

# 2021 City of Toronto Budget Summary

BUDGET 



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# **A Message from the City**



# Mayor's Message



*Mayor John Tory*

City Council approved a responsible 2021 budget that does the right thing during these tough times – it preserves and protects the City services people rely on every day and invests more in key areas where the impact of COVID-19 has been the greatest.

The financial impact of the pandemic continues to be one of the greatest challenges that Toronto has ever faced. In finalizing this budget, City Council has confirmed our consistent strong message that we need the continued support of the provincial and federal governments in our fight against this virus and the costs it has brought forward.

The City continues to experience significant financial impacts, in the form of both added costs and revenue losses, as a direct result of the COVID-19 pandemic. The operating budget includes \$1.6 billion in funding through continued partnerships with the Government of Canada and the Province of Ontario to address the impacts of COVID-19, of which \$1.455 billion is currently secured through successful advocacy on behalf of our city. City-led mitigation strategies totalling \$573 million in savings and offsets were also applied to reduce the overall budget pressure.

Council overwhelmingly voted to keep property taxes affordable, with a 0.70 per cent increase for residential properties. Including the 1.5 per cent City Building Levy for dedicated transit and housing infrastructure funding, the average Toronto household will pay an additional \$69 on their municipal property tax bill in 2021.

We are making investments exactly where it makes sense in our fight against the pandemic – this budget puts millions of dollars more into Toronto Public Health, pandemic-related funding for shelters, Toronto Community Housing, and seniors and long-term care.

The operating budget also includes \$65 million in new investments to support building a prosperous Toronto and delivering on key commitments, such as road safety, mobility, modernization, culture, and equity and reconciliation.

Through the budget process, we listened to residents and amended the budget based on their feedback to include \$8 million in additional investments for targeted investments in youth jobs, mental health supports, low-income Internet access and main street businesses which are all areas where more investment was needed in the wake of COVID-19.

The 10-year capital plan includes funding for key areas such as mobility, housing, modernization and the environment. This capital budget continues work on Council-approved investments, including significant contributions to address state-of-good-repair needs within the TTC and Toronto Community Housing Corporation.

We are continuously adapting to the changing environment due to COVID-19. Work is already underway to begin the rebuilding efforts after the City transitions into the recovery phase, with a focus on growth and resiliency. The recovery of the local economy will need ongoing stable sources of funding and new fiscal relationships with other levels of government.

This year will be a tough challenge for everyone, but I will continue working with my colleagues on City Council and the provincial and the federal governments, to further our efforts to protect Toronto's success at this critical time and maintain it as one of the world's most livable cities.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Tory".

*Mayor John Tory*  
City of Toronto

# Chief Financial Officer and Treasurer's Message



*Heather Taylor*

As the Chief Financial Officer and Treasurer, I am pleased to present the 2021 Budget Summary Book on behalf of the City of Toronto. For 2021, City Council approved a tax and rate combined operating budget of \$14.02 billion and a 10-year capital budget and plan of \$44.70 billion.

The budget preserves existing services within public health guidelines while managing the impacts of COVID-19 and continues to invest in key capital projects to build a more equitable and prosperous Toronto for all residents.

The 2021 budget was a true team effort with staff, elected officials and deputants all coming together to identify key priorities, ensuring we keep delivering integral City services in the face of unprecedented financial challenges that have resulted from the ongoing pandemic.

At the start of the pandemic, the City assembled a COVID-19 financial impact working group, which continues to assess the financial implications resulting from this emergency daily and focuses on a plan for stabilization and rebuilding.

These COVID-19 related financial impacts have continued into 2021 as added costs and revenue losses and are currently expected to total nearly \$1.6 billion for the year. The City has received \$1.455 billion in COVID-19 support funding from the federal and provincial governments as of April 2021 to offset most of the impacts, leaving a projected remaining gap of \$141 million, after incorporating City-led mitigation strategies totalling \$573 million in savings and offsets.

COVID-19 highlighted a clear need to address inequities amongst Torontonians. It served as a catalyst to strengthen collaboration with other governments and develop innovative solutions to

deliver City services faster and more efficiently to key populations. Through additional investments in technology, the City has redesigned processes and supports to better serve residents. We will continue to build on this collaborative success to secure a sustainable financial future and ensure Toronto receives the support that it needs.

The 2021 tax-supported operating budget focuses on keeping property taxes affordable, preserving service levels and managing COVID-19 recovery and rebuild. The tax-supported 10-year capital plan includes funding for key areas such as mobility, housing, modernization and the environment.

In 2021, the overall average property tax increase is 0.51 per cent, with a 0.70 per cent increase for residential properties, a 0.35 per cent increase for commercial properties and a 0.23 per cent increase for industrial properties. There is no increase for multi-residential or apartment buildings, as per provincial legislation.

The approved 2021 rate-supporting operating and capital budgets for Toronto Water, Toronto Parking Authority and Solid Waste Management Services also maintain current service levels and make critical investments in infrastructure while reducing planned rate increases to just 1.5 per cent.

I want to thank staff across the City who have contributed to this budget and worked tirelessly toward achieving financial sustainability.

Sincerely,

A handwritten signature in blue ink, appearing to read "Heather Taylor".

*Chief Financial Officer and Treasurer  
City of Toronto*



# **2021 Budget Overview**

## 2021 OPERATING AND CAPITAL BUDGET SUMMARY

Toronto has experienced significant and unprecedented financial impacts, both in the form of added costs and revenue losses as a direct result of the COVID-19 pandemic. The pandemic impacts are magnifying and highlighting the urban challenges that Toronto, like other large cities, is facing. These include population growth, aging infrastructure and disparities in income resulting in demand for more community and human services and the distribution of community services. Consequently, the City must fund and deliver a wide range of programs and services that extend beyond the mandate of smaller municipalities especially during the pandemic. The pandemic served as a catalyst to strengthen collaboration with other governments to address the financial impacts, while also developing City-led mitigation strategies to address savings and offsets to reduce the overall budget pressure. City Council has adopted ambitious plans to address these issues and lead Toronto forward, however, the City needs to identify new ongoing sustainable revenue options to fund many of these solutions.

As the demand for these public services are rising, the City also has substantial capital needs for both new infrastructure and state of good repair (SOGR) and focused on key areas including mobility, housing, modernization and the environment.

The pressure on expenses continues to increase faster than revenues. Although residential taxes have been rising higher than inflation, when combined with taxes on non-residential properties, the overall tax increase has consistently risen at a rate below inflation. Despite efficiencies, each year there is a significant gap that needs to be bridged in order to balance the Operating Budget.

The 2021 Operating Budget and the 2021 – 2030 Capital Budget and Plan enables the City of Toronto to provide over 150 distinct services that are supported by capital assets and infrastructure to meet the needs of a diverse population of more than 2.9 million people.

The City employs a financial planning and budgeting process that is transparent, accessible and focused on service outcomes and accountability. It accounts for the public's needs as translated by Council in its approved strategies and priorities and ensures that value is achieved through the efficient use of resources for the most effective delivery of City services and stewardship of City assets. Grounded in good governance, the City's financial planning and budgeting practices are aimed to garner the public's trust and confidence in the management of public resources.

The development of the 2021 Budget was guided by four key principles:

- Manage COVID-19 impact and recovery;
- Preserve existing services (consistent with health guidelines);
- Keeping property taxes affordable; and
- Building a prosperous Toronto with a focus on equity.



## CITY SERVICES

The City's many services keep our homes and neighbourhoods safe and vibrant, encourage business growth and investments and make Toronto welcoming for visitors from around the world. Garbage collection, water testing and public parking are all examples of rate supported services the City provides every day.

**Community and Social Services** are a range of public services provided by the City that aim to build stronger communities, and promote equality and opportunity. The City's social safety net covers a broad spectrum of programs and include the following:

Children's Services; Court Services; Economic Development & Culture; Housing Secretariat; Long-Term Care Homes & Services; Parks, Forestry & Recreation; Shelter, Support & Housing Administration; Social Development Finance & Administration; Toronto Employment & Social Services; and Toronto Paramedic Services.

**City Building and Infrastructure** refers to the physical networks, associated services and facilities essential to enable, sustain, or enhance societal living conditions and are necessary for the functioning of a modern City. These services include the following:

City Planning; Fire Services; Municipal Licensing & Standards; Policy, Planning, Finance & Administration; Engineering & Construction Services; Toronto Building; Transportation Services; Waterfront Revitalization Initiative; Toronto Water; and Solid Waste Management Services.

**Internal and Financial Services** are corporate services that are administered to support the needs of City Programs and create more effective organizations. Internal and Financial Services include only those activities and resources that apply across an organization and not to those provided specifically to a program. These services include the following:

311 Toronto; Facilities, Real Estate, Environment and Energy; Fleet Services, Technology Services; Legal Services; Office of the Chief Financial Officer; Office of the Controller; Office of the Chief Information Security Officer; Sustainable Energy Plan; and Financial Services.

**City Governance and Other City Programs** are the foundation of local government in Toronto that manage elections operations, ensures government decision-making, support elected and accountability officials and deliver provincially delegated services. They ensure open government by managing and storing records, enabling corporate information stewardship, and delivering creative, printing and distribution services. These services include the following:

Office of the Mayor; Indigenous Affairs Office; City Council; Accountability Officers (Auditor General, Integrity Commissioner, Lobbyist Registrar and Ombudsman); City Clerk's Office; Legal Services and City Manager's Office.

**Agencies** deliver other important services on behalf of the City and each has its own relationship with City Council to promote community wellness, health, safety, cultural and social standards of the City. These services include the following:

Arena Boards of Management; Association of Community Centres; Exhibition Place; Heritage Toronto; TO Live; Toronto & Region Conservation Authority; Toronto Atmospheric Fund; Parking Tags Enforcement & Operations; Toronto Police Services Board; Toronto Police Service; Toronto Public Health; Toronto Public Library; Toronto Transit Commission; Toronto Zoo; Yonge - Dundas Square; Create TO, and Toronto Parking Authority.

## 2021 OPERATING BUDGET

The 2021 Council Approved Rate Supported Operating Budget is \$1.890 billion which is comprised of Toronto Water, Solid Waste Management Services and Toronto Parking Authority. The 2021 Council Approved Tax Supported Operating Budget is \$12.13 billion gross and \$4.49 billion net. In total, the City of Toronto's Council approved a balanced 2021 Tax and Rate Supported Operating Budget of \$14.02 billion with service spending plans, associated service levels and staffing.

*Figure 1: 2021 City Council Approved Gross Operating Budget*

(In \$000's)	2020		2021 Budget	2021 Base Budget	2021 New / Enh. Budget	Change from 2020 Approved Budget	
	Budget	Projection				\$ Incr./ (Dcr)	%
Tax Supported Programs	11,719,772	11,295,436	12,124,993	12,060,461	64,532	405,221	3.5%
Rate Supported Programs	1,941,325	1,840,174	1,890,171	1,890,171		51,155	-2.6%
<b>City of Toronto Total</b>	<b>13,661,098</b>	<b>13,135,610</b>	<b>14,015,163</b>	<b>13,950,631</b>	<b>64,532</b>	<b>354,066</b>	<b>2.6%</b>

The 2021 Budget keeps the costs of City services affordable with a residential tax rate increase of 0.7%, an inflation-level increase. The budget preserves existing services, addresses regional pressures, maintains an inflationary residential tax rate increase for City Operations, and includes just 2.6% increase over 2020. The 2021 Council Approved Tax Supported Operating Budget represents an increase of \$405 million or 3.5% in gross expenditures, and decrease of \$51 million or -2.6% increase in gross expenditures for Rate Supported Budget over 2020.

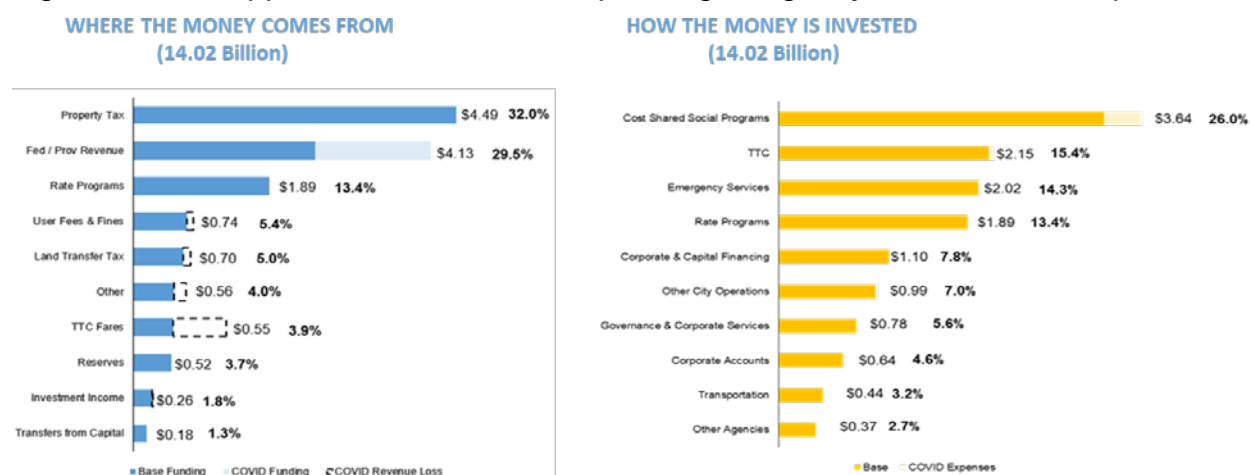
On the revenue side, TTC fares, user fees, charges, fines and other revenues included in the 2021 Council Approved Budget total \$9.52 billion. Due to COVID-19 pandemic, user fees and donations have decreased by \$0.92 million over the 2020 Budget. Municipal Land Transfer Tax (MLTT) revenue totals \$697.69 million and represents 5.0% of the City's revenues. Given MLTT volatility, staff will be developing a strategy to redirect some portion of the MLTT to fund capital costs and reduce the City's reliance on the MLTT to fund ongoing operating costs.

In addition to maintaining current programs and services, the 2021 Operating Budget also provides funding of \$64.53 million gross for new and enhanced service investments. Investments in new and enhanced services are based largely on service



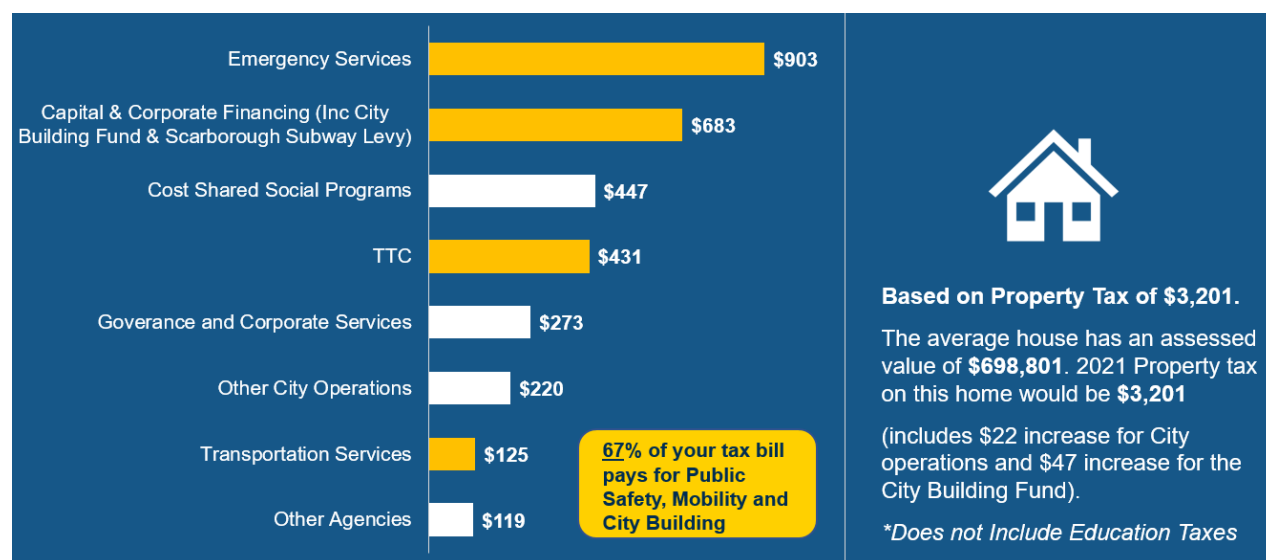
priorities that were referred to or directed by City Council to be considered with the 2021 Budget to begin, advance and/or complete Council-adopted plans and strategies.

*Figure 2: 2021 Approved Tax and Rate Operating Budget by Revenue and Expenditure*



When translated into an average tax bill of \$3,201 for the average value of a home assessed at \$0.699 million the chart below shows how 2021 property taxes will be spent based on the approved 0.7% residential property tax rate increase and 1.5% incremental increase of City Building Fund. In 2021, the average Toronto household will pay an additional \$69 on their municipal property tax bill.

*Figure 3: How Your Tax Dollar Works for You in 2021*



## Outlook for 2022 and Future Years

As we look beyond 2021, there is sufficient uncertainty surrounding City's COVID response requirements, public health measures, service resumptions and the extent of federal/provincial funding support. All this makes it challenging to provide accurate budget outlooks for the years beyond 2022.

The potential pressure on the City's 2022 Operating budget is estimated to be between \$1.11 billion and \$1.82 billion as shown in the slide below:

Figure 4: 2022 Outlook

In \$ Millions	Estimates	
	Low	High
<b>Base Pressures</b>		
TTC (Inc Eglinton Crosstown)	153	
Salaries and Benefits	81	
Inflation and Growth	171	
<b>Sub-Total</b>	<b>405</b>	
<b>Federal / Provincial Responsibilities</b>		
Refugee Costs	61	
Supportive Housing Costs	44	
<b>Sub-Total</b>	<b>105</b>	
<b>COVID-19 Impact</b>		
TTC	387	796
Shelters	0	69
Public Health	0	15
Corporate Revenues	112	269
Other Impacts	99	162
<b>Sub-Total</b>	<b>598</b>	<b>1,311</b>
<b>Total</b>	<b>1,108</b>	<b>1,821</b>

City will continue to monitor COVID-19 impacts and funding supports throughout 2021 and update the assumptions accordingly. City will also continue to work with the Government of Canada and the Province Ontario to determine the necessary funding supports to address the unprecedented pressures the City faces.

## PHYSICAL INFRASTRUCTURE

The City has a stewardship over a vast asset inventory to support service delivery:- roads, expressways, bridges, traffic signal controls, water and wastewater treatment facilities, distribution and collection pipes, reservoirs, pumping stations, subways, streetcars, buses, civic centres, recreation facilities, social housing buildings, parkland and other lands. This infrastructure, excluding land, is currently estimated to be worth in excess of \$101.5 billion, based on replacement cost estimates.

Figure 5: City Physical Infrastructure



## 2021 – 2030 CAPITAL BUDGET AND PLAN

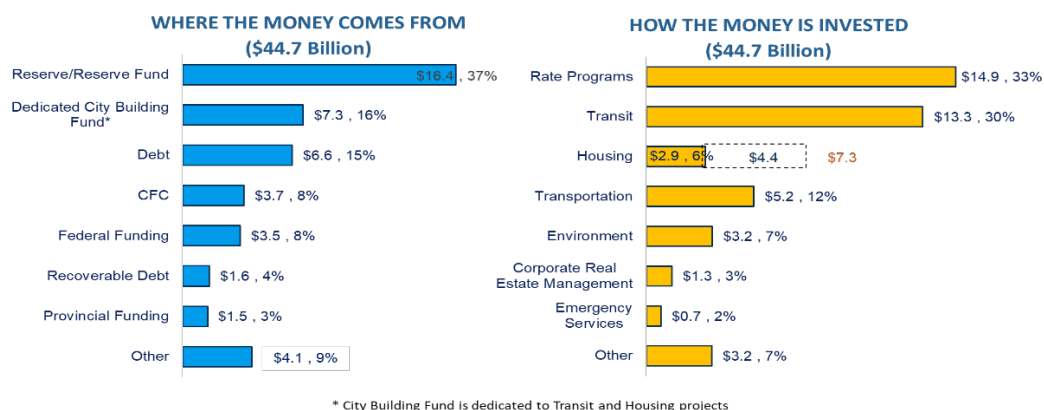
The City of Toronto's Council Approved 2021 - 2030 Tax and Rate Supported Capital Budget and Plan totals \$44.71 billion. The Tax Supported Programs comprise 65% or \$29.15 billion over the 10 years with the remaining funding of \$15.64 billion allocated to the Rate Supported Programs.

Figure 6: 2021-2030 Council Approved Capital Budget and Plan (add alt text)

	2020		2021 Budget		Total 10 Year 2021-2030	
(In \$000's)	Budget	Projection	Gross	Debt	Gross	Debt
Tax Supported Programs	3,380,861	2,685,867	2,951,082	1,241,485	29,065,537	10,305,360
Rate Supported Programs	1,368,138	1,145,976	1,340,946		15,645,086	
City of Toronto Total	4,748,999	3,831,843	4,292,028	1,241,485	44,710,623	10,305,360

City Council Approved 2021 Tax and Rate Supported Capital Budgets of \$4.29 billion and a 10-year capital plan totaling \$44.71 billion. Council approved the 2022 - 2030 future years plan of \$40.42 billion which will form the basis for developing future capital budgets, in accordance with the City's multi-year financial planning and budgeting policies and practices.

Figure 7: 10-year Capital Budget and Plan \$ 44.71 Billion



As part of the 2021 Capital review process, steps were taken to create investment capacity to address Council directed key priorities and critical unmet needs. Significant portion of new capital funding was prioritized to undertake major capital projects to expand City transit and to reduce the SOGR backlog for major roads such as, the Gardiner Expressway Revitalization and to reflect partnerships with the Federal Government for TCHC building repair. For 2021, any additional debt capacity was directed to critical mobility, housing, modernization, environment and SOGR.

As a part of the Budget modernization initiative, a systematic review of every Program and Agency Capital Plan was undertaken to more realistically match cash flow spending to project activities and timing, especially in the first 5 years of the Capital Plan's timeframe. In addition, leveraging City Building Fund as a recoverable debt and

implementation of stage-gating for capital projects where cash flow estimates were aligned with each stage gate provided additional debt capacity.

2021 - 2030 Council Approved Tax and Rate Supported Capital Budget and Plan invests a total of \$13.3 billion in transit, resulting in nearly doubling the investment in state-of-good-repair, while the extension of the City Building Fund will support \$7.3 billion dedicated to Transit initiatives and Housing. The Council Approved 10-Year Capital Budget and Plan also near eliminate the state-of-good-repair backlog in Toronto Water, F.G Gardiner project, and other key areas, however the state-of-good repair backlog is growing in other key programs areas. The Plan continues to fund the City's two largest transit investments – SmartTrack and the Scarborough Subway Extension, as well as rehabilitation work on the Gardiner Expressway, road resurfacing and reconstruction, and key capital projects to address traffic congestion.

Despite added investment, critical state of good repair, service improvement initiatives, and transit expansion projects remain unfunded over a 15 year planning period. Looking ahead, alternative revenue tools will be required in order to fund these critical projects and unmet needs. City staff will revisit long-term capital reallocations and establish various funding strategies.

### **Capital Budget Impact on the Operating Budget**

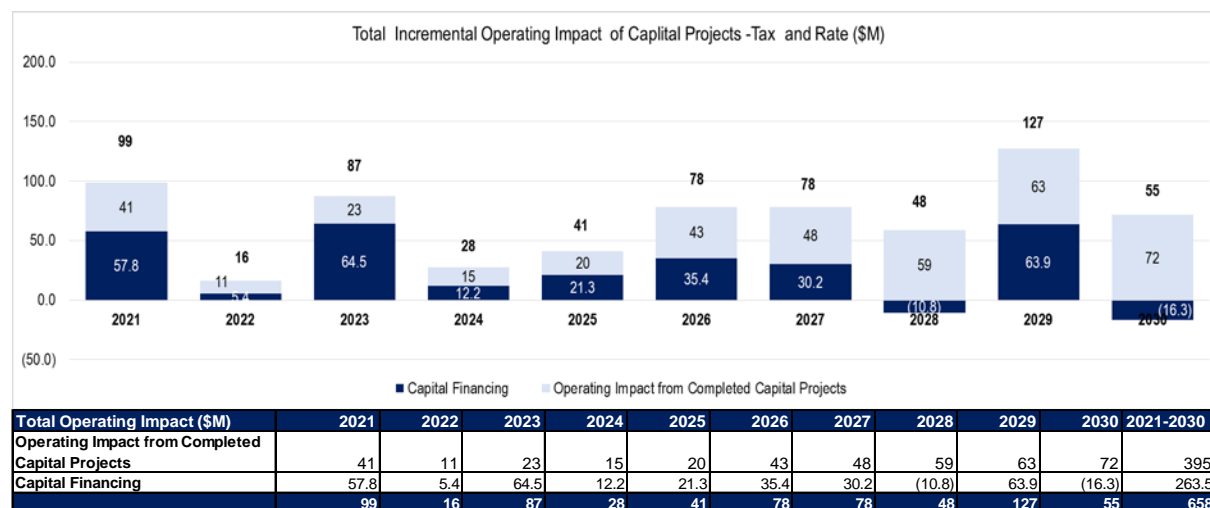
Every year, the operating impact from capital work is a one of the key driver of the annual operating budget pressure. The approval of capital projects will impact the annual Operating Budget in the following ways:

- Over the 10-year period, principal and interest payments on issued debt to finance the capital plan (debt service costs) and direct contribution from the operating budget to finance pay-as-you-go capital projects will increase by \$263.54 million by year 2030, should the 2021 -2030 capital plan be implemented.
- Increased operating costs including on-going maintenance and program costs for new infrastructure and rehabilitated or expanded facilities; cost to sustain new technology; and / or partially offset by efficiency savings from capital investments that reduce operating costs. In 2021, incremental operating impact of completed capital projects is \$40.90 million. By year 2030, the incremental operating impact is expected to total \$394.71 million.

The annual operating impact from approval and implementation of the 2021 – 2030 Council Approved Capital Budget and Plan is illustrated below:



Figure 8: Incremental Impact on Operating Budget –Tax &amp; Rate Programs (\$M)



As the need for capital investment grows, the cost of servicing the debt and operating costs from completed capital work will continue to grow and compete for funding of City services.

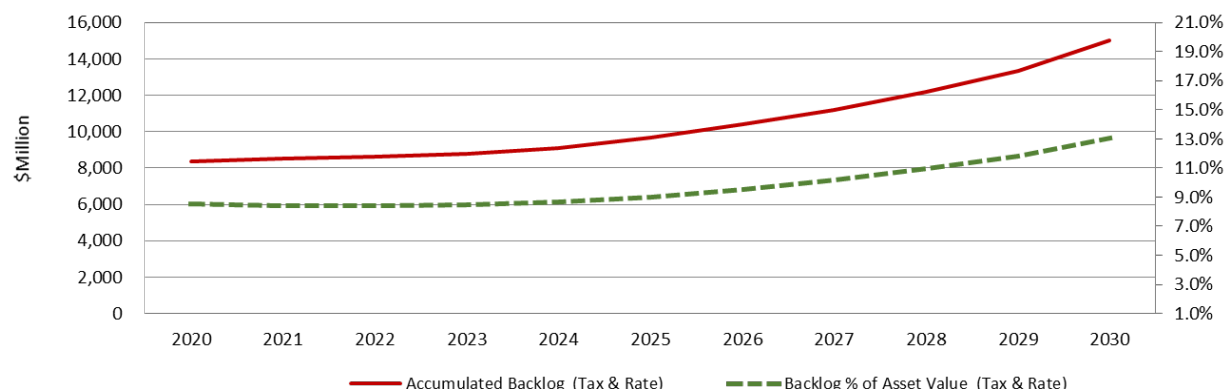
### Total City State of Good Repair (SOGR) Backlog

The City has an expansive asset inventory and its infrastructure is aging. The City's capital program is driven largely by the cost of maintaining these physical assets in a state of good repair. Managing the accumulated SOGR backlog is a key capital strategic objective and priority for the City in order to ensure that current assets are able to support the delivery of City services and meet service outcomes.

As City Programs and Agencies continue to mature its asset management best practices, SOGR backlog funding pressures continue to rise as better information is received about the condition of City infrastructure. Further funding strategies will be required to reduce the backlog in future years.

The 2021–2030 Council Approved Capital Budget & Plan (Tax & Rate) is allocating \$23.17 billion or 52% of funding to capital works to address City infrastructure required to deliver services to the citizens of Toronto are maintained in a state of good repair. Despite the investment in SOGR, the total accumulated SOGR backlog estimate will increase from \$8.36 billion at the end of 2020 to \$14.99 billion by 2030. The backlog as a percentage of asset value will increase from 8.5% to 13 % over the 10-year period.

Figure 9: 2021 SOGR Funding &amp; Backlog (Tax and Rate Supported)



Tax & Rate Supported (\$M)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total Asset Value (Tax & Rate)	98,188	101,485	102,640	103,705	105,468	107,259	108,858	110,261	111,402	112,552	114,973
Accumulated Backlog (Tax & Rate)	8,362	8,529	8,607	8,790	9,118	9,674	10,389	11,195	12,194	13,322	14,994
Backlog % of Asset Value (Tax & Rate)	8.5%	8.4%	8.4%	8.5%	8.6%	9.0%	9.5%	10.2%	10.9%	11.8%	13.0%

As summarized below, the accumulated balance for Tax Supported Programs will increase by \$7.97 billion which will be offset by \$1.3 billion decrease in the Rate Supported Programs, consequently, the overall accumulated backlog balance will increase by \$6.63 billion over the 10 year period;

Figure 10: SOGR Backlog by Program – Summary

SOGR Backlog (\$M)	2020 (beg. bal.)	2021 (1 Year)	2025 (5 Year)	2030 (10 Year)	2020-2030 Change
Tax Supported	6,873	7,153	9,177	14,842	7,969 ▲
Rate Supported	1,489	1,375	496	152	(1,337) ▼
<b>Total SOGR Backlog</b>	<b>8,362</b>	<b>8,529</b>	<b>9,674</b>	<b>14,994</b>	<b>6,632 ▲</b>
Total Asset Value	98,188	101,485	107,259	114,973	16,785
SOGR as % Asset Value	8.5%	8.4%	9.0%	13.0%	

In addition, capital requirements resulting from population growth and demographic changes will add additional financial pressures. According to the Ontario Population Projections Update, the projected population growth of more than a million people in the City of Toronto, raising the population to 3.9 million people by 2041. Intense construction activity across the City and in particular the downtown core confirm these population projections.

More buses, social housing, recreation centres, etc. are required, which will put pressure on the City's capital and operating budgets to provide additional services, and build and operate new facilities. As a result, the City's unfunded capital projects

continue to grow. The City is responding to the need to fully integrate City planning, service planning, and financial planning in order to provide sustainable strategies to address these service demands.

## Aligning the City's Budget to Accrual Based Reporting

Historically, government budgets and financial statements were prepared and reported on a cash or modified cash basis. Both of these reporting approaches illustrated the short-term economic impacts arising from governments' fiscal policies by providing financial statement users with visibility into cash inflows, as well as cash outflows. The modified cash basis also included some limited accruals for expenses incurred during the fiscal year being reported, and paid out after year-end.

Beginning in 2009, municipal accounting and financial statement reporting requirements changed substantially with the adoption of full accrual accounting. Changes to the Public Sector Accounting Standards (PSAS) resulted in the introduction of new accounting concepts, such as the capitalization and amortization of tangible capital assets, recognition of debt as a liability when it required future payment from the City, and recognition of post-employment benefits and other future liabilities as obligations using the present value of the future cost.

With changes to PSAS, governments were also required to re-assess the financial information included in their budgets. For the City, use of full accrual budgeting provides more information as to whether the government entity (i.e. the City, including all of its agencies, boards, and corporations) is in a better or worse position than the previous year. Changes to the budget may be as a result of government actions (the budget), inaction (not addressing aging assets), or the result of factors beyond the government's control (such as interest rate changes, unanticipated spending arising from a pandemic, or natural disasters damaging government property).

The presentation of the City budget on a full accrual basis also serves to meet the disclosure requirements of Ontario Regulation 286/09 "Budget Matters – Expenses". On an annual basis, the City prepares a report prior to the adoption of its budget to disclose the amounts, which are excluded from the budget, such as amortization, post-employment benefits and landfill closure and post-closure expenses.

The full accrual consolidated budget for 2020, which accounts for tax and rate-supported revenues and expenditures, reflects a net surplus of \$2.2B as noted below:

	<b>\$000's</b>
<b>City Council Approved – Tax &amp; Rate Supported Expenditure Budget (Note 1)</b>	<b>14,015,163</b>
Add:	
Amortization of tangible capital assets	1,304,000
Estimated change in post-employment liabilities	125,000
Estimated change in liabilities for contaminated sites	82,000
Estimated change in active and post-closure landfill liabilities	48,000
Deduct:	
Estimated tangible capital asset expenditures	(3,353,000)
Budgeted debt principal repayments and Sinking Fund earnings	(340,000)
<b>Full Accrual Expenditure Budget</b>	<b>11,881,163</b>
<b>City Council Approved – Tax &amp; Rate Supported Revenue Budget (Note 1)</b>	<b>14,015,163</b>
Add:	

	<b>\$000's</b>
Estimated earnings from government business enterprises (GBEs)	83,000
<b>Full Accrual Revenue Budget</b>	<b>14,098,163</b>
<b>Net Surplus/Deficit – December 31, 2020 (Note 2)</b>	<b>2,217,000</b>

Given the City's 2021 budget is prepared on a balanced basis, the budget itself is estimated to not impact the actual annual surplus. However, the adjustments shown in the above table reflect the differences between cash budgeting and financial reporting requirements. In 2021, the City's PSAS budget recognizes a net surplus mainly due to the City's investment in its tangible capital expenditures, which are capitalized under PSAS.

Note 1: The budget includes the City's tax and rate-supported programs, as well as over 122 agencies, boards, and corporations, which are consolidated as part of the City's annual financial statements.

Note 2: The annual surplus accounts for a number of non-cash adjustments, which include:

- Changes to the City's estimates for post-employment benefits, active and post-closure landfills, and contaminated sites.
- The City's investment in tangible capital assets, which is reduced by the associated amortization expense to reflect the declining value of the City's assets in proportion to their usage patterns.
- Exclusion of debt repayments as an expense for financial reporting purpose as they represent the exchange of funds on the balance sheet.
- Removal of excess earnings from the City's GBEs (representing the full equity in the GBE less the dividend distribution) from the City's 2021 budget estimate.

# About Toronto



## Profile on Toronto

### Toronto in World Rankings

Toronto is one of the most liveable and competitive cities in the world as demonstrated by various international rankings and reports. In addition to securing its position on the world stage, Toronto's rankings confirm that it continues to offer a high quality of life for about 2.9 million residents who choose to live and work here.

#### **2021 World's Best Cities Index**

Resonance Consultancy

According to Resonance Consultancy, the City of Toronto ranked 13<sup>th</sup> of 100 global cities of metropolitan areas with populations over one million by using statistical performances in six categories: place, programming, prosperity, product, people and promotion. Toronto's favourable ranking can be attributed to the category of people, which considers the percentage of foreign-born residents and percentage of the population with a bachelor's degree or higher.

#### **Kearney's 2020 Global Cities Outlook Index**

Kearney

The City of Toronto jumped up nine spots to rank second in the 2020 survey of 151 global cities assessed for their ability to create the right conditions for future status as major global players. The Global Cities report evaluates four dimensions: personal well-being, economics, innovation and governance. Toronto's favourable ranking can be attributed to high marks, in particular, for innovation and governance.

#### **Annual Tech Talent Scorecard**

CBRE Group, Inc.

According to an annual survey of North American tech markets by CBRE, the City of Toronto ranked fourth in 2020 among 50 Canadian and U.S. cities on the Tech Talent Scorecard, and was also ranked the fastest growing tech market for the third year in a row. The survey examined thirteen metrics, including tech talent supply, growth, concentration, cost, completed tech degrees, industry outlook for tech job growth, and the outlook for both office and apartment rent cost growth.

#### **Transit Score**

Walk Score, Seattle, Washington

A 2020 study has ranked Toronto third of 70 North American cities in terms of overall transit systems, including bus, light rail and subway. The study also examined frequency and the number of stops in each neighbourhood.

#### **Annual Liveability Index**

Economist Intelligence Unit, The Economist

According to the Economist, the City of Toronto ranked seventh in 2019 among 140 global cities in an annual study that rates cities across five categories; stability, healthcare, culture and environment, education and infrastructure.

## City of Toronto, GTA and CMA

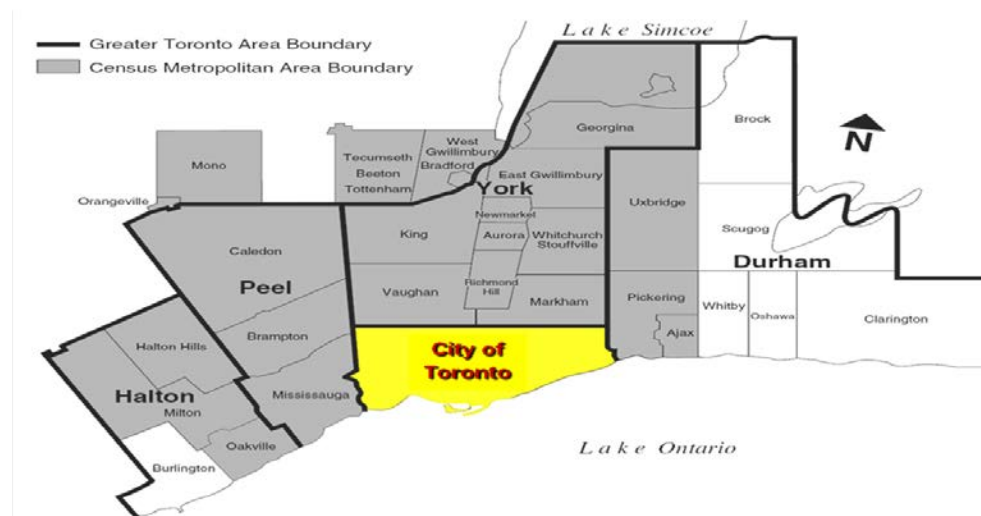
The City of Toronto is Canada's largest city with a population of 2.9 million residents. It is the heart of a large urban agglomeration of 6.4 million called the Greater Toronto Area (GTA)<sup>1</sup>. The City has one of the most ethnically diverse populations in North America. According to the 2011 National Household Survey, nearly half of the city's population (49%) considers itself as part of a visible minority group.

The City of Toronto is the major economic engine of the country. The City is both the political capital of the Province of Ontario and the corporate capital of Canada. As well, it is the major centre for culture, entertainment and finance in the country. The City is the home to more national and internationally ranked companies than any other city in Canada.

The GTA is one of the largest regional economies in North America, characterized by concentrated and fast-growing finance-related industries and highly specialized knowledge-based jobs. An estimated \$372 billion of goods and services (2019 – in chained \$2012 dollars) are produced in the Toronto Census Metropolitan Area (CMA<sup>2</sup>). The City of Toronto accounts for just under 1/2 of this total, \$185 billion (2019 - in chained 2012 dollars). As well, the City accounts for 25% of Ontario's GDP and about 9.4% of the country's economic output. Toronto CMA is also the location of 705 Canadian Head Offices, the most in Canada.

## City of Toronto, GTA and CMA

Figure 1: Map of City of Toronto GTA and CMA



In addition to the modern network of highways and transcontinental railway lines that traverse the City of Toronto, local businesses are also well served by two airports: Pearson International Airport, the largest in Canada and Billy Bishop Toronto City Airport which is located near the downtown core. Union Station, the City's central, multimodal transportation hub is the busiest, multimodal, passenger transportation hub in Canada, serving over 200,000 travellers daily. It is

<sup>1</sup> Greater Toronto Area (GTA) refers to the City of Toronto plus the surrounding regions of Durham, York, Peel and Halton which include four upper tier and 24 lower tier municipalities.

<sup>2</sup> Toronto CMA (Census Metropolitan Area) refers to the municipalities assigned by Statistics Canada on the basis of labour market and commuting criteria. It comprises the City of Toronto and 23 other municipalities.

connected to numerous methods of travel, including subway, commuter rail, commuter bus, passenger rail and bicycle. Union Station is undergoing a major revitalization to improve the quality and capacity of pedestrian movement, restore heritage elements and to transform Union Station into a major destination for shopping, dining and visiting.

### **Key Employment Sectors**

Toronto has one of the most diverse economies in North America and provides companies with an equally rich mix of partners, suppliers and talented professionals to meet the demands of business today.

The Financial Services sector is emerging as the one of Toronto's highest growth industries with a large and highly concentrated workforce. The Toronto region is home to the functional head offices of the five major banks in Canada and the majority of foreign banks/subsidiaries/branches in Canada. Toronto was ranked 11<sup>th</sup> of 88 cities in the 2018 Global Financial Centres Index. According to a December 2018 Conference Board of Canada report, Toronto CMA's financial services sector directly employs approximately 275,000 people and is home to 43% of all financial services headquarters employment in Canada. Only the public services sector has a larger GDP impact in Toronto. Also, according to the report, Toronto's financial services industry generated a combined \$18.3 billion in fiscal benefits in 2017 to Canada, Ontario and the City of Toronto.

Toronto Region is home to one of the most vibrant biotechnology clusters in the world. The Discovery District is a downtown research park with 7 million square feet of facilities — Canada's largest concentration of research institutes, business incubators and business support services. The Medical and Related Sciences (MaRS) project, the Faculty of Pharmacy building at the University of Toronto, and the Centre for Cellular and Biomolecular Research (CCBR) help give the Discovery District its name.

Continued investment in the Arts, Entertainment and Recreation sector is vitally important for the attraction of tourists and film production to the City. Toronto has undergone a 'cultural renaissance' with the unprecedented building and architectural transformation of close to a dozen major arts and cultural institutions, including the Michael Lee-Chin Crystal (an expansion of the Royal Ontario Museum), the Art Gallery of Ontario, the new home of the Toronto International Film Festival, the Four Seasons Centre for the Performing Arts which is the new home of the National Ballet of Canada and the Canadian Opera Company, and the Gardiner Museum of Ceramic Art. In fall 2013, Ripley's Aquarium of Canada opened its doors as a major new tourist attraction in City featuring about 20,000 aquatic animals and over 100 interactive opportunities. The production of domestic and foreign film and television is a major local industry. Toronto contains the headquarters of the major English language Canadian television networks such as CBC, CTV, Citytv and Global. Toronto is home to two national daily newspapers (Globe and Mail and National Post), two local daily newspapers (Toronto Star and Toronto Sun), approximately 160 ethnic newspapers/magazines, and many other community papers.

The Toronto-Waterloo Innovation Corridor is one of the large largest technology clusters in North America, employing over 200,000 people at approximately 15,000 technology companies. Shopify Inc. and Uber Technologies Inc. are two technology-related companies that announced large investments in the City of Toronto in 2018. Toronto has a vibrant web start-up scene and growing mobile application development community. Google Canada has several offices in the Greater Toronto Area but has plans to amalgamate staff in one central location at 65 King Street East. The office is expected to be completed by 2022. Likewise, Microsoft Canada has plans to locate its Canadian headquarters to CIBC Square (81 Bay Street) when construction is

completed in 2022. Three of the world's largest social networking sites - LinkedIn, Facebook Canada and Twitter Canada have also established their head offices in Toronto.

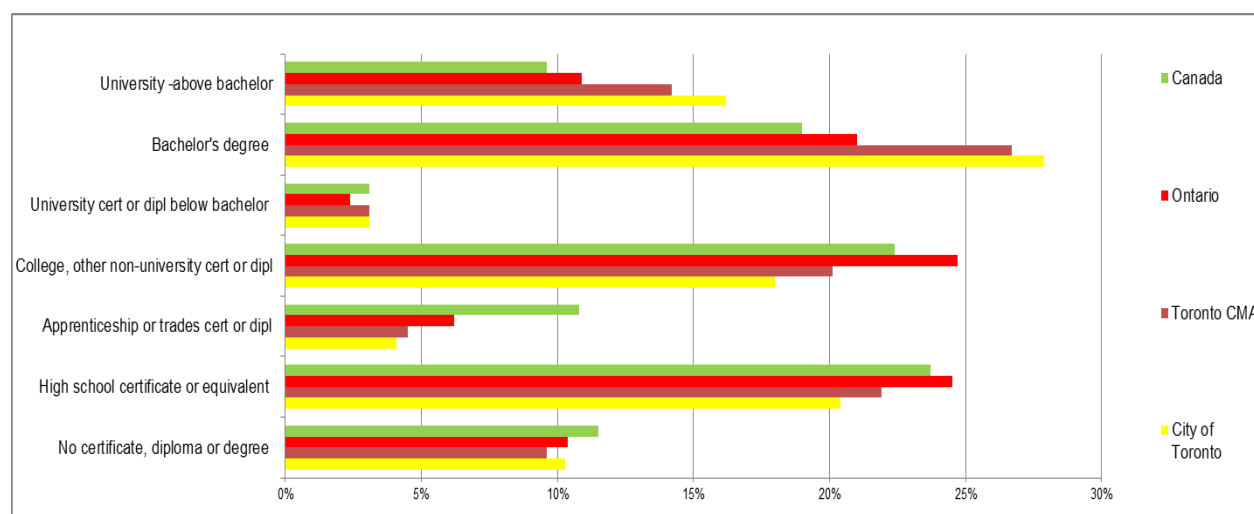
The backbone of the technology sector in the Toronto CMA is its telecommunication infrastructure. Home to two of the three largest telecommunications companies in Canada as well as to smaller service providers, Toronto is connected by sophisticated high speed networks. A critical mass of talent and growing number of experienced developers has also helped Toronto become a successful mobile application development hub. Mobile development camps, incubators for mobile start-ups, and investments in Toronto mobile firm mean that mobile companies continue to thrive here.

### Workforce

Toronto has a large educated, skilled and multilingual workforce. Toronto is the home to four universities (University of Toronto, York University, Ryerson University, and Ontario College of Art and Design), and four community colleges (Centennial, Seneca, Humber and George Brown). According to the 2016 Census and illustrated in figure 2, approximately 69% of Toronto residents aged 25-64 have post-secondary degrees, diplomas or certificates.

### Population Aged 25 – 64 By Education Level Achieved

Figure 2: Population Aged 25 – 64 By Education Level Achieved



With an estimated 1.5 million labour force in the City of Toronto, it continues to be an important hub for employment in the Greater Toronto Area. However the surrounding regions are changing rapidly in that they are experiencing growth in manufacturing and other types of employment and thus transforming themselves from residential suburbs to employment destinations. The rest of the GTA has now also become a net importer of labour from the surrounding regions beyond the GTA. According to the 2016 Census, slightly fewer than half of Toronto residents (46%) commute to work by motor vehicle. Toronto residents are also more than twice as likely to cycle to work as the Canadian average.

### Economic Growth Forecast for Ontario and Toronto

According to a January 2021 provincial forecast report issued by the Conference Board of Canada, after a contraction in real Gross Domestic Product (GDP) of 6.4% in 2020, the Province of Ontario's economy is expected to resume real GDP growth of 5.2% in 2021. Growth is anticipated to pick-up in the second half of the year as a higher percentage of the population gets vaccinated. Government benefit programs have helped to support household incomes.

Much higher provincial and federal government deficits will eventually lead to government spending restraint measures over the medium term.

According to the Conference Board of Canada, in its March 3, 2021 publication "Major City Insights – Toronto", after a steep decline in real GDP estimated at 5.3% in 2020, Toronto is expected to rebound in 2021. The Conference Board of Canada is forecasting real GDP growth of 5.1% in 2021, followed by 5.0% growth in 2022. For the forecast period from 2023-2025, the Conference Board is forecasting an average of 2.1% real GDP growth. As the proportion of Toronto's workforce that has been able to work from home is high, the City's economy has remained in better shape than the long periods of restrictions would imply. For example, the large financial, public sector and professional services industries have seen employment recover to pre-pandemic levels.

Housing demand has been strong with higher demand being driven by changing homeowner needs given the high level of remote working. Commercial building construction, on the other hand, has softened as demand for office space has declined. After a 4.7% contraction in the overall construction industry in 2020, construction output is expected to grow by 7.7% in 2021, 4.4% in 2022, and then grow by an average of 1.7% between 2022 and 2025.

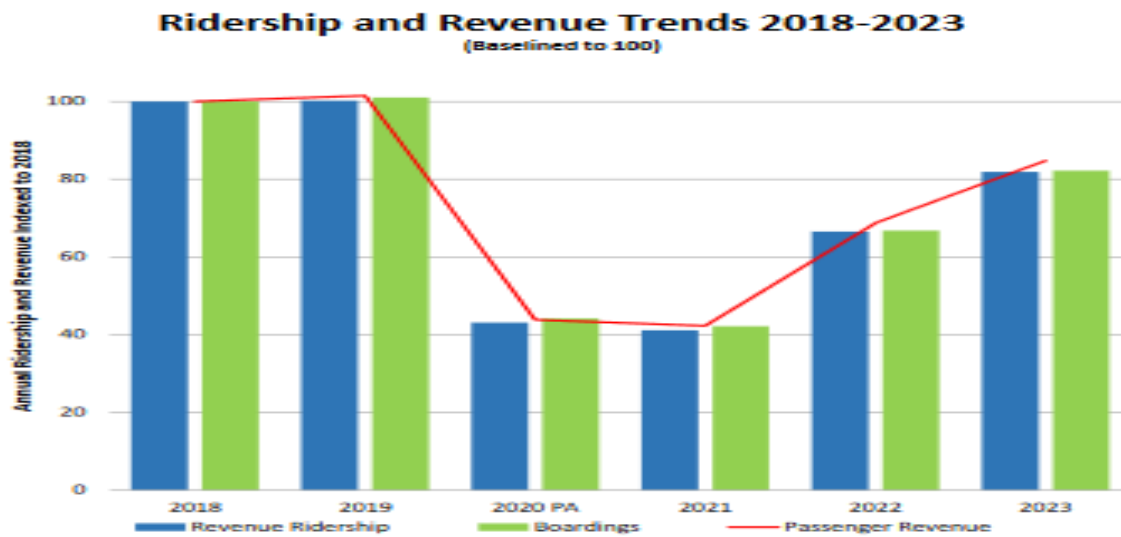
### **Social Assistance Caseload**

The number of cases and people on social assistance are largely associated with unemployment rate, and to a certain extent, population and participation rate. The City's Social Assistance (Ontario Works) caseload has followed a similar historical trend as its unemployment rate (although lagging by anywhere from 6 to 12 months). Since 2008, the average monthly caseload has risen from approximately 76,000 average monthly cases to a peak of approximately 104,000 average monthly cases in 2012, before dropping back as a result of improved employment conditions to approximately 83,000-84,000 average monthly cases from 2016 to 2020. The income support measures announced by the Government, temporarily extending CERB, simplifying and extending EI, and establishing three new benefits, will likely limit any significant increases in caseload until the second half of 2021. Nevertheless average caseloads were budgeted to increase to 91,000 for 2021, with potential for elevated caseload levels extending into 2022 and possibly 2023.

### **Transit Ridership and Revenue Impacts**

As illustrated in figure 3, the Toronto Transit Commission has experienced significant declines to ridership and associated revenue since the first quarter of 2020. This trend is expected to continue throughout 2021 as Covid-19 restrictions and precautions continue to limit commuter and discretionary travel on public transit. While a partial recovery is anticipated in 2022 and into 2023, the extent of recovery will depend on the pace of economic recovery and the continuation of telework.



Figure 3: *Ridership and Revenue Trends 2018-2023*



**Mayor  
John Tory**  
416-397-CITY (2489)



**Ward 1  
Etobicoke North  
Michael Ford**  
416-397-9255  
Suite C 40



**Ward 2  
Etobicoke Centre  
Stephen Holyday**  
416-392-4002  
Suite B 26



**Ward 3  
Etobicoke-Lakeshore  
Mark Grimes**  
416-397-9273  
Suite C 48



**Ward 4  
Parkdale-High Park  
Gord Perks**  
416-392-7919  
Suite A 14



**Ward 5  
York South-Weston  
Frances Nunziata**  
416-392-4091  
Suite C 49



**Ward 6  
York Centre  
James Pasternak**  
416-392-1371



**Ward 7  
Humber River-Black Creek  
Anthony Perruzza**  
416-338-5335  
Suite C 41



**Ward 8  
Eglinton-Lawrence  
Mike Colle**  
416-338-2500  
Suite A 20



**Ward 9  
Davenport  
Ana Bailão**  
416-392-7012  
Suite C 42



**Ward 10  
Spadina-Fort York  
Joe Cressy**  
416-392-4044  
Suite C 53



**Ward 11  
University-Rosedale  
Mike Layton**  
416-392-4009  
Suite C 47



**Ward 12  
Toronto-St. Paul's  
Josh Matlow**  
416-392-7906  
Suite A 17



**Ward 13  
Toronto Centre  
Kristyn Wong-Tam**  
416-392-7903  
Suite A 5



**Ward 14  
Toronto-Danforth  
Paula Fletcher**  
416-392-4060  
Suite C 44



**Ward 15  
Don Valley West  
Jaye Robinson**  
416-395-6408  
Suite A 12



**Ward 16  
Don Valley East  
Denzil Minnan-Wong**  
416-397-9256  
Suite B 33



**Ward 17  
Don Valley North  
Shelley Carroll**  
416-338-2650  
Suite A 3



**Ward 18  
Willowdale  
John Filion**  
416-395-6411  
Suite B 36



**Ward 19  
Beaches-East York  
Brad Bradford**  
416-338-2755  
Suite B 28



**Ward 20  
Scarborough Southwest  
Gary Crawford**  
416-392-4052  
Suite A 11



**Ward 21  
Scarborough Centre  
Michael Thompson**  
416-397-9274  
Suite B 31



**Ward 22  
Scarborough-Agincourt  
Nick Mantas**  
416-392-1374  
Suite A 1



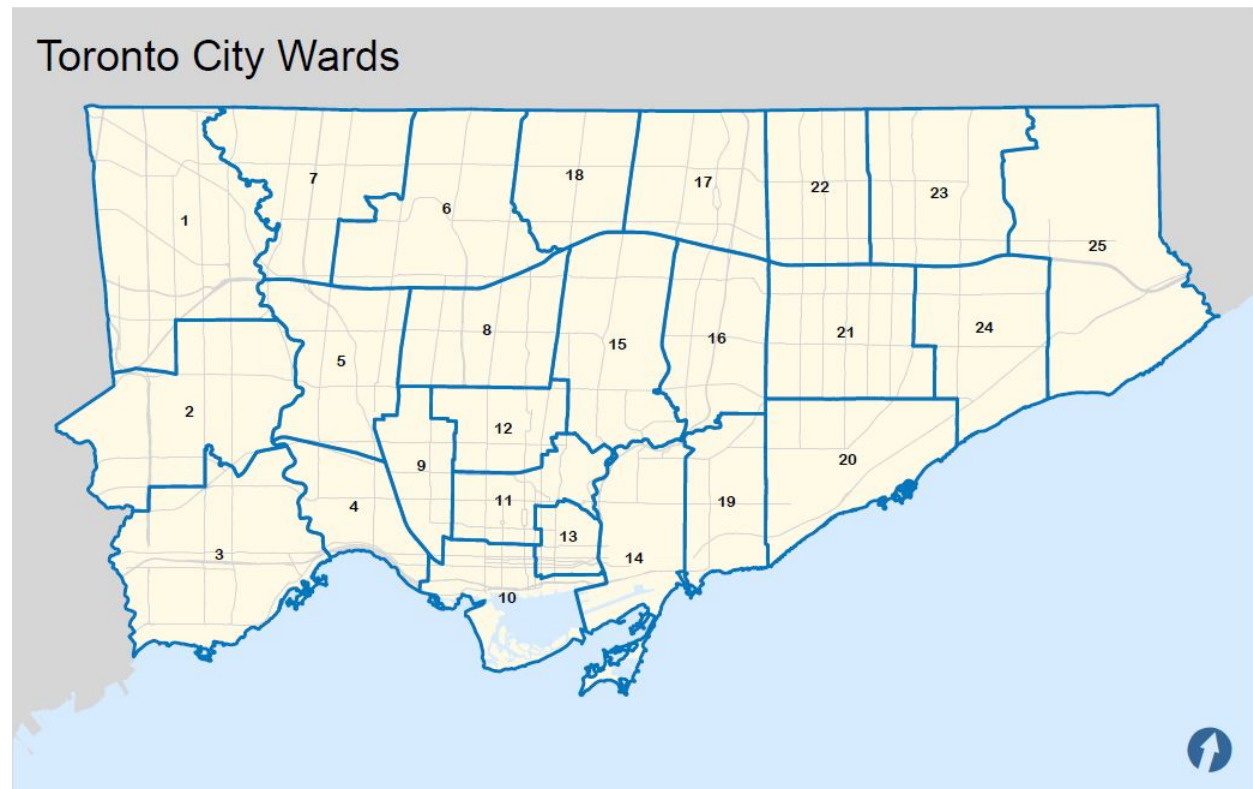
**Ward 23  
Scarborough North  
Cynthia Lai**  
416-338-2858  
Suite A 8



**Ward 24  
Scarborough-Guildwood  
Paul Ainslie**  
416-392-4008  
Suite C 52



**Ward 25  
Scarborough-Rouge Park  
Jennifer McKelvie**  
416-338-3771  
Suite B 25



Ward Number	Ward Name	Councillor
1	Etobicoke North	Councillor Michael Ford
2	Etobicoke Centre	Councillor Stephen Holyday
3	Etobicoke-Lakeshore	Councillor Mark Grimes
4	Parkdale-High Park	Councillor Gord Perks
5	York South-Weston	Councillor Frances Nunziata
6	York Centre	Councillor James Pasternak
7	Humber River-Black Creek	Councillor Anthony Perruzza
8	Eglinton-Lawrence	Councillor Mike Colle
9	Davenport	Councillor Ana Bailão

Ward Number	Ward Name	Councillor
10	Spadina-Fort York	<a href="#">Councillor Joe Cressy</a>
11	University-Rosedale	<a href="#">Councillor Mike Layton</a>
12	Toronto-St. Paul's	<a href="#">Councillor Josh Matlow</a>
13	Toronto Centre	<a href="#">Councillor Kristyn Wong-Tam</a>
14	Toronto-Danforth	<a href="#">Councillor Paula Fletcher</a>
15	Don Valley West	<a href="#">Councillor Jaye Robinson</a>
16	Don Valley East	<a href="#">Councillor Denzil Minnan-Wong</a>
17	Don Valley North	<a href="#">Councillor Shelley Carroll</a>
18	Willowdale	<a href="#">Councillor John Filion</a>
19	Beaches-East York	<a href="#">Councillor Brad Bradford</a>
20	Scarborough Southwest	<a href="#">Councillor Gary Crawford</a>
21	Scarborough Centre	<a href="#">Councillor Michael Thompson</a>
22	Scarborough-Agincourt	<a href="#">Councillor Nick Mantas</a>
23	Scarborough North	<a href="#">Councillor Cynthia Lai</a>
24	Scarborough-Guildwood	<a href="#">Councillor Paul Ainslie</a>
25	Scarborough-Rouge Park	<a href="#">Councillor Jennifer McKelvie</a>



## City Governance Structure



*Table 1: Council and Organization Governance*

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>▪ Council Governance               <ul style="list-style-type: none"> <li>➤ Executive Committee</li> <li>➤ 9 Standing Committees</li> <li>➤ 112 Boards of Management</li> <li>➤ 6 City Corporations</li> <li>➤ 2 Partnered Corporations</li> <li>➤ 10 Quasi – Judicial &amp; Adjudicative Boards</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>▪ Organization Governance               <ul style="list-style-type: none"> <li>➤ City Operations                   <ul style="list-style-type: none"> <li>❖ 34 Division</li> <li>❖ 4 Accountability Offices</li> <li>❖ 25,197 Employees</li> </ul> </li> <li>➤ Agencies:                   <ul style="list-style-type: none"> <li>❖ 14 Agencies</li> <li>❖ 28,996 Employees</li> </ul> </li> </ul> </li> </ul> |
|--|---|





**Toronto City Council**[City Council](#)**Committees Reporting to City Council**[Audit Committee](#)[Board of Health](#)[Civic Appointments Committee](#)[Economic and Community Development Committee](#)[Executive Committee](#)[General Government and Licensing Committee](#)[Infrastructure and Environment Committee](#)[Planning and Housing Committee](#)[Special Committee on Governance](#)[Striking Committee](#)**Community Councils**[Etobicoke York Community Council](#)[North York Community Council](#)

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[Scarborough Community Council](#)

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[Toronto and East York Community Council](#)

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### Other Boards and Committees

[Bid Award Panel](#)

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[Board of Directors of TO Live](#) (Formerly named Board of Directors of Civic Theatres Toronto)

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[Board of Directors of the Toronto Atmospheric Fund](#)

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[Board of Governors of Exhibition Place](#)

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[Board of Health - Performance Appraisal of the Medical Officer of Health](#)

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[Board of Health Budget Committee](#)

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[Board of Health Toronto Urban Health Fund Review Panel](#)

---

[Board of Management of the Toronto Zoo](#)

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[Budget Committee](#)

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[Budget Subcommittee - Scarborough and Etobicoke Consultations](#)

---

[Budget Subcommittee - City Hall and North York Consultations](#)

---

[Compliance Audit Committee](#)

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[CreateTO \(formerly named Toronto Realty Agency\)](#)

[Dangerous Dog Review Tribunal](#)

[Debenture Committee](#)

[Graffiti Panel](#)

[Members of the Toronto Atmospheric Fund](#)

[Nominating Panel - Committee of Adjustment](#)

[Nominating Panel - Compliance Audit Committee](#)

[Nominating Panel - Corporations](#)

[Nominating Panel - Toronto Licensing Tribunal](#)

[Nominating Panel - Toronto Local Appeal Body](#)

[Nominating Panel – Administrative Penalty Tribunal](#)

[Nominating Panel – Dangerous Dog Review Tribunal](#)

[Nominating Panel – Property Standards Committee](#)

[Nominating Panel – Rooming House Licensing Commissioner and Deputy Commissioner](#)

[Nominating Panel – Sign Variance Committee](#)

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[Property Standards - Etobicoke York Panel](#)

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[Property Standards - North York Panel](#)

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[Property Standards - Scarborough Panel](#)

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[Property Standards - Toronto and East York Panel](#)

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[Property Standards Committee](#)

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[Sign Variance Committee](#)

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[Subcommittee on Ontario Place](#)

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[Toronto Accessibility Advisory Committee](#) (Formerly named Disability, Access and Inclusion Advisory Committee)

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[Toronto Investment Board](#)

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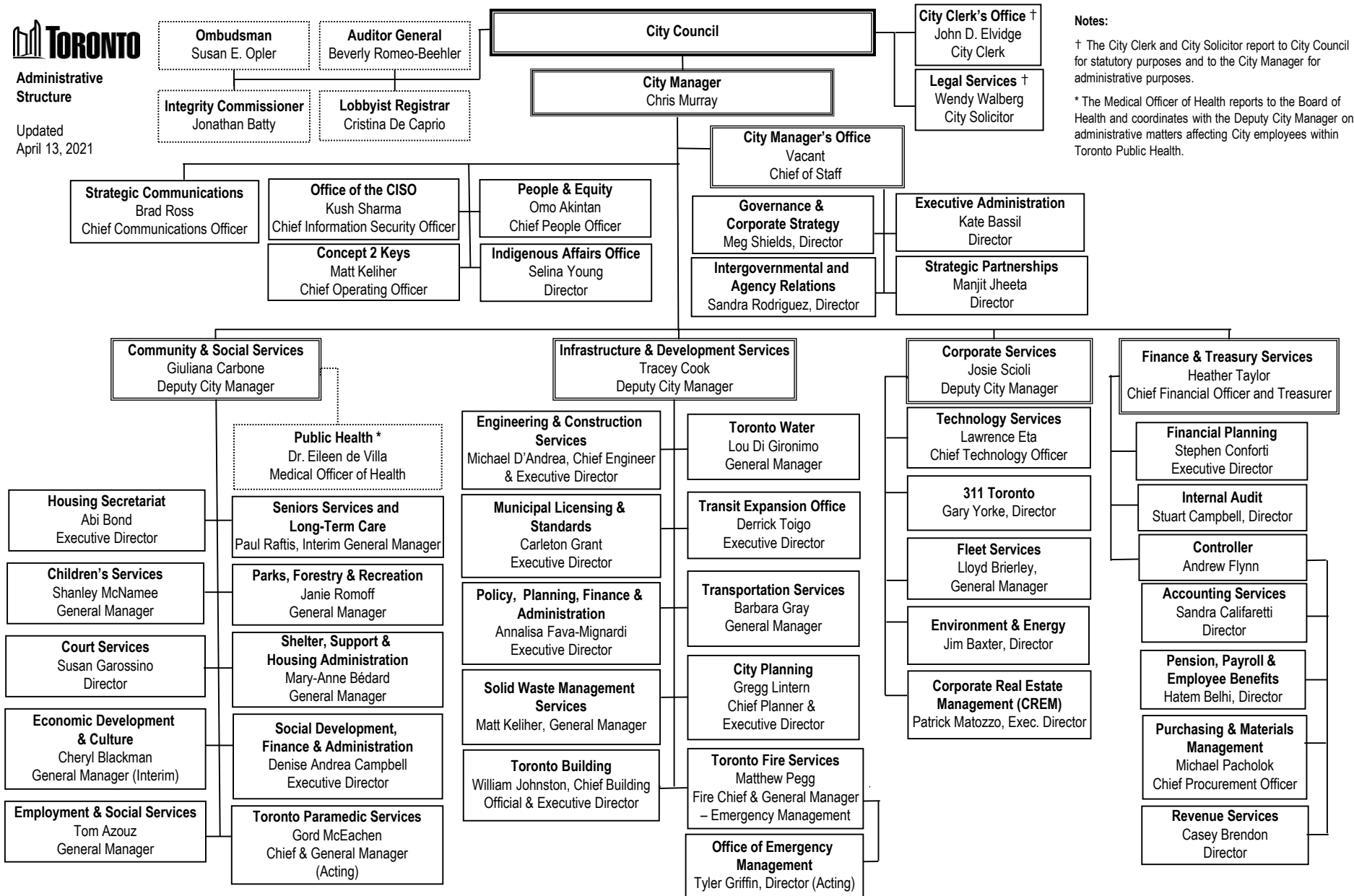
[Toronto Parking Authority](#)

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[Toronto Preservation Board](#)

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[Tribunals Nominating Panel](#)



**Notes:**

† The City Clerk and City Solicitor report to City Council for statutory purposes and to the City Manager for administrative purposes.

\* The Medical Officer of Health reports to the Board of Health and coordinates with the Deputy City Manager on administrative matters affecting City employees within Toronto Public Health.

## Agencies

### Service Agencies

- CreateTO
- Exhibition Place Board of Governors
- Heritage Toronto
- TO Live
- Toronto Atmospheric Fund
- Toronto Board of Health and Toronto Public Health
- Toronto Investment Board
- Toronto Parking Authority
- Toronto Police Services Board and Toronto Police Service
- Toronto Public Library Board
- Toronto Transit Commission
- Toronto Zoo Board of Management
- Yonge-Dundas Square Board of Management

### Partnered Agency

- Toronto and Region Conservation Authority

### Community-Based Boards:

- **83 Business Improvement Area (BIA) Boards of Management**
- **Arena Boards of Management:**

- George Bell Arena
- Larry Grossman Forest Hill Memorial Arena
- Leaside Memorial Community Gardens Arena
- McCormick Playground Arena
- Moss Park Arena
- North Toronto Memorial Arena
- Ted Reeve Community Arena
- William H. Bolton Arena

- **Community Centre Boards of Management (AOCCs):**

- 519 Church Street Community Centre
- Applegrove Community Complex
- Cecil Community Centre
- Central Eglinton Community Centre
- Community Centre 55
- Eastview Neighbourhood Community Centre
- Ralph Thornton Community Centre
- Scadding Court Community Centre
- Swansea Town Hall Community Centre
- Waterfront Neighbourhood Centre

## Corporations

### City Corporations

- Build Toronto Inc.
- Casa Loma Corporation
- Lakeshore Arena Corporation
- Toronto Community Housing Corporation
- Toronto Hydro Corporation
- Toronto Port Lands Company (Toronto Economic Development Corporation)

### Partnered Corporations

- Toronto Pan Am Sports Centre Inc.
- Waterfront Toronto (Toronto Waterfront Revitalization Corporation)

## Adjudicative Bodies

### Quasi-Judicial & Adjudicative Boards

- Administrative Penalty Tribunal
- Committee of Adjustment
- Committee of Revision
- Compliance Audit Committee
- Dangerous Dog Review Tribunal
- Property Standards Committee
- Rooming House Licensing Commissioner<sup>1</sup>
- Sign Variance Committee
- Toronto Licensing Tribunal
- Toronto Local Appeal Body

### Notes:

1. Rooming House Licensing Commissioner and Deputy are Officers, rather than an agency of the City, but in all other respects function as a quasi-judicial and adjudicative board.

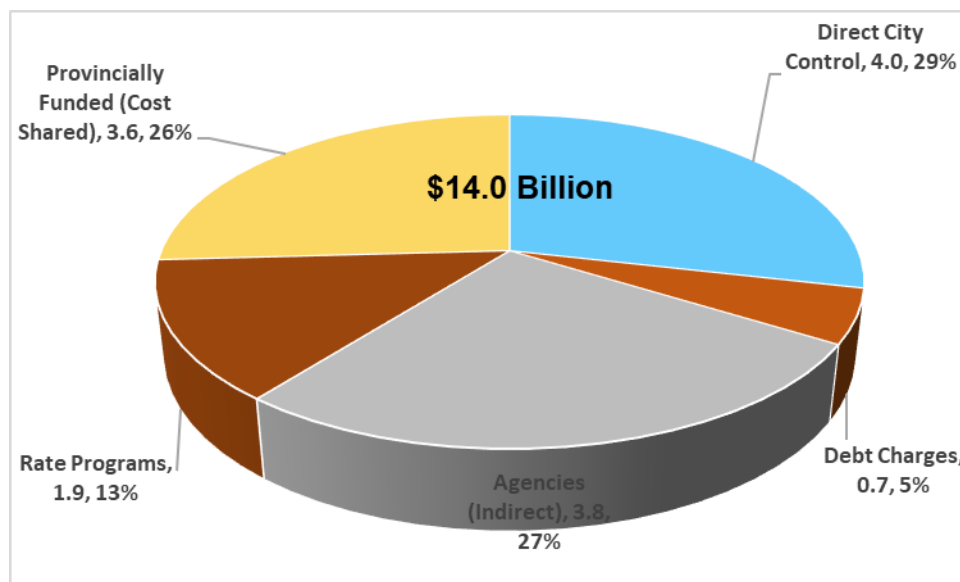


# City Finance in Context

# Funding Summary

## City Council has direct control of 29% of the Budget (\$M):

Figure 1: City Council Control of the Budget



### Direct City Control

- 311 Toronto
- Auditor General's Office
- City Clerk's Office
- City Manager's Office
- Court Services
- Engineering & Construction Services
- Environment & Energy
- Office of Emergency Management
- Technology Services
- Integrity Commissioner's Office
- Mayor's Office
- Non-Program Expenditures
- Office of the CFO and Treasurer
- Office of the Lobbyist Registrar
- Parks, Forestry & Recreation
- Social Development, Finance & Administration
- Toronto Paramedic Services
- Solid Waste Management Services (Rate)
- Housing Secretariat
- Capital & Corporate Financing
- City Council
- City Planning
- Economic Development & Culture
- Corporate Real Estate Management
- Fire Services
- Fleet Services
- Office of the Chief Information Security Officer
- Legal Services
- Municipal Licensing & Standards
- Non-Program Revenues
- Office of the Controller
- Office of the Ombudsman
- Policy, Planning, Finance & Administration
- Toronto Building
- Transit Expansion
- Transportation Services
- Toronto Water (Rate)

## Agencies (Indirect Control)

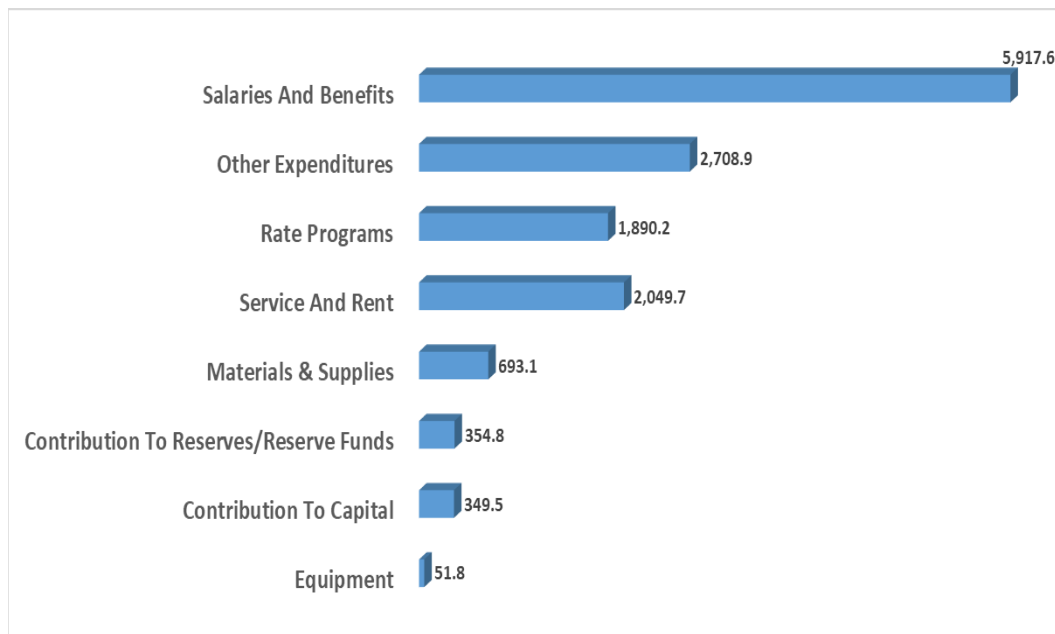
- Arena Boards of Management
- Association of Community Centres
- Exhibition Place
- Heritage Toronto
- TOLive
- Toronto & Region Conservation Authority
- Toronto Police Service (Inc. Board)
- Toronto Atmospheric Fund
- Toronto Public Library
- Toronto Transit Commission (Inc. Wheel Trans)
- Toronto Zoo
- Yonge-Dundas Square
- Toronto Parking Authority (Rate)
- Create TO

## Provincially Funded

- Children's Services
- Seniors Services and Long-Term Care
- Shelter, Support & Housing Administration
- Toronto Employment & Social Services
- Toronto Public Health

## Summary of Expenditures by Category – Total 2021 Operating Budget \$14.0 Billion:

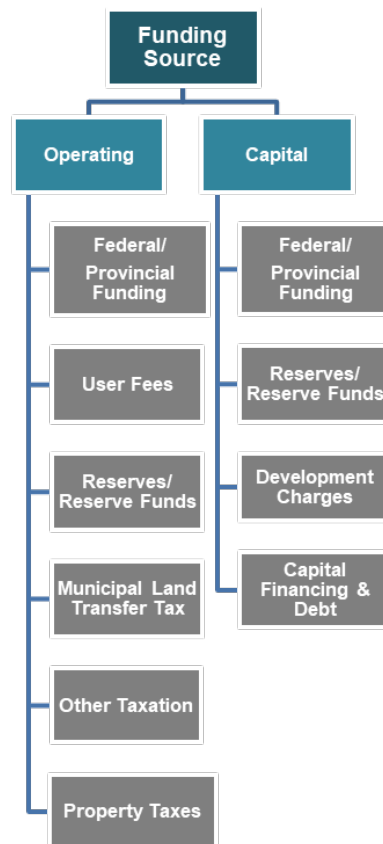
Figure 2: Summary of Expenditures by Category - 2021 Operating Budget \$14B



# Revenues

The City funds both its Operating and Capital Budgets through various sources, the chart below provides a detailed presentation of how our Operating and Capital budget are funded. It also represents the order of funding that the City would consider before ultimately using property taxes as the funding source of last resort as the City makes every effort to maximize all other sources first. We are also mandated by City Council to keep property taxes below or equal to the rate of inflation.

