383.6)	(32,050.8)	(38,758.6)	33,860.9	166,045.3	(1,017,032.7)		
Balance at Year-End	1,262,612.3	1,241,958.1	837,345.8	475,028.7	235,355.8	127,691.5	113,307.9	81,257.0	42,105.9	74,573.4	239,284.2			

* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2019 *	Contributions / (Withdrawals)										Total
			2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	
XR2120 Development Charges Reserve Fund - Development Studies	Beginning Balance	11,487.0	12,480.0	12,422.1	12,618.2	13,441.7	15,115.7	16,904.7	18,549.7	20,173.7	22,307.7	24,507.7	
	Withdrawals (-)												
	•Transfers to Operating												
	•Transfers to Capital												
	•Development Charges Background Study		(150.0)										(150.0)
	•Development Charges Background Study 2021			(125.0)	(450.0)								(575.0)
	•Development Charges Background Study 2026								(600.0)				(600.0)
	Total Withdrawals	-	(150.0)	(125.0)	(450.0)	-	-	-	(600.0)	-	-	-	(1,325.0)
	Contributions (+)												
	•Interest												
•Contributions													-
Total Contributions	-	-	-	-	-	-	-	-	-	-	-	-	
Other Program/Agency Net Withdrawals and Contributions	993.0	92.1	321.1	1,273.5	1,674.0	1,789.0	1,645.0	2,224.0	2,134.0	2,200.0	2,444.0	15,796.7	
Balance at Year-End	12,480.0	12,422.1	12,618.2	13,441.7	15,115.7	16,904.7	18,549.7	20,173.7	22,307.7	24,507.7	26,951.7		

* Based on 9-month 2019 Reserve Fund Variance Report

Appendix 10

Glossary of Terms

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority

Staff Recommended Operating / Capital Budget: An operating or capital budget recommended by City Manager and Chief Financial Officer and Treasurer to City Council for consideration and approval.

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes

Tax Supported Budget: Budget funded by property taxes.

User Fees: Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).

Value Based Outcome Review (VBOR): The City conducted a Value Based Outcome Review in 2019 for all of its operations and agencies to identify specific opportunities and strategies to maximize the use of tax dollars, enhance its financial sustainability while achieving service outcomes. These opportunities will help the City chart its financial course in the next four years.