

## 2021 Budget Notes

### Corporate Real Estate Management

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#### Description

Corporate Real Estate Management (CREM) division is responsible for the operational day-to-day stewardship and planning of the City's real estate assets.

CREM has lead responsibility for life cycle asset management and improvements at 478 City-owned facilities with an approximate replacement value of \$5.0 billion, covering more than 12.0 million square feet. Approximately 20% of the City-wide portfolio of facilities are under direct capital management of CREM with project management and operational support services being provided across the City portfolio.

#### Why We Do It

Corporate Real Estate Management works collaboratively and responsibly with our clients to advance City-wide priorities to ensure:

- City staff and the public have access to **safe, clean and operational** City facilities.
- City facilities are economically and environmentally sustainable.
  - Economic sustainability includes **maximizing value from City facilities** while environmental sustainability includes **minimizing GHG emissions from City facilities**.

*The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.*

#### What Service We Provide

##### Facilities Management

**Who We Serve:** Staff in City Divisions, Agencies, Boards and Commissions, residential and commercial tenants, and community groups

**What We Deliver:** Staff in City Divisions, Agencies, Boards and Commissions, residential and commercial tenants, and community groups

**How Much Resources (gross operating budget):** \$165.3 million

##### Real Estate

**Who We Serve:** Staff in City Divisions, Agencies, Boards and Commissions, residential and commercial tenants, and community groups

**What We Deliver:** Portfolio and property management, leasing administration, acquisitions and disposals, and appraisal services

**How Much Resources (gross operating budget):** \$33.4 million

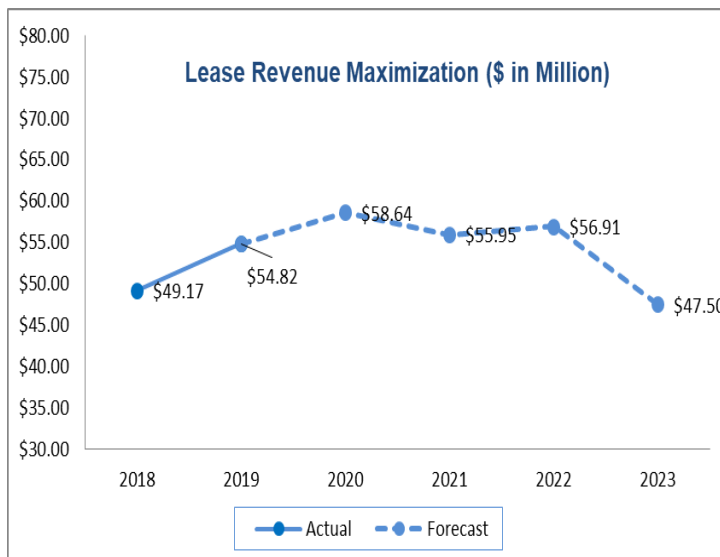
## Budget at a Glance

2021 OPERATING BUDGET			
\$Millions	2021	2022	2023
Revenues	\$92.6	\$93.6	\$83.3
Gross Expenditures	\$198.6	\$202.9	\$204.1
Net Expenditures	\$106.0	\$109.3	\$120.8
Approved Positions	1,042.4	1,042.4	1,042.4

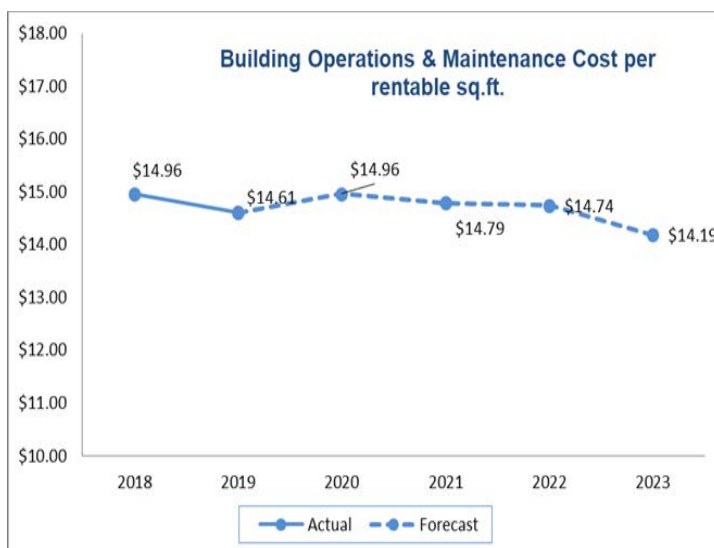
2021 - 2030 10-YEAR CAPITAL PLAN			
\$Millions	2021	2022-2030	Total
Gross Expenditures	\$283.9	\$1,058.0	\$1,341.9
Debt	\$182.4	\$743.7	\$926.1

Note: Includes 2020 carry forward funding to 2021

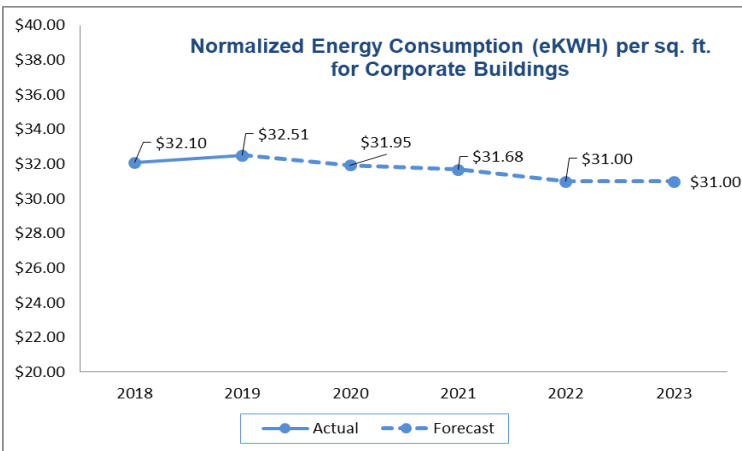
## How Well We Are Doing – Behind the Numbers



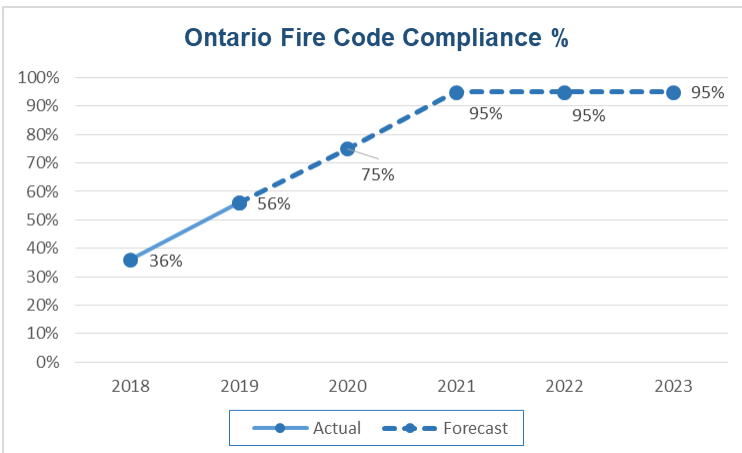
- Impacts of COVID-19 pandemic on leasing revenues, including Union Station, are expected to continue into 2021
- 2020 increase in leasing revenue is due to one-time property tax rebates which are not expected to continue in future years.
- Leasing revenues are expected to rise due to opening of additional retail space at Union Station in 2022, increased rents at St. Lawrence Market and inflationary increases in the general leasing portfolio.
- The establishment and build out of property management functions will focus on keeping leases up-to-date and at market rates which will ensure the City receives optimal value from its lease portfolio.
- The expected decrease in 2023 is due to the planned vacating of the Provincial Courts from Old City Hall. Future plans and uses of Old City Hall are under development.



- Cost per rentable sq. ft. includes custodial, building maintenance & repairs, security, and utilities costs.
- In the short term, moving from reactive to preventative maintenance could drive costs up with expected savings through improved asset management in the future years.
- Inflationary and contract increases are expected to be offset by streamlined, standardized, and consistent service delivery, as well as strategic sourcing efforts, allowing for cost stabilization and consistency over the next 3 years.



- This represents the energy consumed per sq. ft. at the City's main occupied buildings normalized for changes in weather.
- Historical and future year decreases in energy consumption are driven by implementation of conservation and energy retrofit projects identified in the 2019-2024 Energy Conservation and Demand Management Plan.
- An energy management plan is currently under development within CREM which includes objectives to drive efficient energy usage and accurate administration of the City's utilities portfolio.



- The Fire and Life Safety Program Office continues to make substantial progress toward bringing the City of Toronto into compliance with the Ontario Fire Code.
- An organizational structure has been established with three main objectives, Operational Compliance with the Ontario Fire Code; Corporate Training and Development; and Contract Management and Quality Assurance.
- All three programs are in the process of hiring staff and assigning roles and responsibilities. The centralization of all Fire and Life Safety responsibilities continues to move forward as individuals are hired and assume their roles.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Outcome Measures</b>								
Real Estate	Lease revenue maximization (\$ in Million)	\$49.17	\$54.82	\$52.64	\$58.64	\$55.95	\$56.91	●
Facilities Management	% of All demand maintenance work orders completed within standards	86.9%	82.7%	80%	90.0%	85%	85%	●
Facilities Management	Normalized energy consumption (eKWH) per sq. ft. for corporate buildings per year	32.10	32.51	29.00	31.95	31.00	31.00	●
<b>Service Level Measures</b>								
Facilities Management	% of Preventative maintenance work orders completed on schedule	86%	90.9%	80%	90.9%	90%	90%	●
Facilities Management	% of Completed construction projects meeting cost, schedule and scope defined within project charters	98.5%	99.6%	80%	98.4%	95%	95%	●
Real Estate	% of acquisition price to appraised value	98.1%	100%	100%	102.3%	100%	100%	●
<b>Other Measures</b>								
Facilities Management	Building operations & maintenance cost per rentable sq. ft	\$14.96	\$14.61	\$15.00	\$14.96	\$14.79	\$14.74	●
Facilities Management	Completion rate (%) of SOGR capital projects	68.7%	54.2%	80%	71.8%	80%	80%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Incremental net expenditures of \$8.4 million from COVID-19 due to:</p> <ul style="list-style-type: none"> <li>• Additional unbudgeted costs to ensure safe, clean, and operational City facilities, including \$3.2 million net for additional cleaning and disinfection services and \$1.6 million net for increased security presence, staff screening and line management</li> <li>• \$2.3 million in lower leasing revenue and increase in the allowance for bad debt on tenant receivables</li> <li>• \$1.2 million in lower project management fees and capital recoveries due to delays in projects from COVID-19</li> </ul> <p>Offset by net savings of \$3.1 million due to:</p> <ul style="list-style-type: none"> <li>• \$1.8 million in underspending on salaries and benefits as a result of allocating resources to prioritize the COVID-19 pandemic response</li> <li>• \$0.8 million in facilities on-demand maintenance savings from decreased occupancy and prioritizing health &amp; safety/legislated work</li> <li>• \$0.5 million in lower utility costs due to reduced occupancy levels and / or closure at City buildings</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>Financial impacts due to COVID response and recovery efforts are expected to continue into 2021 to address:</p> <ul style="list-style-type: none"> <li>• Continuation of increased cleaning and disinfection levels at critical City facilities, including Toronto Police and Paramedic Services locations amongst others, due to heightened risk of COVID-19 exposure</li> <li>• Negative impacts to leasing and rental revenues across the leasing portfolio, offset by Inter-Divisional Revenues related to cleaning and disinfection services at Paramedic Services locations.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <p>The 2020 capital plan for CREM was recast resulting in \$42.2 million of project deferrals from the 2020 capital budget due to repurposing of capital funding.</p> <ul style="list-style-type: none"> <li>• This recast comprised of a reduction to project costs over the first 3 years in the CREM capital program determined through a prioritization that focused on continued progress on critical SOGR work as well as strategic initiatives and reduction and deferrals of non-critical initiatives</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <p>The 2021 Capital Budget was impacted by the capital recast from 2020 which included overall project cost deferrals of \$42.2 million over 2020 to 2023</p> <ul style="list-style-type: none"> <li>• Impacted projects include the core SOGR program, and realignment of cash flows on strategic initiatives to reflect most up to date project status and timelines.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Temporary increase in service levels specifically for: <ul style="list-style-type: none"> <li>○ Cleaning and disinfection services at City facilities to ensure critical City operations supporting COVID-19 response efforts were not impacted</li> <li>○ Heightened security presence to assist with line management and staff screening a City facilities</li> </ul> </li> <li>• Current and future service levels will continue to be reviewed throughout the COVID-19 response and recovery efforts</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• It is expected that heighten service levels related to cleaning will continue in 2021 at critical City facilities to ensure business continuity</li> <li>• Increased service levels are also expected upon the reopening and re-entry of staff and the public to City facilities through the City's restart and recovery efforts, to ensure a safe reopening</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- In collaboration with CreateTO, established the ModernTO Workplace Modernization Program, which will unlock an estimated \$450 million in land value that can be leveraged for City building purposes while reducing the City office floor area by 1 million square feet and generating approximately \$30 million in annual operating cost savings
- Generated over \$58 million in annual leasing revenue across the City's rental portfolio
- Completed over 67,000 work orders at buildings across the City to ensure these facilities remain operational, safe and secure for City staff and the public
- Addressed critical State of Good Repair (SOGR) needs across a portfolio of 478 City-owned properties by completing over \$51 million in capital work
- Continued progress on major strategic capital projects including substantial completion of the Union Station Revitalization and continued progress on the St. Lawrence Market North Redevelopment,
- Developed strategic plan to comply with Provincial legislation for the Accessibility for Ontarians with Disabilities Act (AODA) at City facilities by the end of 2024 and have started retrofit projects.