Figure 1: Funding Sources



The City's major funding sources of the 2021 Tax-Supported Operating Budget of \$12.13 billion gross are detailed in the table below. The Rate-Supported Operating budget (for Solid Waste Management, Toronto Water and Parking Authority) of \$1.89 billion gross is funded largely from user charges. Combined the 2021 Tax & Rate Supported Operating Budget totals \$14.01 billion gross.

Table 1: Funding Sources (in millions)

Property Tax Levy	4,489.2
Provincial Subsidies	3,841.2
Federal Subsidies	288.4
Transit Fares	547.4
Other User Fees, Permits & Donations	597.9
MLTT	697.7
Fines & Penalties	139.4
Contributions From Reserves/Reserve Funds	520.0
Interest & Investment Income	256.7
Transfers From Capital	177.9
Sundry and Other Revenues	569.3
Sub-Total – Tax Supported Revenues (\$Millions)	12,125.0
Sub-Total Rate-Supported Revenues (\$Millions)	1,889.2
Tax & Rate-Supported Revenues (\$Millions)	14,014.2

## Property Tax Levy

Property tax revenue is the City's single largest source of revenue. The City collects approximately \$4.5 billion from residential and business property owners for municipal purposes, which represents 37% of its total tax-supported Operating Budget.

Each year, the City is required by provincial legislation to establish tax rates that raise property tax revenues in the amount of the City's budgetary requirement. In addition, the City is also required to levy and collect property taxes for school purposes at the education tax rates set by the Province.

The amount of property taxes payable by a property is determined by multiplying the Current Value Assessment (CVA) of a property by the applicable tax rate for that class of property (e.g., residential, commercial, industrial, or multi-residential) subject to any legislative or Council-mandated adjustments. The total tax rate for a class consists of a municipal tax rate necessary to meet the City's budgetary requirement and the education tax rate necessary to raise the amount required by the Province for education funding.

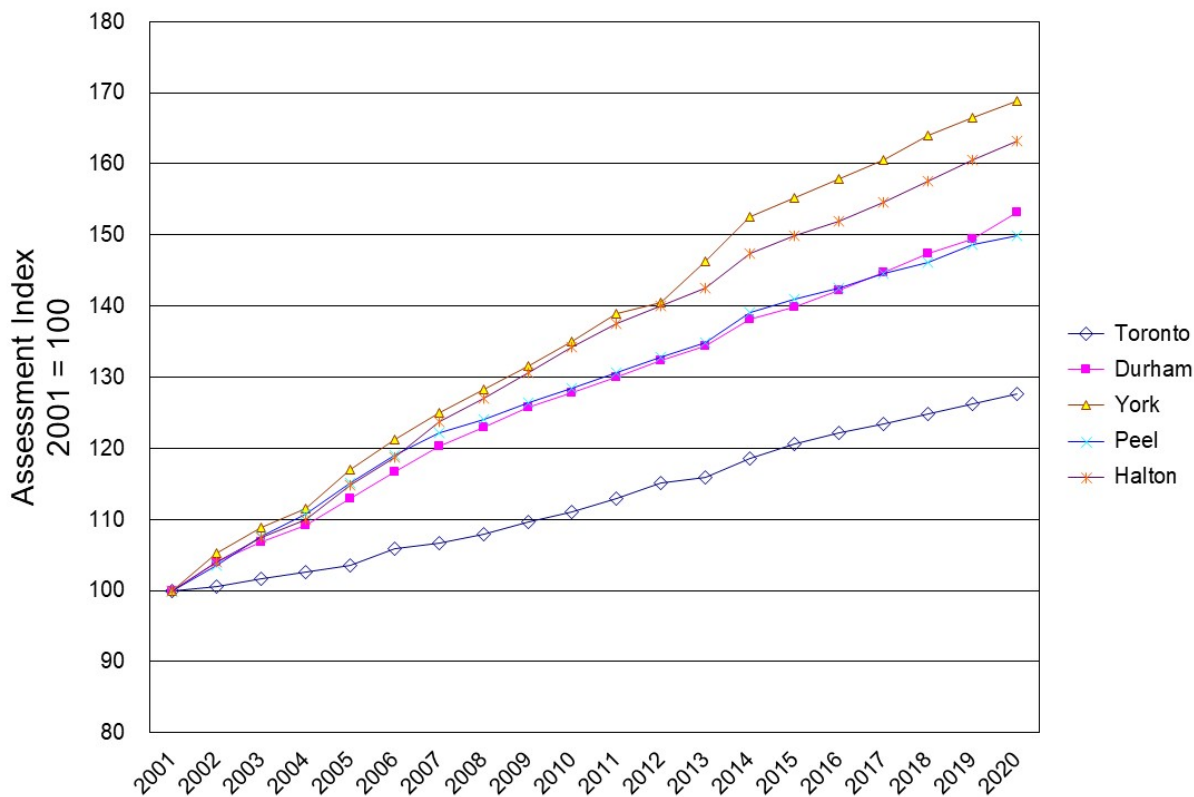
The Municipal Property Assessment Corporation (MPAC), a provincial agency, is responsible for property assessment in Ontario and preparing the assessment rolls for municipalities on a Current Value Assessment (CVA) basis. The CVA of a property represents an estimated market value, or the amount that the property would sell for in an open market, arm's length sale between a willing seller and a willing buyer at a fixed point in time.

Over the last two decades, the GTA experienced quite remarkable economic and population growth following the recession of the early 1990s. The Toronto region (CMA) contains a number of the fastest-growing municipalities in Canada. The bulk of the new construction and the associated assessment increases are located in the surrounding areas in the GTA. For example, from 2001 to 2020 the rest of the GTA had cumulative assessment increases of 50% or higher: York Region: 69%, Halton Region: 63%, Peel Region: 50%, and Durham Region: 53%. By contrast, Toronto's property assessment in 2020 is just 28% above its 2001 level,

partly due to the conversion of certain industrial properties into residential properties. This trend is illustrated in Figure 3 to follow:

### Property Tax Assessment Growth 2001 to 2020

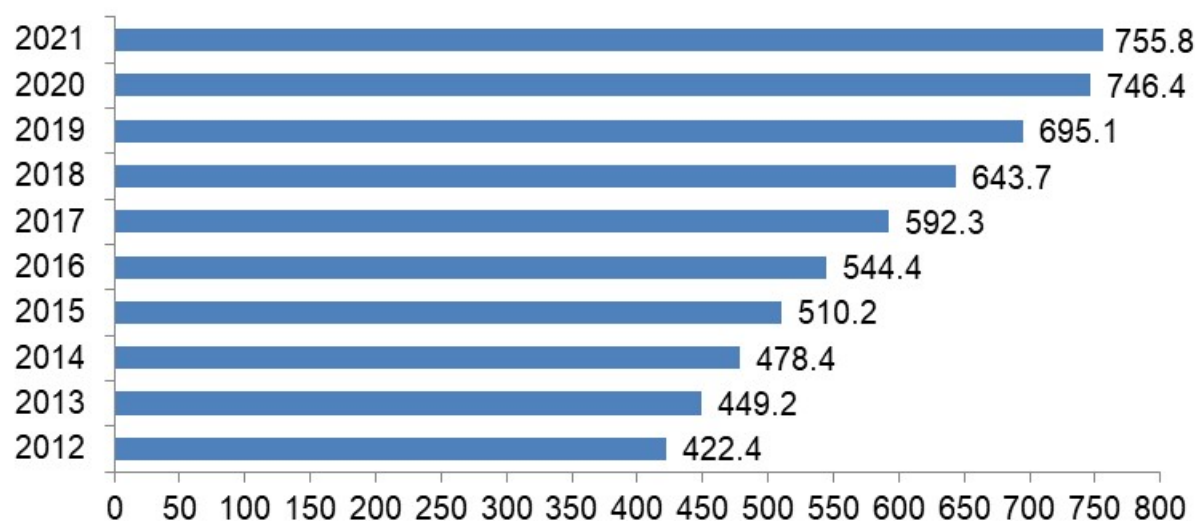
Figure 1: Property Tax Assessment Growth



### Total Property Tax Assessment Values (\$B)

Figure 2: Property Tax Assessments Values

The graph in figure 4 shows total property tax assessment values for the City of Toronto for each year 2012 through 2021.



Note: property tax assessment per annual City of Toronto tax levy bylaw

Figure 5 shows the City of Toronto's tax ratios by property type (multi-residential, commercial and industrial) vs Provincial Threshold ratios from 2012 to 2021. Tax ratios for the multi-residential, commercial and industrial tax classes exceed the provincial thresholds, as shown in the chart.

Figure 3: City of Toronto's Tax Ratios by Property Type

	2012 Taxation Year	2013 Taxation Year	2014 Taxation Year	2015 Taxation Year	2016 Taxation Year	2017 Taxation Year	2018 Taxation Year	2019 Taxation Year	2020 Taxation Year	2021 Taxation Year	Provincial Threshold Ratios
Multi-residential	3.26	3.18	3.07	3.00	2.90	2.66	2.52	2.34	2.18	2.10	2.00
Commercial	3.17	3.12	3.07	3.00	2.90	2.85	2.85	2.78	2.70	2.64	1.98
Industrial	3.17	3.12	3.07	3.00	2.90	2.83	2.84	2.76	2.68	2.62	2.63

Note: Tax ratios per annual City of Toronto tax levy bylaw.

## Toronto's Tax Ratios vs. Provincial Threshold Ratios

Beginning in 1998, Ontario municipalities whose commercial, industrial or multi-residential tax ratios exceeded threshold ratios established by the Province were restricted from passing on municipal property levy increases to those classes. Since 2004, the Ontario Government made adjustments to the municipal rules under the Ontario Property Tax System, which amongst other things, allowed tax rate increases on the non-residential classes to be no more than 50% of the tax rate increase for the residential tax class. Although the relaxing of the restriction on non-residential classes is not permanent, it does provide partial relief from the budgetary levy restrictions imposed by Provincial legislation.

In late 2005, Council approved a comprehensive property tax policy "Enhancing Toronto's Business Climate - It's Everybody's Business" to improve the business climate in the City. In 2006, Council implemented the policy of limiting municipal tax rate increases within the Commercial, Industrial, and Multi-Residential tax classes to one-third of the residential tax rate increase (i.e. a 3% residential tax increase would result in a 1% non-residential tax rate



increase). This measure was designed to reduce non-residential tax ratios to 2.5 times the residential rate over 15 years (now to be achieved in all tax classes by 2023). In addition, the policy provided for an accelerated tax rate reduction for neighborhood retail and small businesses that would see their tax ratios fall to 2.5 times residential over a ten year period.

Other City efforts to enhance competitiveness have resulted in a successful agreement with the provincial government to reduce Business Education Tax (BET) rates (for Toronto businesses) closer to the average of surrounding GTA municipalities, creating a new, fair water rate structure for industrial and manufacturing companies and continuing the relief of development charges for the city's commercial industry.

The Municipal Act and the City of Toronto Act mandates limits on re-assessment related tax increases (10% for the 2017 year for the commercial, industrial and multi-residential property classes). The tax revenue adjustments as a result of this cap, however, are fully recovered by tax adjustments that claw-back from properties facing tax decreases.

Special provisions to provide tax relief for low-income seniors and disabled persons, as well as charities and similar organizations, are also required. Tax relief policies in effect for 2021 include:

### **Residential Property Tax Increase Deferral Program**

This program gives low-income seniors and low-income persons with a disability the opportunity to apply for a deferral of property tax increases.

To qualify for a deferral of a property tax increase the applicant must:

- Have a combined household income of \$50,000 or less **and**
- Be 65 years of age or older; **or**
- Be 60-64 years of age and be in receipt of a Guaranteed Income Supplement under the Old Age Security Act; if widowed, be in receipt of the Spouse's Allowance under the Old Age Security Act; **or**
- Be 50 years of age or older and be receiving either a pension or a pension annuity resulting from a pension plan under the Income Tax Act (Canada); **or**
- Be a person with a disability and be in receipt of disability benefits.

### **Residential Property Tax Increase Cancellation Program**

This program gives low-income seniors and low-income persons with a disability the opportunity to apply for a cancellation of property tax increases.

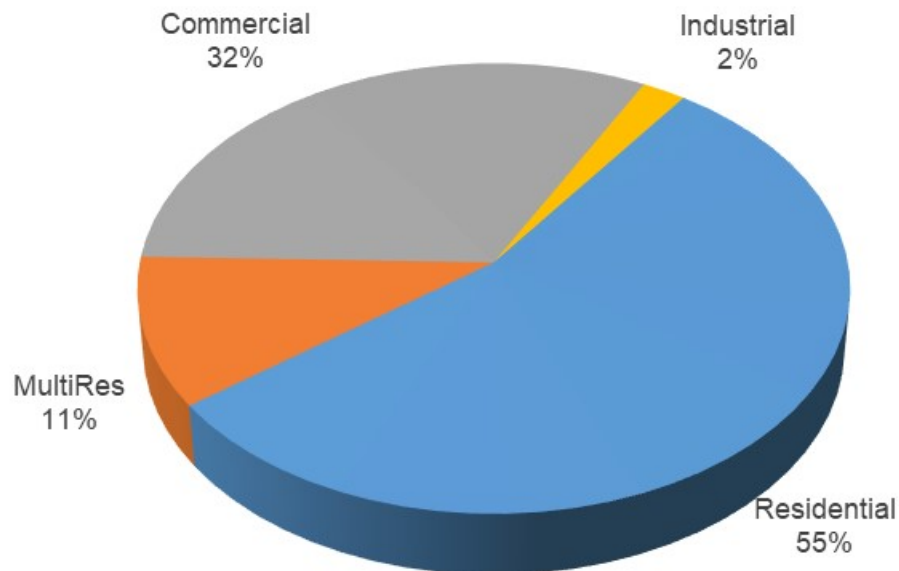
To qualify for a cancellation of a property tax increase for 2021 the applicant must:

- Have a combined household income of \$45,000 or less **and**
- Have a residential assessment of \$975,000 or less **and**
- Be 65 years of age or older; **or**
- Be 60-64 years of age and be in receipt of a guaranteed income supplement under old age security act; if widowed, be in receipt of the spouse's allowance under the old age security act; **or**

- Be a person with a disability and be in receipt of disability benefits.

## City of Toronto Property Tax Levy

Figure 4: 2021 Municipal Property Tax Levy \$4.489B



The table below illustrates the 2021 taxes payable for the average household in Toronto with an assessed value of \$698,801:

Table 2: 2021 Taxes Payable for the Average Household

	2021 Tax Rate	2021 Property Tax
Municipal Taxes	0.458013%	\$3,201

## Municipal Land Transfer Tax and Other Taxation

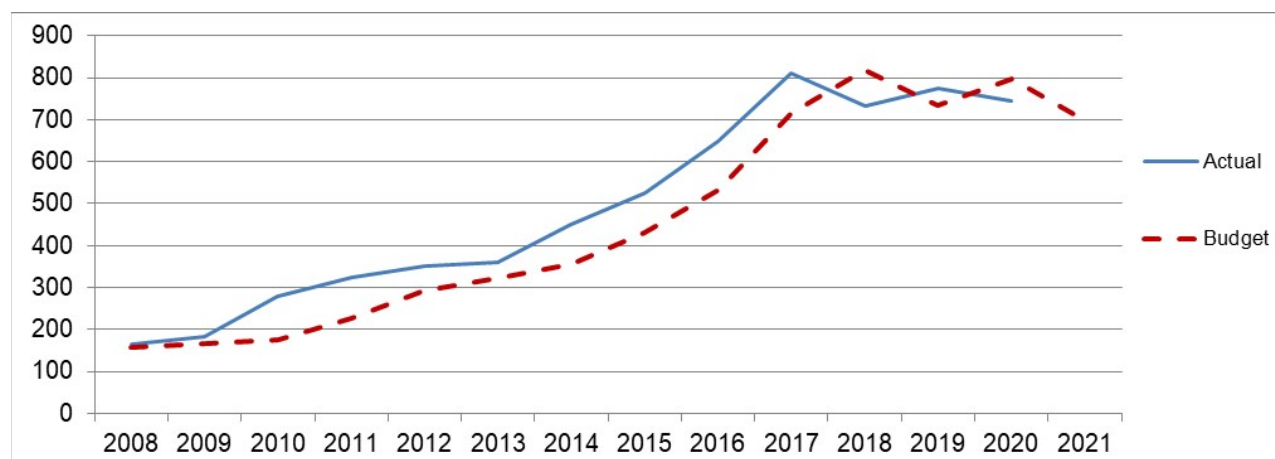
The City of Toronto Act, 2006 provides the City with legislative authority to levy taxes other than property taxes. The Municipal Land Transfer Tax (MLTT) was implemented on February 1, 2008, and Personal Vehicle Tax (PVT) on September 1, 2008. On December 16, 2010, however, City Council approved the termination of the City's Personal Vehicle Tax (PVT) effective January 1, 2011. On January 31, 2018, City Council approved a mandatory 4% Municipal Accommodation Tax for hotels and individuals offering short-term rentals.

In 2021, budgeted gross MLTT revenues were \$698 million (including transaction fees). This represents a decrease of \$100 million or 12.5% when compared to the 2020 budgeted revenues.

The chart that follows illustrates how actual revenues from 2008-2020 compare with budget revenues for the same period. Budgeted revenues are also included for 2021.

### Municipal Land Transfer Tax

*Figure 5: Budget v/s Actual Revenue (\$Million)*



City Council approved the Third Party Sign Tax in 2009. Implementation of the tax, however, was delayed by a court challenge from the outdoor advertising industry. After a favourable court ruling in 2012, the City retroactive collected sign tax revenues for the period from 2009 to 2012. The Third Party Sign Tax generates approximately \$9 million per year for the City.

### User Fees

User fees are traditionally the City's third largest source of funding for the Operating Budget after Grants and Subsidies from Other Governments. While the City normally collects approximately \$2 Billion in user fee revenues annually through thousands of individual user fees, lockdown measures due to the Covid-19 pandemic have substantially reduced user fee revenues. The largest component is TTC passenger fares which is budgeted in 2021 to be \$547 Million.

As a result of a comprehensive User Fee Review in 2011, City Council approved a new corporate policy for establishing the initial and annual price of a user fee and determining the amount that should be recovered.

A new funding system for Solid Waste Management Services, the volume-based rate structure, was implemented November 1, 2008 to fund the service objective of 70% waste diversion. This funding plan transforms Solid Waste Management (garbage, recycling, green bin, litter prevention, landfill management and other diversion programs) from being property-tax-based to user-fee-based, and its fees are now part of the City's Utility Bill, together with the water charges. The entire Solid Waste Management program is now funded from revenue other than property taxes (representing user fees, funding from Waste Diversion Ontario, and sales proceeds from recyclable materials).

The following link can be used for more detailed information related to the City's User Fee Policy on our website:

<http://www.toronto.ca/legdocs/mmis/2011/ex/bgrd/backgroundfile-40701.pdf>

## Development Charges

Development charges are fees collected from developers at the time a building permit is issued and represent an important source of funding for the Capital Budget. The fees help pay for the cost of growth-related, eligible capital projects (and related operating costs). Most municipalities in Ontario use development charges to ensure that the cost of providing infrastructure to service new development is not imposed on existing residents and businesses in the form of higher property taxes.

The City currently imposes development charges based upon a bylaw that was approved by Council on April 18, 2018. In accordance with the requirements of the Development Charges Act, 1997 and related Regulations, with 50% of the increase implemented on November 1, 2018, 80% on November 2019 and the full rates coming into effect on November 1, 2020.

In December 2019, the Province introduced changes to the legislation that altered how development charges are calculated and collected. The changes, effective January 1, 2020, require development charges to be determined earlier, at planning application, and in the case of rental, institutional and non-profit housing, for the charges to be collected later, in annual instalments over five or 20 years beginning at occupancy. To mitigate the financial impact of these changes on the City, in December 2019 and January 2020, Council adopted interest charges to apply to the development charges "frozen" at planning application and to the new instalment payments, as permitted by Provincial legislation. These changes are intended to bridge City policies until there is an opportunity to undertake a comprehensive review of the bylaw, which is expected to be completed in spring 2022.

The following categories of services are eligible for varying pre-determined portions of development charge revenues:

*Table 3: Categories of Services Eligible for Pre-Determined Portions of Development Charge Revenues*

<ul style="list-style-type: none"> <li>• Spadina Subway Extension -3.1%</li> <li>• Transit (Balance) – 34.9%</li> </ul>	<ul style="list-style-type: none"> <li>• Civic Improvements – 0.3%</li> <li>• Child Care – 0.9%</li> </ul>
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<ul style="list-style-type: none"> <li>• Parks and Recreation – 12.8%</li> <li>• Library – 2.5%</li> <li>• Subsidized Housing – 6.7%</li> <li>• Police – 1.3%</li> <li>• Fire – 0.6%</li> <li>• Paramedic Services – 0.6%</li> <li>• Development-related Studies -0.6%</li> </ul>	<ul style="list-style-type: none"> <li>• Health – 0.1%</li> <li>• Pedestrian Infrastructure 0.1%</li> <li>• Roads &amp; Related 16.0%</li> <li>• Water – 5.9%</li> <li>• Sanitary Sewer – 9.7%</li> <li>• Stormwater Management – 2.8%</li> <li>• Shelter – 1.1%</li> </ul>
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Note: Percentages relate to Development Charges for a Two Bedroom and Larger Apartment effective on November 1<sup>st</sup>, 2020.

## Funding Transfers from Other Governments

The City receives grants and subsidies from other orders of government which are mainly for mandated programs such as Social Assistance, Child Care, Public Health, Social Housing, and some Transit capital funding. Provincial/Federal grants and subsidies represent about 34% of its Tax-Supported Operating Budget in 2021.

## Reserves and Reserve Funds

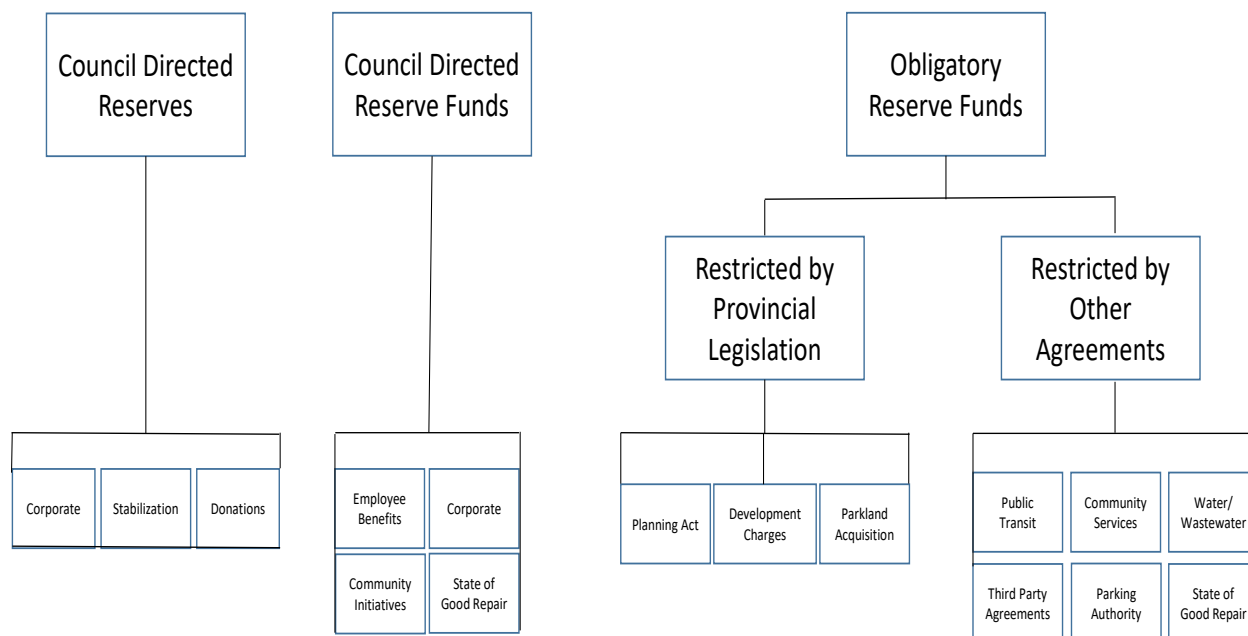
Reserves and Reserve Funds are monies set aside by Council to finance future expenditures for which it has authority to spend money, to defend the City against an unbudgeted or unforeseen event that may result in a budget deficit such as an economic downturn, to smooth out future program expenditures which may fluctuate from one year to the next, or to accumulate funds for future capital requirements or contingent liabilities. While the reserve fund balances would appear to be a large sum, it should be noted that the majority of these funds are committed to special purposes.

Toronto Municipal Code, Chapter 227 - Reserves and Reserve Funds - provides all pertinent information regarding the City's reserves and reserve funds, including definitions, the authority to establish new reserves and reserve funds, closing out inactive reserves and reserve funds, as well as the use and administration of reserves and reserve fund monies.

The City maintains approximately 265 active Reserves and Reserve Funds (including Obligatory Reserve Funds) that are classified into three major categories, namely Council-Direct Reserves, Council-Directed Reserve Funds and Obligatory Reserve Funds, or Deferred Revenues. They are sub-divided into 16 sub-categories according to the nature of their purposes.

The main difference between Reserves and Reserve Funds is that earnings from the investment of Reserve Funds must be allocated to and form part of the reserve fund, while earnings from Reserves flow to the Operating Budget as investment revenue. In addition, Reserve Funds are restricted to fund specific purposes set out by bylaws, legislation or agreements. The Chart below shows our structure:

Figure 1: Reserves & Reserve Funds Structure



## Council-Directed Reserves and Reserve Funds

Council Directed Reserves and Reserve Funds are made up of several major categories: Corporate, Employee Benefits, Stabilization for Operations, Corporate, State of Good Repair (Capital), Community Initiatives and Donations. These funds have been set aside by Council to earmark revenues to finance a future expenditure for which it has authority to spend money, to defend the City against “rainy days”, e.g. economic downturn or other extraneous reasons resulting in a budget deficit, to smooth out future program expenditures which may fluctuate from one year to the next, or to accumulate funds for future capital requirements.

### Deferred Revenues

Funds that are set aside for specific purposes by legislation, regulation or agreement and may only be used in the conduct of certain programs or the completion of specific work are reported as Deferred Revenues (previously Obligatory Reserve Funds). These include funds received from the other orders of government, Development Charges from third parties earmarked for certain purposes, e.g. Transit, Social Housing, Parkland Acquisition, Long Term Care Homes and Services. These amounts are recognized as liabilities in the year the funds are deposited, and received into revenue in the fiscal year the related expenditures are incurred or services performed. These funds are all committed, for uses including funding the City's priority capital needs like transit expansion.

### Reserve Sub-Categories

**Corporate** - Reserves that provide funding for capital and operating items of a corporate nature. The Reserves with the largest balances are: Capital Financing, Working Capital and Vehicle & Equipment Replacement.

**Stabilization** – Reserves that provide funding to stabilize the City's budgets from year to year due to various unanticipated financial pressures. The stabilization reserves with the largest balances are: Water/Wastewater, Assessment Appeal and Tax Rate.

**Donations** – Reserves that provides funding for various projects.

### Council Directed Reserve Fund Sub-Categories

**Employee Benefits** – Reserve Funds for the employee benefit costs of employees and retirees, as directed by Council. The reserve funds with the largest balances are: Employee Retiree Benefits, Sick Leave and Worker's Compensation.

**Corporate** - Reserve Funds for capital and operating items of a corporate nature, as directed by Council. The reserve funds with the largest balances are: Strategic Infrastructure Partnership, Land Acquisition and Transit Infrastructure.

**Community Initiatives** - Reserve Funds that provide funding for a variety of grants programs, as directed by Council. The reserve funds with the largest balances are: Childcare Capital Cost, Child Care Expansion and Capital Revolving – Affordable Housing.

**State of Good Repair** – Reserve Funds for the rehabilitation and major repair of City assets, as directed by Council. The reserve funds with the largest balances are: Waste Management, Solid Waste Perpetual Care and Public Realm.

### Obligatory Reserve Fund Sub-Categories (Also known as Deferred Revenues)

**Development Charges** – Reserve Funds that hold funding received from real estate developers that will be used offset the capital cost of providing growth-related municipal infrastructure that may be required as a result of the new development. The reserve funds with the largest balances are: Parks & Recreation, Transit and Water.



**Community Services** – Reserve Funds for specific community services by legislation, regulation or agreement. The reserve funds with the largest balances are: National Child Benefit, Social Housing Federal and Kids @Computers Scholarship Project.

**Parkland Acquisition/New Development** – Reserve Funds that provide funding for the acquisition of parkland and/or other public recreational purposes, including the erection of buildings and the acquisition of machinery for park or recreational purposes. The reserve funds with the largest balances are: Alternative Parkland Dedication, City-Wide Land Acquisition and South District Local Land.

**Third Party Agreements** - Reserve Funds that provide funds for purposes established in agreements with a third party. The reserve funds with the largest balances are: Section 16, Gardiner West and Public Realm Improvement.

**Public Transit Funds** – Funds received from Other Orders of Government that are specific to public transit expansion. The reserve funds with the largest balances are: MoveOntario 2020, Toronto-York Spadina Subway Extension and Canadian Strategic Infrastructure.

**State of Good Repair** – Reserve Funds that are set aside by reason of legislation, regulation or agreement for the rehabilitation and major repair of City assets. The reserve funds with the largest balances are: Building Code Act Service Improvement and Harbourfront Parkland.

**Water/Wastewater** – Reserve Funds that are set aside by reason of legislation, regulation or agreement for water/wastewater Reserve Funds capital projects. The reserve funds with the largest balances are: Wastewater Capital and Water Capital.

**Parking Authority** - Reserve Funds that are set aside by legislation, regulation or agreement with the Toronto Parking Authority. The reserve funds with the largest balances are: Parking Authority Shopping Mall Rented Properties and Parking Payment In Lieu.

**Planning Act** – Reserve Funds that hold and dispense funds collected under the Provincial Planning Act. The reserve funds with the largest balances are: Section 37, Section 45 and Transportation Cash-in-Lieu.

**Major Reserves & Reserve Funds/Groups With Major Revenue Sources and Services Provided**

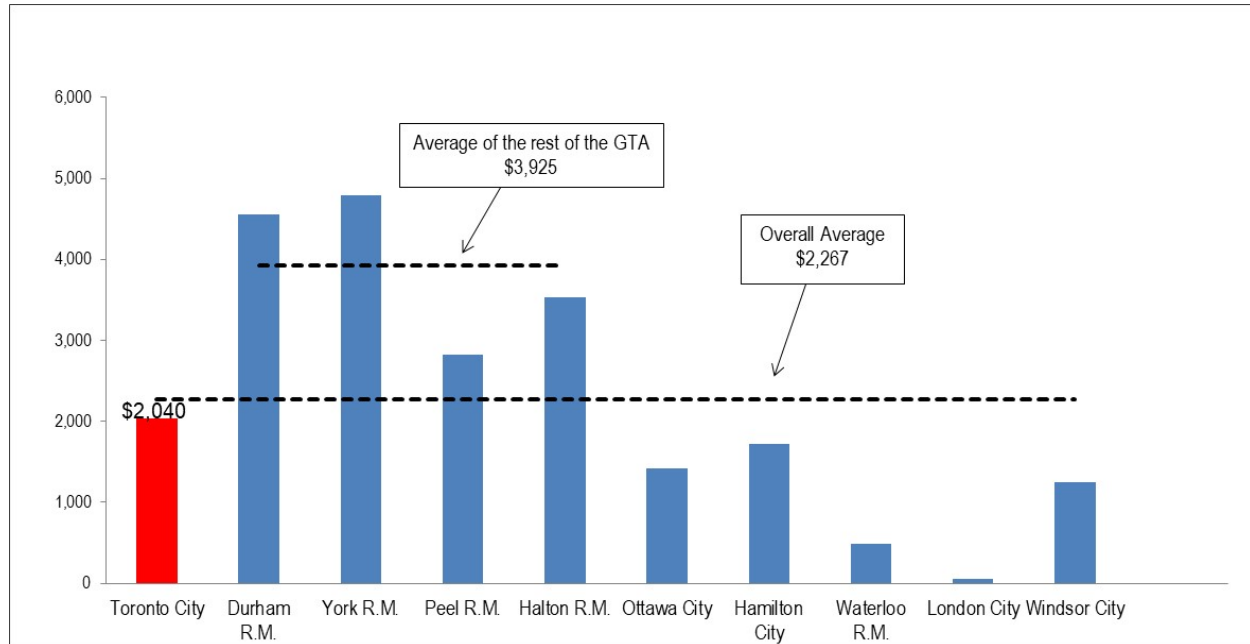
<b>Reserve Type</b>	<b>Major Funding Source(s)</b>	<b>Services Provided</b>
Capital Financing	Prior Year Surplus revenue.	Funding primarily for priority transit and transportation projects and other major city building projects.
Development Charges	Property Developers.	Funding for all growth related municipal infrastructure.
Donations	Citizen and corporate donations.	Funding for a wide variety of projects across all program areas.
Employee Benefits	Non-Program Operating Budget.	Funding for employee benefits costs for employees and retirees.
Land Acquisition	Proceeds from sale of lands.	Multiple accounts used by individual programs or all programs to help fund the acquisition of land.
Parkland Acquisition	Contributions from Property Developers for cash in lieu of parklands.	Funding is used by Parks, Forestry & Recreation Division to acquire property for parklands.
Section 37	Contributions from property owners as set out in a development agreement under Section 37 of the Provincial Planning Act.	Funds are used by the City for a wide variety of community improvements identified in site specific bylaws.
Stabilization	Program operating contributions.	Holds funds to stabilize the City's program budgets from year to year due to various unanticipated financial pressures.
State of Good Repair	Program operating contributions.	A variety of SOGR program/project specific accounts existing to hold funds for the rehabilitation and major repair of major city assets, as directed by Council.

Strategic Infrastructure Partnership	One-time monetization of a corporate hydro bond.	Provides funding for major infrastructure programs (ie. transit and waterfront) in partnership with other orders of government and major environmental capital projects with external funding partners.
Tax Rate Stabilization	Prior Year Surplus revenue.	Provides funding for any future operating deficit.
Transit	Funding from provincial and federal orders of government.	Funding for replacement and new transit vehicles and related infrastructure.
Vehicle & Equipment	Program operating contributions.	Vehicles and equipment for all major programs
Waste Management	Fees charged to households for waste collection.  Fees collected at solid waste transfer stations.	Funding for development and operation of city's waste facilities.
Water/Wastewater Capital	Net revenues from water/wastewater operations.	Holds funding for water/wastewater capital projects.
Working Capital	Prior Year Surplus revenue.	Holds funding to stabilize the City's budgets from year to year due to various unanticipated financial pressures.

On a comparative basis, the City's overall reserve fund balance on a per capita basis is much lower than those in other Ontario jurisdictions. Toronto's 2019 reserve per capita of \$2,040 was considerably less than the rest of the GTA (\$3,925) and somewhat lower than average of all of the cities and municipalities shown in the chart below (\$2,267). The City has established long-term reserve strategies for major reserves, e.g. employee benefits reserves, landfill sites and water and wastewater stabilization reserves, and makes sure that adequate funds are in place, by determining needs and establishing contribution policies.

## Comparison of Per Capita Reserves and Reserve Fund Balances as at December 31, 2019

Figure 2: Comparison of Per Capita Reserves and Reserve Fund Balances



Sources: Ontario Ministry of Municipal Affairs & Housing – 2019 FIR  
Regional data consolidated for upper and lower tiers  
Balances include Obligatory Reserve Funds/Deferred Revenues

## Reserves and Reserve Funds Matrix

(by major reserve fund grouping)

Figure 3: Reserves and Reserve Funds Matrix

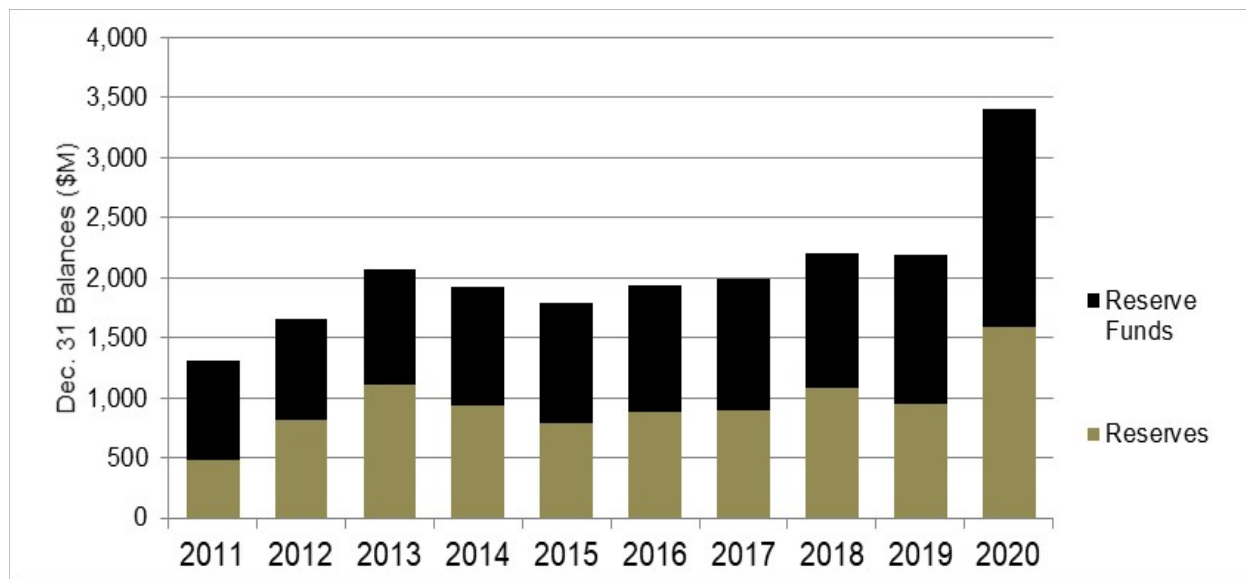
PROGRAM/R&RF CATEGORY	Corporate	Stabilization	Community Services	Donations	Development Charges	Parkland Acquisition	Third Party Agreements	Public Transit	Water/Wastewater	Parking Authority	Planning Act	Employee Benefits	State of Good Repair
Affordable Housing Office	X	X	X		X						X	X	
Children's Services	X		X		X						X	X	X
City Council	X											X	
City Planning	X						X				X	X	
Courts Services	X	X										X	
Economic Development & Culture	X	X	X	X			X				X	X	X
Emergency Medical Services	X				X							X	
Facilities Management	X											X	X
Finance	X	X			X		X				X	X	
Fire	X			X	X							X	
Fleet Services	X											X	
Long-Term Care Homes & Services	X		X		X						X	X	X
Municipal Licensing & Standards	X		X									X	
Parks, Forestry & Recreation	X			X	X	X	X				X	X	X
Police	X				X							X	
Public Health	X				X							X	
Shelter, Support & Housing Admin.	X	X			X						X	X	X
Social Development	X	X	X		X							X	
Solid Waste Management Services	X				X							X	X
Technical Services	X											X	
Toronto Building	X											X	
Toronto Parking Authority	X									X		X	
Toronto Water	X	X			X				X			X	
Transit	X	X			X		X	X				X	
Transportation Services	X	X			X			X			X	X	X
Zoo	X											X	X

Figure 4 shows the historical trend of reserve and reserve fund balances since 2011. The chart shows the consolidated balance growing to a level of \$3.4 billion after a short period of decline in 2014 and 2015.

### City's Reserves and Reserve Funds

(Excluding Obligatory Reserve Funds/Deferred Revenues)

Figure 4: City's Reserves and Reserve Funds



## Credit Ratings

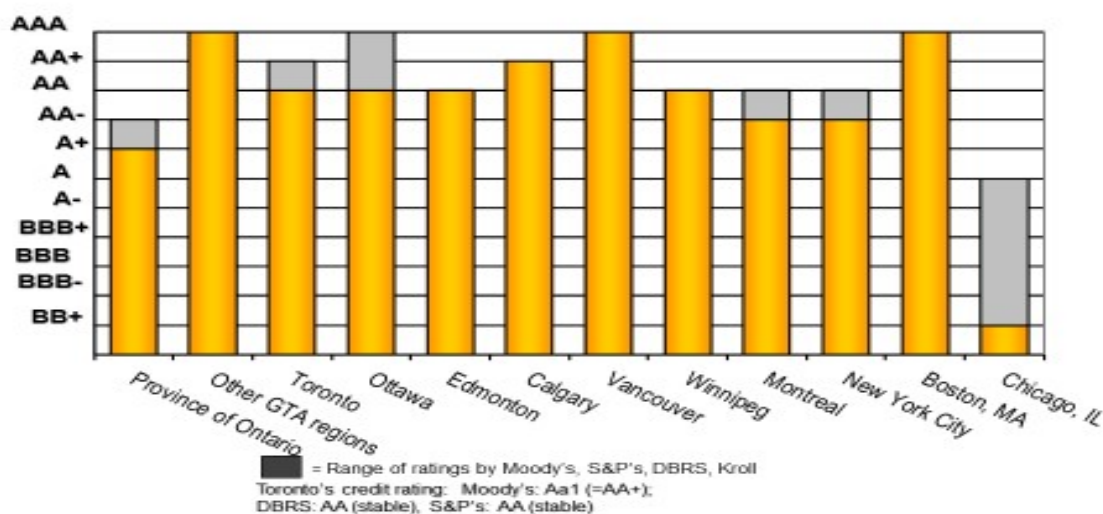
The City of Toronto is an important participant in global financial markets. Maintaining a high quality credit rating ensures the City is able to access capital markets at the most cost-effective interest rates.

Credit rating agencies assess the City's financial position by comparing it with other cities and regions. A number of factors affect the credit rating such as the quality of management, strength of the economy, level of reserves, state of repair of assets, debt levels, etc. For example, if a municipality's current and projected debt levels appear high, it will have a negative impact on its credit rating. On the other hand, if debt levels are low, this will have a positive impact. The credit rating essentially indicates the City's ability to pay its current and future obligations.

Credit ratings affect the City's ability to borrow and its cost of borrowing. A good credit rating translates to a greater investor interest and lower borrowing cost. Many large institutional investors may have policies that prevent them from investing in debt below a certain credit rating. Thus, maintaining a good credit rating has the potential of reaching a larger number and greater quality of investors. Furthermore, a low credit rating often results in having to offer a high interest rate in order to entice investors. A good credit rating will allow the City to borrow at low interest rates while maintaining investor appeal.

The City's credit rating remains comparable to other large North American cities such as New York, Ottawa, Calgary and Edmonton.

Figure 1: Toronto Credit Rating



The City of Toronto's current credit ratings are:

- Aa1 with a stable outlook from Moody's Investor Service – July 22, 2020
- AA with a stable trend from the DBRS Morningstar - September 23, 2020
- AA with a stable outlook from S&P Global - October 28, 2020

Table 1: History of City of Toronto's Credit Rating

Credit Rating Agency	1997 and Prior	1998-2001	2002-2020
Dominion Bond Rating Service (DBRS)	AAA	AA (High)	AA (Stable)
Standard and Poor's (S&P Global)	AA+ / AAA	AA+	AA (Stable)
Moody's Investors Services	Aa2	Aa2	Aa1 (Stable) (Equivalent to AA+)

Credit Rating agencies regularly issue assessment reports regarding industries and individual issuers. Below are some excerpts from those reports that generally explain the strong credit rating held by the City of Toronto:

*"The ratings are supported by the City's large and diversified economy, capacity to raise taxes and requirement to present balanced budgets. The Stable trends reflect DBRS Morningstar's expectation that, while the Coronavirus Disease (COVID-19) will materially affect the City's fiscal outlook, the impact will be temporary and manageable.*

- DBRS Morningstar

*"The stable outlook reflects our expectation that in the next two years economic growth will continue to support Toronto's revenue and help to contain after-capital deficits to less than 10% of total revenue... The city's extremely deep and diversified economy will provide a foundation for recovery as the pandemic and associated restrictions ease. In addition, we believe that Toronto's prudent financial management and robust liquidity will help to sustain the city's creditworthiness in the longer term."*

- S&P Global

*"The credit profile of the City of Toronto (Aa1 stable) reflects a large and diversified economy, which provides a strong tax base, and a consistent ability to generate operating surpluses despite fiscal pressures. The rating also reflects strong debt affordability as well as very high levels of liquidity. The credit profile benefits from the city's unique taxation powers, including the municipal land transfer tax, which allow it to access additional revenue sources besides property taxes and user charges."*

- Moody's Investors Services



## Capital Financing and Debt

The City borrows to fund capital expenditures, and is prohibited from borrowing to fund operating expenditures under the City of Toronto Act. The goal of capital financing is to optimize funding from all sources, including federal and provincial governments, development charges, donations and reserve funding, before using the City's reserves and debt. Toronto's debt level has grown in recent years due to the City's increasing need for capital infrastructure.

The City usually issues debt three to four times a year, depending on several factors, with debt terms of 10, 20, and 30 years. Debt term is guided by the useful life (or amortization) of the underlying infrastructure projects the debt finances. The useful life of the capital asset must be equal to or exceed the debt. The City's long-term debt maintains strong credit ratings from Moody's, Standard & Poor's and DBRS as follows:

Moody's	Standard & Poor's	DBRS
Aa1/Stable	AA/Stable	AA/Stable

The City's Green Bond program commenced in 2018 and a Social Bond program was established in 2020. During 2020, the City maintained a strong and stable credit rating (see Credit Rating section) and issued \$986 million worth of bonds, including \$130 million in 20-year Green bonds and \$100 million in 10-year Social bonds. The City's investor relations program is pivotal in accessing debt markets at cost effective interest rates. City Council has approved debt issuance of up to \$1 billion in each of the years from 2019 to 2022. Going forward, the City expects to issue \$1 billion (2021) and \$800 million (2022).

The City's net long-term outstanding sinking fund debt is \$8.1 billion at the end of 2020 and is projected to increase to \$10.1 billion by 2025. The growth in debt will primarily finance key transportation and housing projects. The City also has \$0.2 billion in outstanding amortizing loans at the end of 2020. The City makes regular interest payments on the outstanding debt and loans. The City also makes annual principal payments on loans and annual sinking fund contributions for sinking fund debt for the purpose of debt retirement upon debt maturity. Figures 1 and 2 present the annual interest and sinking fund contributions for existing sinking fund debt as well as interest and principal payments for outstanding loans.

Figure 1: 2021 to 2049 Interest and Sinking Fund Contributions for existing City of Toronto Sinking Fund Debt

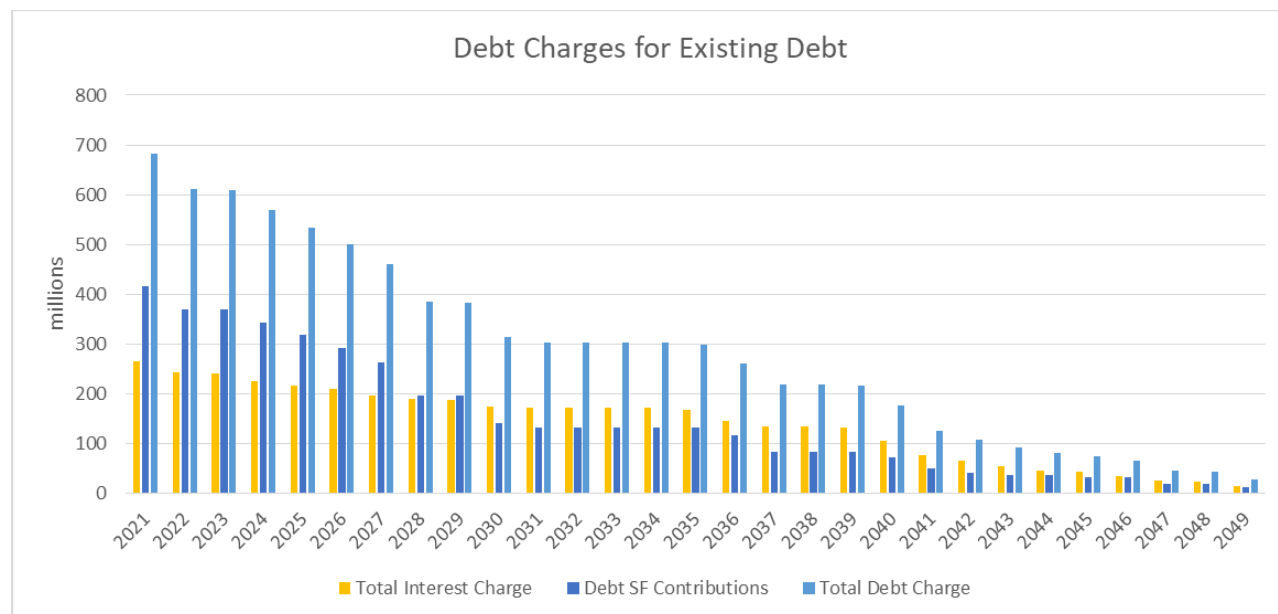
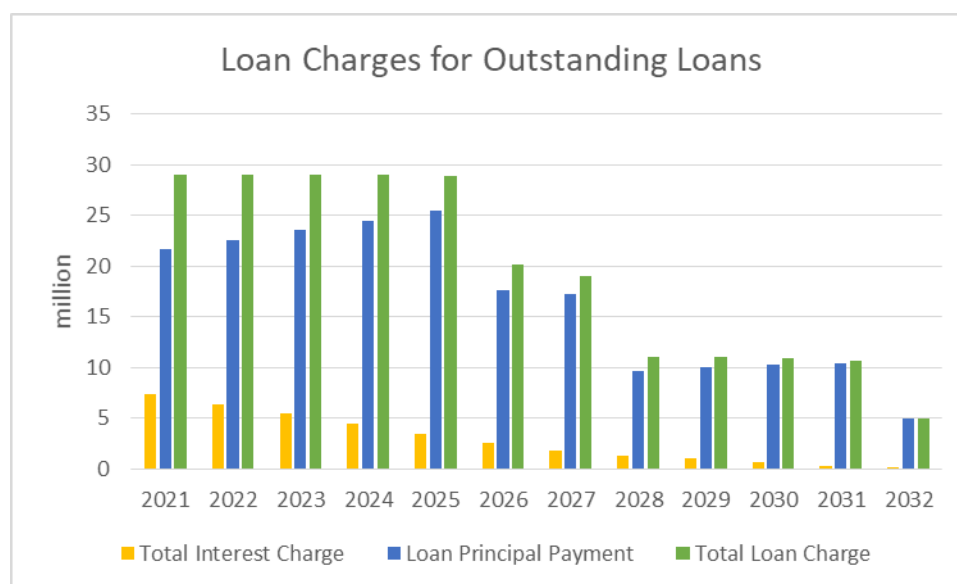


Figure 2: 2021 to 2032 Interest and Principal Payments for outstanding City of Toronto Loans



## Debt Service Ceiling

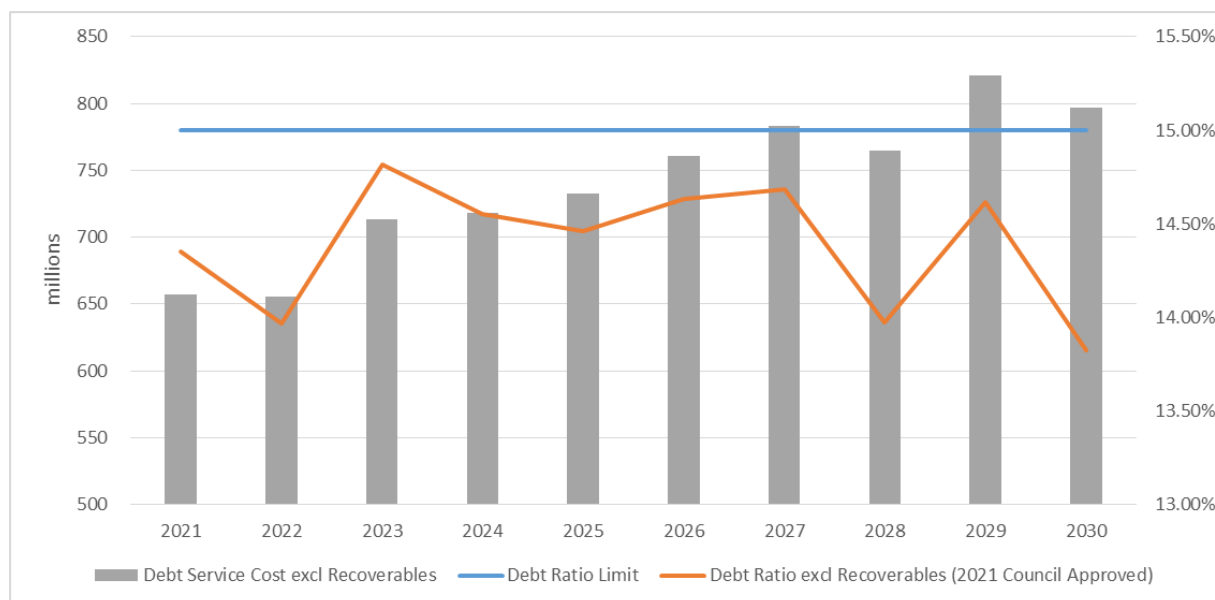
City Council has ultimate authority in setting borrowing restrictions under the City of Toronto act, which exempts the City from the Provincial Municipal Act requirement that generally limits long-term borrowing of other municipalities to 25% of most "own-source" revenues (excl. development charges). City Council approved a debt service limit such that the debt service cost (annual principal and interest payments) would not exceed 15% of property tax revenues.

This limit means that at least 85 cents on each tax dollar collected is available for operating purposes.

The City is expected to have a debt service charges to Property Tax Levy ratio of 14.35% in 2020. The ratio is expected to peak in 2023 at 14.82%.

To meet its borrowing obligations, the City budgets debt service charges (principal and interest cost) in its Operating Budget. In 2021, the tax supported debt service charge is budgeted to be \$657 million. The City's debt service charges are projected to increase to \$821 million in 2029.

*Figure 3: 2021 to 2030 Tax-Supported Debt Services as a % of the Property Tax Levy (line graph – right vertical axis) and debt service charges (bar graph – left vertical axis)*



## Investment Activities and Capital Markets

The City's Long Term Fund, Sinking Fund, and Short Term Fund each have a different purpose in achieving the City's financial goals and objectives. The Long Term Fund and the Sinking Fund are managed by the Toronto Investment Board whereas the Short Term Fund is managed by City staff. These funds are administered by City staff and governed by the Council-approved Investment Policy. The City also manages and administers other smaller funds where assets are not owned by the City (e.g. Trust Funds).

The Long Term Fund is positioned to fund the City's future reserve and reserve fund requirements and therefore takes a longer view of the market.

The Sinking Fund is used for retiring the City's debt as it becomes due and payable.

The Short Term Fund is primarily focused on ensuring that adequate liquidity is maintained to meet the immediate cash flow requirements of the City's daily operations.

New regulations came into effect in 2018 and provided the City an opportunity to invest in a broader range of investments to earn a higher risk-adjusted returns. The Council-approved Investment Policy now permits the Long Term Fund and Sinking Fund to have a minority allocation in Global Equity and Real Assets. Table 1 shows the previous, current, and the target asset mix of the Long Term Fund and the Sinking Fund. Both funds are currently in transition to the target asset mix.

*Table 1: Previous, Current, and Target Asset Mix*

<b>Asset</b>	<b>Previous Asset Mix</b>	<b>Current Asset Mix as at Dec 31, 2020</b>	<b>Target Asset Mix</b>
Fixed Income (incl. cash)	100%	70%	70%
Global Equity	-	20%	20%
Real Assets	-	-	10%
Cash/ Short Term Fund		10%*	0%

\* Pending investment in real assets

### Long Term Fund and Short Term Fund

In 2020, investment earnings, which includes the annual earned interest income and capital gains and losses realized on the portfolio of City managed funds, totalled \$180.4 million. These earnings were allocated to the Operating Budget (\$143.3 million) and reserve funds (\$85.3 million) according to the Council-approved interest allocation policy.

The 2020 distribution of investment earnings is summarized in Table 2 to follow:

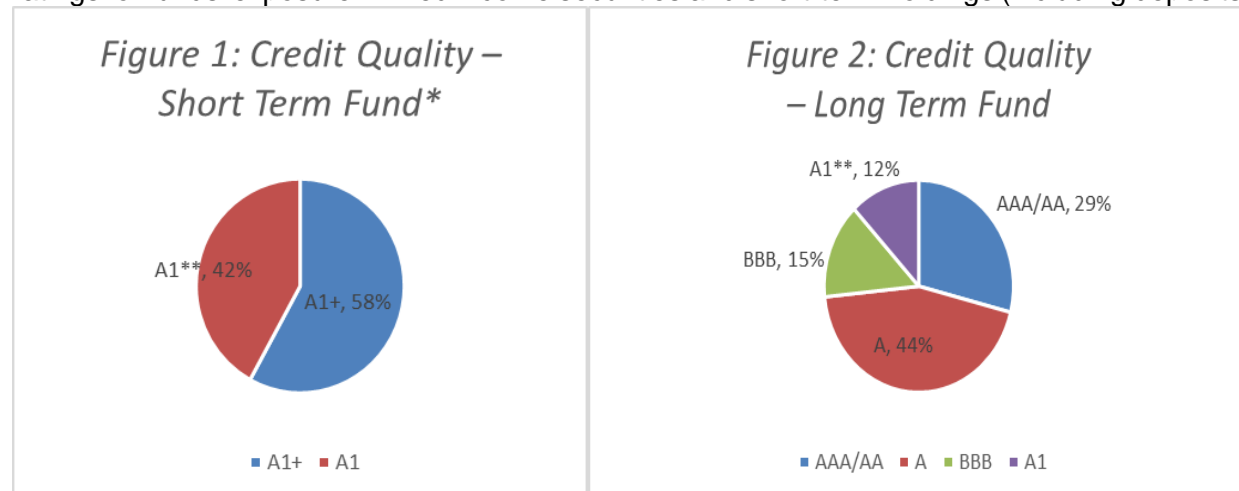
Table 2: Investment Portfolio Income for the Year 2020 (\$ millions)

Portfolio	Average Fund Balance	Earned Income	Earned Return on Capital**
1. Long Term Fund	\$3,592.4	\$147.6	4.1%
2. Short Term Fund	\$2,487.3	\$32.8	1.3%
<b>Total General Funds</b>	<b>\$6,079.7</b>	<b>\$180.4</b>	<b>3.0%</b>

\*\* Earned Return on Capital includes earned interest income and realized capital gain.

The Long Term Fund earned \$147.6 million in gross investment income, which was \$4.3 million higher than budgeted. The excess return was attributable to the value added from the actively managed fund as well as the drastically declined bond yield environment. On the other hand, the Short Term Fund earned \$32.8 million which was \$15.3 million below budget. The variance was mainly due to lower than forecasted cash balances and a material decline in short term rates. The total earned gross investment income for 2020 was \$180.4 million. Also, Board expenses in 2020 were \$7 million (\$3 million lower than budgeted). The underspending was mainly due to delays in completing contracts with global pooled fund managers and the Board's decision to delay investment in real assets. However, investment income allocation to reserve funds was \$85.3 million, which was \$17.3 million higher than budgeted due to higher ending reserve fund balances. As a result, total investment income less Board expenses and contribution to eligible reserve funds was \$25 million less than budgeted.

The City's Short Term Fund and Long Term Fund continue to exhibit high credit quality. Figures 1 and 2 to follow show a breakdown of the City's Short Term Fund and Long Term Fund by credit ratings for funds' exposure in fixed income securities and short-term holdings (including deposits).



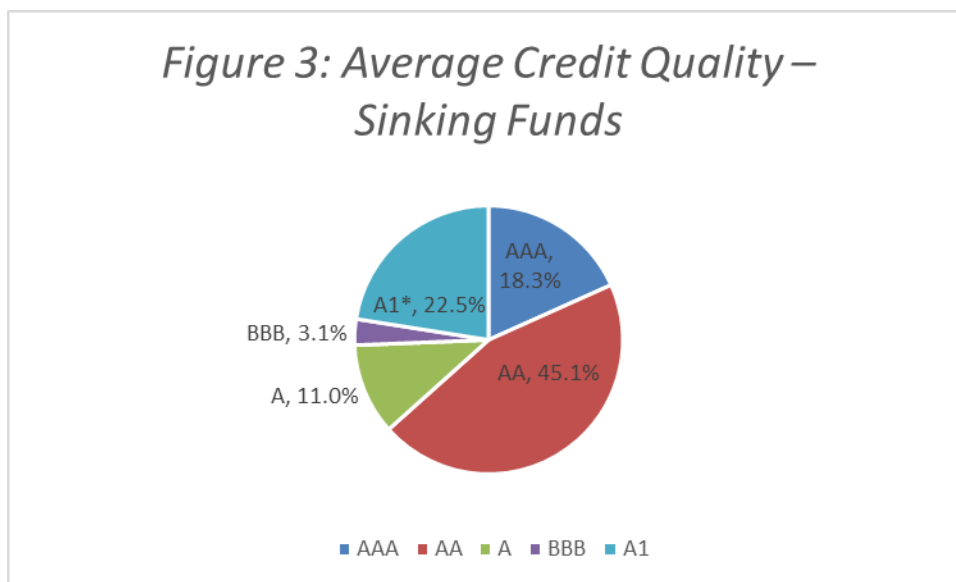
\*Short Term Fund: 100% bank deposit

\*\*This pie chart (fixed income securities and short term holdings) represents about 80% of the total Long Term Fund.

## Sinking Fund

A Sinking Fund is required by legislation when a municipality issues long-term debt with a fixed maturity. The City is required to make annual contributions to the Sinking Fund and invest those funds in order to earn and accumulate sufficient funds to retire the debt at maturity. The City contributed \$413.3 million to the Sinking Fund in 2020.

Sinking Fund assets as at December 31, 2020 were \$1.7 billion to satisfy debt of \$8.1 billion maturing between 2021 and 2049. These bulk of these assets are invested in high quality fixed income securities as shown in Figure 3 below. In 2020, the market rate of return of the Sinking Fund was 10.2%. Additional contributions from the City to the Sinking Fund will be made annually during the period 2020 to 2049.



\*A1 rating is the cash deposits pending investment in global equity pooled fund and real assets

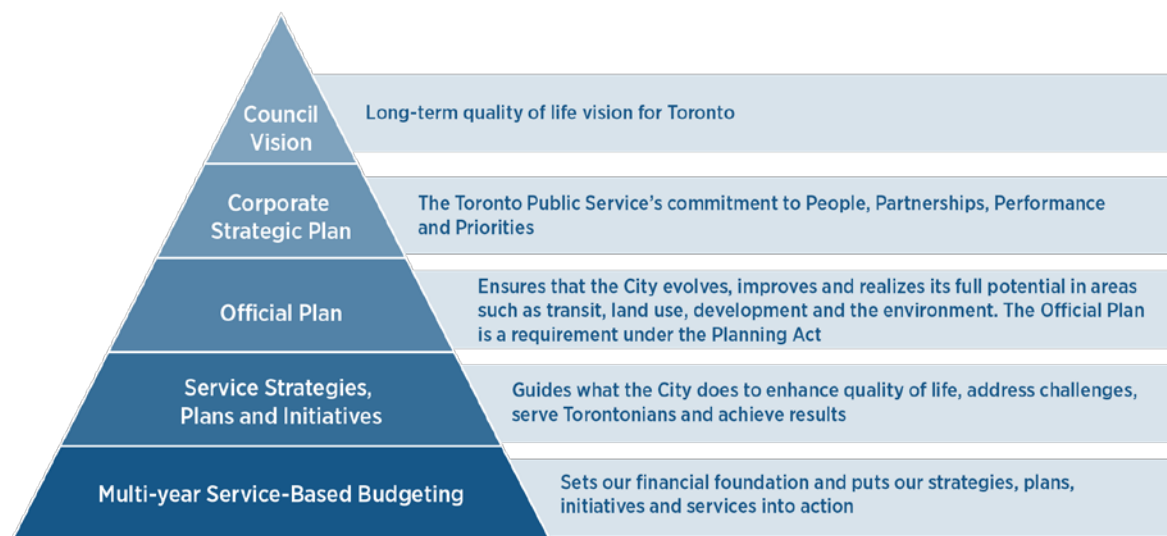
# **An Integrated Framework For Planning and Performance**

## Overview

The City of Toronto strategic planning framework integrates City Council's vision, the Official Plan, service-focused strategies, plans, initiatives, and multi-year budgeting. It aligns planning, budgeting and performance management activities, simplifies the way the City delivers, monitors and reports on priorities and outcomes.

The framework incorporates leading practices used by other municipalities around the world and comprises approaches and methods that support strategic decision-making by Council and the Toronto Public Service. It improves transparency and accountability, and aligns operations to strategic directions and long-term financial sustainability goals.

*Figure 1: Strategic Planning Framework*



## Corporate Strategic Plan

Toronto Public Service's Corporate Strategic Plan sets out our highest priorities and creates a common understanding of the work the City will focus on to be successful, to deliver a high quality of life for residents, businesses and visitors, and to earn the trust and confidence of Torontonians, City Council and staff.

The plan is guided by City Council's vision, Toronto's motto and the Toronto Public Service's mission. It identifies our organization's strategic areas of focus and is grounded in our commitment to our people, partnerships, and performance. The Plan identifies six key priorities for the Toronto Public Service, expected results and strategies, plans and initiatives that we will deliver on to meet Council's directives. Combined, these elements focus the City's leadership and guide staff on how their work fits into the City's overall long-term goals.



## Corporate Priorities

Our corporate priorities are what we will focus on to improve the performance of our organization. Success in these priorities will result in a more resilient, effective and efficient organization, able to face challenges and seize opportunities.

Corporate Priorities include 'Performance Results,' which are aspirations for how we will perform as an organization. These results are managed by the City.

## Financial sustainability

We will work and partner to ensure value and affordability for taxpayers, adequately fund municipal services and infrastructure, make needed investments in the city, and improve our financial health. We will make informed financial decisions and effectively manage resources for Toronto's future.

### Performance Results:

- Residents and businesses will see value from their municipal taxes, rates and user fees
- The City's budget will be a more efficient and effective tool to help support strategic, multi-year decision-making and manage Toronto's priorities
- Enhanced public trust and confidence through financial information and systems that provide a consistent, accurate and transparent view of City finances
- Improved asset management, and efficient use of City assets, will result in reduced costs and better service delivery
- A financially agile and resilient organization that is responsive to change
- Improved overall financial health and effectively managed finances
- Partnerships with other orders of government and the private sector that address and fund shared outcomes

## A well-run City

We will have a committed, engaged and diverse workforce. We will improve the lives of residents, businesses and visitors by providing simple, reliable and connected services that anticipate changing customer needs and improve the lives of residents, businesses and visitors. We will build trust and confidence in local government.

### Performance Results:

- Employees are proud, passionate and committed to their work
- A public service that is both reflective of the population we serve and is inclusive, accessible and welcoming to everyone
- Employees who support continuous improvement and embrace new approaches to their work
- Simple, reliable, efficient and equitable services that anticipate changing customer needs
- Services designed from the customer's perspective that allow residents, businesses and visitors to interact with the City where, when and how they choose
- Shared services across City divisions and agencies that reduce costs, create economies of scale, increase service efficiency and effectiveness, and improve customer service
- An open, responsive, accountable and transparent municipal government, where residents have an opportunity to be heard and participate in the City's decision-making
- The City's decision-making processes prioritize the needs of equity-seeking groups

## Strategic Priorities

Our strategic priorities are what we will focus on to improve quality of life for Torontonians. Success in these priorities will result in a more livable, healthy, safe, prosperous, affordable and resilient Toronto.

Strategic Priorities include 'Quality of Life Results,' which are aspirations for the wellbeing of our residents, businesses, communities or city. Achieving these results requires the joint effort of many partners – including governments, community groups, organizations, schools, private sector groups and individuals – as we address local and global challenges.

### Maintain and create housing that's affordable

We are committed to a city where families and individuals live in safe, stable and affordable housing with respect and dignity.

#### Quality of Life Results:

- People live in stable housing that is safe, suitable to their needs and have the individualized support they need to help them maintain housing
- There are more affordable housing options in all parts of Toronto to help meet the need and demand of low- and moderate-income people
- Those without housing have access to a full range of shelter and housing options

### Keep Toronto moving

We are committed to a city with safe, affordable and accessible transportation choices for people and goods.

#### Quality of Life Results:

- An inclusive and equitable city-wide transportation network that provides reliable and affordable travel choices, connects people to places and activities they value, and supports the delivery of goods
- Safer streets by design, where people can be active and healthy, and where fatalities and injuries are eliminated
- A greener and more resilient city, with transportation options that reduce environmental impacts and are adaptable to future challenges and smart city innovations

### Invest in people and neighbourhoods

We are committed to a city that protects and improves quality of life for all including safety, health, and social and economic wellbeing and inclusion.

#### Quality of Life Results:

- The impacts of poverty on Toronto's residents are mitigated
- There are opportunities for all, including Toronto's diverse Indigenous and equity-seeking communities
- All residents have a sense of belonging, and live in healthy, diverse, culturally rich, and cohesive communities
- Individuals and communities feel safe and secure

- A vibrant and growing economy that helps businesses thrive and more fully employs an expanding workforce
- The City continuously invests in and delivers safe and sustainable infrastructure that enhances the quality of life of the people of Toronto

### **Tackle climate change and build resilience**

We are committed to fighting climate change and preparing our city government, our economy, our ecosystems, and our communities, especially the most vulnerable communities, for a changing climate.

#### **Quality of Life Results:**

- Toronto survives, adapts and thrives in the face of climate change
- Reduced local greenhouse gas emissions fight climate change, improve our health, grow our economy, and improve social equity
- The City protects and invests in its ecosystems, natural spaces, land, air and water
- Public and private assets, infrastructure, and buildings are responsibly managed in light of the risks posed by our changing climate, and are built and maintained to reduce greenhouse gas emissions
- Residents and businesses take action to tackle climate change and build resilience in their neighbourhoods
- A more circular economy diverts waste from landfill, reduces greenhouse gas emissions and is resilient to future challenges

### **Corporate Performance Management System**

The Toronto Public Service uses a corporate performance management methods and tools to help manage our programs and services in a consistent, effective and efficient way. The Corporate Performance Management System considers five main areas:

1. Service Review and Improvement
2. Service-based Budgets
3. Performance Measurement and Accountability
4. Leadership Performance and Staff Development
5. Enterprise Risk Management

*Figure 2: Corporate Performance Management System*

**Service Review and Improvement** - The City undertakes service reviews to ensure we are delivering services that are valued and best align with current and future needs of Toronto's communities. Service reviews provide a mechanism to ensure effective and efficient service delivery, while building a culture that strives for continuous improvement, innovation, flexibility and integration to better serve the public. Service reviews focus on both what we do and how we do it. They involve evaluating program costs, benefits and outcomes to achieve the best value for money.

Excellence Toronto is our corporate-wide continuous improvement initiative. It provides a roadmap for continuous improvement efforts, a recognition system for excellence within the City, and helps us tell our story as a public service. In addition to Excellence Toronto, the City undertakes targeted service review and improvement initiatives as needed.

**Service-Based Budgets** - The City is moving from division-based plans and budgets to service-based plans and budgets. Service-based budgets shift away from a traditional, departmental view of government, to one that focuses on the services delivered to the public. Service-based budgets look at each service by what is being delivered and not who delivers it. Clear information about City services increases public awareness of the costs of providing these services and supports robust discussions

on their continued value. Moving to service-based budgets will allow staff to provide improved information and advice to Council on each service's value to enable strategic decision-making and informed investment decisions.

**Performance Measurement and Accountability** - The City uses Results Based Accountability (RBA) as a performance management and accountability framework. RBA is a data-driven, decision-making process to help take action to solve problems. It gets from talk to action quickly. It helps identify barriers to innovation, builds collaboration and consensus, and uses data and transparency to ensure accountability for both the wellbeing of people and the performance of programs. Measuring our performance helps us understand the value we are delivering to Torontonians, determines whether we are achieving results, and informs us how to take action accordingly.

**Leadership Performance and Staff Development** - Leadership performance and staff development are about improving staff engagement and productivity to build a high-performing organization. It is about helping to improve skills and talent within the organization, from front-line staff to executive leadership. The performance and development of our people – the Toronto Public Service – is critical to how well we work as an organization and how we deliver value to residents, businesses and visitors, and how we serve City Council. To effectively deliver services, our workforce must be resilient, adaptable to change, continuously improve and innovate. The organization will cultivate these capabilities through continuous learning and development, creating a culture of leadership performance and accountability.

**Enterprise Risk Management** - The methods and processes used to manage and mitigate risks are critical to the performance of our organization. Enterprise Risk Management is a structured, continuous process for identifying and assessing risks, choosing responses, taking action, and monitoring progress. It is about better enabling the City to deal effectively with uncertainty and respond to risk in a manner that increases the likelihood of positive outcomes. A Risk Management Policy and Framework will create a consistent approach to risk management across the organization. It will support more effective and integrated risk management by ensuring risk management processes, responsibilities, and accountabilities are understood and the necessary arrangements for managing risk are in place. The framework will serve as a guide for City staff to incorporate risk management practices into daily decision-making.

### **Corporate Strategic Plan Implementation**

Implementation of the Corporate Strategic Plan is led by the Senior Leadership Team, the City Manager, Deputy City Managers, and the Chief Financial Officer and Treasurer with support from across the organization. Divisional service and work plans, and the implementation of strategies and initiatives, are used by the Corporate Leadership Team which is composed of all division heads, to manage their divisions' work to align and advance the Corporate Strategic Plan. A City Strategy Map is used to support implementation of the Corporate Strategic Plan. It provides a summary of the City's major strategies, their main components and relationship to other strategies.

In summary, the Corporate Strategic Planning Framework, and the Corporate Performance Management System clarify and strengthen accountability between Council, staff and the public, and focus the City's leadership and staff on results that improve the quality of life for residents and businesses, and the performance of the organization.

## Council's Vision for the City of Toronto

*Toronto is a caring and friendly city.*

We have opportunities to sustain and enrich our lives and reach our highest potential. Our diversity is valued and celebrated and our communities are a source of pride. We are actively involved in the social, cultural and political life of the city.

*Toronto is a clean, green and sustainable city.*

We integrate environmental stewardship into our daily activities. We maintain and improve the health of the environment for present and future generations.

*Toronto is a dynamic city.*

As the nation's leading economic engine, we are a centre of innovation and growth with a strong international presence. Our dynamic city is well positioned to succeed in the world economy.

*Toronto invests in quality of life.*

We invest in quality of life – socially, economically, culturally and environmentally – to make Toronto a desirable place to live, prosper and visit.

## Mission

To serve a great city and its people.

## Motto

*Diversity Our Strength*

Toronto is one of the most diverse cities in the world. We value the contributions made by everyone and believe that the diversity among our people has strengthened Toronto.

## LONG-TERM FINANCIAL PLAN

The Long-Term Financial Plan: The City of Toronto's Roadmap to Financial Sustainability was approved by Executive Committee on March 19, 2018.

