

# 2021 Budget Notes

## Office of Emergency Management

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### Description

The Office of Emergency Management (OEM) maintains, coordinates and drives improvements to Toronto's emergency management program.

Emergency management includes mitigation, preparedness, and response and recovery measures and are all distinctive phases in what is commonly known as the emergency management cycle.

This work involves coordinating and managing plans and official arrangements to engage and guide the efforts of government, non-government, and private agencies in comprehensive and coordinated ways to respond to a spectrum of emergency needs.

### Why We Do It

**The City's emergency management program is governed by the Emergency Management and Civil Protection Act, which provides the legal basis and framework for emergency management programs in Ontario. Primary functional responsibility for emergency management is delegated to local municipalities.**

**The City continues to deliver timely, robust, integrated and coordinated services required to meet the needs of Toronto residents and businesses during emergencies.**

**Toronto residents and businesses are informed of actions required to respond to and recover from emergencies.**

*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

#### **Emergency Management**

**Who We Serve:** The Public, Staff at City Divisions, Agencies, Corporations, Boards & Commissions, Partner agencies in the private sector.

**What We Deliver:** Coordination is a primary function of emergency management. The OEM coordinates emergency resources across the municipality and, as necessary, across municipal and provincial borders (mutual aid) as well as vertically through the Provincial and Federal Governments.

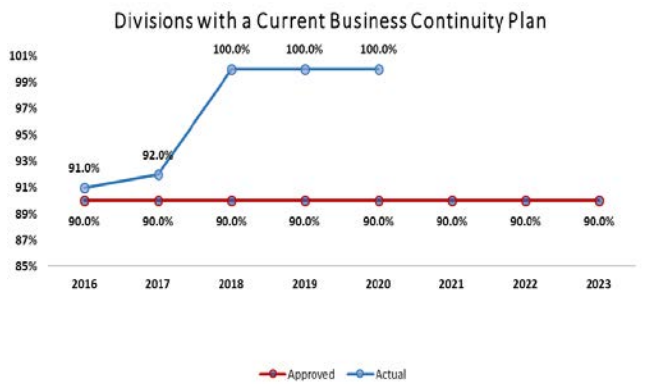
**How Much Resources (2021 gross operating budget):** \$3.9 million

## Budget at a Glance

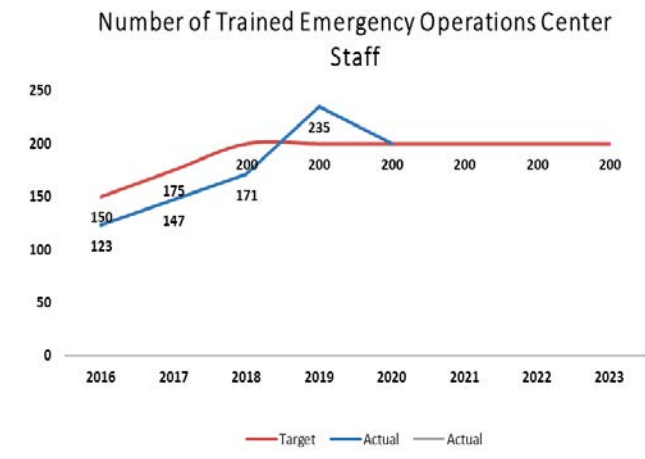
OPERATING BUDGET			
\$Million	2021	2022	2023
Revenues	\$0.7	\$0.7	\$0.7
Gross Expenditures	\$3.9	\$3.9	\$4.0
Net Expenditures	\$3.2	\$3.2	\$3.3
Approved Positions	21	21	21

2021 - 2030 10-YEAR CAPITAL PLAN			
\$Million	2021	2022-2030	Total
This program does not have a capital plan			

## How Well We Are Doing – Behind the Numbers



- Normal organizational and operational realignments and staffing changes make it difficult to ensure that all divisions maintain an up-to-date business continuity plan from year to year.
- Ensuring at least 90% of divisions have a current Business Continuity Plan.
- In 2020, the tracking of this metric was paused due to COVID response



- Every effort is made to ensure a target of 200 trained staff is maintained, as divisions across the City provide staff who are trained to support this operational requirement.
- Two hundred staff is an optimal target pool for ensuring EOC readiness
- Staff retirements, reassignments and general turnover create challenges in maintaining a constant pool of trained Emergency Operations Centre (EOC) staff.
- During COVID response additional staff were trained to support operations in the EOC.