### Key Challenges and Risks

- **Planning for Growth** – Organizational readiness to provide scalable, integrated and centralized facilities and real estate services across the City, as mandated by City Council as part of the City-wide Real Estate initiative
- **Aging Assets** – Aging facilities requiring an innovative and strategic approach to managing the City's building portfolio while prioritizing initiatives aimed at reducing GHG emissions in support of TransformTO goals and objectives
- **Tools & Technology** – Implementing and adopting tools and practices to enable data-driven decision making to maximize benefits and value from the real estate portfolio
- **Financial Sustainability** – Financing, executing, and sustaining major revitalization initiatives City facilities, including Union Station, St. Lawrence Market, Old City Hall and various Civic Centres as part of the ModernTO Workplace Modernization Program
- **COVID-19** – Balancing COVID-19 response and recovery priorities and impacts with core legislative, health and safety and strategic priorities above

### Priority Actions

- **COVID-19 Response, restart and recovery** – Ensure business continuity of critical services in support of response efforts while supporting the City's restart plans and the safe reopening of City facilities to staff and the public.
- **City-wide Real Estate** – Centralize stewardship and planning of the City's real estate assets, budgets and services, as well as modernizing and standardizing service delivery to align to industry best practices to achieve operational excellence and support financial sustainability
- **ModernTO** – Develop and begin to implement office optimization, workplace strategy, customer experience and digital transformation plans. Plan for the transition to and enablement of a mobile workforce and maximize self-serve options and consistent customer service experiences to residents
- **Life Cycle Asset Management** – Development of a Life Cycle Asset Management program, including an energy management plan, to more efficiently and effectively maintain the City's aging building portfolio
- **Compliance** – Full Implementation of centralized City-wide compliance program for fire and life safety to build off improvements from launch in 2020

## RECOMMENDATIONS

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

1. City Council approve the 2021 Operating Budget for Corporate Real Estate Management of \$198.684 million gross, \$92.649 million revenue and \$106.035 million net for the following services:

**Service:**

	<b>Gross Expenditures (\$000s)</b>	<b>Revenue (\$000s)</b>	<b>Net Expenditures (\$000s)</b>
Facilities Management	\$165,273.3	\$27,681.3	\$137,592.0
Real Estate	\$33,410.7	\$64,967.4	(\$31,556.7)
<b>Total Program Budget</b>	<b>\$198,684.0</b>	<b>\$92,648.7</b>	<b>\$106,035.3</b>

2. City Council approve the 2021 staff complement for Corporate Real Estate Management of 1,042.4 positions comprised of 103.0 capital positions and 939.4 operating positions.
3. City Council approve 2021 Capital Budget for Corporate Real Estate Management with cash flows and future year commitments totaling \$850.023 million as detailed by project in Appendix 6a.
4. City Council approve the 2022-2030 Capital Plan for Corporate Real Estate Management totalling \$491.854 million in project estimates as detailed by project in Appendix 6b.
5. City Council request that all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2021 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.
6. City Council direct the transfer of budget to Corporate Real Estate Management from other City Programs, Agencies, and Corporations upon the expiry of third party leases identified in the ModernTO program, which will be used to repay the debt and interest used to fund the ModernTO capital costs.

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# 2021 OPERATING BUDGET



## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget by Service

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Facilities Management	27,251.6	26,806.9	26,022.5	27,681.3		27,681.3	1,658.8	6.4%
Real Estate	62,458.2	62,864.0	66,677.2	64,967.4		64,967.4	(1,709.8)	(2.6%)
<b>Total Revenues</b>	<b>89,709.8</b>	<b>89,670.9</b>	<b>92,699.7</b>	<b>92,648.7</b>		<b>92,648.7</b>	<b>(51.0)</b>	<b>(0.1%)</b>
<b>Expenditures</b>								
Facilities Management	157,387.6	165,317.2	168,484.5	165,148.3	125.0	165,273.3	(3,211.2)	(1.9%)
Real Estate	29,585.8	28,792.0	33,244.0	33,410.7		33,410.7	166.6	0.5%
<b>Total Gross Expenditures</b>	<b>186,973.4</b>	<b>194,109.2</b>	<b>201,728.6</b>	<b>198,559.0</b>	<b>125.0</b>	<b>198,684.0</b>	<b>(3,044.6)</b>	<b>(1.5%)</b>
<b>Net Expenditures</b>	<b>97,263.6</b>	<b>104,438.3</b>	<b>109,028.9</b>	<b>105,910.3</b>	<b>125.0</b>	<b>106,035.3</b>	<b>(2,993.6)</b>	<b>(2.7%)</b>
<b>Approved Positions</b>	<b>994.0</b>	<b>1,033.4</b>	<b>1,033.4</b>	<b>1,042.4</b>		<b>1,042.4</b>	<b>9.0</b>	<b>0.9%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$198.559 million gross reflecting a decrease of \$3.170 million in spending below 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Alignment of the salaries and benefits budget with the staffing plans taking into account the on-going impact of the COVID-19 pandemic on critical service delivery.
- Inflationary impacts on utilities offset by savings generated by decreased occupancy in facilities and completed retrofits at City facilities.
- Ongoing COVID-19 impacts with respect to cleaning and disinfection services at critical City facilities, such as Toronto Police and Paramedic Services locations, offset by savings in maintenance contracts related to City facilities, which are either closed or have reduced occupancy as a result of remote working arrangements due to the COVID-19 pandemic.

Given the financial impacts of COVID-19 on 2020 actuals, a further comparison of the 2021 Recommended Budget (excluding 2021 COVID-19 impacts) to the 2020 Council Approved Budget is provided below:

- **2021 Base Budget of \$105.910 million in net expenditures reflects a \$1.593 million net decrease from the 2020 Council approved Budget, when excluding \$3.065 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.125 million gross, enabling:

- Activation of the 220 Poplar Road site as a Community Hub to increase access to community-based programming for residents and providing required space for City programs.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Corporate Real Estate Management's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Corporate Real Estate Management Division is \$3.170 million gross or 1.6% lower than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, Table 2b summarizes actions to address budget pressures, while Table 2c summarizes New and Enhanced requests

**Table 2a: 2021 Key Drivers – Base Budget**

Key Cost Drivers	2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	Change Vs. 2020 Projection	
					\$	%
<b>Expenditures</b>						
1 Salaries and Benefits	87,067.3	94,161.9	91,969.8	96,393.6	4,423.8	4.8%
2 Materials & Supplies	33,836.4	34,491.8	33,586.4	34,707.0	1,120.7	3.3%
3 COVID-19 Impact			5,201.9	(50.7)	(5,252.5)	-101.0%
4 Service and Rent	59,129.6	58,661.0	61,748.0	61,987.8	239.8	0.4%
5 Contribution To Reserves	3,277.8	3,528.3	3,248.0	2,741.9	(506.1)	-15.6%
6 Other Expenditures	3,662.4	3,266.2	5,974.6	2,779.3	(3,195.3)	-53.5%
<b>Total Expenditures</b>	<b>186,973.4</b>	<b>194,109.2</b>	<b>201,728.6</b>	<b>198,559.0</b>	<b>(3,169.6)</b>	<b>-1.6%</b>
<b>Revenues</b>						
1 Fees, Service Charges (incl. Leasing Revenue)	51,243.3	48,385.0	56,307.2	51,499.9	(4,807.3)	-8.5%
2 Capital Fund Transfer	12,594.0	12,590.3	11,208.3	12,683.9	1,475.6	13.2%
3 COVID-19 Impact			(88.6)	(406.8)	(318.1)	358.9%
4 Draw from Reserve Funds	2,295.3	703.5	686.5	703.5	17.0	2.5%
5 Other Revenues	10,993.1	16,429.8	13,685.7	16,135.7	2,450.0	17.9%
6 IDR's	12,584.0	11,562.3	10,900.6	12,032.5	1,131.9	10.4%
<b>Total Revenues</b>	<b>89,709.8</b>	<b>89,670.9</b>	<b>92,699.7</b>	<b>92,648.7</b>	<b>(51.0)</b>	<b>-0.1%</b>
<b>Net Expenditures</b>	<b>97,263.6</b>	<b>104,438.3</b>	<b>109,028.9</b>	<b>105,910.3</b>	<b>(3,118.6)</b>	<b>-2.9%</b>
<b>Approved Positions</b>	<b>994.0</b>	<b>1,033.4</b>	<b>1,033.4</b>	<b>1,042.4</b>	<b>9.0</b>	<b>0.9%</b>

**Salaries & Benefits:**

- The increase against the 2020 Projection reflect net inflationary increases outlined in collective agreements for staffed positions, as well as, anticipated positions to be filled in 2021 which were held vacant due to the COVID-19 pandemic. This is partially mitigated by savings from the Voluntary Separation Program and reductions to account for vacancies in 2021 resulting from the allocation of resources to the COVID-19 pandemic response and recovery.