The Long-Term Financial Plan provides a framework for longer-term financial decision-making, including strategies and key actions to facilitate multi-year, integrated, strategic decision-making. It does not provide a detailed implementation plan to respect the role of City Council and the political decision-making processes for determining the way forward for Toronto. It offers a series of practical steps which, if assessed and implemented, will help City Council realize the positive vision it has established.

The key actions and strategies contained in the Long-Term Financial Plan are intended to improve the long-term financial stability of the City. Implementation of the actions and directions will shift how the City approaches financial decision-making through its annual budget, service and financial planning, key expenditure, revenue and asset strategies, and intergovernmental fiscal frameworks.

### Key Challenges

There are four key challenges to delivering on Council's directions:

#### Moderate but growing risk, notably revenue volatility

- *Municipal Land Transfer Tax*
- *Impact on current service levels*

#### Gap between service commitments and revenue

- *Growing gap between spending and Council directions for increased service levels*

#### Modernization and transformation

- *Needed to achieve efficiencies and savings*

#### Intergovernmental transfers

- *City still pays disproportionate share of costs for services that provide regional and province-wide benefit*
- *Uncertain intergovernmental relationships going forward*

### Key Principles

This report also outlines five principles to support Council's priorities. Within each principle there are a number of key actions. How Council uses each principle and key action will depend on its desired strategic direction.

1. Better information to support strategic decision-making	2. Improve value for money	3. Secure adequate and fair revenue	4. Improve focus on financial balance sheet & financial health	5. Better integration with provincial & federal policies & fiscal direction
Better use of existing Council decision making processes, structures & tools	Set more strategic labour relations objectives	Adopt property tax policies to link tax increases with multi-year expenditures	Establish goals & report on financial health measures annually	Continue to pursue share policy outcomes with senior orders of Gov't
Align policy & financial direction	Rebuild back-office functions & front-line operations	Reduce cyclical risk of MLTT by allocating portion of revenue to capital reserves	Review debt service ratio and increase limit, as appropriate	Development a strategic intergovernmental approach based on Council's priorities
Implement operating & capital budget changes to support decision-making	Modernize & transform how the City does business	Ensure property development levies pay for cost of growth	Review reserve & reserve fund adequacy	Augment provincial & federal investments in Toronto in a fair & equitable manner
Improve risk analysis & reporting	Adopt new models of procurement	Identify all costs & report annually on tax & fee discounts, rebates, exemptions	Explore revenue performance of Toronto Hydro & TPA	
		Develop a user fees pricing strategy	Optimize investment returns through Investment Board	

### Additional Actions in 2019 and 2020:

In 2019, the City of Toronto commissioned a Value-Based Outcomes Review (VBOR), funded by the Province of Ontario, to evaluate City programs and identify opportunities to deliver efficiencies with a key principle to maintain service levels. The intent of the review was to



provide the City with insight into its recent expenditure trends and forecasted financial position and to provide a series of alternatives that could assist the City in moving towards a sustainable financial footing.

The [Staff report](#) and the detailed [VBOR report](#) can be found on the City's website.

Ultimately, VBOR acknowledged that Toronto plays a pivotal role in the region, province and country. The City delivers key services that provide enormous regional and national economic and social benefit. The City's finances have been heavily relied upon to meet growth and accompanying regional demand for services such as public housing, transit and transportation, and social services. As VBOR highlights, the City does so without contributions towards operating expenses from a regional tax or rate base and this creates a significant pressure on the City to manage. The solutions to the City's unique pressures will require partnerships with other governments, including approaches to fairly fund city services and infrastructure which provide regional benefits, in order to address the growing gap between the City's expenses and revenues.

Actions that continue to be in progress to address the City's financial sustainability via the City's roadmap as part of its [corporate strategic plan](#) have been confirmed by the VBOR recommendations, such as modernizing the budget process, transforming financial systems, improving capital asset management, improving capital planning, exploring alternative service delivery and improving procurement.

### **Focus in 2021:**

Specific actions the City addressed during the 2021 Budget process included preserving existing services within public health guidelines while managing the impacts of COVID-19 and continuing to invest in key capital projects.

The challenges created with the onset and ongoing nature of the COVID-19 pandemic required the city to focus on addressing inequities amongst our residents. The 2021 tax-supported operating budget focused on keeping property taxes affordable, preserving service levels and augmenting where COVID-19 support and response was required. The tax-supported 10-year capital plan included funding for key areas such as mobility, housing, modernization and the environment. The re-shifting of City's priorities to respond to the pandemic created added costs and expenses and a significant loss in municipal revenues. These unprecedented pressures required the City to strengthen collaborations with the Federal and Provincial counterparts in securing COVID-19 support funding for municipalities. There continues to be a focus on rebuild and recovery that will need to be incorporated as part of long term financial planning and ensure a sustainable financial future.

## Budget Modernization

Budget Modernization is a new approach to planning and budgeting that responds to citizens' demand for greater accountability and transparency for their tax dollars. The plans and budgets are built from the customers' point of view (service based), adopt a longer term view (multi-year), and focus on performance. The ultimate goal of multi-year service-based budget is to invest tax dollars in services with the highest value and to demonstrate this value to Torontonians.

The benefits of this approach are:

- Performance focused organization – The focus on performance and service value lead to greater collaboration and integrated of service delivery across the organization.
- Alignment of longer-term objectives with longer-term funding plans – Greater certainty is provided to the public about the future direction of taxes and other revenue sources.
- Improved accountability and transparency over spending plans and the timing of implementation of strategic priorities.
- Strategic Council conversations – Council is equipped with the information on making service investments with the highest value.
- Clear public communication – Greater trust and confidence in the public sector when residents and businesses experience and understand the value received for their tax dollars.

To support this approach, the City has also adopted a new measurement framework called Result Based Accountability (RBA) as part of Corporate Performance Management System outlined in the Corporate Strategic plan. RBA enables a data-driven, decision-making process to help take action to solve problems. It also helps us understand the value we are delivering to Torontonians, determines whether we are achieving results, and informs us how to take action accordingly.

## Multi-Year Service-Based Planning and Budgeting Process

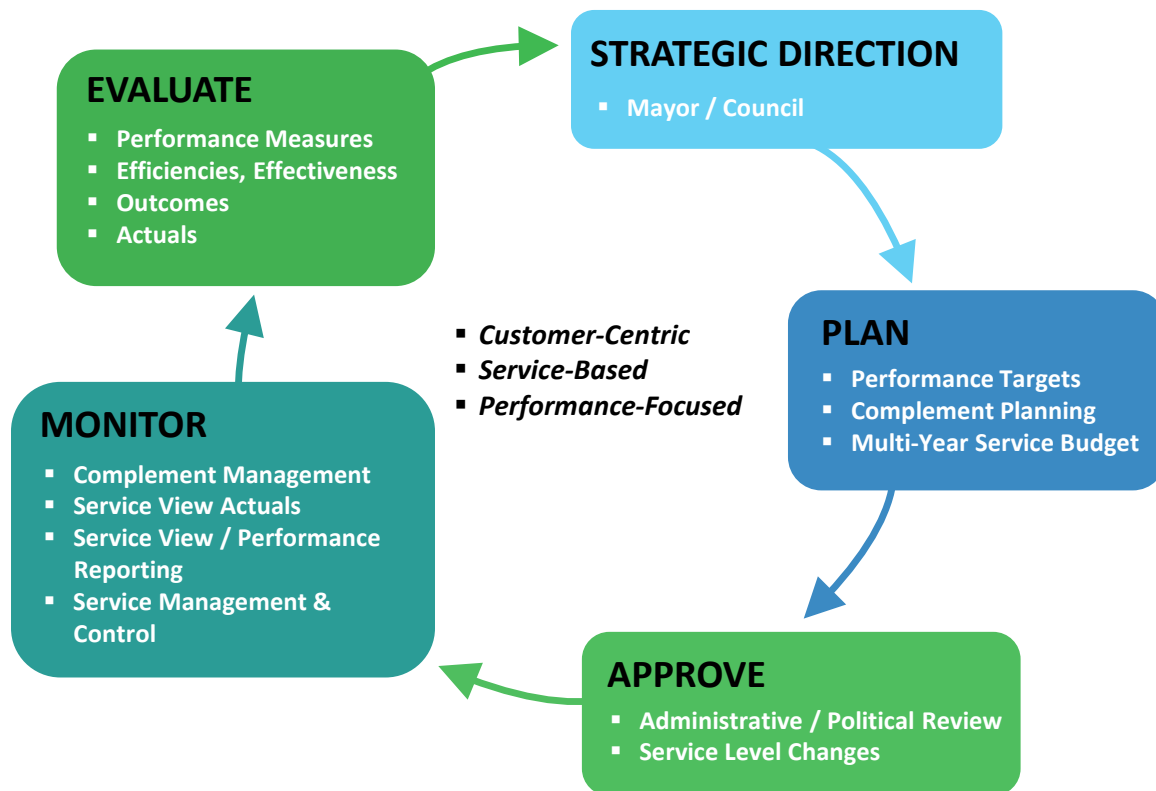
The City's planning and budgeting process establishes a longer-term focus regarding the allocation of resources required to deliver the services, service levels and capital infrastructure needed by the community, and to accomplish Council's goals and priorities for its term of office.

City Council has adopted a number of critical strategies and plans to address current challenges and implement initiatives that will create economic stability, social equity, long-term environmental sustainability and a healthy city. These high-level overarching documents have been developed to guide decision-making and assist in long term budget planning, and are taken into consideration during the budget process.

The financial planning cycle incorporates key elements of management accountability that begins with the strategic directions established by the Mayor and Council.

Figure 1: Toronto Planning and Budgeting Cycle

## Toronto's Planning and Budgeting Cycle



The strategic direction ensures a strong alignment between Council priorities and our planning and budgeting processes. The budget cycle incorporates ongoing monitoring and regular reporting and assessment of service performance and strategic initiatives. Regular budget variance and progress reports help Council and the management team focus resources and effort toward underperforming activities, as well as help to identify continuous improvement opportunities at the City.

The City's financial planning and budgeting process is designed to ensure the management of public resources are done in the most effective manner while ensuring the City's short-term goals and long-term financial health are sustainable. The Financial Planning and Budgeting process has the following key elements:

- Engages stakeholders in priority-setting through public consultation;

- Has a long-term perspective for planning and budgeting that promotes service and fiscal sustainability;
- Is service-based and performance-focused: it focuses budget decisions on service objectives, service levels, results and outcomes using performance targets and metrics
- Emphasizes the evaluation of service performance so that planned results are achieved;
- Establishes roles and responsibilities for Standing Committees, the Budget Committee and Executive Committee.

This approach establishes and reinforces the relationship between Council priorities and strategic actions with program-level plans and strategies; and enables Programs and Agencies to set achievable objectives with realistic timeframes and provides a more efficient, systematic and consistent methodology to allocate resources across all services and capital investment initiatives.

### **Multi-Year Budgeting**

Multi-year budgeting strengthens the link between budgeting and strategic priorities and enables Council to assess the long-term financial implications of current and proposed operating and capital budgets, budget policies, tax policies and assumptions.

The multi-year service based budgeting approach also enables Programs and Agencies to set achievable objectives with realistic timeframes and provides a more efficient, systematic and consistent approach to allocate resources across all services and capital projects.

Based on Council's strategic priorities and budget forecasts, the 10-Year Capital Budget and Plan and the 3-Year Operating Budget and Plan are established and reaffirmed each year. The 10-year Capital Budget and Plan present the City's long-term vision with regard to strategic capital investments in critical infrastructure and amenities. The 3-Year Operating Budget and Plan outline service priorities for the upcoming budget year and provide an outlook for the next two years.

The annual Capital and Operating Budgets set out Council-approved funding and spending for the year and provides the authority to Programs and Agencies to proceed with expenditure for specific capital projects and service delivery.

The annual budget process incorporates the following key elements:

- The 10-Year Capital Budget and Plan and the 3-Year Operating Budget and Plan are reaffirmed each year in order to appropriate funds for a 1-year operating and capital budgets.
- The City Manager and the Chief Financial Officer and Treasurer review all Program and Agency Budgets to ensure compliance with budget directions and guidelines and that resources are allocated to Council's approved strategies and program priorities for the most effective delivery of services.
- The Budget Committee members conduct team member reviews of staff recommended budgets prior to Budget Launch whether services are delivered efficiently and effectively

and resource requests are aligned to service priorities and meet budgetary directions and guidelines.

- Public budget hearings and deputations are held as part of the Budget Committee review process.
- The Tax-Supported Operating and Capital Budgets are approved no later than mid-February (in a non-election year).
- The Rate-Supported Operating and Capital Budgets are approved by December of the previous year (in a non-election year).

## **Reporting and Monitoring**

The City has established a common approach to the monitoring and reporting of financial and non-financial information, including staff complement and performance measures. The principles, protocols and practices that guide the monitoring and reporting of budget and performance information ensure consistency; enhance the financial management of the City's affairs; and support fiscally responsible decision-making.

Monitoring of the approved Operating and Capital Budgets occurs on an ongoing basis to assess whether targets are being met, assess performance, guide decision-making and provide transparency and accountability for how resources are managed. Budget monitoring identifies variances from plans; changing patterns or circumstances that need corrective actions; and assess the extent to which resources are being used efficiently and effectively in contributing to strategic goals, service outcomes and Council's priorities.

Pursuant to prudent financial management practices and budgetary control, the quarterly and year-end operating and capital variance reports are submitted to Committee and Council to provide information on how approved operating and capital funds are spent, and on an exception basis, identify issues that require direction and/or decisions of City Council.

## Performance Measurement and Benchmarking Initiatives

To provide context when examining Toronto's service delivery performance, it is important to consider that municipal property taxes represent approximately 10 per cent of the total taxes, in all forms, paid annually by an average family to all orders of government. These various forms of taxes include income taxes, consumption taxes such as the Harmonized Sales Tax, and embedded taxes, which are included in the price of items such as gasoline, liquor and tobacco. Property tax is based on a percentage of the assessed value of land and buildings. Property tax is highly visible as it is one of the only forms of tax where taxpayers receive a bill.

The City of Toronto is a member of the Municipal Benchmarking Network Canada (MBNCanada). MBNCanada is a collaborative of Canadian municipalities whose mission is to enhance municipal service delivery by leading the development and application of municipal performance measurement and benchmarking. As of 2019, MBNCanada includes 15 municipalities across Canada, providing services to over 12.1 million people.

The measures identified through MBNCanada provide a means to communicate performance, set policy, inform reviews, evaluate programs, support budget recommendations, identify trends, and develop data dashboards. Furthermore, the measures allow for easy city-to-city comparisons, due to the unique full costing methodology principles used by all MBNCanada member municipalities, which allow for comparisons irrespective of their organizational structure.

By examining our own operations and working with other municipalities through the [Municipal Benchmarking Network of Canada](#), these processes encourage Toronto's service areas to continuously look for opportunities to improve operations and performance.

### SUMMARY OF TORONTO'S RESULTS

Toronto is unique among Canadian municipalities because of its size and role as a regional, provincial and even national economic engine. It is also the centre of business, culture, entertainment, sporting and provincial and international governance activities.

Despite the unique characteristics of Toronto, there is great value in comparing performance trends and results to other Canadian municipalities. Through the MBNCanada partnership, performance measurement results are shared between municipalities.

By examining our own operations, and by working with other municipalities through the MBNCanada process, these practices encourage Toronto's service areas to continuously improve. There are a total of 664 indicators and performance measures collected by the MBNCanada partnership.

Highlights of Toronto's overall results are described in the sections below.

### Comparing Toronto's Results over Time

Examples of areas in which Toronto's 2019 service/activity levels or performance measures have improved in relation to the previous year include:

- Increase in Number of Invoices Processed per Accounts Payable FTE (Efficiency)
- Increase in Long-Term Care Resident/Family Satisfaction (Customer Service)
- Decrease in Percent of Billings Outstanding Over 90 Days at Year End in general revenue (Efficiency)
- Increase in Library Annual Electronic Circulation per Capita (Community Impact)
- Increase in Megalitres of Treated Wastewater per 100,000 Population (Service Level)
- Decrease Prior Years' Tax Arrears Not Collected in the Current Year as a Percent of the Current Year Levy (Community Impact)

Select examples of areas in which Toronto's 2019 service/activity levels or performance measures have worsened in relation to the previous year include:

- Decrease in Accounts Payable Percent of Invoices Paid Within 30 Days (Customer Service)
- Decrease in annual In-library Materials Use per Capita (Community Impact)
- Increase in Total Cost for Roads - All Functions per Lane Km (Efficiency)
- Increase in Operating Cost of Wastewater Collection/Conveyance per Km of Pipe (Efficiency)

### Comparing Toronto's Results to Other Municipalities

Examples of areas where Toronto has favourable service levels or perform better in relation other cities include:

- Lower Operating Cost for the Treatment of Drinking Water per Megalitres of Drinking Water Treated (Efficiency)
- Highest Number of Participant Visits for Directly Provided Registered Programs Per Capita (Community Impact)
- Lowest Total Cost for Recreation Programs and Recreation Facilities per Participant Visit Based on Usage (Efficiency)

Examples of areas where Toronto has unfavourable service levels or perform worse in relation other cities include:

- Lower Percent of Formal Freedom of Information Requests Completed Within 30 Days (Customer Service)
- Longer Average Length of Stay in Days per Admission to Emergency Shelters (Families) (Community Impact)
- Highest Percent of Ambulance Time Lost to Hospital Turnaround (Community Impact)
- Lowest Percent of Tax Accounts (All Classes) Enrolled in a Pre-Authorized Payment Plan (Customer Service)

It is very important to note that the best measurement initiatives provide a balanced view about each measure type and must be viewed collectively and in combination with each other, not in isolation. Furthermore, results can be influenced by any number of factors. It is important to understand the context when reviewing Toronto's results. For further information, please visit the [2019 MBNCanada Performance Measurement Report](#).

## **TORONTO IN INTERNATIONAL RANKINGS AND REPORTS**

Toronto is one of the most liveable, competitive, and safest cities in the world as demonstrated by various international rankings and reports issued by external organizations. In addition to securing its position on the world stage, Toronto's rankings confirm that it continues to offer a high quality of life for the 2.96 million residents who live and work here. The comparative ranking reports must be reviewed critically, as the methodologies and data sources used are not always provided in the supporting documents.

### **Most Livable Cities – Economist Intelligence Unit**

In 2019, Toronto ranks seventh (tied with Tokyo, Japan) out of the 140 most livable cities in the world, according to the Economist Intelligence Unit. Cities are rated across five categories; stability, healthcare, culture and environment, education and infrastructure. In each of the categories, cities are given a score between 1 and 100, where 1 is considered intolerable and 100 is considered ideal. Once all category scores are compiled and weighted, an overall score is given between 1 and 100. Toronto received an overall score of 97.2. Toronto received high scores (100) in stability, healthcare and education.

### **World's Best Cities – Resonance Consultancy**

Resonance Consultancy named Toronto 13th of 100 global cities in their World's Best Cities Report. The report ranks major cities of metropolitan areas with populations over one million by using a combination of statistical performance and qualitative evaluations by locals and visitors in six core categories: place, programming, prosperity, product, people and promotion. Toronto's favourable ranking can be attributed to the category of people which considers the percentage of foreign-born residents, and percentage of the population with a bachelor's degree or higher.

### **Global Cities Report – Kearney**

The Kearney Global Cities Report, which combines the Global Cities Index and the Global Cities Outlook, places Toronto 19th and 2nd respectively, out of 151 global cities. Data for the 2020 Report was captured prior to the global pandemic, and provide an overview of city positions and future prospects.

The Global Cities Index identifies metrics across key categories including business activity, human capital, information exchange, culture experiences, and political engagement. Global Cities Outlook, which identifies cities on the rise, includes metrics related to personal well-being, economics, innovation, and governance. Toronto increased by an impressive 9 points to capture 2nd place in the Global Cities Outlook, which was attributed to an upswing in innovation and continued strong governance.

### **StartupBlink Startup Ecosystem Rankings 2020**

Toronto ranked 24th of 1,000 cities across 100 countries in a recent study released by StartupBlink, which ranks cities in terms of their startup potential.

The sources used to determine the rankings are generated by an algorithm and are crowdsourced from many locations across the globe. The rankings are based on the number of



startups, the quality of startups, and the business environment that allows startups to easily conduct their business.

More [information about Toronto's rankings](#) is available from the City of Toronto website.

## **TORONTO PROGRESS PORTAL**

The City continues to promote a continuous improvement culture in order to provide our residents and businesses with services that are as efficient and effective as possible, looking for the optimal combination of efficiency, quality and beneficial impact on our communities.

One of the key principles of the Progress Portal is to report out its results in an open and transparent manner. The reporting process provides a means to foster continuous improvement and, most importantly, contributes to public trust and confidence.

For additional [information on the City of Toronto's progress](#) please visit the Toronto Progress Portal at [www.toronto.ca/progress](http://www.toronto.ca/progress) .

## FINANCIAL POLICIES

### Overview

The City of Toronto's financial policies provide a framework to assist in the decision-making process and are based on principles that will ensure strong financial management, sustainability of resources, and consistent adoption and adherence of practices across the organization. These policies provide City Programs and Agencies with agility to effectively manage service delivery and capital programs for which they are accountable, while ensuring transparency, accountability and financial control.

### Basis of Budgeting

In compliance with the City of Toronto Act, 2006, City Council adopts an operating budget in each year. The City of Toronto develops its budgets on a modified cash requirements basis. Revenues are on a full accrual basis, while expenses are reflected on a modified accrual basis in which capital expenditures, repayments of debt principal (including sinking fund contributions), and funding for agencies and corporations are included. The operating budget excludes the following expenses: actuarial expenses (future employment benefits, landfill closure & post-closure, and insurance claims), environmental costs, and amortization.

The operating budget approved by Council in any given year must be balanced: estimated revenues must be equal to estimated expenditures. Any in-year increase in budgeted operating expenditures or decrease in budgeted revenues that could result in a budget imbalance will require Council approval of appropriate budget revisions to ensure that the budget remains balanced.

The City also has a capital budget, which reflects capital expenditures and does not show items acquired as assets. Capital funding sources include debt issuance, which is a liability, not a revenue for financial statement purposes.

The City has a reserve and reserve fund budget, which reflects amounts set aside by legislation or by Council, to fund operating or capital items in the future. Where legislated, these amounts are treated as deferred revenues for financial reporting purposes, whereas Council-directed amounts are shown as allocations of accumulated surplus.

### Basis of Accounting

For financial reporting purposes, the consolidated financial statements of the City of Toronto are prepared in accordance with Canadian generally accepted accounting principles (GAAP) established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants Canada ("CPAC").

PSAB requires full accrual accounting for all of a government's assets and liabilities. Revenues are recognized in the year the events giving rise to the revenues occur and the revenues are earned. Amounts received which relate to revenues that will be earned in a subsequent year, are deferred and reported as liabilities. Expenses are recognized in the year the events giving rise to the expenses occur and there is a legal or constructive obligation to pay. Since 2009, municipal governments must also record tangible capital assets, which are amortized over their useful lives.

**Bridging the Basis of Budgeting and Accounting:**

Some of the differences between the cash requirements basis of budgeting and full accrual basis of accounting are:

Budget reporting	Financial reporting
Tangible capital assets shown as expenditures as acquired	Tangible capital assets shown as assets, and amortized over their useful lives
Employee benefit expenses shown as expenses as paid	Employee benefit expenses written off as earned using an actuarial calculation
Landfill, insurance and environmental liabilities recorded as paid	Landfill, insurance and environmental expenses written off as incurred using an actuarial calculation
Debt issuances shown as revenues in the capital budget	Debt issuances shown as liabilities
Principal payments on debt shown as debt charges in the operating budget	Principal payments shown as reductions of liabilities
Amounts payable to reserve or reserve funds shown as expenditures and amounts received as revenues	The legislated funds are treated as deferred revenue. For council directed funds, amounts paid to or from funds are eliminated

**Operating Budget Policies****Multi-Year Service Based Budgeting**

Multi-year operating budget is prepared for an approved balanced one-year period plus a two-year outlook for cost estimates during the annual budget process, in order to ensure compliance with the City of Toronto Act 2006. The budget for each year must include a base amount (Base Budget) that projects costs for the multi-year period of maintaining the current year's services and service levels.

**a) Service-Based View**

The Operating Budget shall be presented on a service view basis to provide more relevant financial and non-financial information to the public in order to facilitate the assessment of service performance and guide meaningful discussion on service issues and support decision making.

**b) Budget Adoption**

In compliance with the City of Toronto Act, 2006, City Council will adopt a one-year operating budget each year. The municipal tax rates will also be set by council annually. In the second year, and each subsequent year to which the multi-year budget applies, City Council will review proposed adjustments to the budget.

**c) Balanced Service Budget**

The total operating budget for the City, approved by Council in any given year, must be balanced; which means that estimated revenues must be equal to estimated expenditures. Any change to the operating budget that results in adjustments to gross expenditure; total revenue and/or net expenditure (tax supported funding); staff complement count; and changes to services and/or service levels will require Budget Committee review and Council Approval to ensure that the budget remains balanced.

**d) Estimates of Expenditures and Revenues**

Each year, City Council approves the following components of the Operating Budget, which establishes the spending limit for each Program and Agency:

- i. Total gross expenditures required to fund the cost of providing services at the approved service level;
- ii. Total revenue as summed by the non-tax revenue sources;
- iii. Net expenditure, which represents the level of tax funding required to balance the Operating Budget;
- iv. Service Levels; and
- v. Complement

**e) In-Year Budget Adjustments**

In-year adjustments to the approved operating budget and the impact on the following two years of the multi-year plan will be considered under the following circumstances:

- External factors such as provincial or federal impacts on the City's budget, or changes imposed by legislation.
- Unforeseen changes to forecasting assumptions that affect costs, service demand/volume, or revenue projections.
- Council-directed changes to priorities, services or service levels.
- Response to budget guidelines and directions.

All budget reallocations and transfers are reported to City Council through either a staff report or the Quarterly Variance Reporting process. All in-year adjustments need sign-off by Division Heads before inclusion in a quarterly variance report for Council approval. Below are the current practices:

- Operating budget expenditure reallocations / transfers impacting net expenditures between City programs or services require Council approval.
- Operating budget expenditure reallocations / transfers that are less than \$500K within services for the same program requires the approval of the Chief Financial Officer and Treasurer.
- Capital budget adjustments between projects less than \$250,000 requires the approval of the Chief Financial Officer and Treasurer.

## f) Budget Monitoring and Reporting

Monitoring of the approved operating budget will occur on an ongoing basis to identify variances from plans; changing patterns or circumstances that need corrective actions; and assess the extent to which resources are being used efficiently and effectively in contributing to Council's strategic priorities.

Variance reports will be submitted quarterly to Standing Committees and Council and will include both financial and non-financial information that will assess performance, guide decision-making and provide transparency and accountability in managing resources.

## Salary Cost Planning

As with any service organization, personnel costs are a significant part of the total operating budget of the city.

- The salary and benefit budget will include all known costs for collective agreements, step and progression pay increases, and fringe benefits.
- Salary budgets should be adjusted for vacancies that will not be filled and for staff turnover.

## Revenue Policy

The revenues received by the City of Toronto include property tax, user fees and charges, grants and subsidies, interest income and donations.

- **Diversified Revenue Sources** — Diversified and stable revenue sources will be encouraged in order to improve the city's ability to handle the impact of short term revenue fluctuations and uncertainty, and to better distribute the cost of providing services.
- **One-Time Revenues** — One-time revenues will be used for appropriate purposes such as early debt retirement, and capital expenditures. The use of one-time revenues to fund ongoing expenditures will be restricted to extraordinary situations, which must be approved by council on a case-by-case basis.
- **User Fees and Charges** — Where it is determined that a service provided by a program or agency confers a direct or special benefit to users of the service, the City will establish fees and charges at a level reasonably related to the full cost of providing the services, except where application of the full cost recovery principle conflicts with City Council policy objectives, or other conditions exist that would justify the exception.
- **Surplus Management** — Any operating surplus realized by the City at year-end, will be allocated to the Capital Financing Reserve Fund, and to finance any under-funded liabilities, and any other reserves or reserve funds.

## Capital Budget Policies

Capital Expenditures generally include any expenditure on an asset acquired, constructed or developed with the intention of being used beyond the current budget year. Capital Expenditures also include major improvements, which alter or modernize an asset in order to substantially prolong its useful life or improve its physical output or service capacity.

A 10-Year Capital Plan will be updated annually as part of the budget process. The 10-Year Capital Plan will address capital needs that fulfil City Council's strategic priorities, maintains existing infrastructure in a state of good repair, and invests in new infrastructure to ensure sustained delivery of approved services and service levels. Key principles of the capital budget policies include the following:

- Each year City council will approve a rolling 10-year capital plan including cash flow requirements for the fiscal year, plus future-year cash flow commitments for multi-year projects; and will approve in principle a capital plan for the ensuing 9 years which will form the basis for preparing future years' capital budgets.
- Projects included in the capital budget and plan must be supported by business cases that must demonstrate that acquisition and/or creation of capital assets are properly planned; that capital assets are justified based on cost-benefit analysis; that the most effective financing option is selected; and that risks along with mitigating strategies are identified.
- All projects will be evaluated annually to assess readiness to proceed, including capacity to deliver and spend with a view to adjusting planned cash flow estimates to reflect actual spending experience.
- The use of debt financing will be restricted to fund long-term capital improvements. Other funding sources must be maximized to reduce reliance on debt.
- All capital projects will be prioritized based on urgency and cost-benefit implications. Projects are prioritized within the following categories:
  - Health and Safety — projects that demonstrate health and safety hazards risks
  - Legislated — projects that are required to comply with Provincial or Federal legislation.
  - State of Good Repair — these projects provide for major maintenance of capital assets, and the repair or replacement of existing assets.
  - Service Improvement — projects that support and improve service delivery.
  - Growth-Related — projects that support growth and development across the city.

## 2021 Budget Process

The City employs a financial planning and budgeting process that is transparent, accessible and focused on service outcomes and accountability. It accounts for the public's needs as translated by Council in its approved strategies and priorities and ensures that value is achieved through the efficient use of resources for the most effective delivery of City services and stewardship of City assets. Grounded in good governance, the City's financial planning and budgeting practices are aimed to garner the public's trust and confidence in the management of public resources.

The development of the 2021 Budget was focused on: a continued response to COVID-19, managing both impacts and recovery; preserving existing services consistent with health guidelines and enhancing equity-based services; investing in transit and transportation, emergency services and social services; continued capital investments on mobility, housing, modernization and the environment; and continued partnership with the Government of Canada and the Province of Ontario. These were balanced with trying to keep property taxes affordable and a focus on equity.

The City's budget process is comprised of 3 major phases that incorporates the rate-supported (utility) and tax-supported budgets. Each phase involves a collaborative effort between City Administration, Program and Agency staff, and Council Committees. The 3 major phases of the budget process are:

- 1) Budget submission
- 2) Administrative reviews
- 3) Committee and Council reviews

### Budget Submission

For the 2021 budget process, City Programs and Agencies develop their budgets based on the City Council approved targets, directions and guidelines issued by the City Manager and the Chief Financial Officer. Each Program and Agency initially prepares an operating budget submission based on what is required to maintain current service levels. The 10 Year Capital Budget and Plan submission from each Program and Agency is updated based on achievability and affordability targets and must demonstrate commitment to achieve a balance between maintaining existing assets through investment in state of good repair projects, while financing service improvements and growth related projects that address service gaps and priorities on a citywide basis and consider future capital modernization efforts.

### Administrative Reviews

In collaboration with City Programs and Agencies, the administrative review process undertaken by City staff provides structure and consistency in establishing predictable capital spending and debt limits through focusing on project readiness and capacity to deliver, as well as assessing projects based on needs and benefits. With respect to operating spending, the administrative reviews focus on the confirmation of compliance with directions and guidelines and the evaluation of service-based budgeting and actual expenditures, revenues and complement, business case cost/benefit justification for funding requests and service level impacts.

This approach incorporates resource allocation, prioritization, outcomes, service performance, evaluation of internal and external factors, and cost analysis, to arrive at a preliminary budget and plan for operating and capital.

## Committee and Council Reviews

Budget Committee undertook a detailed review of City Program and Agency expenses and revenues; explored key issues; considered additional new/enhanced services and capital requests and took into account the public's input. Public participation was also encouraged through virtual town-hall meetings conducted by City Councillors to educate constituents and receive input on the preliminary budgets. These actions encourage public participation in the budget decision making process prior to adoption of the budgets by City Council.

The final stage of the budget review process ends with Council confirming and adopting a budget that will implement the City's priorities in a fiscally sustainable manner.

## 2021 Budget Schedule

### 2021 Rate and Tax Supported Operating and Capital Budget Schedule

*Figure 1: 2021 Rate and Tax Operating and Capital Budget Schedule*

Activity	Rate Supported	Tax Supported
Budget Launch - Budget Committee	November 6, 2020	January 14, 2021
Public Presentation & Deputation	November 23, 2020	January 25 & 26, 2021
Budget Committee - Final Review	N/A	February 4, 2021
Executive Committee Review	December 10, 2020	February 11, 2021
City Council Approval of Budget	December 16, 2020	February 19, 2021

The 2021 Operating Budget and the 2021 – 2030 Capital Budget and Plan enable the City of Toronto to provide over 150 distinct services that are supported by capital assets and infrastructure to meet the needs of a diverse population of more than 3.0 million people.



# **2021 Operating Budget and 2021-2030 Capital Budget and Plan**

## **Tax and Rate Supported 2021 Operating Budget and 2021-2030 Capital Budget and Plan**

### **SUMMARY**

The City of Toronto's Council Approved Tax and Rate Supported 2021 Operating Budget and 2021 – 2030 Capital Budget and Plan, on February 18, 2021 and December 18, 2020 respectfully. This summary presents City Council approval for the 2021 Operating Budget by service, associated service levels, and staffing detailed therein; the 2021 Capital Budget, future year cash flow commitments, and planned estimates over the 2022– 2030 capital planning period.

The 2021 Council Approved Tax and Rate Supported Operating Budget is \$14.02 billion gross and \$4.49 billion net, representing an increase of \$354 million or 2.6% in gross expenditures over 2020.

The 2021 Council Approved Tax and Rate Supported Capital Budget is \$4.292 billion and total 10-year 2021-2030 Council Approved Tax and Rate Supported Capital Budget and Plan is \$44.71 billion.

The 2021 Operating Budget and the 2021 – 2030 Capital Budget and Plan enable the City of Toronto to provide over 150 distinct services that are supported by capital assets and infrastructure to meet the needs of a diverse population of more than 2.9 million people.

The City employs a financial planning and budgeting process that is transparent, accessible and focused on service outcomes and accountability. It accounts for the public's needs as translated by Council in its approved strategies and priorities and ensures that value is achieved through the efficient use of resources for the most effective delivery of City services and stewardship of City assets. Grounded in good governance, the City's financial planning and budgeting practices are aimed to garner the public's trust and confidence in the management of public resources.

The City has experienced significant and unprecedented financial impacts, both in the form of added costs and revenue losses as a direct result of the COVID-19 pandemic. A series of mitigation measures were implemented in 2020 to achieve savings including workforce and spending restraints. However, the COVID-19 related financial impacts experienced in 2020 are expected to continue into 2021 and future years.

### **FINANCIAL IMPACT**

The 2021 Council Approved Tax and Rate Supported Operating Budget and the 10-year Capital Budget and Plan is summarized below:

**Figure 1: Council Approved Tax and Rate Supported 2021 Operating Budget and 2021-2030 Capital Budget and Plan**

Total Tax and Rate Supported Budget & Plan (\$M)	Operating Budget		Capital Budget & Plan*			
	2021		2021		2022-2030	
Programs	Gross	Net	Gross	Debt	Gross	Debt
City Operations	6,029	2,580	1,625	1020	13,984	8,759
City Agencies	4,354	3,302	1,326	221	12,131	1,318
Corporate & Capital Financing	1,743	-1393	0			
<b>Total Tax Supported</b>	<b>12,126</b>	<b>4,489</b>	<b>2,951</b>	<b>1,241</b>	<b>26,115</b>	<b>10,077</b>
<b>Total Rate Supported</b>	<b>1,888</b>		<b>1,341</b>		<b>14,304</b>	
<b>Total City Budget</b>	<b>14,014</b>	<b>4,489</b>	<b>4,292</b>	<b>1,241</b>	<b>40,419</b>	<b>10,077</b>

\* Figures exclude carryforward funding

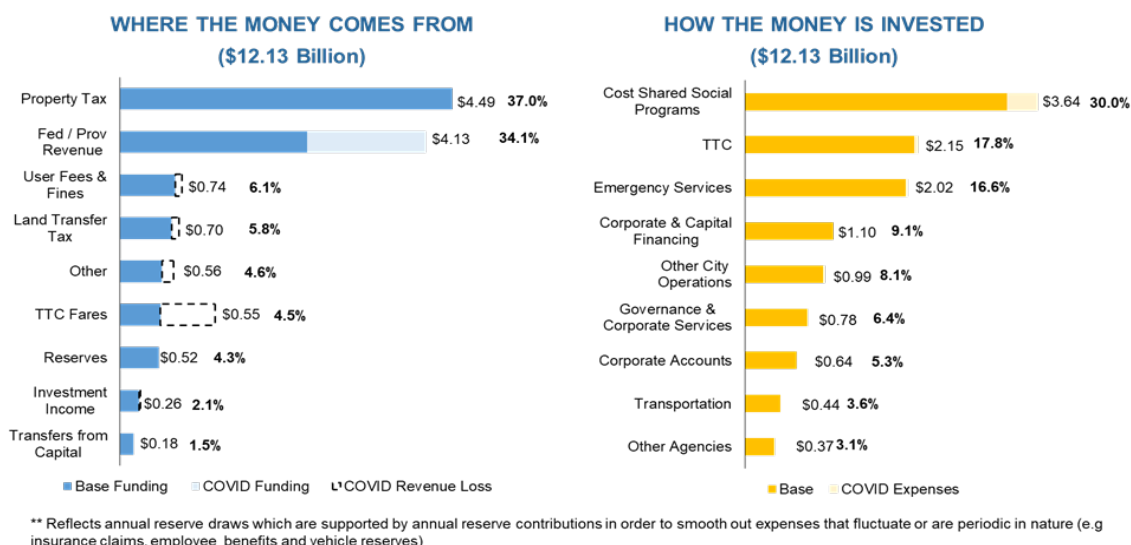
### 2021 Council Approved Tax Supported Operating Budget Overview

The 2021 Council Approved Tax and Rate Supported Operating Budget is \$12.13 billion gross and \$4.49 billion net. The budget preserves existing essential services, while adhering to health guidelines; addresses continued COVID-19 pressures; maintains an inflationary residential tax rate increase for City Operations; focuses on equity and prosperity for all and includes \$64.5 million gross for new or enhanced investments.

*Please refer to Appendix 1.2.1 for the 2021 Council Approved New and Enhanced Priority details by City Program and Agency.*

Continuous and new investments include a \$1.6 billion investment to manage COVID-19, \$11.7 billion to preserve existing service levels, \$22 million for building a prosperous Toronto, and \$34 million for investments in modernization, mobility and transit, road safety, and culture.

**Figure 2: 2021 Council Approved Tax Operating Budget by Revenue and Expenditure**



The Council Approved 2021 Operating budget primarily allocates funds to social programs (30%), TTC services (17.8%), and emergency services (16.6%), with the funding coming from property taxes (37%), Federal and Provincial revenues, which includes continued COVID-19 support (34.1%), Fee and Fine revenues (6.1%) and TTC fares which have significantly reduced from prior years due to the impacts of COVID-19 (4.5%).

The 2021 Council Approved Tax Supported Budget also provides funding for a staff complement of 57,880 to deliver current and new/enhanced services and service levels, as approved by the City Council.

This represents an overall net increase of 366 positions as a result of:

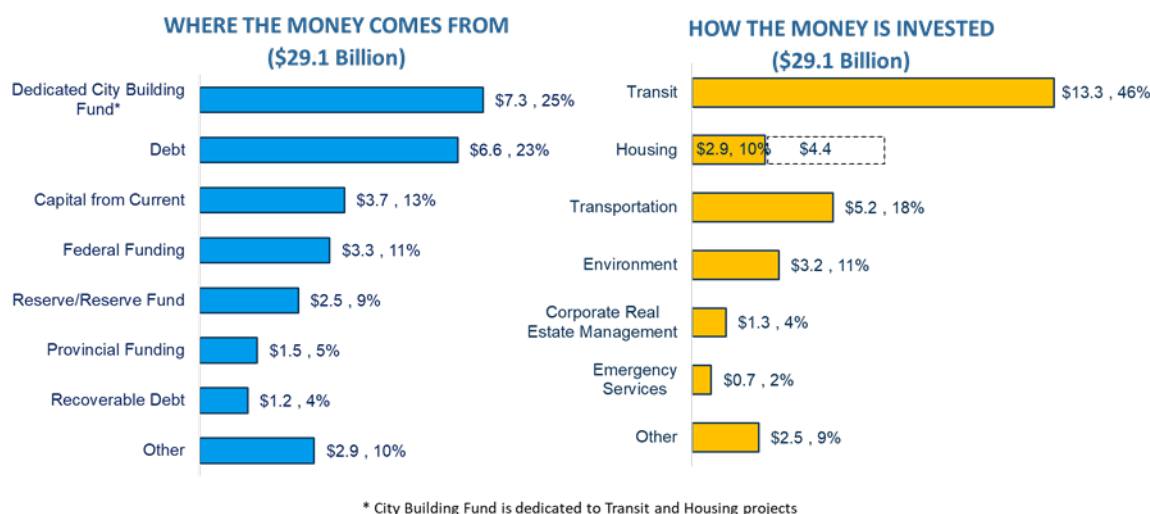
- Reduction of 70 base positions
- An addition of 436 positions to deliver new/enhanced service priorities

*Please refer to Appendices 1.1.1 to 1.1.4 for the 2021 Council Approved Net, Gross Revenue and Staff Complement details by City Program and Agency.*

### **2021-2030 Council Approved Tax Capital Budget and Plan Overview**

The Council Approved Capital Budget and Plan is \$44.7 billion and addresses capital plan achievability and affordability, continues to allocate funds generated from the increase to the City Building Fund, addresses recent Council commitments, government partnerships and develops a capital asset management plan.

*Figure 3: 2021-2030 Council Approved Capital Budget and Plan by Revenue and Expenditure*

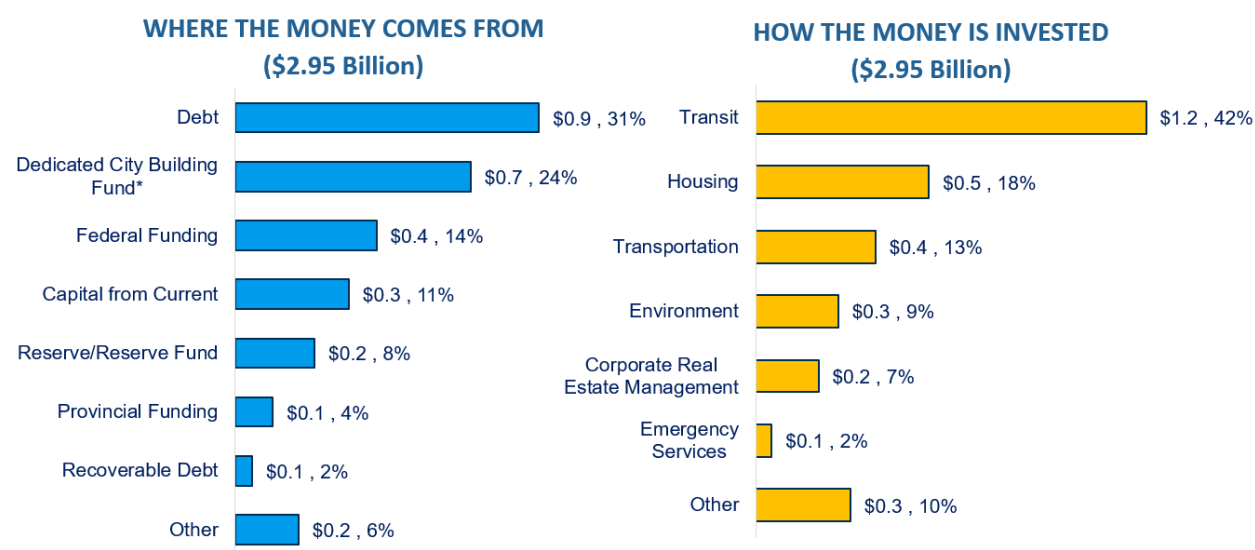


The 2021-2030 Council Approved Capital Plan focuses on investments in transit funding (\$13.3 billion), transportation (\$5.2 billion), environment (\$3.2 billion) and housing (\$2.9

billion); and includes increase investments for new capital projects such as redevelopment of Carefree Lodge, park development and community centres.

The 2021 Council Approved Tax Supported Capital Budget totals \$2.95 billion that requires \$0.9 billion in debt funding. \$1.428 billion or 48% is dedicated to addressing SOGR capital works.

*Figure 4: 2021 Council Approved Tax Supported Capital Budget*



\* City Building Fund is dedicated to Transit and Housing projects

4

The 2021 Council Approved Tax Supported Capital Budget allocates \$1.2 billion or 42% to transit capital work, \$0.5 billion or 18% to housing initiatives, \$0.4 billion or 13% to transportation and \$0.3 billion or 9% to environment.

*Please refer to Appendices 2.1.1 to 2.1.3 for the 2021 - 2030 Council Approved Capital Budget and Plan by City Program/Agency, Category and Funding Source.*

## DECISION HISTORY

At its July 28 and 29, 2020 Meeting, City Council adopted the City Manager's report on Update on the City's Response to COVID-19 and Financial Impacts. This report provided direction to the City Manager to report in September on any commitments of financial support received from the Federal and Provincial governments to the City. [Update on the City's Response to COVID-19 and Financial Impacts](#)

At its meeting on September 30 and October 1, 2020, City Council adopted the report providing details on COVID-19 related financial impacts experienced as of August 20, 2020, the estimated impacts to year-end based on the trends experienced since the declaration of a pandemic in mid-March, and mitigations strategies initiated by the City to offset COVID-19 related financial impacts while acknowledging the initial funding

received under the Safe Restart Agreement. This report recommended the City Manager report to City Council in fall 2020 with an update on further funding received from the Safe Restart Agreement that would offset the remaining 2020 budget pressure and any further mitigation options required to address COVID-19 financial impacts.

[COVID-19 Financial Update](#)

At its meeting on December 16 and 17, 2020, City Council adopted the report directing the Chief Financial Officer and Treasurer to develop a vacant home tax program and to report back with a recommended taxation, collection, exemptions and enforcement design for a vacant home tax by the end of Q2 2021 for implementation commencing in the 2022 taxation year.

[Policy Analysis, Potential Design and Possible Implementation of a Vacant Home Tax in Toronto](#)

## COMMENTS

### Corporate Recommendations

This report presents the City of Toronto Council Approved Tax Supported 2021 Operating Budget and 2021 – 2030 Capital Budget and Plan and it seeks City Council approval for the Non Program accounts, which are not included in Program/Agency Budget Notes.

- COVID-19 Impact on Corporate Revenue

Since mid-March 2020, the City of Toronto, consistent with other major Canadian and Greater Toronto and Hamilton Area (GTHA) municipalities has been experiencing significant financial impacts, both in the form of added costs and revenue losses as a direct result of the COVID-19 pandemic.

In 2021, it is expected that the City will incur an added \$1.6 billion in COVID-19 related financial impacts. The Three major areas that are impacted are the TTC (\$796 million); Shelters (\$281 million) and Corporate Revenues (\$277 million).

Key adjustments to Corporate Revenues in the 2021 Operating Budget based on estimated COVID-19 related financial impacts include:

- Municipal Land Transfer Tax - \$100.0 million;
- Parking Authority Revenues - \$54.7 million;
- Parking Enforcement - \$34.2 million;
- Municipal Accommodation Tax - \$47.1 million;
- Casino Woodbine - \$23.9 million;
- Toronto Hydro Dividend - \$17.0 million; and
- Payment in Lieu of Taxes - \$3.2 million.

The 2021 Operating Budget for Non-Program Revenues includes \$1.6 billion in continued COVID-19 funding from the government of Canada and province of Ontario.

- Through partnerships with the federal and provincial governments, the City secured over \$1.9 billion in Safe Restart Agreement funding in 2020, of which \$740 million is available for costs incurred in 2021.
  - Continued support from government of Canada and province of Ontario is critical to offset anticipated remaining 2021 COVID-19 financial impacts.
  - The City is optimistic that funding is forthcoming from the Provincial and Federal governments. If Provincial and Federal government funding is not received, there will be a significant impact to the City's ability to proceed with capital & infrastructure projects and there may also be an adjustment to City services.
- Tax Rate Stabilization Reserve

The City experiences unprecedented financial challenges resulting from the pandemic. A series of mitigation strategies and cost saving measures including workforce restraints, spending constraints and cost avoidance were implemented with the intent to partially offset COVID-19 related financial impacts.

At the onset of COVID-19, due to the uncertainty of the financial impact and the amount of financial assistance from other levels of government, capital projects funded by Capital from Current (CFC) and Provincial Gas Tax (PGT) were slowed to enable potential offsets to COVID-19 financial impacts.

As a result of these actions, coupled with reallocation of capital funding from permanent underspending, a one-time contribution of \$380.6 million to the Tax Rate Stabilization Reserve is recommended and will be used to offset COVID financial impacts in the event adequate Federal/Provincial funding support is not forthcoming. Capital needs associated with impacted projects were reassessed as part of the 2021 budget process.

Further steps were also taken in 2020 to provide for an added one-time contribution to the Tax Rate Stabilization Reserve. On December 16, City Council approve a \$213.7 million contribution to the Tax Rate Stabilization Reserve from a portion of the 2019 Operating Budget surplus that is also to be used to offset COVID financial impacts in the event adequate Federal/Provincial funding support is not provided.

The 2020 closing balance of the City's Tax Rate Stabilization Reserve was projected to be \$113.2 million, prior to actions detailed above. Following the above actions, the 2021 opening balance of this Reserve will be \$707.5 million, prior to budgeted non-COVID related reserve contributions and draws.

- The \$594.3 million in contributions added to the Tax Rate Stabilization Reserve reflects potential one-time measures to address COVID impacts in the event adequate funding from the government of Canada and province of Ontario is not received.
- These reflect one-time funds only that would not be sufficient to address the ongoing impacts of COVID-19 on the City's budget. Furthermore, in a pre-pandemic environment these funds would have been reinvested in the City's capital program to address capital infrastructure needs.
- As the City is required to approve a balanced operating budget, these funds ensure the City can maintain a balanced 2021 operating budget, while limiting further impacts to the capital budget or reductions to services within the operating budget if adequate COVID support is not provided by the federal and provincial governments.
- These funds can ultimately be re-directed to the current or future year capital plans if the City is successful in securing permanent and ongoing funding support for 2021 and future year COVID related financial pressures from the government of Canada and province of Ontario.

The Reserve also provides a contingency to temporarily address any unanticipated shortfalls associated with additional costs or underachieved revenues that may arise from COVID-19 or other financial challenges.

- Approval of 2021 Sinking Fund Levies Recommendation

The City of Toronto Act, 2006 (COTA), sub-section 255 (4) states that, "If in any year an amount is or will be required by law to be raised for a sinking fund or retirement fund of the City, the City Treasurer shall prepare for City Council, before the budget for the year is adopted, a statement of the amount."

This report requests Council's approval for the 2021 sinking fund levies of \$416,302,547.00 in respect of the City's capital financing requirements.

## ***Debt Issuance***

### ***Authority to Issue Debentures During 2021***

The proceeds from the issuance of debentures will be used to finance capital expenditures that have been incurred or committed to projects approved by Council. The authority to borrow up to \$1.0 billion in 2021 has been authorized under By-law No. 254-2019.



*Issuance Activity during 2020*

The debenture authority approved by Council for 2020 was \$1 billion. Due to favourable capital market conditions and strategic timing considerations, debenture issuance of \$986.25 million, including \$6.25 million for the CMHC loan for modular housing, was completed during the year.

The details of the 2020 public debenture issuance that was approved by the Debenture Committee are:

<b>Issue Date</b>	01-May-20	17-Jun-20	11-Aug-20	26-Oct-20	01-Dec-20
<b>Settlement Date</b>	15-May-20	30-Jun-20	25-Aug-20	09-Nov-20	16-Dec-20
<b>Size</b>	\$200,000,000	\$100,000,000	\$300,000,000	\$250,000,000	\$130,000,000
<b>Coupon</b>	2.65%	1.60%	2.15%	2.80%	2.60%
<b>Maturity Date</b>	09-Nov-29	02-Dec-30	25-Aug-40	22-Nov-49	24-Sep-39
<b>Term (years)</b>	10	10	20	30	20
<b>Issue Yield</b>	1.631%	1.602%	2.174%	2.404%	2.140%

**Appendices:**

*Appendix 1.1.1 – City's 2021 Net Operating Budget by City Program/Agency*

*Appendix 1.1.2 – City's 2021 Gross Operating Budget by City Program/Agency*

*Appendix 1.1.3 – City's 2021 Revenue by City Program/Agency*

*Appendix 1.1.4 – City's 2021 Staff Complement by City Program/Agency*

*Appendix 1.2.1 – City's 2021 New and Enhanced Priorities by City Program/Agency*

*Appendix 2.1.1 – City's 2021 Capital Budget by City Program/Agency, Category and Funding Source*

*Appendix 2.1.2 – City's 10-Year Capital Budget and Plan by Category and Funding Source*

*Appendix 2.1.3 – City's 2021 - 2030 Capital Budget and Plan by City Program/Agency, Category and Funding Source*

CITY OF TORONTO  
2021 CITY COUNCIL APPROVED OPERATING BUDGET  
NET EXPENDITURES

(In \$000's)	2020		2021 Budget	Outlooks	
	Budget	Projection		2022 Budget	2023 Budget
<b>Community and Social Services</b>					
Housing Secretariat	1,186	970	1,186	1,154	1,190
Children's Services	91,984	89,053	91,413	112,638	116,869
Court Services	(39,867)	(26,801)	(44,001)	(40,939)	(40,473)
Economic Development & Culture	76,731	74,758	79,461	78,607	78,912
Toronto Paramedic Services	88,933	90,079	96,358	99,281	101,516
Seniors Services and Long-Term Care	49,640	67,470	68,537	73,280	80,390
Parks, Forestry & Recreation	325,518	312,710	344,352	344,155	352,277
Shelter, Support & Housing Administration	256,203	277,338	526,312	418,289	416,000
Social Development, Finance & Administration	59,088	54,309	67,287	70,125	69,904
Toronto Employment & Social Services	91,220	67,685	80,791	87,294	97,186
<b>Sub-Total Community and Social Services</b>	<b>1,000,637</b>	<b>1,007,570</b>	<b>1,311,696</b>	<b>1,243,886</b>	<b>1,273,772</b>
<b>Infrastructure and Development Services</b>					
City Planning	13,551	11,534	13,441	13,615	13,875
Fire Services	476,631	472,049	488,618	509,086	515,609
Office of Emergency Management	2,607	3,117	3,256	3,273	3,290
Municipal Licensing & Standards	12,320	16,445	17,509	19,751	20,159
Policy, Planning, Finance & Administration	5,427	4,754	5,047	5,294	5,551
Transit Expansion	1	0			
Engineering & Construction Services	1,886	1,745	1,610	2,524	3,428
Toronto Building	(16,147)	(45,333)	(16,147)	(16,147)	(16,147)
Transportation Services	227,063	243,209	245,282	268,865	269,552
<b>Sub-Total Infrastructure and Development Services</b>	<b>723,339</b>	<b>707,521</b>	<b>758,616</b>	<b>806,261</b>	<b>815,318</b>
<b>Internal Corporate Services</b>					
Corporate Real Estate Management	104,438	109,029	106,035	109,333	120,783
Environment & Energy	13,031	10,220	11,843	13,039	13,174
Fleet Services	27,385	24,025	24,253	33,315	33,506
Technology Services	100,353	98,154	105,041	119,262	120,327
Office of the Chief Information Security Officer		8,754	28,055	28,056	27,682
311 Toronto	10,278	10,254	10,547	10,769	11,023
<b>Sub-Total Internal Corporate Services</b>	<b>255,485</b>	<b>260,436</b>	<b>285,775</b>	<b>313,774</b>	<b>326,494</b>
<b>Finance and Treasury Services</b>					
Office of the Chief Financial Officer and Treasurer	13,327	12,849	12,697	13,365	13,439
Office of the Controller	40,031	45,011	39,514	42,451	43,392
<b>Sub-Total Finance and Treasury Services</b>	<b>53,358</b>	<b>57,860</b>	<b>52,211</b>	<b>55,816</b>	<b>56,830</b>
<b>City Manager</b>					
City Manager's Office	58,134	58,263	61,875	61,036	60,962
<b>Sub-Total City Manager</b>	<b>58,134</b>	<b>58,263</b>	<b>61,875</b>	<b>61,036</b>	<b>60,962</b>
<b>Other City Programs</b>					
City Clerk's Office	38,928	36,065	37,494	38,470	38,850
Legal Services	41,649	37,356	37,590	42,057	42,361
Mayor's Office	2,567	2,567	2,567	2,604	2,609
City Council	21,781	20,391	21,781	21,644	21,657
<b>Sub-Total Other City Programs</b>	<b>104,925</b>	<b>96,379</b>	<b>99,432</b>	<b>104,774</b>	<b>105,477</b>
<b>Accountability Offices</b>					
Auditor General's Office	7,376	7,376	6,652	6,669	6,689
Integrity Commissioner's Office	762	672	641	644	648
Office of the Lobbyist Registrar	1,252	1,252	1,236	1,239	1,244
Office of the Ombudsman	2,196	2,196	2,271	2,276	2,285
<b>Sub-Total Accountability Offices</b>	<b>11,586</b>	<b>11,496</b>	<b>10,800</b>	<b>10,828</b>	<b>10,865</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,207,464</b>	<b>2,199,524</b>	<b>2,580,404</b>	<b>2,596,374</b>	<b>2,649,718</b>
<b>Agencies</b>					
Toronto Public Health	70,829	91,199	124,391	75,323	79,036
Toronto Public Library	196,695	195,757	204,117	211,763	214,401
Association of Community Centres	8,661	8,590	8,898	8,938	8,966
Exhibition Place	(500)	13,592	8,000	(500)	(500)
Heritage Toronto	431	502	452	431	431
To Live	5,599	10,228	10,977	10,977	10,977
Toronto Zoo	12,772	26,790	19,468	19,311	15,797
Arena Boards of Management	(108)	1,955	514	(47)	(52)
Yonge-Dundas Square	(0)	1,727	1,340	1,106	625
CreateTO		0	0	(0)	0
Toronto & Region Conservation Authority	4,268	4,267	4,865	5,459	5,716
Toronto Transit Commission - Conventional	642,582	1,292,982	1,471,938	1,186,474	991,001
Toronto Transit Commission - Wheel Trans	147,246	106,046	114,290	142,916	146,888
Toronto Police Service	1,076,195	1,073,995	1,080,093	1,132,797	1,170,317
Toronto Police Services Board	1,930	1,855	1,931	2,067	2,087
Toronto Community Housing Corporation Subsidy	250,960	250,960	250,960	250,960	250,960
<b>TOTAL - AGENCIES</b>	<b>2,417,560</b>	<b>3,080,445</b>	<b>3,302,233</b>	<b>3,047,974</b>	<b>2,896,650</b>
<b>TOTAL - CITY OPERATIONS AND AGENCIES</b>	<b>4,625,024</b>	<b>5,279,968</b>	<b>5,882,638</b>	<b>5,644,349</b>	<b>5,546,367</b>

**CITY OF TORONTO**  
**2021 CITY COUNCIL APPROVED OPERATING BUDGET**  
**NET EXPENDITURES**

(In \$000's)	2020		2021 Budget	Outlooks	
	Budget	Projection		2022 Budget	2023 Budget
<b>Corporate Accounts</b>					
<u>Capital &amp; Corporate Financing</u>					
Capital from Current	328,770	328,770	338,653	345,396	352,274
Technology Sustainment	19,912	19,912	20,530	20,530	20,530
Debt Charges	598,414	590,875	649,218	650,423	680,103
<b>Capital &amp; Corporate Financing</b>	<b>947,096</b>	<b>939,557</b>	<b>1,008,401</b>	<b>1,016,349</b>	<b>1,052,907</b>
<u>Non Program Expenditures</u>					
Tax Deficiencies/Write offs	65,422	55,765	54,304	111,221	90,860
Tax Increment Equivalent Grants (TIEG)	29,287	28,978	45,596	48,443	51,987
Assessment Function (MPAC)	45,893	46,115	46,490	47,840	49,230
Funding of Employee Related Liabilities	70,833	70,794	70,794	70,794	70,794
Tax Rebates for Registered Charities					
Programs Funded from Reserve Funds	(0)			9,772	17,853
Other Corporate Expenditures	(13,314)	67,893	11,626	49,515	91,178
Office of the Chief Transformation Officer	0				
Insurance Premiums & Claims				2,551	21,997
Tax Increment Funding (TIF)	1,814	1,814	2,725	2,725	2,725
Parking Tag Enforcement & Operations Exp	62,112	55,587	58,859	58,859	58,859
Heritage Property Taxes Rebate	2,329	1,753	1,983	2,587	3,192
Solid Waste Management Services Rebate	75,371	75,371	75,371	75,371	75,371
<b>Non-Program Expenditures</b>	<b>339,748</b>	<b>404,070</b>	<b>367,748</b>	<b>479,679</b>	<b>534,047</b>
<u>Non Program Revenues</u>					
Payments in Lieu of Taxes	(96,389)	(89,951)	(93,209)	(91,206)	(91,206)
Supplementary Taxes	(34,000)	(38,353)	(38,353)	(38,353)	(38,353)
Tax Penalty Revenue	(32,000)	(33,360)	(32,000)	(32,000)	(32,000)
Municipal Land Transfer Tax	(725,023)	(672,332)	(625,358)	(625,358)	(625,358)
Third Party Sign Tax	(9,007)	(9,800)	(9,531)	(9,531)	(9,531)
Interest/Investment Earnings	(114,810)	(98,541)	(124,388)	(103,917)	(112,658)
Other Corporate Revenues	(8,239)	(10,033)	(8,181)	(8,181)	(8,181)
Dividend Income	(105,000)	(92,640)	(88,000)	(83,000)	(78,000)
Provincial Gas Tax	(91,600)	(91,600)	(91,600)	(91,600)	(91,600)
Parking Authority Revenues	(54,739)	(12,668)	(12,000)	30,348	33,106
Administrative Support Recoveries - Water	(18,973)	(18,973)	(18,973)	(18,973)	(18,973)
Administrative Support Recoveries - Health & EMS	(10,427)	(10,427)	(10,427)	(10,427)	(10,427)
Parking Tag Enforcement & Operations Rev	(114,840)	(66,722)	(80,656)	(80,656)	(80,656)
Other Tax Revenues	(10,192)	(12,776)	(10,313)	(10,313)	(10,313)
Casino Woodbine Revenues	(27,900)	(3,940)	(4,035)	(4,035)	(4,035)
Gaming & Registry Revenues	(2,716)		(3,603)	(3,524)	(3,522)
Municipal Accommodation Tax (MAT)	(31,545)	17,413		3,620	8,145
COVID-19 Recoveries - Secured *			(907,475)		
COVID-19 Recoveries - Unsecured **			(611,500)		
<b>Non-Program Revenues</b>	<b>(1,487,400)</b>	<b>(1,244,703)</b>	<b>(2,769,604)</b>	<b>(1,177,108)</b>	<b>(1,173,563)</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(200,556)</b>	<b>98,924</b>	<b>(1,393,455)</b>	<b>318,920</b>	<b>413,391</b>
<b>TOTAL LEVY OPERATING BUDGET BEFORE ASSESSMENT GROWTH AND TAX INCREASE</b>	<b>4,424,468</b>	<b>5,378,892</b>	<b>4,489,183</b>	<b>5,963,269</b>	<b>5,959,758</b>
Special Levy for Scarborough Subway - No inc in 2021	40,699	40,699	40,699	40,699	40,699
City Building Fund (CBF) - 1.5% Tax rate inc in 2021	91,461	91,461	141,290	191,119	240,947
<b>TOTAL LEVY INCLUDING SCARBOROUGH SUBWAY EXTENSION LEVY</b>	<b>4,556,628</b>	<b>5,511,052</b>	<b>4,671,171</b>	<b>6,195,086</b>	<b>6,241,404</b>
<b>NON LEVY OPERATION</b>					
Solid Waste Management Services	(18,167)	(3,775)	(17,137)		
Toronto Parking Authority	(70,100)	(3,306)	2,237		
Toronto Water	(919,870)	(940,836)	(946,512)		
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>(1,008,137)</b>	<b>(947,917)</b>	<b>(961,412)</b>		
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>3,416,331</b>	<b>4,430,975</b>	<b>3,527,770</b>	<b>5,963,269</b>	<b>5,959,758</b>

\* \$68 million of Secured COVID-19 Recoveries embedded in Children's Services Shelter, Support & Housing Administration's Budgets

\*\* \$38 million in TCHC related COVID-19 Expenditures included in TCHC's budget. TCHC will recover this amount independently



CITY OF TORONTO  
2021 CITY COUNCIL APPROVED OPERATING BUDGET  
GROSS EXPENDITURES

(In \$000's)	2020		2021 Budget	Outlooks	
	Budget	Projection		2022 Budget	2023 Budget
<b>Community and Social Services</b>					
Housing Secretariat	15,734	14,074	42,537	27,515	9,894
Children's Services	683,404	614,828	648,666	638,240	642,471
Court Services	35,940	24,040	33,016	36,020	36,485
Economic Development & Culture	92,058	83,265	94,094	89,322	89,834
Toronto Paramedic Services	251,746	252,068	272,863	279,315	277,683
Seniors Services and Long-Term Care	272,878	304,188	292,677	300,158	310,006
Parks, Forestry & Recreation	461,917	382,427	455,279	481,475	485,886
Shelter, Support & Housing Administration	787,158	880,477	934,348	659,674	634,152
Social Development, Finance & Administration	79,355	80,690	84,945	85,859	84,776
Toronto Employment & Social Services	1,094,373	1,010,852	1,156,356	1,162,107	1,164,015
<b>Sub-Total Community and Social Services</b>	<b>3,774,563</b>	<b>3,646,909</b>	<b>4,014,780</b>	<b>3,759,686</b>	<b>3,735,202</b>
<b>Infrastructure and Development Services</b>					
City Planning	54,647	50,144	53,388	54,665	55,285
Fire Services	497,373	494,291	509,387	529,855	536,379
Office of Emergency Management	3,267	3,769	3,916	3,933	3,950
Municipal Licensing & Standards	67,468	59,822	61,551	65,397	66,285
Policy, Planning, Finance & Administration	17,023	15,238	16,599	16,854	17,117
Transit Expansion	8,672	5,223	9,109	9,121	9,125
Engineering & Construction Services	73,195	66,808	73,685	74,990	75,907
Toronto Building	61,335	53,743	62,967	68,560	69,534
Transportation Services	417,540	377,875	441,721	455,897	454,223
<b>Sub-Total Infrastructure and Development Services</b>	<b>1,200,519</b>	<b>1,126,914</b>	<b>1,232,324</b>	<b>1,279,274</b>	<b>1,287,805</b>
<b>Internal Corporate Services</b>					
Corporate Real Estate Management	194,109	201,729	198,684	202,925	204,088
Environment & Energy	17,295	12,867	16,497	15,648	15,783
Fleet Services	62,696	55,552	58,502	67,634	67,944
Technology Services	138,047	126,996	140,303	153,918	155,000
Office of the Chief Information Security Officer		8,754	28,438	28,439	28,064
311 Toronto	19,175	17,912	19,357	19,289	19,543
<b>Sub-Total Internal Corporate Services</b>	<b>431,321</b>	<b>423,810</b>	<b>461,781</b>	<b>487,853</b>	<b>490,423</b>
<b>Finance and Treasury Services</b>					
Office of the Chief Financial Officer and Treasurer	17,143	16,207	16,400	17,239	17,348
Office of the Controller	80,816	75,860	82,597	88,863	89,866
<b>Sub-Total Finance and Treasury Services</b>	<b>97,959</b>	<b>92,067</b>	<b>98,997</b>	<b>106,102</b>	<b>107,213</b>
<b>City Manager</b>					
City Manager's Office	64,537	63,427	70,134	64,296	64,161
<b>Sub-Total City Manager</b>	<b>64,537</b>	<b>63,427</b>	<b>70,134</b>	<b>64,296</b>	<b>64,161</b>
<b>Other City Programs</b>					
City Clerk's Office	52,774	46,131	50,182	64,142	51,971
Legal Services	67,716	58,778	65,248	66,966	67,289
Mayor's Office	2,567	2,567	2,567	2,604	2,609
City Council	21,889	20,433	21,837	24,109	21,722
<b>Sub-Total Other City Programs</b>	<b>144,946</b>	<b>127,909</b>	<b>139,834</b>	<b>157,821</b>	<b>143,591</b>
<b>Accountability Offices</b>					
Auditor General's Office	7,376	7,376	6,652	6,669	6,689
Integrity Commissioner's Office	762	672	741	744	748
Office of the Lobbyist Registrar	1,252	1,252	1,236	1,239	1,244
Office of the Ombudsman	2,196	2,196	2,271	2,276	2,285
<b>Sub-Total Accountability Offices</b>	<b>11,586</b>	<b>11,496</b>	<b>10,900</b>	<b>10,928</b>	<b>10,965</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>5,725,431</b>	<b>5,492,531</b>	<b>6,028,751</b>	<b>5,865,960</b>	<b>5,839,360</b>
<b>Agencies</b>					
Toronto Public Health	280,671	288,604	344,744	276,199	279,738
Toronto Public Library	217,334	212,360	221,576	230,956	235,335
Association of Community Centres	8,979	8,716	9,077	9,159	9,242
Exhibition Place	57,054	35,073	43,809	59,315	60,306
Heritage Toronto	1,155	950	1,011	1,018	1,037
To Live	38,699	16,376	12,560	12,560	12,560
Toronto Zoo	52,134	42,089	46,424	51,154	54,435
Arena Boards of Management	9,999	8,584	9,909	10,565	10,812
Yonge-Dundas Square	3,934	2,118	3,003	3,247	3,881
CreateTO	14,660	14,660	14,599	14,314	14,575
Toronto & Region Conservation Authority	9,470	9,470	10,198	10,925	11,319
Toronto Transit Commission - Conventional	1,987,171	1,851,371	2,034,438	2,156,542	2,189,420
Toronto Transit Commission - Wheel Trans	156,483	109,883	118,566	150,013	154,588
Toronto Police Service	1,221,216	1,232,416	1,229,507	1,277,283	1,313,030
Toronto Police Services Board	5,342	5,267	3,331	2,567	2,587
Toronto Community Housing Corporation Subsidy	250,960	250,960	250,960	250,960	250,960
<b>TOTAL - AGENCIES</b>	<b>4,315,260</b>	<b>4,088,897</b>	<b>4,353,711</b>	<b>4,516,779</b>	<b>4,603,826</b>
<b>TOTAL - CITY OPERATIONS AND AGENCIES</b>	<b>10,040,691</b>	<b>9,581,428</b>	<b>10,382,463</b>	<b>10,382,739</b>	<b>10,443,186</b>

**CITY OF TORONTO**  
**2021 CITY COUNCIL APPROVED OPERATING BUDGET**  
**GROSS EXPENDITURES**

(In \$000's)	2020		2021 Budget	Outlooks	
	Budget	Projection		2022 Budget	2023 Budget
<b>Corporate Accounts</b>					
<u>Capital &amp; Corporate Financing</u>					
Capital from Current	340,220	340,220	347,331	354,074	360,952
Technology Sustainment	19,912	19,912	20,530	20,530	20,530
Debt Charges	666,665	659,125	733,486	731,311	780,747
<b>Capital &amp; Corporate Financing</b>	<b>1,026,797</b>	<b>1,019,257</b>	<b>1,101,347</b>	<b>1,105,915</b>	<b>1,162,229</b>
<u>Non Program Expenditures</u>					
Tax Deficiencies/Write offs	65,422	55,765	54,304	94,583	90,860
Tax Increment Equivalent Grants (TIEG)	29,287	28,978	45,596	48,443	51,987
Assessment Function (MPAC)	45,893	46,115	46,490	47,840	49,230
Funding of Employee Related Liabilities	70,833	70,794	70,794	70,794	70,794
Tax Rebates for Registered Charities					
Programs Funded from Reserve Funds	143,778	153,814	152,837	157,723	161,764
Other Corporate Expenditures	31,179	88,382	34,317	72,407	114,470
Office of the Chief Transformation Officer	0				
Insurance Premiums & Claims				2,551	21,997
Tax Increment Funding (TIF)	1,814	1,814	2,725	2,725	2,725
Parking Tag Enforcement & Operations Exp	62,112	55,587	58,859	58,859	58,859
Heritage Property Taxes Rebate	2,329	1,753	1,983	2,587	3,192
Solid Waste Management Services Rebate	85,371	85,371	75,371	75,371	75,371
<b>Non-Program Expenditures</b>	<b>538,019</b>	<b>588,373</b>	<b>543,276</b>	<b>633,884</b>	<b>701,249</b>
<u>Non Program Revenues</u>					
Payments in Lieu of Taxes					
Supplementary Taxes					
Tax Penalty Revenue					
Municipal Land Transfer Tax	72,667	72,668	72,333	72,333	72,333
Third Party Sign Tax					
Interest/Investment Earnings	10,723	7,136	9,926	15,006	16,575
Other Corporate Revenues	80	662	180	180	180
Dividend Income					
Provincial Revenue					
Parking Authority Revenues					
Administrative Support Recoveries - Water					
Administrative Support Recoveries - Health & EMS					
Parking Tag Enforcement & Operations Rev					
Other Tax Revenues		(2,218)	221	221	221
Casino Woodbine Revenues					
Gaming & Registry Revenues	768		768	768	768
Municipal Accommodation Tax (MAT)	30,027	28,130	14,478	14,478	14,478
COVID-19 Recoveries - Secured *					
COVID-19 Recoveries - Unsecured **					
<b>Non-Program Revenues</b>	<b>114,265</b>	<b>106,378</b>	<b>97,906</b>	<b>102,986</b>	<b>104,555</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,679,081</b>	<b>1,714,008</b>	<b>1,742,530</b>	<b>1,842,785</b>	<b>1,968,033</b>
<b>TOTAL LEVY OPERATING BUDGET BEFORE ASSESSMENT GROWTH AND TAX INCREASE</b>	<b>11,719,772</b>	<b>11,295,436</b>	<b>12,124,993</b>	<b>12,225,524</b>	<b>12,411,219</b>
Special Levy for Scarborough Subway - No inc in 2021	40,699	40,699	40,699	40,699	40,699
City Building Fund (CBF) - 1.5% Tax rate inc in 2021	91,461	91,461	141,290	139,035	186,609
<b>TOTAL LEVY INCLUDING SCARBOROUGH SUBWAY EXTENSION LEVY</b>	<b>11,851,932</b>	<b>11,427,596</b>	<b>12,306,982</b>	<b>12,405,257</b>	<b>12,638,526</b>
<b>NON LEVY OPERATION</b>					
Solid Waste Management Services	360,737	357,413	361,973	390,579	402,361
Toronto Parking Authority	101,772	86,405	95,724	171,025	176,196
Toronto Water	470,680	448,439	468,824	1,442,576	1,473,809
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>933,189</b>	<b>892,257</b>	<b>926,521</b>	<b>2,004,180</b>	<b>2,052,366</b>
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>12,652,961</b>	<b>12,187,693</b>	<b>13,051,514</b>	<b>14,229,704</b>	<b>14,463,585</b>