### 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>								
Emergency Management	% of City Divisions with a current business continuity plan	100%	100%	90%	90% (measure paused during COVID)	90%	90%	●
<b>Service Level Measures</b>								
Emergency Management	% of appropriate staffing at EOC within 15 minutes of requests during regular business hours	100%	100%	100%	100% (Virtual)	100%	100%	●
Emergency Management	% of 200 required staff trained for EOC	86%	118%	100%	100%	100%	100%	●

**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>• Due to emergency closures and public health regulations, OEM has experienced the following financial impacts: <ul style="list-style-type: none"> <li>○ \$0.217 in additional staff related costs (overtime) to respond to emergency efforts.</li> <li>○ \$0.523 million in additional costs mostly required for the Cooling Centers</li> <li>○ \$0.055 million in costs reflecting the lump sum payment to permanent staff who were eligible to retire under the Voluntary Separation Program.</li> <li>○ \$0.005 million in projected cost savings in salaries and benefits due to staff on Emergency Leave.</li> </ul> </li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>• The 2021 COVID-19 impact is projected to be in line with OEM's 2020 experience. <ul style="list-style-type: none"> <li>○ \$0.523 million in projected additional costs for Cooling Centres may be required in a continuing COVID environment.</li> <li>○ \$0.217 million in projected additional staffing costs for extended / continuous EOC activation.</li> <li>○ In response to the financial pressures and challenges resulting from COVID-19, adjustments were made to the operating budget through cost containment.</li> <li>○ \$0.069 million savings in salaries and benefits due to the Voluntary Separation Program.</li> <li>○ \$0.056 million savings from cancellation of non-union progression pay.</li> </ul> </li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• OEM will continue to review Service Levels to reflect the necessary changes to respond to ongoing and emerging needs.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• OEM continues to review Service Levels to reflect changes as required to meet ongoing community needs.</li> <li>• Potential changes will be more in the way services are provided, not in the service levels themselves</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Due to the global COVID pandemic, the City's Emergency Operations Centre (EOC) was activated. To date, this has been the longest continuous activation of the EOC in the City's history.
- Over 150 staff and 51 DAC's (Divisions, Agencies and Corporations) have participated in the EOC response with the EOC and OEM leading many response specific task forces and working groups.
- As of Q3, 2020 the Office of Emergency Management (OEM) had managed 28 'curbside' Emergency Social Services responses to assist residents displaced by a variety of emergencies while maintaining an active EOC response.
- The OEM initiated multi-stakeholder work on Nuclear Emergency Preparedness and Response in partnership with Ontario Power Generation based on an MOU and funding agreement for OEM staffing.

### Key Challenges and Risks

- Continuing to meet the emergency management needs of a rapidly growing City, including ensuring the City is ready to support an increase in vulnerable individuals during emergencies.
- Supporting the City's readiness and resiliency for emergencies caused by new and/or re-emerging threats, such as a resurgence of COVID-19 or extreme weather events that are more likely to occur due to climate change.
- Ensuring OEM has effective succession planning (staff, experience, skills and qualifications) to enable continual program delivery.

### Priority Actions

- Meeting the legislative requirements of the Emergency Management and Civil Protection Act, and Emergency Management By-law (Chapter 59).
- Reviewing and implementing recommendations of the internal and external COVID-19 After Action Reviews/Reports.
- Initiating an Emergency Social Services program review including policy and partner agreements.
- Leveraging effective use of technology to support priority actions.