**Materials and Supplies:**

- Includes inflationary increases on utilities partially offset by savings from the completion of energy retrofits projects at City facilities.

**COVID-19 Impacts:**

- COVID-19 impacts related to cleaning and disinfection services are expected to continue into 2021 at critical City facilities, including Toronto Police and Paramedic Services locations amongst others, due to the heightened risk of COVID-19 exposure. These expenditures are offset by reductions in maintenance contracts at City facilities with low occupancy resulting from City staff working remotely, and savings resulting from the Voluntary Separation Program. Declining revenue impacts related to leasing revenues generated through Toronto Parking Authority parking lots are expected to continue into 2021 as remote working strategies continue across the City to mitigate the spread of COVID-19.

**Services and Rents:**

- Reflects alignment of property taxes to historical levels, as well as inflationary increases on external contracts primarily offset by negotiated contract adjustments and service priorities.

**Revenue Changes:**

- The decrease against the 2020 Projection is primarily a result of one-time property tax rebates in 2020 offset by higher Inter-Divisional Recoveries due to unplanned increases in cleaning & disinfection services at City facilities in response to COVID-19.

**Table 2b: 2021 Balancing Actions**

		(\$000s)						
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Custodial Contract Savings	Efficiencies		(800.0)	(800.0)				
Utility Savings from Completed Retrofits	Efficiencies		(35.0)	(35.0)				
Elimination of 3rd Party parking spaces at NYCC	Efficiencies	(229.7)	(335.2)	(105.5)				
Reduced reliance on standby pay	Efficiencies		(150.0)	(150.0)				
Reduction in non-compliance preventative maintenance	Efficiencies		(70.0)	(70.0)				
Negotiated Contract Adjustments & Service Prioritization	VBOR		(575.6)	(575.6)				
Voluntary Separation Program	Other		(900.6)	(900.6)				
<b>Total Balancing Actions</b>		<b>(229.7)</b>	<b>(2,866.4)</b>	<b>(2,636.7)</b>	<b>-</b>			<b>-</b>

2021 Balancing Actions totalling \$2.637 million net consists of the following initiatives:

#### **Custodial Contract Savings**

- Efficiencies derived from the strategic approach taken on the development and award of custodial contracts that allowed the City to maximize value for money through year over year cost savings, avoidance of future cost increases, and enhanced services as compared to previous agreements.

#### **Elimination of 3<sup>rd</sup> Party Parking Spaces at North York Civic Center (NYCC)**

- Elimination of the rental of parking spaces from a third party operator at NYCC. This will result in a reduction of costs to rent parking spaces and reduce the available parking for City staff working at or out of NYCC. This change will bring the ratio of staff to parking spaces at NYCC more in line with other Civic Centres.

#### **Negotiated Contract Adjustments & Service Prioritization**

- As part of the City-Wide Real Estate Strategy, reductions in contracted services arising from negotiations with current vendors and agreed upon adjustments to contract scope, pricing models and contractual annual increases.

#### **Voluntary Separation Program**

- Savings generated from Council approved implementation of a City-wide Voluntary Separation Program for staff who are eligible to retire with an unreduced pension.

#### **Other Efficiencies**

- Represent utility savings from completed retrofits, reduced reliance on standby pay and reduction in non-compliance preventative maintenance.

Table 2c: 2021 New / Enhanced

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
<b>In \$ Thousands</b>							
1 Activation of 220 Poplar Road (Borden Site) - Community Hub		125.0	125.0		1,875.0	Low	Increase access to community-based programming and services for residents of south-east Scarborough, while providing community-based service groups an opportunity to have a presence in the neighbourhood at a nominal cost.
<b>Total New / Enhanced</b>		<b>125.0</b>	<b>125.0</b>		<b>1,875.0</b>		

### Activation of 220 Poplar Road – Community Hub

- In July 2019, City Council authorized a land exchange agreement with the Toronto District School Board (the "TDSB") for the property located at 200 Poplar Road in exchange for stratified ownership at the future City of Toronto (the "City") mixed-use development site located at 770 Don Mills Road as part of the Housing Now Initiative
- The land exchange contemplated a temporary use for the Borden site to create a community hub, with the City entering into a five year occupancy agreement at the site prior to the completion of the land exchange
- Funding included in the 2021 Operating Budget is for basic operational costs to begin activation of the site while Corporate Real Estate Management commence the site design, capital work and space allocation in consultation with Social Development, Finance and Administration. It is anticipated that such work will take approximately three to six months.
- Once the final space design is complete, Social Development, Finance and Administration will begin working with community groups through the Community Activation of 220 Space Tenancy program, to identify potential tenancy and allocate space accordingly.
- It is anticipated that the site can be ready and tenanted by the first quarter of 2022, with incremental gross operating costs in 2022 being partially offset through operating cost recoveries from tenants through the Community Space Tenancy agreements

#### Note:

For additional information on 2021 key cost drivers refer to [Appendix 2](#) as well as [Appendix 3](#) for a more detailed listing and descriptions of the 2020 Service Changes and [Appendix 4](#) for the 2021 New and Enhanced Service Priorities, respectively.

**2022 & 2023 OUTLOOKS****Table 3: 2022 and 2023 Outlooks**

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	92,699.7	92,648.7	93,592.3	83,305.6
Gross Expenditures	201,728.6	198,684.0	202,925.4	204,088.3
<b>Net Expenditures</b>	<b>109,028.9</b>	<b>106,035.3</b>	<b>109,333.1</b>	<b>120,782.7</b>
<b>Approved Positions</b>	<b>1,033.4</b>	<b>1,042.4</b>	<b>1,042.4</b>	<b>1,042.4</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$202.925 million reflects an anticipated \$4.241 million or 2.13 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$1.163 million or 0.57 per cent above 2022 gross expenditures.

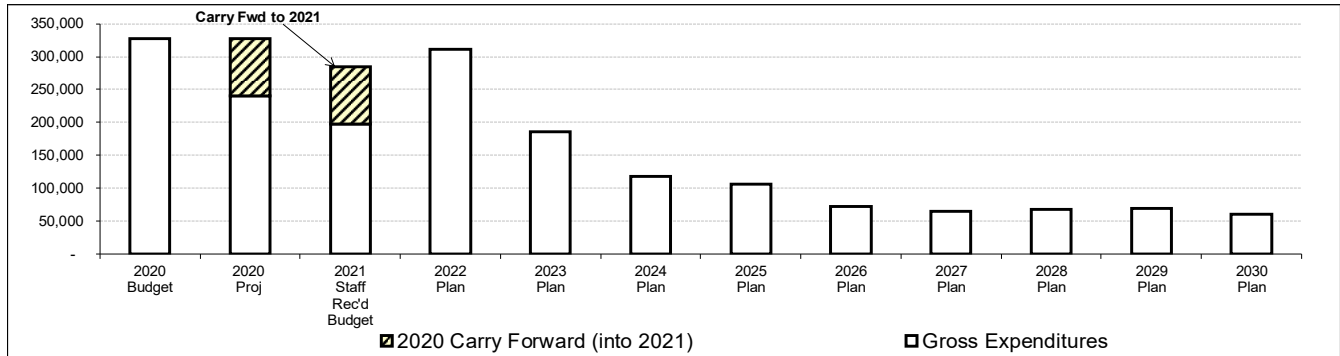
These changes arise from the following:

- **Impacts of 2020 Decisions**  
A decrease in vacancy rate once the impacts from the COVID-19 pandemic response and recovery is minimized and operations are normalized. **(2022 & 2023)**
- **Salaries & Benefits**  
Increase in salaries and benefits reflective of collective agreement obligations. **(2022 & 2023)**
- **Revenue Changes**  
Reduction in revenue due to Provincial Courts vacating space at Old City Hall. **(2023 only)**

2021 – 2030  
CAPITAL BUDGET AND PLAN

**2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW**

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



		2021 Capital Budget and 2022 - 2030 Capital Plan												
		2020		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total 10 Year Plan
In \$'000's		Budget	Projected Actual											
<b>Gross Expenditures by Project Category:</b>														
Health & Safety & Legislated	9,333	5,998	42,620	70,180	68,054	19,032	2,054	2,054	2,054	2,054	2,054	2,054	2,054	212,210
SOGR	74,027	51,558	79,049	77,453	57,114	45,465	58,754	59,845	55,638	59,002	60,140	55,438	607,897	
Service Improvement & Growth	243,386	176,937	162,224	164,152	60,036	54,190	45,664	10,264	7,164	7,164	7,164	3,750	521,769	
<b>Total by Project Category</b>	<b>326,747</b>	<b>234,493</b>	<b>283,892</b>	<b>311,785</b>	<b>185,204</b>	<b>118,686</b>	<b>106,472</b>	<b>72,163</b>	<b>64,856</b>	<b>68,220</b>	<b>69,358</b>	<b>61,242</b>	<b>1,341,877</b>	
<b>Financing:</b>														
<b>Debt</b>	<b>97,565</b>	<b>80,435</b>	<b>182,434</b>	<b>171,870</b>	<b>134,557</b>	<b>75,400</b>	<b>74,416</b>	<b>43,353</b>	<b>60,277</b>	<b>63,750</b>	<b>63,559</b>	<b>56,513</b>	<b>926,129</b>	
Reserves/Reserve Funds	27,892	22,154	16,396	31,787	2,500	2,500	2,500	21,229	-	-	1,256	914	79,081	
Development Charges	2,377	2,377	-	-	-	-	-	-	-	-	-	-	-	
Provincial	5,894	541	5,640	753	19	261	556	3,981	1,579	1,470	1,543	815	16,617	
Federal	179	-	3,000	-	-	-	-	-	-	-	-	-	3,000	
Debt Recoverable	131,800	115,328	70,774	105,784	47,053	40,000	29,000	3,600	3,000	3,000	3,000	3,000	308,212	
Other Revenue	61,039	13,658	5,648	1,590	1,074	526	-	-	-	-	-	-	8,838	
<b>Total Financing</b>	<b>326,747</b>	<b>234,493</b>	<b>283,892</b>	<b>311,785</b>	<b>185,204</b>	<b>118,686</b>	<b>106,472</b>	<b>72,163</b>	<b>64,856</b>	<b>68,220</b>	<b>69,358</b>	<b>61,242</b>	<b>1,341,877</b>	

**Changes to Existing Projects**  
(-\$37.0 Million)

- \$2.5M increase in St. Lawrence North Market for modernization requirements in new facility
- \$2.6M net increase predominantly in core State of Good Repair (SOGR) such as structural / building and mechanical and electrical projects in alignment to capital priorities and capacity to spend
- \$42.2M in net reduction across the SOGR program and strategic initiatives consistent with the 2020 recast to reallocate capital funding while aligning cash flows with project status and timelines