\* \$68 million of Secured COVID-19 Recoveries embedded in Children's Services Shelter, Support & Housing Administration's Budgets

\*\* \$38 million in TCHC related COVID-19 Expenditures included in TCHC's budget. TCHC will recover this amount independently

**CITY OF TORONTO**  
**2021 CITY COUNCIL APPROVED OPERATING BUDGET**  
**REVENUES**

(In \$000's)	2020		2021 Budget	Outlooks	
	Budget	Projection		2022 Budget	2023 Budget
<b>Community and Social Services</b>					
Housing Secretariat	14,547	13,104	41,351	26,361	8,704
Children's Services	591,420	525,775	557,253	525,602	525,602
Court Services	75,808	50,841	77,018	76,959	76,959
Economic Development & Culture	15,327	8,508	14,633	10,715	10,922
Toronto Paramedic Services	162,812	161,989	176,505	180,034	176,166
Seniors Services and Long-Term Care	223,238	236,718	224,140	226,878	229,615
Parks, Forestry & Recreation	136,399	69,717	110,927	137,320	133,609
Shelter, Support & Housing Administration	530,955	603,139	408,036	241,386	218,152
Social Development, Finance & Administration	20,267	26,381	17,657	15,734	14,872
Toronto Employment & Social Services	1,003,152	943,167	1,075,565	1,074,813	1,066,830
<b>Sub-Total Community and Social Services</b>	<b>2,773,926</b>	<b>2,639,339</b>	<b>2,703,085</b>	<b>2,515,801</b>	<b>2,461,431</b>
<b>Infrastructure and Development Services</b>					
City Planning	41,096	38,610	39,948	41,050	41,409
Fire Services	20,742	22,242	20,769	20,769	20,769
Office of Emergency Management	660	651	660	660	660
Municipal Licensing & Standards	55,148	43,377	44,041	45,646	46,126
Policy, Planning, Finance & Administration	11,596	10,485	11,552	11,560	11,566
Transit Expansion	8,671	5,223	9,109	9,121	9,125
Engineering & Construction Services	71,309	65,063	72,076	72,466	72,479
Toronto Building	77,482	99,075	79,114	84,707	85,681
Transportation Services	190,476	134,666	196,439	187,033	184,671
<b>Sub-Total Infrastructure and Development Services</b>	<b>477,181</b>	<b>419,393</b>	<b>473,708</b>	<b>473,013</b>	<b>472,486</b>
<b>Internal Corporate Services</b>					
Corporate Real Estate Management	89,671	92,700	92,649	93,592	83,306
Environment & Energy	4,264	2,648	4,654	2,609	2,609
Fleet Services	35,311	31,527	34,249	34,318	34,438
Technology Services	37,693	28,842	35,262	34,657	34,674
Office of the Chief Information Security Officer			383	383	383
311 Toronto	8,897	7,658	8,811	8,520	8,520
<b>Sub-Total Internal Corporate Services</b>	<b>175,836</b>	<b>163,374</b>	<b>176,006</b>	<b>174,079</b>	<b>163,929</b>
<b>Finance and Treasury Services</b>					
Office of the Chief Financial Officer and Treasurer	3,816	3,358	3,703	3,875	3,909
Office of the Controller	40,784	30,849	43,083	46,412	46,474
<b>Sub-Total Finance and Treasury Services</b>	<b>44,601</b>	<b>34,207</b>	<b>46,786</b>	<b>50,286</b>	<b>50,383</b>
<b>City Manager</b>					
City Manager's Office	6,403	5,165	8,259	3,260	3,199
<b>Sub-Total City Manager</b>	<b>6,403</b>	<b>5,165</b>	<b>8,259</b>	<b>3,260</b>	<b>3,199</b>
<b>Other City Programs</b>					
City Clerk's Office	13,846	10,066	12,687	25,673	13,122
Legal Services	26,067	21,422	27,659	24,909	24,928
Mayor's Office					
City Council	108	42	56	2,465	65
<b>Sub-Total Other City Programs</b>	<b>40,021</b>	<b>31,530</b>	<b>40,402</b>	<b>53,047</b>	<b>38,115</b>
<b>Accountability Offices</b>					
Auditor General's Office					
Integrity Commissioner's Office			100	100	100
Office of the Lobbyist Registrar					
Office of the Ombudsman					
<b>Sub-Total Accountability Offices</b>			<b>100</b>	<b>100</b>	<b>100</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>3,517,967</b>	<b>3,293,007</b>	<b>3,448,347</b>	<b>3,269,585</b>	<b>3,189,643</b>
<b>Agencies</b>					
Toronto Public Health	209,842	197,405	220,353	200,876	200,702
Toronto Public Library	20,640	16,604	17,460	19,193	20,934
Association of Community Centres	318	126	179	221	276
Exhibition Place	57,554	21,481	35,809	59,815	60,806
Heritage Toronto	724	448	560	588	606
To Live	33,099	6,148	1,583	1,583	1,583
Toronto Zoo	39,362	15,299	26,956	31,843	38,638
Arena Boards of Management	10,107	6,629	9,395	10,612	10,864
Yonge-Dundas Square	3,934	391	1,663	2,141	3,256
CreateTO	14,660	14,660	14,599	14,314	14,575
Toronto & Region Conservation Authority	5,203	5,203	5,333	5,466	5,603
Toronto Transit Commission - Conventional	1,344,589	558,389	562,500	970,068	1,198,420
Toronto Transit Commission - Wheel Trans	9,237	3,837	4,276	7,097	7,700
Toronto Police Service	145,021	158,421	149,413	144,486	142,713
Toronto Police Services Board	3,412	3,412	1,400	500	500
Toronto Community Housing Corporation Subsidy					
<b>TOTAL - AGENCIES</b>	<b>1,897,700</b>	<b>1,008,453</b>	<b>1,051,478</b>	<b>1,468,805</b>	<b>1,707,176</b>
<b>TOTAL - CITY OPERATIONS AND AGENCIES</b>	<b>5,415,667</b>	<b>4,301,460</b>	<b>4,499,825</b>	<b>4,738,390</b>	<b>4,896,818</b>



**CITY OF TORONTO**  
**2021 CITY COUNCIL APPROVED OPERATING BUDGET**  
**REVENUES**

(In \$000's)	2020		2021 Budget	Outlooks	
	Budget	Projection		2022 Budget	2023 Budget
<b>Corporate Accounts</b>					
<u>Capital &amp; Corporate Financing</u>					
Capital from Current	11,450	11,450	8,678	8,678	8,678
Technology Sustainment					
Debt Charges	68,250	68,250	84,269	80,888	100,644
<b>Capital &amp; Corporate Financing</b>	<b>79,701</b>	<b>79,700</b>	<b>92,946</b>	<b>89,566</b>	<b>109,322</b>
<u>Non Program Expenditures</u>					
Tax Deficiencies/Write offs				(16,638)	
Tax Increment Equivalent Grants (TIEG)					
Assessment Function (MPAC)					
Funding of Employee Related Liabilities					
Tax Rebates for Registered Charities					
Programs Funded from Reserve Funds	143,778	153,814	152,837	147,951	143,910
Other Corporate Expenditures	44,493	20,489	22,692	22,892	23,292
Office of the Chief Transformation Officer					
Insurance Premiums & Claims					
Tax Increment Funding (TIF)					
Parking Tag Enforcement & Operations Exp					
Heritage Property Taxes Rebate					
Solid Waste Management Services Rebate	10,000	10,000			
<b>Non-Program Expenditures</b>	<b>198,271</b>	<b>184,303</b>	<b>175,529</b>	<b>154,205</b>	<b>167,202</b>
<u>Non Program Revenues</u>					
Payments in Lieu of Taxes	96,389	89,951	93,209	91,206	91,206
Supplementary Taxes	34,000	38,353	38,353	38,353	38,353
Tax Penalty Revenue	32,000	33,360	32,000	32,000	32,000
Municipal Land Transfer Tax	797,691	745,000	697,691	697,691	697,691
Third Party Sign Tax	9,007	9,800	9,531	9,531	9,531
Interest/Investment Earnings	125,533	105,677	134,314	118,923	129,233
Other Corporate Revenues	8,319	10,695	8,361	8,361	8,361
Dividend Income	105,000	92,640	88,000	83,000	78,000
Provincial Revenue	91,600	91,600	91,600	91,600	91,600
Parking Authority Revenues	54,739	12,668	12,000	(30,348)	(33,106)
Administrative Support Recoveries - Water	18,973	18,973	18,973	18,973	18,973
Administrative Support Recoveries - Health & EMS	10,427	10,427	10,427	10,427	10,427
Parking Tag Enforcement & Operations Rev	114,840	66,722	80,656	80,656	80,656
Other Tax Revenues	10,192	10,558	10,534	10,534	10,534
Casino Woodbine Revenues	27,900	3,940	4,035	4,035	4,035
Gaming & Registry Revenues	3,484		4,371	4,292	4,290
Municipal Accommodation Tax (MAT)	61,572	10,717	14,478	10,858	6,333
COVID-19 Recoveries - Secured *			907,475		
COVID-19 Recoveries - Unsecured **			611,500		
<b>Non-Program Revenues</b>	<b>1,601,665</b>	<b>1,351,081</b>	<b>2,867,510</b>	<b>1,280,094</b>	<b>1,278,118</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,879,637</b>	<b>1,615,084</b>	<b>3,135,985</b>	<b>1,523,865</b>	<b>1,554,642</b>
<b>TOTAL LEVY OPERATING BUDGET BEFORE ASSESSMENT GROWTH AND TAX INCREASE</b>	<b>7,295,304</b>	<b>5,916,544</b>	<b>7,635,810</b>	<b>6,262,255</b>	<b>6,451,461</b>
Special Levy for Scarborough Subway - No inc in 2021					
City Building Fund (CBF) - 1.5% Tax rate inc in 2021					
<b>TOTAL LEVY INCLUDING SCARBOROUGH SUBWAY EXTENSION LEVY</b>	<b>7,295,304</b>	<b>5,916,544</b>	<b>7,635,810</b>	<b>6,262,255</b>	<b>6,451,461</b>
<b>NON LEVY OPERATION</b>					
Solid Waste Management Services	378,904	361,189	379,110	390,579	402,361
Toronto Parking Authority	171,872	89,710	93,487	171,025	176,196
Toronto Water	1,390,550	1,389,275	1,415,336	1,442,576	1,473,809
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>1,941,325</b>	<b>1,840,174</b>	<b>1,887,934</b>	<b>2,004,180</b>	<b>2,052,366</b>
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>9,236,630</b>	<b>7,756,718</b>	<b>9,523,744</b>	<b>8,266,435</b>	<b>8,503,827</b>

CITY OF TORONTO  
2020 CITY COUNCIL APPROVED OPERATING BUDGET  
POSITIONS

	2018	2019	2020	2021 Base	Change from 2020		New / Enh. Budget	App'd Operating	Change from 2019	
					Incr / (Dcr)	%			Incr / (Dcr)	%
<b>Community and Social Services</b>										
Housing Secretariat	25.0	28.0	28.0	28.0	0.0	0.0%		28.0	0.0	0.0%
Children's Services	1,088.6	1,112.7	1,074.8	1,000.7	(74.1)	(6.9%)		1,000.7	(74.1)	(6.9%)
Court Services	229.0	241.0	253.2	251.2	(2.0)	(0.8%)		251.2	(2.0)	(0.8%)
Economic Development & Culture	302.5	306.5	316.2	314.9	(1.3)	(0.4%)		314.9	(1.3)	(0.4%)
Toronto Paramedic Services	1,477.3	1,520.3	1,606.3	1,725.3	119.0	7.4%		1,725.3	119.0	7.4%
Seniors Services and Long-Term Care	2,389.9	2,426.6	2,435.2	2,649.5	214.3	8.8%		2,649.5	214.3	8.8%
Parks, Forestry & Recreation	4,522.3	4,527.4	4,643.2	4,566.7	(76.6)	(1.6%)		4,566.7	(76.6)	(1.6%)
Shelter, Support & Housing Administration	886.4	935.4	968.6	1,106.2	137.6	14.2%		1,106.2	137.6	14.2%
Social Development, Finance & Administration	169.0	181.0	260.0	267.0	7.0	2.7%	16.0	283.0	23.0	8.8%
Toronto Employment & Social Services	1,985.0	1,907.0	1,801.5	1,806.5	5.0	0.3%		1,806.5	5.0	0.3%
Sub-Total Community and Social Services	13,075.0	13,185.8	13,387.1	13,715.9	328.8	2.5%	16.0	13,731.9	344.8	2.6%
<b>Infrastructure and Development Services</b>										
City Planning	430.0	439.0	450.0	447.0	(3.0)	(0.7%)	4.0	451.0	1.0	0.2%
Fire Services	3,214.3	3,212.3	3,192.3	3,191.3	(1.0)	(0.0%)		3,191.3	(1.0)	(0.0%)
Office of Emergency Management		21.0	21.0	21.0				21.0		
Municipal Licensing & Standards	492.5	533.5	538.5	538.5	(0.0)	(0.0%)		538.5	(0.0)	(0.0%)
Policy, Planning, Finance & Administration	200.1	166.1	169.1	167.1	(2.0)	(1.2%)		167.1	(2.0)	(1.2%)
Transit Expansion		32.0	59.0	59.0				59.0		
Engineering & Construction Services	592.1	600.1	625.1	617.1	(8.0)	(1.3%)	14.0	631.1	6.0	1.0%
Toronto Building	468.0	472.0	487.0	487.0	(0.0)	(0.0%)	50.0	537.0	50.0	10.3%
Transportation Services	1,179.8	1,201.3	1,311.3	1,329.3	18.0	1.4%	11.0	1,340.3	29.0	2.2%
Sub-Total Infrastructure and Development Services	6,576.8	6,677.3	6,853.3	6,857.3	4.0	0.1%	79.0	6,936.3	83.0	1.2%
<b>Internal Corporate Services</b>										
Corporate Real Estate Management	1,042.1	994.9	1,033.4	1,042.4	9.0	0.9%		1,042.4	9.0	0.9%
Environment & Energy		83.6	101.6	101.6				101.6		
Fleet Services	187.0	190.0	207.0	207.0				207.0		
Technology Services	849.0	854.0	791.0	763.0	(28.0)	(3.5%)		763.0	(28.0)	(3.5%)
Office of the Chief Information Security Officer			39.0	39.0			23.0	62.0	23.0	59.0%
311 Toronto	180.5	183.0	183.0	182.0	(1.0)	(0.5%)		182.0	(1.0)	(0.5%)
Sub-Total Internal Corporate Services	2,258.6	2,305.5	2,355.0	2,335.0	(20.0)	(0.8%)	23.0	2,358.0	3.0	0.1%
<b>Finance and Treasury Services</b>										
Office of the Chief Financial Officer and Treasurer	133.0	148.0	117.0	112.0	(5.0)	(4.3%)		112.0	(5.0)	(4.3%)
Office of the Controller	664.7	677.0	694.0	698.0	4.0	0.6%	35.0	733.0	39.0	5.6%
Sub-Total Finance and Treasury Services	797.7	825.0	811.0	810.0	(1.0)	(0.1%)	35.0	845.0	34.0	4.2%
<b>City Manager</b>										
City Manager's Office	456.0	444.0	465.0	461.0	(4.0)	(0.9%)	8.0	469.0	4.0	0.9%
Sub-Total City Manager	456.0	444.0	465.0	461.0	(4.0)	(0.9%)	8.0	469.0	4.0	0.9%
<b>Other City Programs</b>										
City Clerk's Office	413.8	382.5	375.9	368.3	(7.6)	(2.0%)		368.3	(7.6)	(2.0%)
Legal Services	377.9	388.9	405.4	391.4	(14.0)	(3.5%)	5.0	396.4	(9.0)	(2.2%)
Mayor's Office	1.0	1.0	1.0	1.0				1.0		
City Council	25.0	25.0	25.0	25.0				25.0		
Sub-Total Other City Programs	817.7	797.4	807.3	785.7	(21.6)	(2.7%)	5.0	790.7	(16.6)	(2.1%)
<b>Accountability Offices</b>										
Auditor General's Office	36.0	36.0	36.0	41.0	5.0	13.9%		41.0	5.0	13.9%
Integrity Commissioner's Office	3.0	3.0	3.0	3.0				3.0		
Office of the Lobbyist Registrar	8.3	8.3	8.3	8.3				8.3		
Office of the Ombudsman	12.0	12.0	14.0	14.0				14.0		
Sub-Total Accountability Offices	59.2	59.3	61.2	66.2	5.0	8.2%		66.2	5.0	8.2%
<b>TOTAL - CITY OPERATIONS</b>	<b>24,041.1</b>	<b>24,294.3</b>	<b>24,739.9</b>	<b>25,031.1</b>	<b>291.2</b>	<b>1.2%</b>	<b>166.0</b>	<b>25,197.1</b>	<b>457.2</b>	<b>1.8%</b>



CITY OF TORONTO  
2020 CITY COUNCIL APPROVED OPERATING BUDGET  
POSITIONS

	2018	2019	2020	2021 Base	Change from 2020		New / Enh. Budget	App'd Operating	Change from 2019	
					Incr / (Dcr)	%			Incr / (Dcr)	%
<b>Agencies</b>										
Toronto Public Health	1,881.4	1,932.2	2,025.9	2,412.6	386.6	19.1%		2,412.6	386.6	19.1%
Toronto Public Library	1,734.8	1,732.3	1,769.8	1,787.8	18.0	1.0%		1,787.8	18.0	1.0%
Association of Community Centres	80.6	80.6	81.0	86.4	5.4	6.6%		86.4	5.4	6.6%
Exhibition Place	356.0	356.0	357.0	254.0	(103.0)	(28.9%)		254.0	(103.0)	(28.9%)
Heritage Toronto	7.5	8.5	9.5	8.6	(0.9)	(10.0%)		8.6	(0.9)	(10.0%)
To Live	232.5	222.7	240.4	57.0	(183.4)	(76.3%)		57.0	(183.4)	(76.3%)
Toronto Zoo	396.0	397.0	403.2	404.2	1.0	0.2%		404.2	1.0	0.2%
Arena Boards of Management	65.6	65.5	66.0	64.1	(1.9)	(2.9%)		64.1	(1.9)	(2.9%)
Yonge-Dundas Square	8.0	8.0	8.0	8.0				8.0		
CreateTO	51.0	60.0	68.0	69.0	1.0	1.5%		69.0	1.0	1.5%
Toronto Transit Commission - Conventional	15,185.0	15,314.0	15,544.0	15,452.0	(92.0)	(0.6%)	270.0	15,722.0	178.0	1.1%
Toronto Transit Commission - Wheel Trans	620.0	637.0	623.0	591.0	(32.0)	(5.1%)		591.0	(32.0)	(5.1%)
Toronto Police Service	7,881.0	7,881.0	7,881.0	7,524.0	(357.0)	(4.5%)		7,524.0	(357.0)	(4.5%)
Toronto Police Services Board	7.0	7.5	7.5	7.5				7.5		
<b>TOTAL - AGENCIES</b>	<b>28,506.3</b>	<b>28,702.2</b>	<b>29,084.3</b>	<b>28,726.0</b>	<b>(358.3)</b>	<b>(1.2%)</b>	<b>270.0</b>	<b>28,996.0</b>	<b>(88.3)</b>	<b>(0.3%)</b>
<b>Corporate Accounts (Parking Tags)</b>	407.0	401.0	394.0	394.0				394.0		
<b>TOTAL LEVY PPOSITIONS</b>	<b>52,954.4</b>	<b>53,397.5</b>	<b>54,218.2</b>	<b>54,151.2</b>	<b>(67.0)</b>	<b>(0.1%)</b>	<b>436.0</b>	<b>54,587.2</b>	<b>369.0</b>	<b>0.7%</b>
<b>NON LEVY OPERATION</b>										
Solid Waste Management Services	1,116.3	1,122.8	1,128.3	1,125.3	(3.0)	(0.3%)		1,125.3	(3.0)	(0.3%)
Toronto Parking Authority	328.5	328.5	326.5	326.5				326.5		
Toronto Water	1,764.7	1,805.7	1,841.3	1,841.3	(0.0)	(0.0%)		1,841.3	(0.0)	(0.0%)
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>3,209.5</b>	<b>3,256.9</b>	<b>3,296.1</b>	<b>3,293.1</b>	<b>(3.0)</b>	<b>(0.1%)</b>		<b>3,293.1</b>	<b>(3.0)</b>	<b>(0.1%)</b>
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>56,163.9</b>	<b>56,654.4</b>	<b>57,514.3</b>	<b>57,444.2</b>	<b>(70.0)</b>	<b>(0.1%)</b>	<b>436.0</b>	<b>57,880.2</b>	<b>366.0</b>	<b>0.6%</b>

**CITY OF TORONTO**  
**2021 COUNCIL APPROVED OPERATING BUDGET**  
**SUMMARY BY COMMITMENT ITEM GROUP**

<b>(In \$000's)</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>2022 Plan</b>	<b>2023 Plan</b>
<b>Gross Expenditures</b>				
Salaries And Benefits	5,810,949	5,917,600	6,067,868	6,192,203
Materials & Supplies	612,086	693,130	700,624	687,078
Equipment	52,386	51,823	55,308	54,630
Service And Rent	1,929,434	2,049,739	1,964,125	2,004,081
Contribution To Capital	343,456	349,535	355,778	363,056
Contribution To Reserves/Reserve Funds	353,993	354,761	395,130	413,553
Other Expenditures (inc Inter-Divisional Charges)	2,617,469	2,708,905	2,686,691	2,696,618
Rate Programs	1,941,325	1,890,171	2,004,180	2,052,366
<b>Sub-Total Gross Expenditures</b>	<b>13,661,098</b>	<b>14,015,663</b>	<b>14,229,704</b>	<b>14,463,585</b>
<b>Revenues</b>				
Provincial Subsidies	2,276,978	3,822,934	2,243,258	2,217,283
Federal Subsidies	248,442	288,351	126,126	118,539
Other Subsidies	18,321	18,219	18,030	18,030
User Fees & Donations	2,067,020	1,158,842	1,632,722	1,860,558
Licences & Permits Revenue	141,643	125,829	133,753	135,360
Contribution From Reserves/Reserve Funds	552,461	519,963	527,534	459,674
Transfers From Capital	264,158	177,950	172,502	168,428
Sundry and Other Revenues (inc. Inter-Divisional Recoveries)	1,726,281	1,523,723	1,408,330	1,473,589
Rate Programs	1,941,325	1,890,171	2,004,180	2,052,366
<b>Sub-Total Revenues</b>	<b>9,236,630</b>	<b>9,525,981</b>	<b>8,266,435</b>	<b>8,503,827</b>
<b>Net Expenditures</b>	<b>4,424,468</b>	<b>4,489,683</b>	<b>5,963,269</b>	<b>5,959,758</b>

Note, figures above are excluding Special Levy for Scarborough Subway and City Building Fund.

**City of Toronto**  
**2021 Operating Budget Submission**  
**CITY COUNCIL APPROVED PRIORITIES (New & Enhanced) Tax Programs**

In \$ Thousands	2021			2022		2023	
	Gross	Net	Positions	Net	Positions	Net	Positions
<b>City Clerk's Office</b>							
New Info Production Requirements - Toronto Public Health	11.6						
New Info Production Requirements - Transportation Services	236.3	236.3					
<b>City Clerk's Office Total</b>	<b>247.9</b>	<b>236.3</b>					
<b>City Manager's Office</b>							
Civic Engagement & Insights Project	442.6	442.6	3.0	(19.3)	(0.0)	(423.3)	(3.0)
Creating a Data for Equity Unit	389.3	389.3	4.0	218.5		1.1	
Indigenous Affairs Support to Truth & Reconciliation Calls	213.7	213.7	1.0	0.5		0.3	
<b>City Manager's Office Total</b>	<b>1,045.6</b>	<b>1,045.6</b>	<b>8.0</b>	<b>199.7</b>	<b>(0.0)</b>	<b>(422.0)</b>	<b>(3.0)</b>
<b>City Planning</b>							
CP - Housing Now Initiative	454.8		4.0				
<b>City Planning Total</b>	<b>454.8</b>		<b>4.0</b>				
<b>Corporate Real Estate Management</b>							
Activation of 220 Poplar Road (Borden Site ) - Community Hub	125.0	125.0		975.0			
<b>Corporate Real Estate Management Total</b>	<b>125.0</b>	<b>125.0</b>		<b>975.0</b>			
<b>Economic Development &amp; Culture</b>							
EX Ctte MM 6a - Special Dividend From TPA - ShowLoveTO	1,000.0	1,000.0		(1,000.0)			
Funding for Year of Public Art	4,500.0	2,250.0		(2,250.0)			
<b>Economic Development &amp; Culture Total</b>	<b>5,500.0</b>	<b>3,250.0</b>		<b>(3,250.0)</b>			
<b>Engineering &amp; Construction Services</b>							
ECS - Development Engineering - Additional Resources	1,084.9		12.0		(0.0)		
ECS - Housing Now Initiative	266.4		2.0				
<b>Engineering &amp; Construction Services Total</b>	<b>1,351.2</b>		<b>14.0</b>		<b>(0.0)</b>		
<b>Housing Secretariat</b>							
HS Small Sites Pre-dev't and Pre-acquisition Work Funding	2,000.0						
<b>Housing Secretariat Total</b>	<b>2,000.0</b>						
<b>Legal Services</b>							
Housing Now- Small Sites Pre-development & Pre-Acquisition	921.6		5.0		(5.0)		
<b>Legal Services Total</b>	<b>921.6</b>		<b>5.0</b>		<b>(5.0)</b>		
<b>Municipal Licensing &amp; Standards</b>							
MLS - CPI (2%) Inflation Increase (REVERSAL)		461.4					
MLS - TWC Grant	450.0						
<b>Municipal Licensing &amp; Standards Total</b>	<b>450.0</b>	<b>461.4</b>					
<b>Non-Program Revenues</b>							
NP Exec Committee Motion 6a - Special Dividend from TPA		(8,000.0)		8,000.0			
<b>Non-Program Revenues Total</b>		<b>(8,000.0)</b>		<b>8,000.0</b>			
<b>Office of the Chief Information Security Officer</b>							
Priority 1 Cyber Security Items	11,756.1	11,546.4	23.0	1,722.8	(0.0)	(581.1)	
<b>Office of the Chief Information Security Officer Total</b>	<b>11,756.1</b>	<b>11,546.4</b>	<b>23.0</b>	<b>1,722.8</b>	<b>(0.0)</b>	<b>(581.1)</b>	
<b>Office of the Controller</b>							
Financial Systems Transformation Project	1,590.3	(0.0)	35.0	0.0	(0.0)	0.0	
<b>Office of the Controller Total</b>	<b>1,590.3</b>	<b>(0.0)</b>	<b>35.0</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	
<b>Social Development, Finance &amp; Administration</b>							
AnchorTO Dedicated Support	189.2						
Community Benefits Framework	582.3	582.3	6.0	100.0	(1.0)	(27.3)	
Confronting Anti Black Racism and Poverty Reduction	388.7	388.7		(388.7)			
Confronting Anti-Black Racism - Fee for Consultation Service		(50.0)					
EC Motion - \$152K for FutureSkills Funding	152.0						
EC Motion - \$2M to extend TO Supports Investment Fund	2,000.0	2,000.0		(2,000.0)			
EC Motion - \$3M for Youth Programs Enhancement	3,000.0	3,000.0	1.0	(3,000.0)	(1.0)		
Expand Fare Pass Program Eligibility	2,900.0	2,900.0					
Policing Reform - Community-Based Crisis Response Pilot	1,706.8	1,706.8	3.0	6,271.2	(0.0)	(758.1)	
TO Wards Peace Program	1,388.0	1,388.0	6.0	462.7		4.9	
<b>Social Development, Finance &amp; Administration Total</b>	<b>12,306.8</b>	<b>11,915.6</b>	<b>16.0</b>	<b>1,445.2</b>	<b>(2.0)</b>	<b>(780.5)</b>	
<b>Technology Services</b>							
Implement Segregation/Segmentation Security Control-AU4.1(7)	1,711.8	1,711.8					
Imrpove Internet Access For Low-Income Communities	2,000.0	2,000.0		(2,000.0)			
Increase Network & Security Capacity frm MSSP Implementation	453.8	453.8					
Tool to Control Access To Open Data - AU7.13(2a,b), AU4.1	96.7	96.7					
<b>Technology Services Total</b>	<b>4,262.4</b>	<b>4,262.4</b>		<b>(2,000.0)</b>			
<b>Toronto Building</b>							
Toronto Building Program Review Implementation	2,035.4		50.0				
<b>Toronto Building Total</b>	<b>2,035.4</b>		<b>50.0</b>				
<b>Toronto Public Health</b>							
Hassle Free Clinic capacity inc in response to COVID-19	135.1	135.1		(135.1)			
<b>Toronto Public Health Total</b>	<b>135.1</b>	<b>135.1</b>		<b>(135.1)</b>			
<b>Toronto Public Library</b>							
Fines Elimination - Children's Fines		300.0		300.0			
<b>Toronto Public Library Total</b>		<b>300.0</b>		<b>300.0</b>			

**City of Toronto**  
**2021 Operating Budget Submission**  
**CITY COUNCIL APPROVED PRIORITIES (New & Enhanced) Tax Programs**

In \$ Thousands	2021			2022		2023	
	Gross	Net	Positions	Net	Positions	Net	Positions
<b>Toronto Transit Commission - Conventional</b>							
Anti-Racism & Diversity	1,069.4	1,069.4	5.0				
Cybersecurity	1,795.3	1,795.3		2,000.0			
Eglinton Crosstown LRT	3,946.0	3,946.0	235.0	45,168.5	(2.0)	8,389.9	
ModernTO	708.0	708.0	5.0				
Safety	1,093.6	1,093.6	7.0	500.0			
Vehicle Maintenance	2,725.4	2,725.4	18.0	1,200.1			
<b>Toronto Transit Commission - Conventional Total</b>	<b>11,337.7</b>	<b>11,337.7</b>	<b>270.0</b>	<b>48,868.6</b>	<b>(2.0)</b>	<b>8,389.9</b>	
<b>Toronto Transit Commission - Wheel Trans</b>							
Reservations Wait-Time Reduction	1,662.3	1,662.3		525.0		(768.9)	
<b>Toronto Transit Commission - Wheel Trans Total</b>	<b>1,662.3</b>	<b>1,662.3</b>		<b>525.0</b>		<b>(768.9)</b>	
<b>Transportation Services</b>							
Covid-19 Initiatives	2,932.7	1,513.2	4.0	302.3	(0.0)		(4.0)
IDC- Police for ActiveTo (Covid-Impact)	857.9	857.9		(857.9)			
New Service Level for Traffic Signal	155.2	47.1	3.0	50.7		4.4	
Vision Zero Road Safety Plan - Traffic Enforcement Officers	2,500.0	2,500.0		(2,500.0)			
Work Zone Pilot	279.3	279.3	4.0	294.0		1.1	
Year of Public Art	625.0						
<b>Transportation Services Total</b>	<b>7,350.1</b>	<b>5,197.5</b>	<b>11.0</b>	<b>(2,710.8)</b>	<b>(0.0)</b>	<b>5.5</b>	<b>(4.0)</b>
<b>Grand Total</b>	<b>64,532.1</b>	<b>43,475.3</b>	<b>436.0</b>	<b>53,940.4</b>	<b>(9.0)</b>	<b>5,843.0</b>	<b>(7.0)</b>



2021 Capital Budget by City Program/Agency, Category and Funding Source

Appendix 2.1.1

	2020		Budget and Commitments	Categories					Funding Source						2020 Carry Forward Funding
	Budget	Projection	2021	Health and Safety	Legislated	State of Good Repair	Service Improvement	Growth Related	Debt / Capital From Current	Recoverable Debt	Reserves / Reserve Funds	Provincial Grants & Subsidies	Federal Subsidy	Other Funding (incl. DC)	
<b>Community and Social Services</b>															
Children's Services	18,775	10,625	7,628	-	-	141	6,187	1,300	1,575	-	3,096	-	-	2,957	7,022
Economic Development and Culture	27,845	17,768	14,955	1,200	1,222	9,631	2,038	864	10,936	-	1,343	-	-	2,676	10,181
Seniors Services and Long-Term Care	21,389	9,393	17,911	11,022	-	3,189	-	3,700	-	6,449	-	3,462	8,000	-	14,163
Parks, Forestry & Recreation	206,814	132,718	170,017	-	100	51,520	58,895	59,502	87,581	-	33,931	1,240	7,752	39,513	68,809
Shelter, Support & Housing Administration	398,009	355,775	38,461	-	-	8,074	30,387	-	34,281	100	256	1,552	6,209	(3,937)	43,534
Housing Secretariat	-	-	327,908	-	-	4,163	-	323,745	64,861	-	17,018	4,163	210,266	31,600	-
Toronto Employment & Social Services	10,925	2,641	3,973	-	-	-	3,973	-	3,855	-	1,469	-	-	(1,351)	6,508
Toronto Housing Corporation	-	-	160,000	-	-	160,000	-	-	160,000	-	-	-	-	-	630
Toronto Paramedic Services	6,064	3,987	5,127	-	-	1,678	600	2,849	3,575	-	1,302	-	-	250	1,905
<b>Total Community and Social Services</b>	<b>689,822</b>	<b>532,908</b>	<b>745,980</b>	<b>12,222</b>	<b>1,322</b>	<b>238,396</b>	<b>102,080</b>	<b>391,960</b>	<b>366,664</b>	<b>6,549</b>	<b>58,415</b>	<b>10,417</b>	<b>232,227</b>	<b>71,708</b>	<b>152,753</b>
<b>Infrastructure and Development Services</b>															
City Planning	7,474	4,562	4,668	-	260	-	-	4,408	3,020	-	-	-	-	1,648	1,973
Fire Services	19,215	6,389	11,071	2,460	50	2,565	-	5,996	3,215	-	2,460	-	-	5,396	8,294
Transportation Services	565,261	507,916	376,371	68,844	-	247,727	36,933	22,867	322,378	70	47,552	1,300	7,528	(2,457)	71,366
Transit Expansion Office	-	-	18,704	-	-	-	12,959	5,745	17,762	-	2,800	-	-	(1,858)	25,076
Waterfront Revitalization Initiative	200,790	86,813	6,545	-	-	-	-	6,545	1,645	-	320	-	-	4,580	114,380
<b>Total Infrastructure and Development Services</b>	<b>792,740</b>	<b>605,679</b>	<b>417,359</b>	<b>71,304</b>	<b>310</b>	<b>250,292</b>	<b>49,892</b>	<b>45,561</b>	<b>348,020</b>	<b>70</b>	<b>53,132</b>	<b>1,300</b>	<b>7,528</b>	<b>7,309</b>	<b>221,089</b>
<b>Corporate Services</b>															
311 Toronto	4,719	1,064	(1,437)	-	-	(1,437)	-	-	874	-	-	-	-	(2,311)	2,311
Corporate Real Estate Management	314,396	234,493	197,218	3,055	36,347	58,903	95,817	3,096	170,929	54,256	10,658	108	3,000	(41,733)	86,675
Environment and Energy	47,127	26,892	64,523	-	-	-	64,523	-	-	63,273	1,250	-	-	-	2,390
Fleet Services	59,942	47,995	60,666	105	732	59,548	281	-	-	-	60,666	-	-	-	10,055
Chief Information Security Office	-	-	4,021	-	-	-	4,021	-	4,021	-	-	-	-	-	-
Technology Services	64,260	41,195	50,434	-	508	18,304	30,099	1,523	43,963	-	23,120	-	-	(16,649)	16,967
<b>Total Corporate Services</b>	<b>490,445</b>	<b>351,639</b>	<b>375,426</b>	<b>3,160</b>	<b>37,587</b>	<b>135,318</b>	<b>194,741</b>	<b>4,619</b>	<b>219,787</b>	<b>117,529</b>	<b>95,694</b>	<b>108</b>	<b>3,000</b>	<b>(60,693)</b>	<b>118,398</b>
<b>Finance and Treasury Services</b>															
Financial Services	13,875	7,327	-	-	-	-	-	-	-	-	-	-	-	-	-
Office of the CFO and Treasurer	-	-	192	-	-	192	-	-	1,707	-	389	-	-	(1,904)	1,904
Office of the Controller	-	-	71,623	-	-	3,018	68,605	-	72,908	-	1,455	-	-	(2,740)	3,472
<b>Total Finance and Treasury Services</b>	<b>13,875</b>	<b>7,327</b>	<b>71,815</b>	<b>-</b>	<b>-</b>	<b>3,210</b>	<b>68,605</b>	<b>-</b>	<b>74,615</b>	<b>-</b>	<b>1,844</b>	<b>-</b>	<b>-</b>	<b>(4,644)</b>	<b>5,376</b>
<b>Other City Programs</b>															
Accountability Offices	123	118	-	-	-	-	-	-	-	-	-	-	-	-	-
City Clerk's Office	3,783	2,884	13,760	200	13,585	(25)	-	-	10,520	-	3,950	-	-	(710)	1,060
Corporate Initiatives	36,286	8,146	400	-	-	-	-	400	400	-	-	-	-	-	2,946
<b>Total Other City Programs</b>	<b>40,192</b>	<b>11,148</b>	<b>14,160</b>	<b>200</b>	<b>13,585</b>	<b>(25)</b>	<b>-</b>	<b>400</b>	<b>10,920</b>	<b>-</b>	<b>3,950</b>	<b>-</b>	<b>-</b>	<b>(710)</b>	<b>4,006</b>
<b>TOTAL CITY OPERATIONS</b>	<b>2,027,074</b>	<b>1,508,701</b>	<b>1,624,739</b>	<b>86,886</b>	<b>52,804</b>	<b>627,192</b>	<b>415,318</b>	<b>442,540</b>	<b>1,020,006</b>	<b>124,148</b>	<b>213,035</b>	<b>11,825</b>	<b>242,755</b>	<b>12,970</b>	<b>501,622</b>
<b>Agencies</b>															
Exhibition Place	14,273	7,449	5,214	175	-	5,039	-	-	11,553	-	-	-	-	(6,339)	6,339
GO Transit	60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	60,000
TO Live	19,634	8,260	15,022	415	6,426	5,182	-	3,000	25,103	-	-	-	-	(10,081)	15,409
Toronto & Region Conservation Authority	24,825	24,825	18,197	-	-	16,627	270	1,300	3,961	-	17	-	-	14,219	-
Toronto Police Service	80,260	58,283	34,865	-	2,100	31,579	1,196	(10)	17,655	-	23,556	-	-	(6,346)	33,963
Toronto Public Health	6,217	3,641	815	-	-	132	683	-	1,889	-	-	711	-	(1,785)	4,274
Toronto Public Library	38,497	35,041	35,577	-	2,000	22,754	1,025	9,798	33,465	-	-	-	-	2,112	9,339
Toronto Zoo	17,226	9,491	10,520	-	-	4,520	6,000	-	11,724	-	-	-	-	(1,204)	8,078
Yonge-Dundas Square	86	66	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Agencies</b>	<b>261,019</b>	<b>147,057</b>	<b>120,209</b>	<b>590</b>	<b>10,526</b>	<b>85,833</b>	<b>9,174</b>	<b>14,088</b>	<b>105,350</b>	<b>-</b>	<b>23,573</b>	<b>711</b>	<b>-</b>	<b>(9,424)</b>	<b>137,402</b>
<b>TOTAL TAX SUPPORTED PROGRAM (Excl.TTC)</b>	<b>2,288,092</b>	<b>1,655,758</b>	<b>1,744,949</b>	<b>87,476</b>	<b>63,330</b>	<b>713,025</b>	<b>424,491</b>	<b>456,628</b>	<b>1,125,356</b>	<b>124,148</b>	<b>236,608</b>	<b>12,536</b>	<b>242,755</b>	<b>3,546</b>	<b>639,023</b>
<b>Toronto Transit Commission (TTC)</b>															
Toronto Transit Commission	1,016,147	953,809	1,132,457	1,000	114,110	715,242	114,638	187,466	67,215	602,472	-	100,171	177,229	185,369	100,468
Scarborough Subway Extension	20,780	20,782	19,644	-	-	-	-	19,644	-	19,644	-	-	-	-	-
Spadina Subway Extension	50,754	52,156	48,914	-	-	-	-	48,914	48,914	-	-	-	-	-	6,715
Transit Studies	5,087	3,362	5,119	-	-	-	-	5,119	-	5,119	-	-	-	-	1,281
<b>Total Toronto Transit Commission</b>	<b>1,092,768</b>	<b>1,030,109</b>	<b>1,206,134</b>	<b>1,000</b>	<b>114,110</b>	<b>715,242</b>	<b>114,638</b>	<b>261,143</b>	<b>116,129</b>	<b>627,235</b>	<b>-</b>	<b>100,171</b>	<b>177,229</b>	<b>185,369</b>	<b>108,464</b>
<b>TOTAL TAX SUPPORTED PROGRAM</b>	<b>3,380,861</b>	<b>2,685,867</b>	<b>2,951,082</b>	<b>88,476</b>	<b>177,440</b>	<b>1,428,267</b>	<b>539,130</b>	<b>717,770</b>	<b>1,241,485</b>	<b>751,383</b>	<b>236,608</b>	<b>112,707</b>	<b>419,984</b>	<b>188,915</b>	<b>747,488</b>
<b>Rate Supported</b>															
Solid Waste Management	104,542	51,146	51,374	-	18,332	17,644	14,923	475	-	23,284	28,090	-	-	-	17,705
Toronto Parking Authority	76,883	38,871	18,350	-	-	6,605	7,540	4,205	-	-	-	-	-	18,350	5,978
Toronto Water	1,186,713	1,055,960	1,271,222	2,982	185,266	650,097	332,288	100,589	-	-	1,161,984	-	5,326	103,912	72,454
<b>TOTAL RATE SUPPORTED PROGRAM</b>	<b>1,368,138</b>	<b>1,145,976</b>	<b>1,340,946</b>	<b>2,982</b>	<b>203,598</b>	<b>674,346</b>	<b>354,751</b>	<b>105,269</b>	<b>-</b>	<b>23,284</b>	<b>1,190,074</b>	<b>-</b>	<b>5,326</b>	<b>122,262</b>	<b>96,137</b>
<b>TOTAL CAPITAL PROGRAM</b>	<b>4,748,999</b>	<b>3,831,843</b>	<b>4,292,028</b>	<b>91,458</b>	<b>381,038</b>	<b>2,102,613</b>	<b>893,881</b>	<b>823,039</b>	<b>1,241,485</b>	<b>774,667</b>	<b>1,426,682</b>	<b>112,707</b>	<b>425,310</b>	<b>311,177</b>	<b>843,625</b>

# 10-Year Capital Budget and Plan by Category and Funding Source

Appendix 2.1.2

	Total Carry Forward	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Health and Safety	24,258	91,458	97,228	79,849	79,445	14,685	14,546	13,501	12,628	11,560	14,060	453,217
Legislated	37,846	381,038	427,431	417,553	331,552	309,024	216,249	106,691	101,416	92,478	135,884	2,557,161
State of Good Repair	300,663	2,102,613	3,046,546	2,721,583	2,466,118	2,457,526	2,340,570	2,221,706	2,059,383	2,004,099	1,751,669	23,472,476
Service Improvement	262,852	893,881	1,200,610	1,260,146	1,246,002	1,630,850	996,593	1,062,992	1,163,328	1,163,983	1,051,479	11,932,715
Growth Related	294,528	823,039	841,932	599,009	515,520	2,204,077	522,521	457,441	451,098	301,838	204,196	7,215,199
<b>Total Expenditure</b>	<b>920,147</b>	<b>4,292,028</b>	<b>5,613,747</b>	<b>5,078,140</b>	<b>4,638,638</b>	<b>6,616,161</b>	<b>4,090,479</b>	<b>3,862,330</b>	<b>3,787,853</b>	<b>3,573,958</b>	<b>3,157,288</b>	<b>45,630,770</b>
Provincial Grants & Subsidies	31,685	112,707	116,863	125,672	152,998	148,443	172,089	169,720	169,611	169,667	168,886	1,538,340
Federal Subsidy	17,242	425,310	392,113	247,035	273,215	841,237	268,797	255,093	255,093	255,008	254,956	3,485,098
Reserves	34,291	156,250	206,799	257,101	309,950	185,546	173,022	151,159	144,333	144,950	157,969	1,921,371
Reserve Funds	192,280	1,270,432	1,736,567	1,651,706	1,559,775	1,447,713	1,328,486	1,433,789	1,464,020	1,374,519	1,259,865	14,719,152
Development Charges	53,084	360,822	436,555	415,385	376,939	422,669	235,270	225,492	243,520	194,457	140,512	3,104,705
Recoverable Debt	167,062	774,667	1,256,429	1,237,008	967,465	1,887,515	851,551	624,325	585,900	562,831	112,467	9,027,219
Other	235,107	(49,645)	179,704	144,265	172,620	172,297	133,514	114,187	120,244	72,445	45,391	1,340,129
Capital from Current	-	337,153	345,982	352,902	359,960	367,159	374,502	381,992	389,632	397,425	405,373	3,712,080
Debt	189,396	904,332	942,735	647,067	465,715	1,143,583	553,250	506,574	415,500	402,657	611,868	6,782,675
<b>Total Funding</b>	<b>920,147</b>	<b>4,292,028</b>	<b>5,613,747</b>	<b>5,078,140</b>	<b>4,638,638</b>	<b>6,616,161</b>	<b>4,090,479</b>	<b>3,862,330</b>	<b>3,787,853</b>	<b>3,573,958</b>	<b>3,157,288</b>	<b>45,630,770</b>



2021 - 2030 Capital Budget and Plan by City Program/Agency, Category and Funding Source

	2020		Total 10 Year 2021-2030 Plan	Budget and Commitments						
	Budget	Projection		2021	2022	2023	2024	2025	2026-2030	
<b>Community and Social Services</b>										
Children's Services	18,775	10,625	78,884	7,628	37,804	12,626	9,275	3,821	7,730	71,256
Economic Development and Culture	27,845	17,768	167,969	14,955	24,426	16,015	14,599	14,773	83,201	153,014
Seniors Services and Long-Term Care	21,389	9,393	278,518	17,911	41,763	40,955	53,605	55,235	69,049	260,607
Parks, Forestry & Recreation	206,814	132,718	2,487,017	170,017	347,469	294,111	281,829	300,180	1,093,411	2,317,000
Shelter, Support & Housing Administration	398,009	355,775	583,799	38,461	27,570	14,884	14,051	474,598	14,235	545,338
Housing Secretariat	-	-	403,290	327,908	51,180	7,956	15,239	1,008	-	75,382
Toronto Employment & Social Services	10,925	2,641	5,199	3,973	1,226	-	-	-	-	1,226
Toronto Housing Corporation	-	-	1,612,920	160,000	160,000	160,000	160,000	160,000	812,920	1,452,920
Toronto Paramedic Services	6,064	3,987	75,857	5,127	9,040	8,040	6,060	5,900	41,690	70,730
<b>Total Community and Social Services</b>	<b>689,822</b>	<b>532,908</b>	<b>5,693,453</b>	<b>745,980</b>	<b>700,478</b>	<b>554,587</b>	<b>554,658</b>	<b>1,015,515</b>	<b>2,122,236</b>	<b>4,947,473</b>
<b>Infrastructure and Development Services</b>										
City Planning	7,474	4,562	59,103	4,668	6,236	6,690	5,730	5,986	29,793	54,435
Fire Services	19,215	6,389	38,137	11,071	4,971	6,443	6,589	2,763	6,300	27,066
Transportation Services	565,261	507,916	5,200,723	376,371	680,700	543,821	598,241	794,274	2,207,316	4,824,352
Transit Expansion Office	-	-	1,543,704	18,704	-	-	-	1,525,000	-	1,525,000
Waterfront Revitalization Initiative	200,790	86,813	174,732	6,545	61,056	77,076	30,055	-	-	168,187
<b>Total Infrastructure and Development Services</b>	<b>792,740</b>	<b>605,679</b>	<b>7,016,399</b>	<b>417,359</b>	<b>752,963</b>	<b>634,030</b>	<b>640,615</b>	<b>2,328,023</b>	<b>2,243,409</b>	<b>6,599,040</b>
<b>Corporate Services</b>										
311 Toronto	4,719	1,064	(37)	(1,437)	600	100	100	100	500	1,400
Corporate Real Estate Management	314,396	234,493	1,253,529	197,218	310,113	185,204	118,686	106,472	335,837	1,056,311
Environment and Energy	47,127	26,892	339,923	64,523	30,800	30,800	30,800	30,500	152,500	275,400
Fleet Services	59,942	47,995	747,462	60,666	100,835	77,795	60,551	63,714	383,901	686,796
Chief Information Security Office	-	-	22,628	4,021	9,245	9,362	-	-	-	18,607
Technology Services	64,260	41,195	304,161	50,434	42,511	35,117	20,048	29,186	126,865	253,727
<b>Total Corporate Services</b>	<b>490,445</b>	<b>351,639</b>	<b>2,667,666</b>	<b>375,426</b>	<b>494,104</b>	<b>338,377</b>	<b>230,185</b>	<b>229,971</b>	<b>999,603</b>	<b>2,292,241</b>
<b>Finance and Treasury Services</b>										
Financial Services	13,875	7,327	-	-	-	-	-	-	-	-
Office of the CFO and Treasurer	-	-	5,326	192	959	-	-	600	3,575	5,134
Office of the Controller	-	-	172,384	71,623	57,183	32,628	-	-	10,950	100,761
<b>Total Finance and Treasury Services</b>	<b>13,875</b>	<b>7,327</b>	<b>177,710</b>	<b>71,815</b>	<b>58,142</b>	<b>32,628</b>	<b>-</b>	<b>600</b>	<b>14,525</b>	<b>105,895</b>
<b>Other City Programs</b>										
Accountability Offices	123	118	1,650	-	-	-	700	700	250	1,650
City Clerk's Office	3,793	2,884	50,595	13,760	12,315	2,980	2,250	3,975	15,315	36,835
Corporate Initiatives	36,286	8,146	800	400	400	-	-	-	-	400
<b>Total Other City Programs</b>	<b>40,192</b>	<b>11,148</b>	<b>53,045</b>	<b>14,160</b>	<b>12,715</b>	<b>2,980</b>	<b>2,950</b>	<b>4,675</b>	<b>15,565</b>	<b>38,885</b>
<b>TOTAL CITY OPERATIONS</b>	<b>2,027,074</b>	<b>1,508,701</b>	<b>15,608,273</b>	<b>1,624,739</b>	<b>2,018,402</b>	<b>1,562,602</b>	<b>1,428,408</b>	<b>3,578,784</b>	<b>5,395,338</b>	<b>13,983,534</b>
<b>Agencies</b>										
Exhibition Place	14,273	7,449	143,315	5,214	10,766	17,025	14,870	15,225	80,215	138,101
GO Transit	60,000	-	-	-	-	-	-	-	-	-
TO Live	19,634	8,260	111,775	15,022	22,653	18,966	14,133	15,084	25,917	96,753
Toronto & Region Conservation Authority	24,825	24,825	205,950	18,197	19,615	23,756	20,480	17,207	106,697	187,753
Toronto Police Service	80,260	58,283	605,286	34,865	65,187	76,615	77,138	63,103	288,378	570,421
Toronto Public Health	6,217	3,641	29,228	815	4,859	3,885	3,148	4,415	12,106	28,413
Toronto Public Library	38,497	35,041	430,638	35,577	40,699	37,863	47,319	47,284	221,896	395,061
Toronto Zoo	17,226	9,491	132,669	10,520	23,450	22,944	19,326	14,714	41,715	122,149
Yonge-Dundas Square	86	66	-	-	-	-	-	-	-	-
<b>Total Agencies</b>	<b>261,019</b>	<b>147,057</b>	<b>1,658,861</b>	<b>120,209</b>	<b>187,229</b>	<b>201,054</b>	<b>196,414</b>	<b>177,032</b>	<b>776,924</b>	<b>1,538,652</b>
<b>TOTAL TAX SUPPORTED PROGRAM (Excl.TTC)</b>	<b>2,288,092</b>	<b>1,655,758</b>	<b>17,267,134</b>	<b>1,744,949</b>	<b>2,205,630</b>	<b>1,763,656</b>	<b>1,624,821</b>	<b>3,755,816</b>	<b>6,172,262</b>	<b>15,522,186</b>
<b>Toronto Transit Commission (TTC)</b>										
Toronto Transit Commission	1,016,147	953,809	11,588,617	1,132,457	1,549,995	1,528,826	1,295,076	1,251,421	4,830,844	10,456,161
Scarborough Subway Extension	20,780	20,782	47,188	19,644	13,248	4,050	4,062	3,347	2,837	27,544
Spadina Subway Extension	50,754	52,156	113,902	48,914	64,465	523	-	-	-	64,988
Transit Studies	5,087	3,362	48,695	5,119	32,766	10,810	-	-	-	43,576
<b>Total Toronto Transit Commission</b>	<b>1,092,768</b>	<b>1,030,109</b>	<b>11,798,402</b>	<b>1,206,134</b>	<b>1,660,474</b>	<b>1,544,209</b>	<b>1,299,138</b>	<b>1,254,768</b>	<b>4,833,681</b>	<b>10,592,269</b>
<b>TOTAL TAX SUPPORTED PROGRAM</b>	<b>3,380,861</b>	<b>2,685,867</b>	<b>29,065,537</b>	<b>2,951,082</b>	<b>3,866,104</b>	<b>3,307,865</b>	<b>2,923,959</b>	<b>5,010,584</b>	<b>11,005,942</b>	<b>26,114,454</b>
<b>Rate Supported</b>										
Solid Waste Management	104,542	51,146	715,686	51,374	68,080	70,281	94,744	98,510	332,697	664,312
Toronto Parking Authority	76,893	38,871	217,050	18,350	25,196	15,322	34,790	23,846	99,546	198,700
Toronto Water	1,186,713	1,055,960	14,712,350	1,271,222	1,654,367	1,684,672	1,585,145	1,483,221	7,033,723	13,441,128
<b>TOTAL RATE SUPPORTED PROGRAM</b>	<b>1,368,138</b>	<b>1,145,976</b>	<b>15,645,086</b>	<b>1,340,946</b>	<b>1,747,643</b>	<b>1,770,275</b>	<b>1,714,679</b>	<b>1,605,577</b>	<b>7,465,966</b>	<b>14,304,140</b>
<b>TOTAL CAPITAL PROGRAM</b>	<b>4,748,999</b>	<b>3,831,843</b>	<b>44,710,623</b>	<b>4,292,028</b>	<b>5,613,747</b>	<b>5,078,140</b>	<b>4,638,638</b>	<b>6,616,161</b>	<b>18,471,908</b>	<b>40,418,594</b>

Appendix 2.1.3

Categories					Funding Source						Total Carry Forward Funding
Health and Safety	Legislated	State of Good Repair	Service Improvement	Growth Related	Debt / Capital From Current	Recoverable Debt	Reserves / Reserve Funds	Provincial Grants & Subsidies	Federal Subsidy	Other Funding (incl. DC)	
-	-	13,649	62,211	3,024	15,083	-	37,585	-	-	26,216	11,801
1,200	5,751	135,876	24,027	1,115	107,865	-	17,243	-	-	42,861	10,181
28,733	-	80,991	-	168,794	-	254,201	-	16,317	8,000	-	14,163
-	1,047	658,566	663,673	1,163,731	787,331	-	466,360	1,240	10,595	1,221,491	69,715
-	5,250	33,968	544,581	-	566,211	11,746	256	1,552	7,971	(3,937)	43,775
-	-	4,163	-	399,127	103,740	-	24,759	7,313	215,766	51,712	-
-	-	-	5,199	-	5,081	-	1,469	-	-	(1,351)	7,919
-	-	1,600,000	12,920	-	1,612,920	-	-	-	-	-	630
22,840	-	13,618	5,250	34,149	28,665	-	30,942	-	-	16,250	42,650
52,773	12,048	2,540,831	1,317,861	1,769,940	3,226,896	265,947	578,614	26,422	242,332	1,353,242	200,835
-	3,375	-	-	55,728	29,780	-	-	-	-	29,323	1,973
19,294	500	10,137	-	8,206	17,131	-	13,832	-	1,010	6,164	8,294
298,215	-	4,021,144	373,940	507,424	4,156,857	70	518,545	1,300	27,542	496,409	81,132
-	-	-	74,959	1,468,745	79,762	878,000	2,800	-	585,000	(1,858)	25,076
-	-	-	-	174,732	32,640	80,400	320	-	-	61,372	114,380
317,509	3,875	4,031,281	448,899	2,214,835	4,316,170	958,470	535,497	1,300	613,552	591,410	230,855
-	-	(37)	-	-	2,274	-	-	-	-	(2,311)	2,311
25,667	183,325	587,751	422,070	34,716	914,626	291,693	71,894	11,082	3,000	(38,765)	88,347
-	-	-	339,923	-	-	337,773	2,150	-	-	-	2,390
1,050	14,325	731,806	281	-	-	-	747,462	-	-	-	10,055
-	-	-	22,628	-	22,628	-	-	-	-	-	-
-	508	241,122	61,008	1,523	74,025	-	246,785	-	-	(16,649)	18,174
26,717	198,158	1,560,643	845,910	36,239	1,013,553	629,466	1,068,291	11,082	3,000	(57,725)	121,277
-	-	-	-	-	-	-	-	-	-	-	-
-	-	5,326	-	-	5,141	-	2,089	-	-	(1,904)	1,904
-	-	21,941	150,443	-	166,904	-	8,220	-	-	(2,740)	3,472
-	-	27,267	150,443	-	172,045	-	10,309	-	-	(4,644)	5,376
-	-	1,650	-	-	1,650	-	-	-	-	-	-
800	44,460	5,335	-	-	34,545	-	16,760	-	-	(710)	1,060
-	-	-	-	800	1,200	-	-	-	-	(400)	2,946
800	44,460	6,985	-	800	37,395	-	16,760	-	-	(1,110)	4,006
397,799	258,541	8,167,007	2,763,113	4,021,814	8,766,059	1,853,883	2,209,471	38,804	858,884	1,881,173	562,349
1,875	-	127,990	13,450	-	143,306	-	1,100	-	-	(1,091)	6,339
-	-	-	-	-	-	-	-	-	-	-	60,000
704	43,436	58,636	-	9,000	121,856	-	-	-	-	(10,081)	15,409
-	-	191,957	1,080	12,913	46,170	-	83	-	-	159,697	-
-	3,735	407,979	192,582	990	211,688	-	318,559	-	-	75,039	33,963
-	-	8,629	20,599	-	30,616	-	-	711	-	(2,099)	4,588
-	15,500	215,432	13,108	186,598	333,714	-	1,100	-	-	95,824	9,339
-	-	111,994	14,204	6,471	125,873	-	-	-	-	6,796	8,078
-	-	-	-	-	-	-	-	-	-	-	-
2,579	62,671	1,122,617	255,023	215,972	1,013,223	-	320,842	711	-	324,086	137,716
400,378	321,211	9,289,624	3,018,135	4,237,786	9,779,281	1,853,883	2,530,313	39,514	858,884	2,205,259	700,064
10,000	903,513	6,793,433	3,290,785	590,886	412,177	6,537,316	-	1,440,726	2,472,432	725,967	100,468
-	-	-	-	47,188	-	47,188	-	-	-	-	-
-	-	-	-	113,902	113,902	-	-	-	-	-	6,715
-	-	-	-	48,695	-	48,695	-	-	-	-	1,281
10,000	903,513	6,793,433	3,290,785	800,671	526,079	6,633,199	-	1,440,726	2,472,432	725,967	108,464
410,378	1,224,725	16,083,057	6,308,921	5,038,457	10,305,360	8,487,082	2,530,313	1,480,241	3,331,316	2,931,225	808,529
-	267,358	205,351	113,177	129,800	-	373,075	342,611	-	-	-	21,768
-	-	62,895	73,390	80,765	-	-	-	-	-	217,050	17,396
18,582	1,027,233	6,820,510	5,174,375	1,671,650	-	-	13,541,028	26,415	136,540	1,008,367	72,454
18,582	1,294,591	7,088,756	5,360,942	1,882,215	-	373,075	13,683,639	26,415	136,540	1,225,417	111,618
428,960	2,519,316	23,171,813	11,669,863	6,920,672	10,305,360	8,860,157	16,413,952	1,506,656	3,467,856	4,156,642	920,147

# **Operating & Capital Budget Summaries for City Programs And Agencies**



# **Operating & Capital Budget Summaries for City Programs And Agencies**

## *Community and Social Services*

# 2021 Program Summary

## Children's Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We promote access to high quality early learning, and provide child care and supports for families through a well-planned and managed system.

We help Toronto's families find and access licensed child care and early years programs, help with the cost of programming, and provide support for children with special needs. Funding, resources and professional development is also offered to agencies to help deliver programs that are high quality, accessible and inclusive.

### Why We Do It

Child care is a **key lever** to children's health and development, child and family well-being, improving the economy, improving education rates, and addressing poverty. We ensure that:

Families have access to **safe and affordable** childcare and early years programs that contribute to healthy child development, family well-being, and **increased economic activity** by enabling them to go to work and school.

*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

#### Child Care Delivery

**Who We Serve:** Families and children, early years and child care service providers

**What We Deliver:** Provides fee subsidies through the use of contracted child care service delivery and through Toronto Early Learning Child Care Services (TELCCS) centres that help eligible families meet the cost of early learning and care.

**How Much Resources (gross operating budget):** \$482.5 million

#### Child Care System Management

**Who We Serve:** Families and children, early years and child care service providers

**What We Deliver:** Designated by the Province to manage the planning and delivery of child care and early years programs in Toronto. We work with school boards, other human services, and community partners to organize a coordinated system that provides access to services to ensure the best possible outcomes for children and their families

**How Much Resources (gross operating budget):** \$166.1 million

## Budget at a Glance

### 2021 OPERATING BUDGET

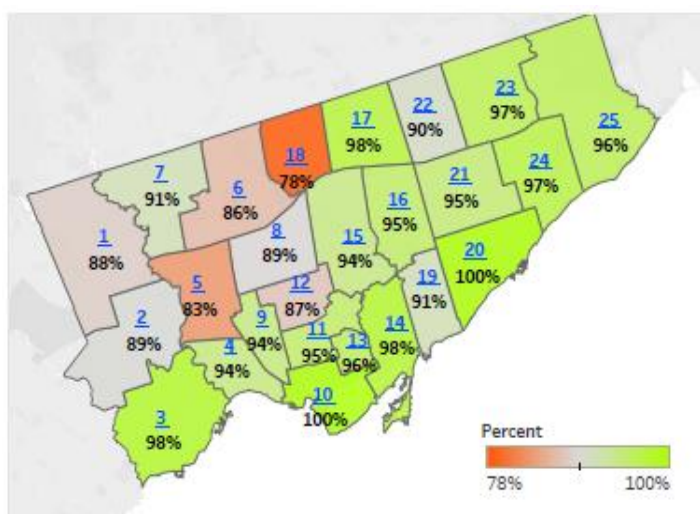
\$Million	2021	2022	2023
Revenues	\$557.3	\$525.6	\$525.6
Gross Expenditures	\$648.7	\$638.2	\$642.5
Net Expenditures	\$91.4	\$112.6	\$116.9
Approved Positions	1,000.7	1,000.7	998.7

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$14.7	\$76.0	\$90.7
Debt	\$1.6	\$13.5	\$15.1

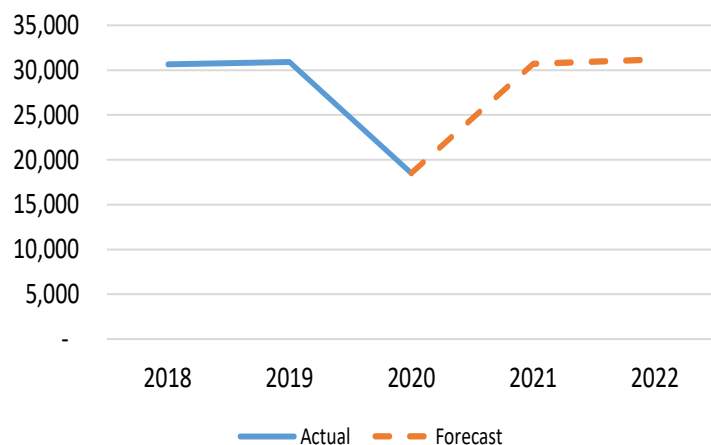
Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers



- Since the lifting of the provincial order to shut down child care, centres have begun to reopen with modified public health protocols and reduced numbers (94% open as at December 17)
- In the short term, the Division continues to focus on supporting the safe recovery of the early years' and child care sector, while promoting best child and family outcomes, in order to return child care to its previous capacity
- In the longer term, the Division will continue work aligned with the Growth Strategy, with the goal of increasing access to safe, affordable child care for families, as well as supporting the broader child care workforce

### Number of Child Care Fee Subsidies



- Access to child care is key to the reopening of the Toronto economy and ensuring an increased ability for people to enter the workforce and contribute to growth and prosperity
- Affordability continues to be a barrier for many families wishing to access child care. Increases in unemployment as a result of the pandemic, especially in the most vulnerable communities, may strain families in receipt of fee subsidies, and may affect eligibility for supports
- Children's Services will continue to implement opportunities to be responsive to the diverse needs of families by applying the maximum flexibility allowed under legislated fee subsidy guidelines, supporting eligibility and economic recovery

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
<b>Child Care Delivery</b>	% of licensed spaces supported by child care fee subsidy (centre-based)	38%	39%	40%	38%	38%	39%	●
<b>Child Care System Management</b>	# of new licensed spaces added (centre-based)	3,425	3,358	2,900	675	1,100	1,100	●
<b>Child Care System Management</b>	% of families utilizing online services (My Child Care Account)	45%	75%	80%	93%	95%	99%	●
Service Level Measures								
<b>Child Care Delivery</b>	# of child care fee subsidies	30,646	30,925	30,700	18,500	30,700	31,200	●
<b>Child Care Delivery</b>	# of children with extra support needs served	4,312	4,195	4,200	4,000	4,300	4,500	●
<b>Child Care System Management</b>	# of children served at EarlyON Child and Family Centres	89,903	95,639	97,500	94,418	97,500	100,000	●
<b>Child Care System Management</b>	# of licensed child care spaces (centre-based)	76,818	80,168	83,000	78,872	80,000	81,100	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>COVID-19 has resulted in the following challenges and unbudgeted costs for CS of \$2.877 million net:</p> <ul style="list-style-type: none"> <li>Province-wide mandated closure of child care and early years' programs from March to June 2020, with re-opening at full capacity allowed as of September 1<sup>st</sup></li> <li>As part of the City's pandemic response, and to support essential and front-line workers, Children's Services operated 8 emergency child care centres until June 26, at no cost to families and fully funded by the Province</li> <li>Received \$47.5 million in Safe Restart Funding to support provincially enhanced operating requirements, including: PPE, enhanced staffing, cleaning, and administration costs</li> <li>Projected gross underspending of \$68.2 million primarily driven by provincially mandated closure and gradual re-opening of licensed child care centres and early years programs</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>Based on 2020 experience, approximately \$3.1 million will be required to support additional cleaning, health and safety supply and PPE costs to meet provincial operating guidelines in directly operated child care</li> <li>Additional impacts will be dependent on re-occurrence patterns and the potential shut down of schools, child care, and early years programs</li> <li>Received \$17.9 million as one-time funding from the Province to help maintain the sustainability of the child care system by providing support the ongoing viability of operators who continue to face financial pressures resulting from increased costs and from lost revenues due to lower enrollment, reflecting the impact of the ongoing COVID-19 pandemic</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>Reviews of service levels may be required as new operating guidelines are released by the Province in cooperation with local public health authorities</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Reviews of service levels may be required as new operating guidelines are released by the Province in cooperation with local public health authorities</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Operated 8 Emergency Child Care Centres for essential workers (24/7: no fee to parents; paid by Province) in operation from March to June as part of the City's pandemic response; 394 children served from 274 families
- Collaborated with Toronto Public Health to develop enhanced health and safety and infection, prevention, and control measures for operators and providers in alignment with provincial direction. Supported re-opening of the sector through training, communities of practice, and mentoring visits to support enhanced health and safety practices; more than 850 centres completed training, with over 3,100 staff participants
- 93% of child care centres and 17 of 19 home child care agencies have re-opened since the lifting of the provincially mandated closure in June; 52 out of 53 EarlyON organizations are providing virtual and telephone-based programming to support families' basic needs
- Leveraged My Child Care Account to provide families an online connection with Fee Subsidy Offices, and to support virtual delivery of caseworker services including eligibility assessments, placements and system navigation
- Transformed service delivery through business process reengineering and implementation of technology solutions to reduce administrative burden, improve customer experience, and respond to demand for enhanced online services from early years and child care sector; launched registration and budget applications for EarlyON agencies and modernized the online attendance portal which tracks enrollment in licensed child care
- Continued to assist children with extra support needs by shifting delivery of Every Child Belongs' services to virtual consultations
- Partnered with the Provincial and Federal governments to support the ongoing financial sustainability of the sector, by maximizing tri-government investments and supporting access to new financial support programs for eligible operators and agencies, including Canada Emergency Wage Subsidy (CEWS), Canada Emergency Commercial Rent Assistance (CECRA), and Safe Restart Funding

### Key Challenges and Risks

Impacts of COVID-19 resurgence and need to safely support the restart and recovery of early years' and child care sector:

- Federal and provincial funding supports introduced in 2020 should be extended to ensure the financial viability of the sector as families return to care, including to support the potential requirement to operate expanded emergency child care
- Continued implementation of provincial policy changes to cost-sharing relationships for administrative expenses may result in reduced funding beginning in 2022; actual impacts will be dependent on several factors, including the Province's review of the existing child care funding formula
- The pandemic has not impacted children and families equally; recovery responses must advance equity by addressing the greatest unmet needs of Toronto's diverse families
- Availability of staffing to meet legislated staffing ratios and enhanced provincial operating guidelines
- Affordability continues to be a barrier for many families wishing to access child care, increases in unemployment may strain families in receipt of fee subsidies; challenges with vacancies, driven by family choice, changes to parental employment, and children's schooling

### Priority Actions

- Continue to collaborate with the Federal and Provincial governments, Toronto Public Health, and community partners to identify opportunities to support the safe recovery of the sector, ensuring practices are in accordance with the most recent scientific evidence and recommendations
- Provide proportionate support based on the distinct needs of families and providers, applying deliberate intersectional, Indigenous, Confronting Anti-Black Racism and equity-based lenses to achieve fairness in child and family outcomes
- Grow capacity to support access to early years and child care programming, improve affordability for all families through fee subsidies, and provide stable funding to providers and agencies

## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Child Care Delivery	502,343.6	390,263.6	356,947.0	421,006.3		421,006.3	64,059.2	17.9%
Child Care Service Management	48,234.0	201,228.2	168,828.2	136,246.3		136,246.3	(32,581.9)	(19.3%)
<b>Total Revenues</b>	<b>550,577.6</b>	<b>591,491.8</b>	<b>525,775.2</b>	<b>557,252.5</b>		<b>557,252.5</b>	<b>31,477.3</b>	<b>6.0%</b>
<b>Expenditures</b>								
Child Care Delivery	476,972.0	469,443.6	426,038.7	482,549.9		482,549.9	56,511.2	13.3%
Child Care Service Management	157,919.2	213,962.9	188,789.0	166,115.7		166,115.7	(22,673.3)	(12.0%)
<b>Total Gross Expenditures</b>	<b>634,891.1</b>	<b>683,406.5</b>	<b>614,827.7</b>	<b>648,665.6</b>		<b>648,665.6</b>	<b>33,837.9</b>	<b>5.5%</b>
<b>Net Expenditures</b>	<b>84,313.5</b>	<b>91,914.7</b>	<b>89,052.5</b>	<b>91,413.0</b>		<b>91,413.0</b>	<b>2,360.5</b>	<b>2.7%</b>
<b>Approved Positions</b>	<b>1,112.7</b>	<b>1,074.8</b>	<b>1,074.8</b>	<b>1,000.7</b>		<b>1,000.7</b>	<b>(74.1)</b>	<b>(6.9%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$648.7 million gross reflecting an increase of \$33.8 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Increases in spending related to the restart and recovery of the early years and child care sector after the lifting of the provincially mandated closure in June 2020
- Inflationary increases to funding for child care operators' and agencies' actual operating costs, which will help to offset pressures related to provincially enhanced operating guidelines, including: enhanced staffing, cleaning, and personal protective equipment (PPE)
- Offsetting base expenditure savings resulting from a line-by-line review, the transition of directly operated kindergarten and school-age programs to schools, and re-engineered business processes related to the families' increased adoption of online services through My Child Care Account

**Total 2021 Base Budget** revenues of \$557.3 million reflecting an increase of \$31.5 million above 2020 projected year-end actuals, primarily attributable to:

- Reductions in provincial funding related to the ending of the time limited Safe Restart Funding, offset by additional Provincial funding to help maintain the sustainability of the child care system by providing support the ongoing viability of operators who continue to face financial pressures resulting from increased costs and from lost revenues due to lower enrollment and anticipated increases in family contributions to the cost of child care as the sector continues to recover

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 \$91.413 million net expenditures reflects a \$3.192 million decrease from the 2020 Council approved Budget, when excluding \$2.691 million in estimated COVID-19 financial impacts.**



**EQUITY IMPACTS OF BUDGET CHANGES**

There are no equity impacts stemming from the changes to Children's Services 2021 Operating Budget, however Children's Services' budget continues to make investments to support childcare affordability. This will have a positive impact on low-income families and low-income women, increasing their access to child care. These investments, which are a component of the Growth Strategy, support the City's Poverty Reduction Strategy as well as Council's commitment to increasing women's equity.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Children's Services is \$630.8 million gross or 2.6% higher than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	97,723.3	99,554.4	88,554.4	93,568.5	5,014.1	5.7%
2	Materials and Supplies	2,131.0	2,000.4	1,500.0	4,274.6	2,774.6	185.0%
3	Equipment	1,157.0	840.0	998.0	1,340.8	342.8	34.3%
4	Service and Rent	515,307.7	576,434.0	519,756.5	545,417.4	25,661.0	4.9%
5	Contribution To Capital		1,101.0	1,101.0	1,101.0		
6	Contribution To Reserves	15,871.6	1,819.1	1,460.2	1,448.9	(11.4)	(0.8%)
7	Other Expenditures (incl. IDCs)	2,700.5	1,657.6	1,457.5	1,514.4	56.9	3.9%
Total Expenditures		634,891.1	683,406.5	614,827.6	648,665.6	33,837.9	5.5%
Revenues							
1	Provincial and Federal Subsidies	497,161.4	538,535.9	500,753.3	504,930.9	4,177.6	0.8%
2	User Fees & Donations	44,278.4	40,156.2	20,150.0	39,949.7	19,799.7	98.3%
3	Draw from Reserve Funds		1,827.8		1,400.0	1,400.0	
4	Other Revenues (Inc. IDR's)	9,137.9	10,971.9	4,871.9	10,971.9	6,100.0	125.2%
Total Revenues		550,577.6	591,491.8	525,775.2	557,252.5	31,477.3	6.0%
Net Expenditures		84,313.5	91,914.7	89,052.4	91,413.0	2,360.6	2.7%
Approved Positions		1,112.7	1,074.8	1,074.8	1,000.7	(74.1)	(6.9%)

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

- Increase over 2020 forecasted year-end actuals primarily due to the restart of service delivery and directly operated child care after provincially mandated closure; in addition, collective agreement pressures on existing positions

**Materials and Supplies:**

- Reflects PPE and health and safety supply levels required to meet enhanced operating guidelines in directly operated child care centres; budgeted increases based on actual experience from the operation of emergency child care and gradual re-opening of licensed child care

**Services and Rents:**

- A 1% inflationary increase to operators and agencies provides funding stability and preserves investments in affordability for families, while helping to offset incremental costs related to enhanced staffing, cleaning, and personal protective equipment (PPE)

**Provincial and Federal Subsidies:**

- Overall decrease primarily a results from ending of time-limited Safe Restart Funding of \$47.5 million received in 2020



**User Fees & Donations:**

- Increase over 2020 forecasted year-end actuals primarily due to the restart of child care centres after provincially mandated closure, as families and children are expected to gradually return to care

**Other Revenues:**

- 2020 projections reflect lower than anticipated claimable child care costs for eligible Ontario Works recipients; these costs are expected to normalize to pre-pandemic levels as the sector continues to recover

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Line by line review	Line By Line		(874.0)	(874.0)		(869.0)	(869.0)	
Transition of Directly Operated Child Care to School Boards	AG Recs	(24.8)	(1,133.4)	(1,108.6)	(15.1)	(7.0)	(7.0)	
Consolidate and Streamline Operations	Efficiencies		(1,445.3)	(1,445.3)	(17.0)	(109.7)	(109.7)	
Reprioritizing Training, Development & Engagement Plans	Efficiencies		(237.5)	(237.5)		237.5	237.5	
Hiring Slowdown	Other		(430.5)	(430.5)		430.5	430.5	
Cancellation of Non-Union Performance Pay	Other		(625.2)	(625.2)		(644.9)	(644.9)	
<b>Total Balancing Actions</b>		<b>(24.8)</b>	<b>(4,745.9)</b>	<b>(4,721.1)</b>	<b>(32.1)</b>	<b>(962.7)</b>	<b>(962.7)</b>	<b>-</b>

**Line-by-Line:**

- A review of all non-salary base expenditures resulted in overall savings of \$0.9 million, driven primarily by a transition of operators from legacy to new base funding models, and adjustments based on contractual agreements for various goods and services in directly operated child care, including catering and food services, recreation, and educational supplies

**AG Recommendations:**

- Transition of Directly Operated Child Care to School Boards: In consideration of Auditor General recommendations (2018.AU12.2), and in alignment with the review of City-run child care centres by the City Manager's Office, Children's Services continues to evaluate and implement opportunities to achieve optimal value for public funds while maintaining required staffing, program quality and optimal outcomes for children, families and communities

School boards have a legislative requirement to ensure there are before and after school programs in schools where there is demand and viability. Consequently, Children's Services will transition three directly operated kindergarten and school-age programs to schools in 2020-21, resulting in a net savings of \$1.1 million and a reduction of 15.1 positions with no overall service level impacts

**Efficiencies:**

- Consolidate and Streamline Operations: Reengineering existing workflows, driven by a larger demand for online and virtual service delivery by families and operators, will create net savings of \$1.4 million through the reduction of 17.0 positions

Reprioritizing Training, Development, and Engagement Plans: Previously planned in-person training will be deferred and priority will be given to sessions with a focus on: mental health and wellness, health and safety, and the development of early learning and child care programs and services that remove barriers, ensure flexibility, and are culturally responsive and relevant. Implementation of this initiative will result in net savings of \$0.238 million

**Other:**

- The hiring slowdown and the cancellation of non-union performance pay will result in salary and benefit net savings of \$1.056 million

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues	525,775.2	557,252.6	525,601.9	525,601.9
Gross Expenditures	614,827.7	648,665.6	638,240.3	642,471.2
<b>Net Expenditures</b>	<b>89,052.5</b>	<b>91,413.0</b>	<b>112,638.4</b>	<b>116,869.3</b>
<b>Approved Positions</b>	<b>1,074.2</b>	<b>1,000.7</b>	<b>1,000.7</b>	<b>998.7</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$638.2 million reflects an anticipated \$10.4 million or 1.6 per cent decrease in gross expenditures from the 2021 Operating Budget and an anticipated decrease in revenues of \$31.7 million. The 2023 Outlooks expects a further increase of \$4.2 million or 1.0 per cent above 2022 gross expenditures.

