

# 2021 Budget Notes

## Toronto Police Services Parking Enforcement Unit

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### Description

Toronto Police Services Parking Enforcement Unit (PEU) responds to public and private parking concerns of the community and enforces the Parking Bylaws through the issuance of parking tags to illegally parked vehicles.

### Why We Do It

To contribute to safe and efficient free flow of traffic and local neighbourhood parking concerns, 7 days a week, 24 hours a day.

*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

**Who We Serve:**

- Vehicle Drivers
- Private Properties
- Municipal Properties

**What We Deliver:**

The Parking Enforcement Unit contributes to the overall safety and security of the people of Toronto by focusing on the Toronto Police Service traffic safety priorities. This is achieved through various strategies including enforcement, visibility, public awareness and education programs. Specifically, the Unit is responsible for:

- Responding to public and private parking concerns of the community
- Regulating parking through the equitable and discretionary application of by-laws
- Providing operational support to the Toronto Police Service; language interpretation, stolen vehicle recovery, corporate and local community-policing initiatives, emergency support and crime management
- Assisting at special events, ensuring the safe and unobstructed movement of vehicular and pedestrian traffic
- Fostering crime prevention by providing a radio equipped, highly visible, uniformed presence in our communities

**How much resources (gross operating budget):** \$50.5 Million

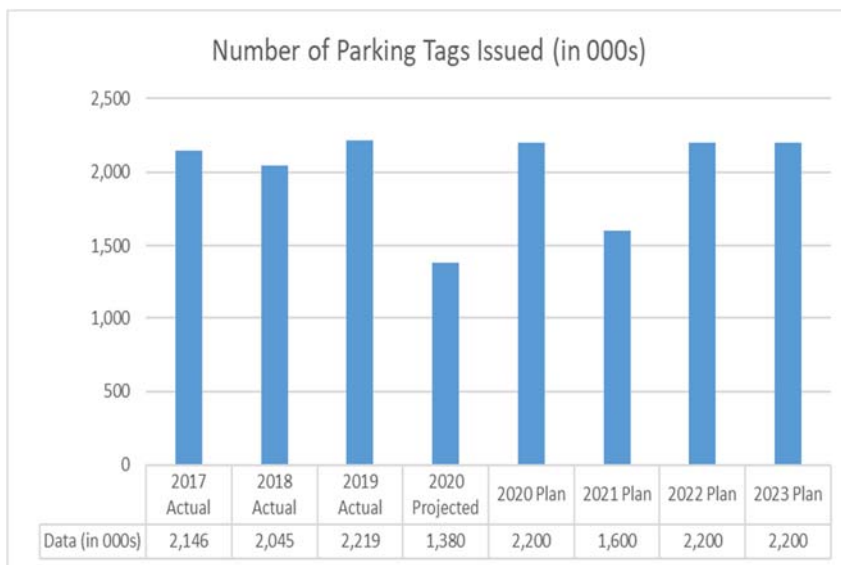
### Budget at a Glance\*

2021 OPERATING BUDGET			
\$Million	2021	2022	2023
Revenues	\$1.3	\$1.3	\$1.3
Gross Expenditures	\$50.5	\$52.0	\$53.0
Net Expenditures	\$49.2	\$50.7	\$51.7
Approved Positions	394.0	394.0	394.0