**New Projects**  
(\$324.1 Million)

- \$225.6M for design and implementation of ModernTO's Workplace Modernization Program and unlocking value of eight (8) properties that can be leveraged for City building initiatives
- \$50.1M to address new SOGR requirements at City facilities, incl. elevator modernization
- \$19.3M for relocation of Fire Station 332 to 55 John Street to unlock and redevelop 260 Adelaide for City building benefits incl. affordable housing
- \$18.1M for strategic acquisitions and feasibility studies, predominantly for the Parkdale Hub project.
- \$10.7M to address compliance with legislated requirements under the Fire & Life Safety programs as well as City-wide enhancements to keep facilities efficient, safe and secure





**Capital Needs Constraints**  
(\$1,650.8 Million)

- \$389.3M for construction of the New Etobicoke Civic Centre
- \$190.4M for Old City Hall Redevelopment
- \$32.5M for revitalization of the Wellington Incinerator for adaptive reuse & redevelopment
- \$10.6M for the re-design of the lower level of St. Lawrence Market South
- \$3.0M for Digital accelerations including technology development & service design
- \$1,024.9M to address backlog SOGR requirements identified from building condition audits at City facilities over the next 10 years

**Note:**

For additional information, refer to [Appendix 6](#) for a more detailed listing of the 2021 and 2022-2030 Capital Budget & Plan by project; [Appendix 7](#) for Reporting on Major Capital Projects – Status Update; and [Appendix 8](#) for Capital Needs Constraints, respectively.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$1.342 Billion 10-Year Gross Capital Program**

			
<b>Aging Infrastructure</b>	<b>Strategic Capital Project Development</b>	<b>Tools &amp; Technology</b>	<b>Building Resiliency</b>
\$0.757B 57%	\$0.476B 35%	\$0.048B 3%	\$0.061B 5%
AODA Structural/Building Envelope Mechanical/Electrical Emergency Capital Repairs Renovations Sitework Union Station SOGR	Union Station Revitalization St. Lawrence Market North New Etobicoke CC Old City Hall ModernTO Workplace Modernization Program Relocation of Fire Hall 332 to 55 John Property Acquisition for Strategic City Building	Life Cycle Asset Management Management Reporting Initiative Customer Experience City-wide Physical Security Enhancements	Energy Conservation & Demand Management (GHG Reductions) Building Automation System Energy Audits Electrical Resiliency

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$1,322.3 M</b> <b>98.6%</b>		<b>\$16.6 M</b> <b>1.2%</b>		<b>\$3.0 M</b> <b>0.2%</b>	
Debt	\$ 926.1 M	Other	\$ 16.6 M	Other	\$ 3.0 M
Recoverable Debt	\$ 308.2 M				
Reserve Draws	\$ 79.1 M				
Other	\$ 8.9 M				

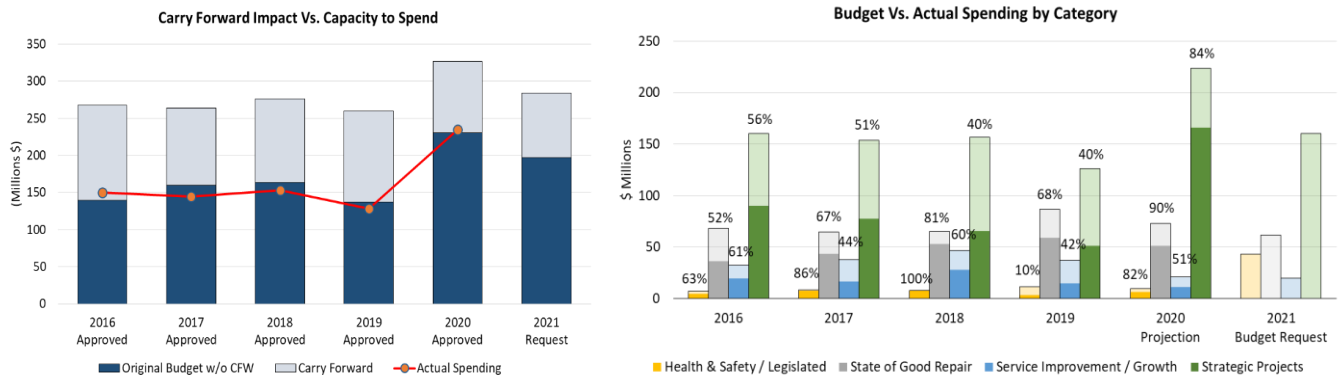


**CAPACITY TO SPEND REVIEW**

The 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 Corporate Real Estate Management’s ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2020 underspending that will be carried forward into 2021 to complete capital work.

**Chart 2 – Capacity to Spend**



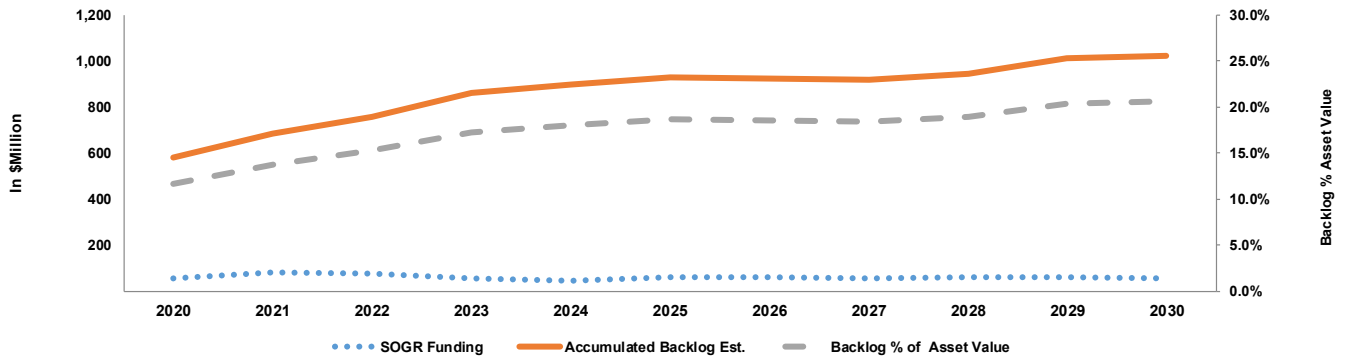
**Capacity to Spend Review Impact on the 10-Year Plan**

- The 2021 budget request is \$49.4 million greater than the 2020 projected spending.
- The Division will be able to deliver on this increase predominantly due to the large strategic and legislated projects with dedicated project teams that make up a significant portion of the 2021 capital budget.
- In a number of cases, contracts have been awarded for design and construction already, allowing for increased project delivery in 2021. These include: *Redevelopment of St. Lawrence Market North*, the *ModernTO Workplace Modernization Program*, new *Etobicoke Civic Centre*, *Relocation of Fire Station 332*, and rollout of the *Accessibility for Ontarians with Disabilities Act (AODA)* and *Fire & Life Safety* programs.
- Core State of Good Repair (SOGR) Program spending has been increasing every year since 2016, from \$36M to \$59M in 2019. While the COVID-19 pandemic resulted in project delays and lower spending in 2020, the Capital Program is well positioned to regain higher spending in 2021.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

Corporate Real Estate Management (CREM) is responsible for capital improvements and repairs at more than 478 facilities, covering over 12.0 million square feet with an approximate replacement value of \$4.978 billion including Union Station. The chart below depicts the SOGR funding and accumulated backlog estimates in Corporate Real Estate Management.

**Chart 3: Total SOGR Funding & Backlog**



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>SOGR Funding</b>	57	79	77	57	45	59	60	56	59	60	55
<b>Accumulated Backlog Est.</b>	580	685	759	861	896	931	923	919	946	1,015	1,025
<b>Backlog % of Asset Value</b>	11.7%	13.8%	15.3%	17.3%	18.0%	18.7%	18.6%	18.5%	19.0%	20.4%	20.6%
<b>Total Asset Value</b>	4,960	4,978	4,978	4,978	4,978	4,978	4,978	4,978	4,978	4,978	4,978

- The Corporate Real Estate Management building portfolio noted above is comprised of a number building types utilized by City Programs and Agencies for their service delivery, including among others:
  - Toronto Police Services – 40 buildings / 2.2 million square feet
  - Fire Services – 100 buildings / 0.9 million square feet
  - Toronto Paramedic Services – 36 buildings / 0.4 million square feet
  - CREM – 271 buildings / 9.7 million square feet
- Based on the current funding levels, the backlog will increase from \$580 million or 11.7% of replacement asset value in 2020 to \$1,025 million or 20.6% by 2030 primarily due to:
  - A vast portfolio of aging City facilities and infrastructure that continues to service a growing city
  - Investments in SOGR at a rate of approximately 1 percent of the replacement value of the portfolio compared to the industry standard of 2 to 4 percent
  - Impact of capital recast to align cash flows for SOGR programs to better reflect CREM's readiness/capacity to deliver and current plans. \$178 million has been added to the backlog over the 10-year period from 2021 to 2030
- Through two priority actions that will be initiated in 2021, the CREM Division is expecting to be able to begin to address the growing backlog while maintaining existing facilities in a state of good repair, operational and safe for City and public use.
  - Corporate Real Estate Management is developing and implementing Lifecycle Asset Management plans, programs and practices. This includes strategic approaches to addressing the growing backlog and implementing the appropriate preventative maintenance programs to reduce the overall cost of ownership of assets, improve performance and reduce failure, downtime and major maintenance investments
  - The rationalization of office space to be achieved through the *ModernTO Workplace Modernization* Program will reduce the overall size of the building portfolio, and as a result reduce the need to investment in state of good repair backlog across facilities that will no longer be used for City office purposes

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Budget and Plan does not have an impact in future year Operating Budgets.

There are no direct operating impacts from newly completed capital projects.

- The ModernTO Program is expected to generate operational savings in future years as leases are collapsed and staff are brought into City space. Savings will be realized across various programs and agencies and will be used to repay the cost of the capital project to modernize City office space.
- Additional savings are expected from capital investments in energy efficiency projects at City facilities through lower utility cost. An energy management plan is currently under development within CREM which will allow for better understanding on the impacts of the completed energy retrofit projects.