The 2022 revenue decrease arises from the following:

- ✓ Reversal of the one-time Provincial grant of \$17.9 million to mitigate the COVID impact on community-based child care providers
- ✓ A previously announced provincial policy change in cost share requirements for administrative expenses. Actual impacts will be confirmed with the release of the 2022 provincial allocation, and will be dependent on several factors, including the Province's review of the existing child care funding formula

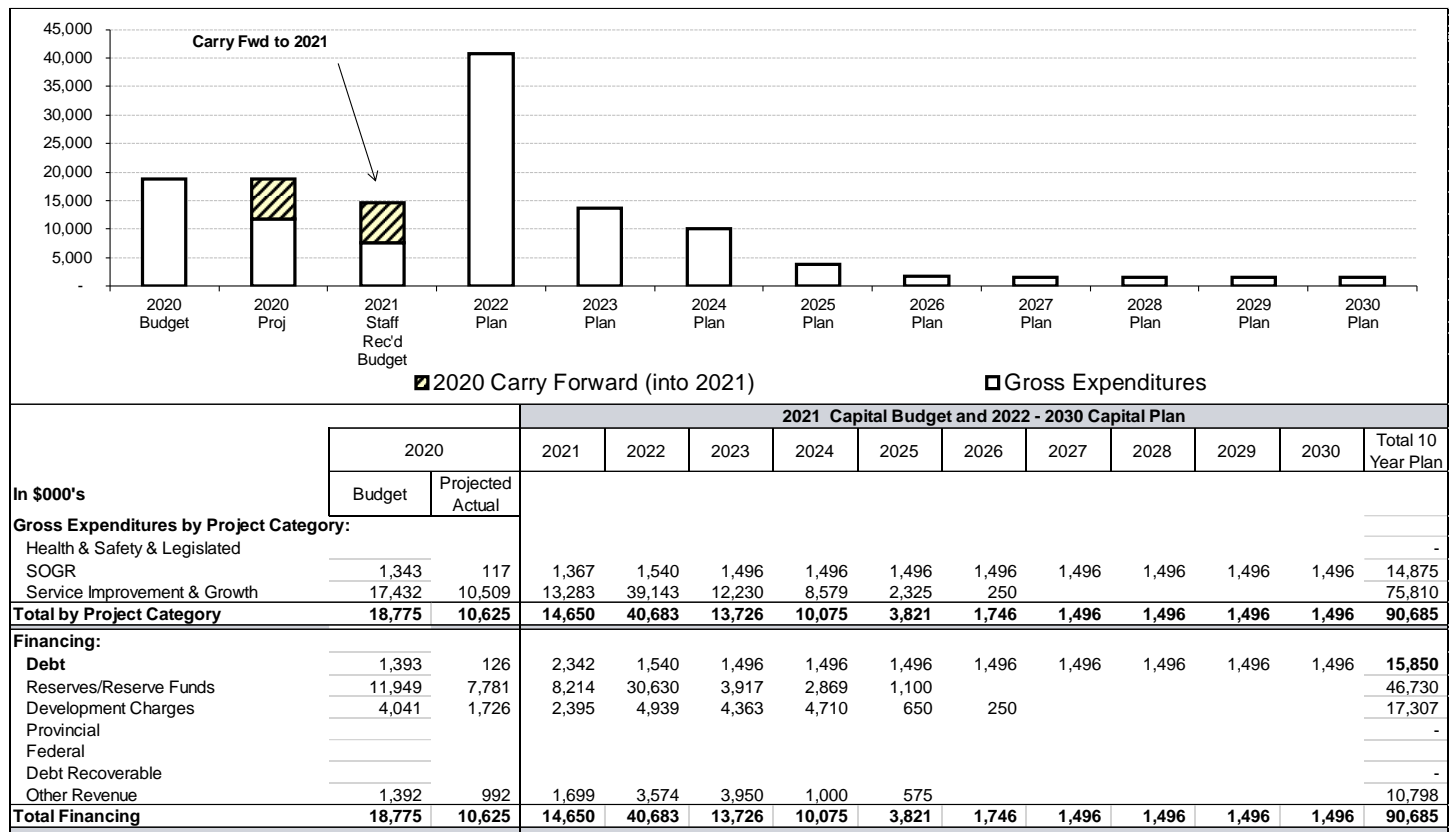
The 2022 anticipated gross expenditure decrease is related to

- ✓ Reversal of the one-time Provincial support of \$17.9 million provided to community providers to mitigate the COVID
- ✓ Additional resources required due to inflationary increases for salaries and benefits and for funding to support operators' and agencies' actual operating costs

The anticipated 2023 gross expenditure increase \$4.231 million is primarily inflationary, with revenues flat lined at the 2022 funding level.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects (\$1.9 Million)

- North East Scarborough (\$0.8M) reflects scope changes resulting from updated costing estimates and net-zero design elements
- TCH Needle Firway (\$1.1M) reflects change in scope and inflation to construction costs




### New Projects (\$0.0 Million)

- N/A

### Capital Needs Constraints (\$0.0 Million)

- N/A

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$90.7 Million 10-Year Capital Program**

		
<b>New Child Care Centres</b>	<b>Aging Infrastructure</b>	<b>Information Technology</b>
\$72.8M 80.3%	\$14.9M 16.4%	\$3.0M 3.3%
New child care centres will increase access to licensed child care, in alignment with the Growth Strategy	State of good repair in City-run child care centres	Growing Child Care for Toronto  My Child Care Account

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$90.7 M 100.0%</b>		<b>\$0.0 M 0.0%</b>	<b>\$0.0 M 0.0%</b>
Debt	\$15.1 M		
Reserve Draws	\$46.8 M		
Development Charges	\$17.3 M		
Other*	\$11.5 M		

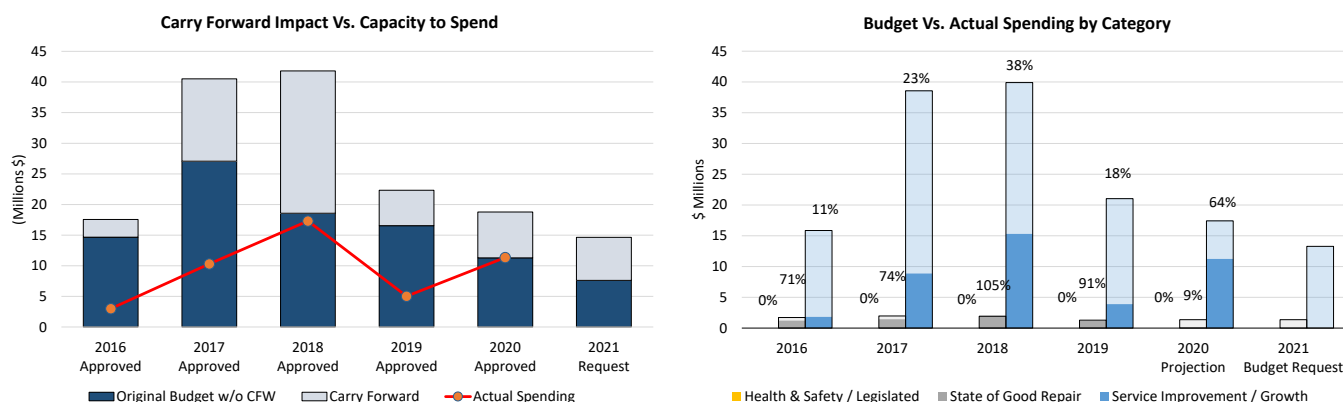
\*Other funding includes \$5.0 million from Ontario Gaming GTA LP for construction of the Woodbine Child Care Centre; \$3.000 million in operating funding for the Growing Child Care IT project; and \$3.500 in the City's contribution to Anishnawbe Child Care Centre.

## 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 Children's Services ability to spend and the markets capacity to deliver. As Children's Services relies primarily on third party partners to deliver projects, cash flow requirements are developed in consultation with these partners.

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

Based on the review of historical capital spending constraints and a capacity to spend review, \$25.4 million in capital spending originally cash flowed in 2021 has been deferred to 2022 or future years. Adjustments to the Capital Plan are noted below:

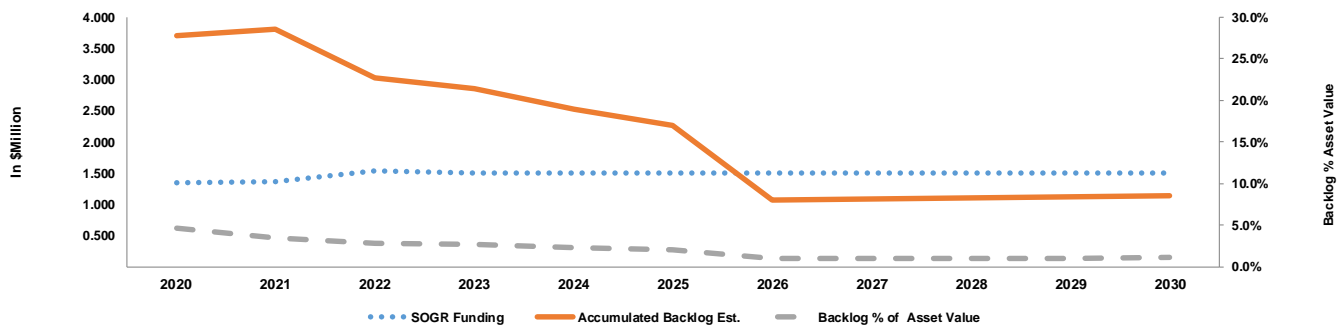
- Mount Dennis: \$9.6 million deferred to future years; project remains on schedule
- St. Bartholomew Catholic School: \$2.9 million deferred to future years
- Anishnawbe: \$2.6 million deferred to future years
- Stanley Public School: \$1.9 million deferred to future years
- St. Barnabas Catholic School: \$1.9 million deferred to future years
- St. Roch Catholic School: \$1.6 million deferred to future years
- Gilder: \$1.5 million deferred to future years
- Bridletown Community Centre: \$1.1 million deferred to future years
- David and Mary Thompson: \$0.8 million deferred to future years
- Western North York: \$0.7 million deferred to future years
- Bayside: \$0.5 million deferred to future years
- Wallace Emerson: \$0.3 million deferred to future years

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Children's Services: major and local roads, bridge rehabilitation and laneways.

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

State of Good Repair (SOGR) Funding &amp; Backlog



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>SOGR Funding</b>	1.343	1.367	1.540	1.496	1.496	1.496	1.496	1.496	1.496	1.496	1.496
<b>Accumulated Backlog Est.</b>	3.705	3.808	3.029	2.857	2.526	2.262	1.075	1.092	1.109	1.126	1.143
<b>Backlog % of Asset Value</b>	4.6%	3.5%	2.8%	2.6%	2.3%	2.1%	1.0%	1.0%	1.0%	1.0%	1.0%
<b>Total Asset Value</b>	80.233	109.409	109.409	109.409	109.409	109.409	109.409	109.409	109.409	109.409	109.409

- Children's Services has a legislative requirement to maintain its directly operated child care center in a condition that meets strict licensing standards and promotes the health and well-being of children, families, and staff
- Priority will be given to supporting infrastructure needs that ensure centres are operating in alignment with enhanced health and safety guidelines developed in conjunction with the Province and Toronto Public Health
- State of good repair projects account for \$14.9 million or 16.4% of the planned 10-year capital program, with the expectation that the backlog will be reduced to 1.0% of total asset value by 2026

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will Budget will impact future year Operating Budgets by \$1.6 million net over the 2021-2030 period, for savings arising from the "Growing Child Care for Toronto Project", as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
TCS Growing Child Care for Toronto	(2,048.0)		(267.0)	2.6	51.0		61.0		45.0		(2,158.0)	2.6	(1,611.0)	2.6
<b>Sub-Total: Previously Approved</b>	<b>(2,048.0)</b>		<b>(267.0)</b>	<b>2.6</b>	<b>51.0</b>		<b>61.0</b>		<b>45.0</b>		<b>(2,158.0)</b>	<b>2.6</b>	<b>(1,611.0)</b>	<b>2.6</b>
<b>New Projects - 2021</b>														
<b>Sub-Total: New Projects - 2021</b>														
<b>New Projects - Future Years</b>														
<b>Sub-Total: New Projects - Future Years</b>														
<b>Total (Net)</b>	<b>(2,048.0)</b>		<b>(267.0)</b>	<b>2.6</b>	<b>51.0</b>		<b>61.0</b>		<b>45.0</b>		<b>(2,158.0)</b>	<b>2.6</b>	<b>(1,611.0)</b>	<b>2.6</b>

- The "Growing Child Care for Toronto Project" will support enhanced service system navigation for families by improving access to Fee Subsidy Offices and various caseworker services through online channels, as well as reduce the administrative burden associated with data collection and reporting for child care operators and agencies



# 2021 Program Summary

## Toronto Court Services

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### Description

Toronto Court Services strives to provide accessible, efficient and effective frontline customer support for case management, courtroom and hearing room services to the public and a wide range of stakeholders that use the Provincial Offences Court and three City Tribunals - Administrative Penalty Tribunal, Toronto Local Appeal Body and Toronto Licensing Tribunal. Court Services is the primary point of contact for the public when they are in need of information, assistance and access to the Provincial Offences Court.

### Why We Do It

**Toronto Court Services aims to achieve the following outcomes:**

- The public has access to a fair, open, reliable (consistent quality under same circumstances) and accessible justice system for Provincial Offences in Toronto.
- The fines and penalties are enforced in a reliable and consistent manner to protect the public interest.
- Public has access to timely, open and accessible appeals related to the three tribunals: Administrative Penalty Tribunal, Toronto Local Appeal Body and Toronto Licensing Tribunal.

*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

#### **Provincial Offences and Tribunal Dispute Resolution**

**Who We Serve:** Defendants, Applicants, Parties, Participants, Enforcement Officers, Prosecutors, Paralegal and Legal Representatives, Witnesses

**What We Deliver:** Provides administration and courtroom support for hearings resulting from offences under the Provincial Offences Act and City by-laws, administrative hearings/review of Tribunals.

**How Much Resources (gross operating budget):** \$10.0 million

#### **Default Fine Collection Management**

**Who We Serve:** Persons who are required to pay a court imposed fine

**What We Deliver:** Provides collection management services for the timely collection and processing of outstanding fines ensuring appropriate action is taken on fines in default

**How Much Resources (gross operating budget):** \$4.8 million

#### **Court Case Management**

**Who We Serve:** Defendants, Applicants, Prosecutors, Paralegal and Legal Representatives, Enforcement Officers, Interpreters, Judicial Officers, Tribunal Members

**What We Deliver:** Completing court administration processes respecting issued charges, providing information to the public, maintaining court records, scheduling trials and hearings and identifying unpaid fines for enforcement

**How Much Resources (gross operating budget):** \$18.2 million

## Budget at a Glance

### 2021 OPERATING BUDGET

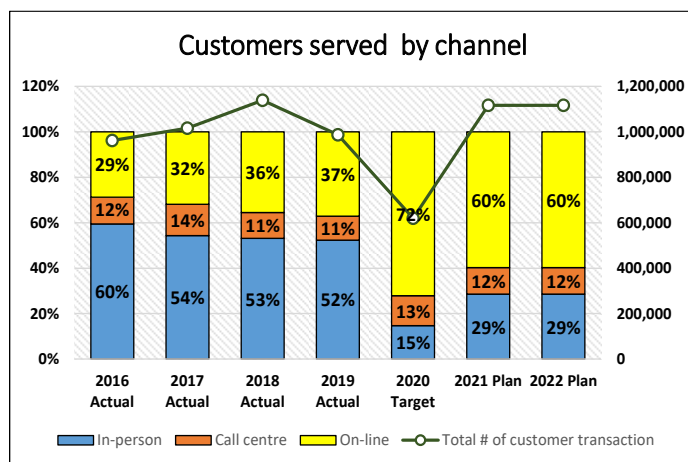
\$ Millions	2021	2022	2023
Revenues	\$77.0	\$76.9	\$76.9
Gross Expenditures	\$33.0	\$36.0	\$36.4
Net Revenue	(\$44.0)	(\$40.9)	(\$40.5)
Approved Positions	251.2	251.2	251.2

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
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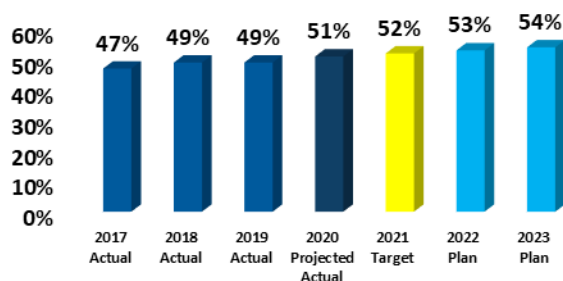
Court Services does not have a Capital Plan

## How Well We Are Doing – Behind the Numbers



- Number of customers served in 2020 declined due to court closures and lower charge volumes. Majority of customers have switched to online service channels.
- With the growth in charges and the backlog in 2020, the number of customers served by the division in 2021 is expected to increase to approximately 1.1 million.
- The program plans to manage the growth in charge volume by focusing on digital and online service delivery.

### % of Default fine accounts collected within 1st year of default



- The percentage of default fines collected within the first year of default range between 50-54% reflecting the challenges of collecting default fines for municipalities across Ontario.
- Default fine collection rates have however increased from 47% in 2017 to 51% in 2020 and is expected to continue to increase by 1% every year as Court Services with support from Legal Services continues to implement its commitments contained in its Management response to the City's Auditor General's report (AU 12.1).

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level and Outcome Measures								
Provincial Offences/Licensing Tribunal Dispute Resolution	Outcome of court proceedings updated within 3 business days*	69%	78%	100%	80%	100%	100%	●
Court Case Management	Accept incoming charges within 7 days of Service date		98%	100%	99%	100%	100%	●
Court Case Management	% of customers served within 45 minutes	98%	98%	100%	98%	100%	100%	●
Default Fine Collection Management	Payments processed within 24 hours of receipt*	100%	100%	100%	42%	100%	100%	●
Default Fine Collection Management	% of fines collected within first year of default	49%	49%	48%	51%	52%	53%	●

The outcome of court proceedings updates within 3 business days and payments are processed within 24 hours of receipt. These Service Levels were not met in 2020 due to interruption of services by the COVID-19 pandemic. Court Services has however taken measures to return to these Service Levels in 2021.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• \$25.3 million loss in fine revenues resulting from lower than plan charges filed by enforcement agencies and delays in the implementation of Automated Speed Enforcement(ASE);</li> <li>• \$4.3 million in salaries and benefits savings due to delays in hiring and staff on Emergency Leave;</li> <li>• \$6.7 million savings in other non-salary expenditures such as payments to the province and interpreters due to court closures.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• \$7.0 million in lost fine revenues stemming from lower number of tickets filed;</li> <li>• \$1.7 million in salaries and benefits savings due to delays in hiring of current vacant positions and positions to be kept vacant under the Voluntary Separation Program (VSP);</li> <li>• \$1.3 million savings in other non-salary expenditures such as payments to the province and interpreters resulting from reduced court capacity required by public health measures.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• 2020 service levels were not met as courts and tribunals were closed on March 18, 2020, with a limited number of court and tribunal matters scheduled starting in June. Gradual reopening at reduced scale is expected to continue into 2021.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• 2021 Service levels will be impacted by the ongoing Court closures. Courts are expected to reopen in a staggered manner in 2021. The division expects to deal with backlogs by prioritizing demands and deliver service digitally where possible.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- In partnership with Technology Services, developed and procured solutions to support remote hearings in POA courts and Tribunals.
- Provided information sessions and guides to the public, participants and stakeholders to support participation in remote hearings.
- Expanded use of digital channels to support paperless POA court processes and tribunal hearings.
- Launched self-serve online images of Red Light Camera and Automated Speed Enforcement charges.

### Key Challenges and Risks

- The division is facing challenges in dealing with:
  - growth in Provincial Offences charge volumes due to Automated Speed Enforcement and expanded Red Light Camera program requiring resources, as well as
  - managing the operational backlog caused by court closures and an expected higher dispute rate for charges laid under acts such as Emergency Management and Civil Protection Act (EMCPA).
- Modifying work arrangements and processes to accommodate remote or hybrid work due to COVID-19.
- Continued escalation of costs to maintain service levels for court and tribunal hearing notices.
- Backlog in collection of outstanding fines.

### Priority Actions

- Support Vision Zero Road Safety and manage the growth in charge volume by focusing on digital and online service delivery.
- Review and assess impacts of COVID-19 on existing workload and assign resources to manage backlog and improve service delivery by focusing on digital service delivery.
- Reduce the cost to maintain services for trial, hearings and resolution by developing and implementing procedures that supports modernization of POA legislation and court scheduling plan.
- Finalize documentation of business requirements for an information management system early in 2021.
- Work with appropriate stakeholders including Technology Services Division towards development or purchase of an appropriate information system in response to the City's Auditor General's recommendation.

## 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>								
Court Case Management	62,049.1	75,622.2	50,222.4	36,725.5		36,725.5	(13,496.9)	(26.9%)
Default Fine Collection Management	35.7	53.4	333.6	8,193.0		8,193.0	7,859.4	2356.1%
Provincial Offences & Tribunal Dispute Resolution	112.3	131.9	284.8	32,099.1		32,099.1	31,814.3	11170.5%
<b>Total Revenues</b>	<b>62,197.1</b>	<b>75,807.5</b>	<b>50,840.8</b>	<b>77,017.5</b>		<b>77,017.5</b>	<b>26,176.7</b>	<b>51.5%</b>
<b>Expenditures</b>								
Court Case Management	17,286.4	20,292.1	13,682.2	18,156.2		18,156.2	4,474.0	32.7%
Default Fine Collection Management	4,469.5	5,112.0	3,429.1	4,821.7		4,821.7	1,392.5	40.6%
Provincial Offences & Tribunal Dispute Resolution	7,938.6	10,535.9	6,928.5	10,038.6		10,038.6	3,110.1	44.9%
<b>Total Gross Expenditures</b>	<b>29,694.5</b>	<b>35,940.0</b>	<b>24,039.8</b>	<b>33,016.4</b>		<b>33,016.4</b>	<b>8,976.5</b>	<b>37.3%</b>
<b>Net Expenditures</b>	<b>(32,502.7)</b>	<b>(39,867.5)</b>	<b>(26,801.0)</b>	<b>(44,001.1)</b>		<b>(44,001.1)</b>	<b>(17,200.2)</b>	<b>64.2%</b>
<b>Approved Positions</b>	<b>241.0</b>	<b>253.2</b>	<b>253.2</b>	<b>251.2</b>		<b>251.2</b>	<b>(2.0)</b>	<b>(0.8%)</b>

\*2020 Projection based on Q3 Variance Report subsequently adjusted by Council decisions.

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$33.016 million gross, reflecting an increase of \$8.976 million in spending above 2020 projected year-end actuals, predominantly arising from:

1. Salary & Benefit base budget increases to close gaps in hiring, partially offset by savings realized from staff on Emergency Leave due to COVID-19.
2. Costs for interpreters and provincial payments to reflect the resumption of services in 2021 and opening of the courtrooms closed since March 2020.
3. Higher costs for collection agencies which will resume collection activities which were partially suspended due to the COVID-19 pandemic.

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

- 2021 Base Budget of \$44.001 million in net revenue reflects an \$11.206 million net decrease from the 2020 Council Approved Budget, when excluding \$7.205 million in estimated COVID-19 financial impacts.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Court Services 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Court Services is \$33.016 million gross or 37.3% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers		2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	17,762.1	21,232.8	16,478.6	19,536.0	3,057.4	18.6%
2	Materials & Supplies	100.2	111.0	68.8	117.9	49.2	71.5%
3	Equipment	49.1	57.9	181.7	163.9	(17.8)	-9.8%
4	Service and Rent	8,414.5	10,874.0	5,039.4	9,582.8	4,543.4	90.2%
5	Contribution To Reserves	103.8	103.8	103.8	79.4	(24.3)	-23.4%
6	Other Expenditures (Excl. IDC's)	3,264.7	3,560.5	2,167.6	3,536.3	1,368.7	63.1%
Total Expenditures		29,694.5	35,940.0	24,039.8	33,016.4	8,976.5	37.3%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations	399.8	404.2	386.8	448.0	61.3	15.8%
3	Draw from Reserve Funds		83.0	83.0		(83.0)	-100.0%
4	Other Revenues (Exc. IDR's)	61,797.4	75,320.3	50,371.0	76,569.5	26,198.4	52.0%
Total Revenues		62,197.1	75,807.5	50,840.8	77,017.5	26,176.7	51.5%
Net Expenditures		(32,502.7)	(39,867.5)	(26,801.0)	(44,001.1)	(17,200.2)	64.2%
Approved Positions		241.0	253.2	253.2	251.2	(2.0)	-0.8%

**Salaries & Benefits:**

Increases in the salary and benefit costs to close gaps due to hiring delays. Resources are required to manage the backlog as Court Services seeks to return to pre-pandemic service levels in 2021 after court closures due to COVID-19.

**Services and Rents:**

Cost for interpreters and provincial payments as courtrooms reopen for physical hearings in 2021.

**Other Expenditures:**

Higher costs for collection agencies as collection activities which were partially suspended due to COVID-19 resume in full.

**User Fees:**

Increase in the user fees for web payment transactions partially offset by a reduction in copy fee. Court Services expects increased use of online service delivery channels by the public in 2021.

**Other Revenue Changes:**

Charge volumes are expected to return to normal levels in 2021 after being severely impacted in 2020 by the COVID-19 pandemic.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Voluntary Separation Program (VSP)	Other		(375.2)	(375.2)	9.0			
Delays in hiring	Other		(1,340.3)	(1,340.3)				
Improved collections	AG Recs	500.0		(500.0)			(500.0)	
<b>Total Balancing Actions</b>		<b>500.0</b>	<b>(1,715.5)</b>	<b>(2,215.5)</b>	<b>9.0</b>		<b>(500.0)</b>	<b>-</b>

**Voluntary Separation Program**

Salaries and benefits savings from 9 VSP positions or comparable positions to be kept vacant for between 6 to 12 months. Court Services has taken measures to delay filling vacant positions in a way that ensures the program's statutory delivery obligations are met. As well, critical positions are backfilled as soon as possible when they become vacant.

**Delays in hiring**

Lower salaries & benefits to reflect delayed hiring for vacant positions. The division will function with minimal performance impacts by focusing on delivering service digitally and prioritizing the demands.

**Improved Fine Collections**

Court Services with support from Legal Services continues to implement the commitments contained in its Management response to the City's Auditor General's report (AU 12.1). It is anticipated that measures already implemented will generate additional revenues of \$0.500 million in 2021.



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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	50,840.8	77,017.5	76,958.7	76,958.7
Gross Expenditures	24,039.8	33,016.4	36,019.6	36,485.3
<b>Net Expenditures</b>	<b>(26,801.0)</b>	<b>(44,001.1)</b>	<b>(40,939.1)</b>	<b>(40,473.4)</b>
<b>Approved Positions</b>	<b>253.2</b>	<b>251.2</b>	<b>251.2</b>	<b>251.2</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$36.019 million reflects an anticipated \$3.0 million or 9.0 per cent increase in gross expenditures in the 2021 Operating Budget;

The 2023 Outlooks expects a further increase of \$0.466 million or 1.3 per cent above 2022 gross expenditures.

These changes arise from the following:

- Salary and benefit inflationary increases resulting in a pressure of \$0.415 million increase in year 2022, and \$0.433 million in year 2023.
- Reversal of one-time COVID-19 cost savings and costs for remote hearing equipment of \$2.555 million in year 2022 and 2023.

# 2021 Program Summary

## Economic Development and Culture

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### Description

We advance Toronto's prosperity, opportunity and liveability by fostering employment and investment opportunities, encouraging Toronto's cultural vibrancy through enhanced cultural experiences, and by engaging partners in the planning and development of the City's economic and cultural resources.

Economic Development and Culture (EDC) delivers the following services:

- Arts Services
- Business Services
- Entertainment Industries Services
- Museum and Heritage Services

EDC has stewardship for over 200 public art installations and 100 heritage buildings, including eight community museums, one art gallery and one national historic site (Fort York NHS). EDC is responsible for the collection and conservation of 150,000 artifacts, 3,000 works of fine art, and 1.1 million archeological specimens.

EDC manages \$35.0 million in art grant allocation and supports 84 Business Improvement Areas (BIA).

### Why We Do It

Economic Development and Culture is committed to making Toronto a place where business and culture thrive, providing services to improve the quality of life of its clients, visitors, attendees, businesses, cultural institutions and stakeholders by achieving the following outcomes:

Business and cultural entities in Toronto have equitable access to and use economic development supports that start, improve and grow operations, and contribute to increased economic activity.

People in Toronto have equitable access to and use inclusive cultural programs that increase understanding of Toronto's many cultures and histories, and contribute to a greater sense of belonging.

*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

#### **Arts Services**

##### **Who We Serve:**

Arts and Cultural Organizations, Residents, Visitors

##### **What We Deliver:**

- Arts Services Development and Support (Advice, Advocacy, Consultation, Governance; Networking, Convening power; Issue resolution and facilitation; Marketing, Promotion; Special event facilitation and expediting)
- Creation and offering of Arts activities and programs, classes, exhibits and events; planning and production of major Festivals and Events
- Assistance in the organization of third party events at Nathan Philips Square and other City-owned locations
- Facilitation, development and provision of access to Arts Venues and Public Art
- Provide funding to arts organizations through the cultural grants service

**How Much Resources (gross operating budget):** \$55.7 million

**Business Services****Who We Serve:**

Business Incubators, Entrepreneurs, New Immigrants, Sector / Industry Associations, Sector Businesses, Youth

**What We Deliver:**

- Business Development and Support (Advice, Advocacy, Consultation, Governance); Networking, Convening power; Issue resolution and Facilitation; Marketing, Promotion; Training, Events; Grants, Financial support)
- Sector Development and Advocacy (Front-line intelligence; Support)
- Advice and support to Business Improvement Areas
- Promotion of trade, investment, partnerships, and Toronto's businesses to export markets

**How Much Resources (gross operating budget):** \$17.4 million

**Entertainment Industries Services****Who We Serve:**

Entertainment Industry Associations, Film and Media Companies, Restaurants and Hotel Industries, Tourism Companies, Visitors and Volunteers

**What We Deliver:**

- Entertainment Industries Development and Support (Advice, Advocacy, Consultation, Governance; Networking, Convening power; Issue resolution and facilitation; Marketing, Promotion; Training)
- Film permitting
- Visitor information services
- Entertainment Industries international development

**How Much Resources (gross operating budget):** \$5.8 million

**Museum and Heritage Services****Who We Serve:**

Education Sector (Schools and Students), New Immigrants, Public and Private Schools, Residents, Visitors

**What We Deliver:**

- Museum Services Development and Support (Advice, Advocacy, Consultation; Networking, Convening power; Issue resolution and facilitation; Marketing, Promotion)
- Creation and offering of Museum activities, programs, classes, exhibits and events; provision of rental opportunities for art gallery spaces, theaters, rooms for community members
- Development, management and conservation of artifacts, archeological specimens and fine art collections
- Management of Heritage properties and Museums operations; advice and collaboration with other City divisions in managing their heritage assets

**How Much Resources (gross operating budget):** \$15.2 million

**Budget at a Glance****2021 OPERATING BUDGET**

<u>\$Million</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues	\$14.6	\$10.7	\$10.9
Gross Expenditures	\$94.1	\$89.3	\$89.8
Net Expenditures	\$79.5	\$78.6	\$78.9
Approved Positions	314.9	315.9	314.9

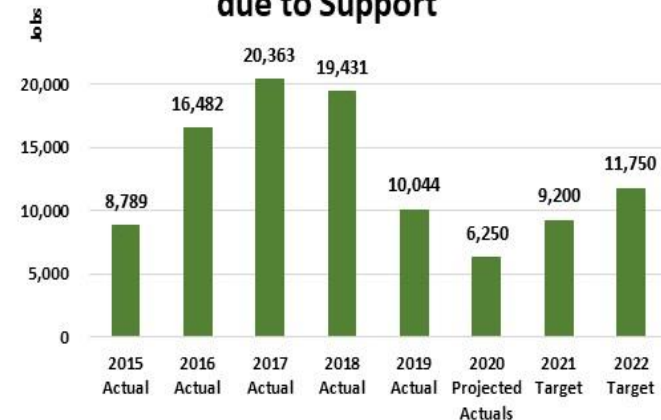
**2021 - 2030 10-YEAR CAPITAL PLAN**

<u>\$Million</u>	<u>2021</u>	<u>2022-2030</u>	<u>Total</u>
Gross Expenditures	\$25.1	\$153.0	\$178.2
Debt	\$11.0	\$97.0	\$108.0

Note: Includes 2020 carry forward funding to 2021

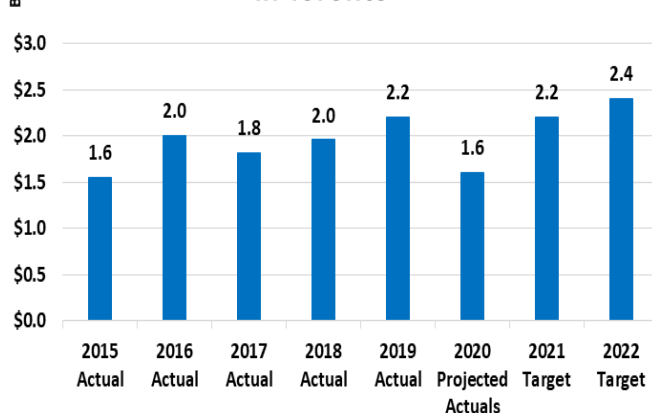
## How Well We Are Doing – Behind the Numbers

**Total Jobs Created and Retained  
due to Support**



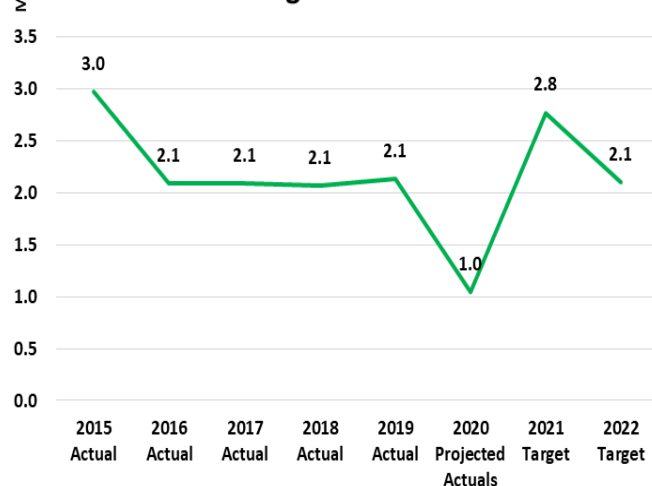
- Two major office developments in the downtown core contributed significantly to a large number of jobs in 2017 and 2018. In 2019, cyclical swings in extensive office developments produced a correction in jobs.
- The decline in 2020 can also be attributed to the cyclical swing in 2019 and is further impacted by COVID-19. Due to uncertainty including timelines for the development of a vaccine or future resurgence of the virus, it is difficult to predict when we will see a return to pre-pandemic targets.
- While the office market may remain quite challenged over the next few years, Toronto may see greater investment in the industrial market, due to continued and rising demand for warehouse and manufacturing space in the city. It is expected to see targets moving towards regular projections within the next 3-5 years as recovery and rebuilding start to take place in Toronto.

**\$ Annual Film Production spend  
in Toronto**



- Annual film production spend for 2020 is projected to decline as a result of the four-month shut down of the industry due to COVID-19. Staff forecast a rapid recovery in 2021 and 2022, regaining production levels estimated at the beginning of 2020, with targets supported by the recovery of market demand and expanded studio footprint in Toronto.

**Number of Attendees at City-Produced  
Cultural Programs and Events**



- In 2015 numbers include the Pan Am / ParaPan Am Games, and 2017 numbers include the Canada150 program activities.
- The projected actual event and program attendance for 2020 is lower than target due to impacts of COVID-19 which resulted in event cancellations, program changes, and site closures.
- These impacts include a four-month shutdown period, reduced interior capacities by 70% and uptake among the public at 25% of capacity in the case of arts and museums programming.
- 2020 attendance projections take into account digital interactions for virtual programs including virtual Celebrate Canada (Canada Day), virtual Cultural Hotspot 2020, and virtual Nuit Blanche programs.
- 2021 attendance projections assume lifting of all restrictions on public gatherings. The Year of Public Art will contribute to an increase in attendees at City-Produced Cultural Events in 2021.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
<b>Business Services</b>	Total Jobs Created and Retained due to Support	19,431	10,044	15,000	6,250	9,200	11,750	●
<b>Entertainment Industries Services</b>	\$ Annual Film Production Spend in Toronto	\$1,957,500,879	\$2,200,100,000	\$2,400,000,000	\$1,600,000,000	\$2,200,000,000	\$2,400,000,000	●
<b>Arts Services and Museums and Heritage Services</b>	Number of Attendees at City-Produced Cultural Programs and Events	2,064,926	2,134,968	2,155,000	1,045,000	2,800,000	2,100,000	●
Service Level Measures								
<b>Art Services</b>	Number of City Cultural Programs and Events through Arts and Culture Services	669	934	712	220	360	605	●
<b>Business Services</b>	Number of business community projects supported	183	308	201	40	65	120	●
<b>Entertainment Industries Services</b>	Film permits issued in 2 business days	100%	100%	100%	100%	100%	100%	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Museum and Heritage Services</b>	Number of days of public and educational programs and special events held annually	New in 2019	2,020	2,535	1,500	1,500	2,020	●
<b>Business Services and Entertainment Industries Services</b>	Number of people supported with business advice and visitor information	122,292	136,503	132,000	63,700	90,000	106,000	●
Other Measures								
<b>Art Services</b>	Number of arts projects managed annually through Arts and Culture Services	20	30	20	30	25	20	●
<b>Business Services</b>	Number of businesses supported through Business Growth Services	New in 2019	1,920	890	9,050	3,600	3,700	●
<b>Entertainment Industries Services</b>	Number of Film Permits Issued	3,287	3,393	3,350	1,500	3,400	3,450	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Museum and Heritage Services</b>	Number of Programs, Exhibitions and Special Events held annually through Museum and Heritage Services	New in 2019	425	825	70	250	590	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Due to emergency closures and public health regulations, EDC has experienced the following financial impacts:</p> <ul style="list-style-type: none"> <li>Reduced revenues of \$2.8M mainly from expected fees for admissions, rentals and classes at Museums and Cultural Centres, film permitting and sponsorship.</li> <li>New or expanded programming expenses of \$2.1M for Digital Mainstreet, ShowLoveTO and other mitigation and recovery efforts.</li> <li>Reduction in planned expenditures of \$2.4M net due to changes in programming.</li> <li>Increased revenue of \$0.6M from federal one-time emergency COVID-19 Museums Assistance Program (MAP) Funding.</li> <li>\$3.1M in projected cost savings in salaries and benefits due to redeployment, emergency leaves, reduced programming and hiring slow-down policy.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>The 2021 COVID-19 impact is projected to be similar to EDC's 2020 experience:</p> <ul style="list-style-type: none"> <li>Continued revenue loss of \$1.4M at Museums and Cultural Centres and for sponsorship.</li> <li>Continued savings of \$1.5M from changes in programming due to restrictions.</li> <li>New and redirected funding of \$2.1M (\$1M net) for continued mitigation and recovery efforts such as ShowLoveTO and Community Economic Development Grants.</li> <li>\$1.2M projected cost savings in salaries and benefits due to the voluntary separation program, hiring slow-down and reduced programming.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>\$2.9M in capital projects cancelled/delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts.</li> <li>Some of the major projects delayed includes - Clark Centre for the Arts, Indigenous Incubator.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>EDC will be continuing most of the projects that were delayed in 2020.</li> <li>The 2021 capital projects and cash flows have been reviewed and re-casted as required to align cash flows with the capital project's readiness to proceed.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Many programs and services were paused or modified. To comply with public health measures, all general public facing services were closed for a period of 3-5 months. This included the closure of City-run Museums and Cultural Centres. EDC was still able to maintain most other services to businesses and cultural organizations. Some services, such as film permitting and Nuit Blanche, were delivered virtually.</li> <li>EDC rapidly pivoted its operations to support COVID-19 mitigation and recovery efforts. Staff were temporarily reorganized into special project teams to develop and deliver relief initiatives. Examples included the expansion of Digital Main Street, launch of the BusinessTO Support Centre, and delivery of the Cultural Festivals Recovery Program.</li> <li>New engagement opportunities were also designed and delivered as part of the ShowLoveTO campaign.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>It is difficult to predict the impact of COVID-19 on EDC's service levels in 2021. While EDC service levels have been gradually returning to normal, further resurgences of the virus could see renewed cancellations of in-person programming and the need to introduce further relief efforts.</li> <li>It is anticipated that many EDC programs and services will continue to be delivered on a modified basis in 2021. This includes but is not limited to EDC-produced cultural events, business advisory services and programming at City Museums and Cultural Centres.</li> </ul>



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- EDC's rapid and innovative response to COVID-19 yielded strong results for Toronto's business and cultural communities. Key achievements included:
  - Approximately 5,000 businesses supported through Digital Main Street
  - Over 2,400 online retail stores built or in progress through the ShopHERE program
  - 667 bars and restaurants supported through CaféTO across 57 Business Improvement Areas
  - Enhanced outreach, advice and support, including 40 AdviceTO group mentoring sessions with 2,600 participants; 55,000+ subscribes to the new BusinessTO newsletter; and 30+ sector-based roundtables with 350 business and community stakeholders
  - Delivering \$1.2 million in cultural and economic investments to confront anti-Black racism
  - Staging virtual Canada Day celebrations featuring 56 artists to an audience of 125,000 viewers
  - Distributing \$836,347 in emergency funds to 982 Toronto arts through the TOArtist COVID Emergency Response Fund, \$500,000 to 35 organizations through the Cultural Festivals Recovery Fund, and \$1.8 million in relief for 48 music venues through the Creative Co-Location Property Tax Subclass
  - Curating 200+ hours of programming showcasing 25 local artists and their work through BigArtTO
  - Creating 25 self-guided neighbourhood itineraries through StrollTO
  - Offering CampTO at Toronto's history museums featuring outdoor activities, active and quiet games, arts and crafts, and nature-based activities

### Key Challenges and Risks

- COVID-19 remains an ongoing risk to Toronto's business and cultural sectors. The city's economic recovery will depend on the trajectory of the pandemic in 2021 – the economy may recover some of the ground lost in 2020; however, possible resurgences of COVID-19 could cause further hardship for Toronto's businesses and cultural organizations. It is likely that EDC will continue to need to modify its programs and services, and deliver relief and recovery efforts for business and culture throughout 2021
- Inequality in Toronto continues to be a key challenge for the Division, and one that is taking on a greater significance during the pandemic. To combat inequities in business and cultural programming, EDC will advance the implementation of its Equity Plan in 2021 and continue to apply an equity lens to all programs and services

### Priority Actions

- EDC will further advance business and cultural recovery efforts and further equity goals by:
  - Engaging Toronto in celebration through the continued rollout of ShowLoveTO and launch of ArtworxTO
  - Supporting Toronto's recovery and rebuild through the implementation of TORR report recommendations related to economic development and culture
  - Launching new grants for festivals and cultural access and development, and work towards a new community arts strategy
  - Welcoming visitors back to Toronto's museums with renewed, inclusive programming opportunities, in person and online
  - Supporting economic resilience through the implementation of business growth strategies, including recommendations from retail main street study; sector-specific strategies; and community economic development strategies
  - Encouraging rebuilding and growth in film and entertainment industries through permitting, advisory services, and workforce development, with enhanced support for the interactive digital media sector
  - Advocating to other orders of government for enhanced support for business and culture
- Continuing implementation of EDC's Equity Plan to ensure equitable access to economic and cultural opportunities

## 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>								
Arts Services	3,067.8	4,104.6	1,966.6	4,596.3	2,250.0	6,846.3	4,879.7	248.1%
Business Services	2,914.6	5,524.0	3,286.3	4,325.8		4,325.8	1,039.5	31.6%
Entertainment Industries Services	2,275.4	2,822.3	976.2	1,221.3		1,221.3	245.1	25.1%
Museums & Heritage Services	3,165.8	2,876.3	2,278.5	2,239.7		2,239.7	(38.8)	(1.7%)
<b>Total Revenues</b>	<b>11,423.6</b>	<b>15,327.2</b>	<b>8,507.6</b>	<b>12,383.1</b>	<b>2,250.0</b>	<b>14,633.1</b>	<b>6,125.5</b>	<b>72.0%</b>
<b>Expenditures</b>								
Arts Services	46,698.3	49,906.2	47,949.1	50,984.9	4,750.0	55,734.9	7,785.8	16.2%
Business Services	16,713.0	19,014.5	16,390.9	17,176.3	250.0	17,426.3	1,035.5	6.3%
Entertainment Industries Services	5,837.9	7,994.4	5,772.4	5,526.7	250.0	5,776.7	4.3	0.1%
Museums & Heritage Services	14,245.6	15,143.5	13,153.1	14,906.3	250.0	15,156.3	2,003.2	15.2%
<b>Total Gross Expenditures</b>	<b>83,494.7</b>	<b>92,058.5</b>	<b>83,265.5</b>	<b>88,594.2</b>	<b>5,500.0</b>	<b>94,094.2</b>	<b>10,828.7</b>	<b>13.0%</b>
<b>Net Expenditures</b>	<b>72,071.2</b>	<b>76,731.2</b>	<b>74,757.8</b>	<b>76,211.1</b>	<b>3,250.0</b>	<b>79,461.1</b>	<b>4,703.2</b>	<b>6.3%</b>
<b>Approved Positions</b>	<b>306.5</b>	<b>316.2</b>	<b>316.2</b>	<b>314.9</b>	<b>-</b>	<b>314.9</b>	<b>(1.3)</b>	<b>(0.4%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$88.594 million gross reflecting an increase of \$5.329 million in spending above the 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Salaries and benefits increases due to cost of living adjustments and filled vacancies in 2021
- Continuing to support recovery and rebuild in Toronto from COVID-19 including the continuation of the ShowLoveTO campaign which is primarily funded by inter-governmental funding and private sponsorships
- EDC-produced cultural events, business advisory services and programming at City Museums and Cultural Centres delivered on a modified basis
- Reduction in revenues for services offered in cultural centres and museum sites to reflect capacity restrictions due to COVID-19 and public health guidelines.

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 \$76.211 million in net expenditures reflects a \$1.737 million net decrease from the 2020 Council approved Budget, when excluding \$1.216 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$5.500 million gross, \$3.250 million net enabling:

- One-time funding of \$4.500 million gross and \$2.250 million net to support ArtworxTO: Year of Public Art 2021 to support the 10-year Public Art Strategy which lays out 21 actions to remake Toronto's approach to public art and to enable ArtworxTO to meet its commitment to animate the city through new public art activations in every ward over 2021.
- One-time funding of \$1.00 million gross and net to enhance the ShowLoveTO initiative to address economic recovery and civic engagement in the city. Funding will be used to create confidence-building programs and engage local businesses in the campaign, promoting local shopping and encouraging dine out in alignment with Toronto Public Health guidelines and recommendations.

## EQUITY IMPACTS OF BUDGET CHANGES

**Increasing equity for persons with low income, persons with disabilities, women, LGBTQ2S+, Indigenous, Black and racialized communities:** Economic Development & Culture's 2021 Council Approved Operating Budget will enable two initiatives that have medium positive equity impacts. One of them is the reallocation of funding for the creation of Community Economic Development Grants, leading to local business development and expansion with an equity lens applied to the application and selection process. The program will improve equity-seeking communities' access to local economic development opportunities and access to training and/or employment. The second initiative concerns the reallocation of funding for the creation of an Interactive Digital Media Unit, which, among other activities, will prioritize outreach to and inclusion of Indigenous and racialized youth, women, and persons with disabilities – groups that are currently underrepresented in the digital media industry.

Most of EDC's 2021 Council Approved Operating Budget have low and medium-positive equity impacts, and include an investment of \$2.25M to support activities related to ArtworxTO: Toronto's Year of Public Art 2021 and an increase of \$1M to continue and expand ShowLoveTO initiatives. The former will increase low-income, Indigenous, Black and racialized communities' sense of identity & belonging by centering voices and promoting artists that have been traditionally marginalized in public arts through free public arts and experiences, grants and curatorial opportunities. The increase for ShowLoveTO initiatives, in turn, will positively impact communities' sense of identity and belonging by promoting narratives on decolonization, LGBTQ2S+, Black and racialized communities and other groups that make up Toronto's diversity

In addition to the City's Corporate Strategic Priority to invest in people and neighbourhoods, overall recommended changes support EDC's Equity Plan (2019-2024), and the City's Confronting Anti-Black Racism Action Plan.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Economic Development and Culture is \$5.329 million gross or 6.4% higher than the 2020 Projected Actuals. Table 2a and b below summarize the key cost drivers for the base budget and balancing actions taken respectively, while Table 2c summarizes New and Enhanced service priorities.

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

Key Cost Drivers		2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	30,066.4	32,886.4	29,374.2	31,102.0	1,727.8	5.9%
2	Materials and Supplies	1,085.3	1,390.3	822.5	1,365.2	542.7	66.0%
3	Equipment	321.1	389.5	434.1	432.9	(1.2)	-0.3%
4	Service and Rent	8,889.3	9,699.4	6,274.7	9,196.2	2,921.6	46.6%
5	Grants and Transfers	42,133.2	47,260.9	45,878.6	46,081.1	202.5	0.4%
6	Contribution To Reserves	938.0	389.8	389.8	369.5	(20.2)	-5.2%
7	Other Expenditures (excluding IDC's)	61.5	42.2	91.6	47.2	(44.4)	-48.5%
Total Expenditures		83,494.7	92,058.5	83,265.5	88,594.2	5,328.7	6.4%
Revenues							
1	Provincial Subsidies	1,293.7	2,014.6	1,834.6	2,215.6	381.0	20.8%
2	Federal Subsidies	742.3	2,970.8	1,752.2	1,453.8	(298.4)	-17.0%
3	User Fees & Donations	3,473.6	3,003.2	1,321.6	1,979.3	657.7	49.8%
4	Draw from Reserve Funds	1,378.1	2,288.0	1,173.6	1,662.5	488.9	41.7%
5	Transfers from Capital	1,105.9	1,416.5	885.5	1,322.3	436.8	49.3%
6	Other Revenues (excluding IDR's)	3,430.0	3,634.1	1,540.1	3,749.6	2,209.5	143.5%
Total Revenues		11,423.6	15,327.2	8,507.6	12,383.1	3,875.5	45.6%
Net Expenditures		72,071.2	76,731.2	74,757.8	76,211.1	1,453.2	1.9%
Approved Positions		306.5	316.2	316.2	314.9	(1.3)	-0.4%

**Salaries and Benefits:**

Salaries and benefits increases due to cost of living adjustments and filling of vacancies in 2021. These increases have been partially offset by reductions to address COVID-19 financial impacts including the cancellation of non-union performance pay, the voluntary separation program, delayed hiring, and reduction to part-time staffing budget.

**Materials and Supplies:**

Underspending occurred in 2020 due to modified programming and closures of Cultural Centres and Museums, and stay at home orders/teleworking for staff.

**Services and Rents:**

Significant underspending in 2020 due to reduced spending from cancelled and modified events, reduced international strategy funding, travel and conference savings, and reduced business seminars and events. Assumes modified events and programming in 2021 and continuation of ShowLoveTO.

**Grants and Transfers:**

Deferral of Toronto Significant Event Investment Program (TSEIP) payments into 2021 and lower spending on the Indigenous Incubator Project in 2020. Lower in 2021 due to reversal of one-time 2020 payments towards hosting a virtual Canada Day event and Year of Public Art (new funding requested in 2021). Savings are redirected to address COVID-19 mitigation and recovery and other initiatives including the creation of Community Economic Grants in 2021.

**User Fees and Donations:**

Reduction in revenue targets in 2021 to address modified operations with regulated restrictions at Cultural Centres and Museums.

**Draw from Reserve Funds:**

Reversal of one-time draw from reserve fund for Year of Public Art and TSEIP.

**Other Revenue Changes:**

Underachieved revenue in 2020 due to lost sponsorship revenue from cancelled/virtual replacement of events whereas 2021 includes additional sponsorship funding for ShowLoveTO to be used to offset budget pressures.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
S&B Savings from Delay in Hiring and Part-time	Other		(762.2)	(762.2)		338.2	338.2	
VSP Savings	Other		(424.0)	(424.0)				
Temporary Reduction to International Budget	Efficiencies		(400.0)	(400.0)		800.0	800.0	
Creation of Community Economic Grants	Other					(400.0)	(400.0)	
Pause Info-To-Go	Other	(28.6)	(139.5)	(110.9)		139.5	110.9	
Creation of Interactive Digital Media Unit	Other					138.9	138.9	
Deferral of 2nd Year Phase-in for TSEIP	Other					250.0	250.0	
Defer Opening of Clark Centre for the Arts	Other	(53.8)	(440.3)	(386.5)		482.8	326.9	1.0
Cedar Ridge User Fee Rate Increase	Revenue Increase (User Fees)	20.1		(20.1)				
<b>Total Balancing Actions</b>		<b>(62.3)</b>	<b>(2,166.0)</b>	<b>(2,103.7)</b>	<b>-</b>	<b>1,749.4</b>	<b>1,564.9</b>	<b>1.0</b>

The 2021 Operating Budget includes \$2.166 million in gross expenditure and \$2.104 million in net expenditures reductions attributed to:

#### Salary and Benefits Projected Savings:

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by delay in hiring, voluntary separation program (VSP) and a temporary reduction in part-time staffing budget.

#### Temporary Reductions to International Budget, Pause Info To Go, Creation of Community Economic Grants and Interactive Digital Media:

- A temporary reduction to the International Budget, including travel, and pausing of the Info-to-Go program for one year due to COVID-19 restrictions. A portion of these savings has been redirected to create in 2021 a new one-time Community Economic Grant program to respond to COVID-19 recovery and a new permanent Interactive Digital Media Unit.

#### Deferrals:

- Both the opening of the new Clark Centre for the Arts and the 2<sup>nd</sup> Year Phase-in to make the Toronto Significant Events Investment Program (TSEIP) funded by property tax has been deferred to 2022. The TSEIP program will only have \$0.5 million of funding in 2021 (a reduction of \$0.25 million).

#### Revenue Increase:

- User fees increase to Cedar Ridge Cultural Centre course fees to improve cost recovery which is still below comparable market rates and align with fee structures comparable to other City divisions.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request		2021			2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
		Revenue	Gross	Net			
In \$ Thousands							
1	ArtworxTO: Year of Public Art (One-time)	2,250.0	4,500.0	2,250.0		Low	Addresses key issues including the support to a well-run city and invest in people and neighbourhoods; where the City's new public art strategy will strengthen the transparency, accessibility and impact to the City's investments in public art and prioritize community engagement and cultural investment outside the city core.
2	ShowLove TO Enhancement (One-time)		1,000.0	1,000.0		Low	Enhances programs under the ShowLoveTO umbrella by by engaging businesses, communities and residents to help rebuild the social and economic fabric of the city.
Total New / Enhanced		2,250.0	5,500.0	3,250.0			

**ArtworxTO: Year of Public Art (\$4.500 million gross and \$2.250 million net):**

- Toronto's Year of Public Art, branded as ArtworxTO, is the public face of a new 10 year Public Art Strategy which lays out 21 actions to remake Toronto's approach to public art, with a greater emphasis on equity, public engagement, and accessibility. ArtworxTO is also part of the ShowLoveTO campaign to support COVID-19 recovery and rebuilding efforts.
- Since the City's announcement in November 2019 of a Year of Public Art, EDC has internally allocated a significant number of staff to deliver on this commitment. To the greatest extent possible, the funding sought in the proposed one-time enhancement will be invested directly in community, city-wide.
- During the 2020 Budget process, EDC was approved new one-time funding of \$1.0 million gross and \$0.5 million net, funded by the Major Special Event Reserve Fund to support the planning of the ArtworxTO.
- Additional funding of \$4.5 million gross and \$2.25 million net in 2021 will enable ArtworxTO to meet its commitment to animate the city through new public art activations in every ward over 2021. This includes revenue of \$2.25 million in external funding from corporate, public and philanthropic sources.

**ShowLoveTO Enhancement (\$1.000 million gross and net):**

- ShowLoveTO is a hyper-local initiative to strengthen civic pride and engagement and to drive economic and cultural development by inviting Torontonians back to their city. Among the lingering effects of the COVID-19 pandemic has been a predictable loss of tourist visits and the likely reticence of Torontonians to engage back with their city.
- This enhanced funding will address these issues, and mitigate the economic and social disruption, Toronto must build a new local focus to drive both economic recovery and civic engagement. As part of the ShowLoveTO umbrella campaign, Shop Local will encourage Torontonians to explore, shop and support their neighbourhood to keep Toronto the vibrant city we know and love.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	8,507.6	14,633.1	10,715.1	10,921.7
Gross Expenditures	83,265.5	94,094.2	89,322.0	89,834.1
<b>Net Expenditures</b>	<b>74,757.8</b>	<b>79,461.1</b>	<b>78,606.9</b>	<b>78,912.4</b>
<b>Approved Positions</b>	<b>316.2</b>	<b>314.9</b>	<b>315.9</b>	<b>314.9</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$89.322 million reflects an anticipated \$4.772 million or 5.1 per cent decrease in gross expenditures below the 2021 Operating Budget. The 2023 Outlook expects a further increase of \$0.512 million or 0.57 per cent above 2022 gross expenditures.

These changes arise from the following:

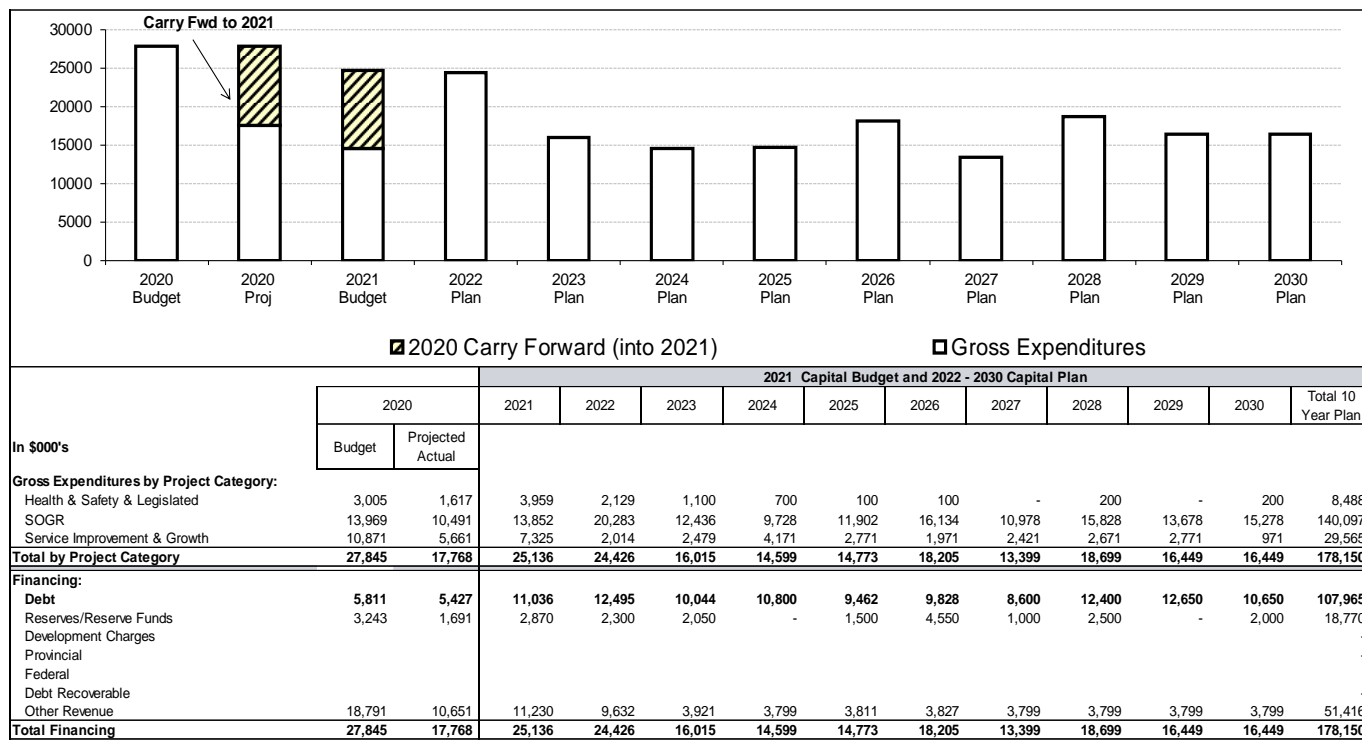
- **Impacts of 2020 decisions**
  - Resume Info-to-Go (\$0.250 million), the International Program (\$0.8 million) and Toronto Significant Events Investment Program (TSEIP) Phase-In to tax base funding (\$0.250 million). **(2022 Only)**.
  - Conclusion of Community Economic Development Grants (\$0.4 million). **(2022 Only)**
  - Opening of the Clark Centre for the Arts, including Summer Camp Positions. **(2022 Only)**
- **Salaries and Benefits**
  - Assume full complement hire from delayed hiring and reversal of temporary reduction in Part-time staff budget. **(2022)**
  - Increase due to the Collective Agreement with the Union. **(2022 and 2023)**
- **Revenue Changes**
  - Assume Cultural Centres and Museums will reach 66% of Pre-COVID-19 levels in 2022 and 100% in 2023. **(2022 and 2023)**
  - No longer using the Major Special Events Reserve to fund TSEIP \$0.25 million. **(2023)**
- **One-Time Funding Reversal**
  - Reversal of one-time funding for Year of Public Art (\$4.5 million gross and \$2.25 million net) and conclusion of ShowLoveTO (\$1.0 gross and net). **(2022)**



## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (-\$0.42 Million)

The 2021-2030 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2021-2029):

- \$0.50 million – Increase in *Windfields Estate Restoration*
- \$0.40 million – Increase in *Montgomery's Inn Restoration*
- \$0.25 million – Increase in *Market Gallery* to support service enhancement
- \$1.5 million – Decrease in *Casa Loma Exterior Restoration* due to reduced cost

### New Projects (\$2.44 Million)

The 2021-2030 Capital Budget and Plan includes new projects. Key projects are as follows:

- \$1.00 million – *Chinatown Fixed Financing (Gates)* to support streetscape improvements
- \$0.94 million – Public art and streetscape improvements at Queen Street West, funded by Planning Act Revenue
- \$0.25 million – *Queen's Wharf Lighthouse* to conserve and maintain the building
- \$0.25 million – *Alumnae Theatre Waterproofing* to ensure AODA compliance





### Capital Needs Constraints (\$68.5 Million)

Economic Development and Culture has three unmet projects over the 10-year planning horizon:

- \$67.00 million – Design and Construction of the *Museum of Toronto* as part of the restoration of Old City Hall
- \$0.80 million – Conservation of the *Guild Public Art and Monument*
- \$0.70 million – Complete *Building Condition Audits* for 42 heritage properties in the EDC portfolio



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$178.2 Million 10-Year Gross Capital Program**

			
<b>Aging Infrastructure/SOGR</b>	<b>Health and Safety</b>	<b>Legislated</b>	<b>Service Improvement, Enhancement and Growth</b>
<b>\$140.1 M</b> <b>78.6%</b>	<b>\$2.7 M</b> <b>1.5%</b>	<b>\$5.8 M</b> <b>3.3%</b>	<b>\$29.6 M</b> <b>16.6%</b>
<ul style="list-style-type: none"> <li>• Sundial Folly</li> <li>• Montgomery's Inn Restoration</li> <li>• Windfields Estate Restoration</li> <li>• Various Heritage, Public Arts Buildings and Museums Maintenance</li> <li>• Various BIA Projects</li> </ul>	<ul style="list-style-type: none"> <li>• Casa Loma Exterior</li> </ul>	<ul style="list-style-type: none"> <li>• Legislated Mechanical and Electrical</li> <li>• AODA</li> <li>• Public Art Development -11 Wellesley</li> </ul>	<ul style="list-style-type: none"> <li>• Guild Revitalization</li> <li>• Indigenous Centre for Innovation and Entrepreneurship</li> <li>• EDC Digital Service Delivery</li> <li>• Various Projects at Fort York Museum</li> <li>• Streetscape Master Plan Program</li> </ul>

**How the Capital Program is Funded**

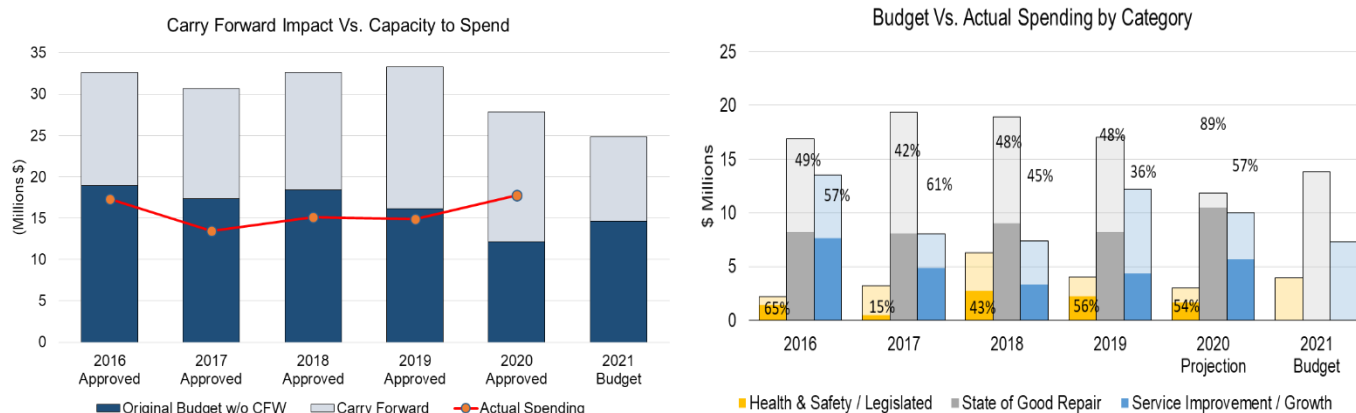
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$178.2 M</b> <b>100%</b>		<b>\$0</b>	<b>\$0</b>
Debt	\$ 108.0 M		
Reserve Draws	\$ 18.8 M		
Other	\$ 51.4 M		

## 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 the Economic Development and Culture Division's ability to spend and the market's 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 Capital Budget of \$25.1 million (including carry forward funding of \$10.2 million) is lower than the historic 5-year average budget of \$34.2 million.

EDC reviewed its historical capital spending trends and capacity to deliver projects, approximately \$3.4 million in capital spending originally cash flowed in 2021 has been deferred to 2022. Key adjustment to the Capital Plan is noted below:

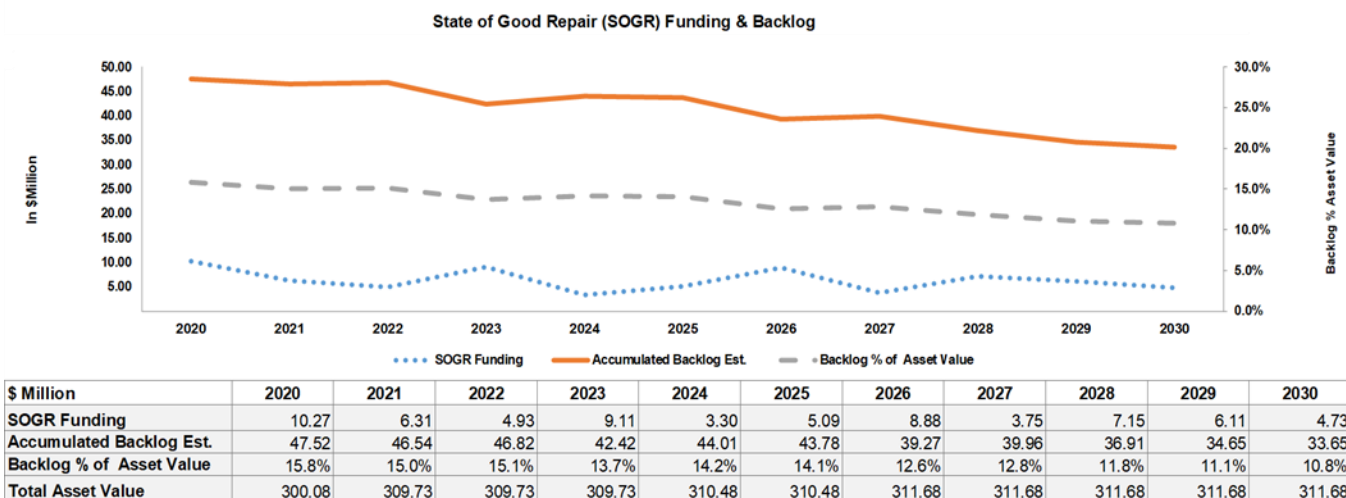
- The BIA Equal Share Funding project 2021 cash flow has been reduced by \$3.41 million as a result of realignment of cash flow based on historical trend.

Despite the key adjustment noted above, EDC still requires cash flow funding of \$25.1 million in 2021 to continue the capital work. Economic Development and Culture's actual spending over the previous five years, from 2015 to 2019, has averaged \$17.6 million per year. In 2020, EDC is forecasting to spend \$17.8 million or 64% of the 2020 Council Approved Capital Budget. The 2021 cash flow is higher than the historic 5-year average spending and is attributed to the requirements below:

- To complete capital improvements in heritage and cultural properties (including Casa Loma) to meet health and safety standards as well as to address outstanding AODA requirements
- To invest in major maintenance in properties and public arts that are needing capital improvements to address SOGR backlog which includes Montgomery's Inn Restoration, various Heritage and public Arts Buildings

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

The chart below depicts the SOGR funding and accumulated backlog estimates for Economic Development and Culture:

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

\*Excludes projects to support capital improvements in the BIAs, IT infrastructures and outdoor public arts that are not part of EDC's asset portfolio.

- Economic Development and Culture is responsible for over 200 public art installations, and 100 heritage buildings. Most of the heritage buildings are over 100 years old, making it difficult to estimate their replacement value. Maintenance of these assets requires a specialized understanding of the high conservation and restoration standards set out in nationally and internationally accepted charters such as the "Standards and Guidelines for the Conservation of Historic Places in Canada".
- The 2021-2030 Capital Budget and Plan will fund \$140.097 million of SOGR projects (\$59.36 million excluding BIAs, IT infrastructures and outdoor public arts) for Economic Development and Culture. Based on this plan, the accumulated backlog for assets that are part of the EDC's portfolio will decrease from \$46.54 million in 2021 to an anticipated \$33.65 million by 2030.
- Economic Development and Culture expected to complete a Building Condition Audit (BCA) for the Young People's Theatre in time to include it in the backlog in 2021. This was delayed due to COVID-19 lockdown. The BCA will be complete for this property in time to be included in the SOGR Backlog for 2022. It is anticipated that Economic Development and Culture's SOGR backlog will continue to increase over the 10-year planning period as new capital needs will be identified as new Building Condition Audits are completed.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

Approval of the 2021 Capital Budget will impact the 2022 Operating Budget by a total of \$0.112 million net arising from completing the EDC Electronic Service Delivery Phase 2 project, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>New Projects - Future Years</b>														
Economic Competitiveness Data Mgmt System			112.0	1.0	5.0						117.0	1.0		
(EDC Electronic Service Delivery Phase 2)														
<b>Sub-Total: New Projects - Future Years</b>			<b>112.0</b>	<b>1.0</b>	<b>5.0</b>						<b>117.0</b>	<b>1.0</b>		
<b>Total (Net)</b>			<b>112.0</b>	<b>1.0</b>	<b>5.0</b>						<b>117.0</b>	<b>1.0</b>		

10-Year Capital Plan will increase future year Operating Budgets by \$0.117 million net over the 2021 - 2030 period due to the completion of the EDC *Electronic Service Delivery Phase 2* project.