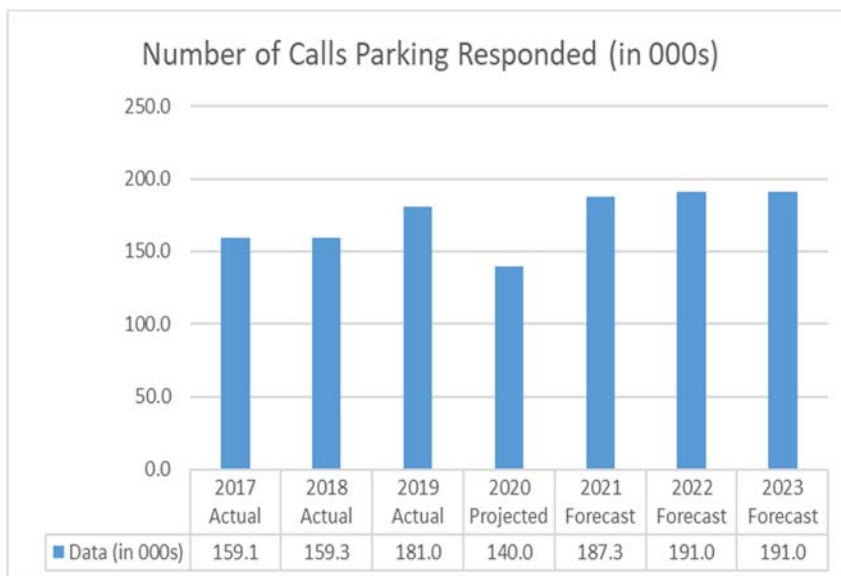
2021 - 2030 10-YEAR CAPITAL PLAN			
\$Million	2021	2022-2030	Total
Toronto Police Services Parking Enforcement Unit does not have a Capital Budget			

\*This document reflects the 2021 Operating Budget as recommended by the City's City Manager and Chief Financial Officer and Treasurer.

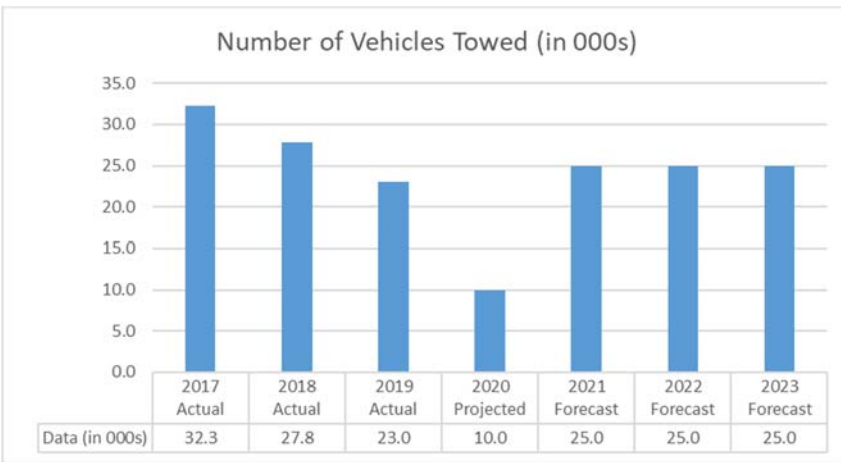
### How Well We Are Doing – Behind the Numbers



- The number of parking tags issued increased in 2019 due to the Parking Enforcement Unit being at full complement.
- The projected tag issuance for 2020 is expected to be well below average due to COVID-19 impacts.
- The projected tag issuance for 2021 takes into account the continuing impacts of COVID-19.



- The number of calls attended by the Parking Unit has been steadily increasing over the year; however, calls for Service decreased during 2020 due to COVID-19.
- The impact of COVID-19 on calls for Service during 2021 is difficult to determine, the forecast assumes a continuation of past trends, as calls for service were not impacted to the same degree as parking tag issuance.