# APPENDICES

## Appendix 1

## COVID-19 Financial Impact - Operating

COVID-19 Impacts	(\$000s)					
	2020			2021		
	Revenues	Gross	Net	Revenues	Gross	Net
<b>Revenue Loss</b>						
Leasing revenue	(1,340.0)		1,340.0	(910.0)		910.0
Capital & reserve recoveries	(1,196.0)		1,196.0			
<b>Sub-Total</b>	<b>(2,536.0)</b>		<b>2,536.0</b>	<b>(910.0)</b>		<b>910.0</b>
<b>Expenditure Increase</b>						
Enhanced cleaning services	276.2	3,468.9	3,192.7	503.2	1,658.5	1,155.2
Enhanced security services	2,171.2	3,746.2	1,575.0			
Provision for tenant bad debts & other expense		1,082.0	1,082.0		1,000.0	1,000.0
<b>Sub-Total</b>	<b>2,447.4</b>	<b>8,297.1</b>	<b>5,849.7</b>	<b>503.2</b>	<b>2,658.5</b>	<b>2,155.2</b>
<b>Savings due to Underspending</b>						
Utilities		(499.0)	(499.0)		(263.8)	(263.8)
Facilities maintenance services		(772.4)	(772.4)		(1,544.7)	(1,544.7)
<b>Sub-Total</b>		<b>(1,271.4)</b>	<b>(1,271.4)</b>		<b>(1,808.5)</b>	<b>(1,808.5)</b>
<b>Savings due to Management Actions</b>						
Hiring slow down impacts		(1,823.9)	(1,823.9)			
Voluntary Separation Program (VSP) Savings					(900.6)	(900.6)
<b>Sub-Total</b>		<b>(1,823.9)</b>	<b>(1,823.9)</b>		<b>(900.6)</b>	<b>(900.6)</b>
<b>Total COVID-19 Impact</b>	<b>(88.6)</b>	<b>5,201.9</b>	<b>5,290.5</b>	<b>(406.8)</b>	<b>(50.7)</b>	<b>356.1</b>

## Appendix 2

## 2021 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2018	2019	2020	2020	2021	2021 Change from 2020 Projected Actual	
	Actual**	Actual**	Budget	Projection*	Budget	\$	%
	\$	\$	\$	\$	\$	\$	%
Federal Subsidies			206.0	322.7		(322.7)	(100.0%)
User Fees & Donations	47,099.7	51,243.3	48,385.0	55,798.5	50,589.9	(5,208.6)	(9.3%)
Transfers From Capital	10,688.4	12,594.0	12,590.3	10,103.3	12,683.9	2,580.6	25.5%
Contribution From Reserves/Reserve Funds	3,480.8	2,295.3	703.5	686.5	703.5	17.0	2.5%
Sundry and Other Revenues	10,798.6	10,993.1	16,223.8	12,686.4	16,135.7	3,449.3	27.2%
Inter-Divisional Recoveries	12,277.5	12,584.0	11,562.3	13,102.3	12,535.8	(566.6)	(4.3%)
<b>Total Revenues</b>	<b>84,345.0</b>	<b>89,709.8</b>	<b>89,670.9</b>	<b>92,699.7</b>	<b>92,648.7</b>	<b>(51.0)</b>	<b>(0.1%)</b>
Salaries and Benefits	83,412.2	87,067.3	94,161.9	92,135.3	96,241.6	4,106.3	4.5%
Materials & Supplies	32,307.2	33,836.4	34,491.8	33,488.5	34,456.3	967.7	2.9%
Equipment	360.5	435.9	473.7	634.4	487.2	(147.2)	(23.2%)
Service and Rent	59,026.3	59,129.6	58,661.0	65,800.1	61,432.2	(4,367.9)	(6.6%)
Contribution To Reserves/Reserve Funds	2,949.7	3,277.8	3,528.3	3,248.0	2,741.9	(506.1)	(15.6%)
Contributions & Transfers	989.2	2,044.1	2,662.3	5,159.1	2,204.1	(2,955.0)	(57.3%)
Other Expenditures	15.1	1,063.2	10.0	1,013.0	1,013.0		
Inter-Divisional Charges	100.3	119.1	120.2	250.1	107.6	(142.4)	(57.0%)
<b>Total Gross Expenditures</b>	<b>179,160.4</b>	<b>186,973.4</b>	<b>194,109.2</b>	<b>201,728.6</b>	<b>198,684.0</b>	<b>(3,044.6)</b>	<b>(1.5%)</b>
<b>Net Expenditures</b>	<b>94,815.4</b>	<b>97,263.6</b>	<b>104,438.3</b>	<b>109,028.9</b>	<b>106,035.3</b>	<b>(2,993.6)</b>	<b>(2.7%)</b>
<b>Approved Positions</b>	<b>961.8</b>	<b>994.0</b>	<b>1,033.4</b>	<b>1,033.4</b>	<b>1,042.4</b>	<b>9.0</b>	<b>0.9%</b>

\* Year-End Projection Based on Q3 2020 Variance Report

\*\* Prior Year Actuals adjusted retroactively to remove interdepartmental charges and recoveries

## Appendix 3

### Summary of 2021 Service Changes

## 2021 Operating Budget - Staff Recommended Service Changes Summary by Service (\$000's)

Form ID		Corporate Services  Program - Corporate Real Estate Management	Adjustments				2022 Plan Net Change	2023 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>2021 Staff Recommended Base Budget Before Service Changes:</b>	<b>200,524.8</b>	<b>92,878.4</b>	<b>107,646.4</b>	<b>1,042.40</b>	<b>2,322.9</b>	<b>11,449.5</b>

23295	Elimination of 3rd Party parking spaces at NYCC
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51	Negative
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**Description:**

This proposal will eliminate the rental of parking spaces from a third party operator at North York Civic Centre (NYCC). This will result in a reduction of costs to rent parking spaces, and reduce the available parking for City staff working at or out of NYCC. This change will bring the ratio of staff to parking spaces at NYCC more in line with other Civic Centres.

**Service Level Impact:**

No impact to service levels provided to the public, however there will be a reduced amount of parking available to City staff.

**Equity Statement:**

The Elimination of third party parking spaces at NYCC overall equity impact is low negative as it can be assumed that the removal of the 3rd party parking spaces will reduce the total number of accessible spots available, otherwise it is assumed that the reduction in spots is informed by the level of demand for parking spaces and will bring the ratio of staff to parking spaces at NYCC in line with those of other Civic Centres. At this time, there is insufficient information to assess the equity impact in a fulsome manner. The equity impact statement is expected to be revised at a future date, as efforts are made to gather more information about this proposed initiative.

**Service:** Real Estate

Total Staff Recommended Changes:	(335.2)	(229.7)	(105.5)	0.00	0.0	0.0
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<b>Staff Recommended Service Changes:</b>	<b>(335.2)</b>	<b>(229.7)</b>	<b>(105.5)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>
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22598	Utility Savings from Completed Retrofits
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51	No Impact
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**Description:**

A reduction to the utilities budget to account for lower energy usage from the completed retrofits at City facilities.

**Service Level Impact:**

No change to service levels.

**Equity Statement:**

No expected equity impacts.



## 2021 Operating Budget - Staff Recommended Service Changes Summary by Service (\$000's)

Form ID		Corporate Services  Program - Corporate Real Estate Management	Adjustments				2022 Plan Net Change	2023 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Service:</b> Facilities Management						
		Total Staff Recommended Changes:	(35.0)	0.0	(35.0)	0.00	0.0	0.0
		<b>Staff Recommended Service Changes:</b>	<b>(35.0)</b>	<b>0.0</b>	<b>(35.0)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

22640	Custodial Contract Savings							
51	No Impact	<b>Description:</b>						
<p>Realized budget savings on custodial services contracts awarded through the staff report GL13.6, June 2, 2020. The strategic approach taken on the development and award of these contracts allowed the City to maximize value for money through year over year cost savings, avoidance of future cost increases, and enhanced services as compared to previous agreements. Savings identified in the 2021 budget take into consideration Auditor General recommendations from AU6.10 – Audit of City Cleaning Services – Part 2: Maximizing Value from Cleaning Contracts.</p>								
<b>Service Level Impact:</b>								
No change to service levels.								
<b>Equity Statement:</b>								
No equity impacts expected.								
<b>Service:</b> Facilities Management								
		Total Staff Recommended Changes:	(800.0)	0.0	(800.0)	0.00	0.0	0.0
		<b>Staff Recommended Service Changes:</b>	<b>(800.0)</b>	<b>0.0</b>	<b>(800.0)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

22885	Negotiated Contract Adjustments & Service Prioritization							
51	No Impact	<b>Description:</b>						
<p>Through the City-Wide Real Estate strategy CREM has placed a greater focus on oversight of maintenance and services contracts and has began to implement improved practices around contract and vendor management. As part of these initiatives, CREM negotiated with current vendors and agreed upon adjustments to contract scope and adjustments to pricing models and contractual annual increases. These efforts secured savings in 2021 through a reduction in contracted services costs, with little to no impact to services.</p>								
<b>Service Level Impact:</b>								
No impact to service levels.								

## 2021 Operating Budget - Staff Recommended Service Changes Summary by Service (\$000's)

Form ID		Corporate Services  Program - Corporate Real Estate Management	Adjustments				2022 Plan Net Change	2023 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		<b>Equity Statement:</b>						
		No expected equity impacts.						
		<b>Service:</b> Facilities Management						
		Total Staff Recommended Changes:	(575.6)	0.0	(575.6)	0.00	0.0	0.0
		<b>Staff Recommended Service Changes:</b>	<b>(575.6)</b>	<b>0.0</b>	<b>(575.6)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

23033	Reduced reliance on standby pay							
51	No Impact	<b>Description:</b>						
		Rationalization and reduction to the number of staff that are required to be on standby, after hours, to address emergency issues at City facilities. The reduction has been made while still maintaining appropriate coverage across all facilities, to support the outcome of safe, clean, and operational City facilities for City staff and public.						
		<b>Service Level Impact:</b>						
		No impact to service levels.						
		<b>Equity Statement:</b>						
		No expected equity impact.						
		<b>Service:</b> Facilities Management						
		Total Staff Recommended Changes:	(150.0)	0.0	(150.0)	0.00	0.0	0.0
		<b>Staff Recommended Service Changes:</b>	<b>(150.0)</b>	<b>0.0</b>	<b>(150.0)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>

23034	Reduction in non-compliance preventative maintenance							
51	No Impact	<b>Description:</b>						
		Reduction in some preventative maintenance at City facilities by cancelling scheduled maintenance where it is not required for compliance or operational purposes.						
		<b>Service Level Impact:</b>						
		No change to service levels.						

**2021 Operating Budget - Staff Recommended Service Changes  
Summary by Service (\$000's)**

Form ID		Corporate Services  Program - Corporate Real Estate Management	Adjustments				2022 Plan Net Change	2023 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
<b>Equity Statement:</b>								
No expected equity impact.								
<b>Service:</b> Facilities Management								
Total Staff Recommended Changes:		(70.0)	0.0	(70.0)	0.00	0.0	0.0	
<b>Staff Recommended Service Changes:</b>		<b>(70.0)</b>	<b>0.0</b>	<b>(70.0)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>	
<b>Summary:</b>								
<b>Staff Recommended Service Changes:</b>		<b>(1,965.8)</b>	<b>(229.7)</b>	<b>(1,736.1)</b>	<b>0.00</b>	<b>0.0</b>	<b>0.0</b>	
<b>Staff Recommended Base Budget:</b>		<b>198,559.0</b>	<b>92,648.7</b>	<b>105,910.3</b>	<b>1,042.40</b>	<b>2,322.9</b>	<b>11,449.5</b>	

## Appendix 4

### Summary of 2021 New / Enhanced Service Priorities Included in Budget

## 2021 Operating Budget - Staff Recommended New and Enhanced Services Summary by Service (\$000's)

Form ID		Corporate Services  Program - Corporate Real Estate Management	Adjustments				2022 Plan Net Change	2023 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
23487		Activation of 220 Poplar Road (Borden Site ) - Community Hub						
74	Positive	<b>Description:</b>						

Activation of 220 Poplar Road as a community hub to provide tenant space for community based programming and other City use purposes. Funding included in the 2021 budget is for basic operational costs while Corporate Real Estate Management commence the site design, capital work and space allocation in consultation with Social Development, Finance and Administration. It is anticipated that the site can be ready and tenanted by the first quarter of 2022. Additional operating budget to service the space would be required and requested through the 2022 budget submission.