The *Economic Competitiveness Data Management System* project will result in net operating costs of \$0.112 million in 2022, \$0.005 million in 2023 arising from completing the *EDC Electronic Service Delivery Phase 2* project. Additional staff is required to administer and conduct maintenance of the *Digital Service Delivery System*.

# 2021 Program Summary

## Housing Secretariat

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Housing Secretariat federal, provincial and City investments and incentives that support the creation and maintenance of good quality, safe, secure, affordable housing for low and moderate income Torontonians.

We develop innovative housing policies, programs, and solutions in collaboration with the private and non-profit sectors, and other orders of government. In addition, the Housing Secretariat leads the implementation of the HousingTO 2020-2030 Action Plan through strategic partnerships with internal and external stakeholders.

The Housing Secretariat has four sections delivering the following services:

- Affordable Housing Development
- Housing Improvement Programs
- Housing Policy and Partnerships
- Finance & Business Strategic Support (Proposed in 2021)

### Why We Do It

**The Housing Secretariat** supports low and moderate income residents across the city by working with partners to create affordable housing opportunities that improve the overall health, social and economic well-being of individuals, families and communities. In addition, through the delivery of the HousingTO 2020-2030 Action Plan and the Toronto Housing Charter, the Housing Secretariat is helping the City of Toronto move towards the progressive realization of the right to adequate housing. This includes the delivery of affordable housing opportunities by:

**Creating new homes** that are affordable, adequate and responsive to the needs of Toronto residents.

**Delivering housing programs** in partnership with all orders of government and the private and non-profit and co-operative housing sectors to: create new homes and maintain existing affordable rental and ownership homes; support communities; and generate employment opportunities and economic benefits.

**Working with City divisions and agencies** to improve transparency and accountability by advancing the City's housing objectives and tracking progress against the HousingTO 2020-2030 Action Plan targets.

**Providing strategic intergovernmental advice** on housing issues to the City Manager, Deputy City Managers and Elected Officials, and maintaining good relationships with key intergovernmental partners to increase the supply of affordable and supportive housing that improve the lives of Toronto residents.

*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

### Housing Development

**Who We Serve:** Low and moderate income residents, including vulnerable and marginalized groups

**What We Deliver:** Development of new affordable and supportive rental housing; assist low and moderate income residents to purchase new affordable homes through City's Home Ownership Assistance Program (HOAP); and enable access to our lane-way housing program.

**How Much Resources (gross operating budget): \$40.194 million**

### Housing Improvement Programs

**Who We Serve:** Low and moderate income residents, including homeowners and renter households

**What We Deliver:** Assistance to lower-income residents, including seniors, persons with disabilities and rooming house residents; health, essential safety, accessibility and energy efficiency repairs and modifications

**How Much Resources (gross operating budget): \$0.990 million**

### Housing Policy and Partnerships

**Who We Serve:** Low and moderate income residents

**What We Deliver:** Policies, programs and partnerships with all levels of government and the private and community housing sectors to develop, promote, lead and leverage affordable housing policies and solutions

**How Much Resources (gross operating budget): \$0.990 million**

### Finance and Business Strategic Support (New and proposed for 2021)

**Who We Serve:** Housing Secretariat and Other City Divisions

**What We Deliver:** Strategic planning and monitoring of the human resources and financial activities of the division including operating and capital budget preparation and monitoring

**How Much Resources (gross operating budget): \$0.363 million**

## Budget at a Glance

### 2021 OPERATING BUDGET

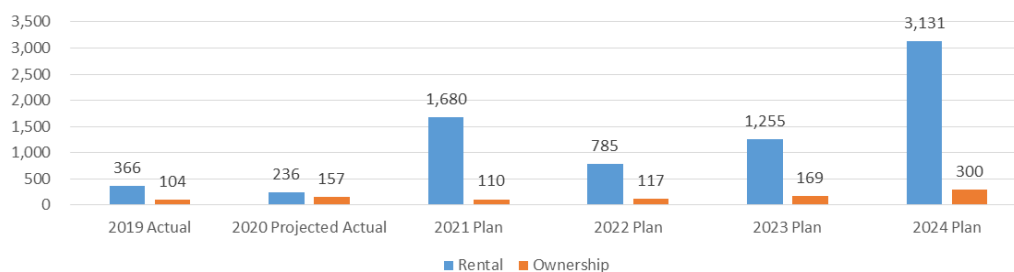
\$ Millions	2021	2022	2023
Revenues	\$41.351	\$26.361	\$8,704
Gross Expenditures	\$42.537	\$27.515	\$9.894
Net Expenditures	\$1.186	\$1.154	\$1.190
Approved Positions	28.0	28.0	28.0

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$327.9	\$75.4	\$403.3

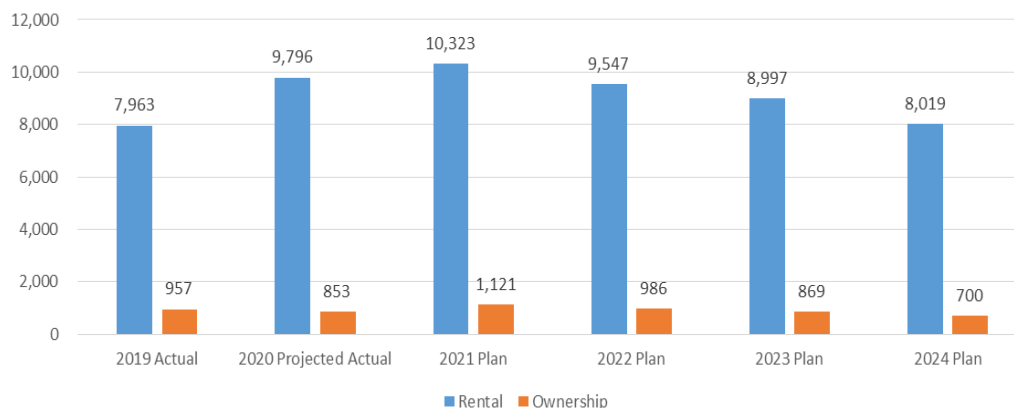
## How Well We Are Doing – Behind the Numbers

### Performance Measures Number of New Affordable Rental & Ownership Homes Completions Year-Over-Year



- The Housing Secretariat has financial stewardship for affordable rental and ownership projects during their typical 3 - 5 year development lifecycle. Modular Supportive Housing has a one year development cycle.
- Annual completion projections includes projected completions for Modular Supportive Housing and shovel-ready projects with expedited development cycles.

### Performance Measures Number of New Affordable Rental & Ownership Homes Under Development Year-Over-Year (Cumulative)



- Cumulative housing under development represents the development pipeline. Projections assume new annual ownership approvals of 400 units in years 2021-2023 and new rental approvals of 3000 units in 2021 and 4000 units in years 2022-2023. New units will be added to the pipeline on an ongoing basis as projects are approved by Council.
- The increasing number of units under development in years 2019, 2020 and 2021 reflects higher federal, provincial and City investments in 3 initiatives: (1) Housing Now, (2) Modular Supportive Housing, and (3) Federal Rapid Housing Initiative.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Housing Development	Housing Rental Completions	69	366	300	236	1,680	785	●
Home Ownership Assistance	Ownership Completions	283	104	157	157	110	117	●
Housing Improvements	Housing Improvements completions	415	683	444	444	1,913	2,569	●

## HousingTO 2020-2030 Action Plan



- The HousingTO 2020-2030 Action Plan, Canada's first human rights-based housing plan, was adopted by City Council in December 2019. It is the City's umbrella housing and homelessness plan, and provides a blueprint for actions and investments across the full housing continuum over the next 10 years.
- The Plan will deliver 40,000 new affordable rental approvals and actions required to deliver housing benefits and supports to assist a total of 50,000 households. Below is a forecast of annual affordable housing approvals planned under each program over 10 years to deliver 40,000 rental units.

HousingTO 2020-2030 Action Plan - Affordable Housing Unit Approvals Forecast												
Programs	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Open Door	488	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	512	10,000
Housing Now	4,520	1,600	800	800	1,600	680						10,000
Modular Housing	250	100	200	200	100	150						1,000
Housing & Homelessness Response & Supportive Housing (Fed/Prov/City)	1,200	300	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	1,500	19,000
<b>Affordable Rental Target</b>	<b>6,458</b>	<b>3,000</b>	<b>4,000</b>	<b>4,000</b>	<b>4,700</b>	<b>3,830</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>2,012</b>	<b>40,000</b>



## Required Investments

Plan implementation was originally estimated to cost all orders of government \$23.4 billion over 10 years, the revised estimate is \$25.6 billion. The estimated cost to deliver 40,000 new affordable rental approvals is \$15.6 billion and \$10.08 billion for other actions required to deliver housing benefits and supports to assist a total of 50,000 households.

## HousingTO 2020-2030 Action Plan Investments

In Billion \$	Unit Target	HousingTO 2020-2030 Action Plan Cost (Council Approved 2019)	Revised Cost Estimates as at December 2020 (1)	Cost Estimates Increase	Number of Capital Units Approved To Date	City Capital Investments Approved Commitments To Date (2)	2021-2030 Capital Budget and Plan (3)	Number of Capital Units Pending Approval	Capital and Foregone Revenue Constraints (4)	Number of Operating Units Pending Approval	Operating Constraints (5)
<b>City Programs and Initiatives for 20,000 units</b>											
<b>1) Housing Now (10,000 units through capital programs)</b>		<b>2.051</b>	<b>2.428</b>	<b>0.377</b>		<b>0.981</b>	<b>0.051</b>		<b>1.397</b>		-
Incentives and forgone revenue	10,000	0.751	0.836	0.085	4,520	0.378	-	5,480	0.458	-	-
Leveraged Land Value		1.300	1.300	-		0.588	-		0.712	-	-
City Capital Funding for Housing Now		-	0.292	0.292		0.015	0.051		0.227	-	-
<b>2) Open Door - Rental Development (10,000 units through capital and operating)</b>		<b>0.875</b>	<b>1.068</b>	<b>0.194</b>		<b>0.099</b>	<b>0.033</b>		<b>0.051</b>		<b>0.885</b>
Incentives	10,000	0.675	0.722	0.047	488	0.036	-	12	0.001	9,500	0.685
Leveraged Land Value		-	0.065	0.065		0.063	-		0.002	-	-
City Capital Funding		-	0.081	0.081		-	0.033		0.049	-	-
City Operating Commitments		0.200	0.200	-		-	-		-	-	0.200
<b>Total for Affordable Rental 20,000 Units</b>	<b>20,000</b>	<b>2.926</b>	<b>3.497</b>	<b>0.571</b>	<b>5,008</b>	<b>1.080</b>	<b>0.083</b>	<b>5,492</b>	<b>1.448</b>	<b>9,500</b>	<b>0.885</b>
<b>Trilateral Investments in Housing for the another 20,000 units</b>											
<b>3) Modular Housing with supports (1,000 units target through capital programs)</b>		-	<b>0.494</b>	<b>0.494</b>		<b>0.013</b>	<b>0.048</b>		<b>0.193</b>		<b>0.240</b>
City incentives for Modular	1,000	-	0.054	0.054	250	0.013	-	750	0.040	-	-
City Capital Funding for Modular		-	0.188	0.188		-	0.035		0.153	-	-
Federal capital funding		-	0.013	0.013		-	0.013		-	-	-
Provincial supports		-	0.240	0.240		-	-		-	-	0.240
<b>4) Supportive Housing (18,000 units through capital and operating)</b>		-	<b>10.666</b>	<b>10.666</b>		<b>0.048</b>	<b>0.052</b>		-		<b>10.566</b>
City Incentives for Supportive Housing	18,000	-	1.214	1.214	660	0.048	-	-	-	17,340	1.165
City Capital Funding		-	0.047	0.047		-	0.047		-	-	-
Federal government funding		-	4.699	4.699		-	-		-	-	4.699
Provincial government funding		-	4.706	4.706		-	0.004		-	-	4.702
<b>5) COVID-19 Housing and Homelessness Response</b>		-	<b>0.912</b>	<b>0.912</b>		<b>0.040</b>	<b>0.221</b>		<b>0.294</b>		<b>0.357</b>
City Incentives	1,000	-	0.179	0.179	540	0.040	-	300	0.022	160	0.117
City Capital Funding		-	0.018	0.018		-	0.018		-	-	-
Federal government investments		-	0.475	0.475		-	0.203		0.272	-	-
Provincial supports		-	0.240	0.240		-	-		-	-	0.240
<b>Total for 20,000 Supportive / Rental Units</b>	<b>20,000</b>	-	<b>12.072</b>	<b>12.072</b>	<b>1,450</b>	<b>0.101</b>	<b>0.320</b>	<b>1,050</b>	<b>0.487</b>	<b>17,500</b>	<b>11.164</b>
Federal government investments		5.186	5.186	-		-	0.216		0.272		4.699
Provincial government investments		5.186	5.186	-		-	0.004		-		5.182
City Investments		2.926	5.196	2.270		1.182	0.183		1.663		2.168
<b>Total for Affordable Housing 40,000 Units</b>	<b>40,000</b>	<b>13.299</b>	<b>15.568</b>	<b>2.270</b>	<b>6,458</b>	<b>1.182</b>	<b>0.403</b>	<b>6,542</b>	<b>1.935</b>	<b>27,000</b>	<b>12.049</b>
<b>Other Actions to Deliver Housing Benefits and Supports to 50,000 Households</b>											
Federal government investments		2.709	2.709	-		1.467	-		-		1.242
Provincial government investments		1.846	1.846	-		0.148	-		-		1.698
City Investments		5.525	5.525	-		0.969	-		-		4.556
<b>Total for Other Actions</b>		<b>10.080</b>	<b>10.080</b>	-		<b>2.584</b>	-		-		<b>7.496</b>
<b>Total HousingTO Action Plan Investments</b>		<b>23.379</b>	<b>25.648</b>	<b>2.270</b>		<b>3.766</b>	<b>0.403</b>		<b>1.935</b>		<b>19.545</b>
Federal government investments		7.895	7.895	-		1.467	0.216		0.272		5.941
Provincial government investments		7.032	7.032	-		0.148	0.004		-		6.880
City Investments		8.451	10.721	2.270		2.151	0.183		1.663		6.724
<b>Total HousingTO Action Plan Investments</b>		<b>23.379</b>	<b>25.648</b>	<b>2.270</b>		<b>3.766</b>	<b>0.403</b>		<b>1.935</b>		<b>19.545</b>

The HousingTO 2020-2030 Action Plan will deliver 40,000 affordable rental approvals, at an estimated cost of \$15.6 B, \$3.5B in capital and foregone revenues (13,000 Units) and \$12.1B in combined operating funding (27,000 Units). Combined with the previously approved funding of \$1.2 B (Column 2), new funding of \$0.403B set aside in the 10-year capital plan (Column 3) and funding constraints of \$1.9B (Column 4), totaling \$3.5B, will deliver 13,000 City-owned affordable rental units.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>YTD Savings up to Q3 is \$0.509M plus projected savings in Q4 2020 is \$0.228M for a total of \$0.738M in savings as a result of hiring delays (8 positions)</li> <li>Housing Now and other projects are expected to be substantially spent by year-end</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>No significant impact for 2021</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>No service level changes are expected</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>No service level changes are expected.</li> </ul>

**EXPERIENCES, CHALLENGES AND PRIORITIES****Our 2020 Experience and Success**

While the need to address the housing and homeless situation in the city was urgent prior at the onset of the COVID-19 pandemic, it has become even more critical due to the health, social and economic implications associated with the pandemic.

The City's 24-month COVID-19 Housing and Homelessness Recovery Response Plan outlined above will accelerate investments required for the delivery of the HousingTO 2020-2030 Action Plan in order to support our most vulnerable and marginalized residents who are homeless and disproportionately impacted by the pandemic.

- The Rapid Housing Initiative (RHI)** - RHI announced by the Government of Canada in September 2020 will provide the City \$203 million in grant funding to rapidly create new affordable rental housing in response to the urgent housing needs of vulnerable and marginalized individuals. RHI helps to implement part of the City's 24-Month COVID-19 Housing and Homelessness Recovery Response Plan aimed at providing dignified and stable, permanent housing options for people experiencing homelessness.
- Housing Now** - Council approved 6 new sites for Housing Now initiative phase 2 including up to 620 new affordable rental units, which brings the total number of affordable rental homes approved on City-owned Housing Now sites to 4,520.
- Modular Housing** - Council approved 250 modular supportive homes to be developed on City-owned sites with capital funding from the City and federal government (through the Affordable Housing Innovation Fund).
- Open Door** - 2020 Open Door Call for Applications issued in Q4 2020 with new measures to prioritize non-profit housing applications and applications proposing a minimum affordability period of 40 years.
- Laneway Suites** - Issued over 100 building permits for the construction of laneway suites. The City has also approved 103 applications for Development Charges Deferral Program.
- Rental Construction Financing Initiative (RCFI)** - The federal government provided \$420 million in financing to community partners toward the construction of 1,663 purpose-built rental homes in three projects in Toronto.

## Key Challenges and Risks

- The Affordable Housing Office was transformed into the new Housing Secretariat in 2019, along with an expanded scope of work and responsibilities including oversight of the new Housing Now Initiative, laneway suites programs, Toronto Community Housing revitalizations, and most importantly, delivery of City's HousingTO 2020-2030 Action Plan.
- The HousingTO 2020-2030 Action Plan is estimated to cost \$25.6 billion. The delivery of 40,000 new affordable rental approvals as a part of the Plan, at an estimated cost of \$15.6 billion, will require an approximate one-third contribution from each level of government. Formal commitment from the provincial and federal governments to fund their portion of the Plan is pending.
- A review of the City's housing delivery framework is ongoing to identify possible opportunities for better resource alignment to increase efficiencies and improve service delivery.

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## Priority Actions

- **Housing Development** – Support the development of new affordable housing for low and moderate income residents, including vulnerable and marginalized groups and those from the City's equity-deserving groups; Deliver and leverage 100% of available federal-provincial funding for new affordable housing development.
  - **Housing Improvement Programs** – Support housing improvements for low and moderate income renters and homeowners, especially seniors and persons with disabilities and rooming house residents; with a focus on health, essential safety, accessibility and energy efficiency repairs and modifications  
Deliver and leverage 100% of available federal-provincial funding for housing improvement loans and grants.
  - **Housing Policy and Partnerships** – Implement the new 10-year housing action plan HousingTO 2020-2030; develop policies, programs and partnerships with all levels of government and the private and community housing sectors. Develop, lead and leverage affordable housing policies and solutions.
  - **Finance and Business Strategic support** - Strategic planning and monitoring of 10 year capital 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 Request	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
New Affordable Housing Development	5,979.1	12,412.2	11,308.1	37,433.8	2,000.0	39,433.8	28,125.7	248.7%
Housing Improvement Programs	716.5	1,065.7	895.9	826.4		826.4	(69.5)	(7.8%)
Housing Policy & Partnerships	716.5	1,069.5	899.7	830.2		830.2	(69.5)	(7.7%)
Finance and Business Support (New)				260.3		260.3	260.3	N/A
<b>Total Revenues</b>	<b>7,412.1</b>	<b>14,547.4</b>	<b>13,103.7</b>	<b>39,350.7</b>	<b>2,000.0</b>	<b>41,350.7</b>	<b>28,247.0</b>	<b>215.6%</b>
<b>Expenditures</b>								
New Affordable Housing Development	6,268.0	12,833.3	11,779.7	38,193.5	2,000.0	40,193.5	28,413.9	241.2%
Housing Improvement Programs	1,163.1	1,449.9	1,146.7	989.9		989.9	(156.8)	(13.7%)
Housing Policy & Partnerships	1,161.1	1,450.3	1,147.1	990.4		990.4	(156.8)	(13.7%)
Finance and Business Support (New)				363.0		363.0	363.0	N/A
<b>Total Gross Expenditures</b>	<b>8,592.2</b>	<b>15,733.5</b>	<b>14,073.5</b>	<b>40,536.8</b>	<b>2,000.0</b>	<b>42,536.8</b>	<b>28,463.3</b>	<b>202.2%</b>
<b>Net Expenditures</b>	<b>1,180.1</b>	<b>1,186.1</b>	<b>969.8</b>	<b>1,186.1</b>		<b>1,186.1</b>	<b>216.3</b>	<b>22.3%</b>
<b>Approved Positions</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>		<b>28.0</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$40.537 million gross reflecting an increase of \$26.463 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Inflationary increases in Salaries and Benefits fully offset by the recognition of higher federal-provincial grant revenues and reserve funds.
- Technical adjustments reflecting transfer of affordable housing costs, fully funded by reserves and provincial funding with no net impact (\$10.9M decrease and \$36.3M increase in 2020 and 2021 budgets respectively for a total change of \$25.4 M) formerly reflected in SSHA's operating budget, now transferred to Housing Secretariat's Operating and Capital Budgets.

The 2021 Base Budget representing \$1.186M net is equal to the 2020 Approved Budget after excluding the technical adjustments noted above.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.0 million gross, enabling:

- \$2.0 million in Pre-development and Pre-acquisition costs to be funded from the Housing Secretariat's Development Charges Reserve Fund to activate projects that will deliver affordable rental housing especially for vulnerable and marginalized individuals.

### EQUITY IMPACTS OF BUDGET CHANGES

**High-Position equity impact:** The changes in Housing Secretariat's 2021 Operating Budget has a high-positive equity impact.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Housing Secretariat is \$26.463 million gross or 188.0% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b 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	
					\$	%
Expenditures						
Salaries and Benefits	2,746.5	3,641.1	2,731.5	3,601.6	870.1	31.9%
Materials & Supplies	10.7	18.2	18.2	18.2		
Equipment	9.7	8.0	8.0	8.0		
Service and Rent	5,137.8	11,718.6	10,968.2	36,847.2	25,878.9	235.9%
Contribution To Reserves	16.2	6.2	6.2	20.9	14.7	237.2%
Other Expenditures (IDC)	671.2	341.4	341.4	41.0	(300.4)	-88.0%
Total Expenditures	8,592.2	15,733.5	14,073.5	40,536.8	26,463.3	188.0%
Revenues						
Provincial Subsidies	1,650.5	2,251.9	1,742.5	24,618.4	22,875.9	1312.8%
Draw from Reserve Funds	5,603.1	12,157.6	11,223.3	14,600.6	3,377.3	30.1%
Other Revenues (IDR)	158.4	137.9	137.9	131.7	(6.2)	-4.5%
Total Revenues	7,412.1	14,547.4	13,103.7	39,350.7	26,247.0	200.3%
Net Expenditures	1,180.1	1,186.1	969.8	1,186.1	216.3	22.3%
Approved Positions	28.0	28.0	28.0	28.0		

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

Salaries and Benefits - 2021 budget assumes full complement including filling of vacant positions due to staff turnover in the prior years.

**Services and Rents:**

Service and Rent - \$10.9M decrease and \$36.3M increase in 2020 and 2021 budgets respectively for a total change of \$25.4 M formerly reflected in SSHA's operating budget, now transferred to Housing Secretariat's Operating and Capital Budgets, with no impact on the net.

**Other Expenditures:**

Other Expenditures – reflect technical amendments to transfer interdivisional charges related to capital project work to the 2021-2020 Capital Plan with no net impact.

**Revenue:**

Provincial revenues relate to funding for Affordable Housing, including Ontario Priorities Housing Initiative (OPHI), Federal/Social Infrastructure Fund/IAH funding. Reserve Fund draws include operating funding for rental and home ownership programs.

**Table 2b: 2021 Balancing Actions**

N/A

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
Housing Secretariat Small 1 Sites Pre-development and Pre-acquisition Work Funding	2,000.0	2,000.0				High	The new pre-development and pre-acquisition funding will come from the Housing Secretariat's development charges reserve fund and used to activate projects that deliver affordable rental housing especially for vulnerable and marginalized individuals.
Total New / Enhanced	2,000.0	2,000.0					

**HS Small Sites Pre-development and Pre-acquisition Work Funding**

- One-time funding of \$2.0 million in gross expenditures to activate projects that will deliver affordable rental housing especially for vulnerable and marginalized individuals to be fully funded from the Housing Secretariat's Development Charges Reserve Fund in 2021.
- This request will provide \$2.0 million in community grants for housing organizations to complete pre-development and pre-acquisition work required to advance affordable housing projects. It is estimated that the proposed budget will create up to 40 affordable rental units by supporting four non-profit housing developer/operators.
- The budget proposal for Housing Secretariat Small Sites Pre-Development and Pre-acquisition Funding has an overall equity impact of high positive. Many members of equity-seeking groups, including women, seniors, newcomers, and low income residents, will be positively impacted. These equity seeking populations are disproportionately impacted by the lack of affordable housing, which this proposal will address by supporting community organizations to develop affordable housing for residents who are impacted by lack of affordable, safe and secure housing. An intersectional analysis shows that many of these populations are also racialized, Black, and/or Indigenous.

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

(\$000s)	2020 Projection	2020 Budget	2021 Budget	2022 Outlook	2023 Outlook
Revenues	13,103.7	14,547.4	41,350.7	26,360.7	8,703.8
Gross Expenditures	14,073.5	15,733.5	42,536.8	27,515.0	9,893.8
<b>Net Expenditures</b>	<b>969.8</b>	<b>1,186.1</b>	<b>1,186.1</b>	<b>1,154.3</b>	<b>1,190.0</b>
<b>Approved Positions</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>	<b>28.0</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$27.515 million reflects an anticipated \$15.022 million or 35.3 per cent decrease in gross expenditures below the 2021 Operating Budget; The 2023 Outlooks expects a further decrease of \$17.621 million or 64.0 per cent below the 2022 gross expenditures.

These changes arise from the following:

- **Affordable Housing Operating Programs**

Lower expenditures and revenues in 2022 and 2023 reflects lower investment requirements in future years as projects in the development pipeline near completion.

- **Salaries and Benefits**

Increase in Salaries and benefits reflect inflationary increases.

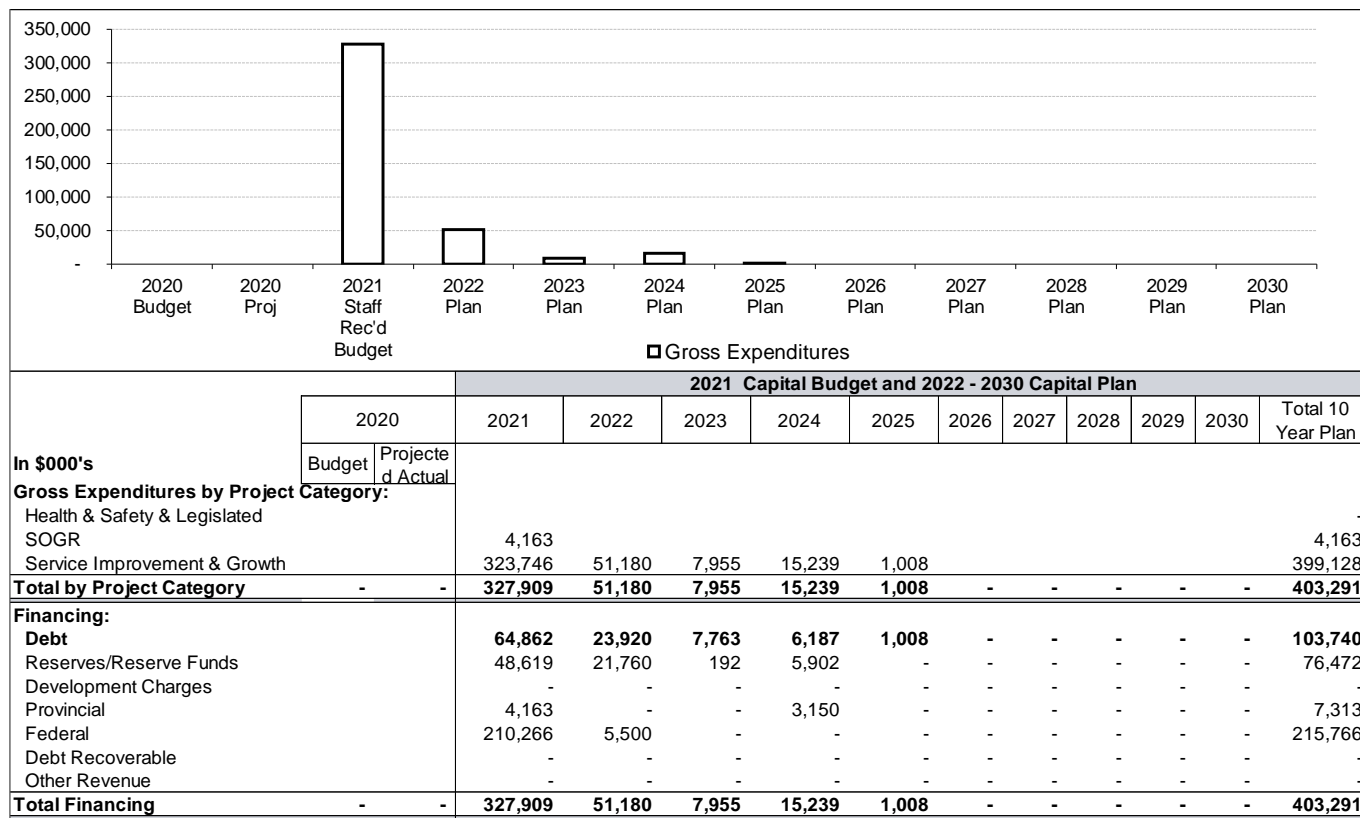
- **Prior Year Impacts**

\$2.0 million reversal of one-time HS Small Sites Pre-Development and Pre-Acquisition Work Funding added in 2021.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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

10-Year Capital Plan Overview



### Changes to Existing Projects (\$74.6 Million)

Changes represent shifting costs and funding to the reconstructed HS Capital Plan for projects (capital in nature) approved previously either through operating or capital budgets for HS and SSHA.

- Housing Now - \$5.3M transferred from HS Operating to Capital
- 24-month COVID Response - \$17.7M (redirected from SSHA)
- Supportive Housing 660 units - \$47.4M (redirected from SSHA)
- SOGR for TCHC Rooming Houses - \$4.2M (redirected from SSHA)

### New Projects (\$328.8 Million)

Net new projects and funding added to the Capital Plan:

- Housing Now multi-year plan - \$45.4M
- Modular (Phase 2&3) - \$47.5M
- Rental Housing - \$32.6M
- Rapid Housing Initiative - \$203.3M






### Capital Needs Constraints (\$427.8 Million)

- Housing Now - \$226.5M
- Modular Housing - \$152.5M
- Rental Development - \$48.8M



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$403.3 Million 10-Year Gross Capital Program**

The HousingTO 2020-2030 Action Plan addresses critical needs across the housing spectrum including emergency shelters and transitional housing, social and supportive housing, market and affordable rental housing and homeownership. The Plan will deliver 40,000 affordable rental approvals, at an estimated cost of \$15.6 billion (Capital and forgone revenue of \$3.5B and Operating requirements of \$12.1B). Refer to the table on Page 5.

				
<b>Housing Now</b>	<b>Modular Housing</b>	<b>Rental Development and SOGR</b>	<b>Supportive Housing</b>	<b>COVID-19 Housing &amp; Homelessness Response</b>
\$50.7M 12.6%	\$47.5M 11.8%	\$36.8M 9.1%	\$47.4M 11.7%	\$221M 54.8%
Create mixed-use complete communities leveraging City lands to build 4,520 units against a target of 10,000 City-owned affordable rental housing.	Create 250 units against a target of 1,000 supportive modular units to achieve housing stability and homelessness prevention.	Activating City lands to build 488 affordable rentals against a target of 500 rentals as a part of neighborhood revitalization and TCHC State of Good Repair.	Create 660 City-owned supportive housing units through partnerships with TCHC and the federal/provincial governments to assist individuals out of homelessness and secure permanent housing with supports.	Federal capital funding allocated through the Rapid Housing Initiative will create 540 new permanent affordable homes towards a target of 840 homes through acquisitions, renovations and conversions of TCHC units.

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$185.7 M 46%</b>		<b>\$7.3 M 2%</b>		<b>\$210.3 M 52%</b>	
Debt	\$102.0 M	Grants	\$7.3 M	Grants	\$210.3 M
Reserve Fund	\$83.7 M				

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

To achieve the supportive housing targets identified in the HousingTO 2020-2030 Action Plan, annual ongoing operating funding commitments from the federal and provincial governments will be necessary.

Support funding requirements identified in the HousingTO 2020-2030 Action Plan are to be reflected in future operating budgets as the City secures commitments from the federal and provincial governments.

As noted in the table on page 5, under Operating Constraints (Column 5), ongoing annual provincial supports will be required starting in 2021 for Modular Housing and the City's 24-month COVID-19 Housing and Homelessness Response Plan.

Funding for additional positions required to administer supportive housing programs will be included in future operating budgets.

# 2021 Program Summary

## Parks, Forestry and Recreation

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto's parks, recreation facilities and natural spaces are places where Torontonians come together to build community and play, celebrate and explore. In our role as stewards of these spaces, we contribute to the city's social and environmental resilience by ensuring that our parks, playing fields, recreation centres, ice rinks and pools, along with tree-lined streets, trails, forests, meadows, marshes, and ravines, are beautiful, safe and accessible, that they expand and develop to meet the needs of a growing city, and are filled with vibrant, active, and engaged communities.

### Why We Do It

Parks, forestry and recreation services are key drivers of social, environmental, and economic capital, contributing to Toronto's sustained livability and overall health during a period of unprecedented growth. A vibrant and accessible system of parks, recreation facilities and programs, healthy and growing natural environments, and a strong and resilient urban forest canopy are essential to maintaining a livable and sustainable Toronto.

What we want for Torontonians:

- Equitable access to affordable and high-quality recreation programs and facilities; high-quality connected parks and natural spaces
- A healthy and resilient urban forest and ravines; safe and resilient parks and public spaces; awareness of the benefits of trees, green infrastructure and ravines
- Youth that are engaged through leadership and life skill development, volunteerism and employment

*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 Services We Provide

**Who We Serve:** Toronto residents, BIAs, businesses, volunteers, families with low incomes, newcomers, seniors, youth, school boards, social services, City divisions, sport and recreation organizations, faith groups, visitors, conservation organizations, environmental stakeholders, property owners, landscape architects, land developers, arboriculture industry

#### Community Recreation

**What We Deliver:** High-quality, affordable and accessible recreation programs are delivered in well-maintained recreation facilities and are planned for future growth and improvement to underserved communities; drop-in and instructional programs, camps and after-school care; safe seniors activities, youth programs and spaces that foster leadership, life skills, and provide youth employment.

**How Many Resources (gross operating budget):** \$221.2 million

#### Parks

**What We Deliver:** Care and maintenance of Toronto's system of parks and ravines across more than 1,500 parks encompassing 8,000 hectares of land; a park system that can expand and improve through design excellence as the city grows to ensure that parkland is accessible, functional, connected, and resilient.

**How Many Resources (gross operating budget):** \$169.5 million

#### Urban Forestry

**What We Deliver:** A healthy, growing and resilient urban forest and ravine system that is well-maintained and can retain its ecological integrity as the city's population grows; tree protection and stewardship programs; invasive species control and management.

**How Many Resources (gross operating budget):** \$64.5 million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$ Millions	2021	2022	2023
Revenues	\$ 110.9	\$ 137.3	\$ 133.6
Gross Expenditures	\$ 455.3	\$ 481.5	\$ 485.8
Net Expenditures	\$ 344.4	\$ 344.2	\$ 352.3
Approved Positions	4,566.6	4,762.8	4,760.3

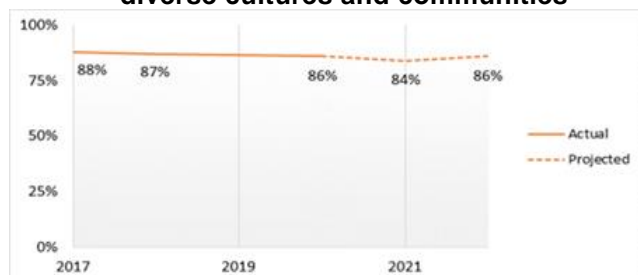
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030 Total
Gross Expenditures	\$ 238.8	\$ 2,317.9
Debt	\$ 91.2	\$ 699.7

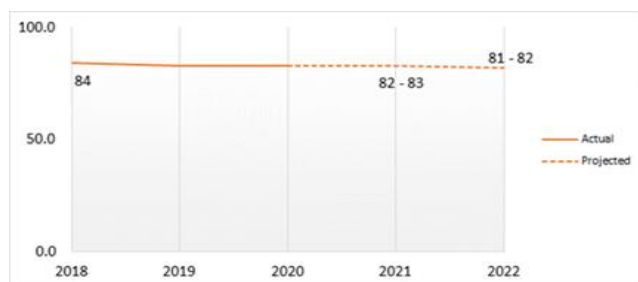
Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers

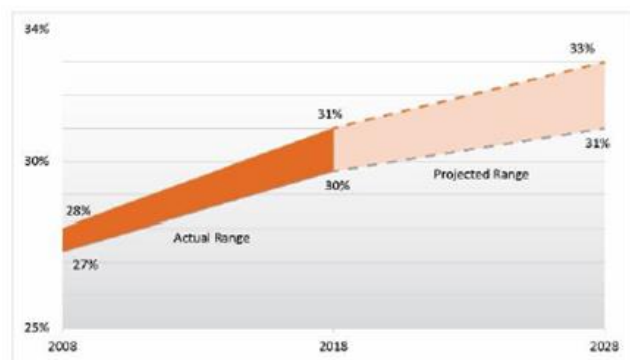
### % respondents report children's recreation programs are welcoming and inclusive of diverse cultures and communities



### % population that is within walking distance (500 metres) of a park



### % of canopy cover



- As children's programs form 56% of our registered programming and 39% of our total service hours, this trend gives us a sense of how well we are doing in terms of inclusion of our programs. Also, the majority of parents surveyed (88%) consistently rate our facilities as safe and well-maintained.






- Other inclusion initiatives include approximately 55% of the 27,147 Growth Plan spaces added to date have been implemented at free centres to ensure access to free, high-demand programs in low-income communities.

- Although 84% of Toronto's population live within walking distance (500 metres) of a park, only 66% of Toronto's population live within an area above the parkland provision threshold (12 m<sup>2</sup>/person) based on the Parkland Strategy adopted by City Council. With Toronto's population growth the City will not be able to keep up with parkland acquisition.

- Within the COVID-19 context, Toronto's public uses parks at much higher intensity and rates. Furthermore, 84% of survey respondents say parks have become more important to their mental health, while 74% of respondents expressed an increased appreciation of parks and green spaces.

- Toronto's tree canopy is estimated at 28.4% to 31%, providing many ecosystem services and benefits, capturing and storing carbon from the atmosphere, helping reduce greenhouse gas emissions.
- The tree canopy removes 1,900 tonnes of annual pollution, helping reduce the urban heat island effect, indirectly reducing energy costs related to cooling for nearby homes and buildings and directly providing shade for parks, public spaces, sidewalks, and private property. They avoided runoff totals 2 million m<sup>3</sup> annually, improving the quality of downstream water particularly during and after a storm event.
- Toronto's ravines are an important part of the city's tree canopy and are critical to climate resilience. The actions contained in the Ravine Strategy will improve the health of the ravines and park users' connection to nature through ecological improvements, engagement of park users and student employment.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
The public has <b>equitable access to affordable and high-quality recreation programs and facilities</b>	% respondents report recreation programs promote new learning and skill development for their children	84% (n=2,705)	-	-	82% (n=3,674)	-	83%	●
	% population lives within the service area of one or more of community recreation centres	-	-	-	88%	88%	89%	●
The public has <b>equitable access to and uses high-quality and connected parks and natural spaces</b>	% population that is within walking distance (500 metres) of a park	84%	-	-	-	82 to 83% <sup>1</sup>	81 to 82 % <sup>1</sup>	●
	% population live in an area with a parks provision rate greater than 12 m <sup>2</sup> /person	66%	-	-	-	63 to 64% <sup>1</sup>	62 to 63% <sup>1</sup>	●
<b>A healthy and resilient urban forest and ravines</b>	# tonnes annual gross carbon sequestration from urban forest	35,165	-	-	-	~ 35,165	~ 35,165	●
	% of street trees in good/excellent condition	74% (n=626,309)	-	-	75% (n=635,524)	75% +/- 1 to 2%	75% +/- 1 to 2%	●
Service Level Measures								
	# of visits for instructional and drop-in recreation programs	10.5 million	10.5 million	10.6 million	3.4 million	7.8 million	10.6 million	●
	# of bookings in parks (for picnics, sports fields, allotment gardens etc.)	154,000	151,000	155,000	61,000	75,000	140,000	●
	Visits to the registration webpage	556,396	520,963	700,000	250,000	300,000	700,000	●
	# of Forestry work orders completed	460,000	634,000	535,000	450,000	525,000	525,000	●
	Invest in State of Good Repair of parks and facilities to address the backlog	56.6 Million (12% of backlog)	49.4 Million (8.9% of backlog)	54.2 Million (9% of backlog)	33.1 Million (5.3% of backlog)	55.8 Million (8.6% of the backlog)	61.8 Million (9.2% of the backlog)	●

Blanks indicate years when data not collected.

<sup>1</sup> Anticipating population growth

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>COVID-19 had a profound impact on the services we provide to the public resulting in the following forecasted financial impacts in 2020:</p> <ul style="list-style-type: none"> <li>• \$66.6M (49%) revenue loss as almost all revenue sources were affected by partial year closures and lower program capacity (e.g. camps, recreation programs, sports field bookings and ferries) due to public health requirements following the restart of services</li> <li>• \$79.5M (17%) net expense savings as closures resulted in reduced spend on recreation/seasonal workers, payments for facilities usage (lease payments and utilities), and Welcome Policy fee subsidy, partially offset by incremental COVID-19 related expenses for parks operations and temporary expanded winter service.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>• The projected revenue loss for 2021 is \$24.8M which is significantly less than the \$66.6M projected for 2020. The continued revenue loss is due to lower program capacity and utilization (e.g. camps, recreation programs, sports field bookings and ferries) driven by public health requirements</li> <li>• Expense projections include \$4.5M recreation worker savings; \$1.0M deferral of Phase 3 of the Community Recreation Growth Plan and Phase 5 of the Swim to Survive program, \$0.2M temporary suspension of Family Day Service, and an expected one-time \$6M reduction to Welcome Policy expenditures due to reduced program capacity. This is expected to result in reduced demand for the financial subsidy in 2021, with funding being reinstated in 2022 to support an anticipated return to normal levels.</li> <li>• The above expense reductions are partially offset by \$5.8M of incremental COVID-19 related expenses for parks operations and temporary expanded winter service. Expenses are expected to increase in 2021 as facilities will be open, unlike experiences in 2020 which saw mandatory complete closures</li> <li>• With significant uncertainty remaining around a resurgence of COVID-19, it is difficult to project financial impacts. Financial assumptions will continue to be reviewed to reflect community needs.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <p>The 2020 Capital Budget reflects a reduction of \$35.2M as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts</p> <ul style="list-style-type: none"> <li>• 75% of the reductions are associated with State of Good Repair projects, impacting the City's flexibility to respond to emergency facility needs</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• The 2021 Capital Budget reflects a number of changes as a result of the \$35.2M reduction to the 2020 Capital Budget and the corresponding cash flows.</li> <li>• A total reduction of \$23.9M impacted facility, park and golf rehabilitation programs, environmental initiatives and 40 SOGR projects including the following: 5 Community Centres (\$1.9M), 3 Arenas (\$0.5M), 3 Artificial Ice Rinks (\$3.1M), 2 Outdoor Pools (\$0.2M), 1 Pool (\$0.5M), 7 Special Facilities (\$2.0M), 2 Bridges (\$0.2M), 9 Trails and Pathways (\$3.1M), 2 Tennis Courts (\$0.5M), 1 Sports Pad (\$0.2M), 3 Parking Lots (\$1.2M), and 2 Sports Fields (\$1.0M)</li> <li>• Projects previously planned for 2021 and beyond have been adjusted over several years to accommodate for the 2020 reduction. \$11.3M that was reduced in 2020 for IT projects (\$7.8M), Parks Plan (\$0.7M) and Replacement of the Ferry Boat #1 (\$2.8M) has been resubmitted as part of the 2021-2030 Capital Plan.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• CampTO offered 24% (22,000) of 2019 camp spaces to accommodate Public Health/Provincial guidelines</li> <li>• SwimTO offered beach supervision at 10 swimming beaches, outdoor pool operations at 25% reduced capacity, access to wading pools and splash pads</li> <li>• Public access to ferry services resumed at 50% capacity with online ticketing enhancements</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Service Levels will be reviewed on an ongoing basis to reflect shifting community needs and the COVID-19 context (see page 3 for service level projections).</li> </ul>

2020 Impact	2021 Impact and Recovery
<ul style="list-style-type: none"> <li>• Fall instructional programming was suspended due to public health restrictions</li> <li>• Welcome TO Winter services resumed in Q4 including opening 52 outdoor rinks fully supervised with reduced capacity</li> <li>• Resumed permitting of park spaces with new health guidelines in place. 36,000 public education signs installed</li> <li>• Increased frequency of cleaning 206 park washrooms to a minimum of two daily cleans and one weekly deep clean</li> <li>• Addressed 889 encampment locations in parks to date including 1,237 referrals to Streets to Homes</li> <li>• Public consultations pivoted to virtual/digital formats</li> <li>• Following a short interruption, capital projects successfully resumed successfully ~75-100 projects, ensuring sound COVID-19 health and safety protocols</li> <li>• Development reviews focused on addressing existing applications, while new applications were suspended for several months</li> </ul>	

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

**The COVID-19 pandemic has emphasized the importance of our extensive network of parks, ravines, and trails, as well as the playgrounds, pools, community recreation centres, upon which people of all ages and incomes across the city rely.**

- Developed and implemented an innovative day camp program, CampTO, which saw more than 18,000 registrations for summer camps in alignment with Toronto Public Health (TPH) and provincial health guidelines
- SwimTO facilitated the use of supervised swimming beaches, 140 splash pads, 100 wading pools, and 50+ outdoor pools, with new health guidelines in place
- Developed free drop-in programs in parks— ParksPlayTO and Summer in the 6IX—for children and youth
- Pivoted public consultations for new and revitalized parks and recreation facilities to virtual / digital formats
- Developed a Welcome TO Winter service delivery and park maintenance program to support opening outdoor rinks, waking programs and expanded service in parks and outdoor amenities extending utility in the fall/winter
- Parks staff installed 36,000 signs across the city to support TPH and provincial restrictions
- Increased frequency of maintenance and cleaning of public park washrooms to support increased outdoor recreation, including more than doubling winter park washroom access
- Resumed public access to ferry service to Toronto Island Park at 50% capacity and health guidelines in place
- Advanced development review, park design, and capital project implementation
- Developed approximately 60 guidelines for restarted services that included training, public education and PPE
- Provided PFR facilities to support the COVID-19 response, included expanded shelter sites, sanitation sites, food distribution hubs, emergency cooling centres, use of park space for schools to support outdoor learning, flu immunization clinics and pop-up COVID-19 testing sites
- Deployed online reservation systems for drop in recreational activities



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## Key Challenges and Risks

The greatest risk and challenge for PFR in 2021 is COVID-19 and the associated uncertainty for planning, program delivery, the ability to maintain service levels while following provincial orders and public health guidelines, and the financial impacts.

- Providing equitable access to parks, natural areas, and recreational infrastructure and programming in the COVID-19 context, taking into account the facility closures, program cancellations, and the extremely high use of parks and beaches in 2020 earlier in the pandemic
- Maintaining a growing inventory of parks and recreational facilities while prioritizing state of good repair efforts and managing the financial impacts and uncertainty associated with COVID-19
- Addressing public health and safety issues, such as encampments and the opioid crisis, in parks and recreation facilities related to COVID-19 impacts on housing, shelters and social programs
- Providing high-quality leadership, volunteer and work experience to youth, particularly those who experience systemic barriers, while managing COVID-19 impacts on gatherings, programs and events
- Maintaining focus on building social and environmental resilience and mitigating and adapting to the effects of climate change on communities, public spaces and facilities; growing and maintaining a healthy and resilient urban forest and responding to forest health threats
- Developing a high-performing workforce equipped to provide quality customer service while managing the continued shift for many staff to remote work and restrictions on returning to the physical workplace
- Continuing modernization, business transformation, and technological innovation in the COVID-19 context

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## Priority Actions

- Continue to support the City's broader COVID-19 response with the deployment of operational resources in accordance with emerging public health guidance and associated requirements
  - Use an equity lens to review policies, processes, and procedures to address the public's barriers to participate in high-quality programs and access safe and welcome public spaces and parks, focusing on Confronting Anti-Black Racism, Poverty Reduction Strategy, youth programs through Youth Outreach Workers and Enhanced Youth Spaces, as well as strengthening our commitment to reconciliation with Indigenous communities
  - Grow and retain the ecological integrity of parkland, forests and ravines in the face of increasing pressure to advance and expedite development and heavy impacts to parks, beaches and natural spaces as a result of increased use during the pandemic
  - Activate partnerships and seek opportunities for external funding (e.g. grants, philanthropy) to help with the financial uncertainty caused by COVID-19
  - Leverage data and technology to deliver innovations in decision-making and public engagement
-



## 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>								
Community Recreation	76,191.2	76,578.9	30,245.3	55,782.5	0	55,782.5	25,537.2	84.4%
Parks	30,461.3	34,781.0	17,342.2	31,291.6	0	31,291.6	13,949.4	80.4%
Urban Forestry	29,479.6	25,039.3	22,129.1	23,853.0	0	23,853.0	1,723.9	7.8%
<b>Total Revenues</b>	<b>136,132.0</b>	<b>136,399.2</b>	<b>69,716.6</b>	<b>110,927.1</b>	<b>0</b>	<b>110,927.1</b>	<b>41,210.6</b>	<b>59.1%</b>
<b>Expenditures</b>								
Community Recreation	225,610.1	241,022.2	170,442.1	221,228.6	0	221,228.6	50,786.5	29.8%
Parks	146,092.0	155,614.1	148,572.3	169,521.3	0	169,521.3	20,948.9	14.1%
Urban Forestry	67,368.9	65,281.2	63,412.4	64,529.3	0	64,529.3	1,116.9	1.8%
<b>Total Gross Expenditures</b>	<b>439,070.9</b>	<b>461,917.4</b>	<b>382,426.9</b>	<b>455,279.2</b>	<b>0</b>	<b>455,279.2</b>	<b>72,852.3</b>	<b>19.1%</b>
<b>Net Expenditures</b>	<b>302,938.9</b>	<b>325,518.2</b>	<b>312,710.3</b>	<b>344,352.1</b>	<b>0</b>	<b>344,352.1</b>	<b>31,641.8</b>	<b>10.1%</b>
<b>Approved Positions</b>	<b>4,527.3</b>	<b>4,643.1</b>	<b>4,643.1</b>	<b>4,566.6</b>	<b>0.0</b>	<b>4,566.6</b>	<b>(76.4)</b>	<b>(1.6%)</b>

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

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$455.3 million gross reflecting an increase of \$72.9 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Significant underspend in 2020 for salaries and benefits as well as non-labour spend including services and rents, materials and supplies, and the Welcome Policy fee subsidy. Revenue sources were also impacted in 2020 due to mandatory closures and lower program capacity due to public health requirements.
- The 2021 Operating Budget reflects a gradual return to normal operations. The increase for 2021 in comparison to 2019 is primarily driven by labour and non-labour economic factors, operating impacts of new recreation facilities and parkland improvements initiated in 2020. In addition, the 2021 Operating Budget includes incremental COVID-19 related expenditures for parks operations and temporary expanded winter service.

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

- 2021 Base Budget of \$344.352 million in net expenditures reflects a \$11.819 million net decrease from the 2020 Council approved budget, when excluding \$30.653 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

COVID-19 has placed far more pressure on the use of the city's parks and open spaces. Parks, Forestry and Recreation has adapted to offer the provision of indoor and outdoor services and programming to the public so as to abide by health and safety standards as well as Toronto Public Health and provincial guidelines.

The 2021 Operating Budget includes an investment of \$1.6 million to temporarily enhance Park winter maintenance operations. This City-wide initiative will open more washrooms during winter months, expand artificial ice rink operating hours and provide more winter access to Park pathways and facilities for all City residents and visitors, including residents in lower income neighbourhoods. The 2021 Operating Budget includes reductions totalling \$1.3 million through suspending Family Day services and the print version of the FUN Guide as well as deferring Phase 3 of the Community Recreation Growth Plan and Phase 5 of the Swim to Survive program. These will have an overall negative impact on equity-seeking groups. Low income residents, women, immigrants and residents in neighbourhood improvement areas, and vulnerable seniors' access to city services and city spaces, community participation, and access to training and/or employment will be negatively impacted.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Parks, Forestry and Recreation is \$455.3 million gross or 19.1% higher than the 2020 Projected Actuals. 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	YoY Changes	
						\$	%
Expenditures							
1	Salaries and Benefits	306,354.4	327,995.3	272,635.7	321,954.0	49,318.3	18.1%
2	COVID-19 Incremental Impact			5,895.0	5,833.5	(61.5)	-1.0%
3	Materials & Supplies	38,136.8	39,932.9	32,840.4	40,051.5	7,211.1	22.0%
4	Service and Rent	63,999.1	64,296.9	51,038.0	63,178.1	12,140.0	23.8%
5	Contribution To Reserves	18,915.3	14,156.0	14,224.8	15,382.4	1,157.6	8.1%
6	Other Expenditures (Inc. IDC's)	11,665.3	15,536.4	5,793.0	8,879.9	3,086.9	53.3%
Total Expenditures		439,070.9	461,917.4	382,426.9	455,279.2	72,852.3	19.1%
Revenues							
1	Provincial Subsidies	835.2	835.2	835.2	835.2	(0.0)	-0.0%
2	Federal Subsidies	339.6	1,138.4	356.6	197.1	(159.5)	-44.7%
3	User Fees & Donations	97,785.4	94,185.9	37,575.7	70,475.1	32,899.4	87.6%
4	Contribution from Reserve Funds	14,772.5	15,332.4	13,432.8	15,065.9	1,633.1	12.2%
5	Other Revenues (Inc. IDR's)	22,399.4	24,907.3	17,516.3	24,353.8	6,837.5	39.0%
Total Revenues		136,132.0	136,399.2	69,716.6	110,927.1	41,210.6	59.1%
Net Expenditures		302,938.9	325,518.2	312,710.3	344,352.1	31,641.8	10.1%
Approved Positions		4,527.3	4,643.1	4,643.1	4,566.6	(76.4)	-1.6%

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

**Salaries and Benefits:**

The 2021 Operating Base Budget reflects a gradual return to normal operations as well as operating impacts of new recreation facilities and parkland improvements initiated in 2020 resulting in an increase in recreation and seasonal worker expenditures. In addition to incremental COVID-19 related spending for parks operations and temporary expanded winter service, labour economic factors including cost of living adjustments and progression pay for union staff are contributing to the increase, offset by the cancellation of Pay for Performance for non-union/management staff as well as savings from the Voluntary Separation Program.

**Non Labour Increases:**

Significant underspend in 2020 due to mandatory COVID-19 related closures resulting in reduced facility usage payments, as well as underspend for utilities, services and rents, materials and supplies. There is an increase in the 2021 Operating Base Budget as facilities are expected to be open, unlike experiences in 2020 which saw mandatory complete closures.

**Revenues:**

The 2021 Operating Base Budget includes \$70.5 million user fees and donations which incorporates an average inflationary increase of 2.01% to user fees and takes into consideration the expected volume decline as a result of COVID-19.

**Net Expenditures:**

All non-COVID-19 related pressures in the 2021 Operating Base Budget were addressed through balancing actions identified on Table 2b as well as the expected impact that lower demand will have for the Welcome Policy fee subsidy, which is anticipated to return to historical levels in 2022.

**Table 2b: 2021 Balancing Actions**

(\$000s)									
Recommendation	Savings Type	2021				2022			
		Revenue	Gross	Net	Positions	Revenue	Gross	Net	Positions
Consolidate Commercial Tree & Street Tree Units	Efficiencies	-	(2,103.0)	2,103.0	(10.0)	-	(15.3)	15.3	-
Absorb Non-Labour Economic Factors	Efficiencies	-	(1,777.8)	1,777.8	-	-	(17.1)	17.1	-
Eliminate Print Version of FUN Guide	Efficiencies	-	(70.0)	70.0	0.0	-	-	-	-
Efficiency Adjustment to Horticulture Displays	Efficiencies	-	(500.0)	500.0	(6.7)	-	(43.6)	43.6	-
Cancel Pay for Performance (corporate initiative)	Other	-	(1,014.0)	1,014.0	-	-	(1,045.0)	1,045.0	-
Voluntary Separation Program (corporate initiative)	Other	(202.1)	(2,518.4)	2,316.3	-	202.1	2,518.4	(2,316.3)	-
Defer Prior Year Impacts and Operating Impacts of Capital	Other	-	(1,446.2)	1,446.2	(7.4)	-	1,246.2	(1,246.2)	7.4
Complement Adjustment due to Hiring Slowdown	Other	-	(556.5)	556.5	-	-	556.5	(556.5)	-
Other Adjustments	Line By Line	146.3	-	146.3	-	-	-	-	-
<b>Total Balancing Actions</b>		<b>(55.8)</b>	<b>(9,985.9)</b>	<b>9,930.1</b>	<b>(24.2)</b>	<b>202.1</b>	<b>3,200.1</b>	<b>(2,998.0)</b>	<b>7.4</b>

The 2021 Operating Budget includes \$9.9 million net in balancing actions for 2021 attributable to the following:

- \$4.5 million in efficiencies including:
  - Consolidation of the Commercial Tree and Street Tree Units (\$2.1 million);
  - Absorption of non-labour expenses including materials, supplies and equipment (\$1.8 million);
  - Elimination of the print version of the FUN Guide (\$0.1 million); and
  - Efficiency adjustment to horticulture displays involving the replacement of ornamental annuals in low visibility locations with less management intensive perennials and shrubs (\$0.5 million).
- \$5.3 million in other balancing actions including:
  - \$1.0 million associated with the corporate cancellation of the Pay for Performance program;
  - \$2.3 million net in savings due to the corporate Voluntary Separation Program;
  - \$1.4 million for the deferrals of prior year impacts and operating impacts of capital; and
  - \$0.6 million for complement adjustments due to hiring slowdown.

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

(\$000s)	2020 Budget	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues	136,399.2	69,716.6	110,927.1	137,320.3	133,550.3
Gross Expenditures	461,917.4	382,426.9	455,279.2	481,475.5	485,826.8
<b>Net Expenditures</b>	<b>325,518.2</b>	<b>312,710.3</b>	<b>344,352.1</b>	<b>344,155.2</b>	<b>352,276.5</b>
<b>Approved Positions</b>	<b>4,643.1</b>	<b>4,643.1</b>	<b>4,566.6</b>	<b>4,762.8</b>	<b>4,760.3</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$481.5 million reflects an anticipated \$26.2 million or 5.8% increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a further increase of \$4.4 million or 0.9% above 2022 gross expenditures.

The changes for 2022 arise from the following:

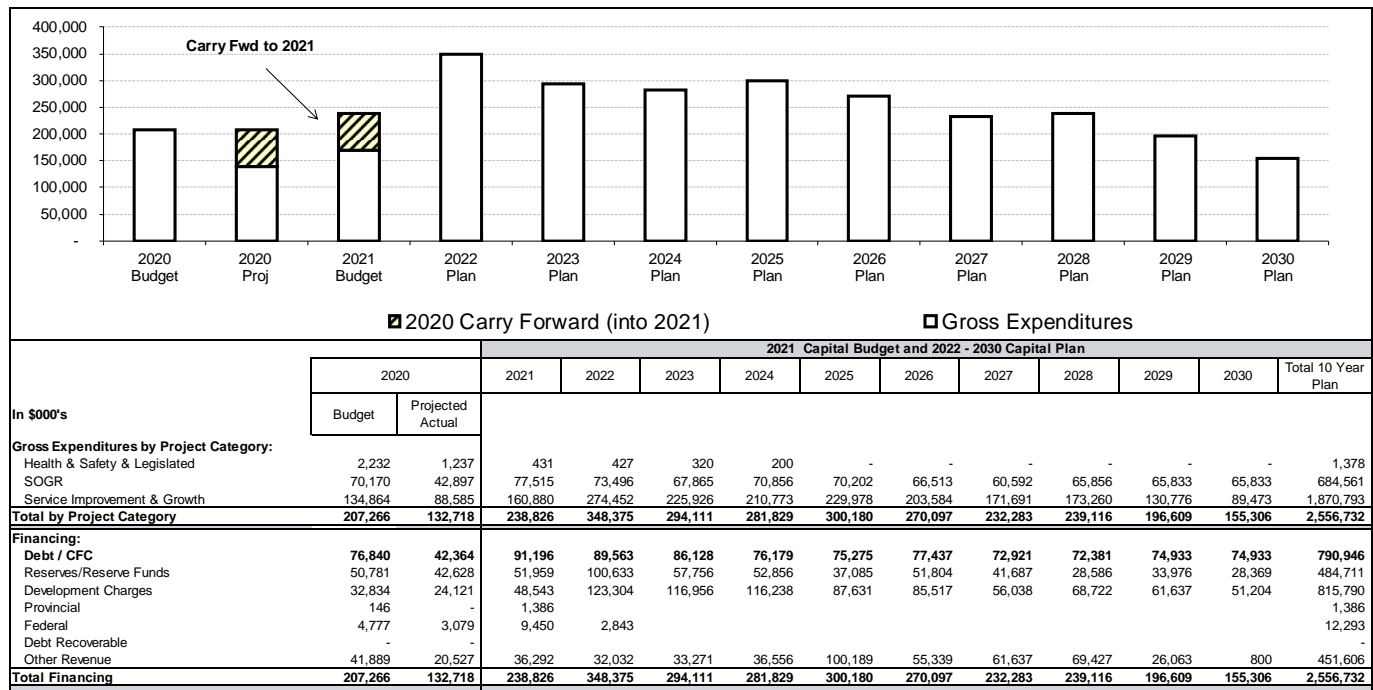
- **Salaries and Benefits:** Inflationary increases, annualization, deferred new and enhanced initiatives (Growth Plan Phase 3 and Swim to Survive Phase 5), and return to pre-COVID-19 levels, including recreation workers
- **Inflationary Impact:** Inflationary increases for materials, supplies, equipment and contractual obligations
- **Welcome Policy:** Return to pre-COVID-19 funding levels to support an anticipated return to usual demand
- **Revenue Changes:** Inflationary increases and return to pre-COVID-19 levels

The changes for 2023 are primarily driven by inflationary increases and deferred implementation of new and enhanced initiatives (Growth Plan Phase 4 and Swim to Survive Phase 6).

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000s)



### Changes to Existing Projects (\$65.0 Million)

- The 2021-2030 Capital Budget and Plan reflects an increase of \$353.7M over the nine common years (2021-2029).
- \$3.3M for the phased expansion of *Grand Avenue Park*.
- \$3.2M for improvements to *Yonge Street Linear Parks*.
- \$1.2M for furniture, fixtures and equipment for the *new Bessarion Community Centre*.
- \$57.3 million for several projects to reflect updated cost estimates, project scope changes, and project schedules, including a further increase of project cost and cash flow by \$0.475M for improvements to the turf at the York Stadium.






### New Projects (\$410.6 Million)

- The 2021 10-Year Capital Plan includes some new key investments as follows:
- \$2.5M for projects that support resiliency, including work on the shorelines of *Palace Pier* and *Algonquin Island*.
- \$3.2M to provide publicly accessible *Wi-Fi* service in Community Recreation facilities over 2021-2024.
- Increased costs for four *Skateboard Park* projects by \$0.15M each, resulting in a project cost of \$0.8M per Skateboard Park.
- \$0.5M for advancing the implementation of the *Ravine Strategy* and \$0.1M for infrastructure repairs within the median on University Avenue.
- \$235.5M for several projects to reflect updated cost estimates and implementation of net zero including *Davisville Community Pool*, and *Western North York, Lawrence Heights*, and *John Innes Community Centres*.

### Capital Needs Constraints (\$369.3 Million)

- The Council Approved Parks and Recreation Facilities Master Plan recommends an additional investment of \$235.0M for in-scope facilities (community centres, arenas, pools, etc.) to be phased in over the 10-Year Plan.
- \$34.9M in debt financing for the State of Good Repair of *Arenas* (\$9.6M) and *Community Centres* (\$25.3M), that was reduced as part of adjustments to the 2020 10-Year Capital Plan.
- A total of \$99.4M for the implementation of *Ravine Strategy Priority Investment Areas*, including \$44.9M for State of Good Repair and \$54.5M for Service improvement.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$2.557 Billion 10-Year Gross Capital Program**

				
<b>Aging Infrastructure</b>	<b>Enhanced Resiliency</b>	<b>Addressing Gaps &amp; Serving Growing Communities</b>	<b>Land Acquisition</b>	<b>Improving User Access &amp; Information Technology</b>
\$665.5 M 26.0%	\$19.0 M 0.7%	\$1,618.8 M 63.4%	\$222.1 M 8.7%	\$31.3 M 1.2%
Planning and Rehabilitation of Existing Parks and Facilities through Life Cycle Asset Management	Mitigate and address the impacts of extreme weather events, including High Lake Effect Flooding and Windstorm, on assets and infrastructure	Implement the Parks and Recreation Master Plan (facilities in North East Scarborough, Western North York and Don Mills); plan for parkland (Eglinton and David Crombie), Ravine Strategy, and the Playground Enhancement Program	Expand Toronto's parks system through acquisition to support implementation of the Facilities Master Plan and the Parkland Strategy	Modernize processes and systems such as Recreation Management Business Transformation (CLASS) and Enterprise Work Management and provide publicly accessible Wi-Fi service in Community Recreation Facilities

**How the Capital Program is Funded**

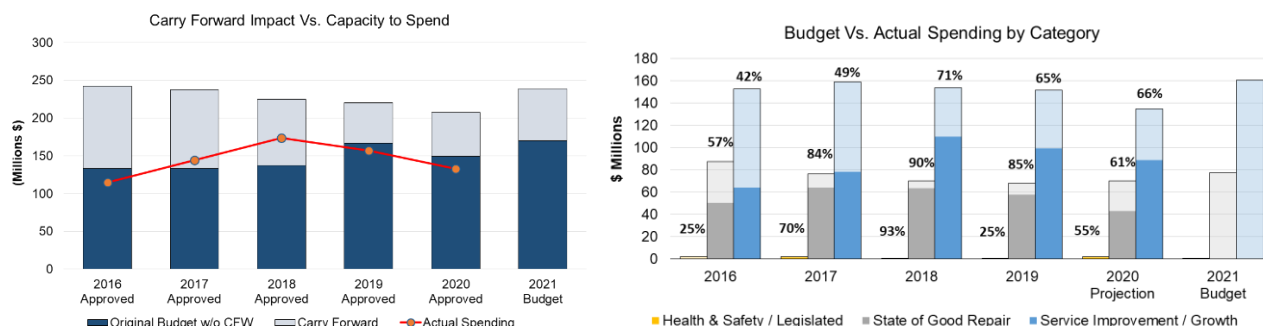
<b>City of Toronto</b>				<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$2,543.0 M 99.4%</b>				<b>\$1.4 M 0.1%</b>		<b>\$12.3 M 0.5%</b>	
Debt/CFC	\$790.9 M	Other: Unapplied Capital Financing	\$303.0 M	Grants	\$0.1 M	Disaster Mitigation and Adaptation Fund (DMAF)	\$7.3 M
Recoverable Debt	\$ 0 M	Other: Section 42 Above 5% CIL	\$97.2 M	Other	\$1.3 M	Other	\$5.0 M
Reserve Draws	\$484.7 M	Other: Section 37/45	\$47.0 M				
Development Charges	\$815.8 M	Other: Various	\$4.5 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 Parks, Forestry and Recreation'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**



\*2020 Projection based on Q3 Variance Report

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

PFR has increased the annual capital spending rate from 47.4% in 2016 to 77.3% in 2018 and 71.2% in 2019. Spending on SOGR has also increased over the same period from 57.3% in 2016 to 90.3% and 84.7% in 2018 and 2019, respectively. This upward trend in spending is a result of additional staff resources, improved processes and better alignment of cash flow to project delivery.

For 2020, the projected spending is \$132.7 million or 64.0% of the 2020 Council Approved Capital Budget, including 61% on State of Good Repair and 66% on Service Improvement and Growth Related projects. The lower spending reflects a reduction of \$35.2 million in funding to address COVID-19 impacts that is not included in the projected spending for the year, but is included in the 2020 Approved Capital Budget.

- Of the total reduction, \$23.9 million impacted facility, park and golf rehabilitation programs, environmental initiatives and 40 State of Good Repair projects. Since these projects could not proceed in 2020 they have been incorporated into the 2021 Capital Budget and projects previously planned for 2021 and beyond have been adjusted over several years to accommodate for the 2020 reduction.
- In addition, the \$11.3 million in project cost and cash flow that was reduced in 2020 for *IT projects* (\$7.8 million), *Parks Plan* (\$0.7 million) and *Replacement of Ferry Boat #1* (\$2.8 million) has been resubmitted as part of the 2021-2030 Capital Plan.

The 2021-2030 Capital Budget and Plan is the largest to date at \$2.6 billion and reflects PFR's demonstrated ability and capacity to maintain existing assets in a state of good repair while also satisfying the demand for growth and service improvement. The 2021 Capital Budget of \$238.8 million includes carry forward funding of \$68.8 million from 2020, and supports the delivery of ongoing projects and programs, as well as new projects that are anticipated to be awarded in 2021.

Based on the review of historical capital spending constraints and a capacity to spend review, \$99.4 million in capital spending originally cash flowed in 2021 has been deferred to 2022 or future years. Adjustments to the Capital Plan are noted below:

- Parkland Acquisitions* cash flow of \$15.8 million in 2021 has been deferred to 2022 and 2023 due to protracted negotiation and settlement processes.
- The 2021 cash flow for the *Development of 10 Ordinance Street* has been deferred by \$3.7 million, to reflect timing of the site to be transferred to the City.
- The *Rees Street (318 Queens Quay West) Park Development* cash flow of \$3.6 million has been deferred to 2022 to align with timing of the project which is being done in coordination with Waterfront Toronto.

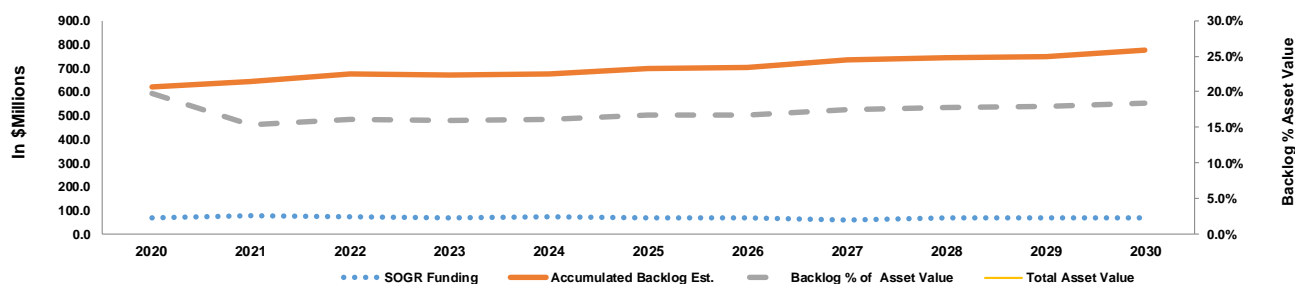


- The *Davisville Community Pool Construction* 2021 cash flow has been deferred by \$3.5 million to 2023 to reflect timelines for the completion of the Toronto District School Board's Davisville Public School.
- The 2021 cash flow for the *East Don Trail Construction* has been deferred by \$4.0 million to 2022 to align with timing of the project being done in coordination with Transportation Services.
- \$36.9 million in cash flow has been deferred to future years for four (4) new community centre projects to reflect project timelines:
  - \$10.0 million in 2021 has been deferred to 2022-2023 for the construction of the *Western North York Community Centre*.
  - The 40 Wabash Community Centre Construction* 2021 cash flow has been deferred by \$10.5 million to 2022-2023.
  - Cash flow of \$9.4 million has been deferred from 2021 to 2022-2023 for the *North East Scarborough Community Centre*.
  - \$7.0 million in 2021 has been deferred to 2023 for the *East Bayfront Community Centre* to reflect timing of the developer delivered project.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Parks, Forestry & Recreation.

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



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	70.2	77.5	73.5	67.9	70.9	70.2	66.5	60.6	65.9	65.8	65.8
Accumulated Backlog Est.	622.7	645.0	675.0	670.8	674.5	700.0	704.4	735.3	743.8	750.3	773.6
Backlog % of Asset Value	19.8%	15.4%	16.1%	16.0%	16.1%	16.7%	16.8%	17.5%	17.7%	17.9%	18.5%
Total Asset Value	3,157.1	4,195.7	4,195.7	4,195.7	4,195.7	4,195.7	4,195.7	4,195.7	4,195.7	4,195.7	4,195.7

PFR's portfolio is aging with an estimated accumulated SOGR backlog of \$622.7 million at 2020 year-end. This represents 19.8% of the total replacement value estimated to be \$3.2 billion by the end of 2020, for park infrastructure and recreation facilities. Park infrastructure amounts to \$268.0 million or 43.0% of the backlog and includes splash pads and wading pools, parking lots, tennis courts and sports pads, trails and pathways, bridges, seawalls, and marine services. The balance of \$354.7 million of the backlog relates to recreation facilities, such as community centres, arenas, and pools.

The 10-Year Capital Plan includes \$684.6 million for State of Good Repair projects, including \$611.1 million or an average of \$61.1 million annually, for programs to address the backlog. On average, facilities are over 40 years of age, resulting in breakdowns and facility closures which in turn impacts on service for residents across the city.

Investing in state of good repair will assist in reducing the current backlog which is projected to be \$773.6 million by 2030. Over the 10-year period, approximately 59.1% or \$361.3 million is allocated for SOGR of recreation facilities, compared to 40.9% or \$249.9 million for park infrastructure. However, the backlog for recreation facilities and park infrastructure, will increase to \$471.3 million and \$302.3 million, respectively by 2030 if additional resources are not provided.