- The number of vehicles towed has been declining since 2017 and is expected to be much lower in 2020 due to COVID-19 impacts.
- While difficult to estimate, this trend is likely to continue as programs are being implemented to achieve greater compliance.
- It is expected that 25,000 improperly parked vehicles will be towed during 2021.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>Majority of COVID19 related expenditures, such as cleaning supplies and services, were absorbed within existing 2020 Operating Budget. Personal protective equipment was supplied from the Toronto Police Service's inventory.</li> <li>A decrease in special events and lower traffic activity due to COVID-19 resulted in underspent premium pay of approximately \$1.2 million.</li> <li>PEU recovers costs associated with administering the pounds operations from towing operators. With the onset of COVID-19 there has been a reduction in the number of vehicles towed, with a resulting loss of revenue estimated at \$0.2 million.</li> <li>Due to COVID19, parking tag issuance has decreased from 2.2 million tickets in 2019 to projected 1.3 million tickets at the end of 2020. <ul style="list-style-type: none"> <li>The associated revenue loss from lower parking ticket issuance is captured in Non Program Revenue budget.</li> </ul> </li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>2021 COVID-19 impact is projected to be in line with 2020 experience for the first 6 months of 2021.</li> <li>Expected decrease in special events and directed enforcement initiatives during 2021 will result in lower premium pay requirement (\$1.2 million).</li> <li>Reduced towing recoveries are expected to continue into 2021 with an estimated revenue loss of \$0.2 million.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>COVID-19 has resulted in lower traffic causing reduced parking tag enforcement activity. As of Q3, PEU is projecting to issue 1.3 million tickets in 2020 compared to the 2.2 million target.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Decrease in special events and directed enforcement initiatives is anticipated during 2021.</li> <li>Ticket issuance target for 2021 is estimated at 1.6 million tickets based on the gradual return of traffic activity.</li> <li>The Toronto Police Services Parking Enforcement Unit continues to review its Service Levels to reflect changes as required to meet ongoing community needs.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- A number of staff members have been deployed to front line divisions. This move was made to reduce unproductive travel time by bringing the officer closer to where they enforce parking by-laws.
- Introduction of photo evidence, which will assist in the resolution of parking violation disputes.
- Queen Street Pilot Project – tested rush hour relocation concept (focus on the needs of a complex city).

### Key Challenges and Risks

- The PEU experienced significantly higher employee turnover than in past years. The PEU has been hiring at an accelerated pace, but separations continue to be a challenge.
- Ensuring compliance with the City's parking by-laws is key to maintaining a safe and efficient flow of traffic. Maintaining sufficient parking enforcement resources requires dedicated hiring and training programs of enforcement officers.

### Priority Actions

- Rush Hour Route Enforcement Campaign
- Heavy Truck Enforcement Campaign
- Initiated electronic tow card
- Service levels will be reviewed in 2021 to ensure resources and processes are adequate to meet customer demand and service levels

## RECOMMENDATIONS

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

1. City Council approve the 2021 Operating Budget for Toronto Police Services Parking Enforcement Unit of \$50.543 million gross, \$1.315 million revenue and \$49.229 million net for the following service:

**Service:**

	<b>Gross Expenditures (\$000s)</b>	<b>Revenue (\$000s)</b>	<b>Net Expenditures (\$000s)</b>
Toronto Police Services Parking Enforcement Unit	50,543.3	1,314.5	49,228.8
<b>Total Program Budget</b>	<b>50,543.3</b>	<b>1,314.5</b>	<b>49,228.8</b>

2. City Council approve the 2021 staff complement for Toronto Police Services Parking Enforcement Unit of 394.0 operating positions.

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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>								
Parking Tags Enforcement	2,012.5	1,539.7	1,313.2	1,314.5		1,314.5	1.3	0.1%
<b>Total Revenues</b>	<b>2,012.5</b>	<b>1,539.7</b>	<b>1,313.2</b>	<b>1,314.5</b>	<b>0.0</b>	<b>1,314.5</b>	<b>1.3</b>	<b>0.1%</b>
<b>Expenditures</b>								
Parking Tags Enforcement	45,894.0	50,768.5	48,653.6	50,543.3		50,543.3	1,889.7	3.9%
<b>Total Gross Expenditures</b>	<b>45,894.0</b>	<b>50,768.5</b>	<b>48,653.6</b>	<b>50,543.3</b>	<b>0.0</b>	<b>50,543.3</b>	<b>1,889.7</b>	<b>3.9%</b>
<b>Net Expenditures</b>	<b>43,881.5</b>	<b>49,228.8</b>	<b>47,340.4</b>	<b>49,228.8</b>	<b>0.0</b>	<b>49,228.8</b>	<b>1,888.4</b>	<b>4.0%</b>
<b>Approved Positions</b>	<b>394.0</b>	<b>394.0</b>	<b>394.0</b>	<b>394.0</b>	<b>0.0</b>	<b>394.0</b>	<b>0.0</b>	<b>0.0%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$50.543 million gross reflecting an increase of \$1.890 million in spending above 2020 projections predominantly arising from:

- The 2021 impact of the collective agreement (2019 - 2023) with the Toronto Police Association (\$0.7 million)
- Increased statutory payroll deductions and employee benefits as per the collective agreements (\$0.1 million)
- Replacement of the Vehicle Impound Program (V.I.P.) application which is used to manage vehicles towed by the Toronto Police Service (\$1.0 million)

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

- **2021 Base Budget of \$49.229 million in net expenditures reflects a \$0 million net change from the 2020 Council approved Budget.**

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Parking Enforcement Unit 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Police Services Parking Enforcement Unit is \$50.543 million gross or \$1.890 million higher than the 2020 Projection. Table 2a below summarizes the key cost drivers for the base budget.