**Service Level Impact:**

No change to service levels.

**Equity Statement:**

The Activation of 220 Poplar Road - Community Hub budget proposal's overall equity impact is low positive. The activation of the property as a community hub is expected to increase access to community-based programming and services for residents of south-east Scarborough, while providing community-based service groups an opportunity to have a presence in the neighbourhood at a nominal cost. As the potential suitability of various community groups and co-location with City programs in the activation of this site is under review, the full equity impact assessment will be revisited in the future with the availability of more detailed information about this initiative.

**Service:** Facilities Management

Total Staff Recommended Changes:	125.0	0.0	125.0	0.00	975.0	0.0
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<b>Staff Recommended New/Enhanced Services:</b>	<b>125.0</b>	<b>0.0</b>	<b>125.0</b>	<b>0.00</b>	<b>975.0</b>	<b>0.0</b>
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**Summary:**

<b>Staff Recommended New / Enhanced Services:</b>	<b>125.0</b>	<b>0.0</b>	<b>125.0</b>	<b>0.00</b>	<b>975.0</b>	<b>0.0</b>
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**Category:**

## Appendix 5

### Summary of 2021 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

2021 Capital Budget;  
2022 - 2030 Capital Plan Including Carry Forward Funding

Project Code	(In \$000s)	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2021 - 2030 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
	<i>Accessibility for Ontarians with Disabilities Act (AODA) Program</i>	37,581	65,000	65,000	16,978							184,560	184,560		
CCA01	<i>Program</i>														
CCA02	<i>Fire &amp; Life Safety</i>	4,209	4,500	3,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	25,709	25,709		
CCA03	<i>Other Health &amp; Safety</i>	830	680	54	54	54	54	54	54	54	54	1,942	1,942		
CCA04	<i>Emergency Repairs</i>	1,958	500	624	1,012	378	1,466	1,438	990	2,185	1,697	12,249		12,249	
CCA05	<i>Building Automation System (BAS)</i>	2,033	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	20,033		20,033	
CCA06	<i>Environmental</i>	2,353	1,558	1,600	1,642	1,686	1,686	1,783	1,783	1,783	1,783	17,657		17,657	
CCA07	<i>Feasibility Studies</i>	874	1,000	1,000	1,000	1,000	1,000	500	500	1,000	1,000	8,874		8,874	
CCA08	<i>FM Elevator Program</i>	2,135	500	800			16	710	1,120		1,061	6,342		6,342	
CCA09	<i>Mechanical and Electrical</i>	17,153	3,813	4,332	10,563	18,764	18,804	14,345	22,249	17,406	11,200	138,629		138,629	
CCA10	<i>Structural / Building Envelope</i>	12,489	13,456	7,393	6,791	6,125	10,499	11,169	5,590	5,068	10,697	89,278		89,278	
CCA11	<i>Relocation of Fire Station 332</i>	7,442	7,755	4,053								19,250		19,250	
CCA12	<i>1050 Ellesmere Building Enhancements</i>	10,147	15,439	7,785	2,321							35,692		35,692	
CCA13	<i>Roofing</i>	480	2,182	7,201	716	4,093	2,006	324	270	48	501	17,821		17,821	
CCA14	<i>Renovations</i>	1,214	2,265	1,218	3,029	3,992	3,403	7,587	9,567	7,523	9,361	49,160		49,160	
CCA15	<i>Sitework</i>	2,543	8,961	7,407	4,690	9,016	7,264	4,082	3,233	11,426	4,438	63,061		63,061	
CCA16	<i>Small Capital</i>	6,300	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	51,300		51,300	
CCA17	<i>Union Station - SOGR</i>	6,425	8,925	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	55,350		55,350	
CCA18	<i>Other SOGR</i>	4,792	2,300	500	500	500	500	500	500	500	500	11,092		11,092	
CCA19	<i>Real Estate Services SOGR</i>	710	1,800	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	12,110		12,110	
CCA20	<i>City-Wide Physical Security Enhancements</i>	5,046	3,664	3,414	3,414	3,414	3,414	3,414	3,414	3,414		32,606			32,606
CCA21	<i>Energy Conservation &amp; Demand Management</i>	4,692	5,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	33,692			33,692
CCA22	<i>Strategic Feasibility Studies</i>	1,750	750	750	750	750	750	750	750	750	750	8,500			8,500
CCA23	<i>Customer Experience</i>	8,423	5,407									13,830			13,830
CCA24	<i>Future Use of Old City Hall</i>	1,486	8,000	5,000	2,000							16,486			16,486
CCA25	<i>New Etobicoke Civic Centre</i>	14,851	9,502									24,353			24,353
CCA26	<i>Office Portfolio Optimization</i>	34,700	70,000	45,000	42,000	36,000	600					228,300			228,300
CCA27	<i>Union Station Revitalization</i>	22,637										22,637			22,637
CCA28	<i>Union Station East Wing</i>	5,781										5,781			5,781
CCA29	<i>Union Station Enhancement Project (USEP)</i>	2,157	368	372	526							3,423			3,423
CCA30	<i>St. Lawrence Market North Redevelopment</i>	47,150	34,418									81,569			81,569
CCA31	<i>Toronto Strong Neighbourhoods Strategy</i>	1,890										1,890			1,890
CCA32	<i>Other Service Improvements</i>	6,116	3,750									9,866			9,866
CCA33	<i>Strategic Property Acquisitions</i>	5,044	18,792									23,836			23,836
CCA34	<i>School Lands Properties Acquisition</i>	500	4,500	2,500	2,500	2,500	2,500					15,000			15,000
	<b>Total Expenditures (including carry forward from 2020)</b>	<b>283,892</b>	<b>311,785</b>	<b>185,204</b>	<b>118,686</b>	<b>106,472</b>	<b>72,163</b>	<b>64,856</b>	<b>68,220</b>	<b>69,358</b>	<b>61,242</b>	<b>1,341,877</b>	<b>212,210</b>	<b>607,897</b>	<b>521,769</b>

Appendix 6a

2021 Cash Flow and Future Year Commitments Including Carry Forward Funding

Project Code	(In \$000s)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total 2021 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
CCA01	Accessibility for Ontarians with Disabilities Act (AODA) Program	37,581	65,000	65,000	16,978							184,560	185,060	(500)	
CCA02	Fire & Life Safety	4,209	500									4,709	1,709	(1,000)	4,000
CCA03	Other Health & Safety	830	680	54	54	54	54	54	54	54	54	1,942	3,417	(1,475)	
CCA04	Emergency Repairs	1,958										1,958	1,191	441	326
CCA05	Building Automation System (BAS)	2,033										2,033	1,133	(600)	1,500
CCA06	Environmental	2,353										2,353	1,242	(407)	1,518
CCA07	Feasibility Studies	874	500									1,374	674	(200)	900
CCA08	FM Elevator Program	2,135	500	800								3,435			3,435
CCA09	Mechanical and Electrical	17,153	3,813	3,366	500	2,000	2,000	2,000	2,000			32,831	26,394	(82)	6,519
CCA10	Structural / Building Envelope	12,489	12,096	5,192								29,777	20,424	1,846	7,506
CCA11	Relocation of Fire Station 332	7,442	7,755	4,053								19,250			19,250
CCA12	1050 Ellesmere Building Enhancements	10,147	15,439	7,785	2,321							35,692	31,193	4,499	
CCA13	Roofing	480	2,182	2,492								5,154	327		4,827
CCA14	Renovations	1,215	2,145	577								3,937	5,569	(2,669)	1,037
CCA15	Sitework	2,543	8,961	7,253	2,000	3,000						23,757	11,844	4,645	7,269
CCA16	Small Capital	6,300										6,300	2,425	(1,125)	5,000
CCA17	Union Station - SOGR	6,425	8,925	5,000								20,350	9,350		11,000
CCA18	Other SOGR	4,792	1,800									6,592	6,867	(775)	500
CCA19	Real Estate Services SOGR	710	600									1,310	1,310		
CCA20	City-Wide Physical Security Enhancements	5,046	2,250									7,296	5,872	(252)	1,676
CCA21	Energy Conservation & Demand Management	4,692	2,000									6,692	3,692		3,000
CCA22	Strategic Feasibility Studies	1,750										1,750	500	250	1,000
CCA23	Customer Experience	8,423	5,407									13,830	13,830		
CCA24	Future Use of Old City Hall	1,486	8,000	5,000	2,000							16,486	23,636	(7,150)	
CCA25	New Etobicoke Civic Centre	14,851	9,502									24,353	24,353		
CCA26	Office Portfolio Optimization	34,700	70,000	45,000	42,000	36,000	600					228,300	2,700		225,600
CCA27	Union Station Revitalization	22,637										22,637	22,637		
CCA28	Union Station East Wing	5,781										5,781	5,781		
CCA29	Union Station Enhancement Project (USEP)	2,157	368	372	526							3,423	3,423		
CCA30	St. Lawrence Market North Redevelopment	47,150	34,418									81,569	79,050	2,519	
CCA31	Toronto Strong Neighbourhoods Strategy	1,890										1,890	3,002	(1,284)	172
CCA32	Other Service Improvements	6,116	3,750									9,866	10,447	(1,567)	986
CCA33	Strategic Property Acquisitions	5,044	18,792									23,836	5,044	1,672	17,120
CCA34	School Lands Properties Acquisition	500	4,500	2,500	2,500	2,500	2,500					15,000	15,000		
CCA35	North West Path (NWP) Phase 2												24,337	(24,337)	
<b>Total Expenditure (including carry forward from 2020)</b>		<b>283,892</b>	<b>289,883</b>	<b>154,444</b>	<b>68,879</b>	<b>43,554</b>	<b>5,154</b>	<b>2,054</b>	<b>2,054</b>	<b>54</b>	<b>54</b>	<b>850,023</b>	<b>553,432</b>	<b>(27,558)</b>	<b>324,141</b>