**RECOMMENDATIONS**

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

1. City Council approve the 2021 Operating Budget for the Office of Emergency Management of \$3.916 million gross, \$0.660 million revenue and \$3.256 million net for the following service:

**Service:**

	<b>Gross Expenditures (\$000s)</b>	<b>Revenue (\$000s)</b>	<b>Net Expenditures (\$000s)</b>
Office of Emergency Management	3,916.2	660.0	3,256.2
<b>Total Program Budget</b>	<b>3,916.2</b>	<b>660.0</b>	<b>3,256.2</b>

2. City Council approve the 2021 staff complement for the Office of Emergency Management of 21.0 operating positions.

**Office of Emergency Management**

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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 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	%
<b>Revenues</b>						
Emergency Management	347.2	660.0	651.2	660.0	8.8	1.3%
<b>Total Revenues</b>	<b>347.2</b>	<b>660.0</b>	<b>651.2</b>	<b>660.0</b>	<b>8.8</b>	<b>1.3%</b>
<b>Expenditures</b>						
Emergency Management	2,634.4	3,267.5	3,768.6	3,916.2	147.7	3.9%
<b>Total Gross Expenditures</b>	<b>2,634.4</b>	<b>3,267.5</b>	<b>3,768.6</b>	<b>3,916.2</b>	<b>147.7</b>	<b>3.9%</b>
<b>Net Expenditures</b>	<b>2,287.2</b>	<b>2,607.5</b>	<b>3,117.3</b>	<b>3,256.2</b>	<b>138.9</b>	<b>4.5%</b>
<b>Approved Positions</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$3.916 million gross reflecting an increase of \$0.148 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Increases in salaries and benefits for existing positions and positions to be filled in 2021 to meet service demands, which were vacant in 2020 due to COVID-19 response.
- Increase in other expenditures to respond to COVID-19 impacts.

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 \$3.256 million in net expenditures reflects a \$0.092 million net decrease from the 2020 Council approved Budget, when excluding \$0.740 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Services:** The Office of Emergency Management does not have New and Enhanced Services.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Office of Emergency Management's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Office of Emergency Management is \$3.916 million gross or 3.9% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes the Balancing Actions.

**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	2,474.8	2,875.0	2,934.1	2,996.5	62.3	2.1%
2 Materials & Supplies	8.0	51.9	77.4	98.7	21.3	27.5%
3 Equipment	35.9	36.7	41.5	36.7	(4.9)	-11.7%
4 Service and Rent	114.8	303.5	715.1	779.7	64.6	9.0%
5 Contribution To Reserves	0.3	0.3	0.3	4.6	4.3	1264.9%
6 Other Expenditures	0.5					
<b>Total Expenditures</b>	<b>2,634.4</b>	<b>3,267.5</b>	<b>3,768.6</b>	<b>3,916.2</b>	<b>147.7</b>	<b>3.9%</b>
<b>Revenues</b>						
1 Provincial Subsidies	366.7	650.0	650.0	650.0		
2 User Fees & Donations		10.0		10.0	10.0	
3 Other Revenues (Inc. IDR's)	(19.5)		1.2		(1.2)	-100.0%
<b>Total Revenues</b>	<b>347.2</b>	<b>660.0</b>	<b>651.2</b>	<b>660.0</b>	<b>8.8</b>	<b>1.3%</b>
<b>Net Expenditures</b>	<b>2,287.2</b>	<b>2,607.5</b>	<b>3,117.3</b>	<b>3,256.2</b>	<b>138.9</b>	<b>4.5%</b>
<b>Approved Positions</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>		

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

Include increases on existing salaries and benefits due to anticipated positions to be filled in 2021 to meet services demands, which were vacant in 2020 due to COVID-19 response.

**Materials and Supplies:**

Include increases for emergency supplies including Personal Protective Equipment to support COVID-19 response.

**Services and Rents:**

Includes increases due to the cost of cooling centres used in support of COVID-19 response.