**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	39,075.4	43,405.5	41,294.6	42,483.0	1,188.4	2.9%
2 Equipment	1,350.5	1,671.5	1,675.8	2,457.4	781.6	46.6%
3 Service and Rent	2,654.8	2,878.1	2,869.8	2,789.5	(80.3)	-2.8%
4 Contribution To Capital	1,994.0	1,994.0	1,994.0	1,994.0		
5 Contribution To Reserves	819.3	819.4	819.4	819.4		
	<b>45,894.0</b>	<b>50,768.5</b>	<b>48,653.6</b>	<b>50,543.3</b>	<b>1,889.7</b>	<b>3.9%</b>
<b>Revenues</b>						
1 Provincial Subsidies						
2 User Fees & Donations	1,287.9	815.0	588.5	589.8	1.3	0.2%
3 Draw from Reserve Funds	724.6	724.7	724.7	724.7		
4 Other Revenues (Inc. IDR's)						
<b>Total Revenues</b>	<b>2,012.5</b>	<b>1,539.7</b>	<b>1,313.2</b>	<b>1,314.5</b>	<b>1.3</b>	<b>0.1%</b>
<b>Net Expenditures</b>	<b>43,881.5</b>	<b>49,228.8</b>	<b>47,340.4</b>	<b>49,228.8</b>	<b>1,888.4</b>	<b>4.0%</b>
<b>Approved Positions</b>	<b>394.0</b>	<b>394.0</b>	<b>394.0</b>	<b>394.0</b>	<b>0.0</b>	<b>0.0%</b>

**Salaries & Benefits:**

- The 2021 impact of the 2019-2023 Collective Agreement settlements is \$0.7 million.
- Statutory payroll deductions and employee benefits will require additional funding of \$0.1 million as per the collective agreements.
- With a resumption in hiring, salary and benefits requirements are higher than the 2020 projection by \$0.4 million.
- Premium pay budget is remaining at 2020 projected spending as the projected savings of \$1.2 million are expected to continue into 2021 due to decrease in special events and directed enforcement initiatives as a result of COVID-19 pandemic.

**Equipment:**

- Additional funding of \$0.8 million is required to replace the Vehicle Impound Program (V.I.P.) application which is used by the Service to manage towed vehicles. This application was developed in-house and went live in March 1999. The application provides basic information as it relates to the tracking of all vehicles that have been impounded by the Service, and is used exclusively by Traffic Services, Parking Enforcement and the five Contract Tow Pound Contractors. Even though the application was upgraded in 2008, it is in need of replacement as it is based on obsolete and unsupported technology.
- The required funding to replace the V.I.P. application is partially offset by reductions in other line items under the Equipment category based on historical spending.

**Services and Rents:**

- Services and Rents category has been reviewed in order to align budgets with historical spending.

**Contributions to Capital:**

- Contributions to Capital category represents funding required to replace vehicles and the hand held ticketing devices. There is no change to this funding in 2021.

**Contributions to Reserves:**

- Contributions to Reserves represent contributions to the Sick Pay Gratuity Reserve and Central Sick Bank Reserve. There is no change to this funding in 2021.