Appendix 6b

2022 - 2030 Capital Plan

Project Code	(In \$000s)	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2022 - 2030 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
CCA02	Fire & Life Safety	4,000	3,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	21,000	21,000		
CCA04	Emergency Repairs	500	624	1,012	378	1,466	1,438	990	2,185	1,697	10,290		10,290	
CCA05	Building Automation System (BAS)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	18,000		18,000	
CCA06	Environmental	1,558	1,600	1,642	1,686	1,686	1,783	1,783	1,783	1,783	15,304		15,304	
CCA07	Feasibility Studies	500	1,000	1,000	1,000	1,000	500	500	1,000	1,000	7,500		7,500	
CCA08	FM Elevator Program					16	710	1,120		1,061	2,907		2,907	
CCA09	Mechanical and Electrical		966	10,063	16,764	16,804	12,345	20,249	17,406	11,200	105,798		105,798	
CCA10	Structural / Building Envelope	1,360	2,201	6,791	6,125	10,499	11,169	5,590	5,068	10,697	59,501		59,501	
CCA13	Roofing		4,709	716	4,093	2,006	324	270	48	501	12,667		12,667	
CCA14	Renovations	120	641	3,029	3,992	3,403	7,587	9,567	7,523	9,361	45,223		45,223	
CCA15	Sitework		154	2,690	6,016	7,264	4,082	3,233	11,426	4,438	39,303		39,303	
CCA16	Small Capital	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000		45,000	
CCA17	Union Station - SOGR			5,000	5,000	5,000	5,000	5,000	5,000	5,000	35,000		35,000	
CCA18	Other SOGR	500	500	500	500	500	500	500	500	500	4,500		4,500	
CCA19	Real Estate Services SOGR	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	10,800		10,800	
CCA20	City-Wide Physical Security Enhancements	1,414	3,414	3,414	3,414	3,414	3,414	3,414	3,414		25,310			25,310
CCA21	Energy Conservation & Demand Management	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	27,000			27,000
CCA22	Strategic Feasibility Studies	750	750	750	750	750	750	750	750	750	6,750			6,750
<b>Total Expenditures</b>		<b>21,902</b>	<b>30,759</b>	<b>49,807</b>	<b>62,918</b>	<b>67,009</b>	<b>62,802</b>	<b>66,166</b>	<b>69,304</b>	<b>61,188</b>	<b>491,854</b>	<b>21,000</b>	<b>411,794</b>	<b>59,060</b>

## Appendix 7

### Reporting on Major Capital Projects: Status Update

Division/Project name	2020 Cash Flow			Total Project Cost		Status	Start Date	End Date		On Budget	On Time
	Appr.	YTD Spend	YE Projec Spend	Appr. Budget	Life to Date			Planned	Revised		
Union Station Revitalization	41,014	14,648	21,882	824,039	794,418	Significant Delay	Sep-09	Approved Plan - Mar-2019 (Original end date was May-2016)	Q4 2020	Ⓢ	Ⓡ
Comments:	<p>Key elements completed to date include:</p> <ul style="list-style-type: none"> <li>- Full design of all stages of work</li> <li>- New VIA Panorama Lounge (2012)</li> <li>- West Wing handover to Metrolinx (2013)</li> <li>- NW PATH Phase 1 (2014)</li> <li>- Implementation of new M&amp;E systems (2014)</li> <li>- York Concourse substantial completion achieved in Feb 2015 (Concourse opened to the public on April 15th, 2015)</li> <li>- B2 Food Court handed over to Osmington in 2015 (Opened to the public in Dec 2018)</li> <li>- Bay Concourse inspected for partial occupancy on Sept 30, 2019 for Metrolinx early access.</li> </ul> <p>Stage 2/3 contractor commenced in September 2015 and work is underway on the remaining key elements:</p> <ul style="list-style-type: none"> <li>- Bay Concourse - Deficiency corrections are on-going, vertical access underway, substantial completion expected Q4 2020</li> <li>- VIA Concourse - Partial occupancy granted in Q2 2020, completion expected Q4 2020</li> <li>- Great Hall restoration, completion expected Q4 2020</li> <li>- Moat covers (Front St, York St, ), completion expected Q4 2020, Bay Street Moat and Centre Moat completion expected Q1 2021</li> <li>- East Wing retail space - Partial occupancy granted Q3 2020</li> </ul>										
Explanation for Delay:	<p>Issues throughout the life of the project include maintaining heritage elements of Union Station, performance issues with contractors, environmental and unforeseen site conditions and coordinating and carrying out construction while maintaining operations at the Station. To mitigate risks the project team have responded with value engineering, constructability changes, minor scope adjustments, and consideration of different construction methodologies. Contractor performance issues that emerged in mid-2018 affected project progress. In mid-to-late 2018, the City worked with the contractor's surety company and third-party consultants to resolve these issues to bring the project back on track and was progressing towards a new completion timeline of Q3 2020. In Q2 2020, COVID-19 caused reduced productivity on site due to increased safety procedures and trades staffing shortages. This has resulted in substantial completion expected at the end of Q4 2020 with construction logistics requiring work on certain portions of the station including the Bay Street moat, Centre moat, and deficiency work to continue into Q1 2021.</p>										

Division/Project name	2020 Cash Flow			Total Project Cost		Status	Start Date	End Date		On Budget	On Time
	Appr.	YTD Spend	YE Projec Spend	Appr. Budget	Life to Date			Planned	Revised		
St. Lawrence Market North Redevelopment	24,246	9,050	15,000	116,302	29,764	On Track	July 2019 *Note this is a re-baselined start date based on latest approval from Council	Q2 2022 *Note this is a re-baselined end date based on latest approval from Council	Q2 2022	Ⓢ	Ⓢ
Comments:	<p>Construction of interim market completed in June 2015 and open to public. Demolition of existing building - Completed in Q4 2016, the project underwent a four stage archeological assessment process due to the discovery of significant archeological remains. In Q1 2018 the City went to market for a construction tender call but the lowest bidder was not able to meet the requirements of the construction contract. Re-tender of construction contract successfully executed in June 2019, awarded to Butlcon Limited/The Atlas Corporation Joint Venture. Construction started in July 2019. At the end of Q3 2020, P4 column and foundation wall footings complete. Elevator cores, geothermal heat exchange system, and installation of overhead sidewalk protection hoarding in preparation for above grade construction underway.</p>										
Explanation for Delay:	<p>Project schedule and budget has been re-baselined based on the latest approvals from Council in May 2019. COVID-19 caused reduced productivity levels due to additional safety procedures and the lack of labour force availability. The total impact of COVID-19 has not been established, however there is currently an 8 week delay on shoring, excavation, and the sub-structure construction. The contractor is currently reviewing work phasing and sequencing options to make up lost time. The project is currently still expected to be completed on schedule and within the current Council approved budget.</p>										

## Appendix 8

### Summary of Capital Needs Constraints (In \$ Millions)

Project Description	Total Project	Non-Debt	Debt Required	Cash Flow (In \$ Millions)											
				2021	2022	2023	2024	2025	2026	2027	2028	2029	2030		
<b>NOT INCLUDED</b>															
<i>New Etobicoke CC - Phase 4 Tender &amp; Construction</i>	389.285		389.285		113.285	107.080	141.750	27.170							
<i>Revised Plan for Future Uses of Old City Hall - Detailed Design &amp; Construction</i>	190.440		190.440		11.507	74.400	84.210	20.162	0.160						
<i>Wellington Destructor - Planning, Environmental &amp; Emergency Repair</i>	0.510		0.510	0.510											
<i>Wellington Destructor - Construction</i>	32.000	15.000	17.000		16.000	15.000	1.000								
<i>SLM South Lower Level Re-Design</i>	10.643		10.643		0.250	3.500	6.893								
<i>Digital Accelerations*</i>	3.000		3.000	1.000	1.000	1.000									
<i>SOGR Backlog</i>	1,024.872		1,024.872	60.746	122.009	131.920	136.271	145.515	146.529	165.553	93.939	18.851	3.539		
<b>Total Needs Constraints (Not Included)</b>	<b>1,650.750</b>	<b>15.000</b>	<b>1,635.750</b>	<b>62.256</b>	<b>264.052</b>	<b>332.901</b>	<b>370.124</b>	<b>192.847</b>	<b>146.689</b>	<b>165.553</b>	<b>93.939</b>	<b>18.851</b>	<b>3.539</b>		

## Appendix 9

### **2021 User Fee Changes** (Excludes User Fees Adjusted for Inflation)

**N/A**

## Appendix 10

### Inflows and Outflows to/from Reserves and Reserve Funds

#### 2021 Operating Budget

#### Program Specific Reserve / Reserve Funds

N/A

#### Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name		Contributions / (Withdrawals)		
		2021	2022	2023
<b>XQ1406</b>	<b>Beginning Balance</b>	11,302	10,983	10,665
Emergency Planning	<i>Withdrawals (-)</i>			
	Corporate Real Estate Management Withdrawals - Operating	-109	-109	-109
	Other Division/Agency Withdrawals - Operating	-210	-210	-210
	Corporate Real Estate Management Withdrawals - Capital	0	0	0
	Other Division/Agency Withdrawals - Capital	0	0	0
	<b>Total Withdrawals</b>	<b>-318</b>	<b>-318</b>	<b>-318</b>
	<i>Contributions (+)</i>			
	Corporate Real Estate Management Contributions - Operating	0	0	0
	Other Division/Agency Contributions - Operating	0	0	0
	Contributions - Other	0	0	0
	<b>Total Contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Reserve / Reserve Fund Draws / Contributions</b>	<b>-318</b>	<b>-318</b>	<b>-318</b>
	<b>Balance at Year-End</b>	<b>10,983</b>	<b>10,665</b>	<b>10,347</b>

### Inflows and Outflows to/from Reserves and Reserve Funds

#### 2021 – 2030 Capital Budget and Plan

#### Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name		Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
<b>XR2501</b>	<b>Beginning Balance</b>	3,836	368	581	796	1,016	1,243	1,477	1,715	1,956	2,201
Union Station	<i>Withdrawals (-)</i>										
	Corporate Real Estate Management Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Other Division/Agency Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Corporate Real Estate Management Withdrawals - Capital	-3,685	0	0	0	0	0	0	0	0	0
	Other Division/Agency Withdrawals - Capital	0	0	0	0	0	0	0	0	0	0
	<b>Total Withdrawals</b>	<b>-3,685</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<i>Contributions (+)</i>										
	Corporate Real Estate Management Operating	213	213	213	213	213	213	213	213	213	213
	Other Division/Agency Contributions - Operating	0	0	0	0	0	0	0	0	0	0
	Contributions - Other	0	0	0	0	0	0	0	0	0	0
	<b>Total Contributions</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>
	<b>Total Reserve / Reserve Fund Draws / Contributions</b>	<b>-3,472</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>	<b>213</b>
	Interest Income	4	1	2	7	15	21	25	29	33	36
	<b>Balance at Year-End</b>	<b>368</b>	<b>581</b>	<b>796</b>	<b>1,016</b>	<b>1,243</b>	<b>1,477</b>	<b>1,715</b>	<b>1,956</b>	<b>2,201</b>	<b>2,450</b>

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name	Beginning Balance	Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
<b>XR1012</b>		138,588	133,940	105,671	102,920	100,666	98,890	97,333	98,271	99,224	100,192
Land Acquisition	<i>Withdrawals (-)</i>										
Corporate Real Estate Management Withdrawals - Operating		-595	-595	-595	-595	-595	-595	-595	-595	-595	-595
Other Division/Agency Withdrawals - Operating		0	0	0	0	0	0	0	0	0	0
Corporate Real Estate Management Withdrawals - Capital		-4,339	-23,070	-2,500	-2,500	-2,500	-2,500	0	0	0	0
Other Division/Agency Withdrawals - Capital		0	-4,879	0	0	0	0	0	0	0	0
<b>Total Withdrawals</b>		<b>-4,934</b>	<b>-28,544</b>	<b>-3,095</b>	<b>-3,095</b>	<b>-3,095</b>	<b>-3,095</b>	<b>-595</b>	<b>-595</b>	<b>-595</b>	<b>-595</b>
<i>Contributions (+)</i>											
Corporate Real Estate Management Operating		0	0	0	0	0	0	0	0	0	0
Other Division/Agency Contributions - Operating		0	0	0	0	0	0	0	0	0	0
Contributions - Other		0	0	0	0	0	0	0	0	0	0
<b>Total Contributions</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>-4,934</b>	<b>-28,544</b>	<b>-3,095</b>	<b>-3,095</b>	<b>-3,095</b>	<b>-3,095</b>	<b>-595</b>	<b>-595</b>	<b>-595</b>	<b>-595</b>
Interest Income		286	275	344	841	1,318	1,538	1,533	1,548	1,563	1,578
<b>Balance at Year-End</b>		<b>133,940</b>	<b>105,671</b>	<b>102,920</b>	<b>100,666</b>	<b>98,890</b>	<b>97,333</b>	<b>98,271</b>	<b>99,224</b>	<b>100,192</b>	<b>101,175</b>