**Table 2b: 2021 Balancing Actions**

		(\$000s)						
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Remove Merit for Non-Union Staff VSP-Voluntary Separation Program- Savings	Other		(56.0)	(56.0)				
	Other		(69.2)	(69.2)				
<b>Total Balancing Actions</b>			<b>(125.2)</b>	<b>(125.2)</b>	-			-

**Salaries and Benefits Projected Savings**

- Efforts to mitigate COVID-19 financial impacts include savings arising from the Voluntary Separation Program and cancellation of non-union merit pay.

**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	651.2	660.0	660.0	660.0
Gross Expenditures	3,768.6	3,916.2	3,932.9	3,950.2
<b>Net Expenditures</b>	<b>3,117.3</b>	<b>3,256.2</b>	<b>3,272.9</b>	<b>3,290.2</b>
<b>Approved Positions</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$3.932 million reflects an anticipated \$0.016 million or 0.4 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlooks expects a further increase of \$0.018 million or 0.4 per cent above 2022 gross expenditures.

- These changes arise from inflationary increases for salaries and benefits for existing positions.

# APPENDICES

## Appendix 1

### COVID-19 Financial Impact - Operating

COVID-19 Impacts	(\$000s)					
	2020			2021		
	Revenues	Gross	Net	Revenues	Gross	Net
<b>Expenditure Increase</b>						
Salaries & Benefits		217.2	217.2		217.2	217.2
Materials & Supplies		46.8	46.8		46.8	46.8
Services and Rents		476.2	476.2		476.2	476.2
<b>Sub-Total</b>		<b>740.2</b>	<b>740.2</b>		<b>740.2</b>	<b>740.2</b>
<b>Savings due to Management Actions</b>						
Savings from staff on Emergency Leave due to COVID		(5.6)	(5.6)			
Remove Merit for Non-Union Staff					(56.0)	(56.0)
Voluntary Separation Program - Payout Cost/Savings		55.5	55.5		(69.2)	(69.2)
<b>Sub-Total</b>		<b>49.8</b>	<b>49.8</b>		<b>(125.2)</b>	<b>(125.2)</b>
<b>Total COVID-19 Impact</b>		<b>790.1</b>	<b>790.1</b>		<b>615.0</b>	<b>615.0</b>

## Appendix 2

### 2021 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2018 Actual	2019 Actual	2020 Budget	2020 Projection*	2021 Budget	2021 Change from 2020 Projected Actual	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	225.0	366.7	650.0	650.0	650.0		
Federal Subsidies							
Other Subsidies							
User Fees & Donations			10.0		10.0	10.0	
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds							
Sundry and Other Revenues	91.3	(19.5)		1.2		(1.2)	(100.0%)
Inter-Divisional Recoveries							
<b>Total Revenues</b>	<b>316.3</b>	<b>347.2</b>	<b>660.0</b>	<b>651.2</b>	<b>660.0</b>	<b>8.8</b>	<b>1.3%</b>
Salaries and Benefits	2,359.0	2,474.8	2,875.0	2,934.1	2,996.5	62.3	2.1%
Materials & Supplies	14.9	8.0	51.9	77.4	98.7	21.3	27.5%
Equipment	56.2	35.9	36.7	41.5	36.7	(4.9)	(11.7%)
Service and Rent	96.2	114.8	303.5	715.1	779.7	64.6	9.0%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	22.0	0.3	0.3	0.3	4.6	4.3	1264.9%
Other Expenditures	57.1	0.5					
Inter-Divisional Charges							
<b>Total Gross Expenditures</b>	<b>2,605.5</b>	<b>2,634.4</b>	<b>3,267.5</b>	<b>3,768.6</b>	<b>3,916.2</b>	<b>147.7</b>	<b>3.9%</b>
<b>Net Expenditures</b>	<b>2,289.2</b>	<b>2,287.2</b>	<b>2,607.5</b>	<b>3,117.3</b>	<b>3,256.2</b>	<b>138.9</b>	<b>4.5%</b>
<b>Approved Positions</b>	<b>18.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>		

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

\*\* Prior Year Budget and 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 7**

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

**N/A**

### **Appendix 8**

**Summary of Capital Needs Constraints**

**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**

**N/A**

## 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

**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).

**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.