The 2021-2030 Capital Budget and Plan includes an additional \$73.4 million in SOGR funding for projects and programs



that do not directly impact the backlog including repairs associated with the extreme weather events of 2017 and 2018, asset condition assessments, and a golf course rehabilitation program. Despite added capital investment, PFR still requires a total of \$269.9 million in debt funding associated with SOGR that could not be accommodated during the 2021 budget process. These unfunded capital needs are not included in the 10-Year Capital Plan due to the limitations of debt servicing costs. These projects will be included on the list of “capital needs constraints” and will be considered during future year budget processes.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The 10-Year Capital Plan will impact future year Operating Budgets by \$56.896 million net and will require 758.8 full time equivalent (FTE) positions over the 2021-2030 period, as existing assets are improved and new assets are added, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Arena			5.3	0.0							5.3	0.0	2,561.3	42.7
Community Centres	10.7	0.2	6,906.0	57.8	3,489.0	58.0	1,918.5	31.8	1,933.5	32.1	14,257.7	179.8	15,762.0	204.9
Environmental Initiatives	87.0	0.7	386.8	3.2	90.0	0.7	90.0	0.7	90.0	0.7	743.8	6.1	1,193.8	9.8
Information Technology			32.4	0.2	781.8	4.6	893.6	5.3			1,707.8	10.1	1,707.8	10.1
Outdoor Recreation Centres			285.8	4.2	339.3	4.6	112.0	0.9	106.9	0.9	844.0	10.5	1,261.0	13.9
Park Development	177.7	1.5	1,012.3	8.3	1,327.0	10.9	482.1	4.0	16.2	0.1	3,015.3	24.8	3,726.7	30.6
Playgrounds/Waterplay	7.4	0.1	60.8	0.5	51.8	0.4					119.9	1.0	119.9	1.0
Special Facilities	199.6	2.0	375.9	3.1	0.9	0.0	390.9	3.2	0.9	0.0	968.3	8.3	972.8	8.4
Trails & Pathways	18.0	0.1	2,189.5	17.9	30.0	0.2	7.5	0.1	3.6	0.0	2,248.7	18.4	2,248.7	18.4
Land Acquisition					256.7	2.1					256.7	2.1	256.7	2.1
<b>Sub-Total: Previously Approved</b>	<b>500.4</b>	<b>4.6</b>	<b>11,254.7</b>	<b>95.1</b>	<b>6,366.4</b>	<b>81.6</b>	<b>3,894.7</b>	<b>45.9</b>	<b>2,151.2</b>	<b>33.8</b>	<b>24,167.3</b>	<b>261.1</b>	<b>29,810.5</b>	<b>341.9</b>
<b>New Projects - 2021</b>														
Arena							46.5	0.4			46.5	0.4	46.5	0.4
Community Centres					36.0	0.3	36.0	0.3	36.0	0.3	108.0	0.9	2,054.8	33.4
Information Technology									94.5	0.8	94.5	0.8	98.5	0.9
Outdoor Recreation Centres			9.0	0.1	48.2	0.5	9.0	0.1	9.0	0.1	75.2	0.8	120.2	1.2
Park Development	240.0	2.0	143.8	1.2	302.4	2.5	18.8	0.2	18.8	0.2	723.7	6.0	986.2	8.1
Playgrounds/Waterplay			4.5	0.0	25.5	0.2	4.5	0.0	4.5	0.0	39.0	0.3	61.6	0.5
Pool							198.5	3.3			198.5	3.3	198.5	3.3
Special Facilities			7.2	0.1	7.2	0.1	7.2	0.1	7.2	0.1			65.0	0.5
Trails & Pathways					13.0	0.1							13.0	0.1
Parking Lots and Tennis Courts					9.0	0.2					9.0	0.2	9.0	0.2
<b>Sub-Total: New Projects - 2021</b>	<b>240.0</b>	<b>2.0</b>	<b>164.5</b>	<b>1.4</b>	<b>441.2</b>	<b>3.8</b>	<b>320.5</b>	<b>4.3</b>	<b>170.0</b>	<b>1.5</b>	<b>1,294.4</b>	<b>12.7</b>	<b>3,653.2</b>	<b>48.6</b>
<b>New Projects - Future Years</b>														
Arena							70.5	0.6			70.5	0.6	1,104.0	17.2
Community Centres							135.0	2.3	276.0	4.6	411.0	6.9	15,189.0	254.7
Environmental Initiatives	33.0	0.3	33.0	0.3	33.0	0.3	33.0	0.3	33.0	0.3	165.0	1.4	210.0	1.7
Outdoor Recreation Centres			30.0	0.3	107.3	1.4	92.3	1.1	151.5	1.7	381.0	4.4	946.4	10.5
Park Development					140.3	1.1	211.1	1.7	144.3	1.2	495.6	4.1	1,165.3	9.5
Playgrounds/Waterplay					21.0	0.2	42.0	0.3	40.5	0.3	103.5	0.8	166.5	1.4
Pool							1,380.0	23.0			1,380.0	23.0	4,080.0	68.1
Special Facilities													420.0	3.4
Trails & Pathways							45.0	0.4			45.0	0.4	75.0	0.6
Parking Lots and Tennis Courts							15.0	0.3	31.5	0.3	46.5	0.6	76.5	1.1
<b>Sub-Total: New Projects - Future Years</b>	<b>33.0</b>	<b>0.0</b>	<b>63.0</b>	<b>0.0</b>	<b>301.5</b>	<b>0.0</b>	<b>2,023.8</b>	<b>0.0</b>	<b>676.8</b>	<b>8.4</b>	<b>3,098.1</b>	<b>42.1</b>	<b>23,432.7</b>	<b>368.3</b>
<b>Total (Net)</b>	<b>773.4</b>	<b>6.9</b>	<b>11,482.2</b>	<b>97.0</b>	<b>7,109.1</b>	<b>88.4</b>	<b>6,239.0</b>	<b>80.2</b>	<b>2,998.0</b>	<b>43.7</b>	<b>28,559.8</b>	<b>315.9</b>	<b>56,896.3</b>	<b>758.8</b>

In 2021, PFR will require additional operating funding of \$0.773 million and 6.9 positions to maintain new parks and recreation infrastructure including:

- Liberty Village Park, Allan Gardens Washroom Building, Riverdale Farm Simpson House, Moorevale Park, and Rosehill Reservoir Park.

Over the period of 2022 to 2030, the operating costs of completed capital projects are projected to be \$56.123 million with an increase of 751.9 positions, which include some of the following:

- \$32.995 million for seventeen (17) new and revitalized community centres and spaces which includes *Bessarion, Western North York, Wallace Emerson, East Bayfront, North East Scarborough, 40 Wabash Parkdale, Etobicoke Civic Centre, Lower Yonge Street, Lawrence Heights, Masaryk-Cowan, Scarborough Centennial Redevelopment, Downtown (Ramsden), South-West Scarborough, Central Etobicoke, and Newtonbrook.*

- \$3.712 million for two (2) redeveloped arenas, two (2) repurposed arenas, one (1) skating trail, two (2) artificial ice rinks, and one (1) Zamboni Garage.
- \$4.279 million for one (1) new pool, two (2) pool additions, and one (1) pool replacement.
- \$5.461 million for various Park Development projects including the *Revitalization of David Crombie and Area Parks*, *York Off Ramp Park*, *Mouth of the Creek Phase 2*, *Wallace Emerson Park Redevelopment*, *St. Jamestown Open Space*, *Eglinton Park Master Plan Implementation*, *Baycrest Park (Lawrence Heights)*, *Grand Avenue Park Expansion*, and *Market Lane Parkette*.
- \$1.806 million for Information Technology projects which will improve user access and increase efficiency and will require Operating Budget support for ongoing software and lifecycle maintenance.

The 2021 operating costs associated with the completion of new parks and recreation infrastructure in 2021, as mentioned above, have been included in the 2021 Operating Budget for Parks, Forestry & Recreation. Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

# 2021 Program Summary

## Seniors Services and Long-Term Care

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Seniors Services and Long-Term Care (SSLTC) is responsible for service planning and strategic coordination of City services for seniors. As leaders in high-quality and ground-breaking services for healthy aging, SSLTC delivers a range of services to seniors in Toronto including:

- Long-Term Care Homes (LTCHs)
- Community and Seniors Services, including:
  - Community Support Programs [Homemakers & Nurses Services (HMNS), Supportive Housing (SH) and Adult Day Programs (ADPs)]
  - Delivering on the Toronto Seniors Strategy, including improving access to City services for seniors
  - Fostering partnerships with Seniors Service sector in Toronto

In response to COVID-19, the Division implemented extensive legislated changes across programs, including screening and infection prevention and control (IPAC) protocols, to ensure the safety of our diverse clients/residents. This has driven the entire 2020 overspending for the Division.

### Why We Do It

Eligible adults and seniors have **access** to City operated long-term care and services that **are inclusive, available, diverse** and **resident focused** which contribute to improved quality of life.

Seniors maintain their independence and stay in their homes longer (i.e. age in place) through access to integrated City services that are timely, inclusive and comprehensive.

*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

#### Long-Term Care Homes

**Who We Serve:** 2600+ diverse residents requiring 24-hour nursing and personal LTC care (70 countries of origin, 59 languages/dialects, 43% require financial assistance), family caregivers, 2000+ staff members and 2000+ volunteers

**What We Deliver:** Directly operate 10 LTCHs providing 24-hour resident-focused care for permanent, convalescent, and short-stay admissions; care, services and programs to enhance quality of life by responding to individual resident needs

**How Much Resources (gross operating budget):** \$279.3 Million

#### Community and Seniors Services

**Who We Serve:** 3000+ clients with limited financial resources requiring assistance with household activities (HMNS); 450+ seniors residing in designated buildings requiring assistance with personal support (SH); ~175 seniors in the community (ADPs)\*, all seniors in Toronto, with a focus on vulnerable seniors, seniors service providers and community partners, and other City divisions supporting seniors.

**What We Deliver:** Directly operate several programs for diverse and vulnerable seniors living independently in the community, including: HMNS, SH and ADP, coordinate 40+ City services for seniors across multiple divisions, and lead the Toronto Seniors Strategy, including facilitating information and resource sharing across the seniors services sector

**How Much Resources (gross operating budget):** \$13.4 Million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$224.1	\$226.9	\$229.6
Gross Expenditures	\$292.7	\$300.3	\$310.1
Net Expenditures	\$68.5	\$73.4	\$80.5
Approved Positions	2,649.5	2,702.0	2,758.6

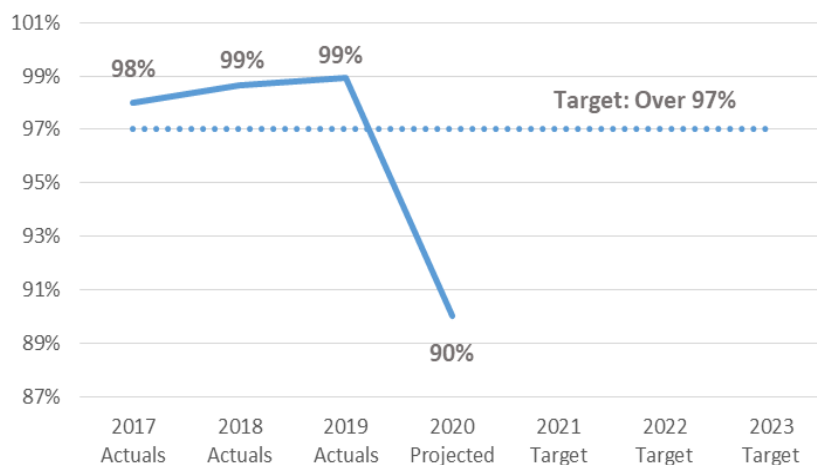
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$32.1	\$260.6	\$292.7
Debt	\$0.0	\$0.0	\$0.0

Note: Includes 2020 carry forward funding to 2021

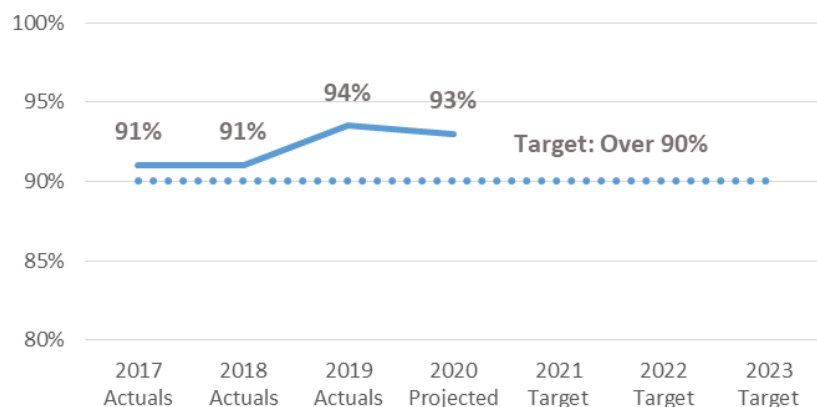
## How Well We Are Doing – Behind the Numbers

### Occupancy Rate for Long-Stay Program



- The Provincial target for occupancy in long-term care homes is 97%.
- SSLTC works closely with the LHIN's to ensure a smooth transition for new residents and has historically been well above the occupancy target.
- **COVID-19** restrictions around accepting new residents and physical distancing/isolation requirements are expected to result in lower occupancy rates in 2020 and beyond.

### Customer Satisfaction Rates Long-Term Care Homes



- 10 long-term care homes located city-wide are committed to providing 24-hour nursing and personal care and supportive programming for those who are no longer able to live on their own.
- SSLTC conducts annual surveys to assess client's level of satisfaction with services experienced in all 10 homes.
- **COVID-19** precautions and changes in programs arising from outbreak precautions may result in lower levels of customer satisfaction in 2020, but the Division is aiming to maintain the level of resident satisfaction at 90% or higher over the next three years.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
<b>LTC Homes</b>	Customer Satisfaction Rates at LTC Homes	91%	94%	Over 90%	93%	Over 90%	Over 90%	●
<b>Community and Seniors Services</b>	Customer Satisfaction Rates Adult Day Program (*Program is currently suspended)	100%	100%	Over 85%	n/a*	Over 85%	Over 85%	●
<b>Community and Seniors Services</b>	Customer Satisfaction Rates Supportive Housing Program	97%	93%	Over 85%	85%	Over 85%	Over 85%	●
<b>Community and Seniors Services</b>	Customer Satisfaction Rates Homemakers and Nurses Program	96%	95%	Over 85%	85%	Over 85%	Over 85%	●
Service Level Measures								
<b>LTC Homes</b>	Resident Care Index	106.6	106.3	106.0	106.0	106.5	106.9	●
<b>LTC Homes</b>	LTC Homes Occupancy Rate*	99%	99%	Over 97%	90%	Over 97%	Over 97%	●
<b>Community and Seniors Services</b>	Clients Assisted through Community-Based Programs*	3,844	3,804	Over 3,500	2,800	Over 3,500	Over 3,500	●
Other Measures								
<b>LTC Homes</b>	% of staff and visitors screened for <b>COVID-19</b> upon entering home	n/a	n/a	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>Operating expenses are higher in 2020 as the <b>COVID-19</b> pandemic response increased costs to maintain staffing levels, purchase additional personal protective equipment, introduce visitor screening and implement enhanced cleaning protocols. These costs were required to meet legislative requirements and protect vulnerable residents.</li> <li>The Division had to compete to maintain and attract staff due to the increased demand for healthcare workers across the sector and restrictions on working in multiple locations.</li> <li><b>COVID-19</b> costs have been partially offset by increased provincial government revenues.</li> <li>Pandemic pay for front-line staff also contributed to increases in expenditures, which will be fully offset by provincial funding.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>As a result of legislative changes, 207 positions are required to safely respond to <b>COVID-19</b>. These positions are essential to protect vulnerable seniors in LTC homes</li> <li>Costs will continue to be high as the personal protective equipment, visitor screening and enhanced cleaning will be required as long as <b>COVID-19</b> is a risk in LTC homes. Additional costs to maintain safe dining practices will also continue.</li> <li>Additional funding from the Province is anticipated, but has not been confirmed, so no allowance has been included in the budget.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>Capital projects were delayed as contractors were not allowed in LTC resident home areas due to essential visitor restrictions and project managers were diverted to the <b>COVID-19</b> response.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>Capital project spending is expected to return to normal levels, with a focus on projects with minimal impact to LTC resident areas and consideration of the impact on the project in the event of <b>COVID-19</b> resurgence.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Maintained services levels, through accelerated hiring and use of redeployed staff, but some resident programming had to be suspended for physical distancing restrictions.</li> <li>Adult Day Programs were closed in March. Plans for reopening are underway.</li> <li>Homemakers and Nurses Services were reduced with only high risk clients receiving service throughout pandemic.</li> <li>Supportive housing programs continued.</li> <li>Continued to drive progress on Toronto Seniors Strategy V2.0, with 67% full implementation of recommendations</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>To ensure a safe response to <b>COVID-19</b> and legislative requirements, we have increased services related to screening, cleaning and infection prevention and control (IPAC).</li> <li>Increased one-to-one care to meet physical distancing requirements and loss of community/volunteer programming and support, resulting in higher staff needs.</li> </ul>



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Mobilized all available resources to rapidly respond to the uncertain and evolving nature of the **COVID-19** pandemic which significantly impacted seniors and those living in congregate settings, including long-term care homes (LTC).
- Leveraged technology to support seamless LTC resident care including virtual physician rounds and consultations with other medical services. The expansion of public Wi-Fi and donations of tablets and other technologies made it possible to facilitate virtual visits and promote connections between 2,600+ LTC residents and their families and to access online programs to reduce resident isolation and loneliness.
- Enhanced stakeholder communication with weekly Update Bulletins and 3/week updates during outbreaks. Established a Family Contact Centre pilot to connect callers with a trained staff member, while reducing pressures on frontline staff members providing direct resident care.
- Made 12 recommendations to the Independent Commission on Long-Term Care with a focus on safety and necessary investments to ensure resiliency in the sector, improve quality of care and life for residents in long-term care, enhance trust and accountability to residents, family members, and loved ones, and improve working conditions for members of the inter-professional teams.
- Advanced applications for the Council-approved Capital Renewal Plan to redevelop 378 long-term care beds as part of the George Street Redevelopment project and for 205 redeveloped and 223 new long-term care beds in the Carefree Lodge project.
- Developed information resources to support isolated seniors in the community with food access, mental health, safety, transportation and more, via webinars and distribution of multi-lingual resources.
- Increased information-sharing, resource distribution and donation opportunities with 70+ external partners via the Seniors Strategy Accountability Table, Toronto Seniors Forum, housing provider partners, Seniors Active Living Centres and others, to support seniors in the community.
- Continued to coordinate and drive progress on Toronto Seniors Strategy V2.0, with 67% of recommendations fully implemented.
- Received Council approval to oversee and evaluate the Integrated Service Model for seniors in the 83 TCHC seniors-designated buildings, to improve access to health and housing services for senior tenants and support aging in place, through the Accountability Framework.
- Assembled a Confronting Anti-Black Racism (CABR) Steering Committee, provided staff training on Anti-Black Racism and created staff survey to better understand staff experiences of anti-Black racism in the workplace.

### Key Challenges and Risks

- Response to resurgence of **COVID-19**, community spread and new outbreaks will require timely impacts to reduce and mitigate virus spread including enhanced IPAC measures to prevent future outbreaks.
- Critical and essential staffing levels must be maintained in order to respond to **COVID-19**.
- Pressure stemming from the aging demographic, increases in acuity and complexity of LTC resident care needs and the higher demand for specialized services.
- All City of Toronto directly-operated LTC homes have waitlists. Depending on the home, it may take between 1 and 9 years for an offer of admission.
- Provincially mandated redevelopment of 5 City operated long-term care homes to meet new design standards.
- Securing upfront City funding for redevelopment; redevelopments costs are partially offset by MOLTC per diem subsidy over 25 years.

### Priority Actions

- Ensuring the safety of all residents and clients, their families and the well-being of staff members, resident programming and volunteer supports reintroduced following the **COVID-19** lockdown.
- Advance the redevelopment of Carefree Lodge to meet new provincial design standards.
- Implement Council adopted emotion-centred approach to care pilot and pursue new provincial funding to support the full implementation of this initiative.
- Develop talent and organizational capacity and strengthen healthcare and educational partnerships.
- Continue to incorporate wider coordination of municipal services for seniors.
- Implement Council approved accountability framework and implementation plan for an integrated service model in 83 TCHC seniors buildings.

## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Long-Term Care Homes	211,814.8	210,974.2	227,631.0	212,342.5		212,342.5	(15,288.5)	(6.7%)
Community and Seniors Services	9,739.7	12,263.7	9,087.5	11,797.4		11,797.4	2,709.9	29.8%
<b>Total Revenues</b>	<b>221,554.5</b>	<b>223,237.9</b>	<b>236,718.5</b>	<b>224,139.9</b>		<b>224,139.9</b>	<b>(12,578.6)</b>	<b>(5.3%)</b>
<b>Expenditures</b>								
Long-Term Care Homes	256,373.9	259,009.0	294,062.7	279,251.7		279,251.7	(14,811.1)	(5.0%)
Community and Seniors Services	11,022.9	13,868.7	10,125.5	13,425.0		13,425.0	3,299.5	32.6%
<b>Total Gross Expenditures</b>	<b>267,396.8</b>	<b>272,877.7</b>	<b>304,188.2</b>	<b>292,676.7</b>		<b>292,676.7</b>	<b>(11,511.6)</b>	<b>(3.8%)</b>
<b>Net Expenditures</b>	<b>45,842.3</b>	<b>49,639.8</b>	<b>67,469.8</b>	<b>68,536.8</b>		<b>68,536.8</b>	<b>1,067.0</b>	<b>1.6%</b>
<b>Approved Positions</b>	<b>2,426.6</b>	<b>2,435.2</b>	<b>2,435.2</b>	<b>2,649.5</b>		<b>2,649.5</b>	<b>214.3</b>	<b>8.8%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$292.677 million gross reflecting a decrease of \$11.512 million in spending from 2020 projected year-end actuals, predominantly arising from:

- \$9 million in temporary pandemic pay received in 2020 which is not expected to be available in 2021
- \$5 million in lower costs from improvements and previous experience with responding to **COVID-19**

These savings have been partially offset by:

- \$3 million in higher costs from the return of full programming for Community programs which was temporarily suspended in 2020

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 excluding estimated COVID-19 financial impacts totalling \$19.032 million in net expenditures reflects a \$0.135 million decrease from the 2020 Council approved Budget,**

### COSTS TO ENHANCE SERVICES

- N/A

### EQUITY IMPACTS OF BUDGET CHANGES

**Maintain access to quality care for vulnerable seniors.** Seniors Services and Long-Term Care's 2021 Operating Budget is anticipated to have no equity impact.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Seniors Services and Long-Term Care is \$292.677 million gross or 3.8% lower than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b 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	
						\$	%
Expenditures							
1	Salaries and Benefits	219,485.0	222,883.8	254,696.6	237,511.2	(17,185.4)	-6.7%
2	Materials & Supplies	20,138.0	21,191.1	24,201.1	26,014.5	1,813.4	7.5%
3	Equipment	4,677.7	3,761.7	3,761.7	3,711.7	(50.0)	-1.3%
4	Service and Rent	21,111.2	22,726.3	19,214.0	23,112.9	3,898.9	20.3%
5	Contribution To Reserves	1,071.7	1,071.7	1,071.7	1,088.7	17.0	1.6%
6	Contribution To Capital/Other	913.2	1,243.2	1,243.2	1,237.7	(5.5)	-0.4%
Total Expenditures		267,396.8	272,877.7	304,188.2	292,676.7	(11,511.6)	-3.8%
Revenues							
1	Provincial Subsidies	161,348.3	162,617.6	176,513.4	164,782.7	(11,730.7)	-6.6%
2	User Fees & Donations	59,095.1	58,206.8	58,206.8	58,252.6	45.8	0.1%
4	Draw from Reserve Funds		466.3	466.3		(466.3)	-100.0%
5	Other Revenues (Inc. IDR's)	1,111.1	1,947.2	1,531.9	1,104.5	(427.4)	-27.9%
Total Revenues		221,554.5	223,237.9	236,718.5	224,139.9	(12,578.6)	-5.3%
Net Expenditures		45,842.3	49,639.8	67,469.8	68,536.8	1,067.0	1.6%
Approved Positions		2,426.6	2,435.2	2,435.2	2,649.5	214.3	8.8%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

- Pandemic pay (\$9 million), fully funded by the province in 2020 is not expected to occur in 2021.
- 200 temporary and 7 permanent positions have been added to safely respond to COVID-19. These positions are essential to protect vulnerable seniors in LTC homes.
- The 2021 Base Budget includes funding to resume the Emotion-Based Approach to Care pilot at Lakeshore Lodge

**Materials & Supplies:**

- Additional costs for PPE and cleaning supplies.

**Services and Rent:**

- Community programs stopped, but are anticipated to restart in 2021.

**Provincial Funding Loss:**

- Additional **COVID-19** Provincial support is anticipated, but hasn't been included in the 2021 budget.

**Draw from Reserve Funds:**

- One-time funding from the Innovation Reserve Fund (XR1713) in 2020 to support Seniors Services expired in 2021.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
MOLTC Funding Annual Increase (1.5%)	Revenue Increase (Other)	2,737.7		(2,737.7)			(2,737.7)	
Conversion of 40 Hour positions to 35 Hour positions	Efficiencies		(218.8)	(218.8)		(192.9)		
Consolidate and Streamline Operations	Efficiencies	(36.8)	(128.9)	(92.1)		(128.9)	(92.1)	
<b>Total Balancing Actions</b>		<b>2,700.9</b>	<b>(347.7)</b>	<b>(3,048.7)</b>	<b>-</b>	<b>(321.8)</b>	<b>(2,829.8)</b>	<b>-</b>

**MOLTC Funding Annual Increase (1.5%)** – Mainly due to a provincial announcement regarding a 1.5% increase in the Long-Term Care (LTC) Home per diem rates.

**Conversion of 40 hours positions to 35 hour positions** – Some 40 hour per week positions have been converted to 35 hours as the positions become vacant.

**Consolidate and Streamline Operations** – Comprised primarily of a reduction in the Water and Natural Gas budgets along with other nominal budgets.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	236,718.5	224,139.9	226,877.6	229,615.3
Gross Expenditures	304,188.2	292,676.7	300,287.3	310,139.7
<b>Net Expenditures</b>	<b>67,469.8</b>	<b>68,536.8</b>	<b>73,409.7</b>	<b>80,524.4</b>
<b>Approved Positions</b>	<b>2,435.2</b>	<b>2,649.5</b>	<b>2,702.0</b>	<b>2,758.6</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$300.287 million reflects an anticipated \$7.611 million or 2.60 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlook expects a further increase of \$9.852 million or 3.28 per cent above 2022 gross expenditures.

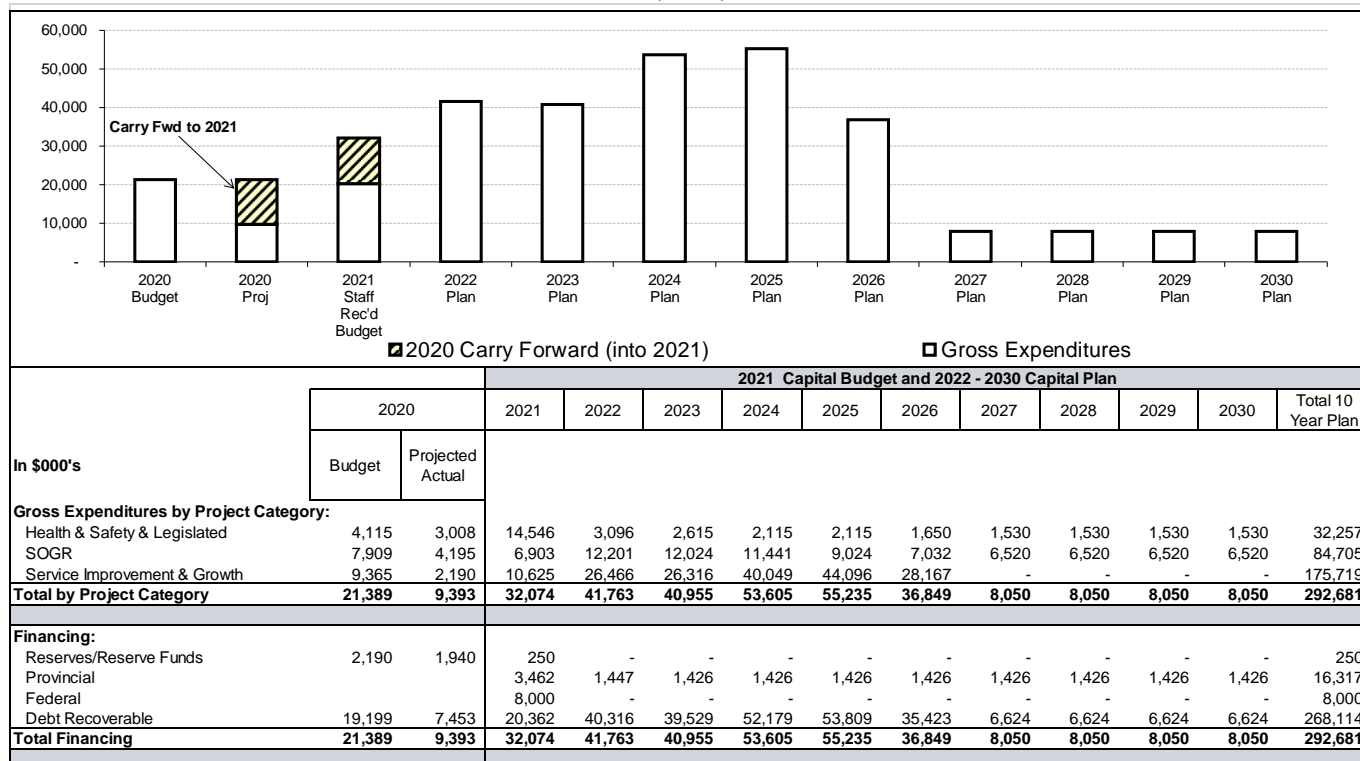
These changes arise primarily from the following:

- Anticipated salaries and benefits increases related to corporate step and cost of living adjustments (COLA) of \$2.369 million above the 2021 Operating Budget in 2022 and anticipated increases of \$3.311 million above the 2022 Outlook in 2023.
- The 2022 and 2023 budgets include the full implementation of the Emotion-Based Approach to Care Initiative which will increase direct resident care services per day from 3.5 hours to 4 hours to address the rising acuity and complex care needs of long-term care home residents. This will further increase expenditures by \$4.488 million and 56.57 added positions above the 2021 Operating Budget and expenditures will increase by \$5.871 and 56.57 added positions above the 2022 Outlook in 2023. This initiative does not have confirmed funding from the province. Seniors Services and Long-Term Care is currently in discussions with the Ministry of Long-Term Care for additional funding to fully implement this initiative in the future.
- Funding for 200 temporary positions added in 2021 to protect vulnerable seniors in LTC homes in response to COVID-19 is included in the outlooks and will be adjusted as the threat of COVID-19 declines.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$0.0 Million)

- A review of updated deliverables for the Carefree Lodge Redevelopment project was conducted and timelines have been revised for project completion to 2026 from 2025.





### New Projects (\$18.7 Million)

- State of Good Repair projects will continue to make repairs and upgrades to the existing homes to prevent major capital costs through regular maintenance.
- Health and Safety projects will continue to ensure that long-term care homes remain compliant with provincial health and safety standards.
- An additional \$10.0 million in Health & Safety projects to respond to **COVID-19**, fully funded by the Federal/Provincial COVID-19 Resilience Infrastructure funding stream under the Investing in Canada Infrastructure Program (ICIP). Projects include: HVAC Upgrades, Facility Innovative and Accessibility Solutions, Fire Alarm Replacement, Generator Upgrades

### Capital Needs Constraints (\$381.0 Million)

- Redevelopment of the remaining four (4) long-term care homes to meet provincial legislative requirements.
- Special projects including Information Technology related to Timekeeping and Electronic Healthcare Record System hardware sustainment.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$292.7 Million 10-Year Gross Capital Program**

			
<b>Health and Safety</b>	<b>State of Good Repair</b>	<b>Redevelopment</b>	<b>Information Technology</b>
\$32.3 M 11.0%	\$84.7 M 28.9%	\$175.5 M 60.0%	\$0.3 M 0.1%
Fire Alarm Nurse Call Bell Life Safety Systems HVAC	Roofing Windows Exterior Maintenance	Carefree Lodge Redevelopment	Kronos Feasibility Study

**How the Capital Program is Funded**

City of Toronto		Provincial Funding		Federal Funding	
<b>\$268 M</b> <b>92%</b>		<b>\$16 M</b> <b>6%</b>		<b>\$8 M</b> <b>2%</b>	
Recoverable Debt - Province*	\$92 M	COVID-19 Resilience Infrastructure funding	\$2 M	COVID-19 Resilience Infrastructure funding	\$8 M
Recoverable Debt - City	\$176 M	Minor Capital Funding	\$14 M		
Reserve Draws	\$ 0 M				

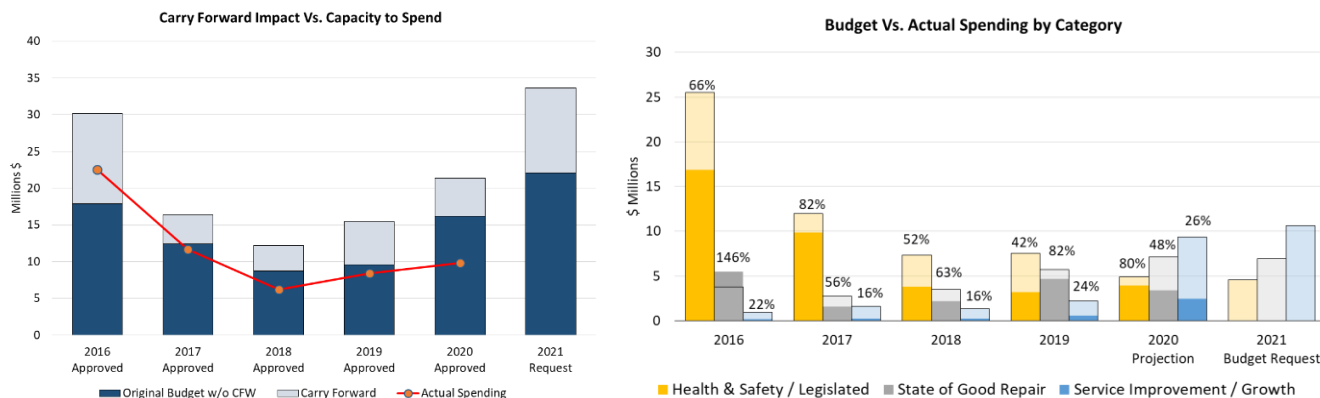
\* For the Province's share of recoverable debt, the City will pay the cost up front and recover it from the Province at a rate of \$23.78 per bed for 428 beds over a 25 year period starting in 2026, after the completion of the Carefree Lodge Redevelopment project.

## 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 Seniors Services and Long-Term Care'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

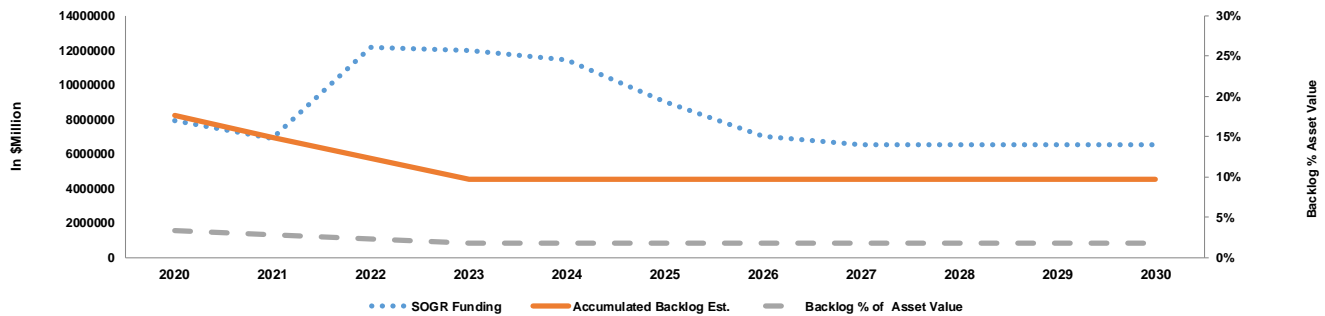
Based on the review of historical capital spending constraints, the capital plan was adjusted from last year to reflect the Division's current needs and its capacity to meet the timelines assumed in the plan.

As a result of this fulsome review, the following key adjustments have been made:

- *Health and Safety* and *State of Good Repair* projects have been prioritized for 2021 with cash flows reflecting the realistic capacity to spend and consideration of increasing critical repairs needed to keep aging homes legislatively compliant and in good repair.
- \$10.0 million in *Health & Safety* projects has been included to respond to COVID-19, subject to Federal and Provincial funding approval, for the COVID-19 Resilience Infrastructure funding stream under the Investing in Canada Infrastructure Program (ICIP).
- Cash flows for the *Carefree Lodge Redevelopment* major project (2021-2026) have been aligned based on a capacity to deliver.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Seniors Services and Long-Term Care.

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

\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>SOGR Funding</b>	7.909	6.903	12.201	12.024	11.441	9.024	7.032	6.520	6.520	6.520	6.520
<b>Accumulated Backlog Est.</b>	8.221	6.983	5.745	4.507	4.507	4.507	4.507	4.507	4.507	4.507	4.507
<b>Backlog % of Asset Value</b>	3.3%	2.8%	2.3%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
<b>Total Asset Value</b>	248.829	248.829	248.829	248.829	248.829	248.829	248.829	248.829	248.829	248.829	248.829

- The capital maintenance program ensures that life safety issues are addressed and that all ten long-term care homes are maintained in a state of good repair to avoid future major costs from becoming necessary.
- The 2021-2030 Budget and Capital Plan allocates a total \$84.705 million over 10 years, including \$6.903 million in 2021 to ensure the safety, security and comfort of residents as well as mitigate risks to the City while complying with the Ministry of Long-Term Care (MOLTC) requirements.
- Continuous SOGR funding through the 10-year period will ensure the backlog is reduced from \$8.221 million or 3.3% of the asset replacement value of \$248.829 million in 2020 to \$4.507 million or 1.8% of the asset replacement value of \$248.829 million at the end of 2023 through to 2030.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan and Budget will impact future year Operating Budgets by \$35.441 million net over the 2021-2030 period, primarily due to the completion of the Carefree Lodge Redevelopment, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Electronic Healthcare Record	381.7	2.2	444.6		445.2		458.6		472.3		2,202.5	2.2	4,785.4	2.2
<b>Sub-Total: Previously Approved</b>	<b>381.7</b>	<b>2.2</b>	<b>444.6</b>		<b>445.2</b>		<b>458.6</b>		<b>472.3</b>		<b>2,202.5</b>	<b>2.2</b>	<b>4,785.4</b>	<b>2.2</b>
<b>New Projects - 2021</b>														
Carefree Lodge Redevelopment													30,656.0	229.0
<b>Sub-Total: New Projects - 2021</b>													<b>30,656.0</b>	<b>229.0</b>
<b>New Projects - Future Years</b>														
<b>Total (Net)</b>	<b>381.7</b>	<b>2.2</b>	<b>444.6</b>		<b>445.2</b>		<b>458.6</b>		<b>472.3</b>		<b>2,202.5</b>	<b>2.2</b>	<b>35,441.4</b>	<b>231.2</b>

Previously Approved projects:

- Additional operating funding and 2.2 positions starting in 2021 is required to maintain licences for the Electronic Healthcare Record System project and ensure ongoing support for operations and privacy.
- The *Carefree Lodge Redevelopment* project, to be completed in 2026, will increase the number of beds to 428 from the existing 127 beds. Additional operating expenses to support this increased capacity are forecasted to be \$30.656 million net with 229 added positions and provincial funding.
  - Operating these additional beds will require additional provincial investment and will be challenging without subsidy from the provincial government. Currently, provincial subsidies and user fees contribute 80 per cent of the division's operating budget with a 20 per cent net City contribution.



# 2021 Program Summary

## Shelter, Support and Housing Administration

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Shelter, Support and Housing Administration (SSHA) manages a coordinated and effective system of shelter and housing services to improve the housing stability of people who are at risk of, or experiencing homelessness in Toronto. SSHA manages a complex service system of emergency and transitional shelter beds, temporary refugee program beds, 24-hour respite sites, 24-hour women's drop-ins, street outreach, funding and oversight of 250 housing providers with 92,000 social and affordable housing units, as well as the provision of various housing support programs, including prevention services, drop-in services, supports, and housing allowances.

### Why We Do It

SSHA's vision is that Toronto is a city where everyone has a safe and affordable place to call home.

- People experiencing homelessness in Toronto have access to safe, high quality emergency shelters that offer housing-focused supports (permanent housing help)
- The experience of homelessness in Toronto is rare, brief and non-recurring
- Low-income households have access to housing benefit programs that provide affordability and stability

### What Service We Provide

#### Homelessness and Housing First Solutions

**Outcome 1:** The experience of homelessness is rare, brief and non-recurring.

**Outcome 2:** People experiencing homelessness in Toronto have access to safe, high quality emergency shelters that offer housing-focused supports.

**Who We Serve:** Persons experiencing homelessness and persons at risk of experiencing homelessness

**What We Deliver:**

- SSHA provides shelter to 7,500 and 8,000 people nightly
- Street outreach through the Streets to Homes Program
- Services to find housing and prevent homelessness and Housing support services

**How Much Resources (gross operating budget): \$663.2 million**

#### Social Housing System Management

**Outcome 3:** Low-income households have access to housing benefit programs that provide affordability and stability

**Who We Serve:** Tenants/members and applicants

**What We Deliver:**

- Service system management including funding and oversight of 250 housing providers, 92,040 social and affordable housing units, including 59,000+Toronto Community Housing Corporation housing units.
- Operation of the Centralized Waiting List and provision of over 7,100 Housing Allowances

**How Much Resources (gross operating budget): \$522.1 million**

## Budget at a Glance

### 2021 OPERATING BUDGET

\$ Millions	2021	2022	2023
Revenues	\$408.0	\$241.4	\$218.2
Gross Expenditures	\$1,185.3	\$910.6	\$885.1
Net Expenditures	\$777.3	\$669.2	\$666.9
Approved Positions	1,106.2	922.2	921.2

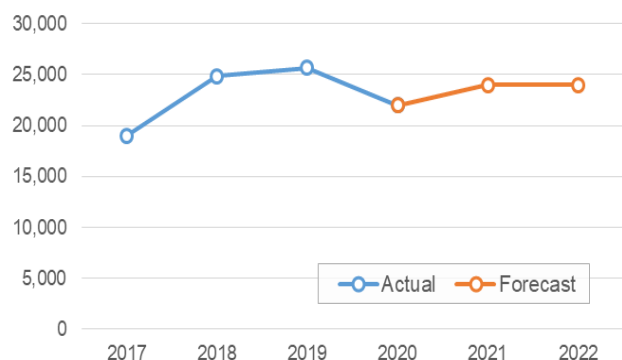
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$242.6	\$1,998.5	\$2,241.1
Debt	\$227.3	\$1,985.1	\$2,212.4

Note: Includes 2020 carry forward funding to 2021

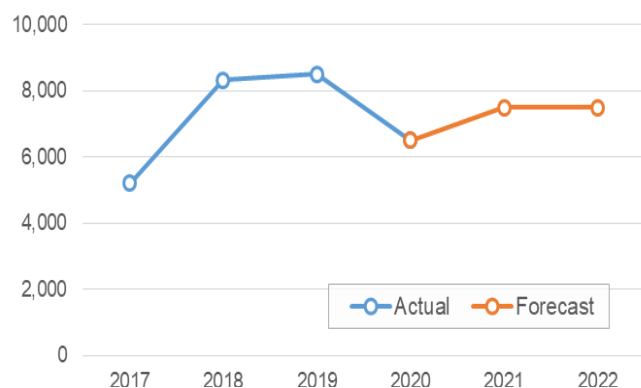
## How Well We Are Doing – Behind the Numbers

Unique Individuals Served, Shelter & Allied Services



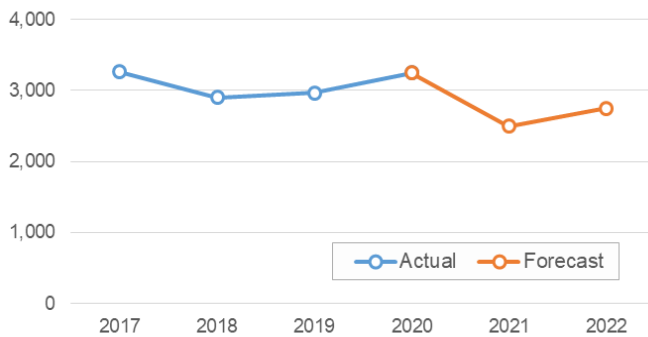
- Unique individuals served increased significantly in 2018, and have remained at this level since. This is due to a number of factors, including:
  - An increase in demand from people experiencing homelessness in Toronto due to international migration, particularly refugee claimants. This demand has been addressed through implementation of Temporary Refugee Response programs.
  - An expansion in capacity of the permanent shelter system, in keeping with Council's direction to add 1,000 new beds to the shelter system.
- In 2020, as a result of the COVID-19 pandemic, there have been significant changes in trends for overnight service use. The closure of Canada's borders has reduced new arrivals by refugee/asylum claimants to almost none. At the same time, the shelter system has been significantly transformed through operation of 25 temporary shelter sites to achieve physical distancing in existing shelters. Demand for homelessness services remains high.

Individuals Housed from Shelter & Allied Services



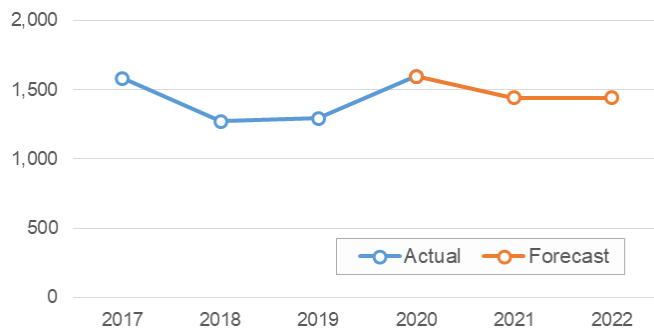
- The number of people housed from shelter and allied services has followed a similar trend as the number of unique individuals served over the last few years.
- If not for a concerted additional effort to house over 2,000 people (as of September 1, 2020) through a focussed on initiatives for people staying in shelters, housing outcomes would have been significantly lower in 2020.
- This statistic is derived from discharge information for clients at time of discharge. SSHA has made refinements to its data systems to continue to improve the comprehensiveness of this data going forward.

Households Housed from the Centralized Wait List



- This measure includes households who were on the Centralized Wait List for social housing (CWL) who have moved into Rent-Geared-to-Income (RGI) housing or have received a COHB benefit and thus left the CWL.
- RGI households are staying in their units longer than in past years, resulting in fewer units available to new tenants.
- There was a reduction in placements from the CWL into RGI housing in 2020 due to COVID-19.
- The introduction of the Canada-Ontario Housing Benefit program (COHB) has allowed for an anticipated 1,100 additional households to be housed from the Centralized Wait List in 2020.
- COHB program funding allocations were maximized in 2020 and the rate of new benefit allocations will drop significantly in 2021.

Households Housed with a Housing Allowance



- This measure shows the number of households who newly accessed a housing allowance.
- The housing allowance program is focussed on supporting chronically homeless individuals to exit homelessness into permanent housing.
- The ability to sustain the housing allowance program relies on partnership funding from the Provincial and Federal governments.
- Based on available provincial funding for new housing allowances, the rate of new benefit allocations is expected to decrease marginally in 2021.

## How Well We Are Doing

### Population Outputs

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target
Homeless & Housing First Solutions	# of Shelter Beds - DOS	1,750	1,787	1,643	1,281	1,281	1,300*
Homeless & Housing First Solutions	# of Beds -POS	3,199	3,111	3,192	1,842	1,842	2,600*
Homeless & Housing First Solutions	Shelter Expansion Initiative - # of Beds *	342	300**	68	32	200	0
Homeless & Housing First Solutions	Refugee/ Asylum Response - # Beds	1,527	2,487	2,500	1,782	2,036	2,036***
Homeless & Housing First Solutions	Winter Respite Services - # of Spaces Provided	550	640	660	350	350	350
Homeless & Housing First Solutions	Street Outreach -# Street Outreach clients offered Assistance	1,091	1,400	1,300	1,600	1,300	1,300
Homeless & Housing First Solutions	Housing Follow up - # Clients	160	150	150	150	150	150
Homeless & Housing First Solutions	Transition to Housing Beds - # Clients	129	334	334	330	330	330
Homeless & Housing First Solutions	Covid19 Response - # of Beds				2610	3,000	0****

#### Notes:

\*SSHA new Service Plan will begin to pivot from emergency shelter development into supportive housing development thereby reducing the overall number of shelter beds.

\*\*\*Subject to Immigration, Refugees and Citizenship Canada program continuing beyond 2020 and 2021.

\*\*\*\*Assumes physical distancing requirements are no longer needed.

**Population Outputs**

Service	Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target
Homelessness and Housing First Solutions	Unique individuals served with overnight shelter and/or allied services	24,836	25,675	26,000	22,000	24,000	24,000
Homelessness and Housing First Solutions	Individuals housed from overnight shelter and allied services	8,327	8,500	8,000	6,500	7,500	7,500
Social Housing System Management	Households housed from the Centralized Waitlist	2,898	2,966	3,250	3,250	2,500	2,750
Social Housing System Management	Households housed with a Housing Allowance	1,272	1,291	1,595	1,595	1,440	1,440

**Social Housing Outputs**

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target
Social Housing System Management	Co-op Housing Subsidy- # of Units	7,296	7,296	7,296	7,296	7,296	7,296
Social Housing System Management	Non-Profit Housing Subsid- # of Units	15,486	14,332	14,332	13,733	15,001	15,001
Social Housing System Management	Municipal Corporation Housing Subsidy (TCH)- # of Units*	59,017	59,291	53,000	52,320	53,000	53,000
Social Housing System Management	Centralized Social Housing Waitlist - # Households**	106,774	106,654	106,654	78,713	78,713	78,713
Social Housing System Management	Rent Supplements - Private Landlords - # of Units	2,511	2,448	2,545	2,550	2,675	2,675
Social Housing System Management	Rent Supplements -Non-Profit Housing - # of Units	979	961	961	925	925	925

**Notes:**

\* Reporting method changed in 2020 to reflect RGI units only, no longer includes market units.

\*\* A review of the status of applications resulted in a large number of applications changing from active to inactive status in 2019 and a drop in the size of the active waiting list.

**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>SSHA provided for up to 3,000 temporary spaces for physical distancing, isolation &amp; recovery.</li> <li>COVID related impacts are estimated to total \$170.9 million in added expenditures. Offsets to added expenditures have been secured through revenues that include \$24.9 million in federal funding under the Reaching Home program; \$38.9 million under SSRF phase 1 and \$102.7 million for phase 2 and \$0.02 million donation.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>\$281.3 million (Gross Expenditure), \$39.1 million Revenues (SSRF Phase 2 &amp; RH), \$242.2 million Net pressure in 2021</li> <li>Based on the following assumptions;: <ul style="list-style-type: none"> <li>Full 12 months response</li> <li>3,000 maximum bed capacity</li> <li>Inflation in cost of services</li> <li>Additional positions to replace redeployed staff</li> <li>Enhanced services such as mental health, counselling, community safety and security to be provided at five sites.</li> </ul> </li> <li>SSHA has recently hired 134 administrative/operational staff to maintain required operational levels as part of the COVID-19 response. This has allowed redeployed City staff to return to their base positions and resume their normal duties.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>Lower than plan spending of \$5.4 million resulting from implementation delays in George Street Revitalization project</li> <li>Implementation delays resulting in underspending of \$2.0 million for 625 Church St. Modernization project</li> <li>Lower than plan spending of \$3.9 million for non-critical SOGR projects.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>A number of smaller-scale capital projects, including the electronic choice-based waitlist and central intake enhancement, have been delayed as a result of project staff being redeployed to positions deemed essential to the COVID-19 response.</li> <li>\$7.7 million in funding under the Investing in Canada Infrastructure Program - COVID-19 Response.</li> <li>Infrastructure upgrades at existing City-owned shelters.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>2,610 temporary spaces secured for physical distancing within shelters, isolation and recovery for infection prevention and control. Enhanced services for mental health, counselling, community safety and security were also provided to clients.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Maintain up to 3,000 temporary beds for physical distancing within shelters, isolation and recovery for infection prevention and control. Enhanced services for mental health, counselling, community safety and security will continue to be provided.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Implemented a 3-tier response to COVID-19:
  - **Prevention:** Maintain and enhance strong infection prevention and control measures, ensure physical distancing across the shelter system, and open new facilities. Since March 2020, we have opened 40 temporary facilities and moved more than 3,600 people into temporary community centre programs, hotels, and permanent housing to achieve physical distancing in our shelter system and provide spaces for people to move indoors from encampments
  - **Mitigation:** Screening and testing for COVID-19 for shelter staff and clients, and isolation programs for clients waiting for test results. Over 4,900 individual tests have been administered through 98 mobile testing sessions and more than 774 clients have been provided space for isolation with medical supports
  - **Recovery:** Two shelter programs for clients who tested positive for COVID-19, Rapid Re-housing initiative, leveraging investments for permanent housing, and ensuring housing stability. More than 1,570 people have been housed between March and August, a 50% increase over the same period last year.
- Released the Interim Shelter Recovery Strategy and Implementation Plan in partnership with United Way to guide divisional activities over the next 12 months
- Released the 2020-2021 Winter Plan for People Experiencing Homelessness. The winter plan will provide approximately 620 additional spaces through a combination of shelter and 24-hour respite beds, hotel rooms and supportive housing units. The City will also continue to offer the 200 beds that remain open from last year's winter plan, and 221 spaces in existing 24-hour respite sites that remain open year-round. All services identified under the 2020-2021 winter plan have been considered from the lens of providing safer services during the pandemic

### Key Challenges and Risks

- The COVID-19 pandemic has added significant challenges in terms of identifying additional space for physical distancing, identifying partners and staff to operate programming in those spaces, ensuring services are available in those spaces, and maintaining rigorous health and safety standards for all staff and clients. These actions will need to continue in 2021 without any future funding commitments beyond March 31, 2021 from either order of government.
- SSHA continues to be challenged with extremely high demand for temporary emergency shelter.
- The Refugee/Asylum Seeker Program continues to be unfunded and unclear of its future requirements due to border closure.
- Timelines for the remaining 1,000 beds project have shifted to 2023 due to a challenging real estate market, site conditions, shifting construction schedules and from COVID-19.
- George Street Revitalization project has incurred delays due to COVID-19, significant increases in construction costs, and unforeseen remedial work for transitional sites.
- Increased cost pressures resulting from End of Federal operating agreements in Social Housing portfolio and Rent Freeze Legislation.
- Supportive Housing funding is committed by the federal/provincial government for 2021 only. The city has requested the Province of Ontario & Government of Canada provide \$48 million in annual ongoing operating funding to create and maintain 2,000 new supportive housing units. Non-availability of the anticipated funding will add pressure in 2022 and subsequent years.

### Priority Actions

- Address the disproportionate representation of Black people in Toronto's homeless population, promote Black leadership in homelessness services, collect and act on data to address inequitable outcomes, and work with the homelessness service system to ensure all providers operate from an anti-Black racism framework.
- Prioritize Indigenous-specific housing in strategies to secure more permanent housing infrastructure, expand Indigenous-led outreach and supports for Indigenous individuals during the pandemic, establish protocols to ensure Indigenous individuals who have been moved into new housing are connected with an Indigenous provider, support Indigenous providers to act quickly and lead solutions.
- Invest in housing and supports to decrease the volume and duration of need for emergency shelter.
- Shift the way we shelter people to provide COVID-safe, dignified options.
- Minimize the flow of people into traditional emergency shelters.
- Deepen collaboration and coordination with health partners.



## 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 Requests	2021 Budget	Change v. 2020 Projection	
	\$	\$	\$	\$	\$	\$	\$	%
<b>By Service</b>								
<b>Revenues</b>								
Homeless and Housing First Solutions	215,079.3	238,319.9	362,791.7	255,782.1		255,782.1	(107,009.6)	-29%
Social Housing System Management	266,571.4	292,635.2	240,346.9	152,253.9		152,253.9	(88,093.0)	-37%
<b>Total Revenues</b>	<b>481,650.7</b>	<b>530,955.1</b>	<b>603,138.6</b>	<b>408,036.0</b>	<b>0.0</b>	<b>408,036.0</b>	<b>(195,102.6)</b>	<b>-32%</b>
<b>Expenditures</b>								
Homeless and Housing First Solutions	365,808.1	395,774.4	545,381.6	663,213.6		663,213.6	117,832.0	22%
Social Housing System Management	596,046.5	642,344.0	586,055.2	522,094.3		522,094.3	(63,960.9)	-11%
<b>Total Gross Expenditures</b>	<b>961,854.6</b>	<b>1,038,118.4</b>	<b>1,131,436.8</b>	<b>1,185,307.9</b>	<b>0.0</b>	<b>1,185,307.9</b>	<b>53,871.1</b>	<b>5%</b>
<b>Net Expenditures</b>	<b>480,203.9</b>	<b>507,163.3</b>	<b>528,298.2</b>	<b>777,271.9</b>	<b>0.0</b>	<b>777,271.9</b>	<b>248,973.7</b>	<b>47%</b>
<b>Approved Positions</b>	<b>935.4</b>	<b>968.6</b>	<b>968.6</b>	<b>1,106.2</b>	<b>0.0</b>	<b>1,106.2</b>	<b>137.6</b>	<b>14%</b>

\*2020 Projection based on Q3 Variance Report

**Notes:**

1- 2020 Projection - Homeless and Housing First Solutions includes Revenue of \$166,525.6 and Expenditures of \$170,852.1 for COVID 19 response.

2- 2021 Budget - positions include 134 for COVID 19 response & the rest of the additions are mainly due to the extension of temporary positions in 2021 to meet the increased pressure within Shelters to meet the COVID 19 requirements

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$1.185 billion gross reflecting an increase of \$53.871 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Annualized impact of up to 3,000 temporary shelter beds for physical distancing within shelters, isolation and recovery for infection prevention and control in response to COVID-19 pandemic;
- Increase in Operating costs of new shelter programs anticipated to be open in 2021 as well as annualized operating impacts of new shelters that commenced operations in 2020;
- Increase in Social Housing subsidies due to end of federal operating agreements legislated cost factor increases under the Housing Services Act and cost pressures resulting from provincial rent freeze legislation;
- The 2021 Operating Subsidy to TCHC is \$250.960 million which is consistent with 2020 Operating Subsidy.

All operating and capital budgets that support Housing Secretariat's initiatives have been transferred from SSHA to Housing Secretariat. Please refer to Housing Secretariat's 2021 Program Summary for further details.

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

- 2021 Base Budget of \$777.272 million in net expenditures reflects a \$27.883 million net increase from the 2020 Council Approved Budget, when excluding \$242.226 million in estimated net COVID-19 financial impacts.

## EQUITY IMPACTS OF BUDGET CHANGES

### Investing in additional shelter, hotel and isolation/recovery spaces for people experiencing homelessness:

SSHA's 2021 Operating Budget includes an increased investment of \$281.336 million in COVID-19 response funding for people experiencing homelessness. The proposed budget will positively impact access to housing and homelessness services for a range of equity-seeking groups, including newcomers, people experiencing chronic homelessness, seniors, low-income households, persons with disabilities and youth. In particular, SSHA's budget proposal ensures COVID-19 response and recovery is rooted in confronting anti-Black racism and Indigenous reconciliation. This increase supports the Toronto's HousingTO Plan, Poverty Reduction Strategy, Newcomer Strategy, and Confronting Anti-Black Racism Action Plan.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Shelter, Support and Housing Administration is \$53.871 million gross or 4.76% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes Balancing Actions.

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

Key Cost Drivers (\$000)	2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	YoY Changes	
					\$	%
Expenditures						
Salaries and Benefits	96,139.4	98,379.8	95,726.7	101,141.1	5,414.5	5.66%
Materials & Supplies	6,427.2	6,249.5	6,280.1	7,221.8	941.8	15.00%
Equipment	577.1	518.5	643.3	987.8	344.5	53.55%
Service and Rent	149,002.0	173,402.6	157,287.0	166,379.4	9,092.3	5.78%
Contribution To Capital				0.0	0.0	0.00%
Contribution To Reserves	1,668.0	1,668.0	1,668.0	1,729.9	61.9	3.71%
COVID-19 Impact			170,852.1	276,335.8	105,483.7	61.74%
Toronto Pandemic Pay			11,806.8	0.0	(11,806.8)	-100.00%
Other Expenditures	708,040.9	757,900.0	687,172.8	631,512.0	(55,660.8)	-8.10%
Total Exepnditures	961,854.6	1,038,118.4	1,131,436.8	1,185,307.9	53,871.1	4.76%
Revenues						
Provincial Subsidies	199,115.9	205,493.1	185,290.5	155,293.7	(29,996.8)	-16.19%
Federal Subsidies	183,640.9	202,797.4	150,392.8	204,432.7	54,039.9	35.93%
User Fees & Donations	129.4		22.5	0.0	(22.5)	-100.00%
Transfers from Capital	60,263.6	85,683.3	80,849.7	7,399.5	(73,450.1)	-90.85%
Contribution from Reserves	34,968.5	36,117.3	9,754.4	1,036.2	(8,718.2)	-89.38%
Other Revenues (Covid 19)			166,525.6	39,110.2	(127,415.4)	-76.51%
Other Revenues TPP			12,397.2	0.0	(12,397.2)	-100.00%
Other Revenues	3,532.4	864.0	(2,094.2)	763.6	2,857.8	-136.46%
Total Revenues	481,650.7	530,955.1	603,138.6	408,036.0	(195,102.6)	-32.35%
Net Expenditures	480,203.9	507,163.4	528,298.2	777,271.9	248,973.7	47.13%
Approved Positions	935.4	968.6	968.6	1,106.2	137.6	14.20%

**Salaries & Benefits:**

- Salaries & Benefits include inflationary increases to unionized staff and annualized impact of temporary positions. The 2021 Budget positions include 134 positions required to sustain the City's COVID 19 response.

**Materials and Supplies:**

- Operating impacts of new shelter programs under 1,000 shelters beds and GSR projects and inflationary increases for hydro, food, kitchen and janitorial supplies.

**Services and Rents:**

- Primarily resulting from the annualization and 2021 operating impacts of shelters planned for 2021 under 1,000 shelters beds and GSR projects

**COVID-19 Impact:**

- Annualized costs of \$281.336 million for temporary shelter sites for physical distancing, isolation and recovery for infection prevention and control, provincial rent freeze legislation; as well as enhanced services for mental health, counselling, community safety and security.

- Increase in social housing subsidies resulting from the expiry of federal operating agreements, cost factor increases for social housing providers, higher costs for the Refugee/Asylum Seeker program in 2021 as US-Canada international borders re-open.

#### Revenue Changes:

- The 2021 budget includes a request of \$60.695 million to the Government of Canada for financial assistance to sustain the Refugee Response program in 2021 as well as an operating funding commitment of \$15.416 million from the federal and provincial governments to provide supportive housing for vulnerable and marginalized individuals experiencing homelessness.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Hydro rate reduction	Other		(13.2)	(13.2)		(12.0)		
Salaries & Benefits savings for vacant positions	Other		(200.0)	(200.0)				
<b>Total Balancing Actions</b>			<b>(213.2)</b>	<b>(213.2)</b>		<b>(12.0)</b>		

The 2021 Operating Budget Balancing Actions of \$0.213 million gross are comprised of the following initiatives:

- Savings from reduction of Hydro rates of 0.87%.
- Lower salaries & benefits to reflect delayed hiring for vacant positions in 2021.

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

(\$000s)	2020 Projections	2021 Budget	2022 Outlook	2023 Outlook
Revenues	603,138.6	408,036.0	241,385.6	218,152.1
Gross Expenditures	1,131,436.8	1,185,307.9	910,634.4	885,112.4
<b>Net Expenditures</b>	<b>528,298.2</b>	<b>777,271.9</b>	<b>669,248.8</b>	<b>666,960.3</b>
<b>Approved Positions</b>	<b>968.6</b>	<b>1,106.2</b>	<b>922.2</b>	<b>921.2</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$910.634 million reflects an anticipated \$274.674 million or 23.17 per cent decrease in gross expenditures below the 2021 Operating Budget. The 2023 Outlooks anticipates a further decrease of \$25.522 million or 2.80 per cent above 2022 gross expenditures.

These changes arise from the following:

- **Impacts of 2020 decisions**

Anticipated reversal of COVID-19 pandemic expenses amounting to \$281.336 million.

- **Inflationary Impact**

Inflationary increases in shelters' operating costs for utilities, food etc.

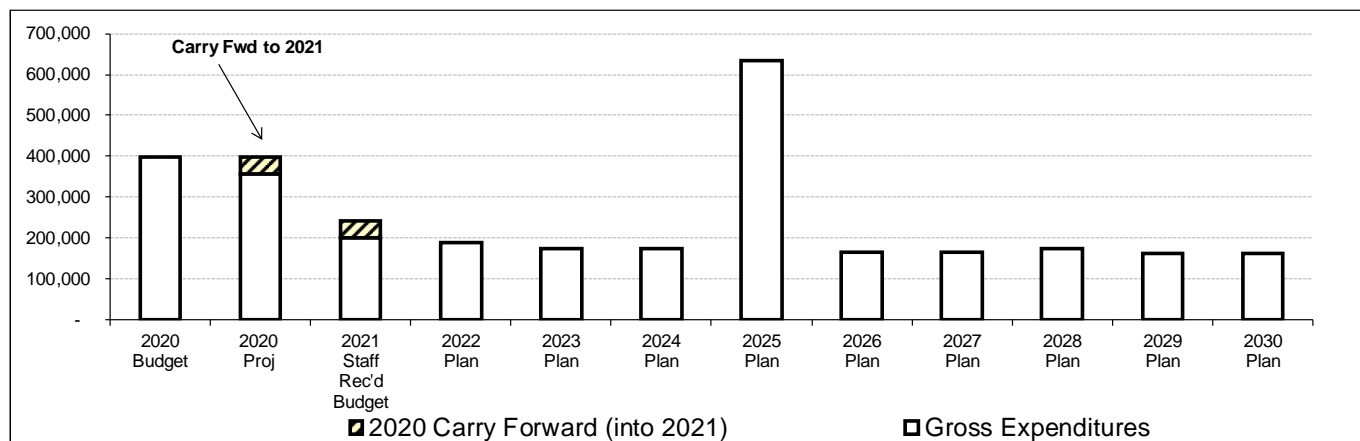
- **Revenue Changes**

Reversal of federal and provincial funding for the COVID-19 pandemic relief, the Refugee/Asylum seeker program, and reversal of one-time federal and provincial funding for the Supportive Housing Initiative in 2022. The City has requested funding of \$44.142 million and \$48.000 million from the federal and provincial governments to sustain the operating requirements for Supportive Housing Initiative in 2022 and 2023 respectively.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**

(\$000)



In \$000's		2021 Capital Budget and 2022 - 2030 Capital Plan									
		2020		2021	2022	2023	2024	2025	2021 - 2025	2026-2030	Total 10 Year Plan
		Budget	Projected Actual								
<b>Gross Expenditures by Project Category:</b>											
Health & Safety & Legislated		2,491	1,364	1,128	1,865	428	560	2,638	6,620		6,620
SOGR **		242,815	238,204	172,641	163,064	162,445	164,179	162,279	824,609	813,927	1,638,535
Service Improvement & Growth @		152,703	116,208	68,856	22,882	12,011	9,312	469,681	582,741	13,228	595,969
<b>Total by Project Category</b>		<b>398,009</b>	<b>355,775</b>	<b>242,625</b>	<b>187,811</b>	<b>174,884</b>	<b>174,051</b>	<b>634,599</b>	<b>1,413,970</b>	<b>827,155</b>	<b>2,241,124</b>
<b>Financing:</b>											
Debt		286,452	248,912	227,310	182,811	169,884	171,551	633,999	1,385,554	826,847	2,212,401
Reserves/Reserve Funds		13,706	10,159	3,335					3,335		3,335
Development Charges		13,489	10,250	3,239					3,239		3,239
Provincial		76,112	75,482	2,182					2,182		2,182
Federal		5,500	5,500	6,209	800	800	162		7,971		7,971
Debt Recoverable		2,750	2,750	100	4,200	4,200	2,338	600	11,438	308	11,746
Other Revenue			2,721	250					250		250
<b>Total Financing</b>		<b>398,009</b>	<b>355,775</b>	<b>242,625</b>	<b>187,811</b>	<b>174,884</b>	<b>174,051</b>	<b>634,599</b>	<b>1,413,970</b>	<b>827,155</b>	<b>2,241,124</b>
** includes TCHC SOGR and SHAIP Projects		236,112	235,482	160,630	160,000	160,000	160,000	160,000	800,630	800,000	1,600,630
@ includes TCHC - Revitalization Projects		34,321	34,321							12,920	12,920

Changes to Existing Projects <sup>1</sup>	New Projects <sup>2</sup>	Capital Needs Constraints <sup>3</sup>
Decrease - \$47.3 Million in 2021 Decrease - \$17.7 Million in 2022	Increase - \$34.2 Million in 2021-2030	\$9.0 Million in 2021

### Notes:

**1. Changes to Existing Projects:** Decrease to the plan resulting from technical adjustments to move funding as noted below to the Housing Secretariat:






- \$47.3 million in 2021 (for 660 Supportive Housing units) and \$17.7 million in 2022 (for the 24 months Covid-19 Housing and Homelessness Plan) in funding from the GSR and 1,000 Shelter beds project is being redirected to the Housing Secretariat Division. This is to support the implementation of the Supportive Housing initiative as the City pivots from the addition of temporary emergency shelter beds to permanent supportive housing.

**2. New Projects:** Increase to the plan by the addition of the following projects:

- A new project called COVID-19 Resilience Response Infrastructure with a project cost of \$7.7 million and 2021 cash flow of \$7.7 million, fully funded from the federal Investing in Canada Infrastructure Program has been added to SSHA's staff 2021 – 2030 Capital Budget and Plan.
- A new project entitled "Taking Action on Tower Renewal Program" with a total project cost of \$13.508 million and cash flows of \$0.100 million in 2021, \$5.0 million in 2022, \$5.0 million in 2023, \$2.5 million in 2024, \$0.600 million in 2025, and \$0.308 million in 2026 funded through a \$1.762 million federal grant and \$11.746 million in recoverable debt through loan repayments by property owners.
- \$12.9 million of capital funding from the City will contribute to the next phase of TCHC's Revitalization program which is anticipated to begin in 2028.

**3. Capital Needs Constraints:** Swing Space of approximately 20,000 sq. ft. is required to temporarily accommodate shelter clients during major facility upgrades.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$2,241.1 Million 10-Year Gross Capital Program**

				
<b>Aging Infrastructure</b>	<b>New Shelters/ Housing</b>	<b>Information Technology</b>	<b>Modernization</b>	<b>AODA</b>
\$1,665.0 M 74.3%	\$563.0 M 25.1%	\$3.0 M 0.1%	\$3.5 M 0.2%	\$6.6 M 0.3%
TCHC-State of Good Repair  TCHC-SHAIP  TCHC-Revitalization  SSHA-State of Good Repair  COVID-19 Resilience Response Infrastructure  Taking Action on Tower Renewal	George Street Revitalization  1,000 New Shelter Beds (Housing & Shelter Infrastructure Development)  Red Door Shelter  Modular Housing	Choice Based Housing Access  Central Intake Call Centre	Central Intake  Office Modernization	Legislated

**How the Capital Program is Funded**

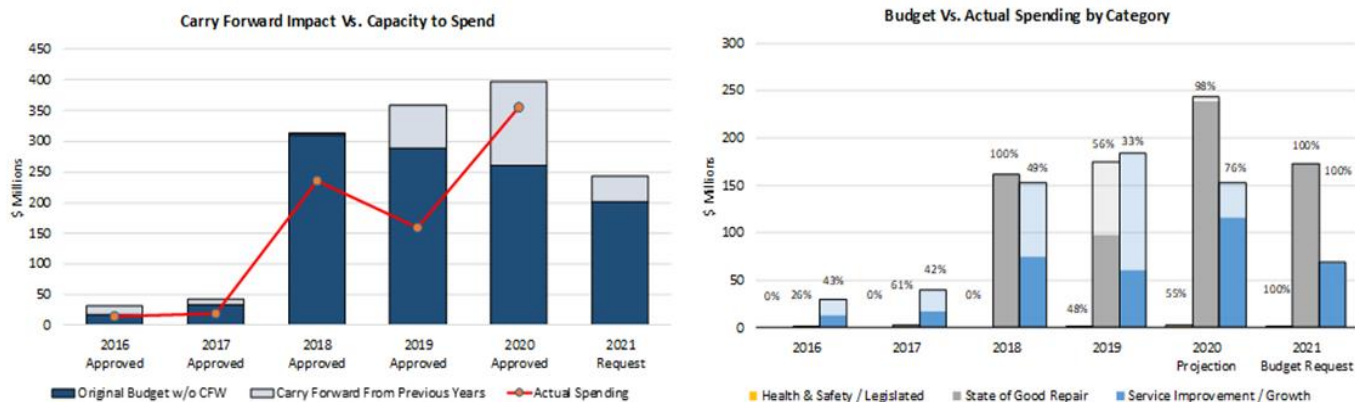
<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$2,230.9 M 99.5%</b>		<b>\$2.2 M 0.1%</b>		<b>\$8.0 M 0.4%</b>	
Debt	\$ 2,212.4 M	Provincial Grants	\$ 2.2 M	Federal Grants	\$ 8.0 M
Reserve Draws	\$ 3.3 M				
Development Charges	\$ 3.2 M				
Recoverable Debt	\$ 11.7 M				
Other	\$ 0.3 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 Shelter, Support and Housing Administration's ability to spend and the market's 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**



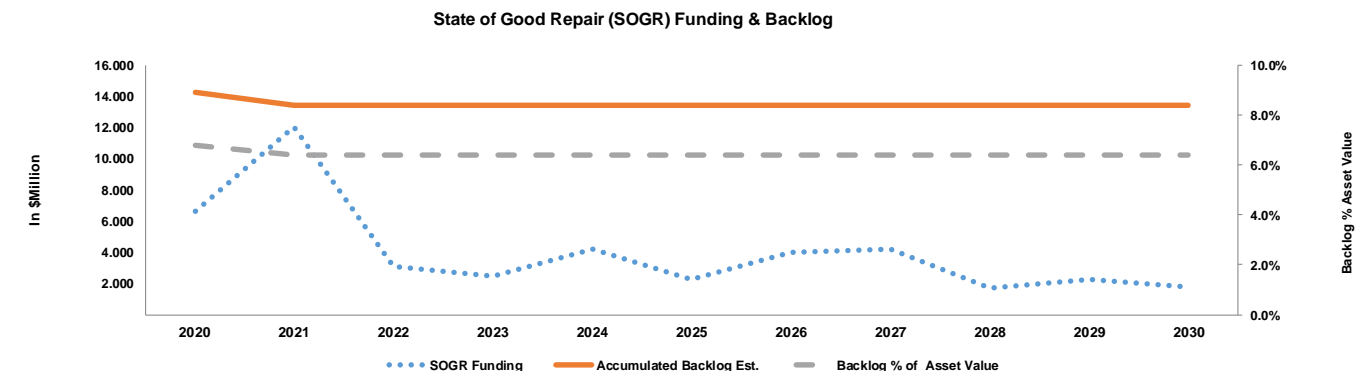
### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, project cash flows have been aligned with planned project activities in 2021 and future years of the plan.