Reserve / Reserve Fund Name	Beginning Balance	Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
<b>XR1010</b>		30,142	14,678	-2,550	-21,996	-41,443	-61,489	-80,935	-100,382	-119,828	-139,274
Insurance	<i>Withdrawals (-)</i>										
Corporate Real Estate Management Withdrawals - Operating		0	0	0	0	0	0	0	0	0	0
Other Division/Agency Withdrawals - Operating		-77,745	-79,851	-82,069	-82,069	-82,069	-82,069	-82,069	-82,069	-82,069	-82,069
Corporate Real Estate Management Withdrawals - Capital		0	0	0	0	0	0	0	0	0	0
Other Division/Agency Withdrawals - Capital		-389	0	0	0	-600	0	0	0	0	0
<b>Total Withdrawals</b>		<b>-78,134</b>	<b>-79,851</b>	<b>-82,069</b>	<b>-82,069</b>	<b>-82,669</b>	<b>-82,069</b>	<b>-82,069</b>	<b>-82,069</b>	<b>-82,069</b>	<b>-82,069</b>
<i>Contributions (+)</i>											
Corporate Real Estate Management Operating		2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115	2,115
Other Division/Agency Contributions - Operating		60,508	60,508	60,508	60,508	60,508	60,508	60,508	60,508	60,508	60,508
Contributions - Other		0	0	0	0	0	0	0	0	0	0
<b>Total Contributions</b>		<b>62,623</b>	<b>62,623</b>	<b>62,623</b>	<b>62,623</b>	<b>62,623</b>	<b>62,623</b>	<b>62,623</b>	<b>62,623</b>	<b>62,623</b>	<b>62,623</b>
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>-15,511</b>	<b>-17,228</b>	<b>-19,446</b>	<b>-19,446</b>	<b>-20,046</b>	<b>-19,446</b>	<b>-19,446</b>	<b>-19,446</b>	<b>-19,446</b>	<b>-19,446</b>
Interest Income		47	0	0	0	0	0	0	0	0	0
<b>Balance at Year-End</b>		<b>14,678</b>	<b>-2,550</b>	<b>-21,996</b>	<b>-41,443</b>	<b>-61,489</b>	<b>-80,935</b>	<b>-100,382</b>	<b>-119,828</b>	<b>-139,274</b>	<b>-158,721</b>

Reserve / Reserve Fund Name	Beginning Balance	Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
<b>XQ1502</b>		1,818	1,397	722	100	92	299	119	-6	-225	-646
Vehicle Reserve - Facilities & Real Estate	<i>Withdrawals (-)</i>										
Corporate Real Estate Management Withdrawals - Operating		0	0	0	0	0	0	0	0	0	0
Other Division/Agency Withdrawals - Operating		0	0	0	0	0	0	0	0	0	0
Corporate Real Estate Management Withdrawals - Capital		0	0	0	0	0	0	0	0	0	0
Other Division/Agency Withdrawals - Capital		-424	-951	-899	-284	-69	-456	-401	-496	-697	-447
<b>Total Withdrawals</b>		<b>-424</b>	<b>-951</b>	<b>-899</b>	<b>-284</b>	<b>-69</b>	<b>-456</b>	<b>-401</b>	<b>-496</b>	<b>-697</b>	<b>-447</b>
<i>Contributions (+)</i>											
Corporate Real Estate Management Operating		0	273	273	273	273	273	273	273	273	273
Other Division/Agency Contributions - Operating		3	3	3	3	3	3	3	3	3	3
Contributions - Other		0	0	0	0	0	0	0	0	0	0
<b>Total Contributions</b>		<b>3</b>	<b>276</b>	<b>276</b>	<b>276</b>	<b>276</b>	<b>276</b>	<b>276</b>	<b>276</b>	<b>276</b>	<b>276</b>
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>-421</b>	<b>-675</b>	<b>-623</b>	<b>-8</b>	<b>207</b>	<b>-180</b>	<b>-125</b>	<b>-220</b>	<b>-421</b>	<b>-171</b>
<b>Balance at Year-End</b>		<b>1,397</b>	<b>722</b>	<b>100</b>	<b>92</b>	<b>299</b>	<b>119</b>	<b>-6</b>	<b>-225</b>	<b>-646</b>	<b>-817</b>

Reserve / Reserve Fund Name	Beginning Balance	Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
<b>XR1714</b>		49,875	46,290	46,934	47,627	48,562	49,748	51,075	52,423	53,793	55,184
Strategic Infrastructure Partnership	<i>Withdrawals (-)</i>										
Corporate Real Estate Management Withdrawals - Operating		0	0	0	0	0	0	0	0	0	0
Other Division/Agency Withdrawals - Operating		0	0	0	0	0	0	0	0	0	0
Corporate Real Estate Management Withdrawals - Capital		-3,902	0	0	0	0	0	0	0	0	0
Other Division/Agency Withdrawals - Capital		-320	0	0	0	0	0	0	0	0	0
<b>Total Withdrawals</b>		<b>-4,222</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Contributions (+)</i>											
Corporate Real Estate Management Operating		415	415	415	415	415	415	415	415	415	415
Other Division/Agency Contributions - Operating		122	122	122	122	122	122	122	122	122	122
Contributions - Other		0	0	0	0	0	0	0	0	0	0
<b>Total Contributions</b>		<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>-3,685</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>	<b>537</b>
Interest Income		101	107	156	398	649	790	811	833	854	876
<b>Balance at Year-End</b>		<b>46,290</b>	<b>46,934</b>	<b>47,627</b>	<b>48,562</b>	<b>49,748</b>	<b>51,075</b>	<b>52,423</b>	<b>53,793</b>	<b>55,184</b>	<b>56,597</b>

Reserve / Reserve Fund Name		Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
XQ0011	Beginning Balance	273,328	257,619	247,355	181,082	28,322	9,642	813	21,113	61,013	99,657
Capital Financing	<i>Withdrawals (-)</i>										
	Corporate Real Estate Management Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Other Division/Agency Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Corporate Real Estate Management Withdrawals - Capital	-2,659	-4,875	0	0	0	-18,729	0	0	-1,256	-914
	Other Division/Agency Withdrawals - Capital	-52,950	-45,289	-106,173	-192,660	-58,580	-30,000	-19,600	0	0	0
	<b>Total Withdrawals</b>	<b>-55,609</b>	<b>-50,164</b>	<b>-106,173</b>	<b>-192,660</b>	<b>-58,580</b>	<b>-48,729</b>	<b>-19,600</b>	<b>0</b>	<b>-1,256</b>	<b>-914</b>
	<i>Contributions (+)</i>										
	Corporate Real Estate Management Contributions - Operating	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900	39,900
	Other Division/Agency Contributions - Operating	0	0	0	0	0	0	0	0	0	0
	Contributions - Other	0	0	0	0	0	0	0	0	0	0
	<b>Total Contributions</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>	<b>39,900</b>
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>-15,709</b>	<b>-10,264</b>	<b>-66,273</b>	<b>-152,760</b>	<b>-18,680</b>	<b>-8,829</b>	<b>20,300</b>	<b>39,900</b>	<b>38,644</b>	<b>38,986</b>
	<b>Balance at Year-End</b>	<b>257,619</b>	<b>247,355</b>	<b>181,082</b>	<b>28,322</b>	<b>9,642</b>	<b>813</b>	<b>21,113</b>	<b>61,013</b>	<b>99,657</b>	<b>138,643</b>

Reserve / Reserve Fund Name		Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
XQ0704	Beginning Balance	5,776	4,335	493	493	493	493	493	493	493	493
Provincial Offices Courts Stabilization	<i>Withdrawals (-)</i>										
	Corporate Real Estate Management Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Other Division/Agency Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Corporate Real Estate Management Withdrawals - Capital	-1,441	-3,842	0	0	0	0	0	0	0	0
	Other Division/Agency Withdrawals - Capital	0	0	0	0	0	0	0	0	0	0
	<b>Total Withdrawals</b>	<b>-1,441</b>	<b>-3,842</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<i>Contributions (+)</i>										
	Corporate Real Estate Management Contributions - Operating	0	0	0	0	0	0	0	0	0	0
	Other Division/Agency Contributions - Operating	0	0	0	0	0	0	0	0	0	0
	Contributions - Other	0	0	0	0	0	0	0	0	0	0
	<b>Total Contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>-1,441</b>	<b>-3,842</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Balance at Year-End</b>	<b>4,335</b>	<b>493</b>	<b>493</b>	<b>493</b>	<b>493</b>	<b>493</b>	<b>493</b>	<b>493</b>	<b>493</b>	<b>493</b>

Reserve / Reserve Fund Name		Contributions / (Withdrawals)									
		2021	2022	2023	2024 ∞	2025 ∞	2026 ∞	2027 ∞	2028 ∞	2029 ∞	2030 ∞
XR3031	Beginning Balance	679	312	313	314	316	321	326	331	336	341
Section 16	<i>Withdrawals (-)</i>										
	Corporate Real Estate Management Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Other Division/Agency Withdrawals - Operating	0	0	0	0	0	0	0	0	0	0
	Corporate Real Estate Management Withdrawals - Capital	-368	0	0	0	0	0	0	0	0	0
	Other Division/Agency Withdrawals - Capital	0	0	0	0	0	0	0	0	0	0
	<b>Total Withdrawals</b>	<b>-368</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<i>Contributions (+)</i>										
	Corporate Real Estate Management Contributions - Operating	0	0	0	0	0	0	0	0	0	0
	Other Division/Agency Contributions - Operating	0	0	0	0	0	0	0	0	0	0
	Contributions - Other	0	0	0	0	0	0	0	0	0	0
	<b>Total Contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>-368</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Interest Income	1	1	1	3	4	5	5	5	5	5
	<b>Balance at Year-End</b>	<b>312</b>	<b>313</b>	<b>314</b>	<b>316</b>	<b>321</b>	<b>326</b>	<b>331</b>	<b>336</b>	<b>341</b>	<b>347</b>

## Appendix 11

### Glossary

**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.

**Voluntary Separation Program** – On July 28th, 2020, City Council approved the implementation of a Voluntary Separation Program for staff who are eligible to retire with an unreduced pension providing a lump sum payment of up to three months' salary to eligible employees, subject to the terms of the program guidelines, funded through savings generated from a combination of permanently eliminating vacated positions and/or holding the positions vacant for a minimum of six months.