**Other Revenue Changes:**

- Revenues consist of recoveries from tow companies for costs associated with pounds operations and are expected to be the same as 2020 projected actual due to continuing impact of COVID-19 pandemic.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Reduction to Premium Pay	Base Reduction		(1,200.0)	(1,200.0)	-			
Match Services & Rents to actual	Match to Actuals		(88.6)	(88.6)				
Match Equipment to actual	Match to Actuals		(214.1)	(214.1)				
<b>Total Balancing Actions</b>			<b>(1,502.7)</b>	<b>(1,502.7)</b>	<b>-</b>			<b>-</b>

The following list identifies the budget reductions or alternative funding strategies to reduce the outlook and additional pressures for a zero budget increase:

- Premium pay budget has been reduced by \$1.2 million due to an expected decrease in special events and directed enforcement initiatives as a result of COVID-19 pandemic.
- Services & Rents budgets have been reduced as a result of reduced maintenance costs for hand held ticket issuing devices.
- Equipment budget has been reduced to reflect permanent spending reductions.

**Note:**

1. For additional information on 2021 key cost drivers refer to [Appendix 2](#).

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	1,313.2	1,314.5	1,314.5	1,314.5
Gross Expenditures	48,653.6	50,543.3	51,970.3	53,004.9
<b>Net Expenditures</b>	<b>47,340.4</b>	<b>49,228.8</b>	<b>50,655.8</b>	<b>51,690.4</b>
<b>Approved Positions</b>	<b>394.0</b>	<b>394.0</b>	<b>394.0</b>	<b>394.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$51.970 million reflects an anticipated \$1.427 million or 2.8 per cent increase in net expenditures above the 2021 Operating Budget.

The 2023 Outlook expects a further increase of \$1.035 million or 2.0 per cent above 2022 net expenditures.

These changes arise from the following:

- 2022 and 2023 portion of the collective agreement with the Toronto Police Association; and
- Inflationary increases for materials and supplies.

# APPENDICES

## Appendix 1

## COVID-19 Financial Impact – Operating

COVID 19 Impacts	(\$000s)					
	2020			2021		
	Revenues	Gross	Net	Revenues	Gross	Net
<b>Revenue Loss</b>						
Recoveries from Tow Companies	(226.5)		226.5	(225.2)		225.2
<b>Sub-Total</b>	<b>(226.5)</b>		<b>226.5</b>	<b>(225.2)</b>		<b>225.2</b>
<b>Savings due to Underspending</b>						
Reduction to Premium Pay		(1,200.0)	(1,200.0)		(1,200.0)	(1,200.0)
<b>Sub-Total</b>		<b>(1,200.0)</b>	<b>(1,200.0)</b>		<b>(1,200.0)</b>	<b>(1,200.0)</b>
<b>Total COVID-19 Impact</b>	<b>(226.5)</b>	<b>(1,200.0)</b>	<b>(973.5)</b>	<b>(225.2)</b>	<b>(1,200.0)</b>	<b>(974.8)</b>

## Appendix 2

## 2021 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2018	2019	2020	2020	2021	2021 Change from 2020 Projection	
	Actual** \$	Actual** \$	Budget \$	Projection* \$	Budget \$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations	1,085.1	1,287.9	815.0	588.5	589.8	1.3	0.2%
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds		724.6	724.7	724.7	724.7		
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>	1,085.1	2,012.5	1,539.7	1,313.2	1,314.5	1.3	0.1%
Salaries and Benefits	37,083.7	39,075.4	43,405.5	41,294.6	42,483.0	1,188.4	2.9%
Materials & Supplies	1,246.0	1,228.2	1,657.6	1,657.6	1,449.4	(208.2)	(12.6%)
Equipment	3.0	122.3	13.9	18.2	1,008.0	989.8	5438.5%
Service and Rent	2,388.2	2,654.8	2,878.1	2,869.8	2,789.5	(80.3)	(2.8%)
Contribution To Capital	1,994.0	1,994.0	1,994.0	1,994.0	1,994.0		
Contribution To Reserves/Reserve Funds	819.4	819.3	819.4	819.4	819.4		
Other Expenditures							
Inter-Divisional Charges							
<b>Total Gross Expenditures</b>	43,534.4	45,894.0	50,768.5	48,653.6	50,543.3	1,889.7	3.9%
<b>Net Expenditures</b>	42,449.3	43,881.5	49,228.8	47,340.4	49,228.8	1,888.4	4.0%
<b>Approved Positions</b>	385.0	394.0	394.0	394.0	394.0	0.0	0.0%

\* 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**

N/A

**Appendix 4**

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

N/A

**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**

N/A

**Appendix 6a**

**2021 Cash Flow and Future Year Commitments Including Carry Forward Funding**

N/A

**Appendix 6b**

**2022 - 2030 Capital Plan**

N/A

**Appendix 7**

**Reporting on Major Capital Projects: Status Update**

N/A

**Appendix 8**

**Summary of Capital Needs Constraints**

(In \$ Millions)

N/A

**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

While some years are showing a negative ending balance, it is anticipated that one time funding injection / changing priorities and reducing expenditures will adjust the balance in the future years.

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
<b>Beginning Balance</b>		8,619.5	8,619.5	6,394.8	4,166.5
Police Central Sick Pay	XR1701				
<i>Withdrawals (-) TPS</i>			(4,157.1)	(4,157.1)	(4,157.1)
<i>Withdrawals (-) Parking</i>			(180.1)	(180.1)	(180.1)
<i>Contributions (+) TPS</i>			1,916.7	1,916.7	2,316.7
<i>Contributions (+) Parking</i>			180.1	180.1	180.1
<b>Total Reserve / Reserve Fund Draws / Contributions</b>			<b>(2,240.4)</b>	<b>(2,240.4)</b>	<b>(1,840.4)</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>			<b>15.7</b>	<b>12.1</b>	<b>10.7</b>
<b>Balance at Year-End</b>		<b>8,619.5</b>	<b>6,394.8</b>	<b>4,166.5</b>	<b>2,336.9</b>

\* Based on 9-month 2020 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
<b>Beginning Balance</b>		14,919.1	14,919.1	3,585.2	2,575.2
Vehicle and Equipment Replacement - Police	XQ1701				
<i>Withdrawals (-) TPS and Parking</i>			(34,093.9)	(26,770.0)	(33,121.0)
<i>Contributions (+) TPS</i>			20,766.0	23,766.0	26,766.0
<i>Contributions (+) Parking</i>			1,994.0	1,994.0	1,994.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>			<b>3,585.2</b>	<b>2,575.2</b>	<b>(1,785.8)</b>
<b>Balance at Year-End</b>		<b>14,919.1</b>	<b>3,585.2</b>	<b>2,575.2</b>	<b>(1,785.8)</b>

\* Based on 9-month 2020 Reserve Fund Variance Report

#### Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
<b>Beginning Balance</b>		30,142.3	30,142.3	14,678.1	17.8
Insurance Reserve Funds	XR1010				
<i>Withdrawals (-)</i>					
<i>Contributions (+) TPS</i>			9,505.4	9,505.4	9,505.4
<i>Contributions (+) PKE</i>			94.7	94.7	94.7
<b>Total Reserve / Reserve Fund Draws / Contributions</b>			<b>39,742.4</b>	<b>24,278.2</b>	<b>9,617.9</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>			<b>(25,064.2)</b>	<b>(24,260.4)</b>	<b>(7,045.2)</b>
<b>Balance at Year-End</b>		<b>30,142.3</b>	<b>14,678.1</b>	<b>17.8</b>	<b>2,572.8</b>

\* Based on 9-month 2020 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
<b>Beginning Balance</b>		<b>23,947.6</b>	<b>23,947.6</b>	<b>21,978.9</b>	<b>20,010.2</b>
Sick Pay Gratuity Reserve	XR1007				
<i>Withdrawals (-) TPS</i>			(17,030.3)	(17,030.3)	(17,030.3)
<i>Withdrawals (-) PKE</i>			(544.6)	(544.6)	(544.6)
<i>Contributions (+) TPS</i>			12,282.6	12,282.6	12,282.6
<i>Contributions (+) PKE</i>			544.6	544.6	544.6
<b>Total Reserve / Reserve Fund Draws / Contributions</b>			<b>19,199.9</b>	<b>17,231.2</b>	<b>15,262.5</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>			<b>2,779.0</b>	<b>2,779.0</b>	<b>3,129.0</b>
<b>Balance at Year-End</b>		<b>23,947.6</b>	<b>21,978.9</b>	<b>20,010.2</b>	<b>18,391.5</b>

\* Based on 9-month 2020 Reserve Fund Variance Report



## 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.