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

The chart below depicts the State of Good Repair funding and accumulated backlog estimates for key asset classes in SSHA:

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

\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>SOGR Funding</b>	6.658	12.011	3.064	2.445	4.179	2.279	3.985	4.198	1.704	2.285	1.755
<b>Accumulated Backlog Est.</b>	14.231	13.431	13.431	13.431	13.431	13.431	13.431	13.431	13.431	13.431	13.431
<b>Backlog % of Asset Value</b>	6.8%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%
<b>Total Asset Value</b>	210.172	210.172	210.172	210.172	210.172	210.172	210.172	210.172	210.172	210.172	210.172

- State of Good Repair projects worth \$12.011 million identifies immediate work required that is achievable in 2021. Projects are being accelerated through the design stage to expedite construction wherever feasible.
- Within the SOGR budget, a \$0.750 million emergency allocation per year has been planned to address unanticipated site conditions and emergencies that occur to prevent overspending.
- Multi-year State of Good Repair funding will help avoid potential loss of beds in a shelter system that is already at capacity. It will also lead to improved living conditions, improved safety, energy efficiency, and improved comfort for clients, staff and visitors.
- The Accumulated Backlog percentage of 6.4% is constant from 2021 through 2030.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2021 Capital Budget will impact the 2021 Operating Budget by a total of \$13.975 million net, for the operation of George Street Revitalization-Transition sites, 1,000 new shelter beds project sites, Choice Based Housing Access System and the Central Intake Call Center, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>										
<i>George Street Revitalization - 200 beds, 3 sites</i>	2,624.9	17.6	0.0	17.6	5.8	17.6	2,630.7	52.7		
<i>1000 New Shelter Beds - 673 beds plus 200 temporary beds, 8 sites</i>	8,321.8		0.0	0.0		0.0	8,321.8	0.00		
<i>Choice Based Housing Access System</i>	1,330.0	(3.0)	0.0	(3.0)		(3.0)	1,330.0	-9.00		
<i>Central Intake Call Center</i>	1,698.4	15.0	0.0	(1.0)		(1.0)	1,698.4	13.0		
<b>Sub-Total: Previously Approved</b>	<b>13,975.0</b>	<b>29.6</b>	<b>0.0</b>	<b>13.6</b>	<b>5.8</b>	<b>13.6</b>	<b>13,980.8</b>	<b>56.7</b>		
<b>Total (Net)</b>	<b>13,975.0</b>	<b>29.6</b>	<b>0.0</b>	<b>13.6</b>	<b>5.8</b>	<b>13.6</b>	<b>13,980.8</b>	<b>56.7</b>		

- **George Street Revitalization:** Operating costs and staffing requirements for one new site opening early in 2021 and Per Diem costs for clients relocated from Seaton House to Purchase of Service shelter providers.
- **1000 New Shelter Beds:** Operating costs of 2 sites expected to open in 2021 and incremental operating costs resulting from the expansion of 2 existing sites.
- **Choice Based Housing Access System:** Annual software license cost and staffing costs to support the delivery of the system.
- **Central Intake Call Center:** Staffing costs to support project delivery as well as computer storage and software costs.

# 2021 Program Summary

## Social Development, Finance and Administration

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Social Development, Finance and Administration Division (SDFA) drives transformative change to achieve stronger, safer and more resilient communities and neighbourhoods in Toronto.

SDFA leads the City of Toronto's equity and inclusion, poverty reduction, and community safety strategies. We provide corporate leadership for the Deputy City Manager, Community and Social Services, conduct social research in partnership with community stakeholders and ensure the financial subsidy management of \$2 billion from federal and provincial governments for cost-shared community and social services.

### Why We Do It

**Indigenous, Black, and equity-seeking communities** have equitable, and responsive access to all City services and facilities.

**City of Toronto is proactively committed to** being an equitable and inclusive organization both internally and externally.

**Community and Social Services Divisions** receive timely and reliable strategic and transactional financial support that meets their service delivery, corporate requirements, and provincial and federal government guidelines.

*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

#### **Community and Neighbourhood Development**

**Who We Serve:** Equity-Seeking Communities and Residents • Under-resourced Neighbourhoods • Mayor and City Council • City Divisions, Agencies, Boards and Corporations • Institutional Partners (e.g. Education/Health/Justice)

**What We Deliver:** Programs addressing the impacts of community violence, advancing youth development, supporting resident access to subsidies, and providing resources and capacity building to 32 Neighbourhood Improvement Areas.

**How Much Resources (gross operating budget): \$27.2 million**

#### **Social Policy and Planning**

**Who We Serve:** Equity-Seeking Communities and Residents • Under-resourced Neighbourhoods • Black Torontonians • Urban Indigenous Communities • City Manager, Deputy City Managers • Mayor and City Council • City Divisions, Agencies, Boards and Corporations • Institutional Partners (e.g. Education/Health/Justice)

**What We Deliver:** City-wide equity, poverty reduction and racism policies, strategies and actions plans, partnerships with community agencies and institutions, mapping, research and performance management.

**How Much Resources (gross operating budget): \$15.3 million**

**Community Partnership Investment Program**

**Who We Serve:** Equity-Seeking Communities and Residents • Under-resourced Neighbourhoods • Black Torontonians • Public Benefit Sector (Community Non-Profits) • Urban Indigenous Communities

**What We Deliver:** Funding for community agencies and resident-led initiatives, partnership development with funders and support for Black-led and Indigenous organizations.

**How Much Resources (gross operating budget): \$26.1 million**

**Human Services Integration**

**Who We Serve:** Low-income residents, Equity-Seeking Communities and Residents • Under-resourced Neighbourhoods • Black Torontonians • Urban Indigenous Communities

**What We Deliver:** Community awareness programs, such as Alarm for Life program for residential smoke and carbon monoxide alarms, school fire safety programs and other public campaigns that reduce the risk to life and property through education. Easier access to Provincial and City financial supports such as Ontario Works, Child Care Fee Subsidies, Rent Geared to Income Waitlist management, Recreation subsidies, Hardship Funds for medical related items, energy costs and funerals.

**How Much Resources (gross operating budget): \$9.2 million**

**Financial Management and Program Support**

**Who We Serve:** City Manager, Deputy City Manager • Community and Social Services Divisions • Provincial Ministries/Federal Departments

**What We Deliver:** Financial management support to the Community and Social Services Divisions through: financial analysis and reporting, expenditure monitoring, revenue and subsidy management as well as financial and administrative services. Support the City Manager, DCM and CSS Divisions with leadership, financial oversight, review and consultation.

**How Much Resources (gross operating budget): \$5.9 million**

## Budget at a Glance

### 2021 OPERATING BUDGET

\$ Millions	2021	2022	2023
Revenues	\$17.7	\$15.7	\$14.9
Gross Expenditures	\$84.9	\$85.9	\$84.8
Net Expenditures	\$67.3	\$70.1	\$69.9
Approved Positions	283.0	269.0	269.0

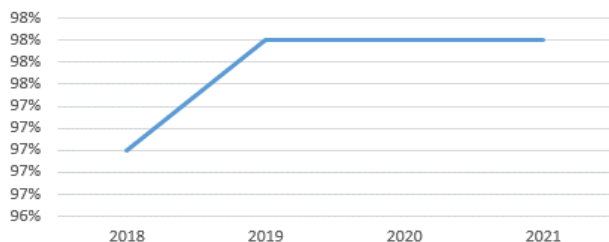
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
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**SDFA does not have a capital budget and plan**

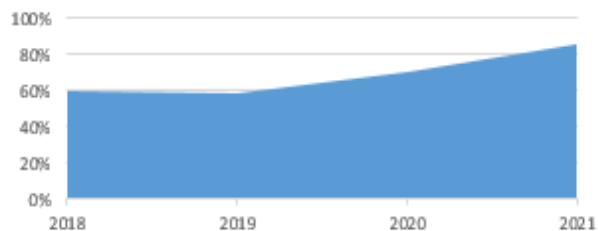
## How Well We Are Doing – Behind the Numbers

Human Services Integration (City Subsidies)  
Call Satisfaction



- 98% of client callers reported Satisfaction with the service they received from the Human Services Integration (HSI) line.
- HSI responded to 329,860 calls in 2019 and the projection for 2020 is 349,000 calls.
- This service continues to expand access to multiple programs across the City (social assistance, child care fee subsidies, housing benefits, Welcome Policy for recreation and Fair Pass) by providing one window application access.

Confronting Anti-Black Racism Training  
Satisfaction



- The Confronting Anti-Black Racism Unit has continued public education on issues of anti-Black racism in Toronto, through training provided to City Divisions, Agencies, Boards, and Commissions.
- 70% of participants in Confronting Anti-Black Racism training reported the training was impactful and informative.
- The program increases training and awareness of equity issues and how Anti-Black racism negatively impacts the physical and mental health and success of Black Torontonians.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Social Policy and Planning	% of Fair Pass users who anticipate using the TTC more because of the Fair Pass discount	75%	70%	70%	70%	70%	70%	●
Human Services Integration	% of client callers that reported satisfaction with the service they received	97%	98%	98%	98%	98%	98%	●
Service Level Measures								
Community & Neighbourhood Development	Number of responses in communities impacted by violent and traumatic incidents	2,203	3,426	2,600	2,600	2,600	2,600	●
Community & Neighbourhood Development	Number of youth engaged and participating in YDU programming	1,500	2,602	2,000	2,300	2,500	3,000	●
Social Policy and Planning	Number of Fair Pass Transit Discount Program rides	2,306,329	6,522,383	10,000,000	3,810,150	10,000,000	10,000,000	●
Human Services Integration	Number of calls answered through the Human Services Integration call centre	326,868	329,860	349,000	349,000	300,000	300,000	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• \$2.5 million increase in salary expenditures as a result of overtime and redeployment staffing costs during the COVID-19 pandemic.</li> <li>• \$10.0 million increase in agency funding for delivery of community support, which are fully offset by revenues from other levels of government and external organizations.</li> <li>• The increased costs are offset by \$6.1 million as a result of reduced TTC ridership for the Transit Fare Program.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• Expenditure projections include \$0.1 million in additional costs for sanitation, PPE and safety products for SDFA staff; however these costs are offset by \$0.57 million resulting from a hiring slowdown.</li> <li>• Given the significant uncertainty remaining around a resurgence of COVID-19 infections, SDFA will continue to review financial assumptions to reflect community and resource needs.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• There are no service level changes at this time. SDFA will continue to monitor and review potential COVID-19 impacts and shifting community needs on an ongoing basis.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• There are no anticipated service level changes at this time. SDFA will continue to monitor and review potential COVID-19 impacts and shifting community needs on an ongoing basis.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- TO Supports: COVID-19 Equity Action Plan delivered a cross-corporate, multi-partner response to increased vulnerable residents and families during the pandemic including building a partnership of over 400 community service providers; delivering 33,000 food hampers and 500,000 prepared meals to households; 79,630 mental health contact sessions (free, telephone-based, culturally grounded counselling); free WiFi enabled in six out of 25 large apartment buildings in low income neighbourhoods; and 100s of free high-quality online activities and programs for residents of all ages to "stay at home/play at home/learn at home" during lockdown.
- Targeted COVID-19 Equity Measures in neighbourhoods with high infection rates provided enhanced community outreach to 12,800 residents to connect to specific COVID supports, including 4,050 residents being tested through mobile sites and community health centres; 1,750 individuals provided family supports to prescription delivery, remote learning activities, delivery of hygiene kits, and other personal care items; and over 6,500 face masks distributed to residents by community agencies.
- Community Partnership Investment Program allocated \$24.2 million in total to community agencies with \$5.8 million of that specifically allocated to Black mandated and Indigenous-led organizations.
- Human Services Integration answered 349,000 calls through the HSI call centre, providing services and support to residents accessing one or more of the City's income support programs.
- The Confronting Anti Black Racism Unit led 1,000 training sessions for City of Toronto employees on understanding and addressing anti-Black racism and implicit bias.
- The Community Crisis Response Program responded 2,600 times in communities impacted by violent and traumatic incidents by providing immediate support, mobilizing local resources and facilitating information sharing.

### Key Challenges and Risks

- Available funding to meet the needs of the most vulnerable communities as financial pressures continue to exceed the funding envelope for some programs and create greater demand for municipal and community services.
- Collaboration between City Divisions and Programs to ensure sharing of resources and ability to respond to competing demands of various programs.
- Resurgence of COVID-19 and the associated uncertainty for planning, program delivery, along with the ability to maintain service levels while following provincial orders and public health guidelines, and addressing the financial impacts.

### Priority Actions

- Local Inclusive Economic Development: Community Benefits, Poverty Reduction, AnchorTO.
- Community Safety and Wellbeing: Policing Reform, TO Wards Peace, Downtown East, Community Safety & Wellbeing Plan.
- Neighbourhood Development: Jane/Finch Initiative, Regent Park Social Development Plan, Downtown West.
- Transformation and Modernization: Data for Equity, Equity Responsive Budgeting, Fair Pass, Human Services Integration.



## 2021 OPERATING BUDGET OVERVIEW

**Table 1: 2021 Operating Budget by Service**

This table compares the 2021 Operating Budget to the prior year's actuals and projected actuals by service with gross expenditures, revenues, and net expenditures as well as overall approved staff positions.

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Community & Neighbourhood Development	9,256.8	9,008.2	8,059.3	8,209.3	50.0	8,259.3	200.1	2.5%
Community Partnership Investment Program		1,324.8	9,618.7	125.0		125.0	(9,493.7)	(98.7%)
Social Policy & Planning	1,258.4	2,269.8	2,532.7	1,736.7	341.2	2,077.8	(454.9)	(18.0%)
Financial Management & Program Support	1,363.7	1,590.8	1,777.5	1,892.7		1,892.7	115.2	6.5%
Human Services Integration		5,453.5	4,085.8	4,968.6		4,968.6	882.8	21.6%
Corporate Leadership	81.6	619.8	307.3	333.8		333.8	26.5	8.6%
<b>Total Revenues</b>	<b>11,960.5</b>	<b>20,266.9</b>	<b>26,381.3</b>	<b>17,266.2</b>	<b>391.2</b>	<b>17,657.4</b>	<b>(8,723.9)</b>	<b>(33.1%)</b>
<b>Expenditures</b>								
Community & Neighbourhood Development	18,825.0	20,053.1	19,954.1	20,768.6	6,388.0	27,156.6	7,202.5	36.1%
Community Partnership Investment Program	20,950.8	25,114.3	34,067.9	24,092.5	2,000.0	26,092.5	(7,975.4)	(23.4%)
Social Policy & Planning	10,515.3	16,590.1	10,347.4	11,362.5	3,918.8	15,281.3	4,933.8	47.7%
Financial Management & Program Support	6,079.9	5,723.8	6,606.2	5,896.3		5,896.3	(709.9)	(10.7%)
Human Services Integration		10,281.1	7,987.5	9,247.2		9,247.2	1,259.8	15.8%
Corporate Leadership	1,716.7	1,592.9	1,726.9	1,270.8		1,270.8	(456.1)	(26.4%)
<b>Total Gross Expenditures</b>	<b>58,087.8</b>	<b>79,355.2</b>	<b>80,690.0</b>	<b>72,637.9</b>	<b>12,306.8</b>	<b>84,944.7</b>	<b>4,254.7</b>	<b>5.3%</b>
<b>Net Expenditures</b>	<b>46,127.3</b>	<b>59,088.4</b>	<b>54,308.7</b>	<b>55,371.7</b>	<b>11,915.6</b>	<b>67,287.4</b>	<b>12,978.6</b>	<b>23.9%</b>
<b>Approved Positions</b>	<b>181.0</b>	<b>271.0</b>	<b>271.0</b>	<b>267.0</b>	<b>16.0</b>	<b>283.0</b>	<b>12.0</b>	<b>4.4%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$72.638 million gross reflecting a decrease of \$8.052 million in spending below 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Conclusion of one-time emergency grant of \$10.009 million to community agencies for the COVID-19 response, fully funded by \$7.848 million of Provincial funding and \$2.161 million in donations from the Canadian Medical Association Foundation and Toronto Foundation.
- Reversal of one-time COVID-19 related overtime costs of \$0.572 million.
- Efficiency savings of \$0.414 million achieved through restructuring the Pre-Charge Diversion Program and re-organizing administrative support functions.
- Salaries and Benefits savings of \$0.344 million resulting from the Voluntary Separation Program.
- These decreases are partially offset by a Fair Pass cost increase of \$3.117 million based on projected recovery of TTC ridership, which was significantly reduced in 2020 due to COVID-19.

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

- 2021 Base Budget of \$55.372 million in net expenditures reflects a \$3.817 million net decrease from the 2020 Council Approved Budget, when excluding \$0.100 million in estimated COVID-19 financial impacts.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$12.307 million gross to support the following initiatives:

- Providing **Youth Programs Enhancement** grants to enhance existing youth jobs, workforce development pathways, and training initiatives, in order to support youth in the City's underserved neighbourhoods hardest-hit by the COVID-19 pandemic (\$3 million gross and net).

- Expansion of the eligibility for the **Fair Pass Transit Discount Program** to include approximately 25,000 low-income residents in receipt of housing supports, increasing access to employment, social supports, medical appointments, and other critical activities (\$2.900 million gross and net).
- **Extend TO Supports Investment Fund** to assist community groups and non-profit organizations addressing mental health issues, with an emphasis on supporting individuals in the neighbourhoods hardest-hit by the COVID-19 pandemic (\$2 million gross and net).
- Creating **Community-Based Mobile Crisis Response Pilots** as an alternative to police response to crisis calls received by 211 and 911. Community anchor partner agencies will dispatch non-police staff including a trained mental health nurse, accompanied by a crisis worker with experience in harm reduction, mental health, street outreach, social work, trauma and de-escalation, in incidents involving mental health or non-violent crisis. In 2021, the focus is on hiring, training, capital purchases, and resource development in order to be fully operational with 4 pilots in 2022 (\$1.707 million gross and net).
- An investment in the **TO Wards Peace** program to ensure a permanent delivery of a violence intervention model in the Northwest part of the City. This made-for-Toronto model involves credible community members, with prior violence experience, serving as positive role models for youth, and thus providing culturally-relevant mediation, case management and mentorship. In addition, community members will work with integrated staff teams to better support the needs of individuals and families (\$1.388 million gross and net).
- Funding to provide staffing resources necessary under the **Community Benefits Framework** to develop policies, protocols, processes and implementation tools needed to meet Council direction and community/stakeholder expectations in fostering inclusive economic development and poverty reduction. Community benefits initiatives aim to create inclusive workforce development opportunities and other inclusive economic opportunities for Indigenous, Black and equity seeking groups including women, persons with low income, immigrants, refugees, LGBTQ2S, persons with disabilities, racialized groups, and vulnerable youth. Opportunities created through community benefits initiatives will include local and social hiring, social procurement for local businesses and diverse suppliers (\$0.582 million gross and net).
- Reinforcement of Council commitment to invest in critical community and social services that address the **Toronto Action Plan to Confront Anti-Black Racism** and its Year 3 Work Program and the **Poverty Reduction Strategy** which has a renewed urgency as part of COVID-19 recovery (\$0.389 million gross and net).
- **AnchorTO** program to provide anchor institutions with dedicated policy development, capacity building, and change management support to accelerate the implementation of social procurement across Toronto. This is fully funded by the Atkinson Foundation (\$0.189 million gross, \$0 net).
- Implementing the **Building Infrastructure for Social and Economic Impact** program to enable the development of infrastructure to accelerate the use and impact of social procurement to address the gross impact the pandemic is having on low income communities and equity seeking populations. (\$0.152 million gross, \$0 net)
- Introduction of a **consultation service fee** of \$200 per hour in public and private institutions to advance the knowledge and awareness of how anti-Black racism creates negative impacts for Black populations in Toronto and allow for the expansion of strategies to address anti-Black racism (\$0 gross, \$0.050 million net revenue).

## EQUITY IMPACTS OF BUDGET CHANGES

**Supporting equity-based strategies for low income residents through increased access to transit, employment options, and safety measures.** Social Development, Finance, and Administration's 2021 Operating Budget includes numerous investments that will improve the outcomes for various equity seeking communities.

These investments include:

- \$2.900 million investment in the Fair Pass Transit Discount program to expand transit access to 25,000 low-income residents.
- \$1.388 million investment for the TO Wards Peace program to address violence, which largely impacts racialized communities experiencing poverty.
- \$1.707 million investment in a Community-Based Crisis Response Pilot for Policing Reform.

- \$3 million investment in Youth Program Enhancement to support youth in the City's underserved neighbourhoods hardest-hit by the COVID-19 pandemic.
- \$2 million investment in the ***Extend TO Supports Investment Fund*** to support neighbourhoods hardest-hit by the COVID-19 pandemic.
- Creation of new positions to support the implementation of the Community Benefits Framework, Poverty Reduction Strategy, Toronto Action Plan to Confront Anti-Black Racism, Policing Reform Initiative, and AnchorTO.

All of these initiatives have a concerted focus on equity-seeking populations, including Black, Indigenous, racialized communities as well as low income residents, youth, women, and refugees.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Social Development, Finance and Administration is \$72.428 million gross or 10.2% lower than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, 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	
						\$	%
Expenditures							
1	Salaries and Benefits	19,118.7	30,022.9	28,194.6	28,368.8	174.2	0.6%
2	Materials and Supplies	167.2	141.4	138.1	160.2	22.0	15.9%
3	Equipment	87.0	77.3	76.4	70.3	(6.1)	-8.0%
4	Service and Rent	14,130.6	21,433.0	16,207.3	17,711.8	1,504.5	9.3%
5	Contribution To Reserves	179.4	179.4	274.7	181.8	(92.8)	-33.8%
6	Other Expenditures	24,404.9	27,501.2	35,798.9	26,145.0	(9,653.9)	-27.0%
Total Expenditures		58,087.8	79,355.2	80,690.0	72,637.9	(8,052.1)	-10.0%
Revenues							
1	Provincial Subsidies	3,117.5	7,283.4	14,341.4	7,076.3	(7,265.1)	-50.7%
2	Federal Subsidies	4,230.5	7,282.7	5,088.7	5,021.6	(67.2)	-1.3%
3	User Fees & Donation	40.0	250.0	2,410.0	125.0	(2,285.0)	-94.8%
4	Other Revenues (Inc. IDR's)	1,094.1	1,616.0	1,794.9	1,215.6	(579.3)	-32.3%
5	Contribution from Reserve	2,790.3	2,408.9	1,750.3	2,412.2	661.9	37.8%
6	Transfer from Capital	688.1	1,425.9	996.0	1,415.5	419.5	42.1%
Total Revenues		11,960.5	20,266.9	26,381.3	17,266.2	(9,115.1)	-34.6%
Net Expenditures		46,127.3	59,088.4	54,308.7	55,371.7	1,063.0	2.0%
Approved Positions		181.0	271.0	271.0	267.0	(4.0)	-1.5%

**Services and Rents:**

- Fair Pass cost increase of \$3.117 million based on anticipated recovery of TTC ridership
- This cost increase is partially offset by efficiency saving of \$0.250 million from restructuring the Pre-Charge Diversion program; and \$1.497 million due to the conclusion of one-time initiatives in community safety, violence prevention, youth employment and poverty reduction.

**Other Expenditures, Provincial Subsidies and User Fees & Donation:**

- Conclusion of one-time emergency grants of \$10.009 million to community agencies for COVID-19 response, fully funded by \$7.848 million of Provincial funding and \$2.161 million in donations from the Canadian Medical Association Foundation and Toronto Foundation.

**Other Revenue Changes:**

- Decrease of \$0.579 million is mainly due to elimination of Presto Card fees chargeable to Fair Pass clients (\$0.200 million), as well as the elimination of interdivisional revenues from Solid Waste Management Services Division for neighbourhood revitalization programs (\$0.150 million) and Energy & Environment Division for implementing a Climate Action Partnership project (\$0.201 million).

**Contribution from Reserve:**

- Increase of \$0.658 million draw against the Local Improvement Charge Energy Works Reserve Fund as a result of anticipated project completion under the High-rise Retrofit Improvement Support Program.

**Transfer from Capital:**

- Increase of \$0.420 million for staffing costs related to filling vacant positions in the Human Services Integration Project Office, fully funded by the Toronto Employment and Social Services' Capital Budget.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Pre-Charge Diversion Program Review	Efficiencies		(250.0)	(250.0)				
Operational & Service Efficiencies	Efficiencies		(163.8)	(163.8)	(2.0)	(2.6)	(2.6)	
Savings from Hiring Slowdown	Other	(290.4)	(855.4)	(565.0)		855.4	565.0	
Voluntary Separation Program	Other		(344.0)	(344.0)		344.0	344.0	
<b>Total Balancing Actions</b>		<b>(290.4)</b>	<b>(1,613.2)</b>	<b>(1,322.8)</b>	<b>(2.0)</b>	<b>1,196.8</b>	<b>906.4</b>	<b>-</b>

The 2021 Operating Budget Balancing Actions of \$1.613 million gross are comprised of the following initiatives:

- Savings of \$0.250 million gross and net as the Pre-Charge Diversion Program undergoes a review to improve its impact on youth's most vulnerable to serious violence and crime. The City's Option for Pre-Charge Diversion will be restructured to find efficiencies in the 2021 budget year and a revised program will be recommended as part of the 2022 budget. In 2021, staff will be maintained (1 Community Development Officer) and a portion of the program budget will be used to support agency transition and the planning of a revised program.
- Savings of \$0.164 million gross and net through the reorganization of administrative support functions. Details are included in the Confidential Attachment 1 under separate cover.
- Savings of \$0.855 million gross and \$0.565 million net as a result of a hiring slowdown.
- Savings of \$0.344 million gross and net as a result of staff participating in the Voluntary Separation Program.

Table 2c: 2021 New / Enhanced

New / Enhanced Request		2021				2022 Annualized	Equity Impact	Supports Key Issue / Challenge
		Revenue	Gross	Net	Positions			
In \$ Thousands								
1	Youth Programs Enhancement		3,000.0		1.0		Medium	Provide grants to enhance existing youth jobs, workforce development pathways, and training initiatives, in order to support youth in the City's underserved neighbourhoods hardest-hit by the COVID-19 pandemic
2	Expand Fare Pass Program Eligibility		2,900.0	2,900.0		2,900.0	High	Expanding the eligibility for the Fair Pass Transit Discount Program to include residents in receipt of housing supports, such as those in rent-geared-to-income housing
3	Extend TO Supports Investment Fund		2,000.0				Medium	Assist community groups and non-profit organizations addressing mental health issues, with an emphasis on supporting individuals in the neighbourhoods hardest-hit by the COVID-19 pandemic
4	Policing Reform - Community-Based Crisis Response Pilots		1,706.8	1,706.8	3.0	7,978.0	High	The proposed community-based pilots will provide a crisis response program for those experiencing mental health and other non-violent crisis. The model will engage community anchor partners to send non-police staff and trained mental health nurse accompanied by a crisis worker with lived experience to crisis calls received by 211 and 911. This is a 3 year program with 4 pilots.
5	Continue the TO Wards Peace program to support young people against gang and gun violence		1,388.0	1,388.0	6.0	1,850.6	High	In 2019, City Council approved \$0.3M for SDFA to develop TO Wards Peace as a strategic community safety intervention. In 2020, \$1.2M was added to SDFA's budget to further support the TO Wards Peace pilot development, reaffirming the City's commitment for permanent delivery of a made-for-Toronto model for violence intervention in the North West end of the City.
6	Community Benefits Framework to maximize community benefits outcomes		582.3	582.3	6.0	682.2	Medium	A dedicated team is required to lead the design, prototype and pilot testing of back-end infrastructure that strengthen existing, and build new relationships, with key stakeholders, coordinate workforce development partners and sector-based experts and ultimately, create the conditions for Indigenous, Black and equity-seeking communities to gain access to employment and economic opportunities
7	Reinforce Council commitment to Confronting Anti-Black Racism and Poverty Reduction		388.7	388.7			Medium	Reinforcement of Council commitment to invest in critical community and social services that address the Toronto Acton Plan to Confront Anti-Black Racism to deliver on a mandate focused solely on advancing the implementation of policing reform and the Poverty Reduction Strategy which has a renewed urgency as part of COVID-19 recovery
8	Implement inclusive economic development initiatives as part of AnchorTO	189.2	189.2				Low	1 temporary position ending in Oct 2021, fully funded by the Atkinson Foundation to support poverty reduction & inclusive economic recovery.
9	Building Infrastructure for Social and Economic Impact	152.0	152.0				Low	Enable the development of technical infrastructure to accelerate the use and impact of social procurement to address the gross impact the pandemic is having on low income communities and equity seeking populations.
10	CABR: Fee for service for consultation to other government and private sector bodies.	50.0		(50.0)			Low	The CABR team will introduce a consultation service fee of \$200 per hour to advance the knowledge and awareness of how anti-Black racism creates negative material impacts for Black populations in the City and allow for the expansion of strategies to address anti-Black racism in public and private institutions.
Total New / Enhanced		391.2	12,306.8	6,915.6	16.0	13,410.8		

The 2021 Operating Budget includes \$12.307 million in investments to support priority actions as detailed in the table above. Please refer to Appendix 4 for more information on these investments.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	26,381.3	17,657.4	15,733.9	14,872.3
Gross Expenditures	80,690.0	84,944.7	85,859.1	84,776.0
<b>Net Expenditures</b>	<b>54,308.7</b>	<b>67,287.4</b>	<b>70,125.2</b>	<b>69,903.7</b>
<b>Approved Positions</b>	<b>271.0</b>	<b>283.0</b>	<b>269.0</b>	<b>269.0</b>

**Key drivers****2022 Outlook**

The 2022 Outlook with total gross expenditures of \$85.859 million reflects an anticipated \$0.914 million or 1.08 per cent increase in gross expenditures above the 2021 Operating Budget. These changes arise from the following:

- **Programming Costs**  
\$1.629 million increase in programming costs including a 1% inflationary increase or \$0.180 million to Community Services Partnership Grant, \$0.456 million incremental costs for the TO Wards Peace Program and \$6.355 million of incremental costs for community agencies under the Policing Reform - Community-Based Crisis Response Pilots. Increases are partially offset by the conclusion of one-time programming totalling \$5.362 million, mainly for Youth Programs Enhancement and the TO Supports Investment Fund.
- **Salaries and Benefits**  
\$0.520 million decrease in salaries and benefits costs mainly due to projected completion of Human Services Integration Capital Project by end of 2021 (\$1.415 million) and ending of temporary positions created for Confronting Anti-Black Racism and Poverty Reduction Strategy initiatives in 2021 (\$0.389 million), partially offset by increased costs of \$1.200 million for filling positions kept vacant in 2021.
- **Revenue Changes**  
\$1.415 million decrease in revenue from a reversal in Recovery from Capital due to completion of Human Services Integration Capital Project by end of 2021.
- **Position Changes**  
Decrease of 14 positions due to the reversal of 11 capital positions following completion of the Human Services Integration Capital Project, and 3 temporary positions in ArtWorksTO, Community Benefits Framework and Youth Programs Enhancement.

**2023 Outlook**

The 2023 Outlook includes a decrease of \$1.083 million or 1.26 per cent below 2022 gross expenditures as a result of the following:

- **Toronto Youth Job Corps Program**  
\$0.811 million decrease in Toronto Youth Job Corps Program due to conclusion of Federal funding in Q3 2023. Program continuance subject to funding renewal.
- **Salaries and Benefits**  
\$0.276 million increase mainly due to salary and benefit increases for Union staff in adherence to the Collective Agreement.
- **Other Programming Costs**  
1% inflationary increase or \$0.181 million to Community Services Partnership Grant, offset by reversal of \$0.759 million upfront costs in the Policing Reform – Community-Based Crisis Response Pilots.

# 2021 Program Summary

## Toronto Community Housing Corporation

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

TCHC's overall priorities are to provide positive tenant experience, quality homes and vibrant communities. These priorities underscore our continuing focus on delivering clean, well-maintained buildings where tenants have opportunities to engage with their community. We are committed to ensuring that service delivery meets high standards consistently across the organization.

### Why We Do It

**Tenants benefit from quality homes:** Buildings are clean and well maintained, and service calls are resolved quickly to the satisfaction of tenants

**Tenants receive consistent service to meet their needs:** Tenants have reliable access to staff who can solve problems quickly and thoroughly and tenants with complex needs are supported or connected to supports to be able to pay their rent and meet the obligations of their lease

**Tenants feel safe in their communities:** Tenants have access to community spaces where they can feel safe, have confidence in their future safety, and experience less anti-social behaviour from neighbours and guests

### What Service We Provide

#### Who We Serve:

TCHC's tenants are from all walks of life, with a primary eligibility being low-income, survivors of domestic violence or human trafficking, shelter residents, and applicants experiencing homelessness.

Notable statistics about TCHC tenants include:

- 43% of households have a member with a disability
- 29% of tenants live alone
- 26% of households are headed by a single parent
- 12% of households self-identify as having at least one member with a mental health concern
- Close to 75% of households rely on government funds as their primary source of income

#### What We Deliver:

TCHC provides affordable and subsidized housing to 110,000 tenants, in 58,500 units, across the city. 89% of tenancies are deep-affordable, with a subsidy value sufficient to reduce the cost of housing to one-third of tenant income, or as little as \$85 per month. TCHC manages and maintains an infrastructure portfolio of 2,100 buildings, worth over \$10B and invests \$350M in capital repairs and improvements per year towards restoring this valuable public asset to a full state of good repair.

**How Much Resources (gross operating budget):** \$648.9 million








## Budget at a Glance

2021 OPERATING BUDGET				2021 - 2030 10-YEAR CAPITAL PLAN			
\$Billion	Excluding COVID	COVID Impact	Total	\$Billion	2021	2022-2030*	Total
Revenues	\$0.633	(\$0.022)	\$0.611	Gross Expenditures – Building Repair	\$0.350	\$2.377	\$2.727
Gross Expenditures	\$0.633	\$0.016	\$0.649	Gross Expenditures – Development	\$0.103	\$0.355	\$0.457
Net Expenditures	\$0	\$0.038	\$0.038	City Funding – Building Repair	\$0.160	\$1.440	\$1.600

## How Well We Are Doing – Behind the Numbers

In spring of 2021 TCHC will be implementing a new Service Quality Indicator system to measure performance. These new indicators will be measured quarterly for every TCHC community and will be reported publicly. Tenant representatives will be part of the evaluation process to ensure that they accurately reflect the real experience of the people who call TCHC home.

Data will be collected across 17 service area metrics within 5 major categories of service, including

Metrics to Achieve Goals			
	Cleaning		Community Supports
	Building Maintenance		Community Safety and Well-Being
	Tenancy Management		

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Lost revenues of \$4.9M due to a \$4.5M increase in bad debts on residential and commercial rents, as well as \$0.4M in lost parking revenues.</li> <li>Increased expenditures of \$22.4M including \$11.0M for PPE, \$9.3M in staff overtime costs and \$2.1M in higher utilities usage by tenants.</li> <li>Savings of \$2.5M including \$1.3M from the cancellation of summer employment programs for youth and \$1.2M from the temporary suspension of pest control and environmental health work in tenant units.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Lost revenues of \$21.5 due to a \$17.4M reduction resulting from the Provincial rent cap, \$3.7M increase in bad debts on residential and commercial rents, as well as \$0.4M in lost parking revenues.</li> <li>Increased expenditures of \$18.0M including \$8.4M for PPE, \$6.7M in staff overtime costs and \$2.9M in higher utilities usage by tenants.</li> <li>Savings of \$2.0M including \$1.25M from the cancellation of summer employment programs for youth and \$0.75M from the temporary suspension of pest control and environmental health work in tenant units.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Projected to fully spend the 2020 capital budget.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>TCHC is expecting to fully spend the 2021 capital budget.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There are no anticipated service level changes at this time. TCHC will continue to monitor and review potential COVID-19 impacts on an ongoing basis.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There are no anticipated service level changes at this time. TCHC will continue to monitor and review potential COVID-19 impacts on an ongoing basis.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Delivered enhanced community safety in 19 high priority communities.
- Seniors Integrated Service Model (ISM) – Phase 1 launch in December.
- Record level Building Repair Capital (BRC) deployment despite COVID-19.
- Realized FCI 15.6%, 3.5 years earlier than in base case BRC plan (2023).
- Negotiated release of Infrastructure Ontario capital reserves to fund BRC plan.
- Implemented Track One IT modernization on schedule.
- Developed a strategy to fully fund the sinking fund to repay bonds at maturity through redirecting Capital Asset Replacement Reserve (CARR) balance and future annual payments starting in 2021 towards the sinking fund.

### Key Challenges and Risks

- TCHC, like the City as a whole, has been significantly impacted by COVID-19, this is projected to continue into 2021 driving the following pressures:
  - (\$21.5M) shortfall in revenue, driven by the COVID-related Provincial rent cap that will reduce residential rent by \$17.4M and COVID-related economic instability that is projected to result in a \$4.1M increase in arrears and unpaid fees.
  - \$18.0M in COVID related expenses driven by increased operational requirements (such as increased cleaning and PPE consumption) and increased utilities consumption by tenants who are home more often due to COVID restrictions in public spaces.
- Non-COVID pressures, such as utilities rate increases, service contract rate increases, collective agreement pay increases, increase in mortgage P&I from the CMHC NHS loan, and the Seniors Housing Integrated Service Model have been managed internally and do not represent a pressure against the city subsidy.

### Priority Actions

- TCHC will continue to implement its restructuring of its service delivery model across the city, ensuring that tenants have easier, quicker and more accessible service, delivered safely and consistent with COVID-19 guidelines.
- TCHC will continue to implement the Integrated Service Model in partnership with the City and local health partners to improve outcomes for tenants in the Seniors Portfolio.
- Work with City staff to complete the transition of TCHC scattered houses to new permanent management by non-profit housing providers.
- TCHC continues to execute its Capital Plan and remains on schedule to bring its building portfolio into a state of good repair by 2026. In 2020 TCHC staff reprioritized the capital work plan to account for social distancing limits and other COVID-19 impacts to ensure that the Plan remained on schedule. In 2021 TCHC will continue to maintain a flexible approach to its Capital Plan and continue to meet its targets.
- Continue the replacement of TCHC's end-of-life IT systems with modern applications that support increased business intelligence and reporting (HoMES).

## 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 Requests	2021 Budget	Change v. 2020 Projection	
				Excluding COVID	COVID Impacts	Total Base			\$	%
<b>By Service</b>	\$	\$	\$	\$			\$	\$	\$	%
<b>Revenues</b>										
Residential Rent - RGI	248,755.3	251,104.0	253,614.7	256,197.9	(16,000.0)	240,197.9		240,197.9	(13,416.8)	(5.3%)
Residential Rent - Market	91,326.9	92,152.0	94,370.3	94,835.1	(1,400.0)	93,435.1		93,435.1		
City Subsidy	238,474.0	250,960.0	250,960.4	250,960.0		250,960.0		250,960.0	(0.4)	(0.0%)
Other	27,230.8	30,956.8	26,200.6	30,941.5	(4,144.0)	26,797.5		26,797.5	596.9	2.3%
<b>Total Revenues</b>	<b>605,787.0</b>	<b>625,172.9</b>	<b>625,146.0</b>	<b>632,934.5</b>	<b>(21,544.0)</b>	<b>611,390.5</b>		<b>611,390.5</b>	<b>(13,755.5)</b>	<b>(2.2%)</b>
<b>Expenditures</b>										
Total Operating Expenses	605,787.0	625,172.9	625,146.0	632,934.5	15,962.0	648,896.5		648,896.5	23,750.6	3.8%
<b>Total Gross Expenditures</b>	<b>605,787.0</b>	<b>625,172.9</b>	<b>625,146.0</b>	<b>632,934.5</b>	<b>15,962.0</b>	<b>648,896.5</b>		<b>648,896.5</b>	<b>23,750.6</b>	<b>3.8%</b>
<b>Net Expenditures</b>					<b>37,506.0</b>	<b>37,506.0</b>		<b>37,506.0</b>	<b>37,506.0</b>	<b>N/A</b>

\*2020 Projection based on July and assumes a \$13.5M reimbursement to offset pressures caused by COVID.

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$648.896 million gross reflecting an increase of \$23.750 million in spending above 2020 projected year-end actuals, predominantly arising from:

- COVID impacts, including the reversal of a 2020 COVID reimbursement and 2020 COVID offsets which are not expected to continue into 2021.
- A \$24.257 million increase in non-discretionary costs, fully offset through balancing actions.

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

- **2021 Base Budget excluding estimated COVID-19 financial impacts totalling \$0 in net expenditures reflects a \$0 net increase above the 2020 Council approved Budget.**

### COSTS TO ENHANCE SERVICES

N/A

### EQUITY IMPACTS OF BUDGET CHANGES

**Improving equity for low income households, seniors, persons with disabilities and youth:** TCHC's 2021 Operating Budget will have high positive equity impact on low income households, seniors, persons with disabilities and youth, largely increasing service access, creating employment opportunities and improving safety and well-being.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for TCHC is \$648.897 million gross or 3.8% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes New and Enhanced requests

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

Key Cost Drivers		2019 Actuals	2020 Projection	2021 Base Budget	YoY Changes	
					\$	%
Expenditures						
1	Utilities	125,036.0	125,384.0	124,306.3	(1,077.7)	-0.9%
2	Mortgage and Principal	130,032.0	130,670.5	134,829.9	4,159.4	3.2%
3	Front Line Operations	205,478.0	219,369.5	233,872.3	14,502.8	6.6%
4	Back Office Support	60,344.0	62,029.8	65,187.5	3,157.6	5.1%
5	Seniors Housing	22,578.0	28,799.3	29,483.3	684.0	2.4%
6	Other	62,319.0	52,502.5	45,255.3	(7,247.3)	-13.8%
7	COVID-19 Impact		19,905.3	15,962.0	(3,943.3)	-19.8%
8	COVID-19 Reimbursement		(13,515.0)		13,515.0	-100.0%
Total Expenditures		605,787.0	625,146.0	648,896.5	23,750.6	3.8%
Revenues						
1	Residential Rent - RGI	248,755.3	253,614.7	256,197.9	2,583.2	1.0%
2	Residential Rent - Market	91,326.9	94,370.3	94,835.1	464.8	0.5%
3	City Subsidy	238,474.0	250,960.0	250,960.0		
4	Other	27,230.8	31,129.8	30,941.5	(188.3)	-0.6%
5	COVID-19 Impact		(4,928.8)	(21,544.0)	(16,615.2)	337.1%
Total Revenues		605,787.0	625,146.0	611,390.5	(13,755.5)	-2.2%
Net Expenditures				37,506.0	37,506.0	

\*2020 Projection assumes a \$13.5M reimbursement to partially offset pressures caused by COVID.

The \$37.5M net increase in 2021 vs. the 2020 Projection are all COVID related.

**COVID Impacts:**

**2021 COVID-19 Impacts:** In 2021, COVID-19 costs decreased by \$3.9M while lost revenues increased by \$16.6M largely due to the Provincial rent cap. The net impact from COVID-19 is \$12.7M vs 2020.

**2020 COVID Reimbursement:** A reimbursement of net operating pressures of \$13.5M was projected in 2020, which was not budgeted in 2021.

**2020 COVID Offsets:** \$11.3M in COVID offsets were projected in 2020, including higher residential RGI rent, delayed hiring and lower G&A spend, lower mortgage interest, and additional costs for the air conditioner replacement program. These offsets are not expected to continue into 2021 and have not been included in the 2021 Budget.

**Table 2b: 2021 Balancing Actions**

(\$000s)				
Recommendation	Savings Type	2021		
		Revenue	Gross	Net
Unit Vacancy Reduction	Efficiencies	1,300.0		(1,300.0)
Full year rent impact from 2020 increases	Efficiencies	1,559.0		(1,559.0)
Utilities - Energy Efficiencies	Efficiencies		(7,169.0)	(7,169.0)
Utilities - Weather Contingency	Efficiencies		(2,465.0)	(2,465.0)
Corporate Efficiencies and Reductions	Efficiencies		(3,795.0)	(3,795.0)
Maximization of pooled Blue Cross Funds	Efficiencies		(1,200.0)	(1,200.0)
Management of False Fire charges	Efficiencies		(1,000.0)	(1,000.0)
IO Reserve Contribution	Efficiencies		(5,768.9)	(5,768.9)
<b>Total Balancing Actions</b>		<b>2,859.0</b>	<b>(21,397.9)</b>	<b>(24,256.9)</b>

**The 2021 Operating Budget** includes \$24.257M in efficiencies to fully offset non-discretionary cost increases, to get to a net zero budget when COVID is excluded.

### Efficiencies

*Utilities – Energy Efficiencies:* Consumption reduction savings as a result of investments in various energy conserving retrofits over the past number of years.

*Corporate Efficiencies and Reductions:* Savings generated through the reduction of non-front-line facing roles and reduced General & Administration spend (e.g. travel, training, office supplies)

*Unit Vacancy Reduction:* TCHC will be working various strategies and programs in collaboration with SSHA to reduce the vacancy rate by ½ percent.

*Maximization of Pooled Blue Cross Funds:* Savings in benefit contributions by working with TCHC's benefit provider by strategically reviewing the mix of spend.

*Reduction of False Fire Alarms:* Savings anticipated from the development of a clear definition of a false fire alarm during conversations held with Toronto Fire (i.e. An alarm that is working properly should not be charged)

*IO Reserve Contribution:* IO Amendment to Financing agreements releases TCHC from having to fund the IO Capex reserve fund. TCHC's 10 year Building Repair Capital program is fully funded and this change has no impact on TCHC's ability to address the capital requirements related to these properties.

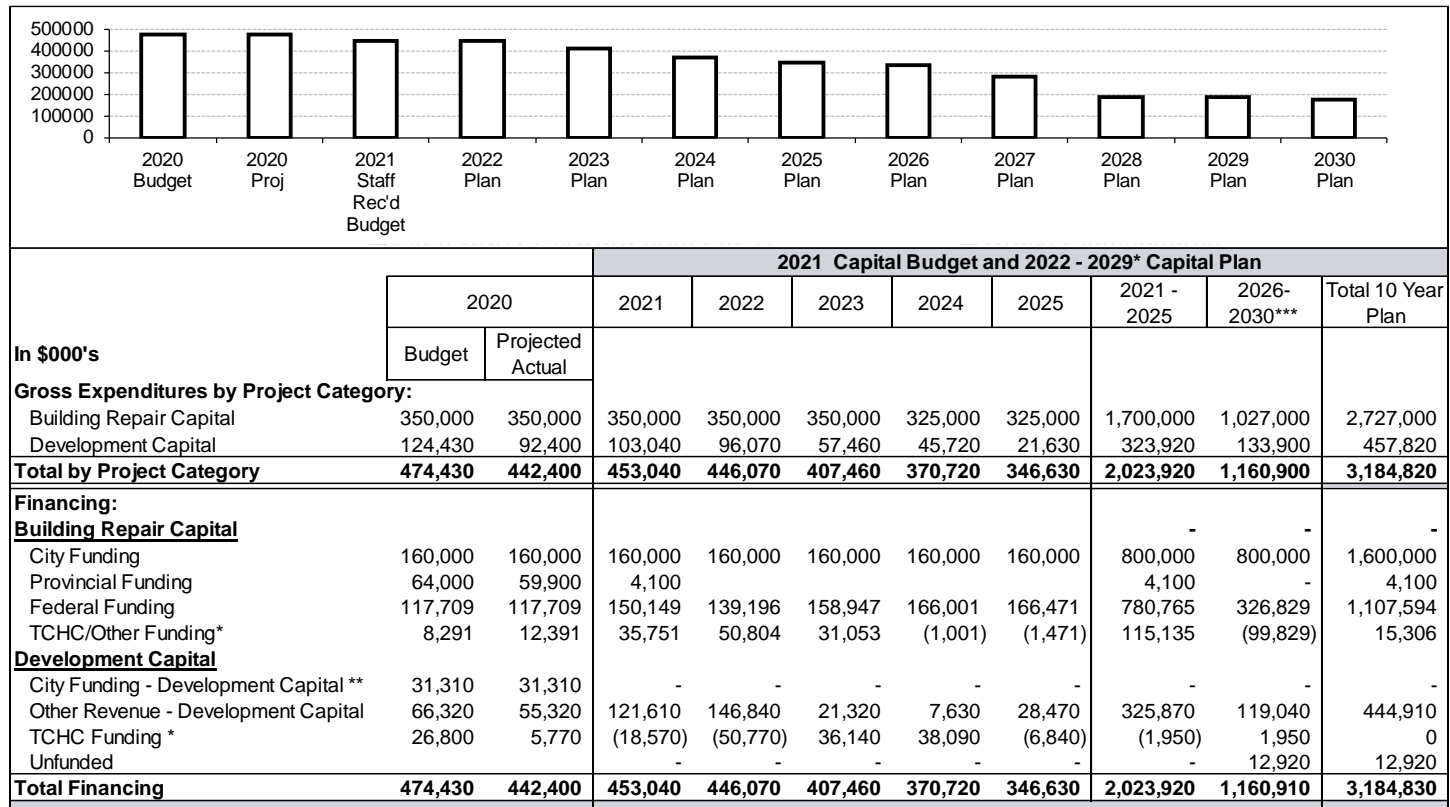
*Weather Contingency:* The elimination of a contingency for any unanticipated inclement weather

*Full Year Rent Impact from 2020 Increases:* The full year annualized impact of tenant rents increased during the first half of 2020.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



\* Negative balances represent the repayment of LOC or mortgages by TCHC. For Building Repair Capital, this also includes redirected IO reserve funding of \$129M.

\*\* The \$31.31M in City development funding is a carry-forward from previous years

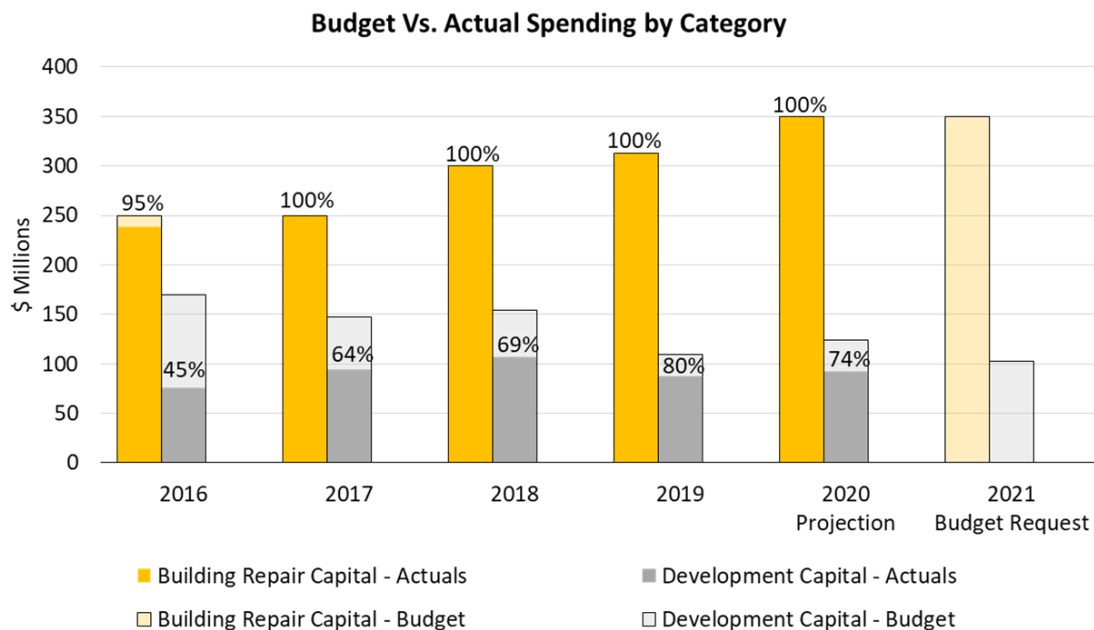
\*\*\*TCHC continues to disclose the City's funding based on the council approved permanent funding model of 75% AMR currently allocated as \$251M in subsidy revenue and \$160M in capital funding. TCHC has included \$160M of capital City funding in 2030 as an estimate of the ongoing amount to maintain a 10% FCI. Building Repair Capital funding requirements will be revisited and confirmed in future years along with ongoing Provincial and Federal funding.

## 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 TCHC'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**



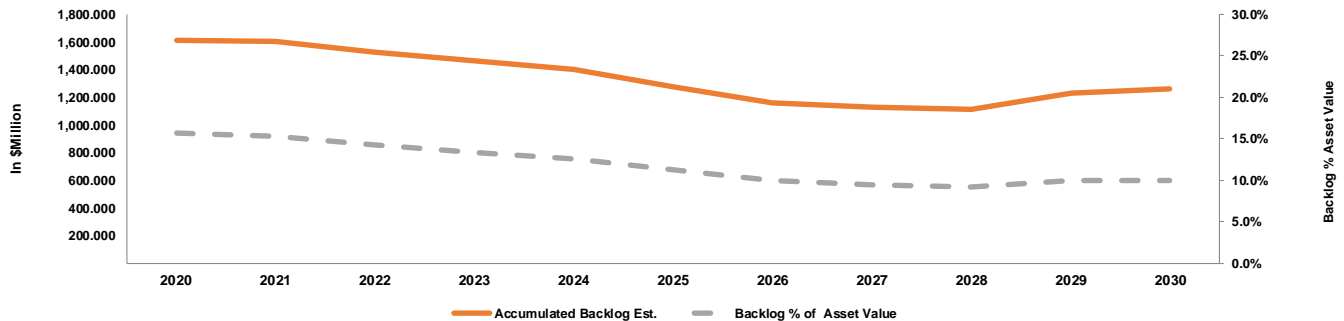


**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for TCHC.

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

State of Good Repair (SOGR) Funding &amp; Backlog



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Accumulated Backlog Est.	1,616.206	1,606.872	1,529.106	1,467.707	1,404.272	1,280.048	1,157.750	1,128.193	1,110.755	1,232.644	1,260.820
Backlog % of Asset Value	15.6%	15.2%	14.2%	13.4%	12.6%	11.2%	9.9%	9.5%	9.2%	10.0%	10.0%
Total Asset Value	10,336.065	10,542.787	10,753.642	10,968.715	11,188.089	11,411.851	11,640.088	11,872.890	12,110.348	12,352.555	12,599.606

- TCHC continues to execute its Capital Plan and remains on schedule to bring its building portfolio into a state of good repair by 2026.

# 2021 Program Summary

## Toronto Employment & Social Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Through a network of 17 offices, TESS manages an average monthly caseload of 91,000, the largest municipal administered social assistance delivery system in Canada. Under the authority of the Ontario Works (OW) Act and Regulations, TESS effectively serves over 150,000 Toronto residents in financial need to strengthen their social and economic well-being in their communities. The OW program:

- recognizes individual responsibility and promotes self-reliance through employment;
- provides financial assistance to those most in need while they meet obligations to become and stay employed; and
- is accountable to the taxpayers of both Ontario and Toronto.

### Why We Do It

**Toronto residents in financial need receive income supports, health benefits and employment assistance that is timely, accessible and responsive to their individual needs.**

- **The Provincial Ontario Works Act lays out eligibility criteria and the type and level of benefits available to clients.**
- **Income supports are designed to help with the costs of food, clothing and shelter.**
- **In order to receive financial assistance, clients must be willing to make reasonable efforts to find, prepare for and keep a job.**

*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

#### **Employment Services**

**Who We Serve:** Social Assistance Recipients & Adult Dependents, Low Income (Unemployed & Under-Employed) Toronto Residents, and Employers.

**What We Deliver:** A range of employment services and programs to help social assistance clients prepare for, secure and maintain employment, and become financially independent.

**How Much Resources (gross operating budget):** \$61.8 million

#### **Integrated Case Management and Service Planning**

**Who We Serve:** Social Assistance Recipients & Adult Dependents, Low Income Toronto Residents.

**What We Deliver:** An action oriented service plan that addresses urgent needs, and identifies next steps to enhance client employability and life stabilization (i.e. housing, mental health).

**How Much Resources (gross operating budget):** \$126.4 million

#### **Financial Supports**

**Who We Serve:** Social Assistance Recipients & Adult Dependents, Low Income Toronto Residents.

**What We Deliver:** Income supports and health benefits to Toronto residents in financial need.

**How Much Resources (gross operating budget):** \$968.1 million

## Budget at a Glance

### 2021 OPERATING BUDGET

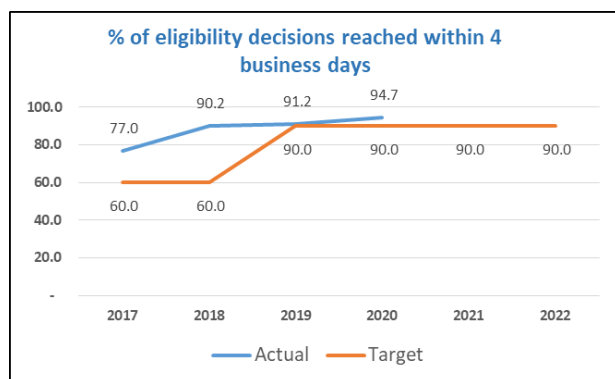
\$Millions	2021	2022	2023
Revenues	\$1,075.6	\$1,074.8	\$1,066.8
Gross Expenditures	\$1,156.4	\$1,162.1	\$1,164.0
Net Expenditures	\$80.8	\$87.3	\$97.2
Approved Positions	1,806.5	1,806.5	1,804.5

### 2021 - 2030 10-YEAR CAPITAL PLAN

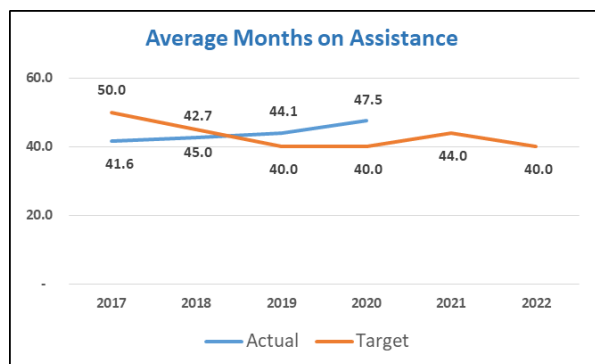
\$Millions	2021	2022-2030	Total
Gross Expenditures	\$10.5	\$2.6	\$13.1
Debt	\$7.3	\$2.6	\$9.9

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers



- This measure provides an indicator of service and accessibility for OW programs by showing how long it takes in days for clients to be informed (response time) if they are eligible to receive social assistance—from the time they request assistance to the time they are informed of their eligibility.
- A number of factors affect response time, including how long it takes for a client to provide the necessary information, the availability of interpreters when English is not the first language and the application process.
- % of eligibility decisions reached within 4 business days increased from 77% in 2017 to over 90% in 2020 due to the successful implementation of the Service Delivery (Access) Model, which reduced the average amount of time it takes to make an eligibility decision.
- In response to COVID-19, the application process was changed to enable Application Service Centre staff to determine eligibility and issue the first OW payment at initial contact, freeing-up caseworkers to focus on other critical case management work.



- While caseloads have declined over the past few years, the most important trend has been the increase in the length of time people remain on OW and the accompanying increases in the range of intensity of client need.
- A high percentage of clients feel they cannot participate in the work force. The top challenges to finding and/or keeping a job as identified by OW recipients are poor health (temporary), lack of education and/or skills, transportation, lack of "Canadian" work experience and language skills.
- With increasingly challenging labour markets and with clients remaining on OW for significantly longer periods, a wider range of services and supports, plus innovative approaches to designing and delivering services, are required to address their needs. Further, given the barriers that many clients are facing, there may be individuals for whom employment is a longer term prospect, at best.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Integrated Case Management and Service Planning	Average Months on Assistance	42.7	44.1	40.0	47.5	44.0	40.0	●
Employment Services	% of terminations exiting to employment	13.0%	13.7%	14.5%	13.0%	13.4%	13.8%	●
Service Level Measures								
Integrated Case Management and Service Planning	% of eligibility decisions reached within 4 business days	90.2	91.2	90.0	94.7	90.0	90.0	●
Integrated Case Management and Service Planning	% of caseload with employment income	11.3	11.6	11.9	7.3	7.5	7.8	●
Integrated Case Management and Service Planning	% of caseload on assistance more than 2 years *	49.1	50.7	45.0	54.0	50.0	45.0	●
Integrated Case Management and Service Planning	% Service Plans that are Current *	78.4	79.3	80.0	81.0	80.0	80.0	●
Other Measures								
Financial Supports	\$ benefits paid (in millions)	\$855.7	\$832.3	\$865.1	\$798.2	\$933.1	\$932.9	●
Financial Supports	# of financial and employment benefit payments processed annually	\$1,189,329	\$1,137,101	\$1,200,000	\$1,100,000	\$1,300,000	\$1,300,000	●
Employment Services	# of employment centre service visits	291,211	269,131	250,000	50,000	125,000	250,000	●

Note: 1.) Many outcomes are below target in 2020 due to COVID-19 and are likely to be negatively impacted in 2021 as well as workforce development programs and activities may not return to pre-COVID levels for some time given the uncertain evolution of the pandemic. Service levels will be reviewed once operations are normalized. 2.) The targets for the measures marked with \* are not based on a level formally mandated or required by Council or the Province. 3.) The October figure for the % of Service Plans that are Current was 93.7%.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>\$9.4 million net savings due to indefinitely postponed hiring of staff (\$7.2 million) and staff on emergency leave (\$2.2 million).</li> <li>\$21.3 million in net savings due to a reduced level of employment support activities.</li> <li>\$1.3 million net cost for staff overtime and \$1.6 million in payouts for staff taking the VSP.</li> <li>\$23.0 million of 100% provincially funded COVID-19 Emergency Benefit issued to address health and safety issues related to COVID-19.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>OW Caseload up 8k to 91k. The income support measures announced by the Government, temporarily extending CERB, simplifying and extending access to EI and establishing three new benefits, will likely limit any significant caseload increases until the second half of 2021.</li> <li>\$0.7 million for enhanced cleaning at TESS' 15 offices plus PPE for clients and staff.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>\$1.7 million for the reserve funded Human Service Integration project carried forward to 2021 due to software procurement delays.</li> <li>\$3.1 million for the Dufferin Mall office relocation project carried forward to 2021 and 2022 due to delays in finalizing the lease.</li> <li>The Yonge St project was reduced in scope and the budget reduced from \$3.5 million to \$2.2 million, with \$1.8 million carried forward to 2021 and 2022. Work is underway to explore opening a small client facing office in the North York Civic Centre.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>\$0.9 million for the Bridlewood Mall relocation project recast to 2022 due to delays in finalizing the lease.</li> <li>\$0.7 million for the Dufferin Mall office relocation project recast to 2022 due to delays in finalizing the lease.</li> <li>\$1.1 million for the Yonge St relocation project recast to 2022.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>In-person services were adjusted and the telework workforce was expanded to adhere to provincial program requirements in a timely manner while responding to clients' critical needs. In-person services will open when appropriate as part of the divisional restart plan and in consultation with TPH.</li> <li>TESS adjusted many workforce development programs and activities in response to the pandemic. Limited programming focused on employment training and community partnerships has resumed with enhanced flexibilities. A number of non-profit employment service providers are offering a suite of new programs focused on critical wrap around supports for OW clients to increase their life stabilization and wellness during the COVID-19 emergency.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Workforce development programming and activities may not return to pre-COVID levels for some time given the uncertain evolution of the pandemic. Service levels will be reviewed once operations are normalized and Provincial program changes are implemented.</li> <li>Employment benefits for OW recipients return to normal levels with more clients (many of whom may be "new" to social assistance and have recent labour market experience) requiring access to employment and training services/supports to gain experience and (re)build skills.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- 100% of staff (1,700) are equipped for mobility and telework to ensure ongoing services to vulnerable residents
  - More than 80% of staff are teleworking at any given time.
- Maintaining 3 TESS offices to provide critical in-person services - by exception - to vulnerable residents who cannot access services via phone or online channels.
  - Video intercoms have been installed to facilitate communication with in-person visits and to maintain the health and safety of residents and staff.
- Implemented a streamlined application process in collaboration with the Human Services Integration office (Applications and Support Centre) enabling financial benefit granting at first contact.
- OW clients continue to have access to caseworkers by telephone during regular business hours for:
  - Service planning reviews and referrals to necessary programs and services.
  - Issuance of benefits and case management activities.
- The Province (MCCSS) continues to waive requirement for wet signatures and / or visual verification of documentation facilitating client access to services by phone / online.
- Additional in-person sites will open when appropriate as part of the divisional restart plan and in consultation with TPH.
  - Assessments and retrofits will be required be based on current public health measures and physical distancing requirements.

### Key Improvements

#### Technology

- Enrollment in provincial 'mybenefits' portal has more than doubled with over 24,000 OW clients enrolled.
- Emphasis on online access and broadcast messaging / communication.
- Accelerated paperless office initiative (EDM) – client mail directly uploaded to provincial case technology for staff action, enhancing telework capacity.

#### Payments

- Since the onset of the pandemic, TESS has focussed efforts on transitioning clients to electronic payment methods (direct bank deposit or reloadable payment card).
  - Clients picking up cheques reduced from 718 to less than 15.

#### Training

- Over 133,000 Service Planning Reviews with clients completed.
- Implemented flexibility in contracted employment services ensuring OW clients have access to key employment programs or critical wrap around and life stabilization supports.
  - 2,900 (85%) of 3,400 training/program seats filled to date.

#### Program / Policy Enhancements

- Temporary enhancements to the Housing Stabilization Fund (HSF).
- Expansion of dental services.
- Digital Access Benefit and one-time Equipment Benefit to support Ontario Works clients' access to and enrolment in online employment and training, as well as life stabilization programs.

## Key Challenges and Risks

- Toronto's official unemployment rate increased from 5.5% in February to 15.4% in May and 11.5% in October, with the real unemployment rate likely closer to 18-20% as many are not actively seeking employment in the current climate. Additional waves of COVID will further impact the economic recovery and limit employment opportunities for clients especially as the sectors most impacted represent areas where many clients find work.
  - Based on previous recessions and projected unemployment trends, TESS is anticipating a substantial caseload increase in the second half of 2021 and potentially into 2022 and 2023.
  - The percentage of OW clients who report significant and often intersecting barriers to employment – i.e. the complexity of client needs -- continues to grow. Almost half the OW caseload has been in receipt of financial assistance for more than two years and 25% have been on OW for over five years. These clients require access to life stabilization supports to address key barriers – health, housing, (digital) literacy, mental health, etc.
  - The Province is planning to integrate OW employment programs with Employment Ontario. Beginning in the fall of 2019, the new employment services model launched in three diverse urban and rural communities and the rest of the province will move to the new system starting in 2022.
- 

## Priority Actions

- Continue service delivery modernization by:
    1. Completing the implementation of Electronic Document Management across all offices;
    2. Developing strategies to support improved client enrolment outcomes on My Benefits; and
    3. Implementing any Provincial portal functionality enhancements.
  - More effectively respond to client needs and future in-person service requests by working collaboratively with other City Divisions (including TPL), other orders of government and community partners to reimagine and reduce the service delivery network and expand telework capacity/functions.
  - Continue to support Service Planning Renewal through renewed expectations for working remotely, changes to operational policy, updated staff development processes, and continued assessment of the impact of service planning changes.
  - Continue to strengthen connections to life stabilization services and supports through expanded and targeted partner relationships and service navigation approaches.
-



## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Employment Services	46,818.8	45,952.9	42,714.1	45,927.8		45,927.8	3,213.7	7.5%
Integrated Case Management and Service Planning	76,773.2	71,839.3	81,444.5	76,121.9		76,121.9	(5,322.7)	(6.5%)
Financial Supports	848,699.6	885,360.2	819,008.6	953,515.8		953,515.8	134,507.1	16.4%
<b>Total Revenues</b>	<b>972,291.7</b>	<b>1,003,152.4</b>	<b>943,167.3</b>	<b>1,075,565.4</b>		<b>1,075,565.4</b>	<b>132,398.1</b>	<b>14.0%</b>
<b>Expenditures</b>								
Employment Services	61,911.1	63,385.7	54,095.5	61,824.1		61,824.1	7,728.7	14.3%
Integrated Case Management and Service Planning	131,442.9	129,695.0	124,061.0	126,400.1		126,400.1	2,339.1	1.9%
Financial Supports	865,716.5	901,292.0	832,695.6	968,131.9		968,131.9	135,436.2	16.3%
<b>Total Gross Expenditures</b>	<b>1,059,070.6</b>	<b>1,094,372.6</b>	<b>1,010,852.1</b>	<b>1,156,356.1</b>		<b>1,156,356.1</b>	<b>145,504.0</b>	<b>14.4%</b>
<b>Net Expenditures</b>	<b>86,778.9</b>	<b>91,220.2</b>	<b>67,684.8</b>	<b>80,790.7</b>		<b>80,790.7</b>	<b>13,105.9</b>	<b>19.4%</b>
<b>Approved Positions</b>	<b>1,825.0</b>	<b>1,790.5</b>	<b>1,710.5</b>	<b>1,806.5</b>		<b>1,806.5</b>	<b>16.0</b>	<b>0.9%</b>

\* 2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$1.156 billion gross reflecting an increase of \$145.504 million or 14.4% in spending above 2020 projected year-end actuals, predominantly arising from:

- \$102.4 million in 100% provincially funded financial and medical benefits, mainly funding to eligible City residents to help cover the costs of basic needs (e.g. food) and housing costs. The OW caseload budget for 2021 has been set at 91,000, 8,000 cases or 9.6% above the 2020 budgeted average monthly caseload and 16.2% above the current average monthly caseload level. While it is expected that caseload will remain near current levels over the first few months of 2021, as increased access to EI (and other temporary Federal benefits) will likely provide a buffer against increases in social assistance, based on previous recessions and projected unemployment trends caseload is expected to increase significantly in the second half of 2021 and potentially into 2022 and 2023. OW income and asset eligibility criteria could delay the ability of many City residents to qualify for social assistance.
- \$21.3 million in 100% provincially funded employment benefits as COVID-19 related restrictions and shutdowns limited the availability of workforce development programs in 2020. Expenditures are expected to return to normal levels in 2021 with more clients (many of whom may be "new" to social assistance and have recent labour market experience) requiring access to employment and training services/supports to gain experience and (re)build skills.
- \$9.5 million in 100% provincially funded Housing Stabilization Fund (HSF) benefits. While the suspension of evictions for several months due to COVID reduced the demand for HSF benefits in 2020, it is expected that the need for homelessness prevention benefits will rise in 2021 in conjunction with the increase in caseload.
- \$2.7 million in salaries and benefits due mainly to union contractual agreements. The staffing budget also includes 84 caseload contingent positions based on a caseload ratio of 10.5 FTE per 1,000 cases at a cost of \$7.7 million. With the eligible expenses budgeted to be above the provincial cap, funding for the additional positions will be provided from the Ontario Works (OW) Reserve Fund. This is consistent with the purpose of the reserve, which is to provide the flexibility to manage and mitigate the risks associated with a program delivery funding envelope based on caseload levels.



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

- ***2021 Base Budget of \$80.791 million in net expenditures reflects an \$11.092 million net decrease from the 2020 Council approved Budget, when excluding \$0.662 million in estimated COVID-19 financial impacts.***

## EQUITY IMPACTS OF BUDGET CHANGES

Toronto Employment & Social Services 2021 Operating Budget includes reductions to staffing including both the management complement and a program affected by provincial policy changes that may have negative impacts on low income residents who are in receipt of Ontario Works. These reductions are a result of efficiency savings and provincial policy changes and will not impact eligibility to Ontario Works. To offset any negative impacts, TESS will explore enhanced partnerships with community based organizations to support the program affected that is no longer within the provision of our core services.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Employment & Social Services is \$1.156 billion gross or 14.4% higher than the 2020 Projected Actuals. 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 Budget	YoY Changes	
						\$	%
Expenditures							
1	Salaries and Benefits	171,157.9	172,540.4	166,163.3	168,819.3	2,656.0	1.6%
2	Materials & Supplies	10,492.5	13,162.3	7,519.5	15,491.0	7,971.6	106.0%
3	Equipment	546.7	621.5	337.6	298.4	(39.2)	-11.6%
4	Service and Rent	71,665.8	83,155.2	58,368.3	79,564.1	21,195.7	36.3%
5	Contribution To Capital						
6	Contribution To Reserves/Reserve Fund	2,005.7	2,005.7	2,005.7	1,925.2	(80.6)	-4.0%
7	Other Expenditures	803,201.9	822,887.5	776,457.6	890,258.1	113,800.5	14.7%
Total Exepnditures		1,059,070.6	1,094,372.6	1,010,852.1	1,156,356.1	145,504.0	14.4%
Revenues							
1	Provincial Subsidies	956,751.7	977,953.5	935,698.7	1,044,023.8	108,325.1	11.6%
2	Federal Subsidies	22.3		13.2	200.0	186.8	1420.7%
3	User Fees & Donations	0.1					
4	Transfers From Capital	1,489.8		11.6		(11.6)	-100.0%
5	Draw from Reserve Funds		10,217.6		16,305.1	16,305.1	
6	Other Revenues (Inc. IDR's)	14,027.7	14,981.3	7,443.9	15,036.5	7,592.6	102.0%
Total Revenues		972,291.7	1,003,152.4	943,167.3	1,075,565.4	132,398.1	14.0%
Net Expenditures		86,778.9	91,220.2	67,684.8	80,790.7	13,105.9	19.4%
Approved Positions		1,825.0	1,790.5	1,790.5	1,806.5	16.0	0.9%

\* 2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

Funding of \$7.7 million for 84 caseload contingent staff, union contractual agreements partially offset by \$3.0 million in VSP savings and \$2.0 million in savings due to an expected higher level of vacancies in the first half of 2021.

**Materials and Supplies:**

\$5.5 million in 100% funded medical benefits to reset the budget to respond to normalized service levels, \$0.6 million due to higher demand for Hardship Fund benefits.

**Services and Rents:**

\$6.5 million in 100% funded client benefits, \$3.7 million in 100% funded employment benefits and \$9.5 million in 100% CHPI funded Housing Stabilization Fund expenditures.

**Other Expenditures:**

\$119.5 million in 100% funded client benefits due to the higher caseload and \$17.5 million in 100% funded employment benefits, partially offset by \$23.0 million in one-time COVID-19 Emergency Benefits.

**Provincial Subsidies:**

Increase due to higher provincially funded expenditures.

**Reserves:**

Includes \$7.7 million from the OW reserve to fund the 84 caseload contingent staff.

**Table 2b: 2021 Balancing Actions**

( \$000s )								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Area Office Supervisor Span of Control	Efficiencies		(1,410.8)	(1,410.8)	(11.0)	(38.7)	(38.7)	-
Realignment of Management Staff	Efficiencies		(1,283.0)	(1,283.0)	-			-
Confidential Efficiency Change	Efficiencies		(3,823.3)	(3,823.3)	(43.0)	(532.9)	(532.9)	-
Voluntary Separation Program	Other		(3,036.3)	(3,036.3)	-			-
Impact of Higher Vacancies in the first half of 2021	Other		(2,000.0)	(2,000.0)	-			-
Investing in Neighbourhoods Program	Other		(1,000.0)	(1,000.0)	-			-
Summer Receptionists Program	Other		(876.1)	(876.1)	(14.0)	(5.4)	(5.4)	-
Reduce Leased Office Footprint	Other		(610.9)	(610.9)	-	(507.4)	(507.4)	-
<b>Total Balancing Actions</b>			<b>(14,040.4)</b>	<b>(14,040.4)</b>	<b>(68.0)</b>	<b>(1,084.4)</b>	<b>(1,084.4)</b>	<b>-</b>

- **Area Office Supervisor Span of Control** – Increase the supervisor span of control ratio (i.e. number of caseworkers managed by one local area supervisor) by 1 to 11:1 thereby reducing the number of supervisors by 11.
- **Realignment of Management Staff** – Reduce the equivalent of 8 management staff. Actual positions will be identified and deleted over the next few months.
- **Confidential Efficiency Change** – Details are included in the Confidential Attachment 1 under separate cover.
- **Voluntary Separation Program** – Savings for 64 staff that have taken advantage of the program.
- **Impact of Higher Vacancies in the first half of 2021** – Limited hiring is expected in the first half of 2021 as caseload levels are anticipated to remain low due to Federal income support programs.
- **Investing in Neighbourhoods Program** – Investing in Neighbourhoods offers the opportunity for non-profit agencies to hire Ontario Works recipients, with TESS funding 100% of the salary for up to one year. As COVID-19 has reduced the capacity of our partner agencies to absorb placements, with a maximum placement uptake spending is expected to be \$9 million, \$1 million less than the 2020 budget.
- **Summer Receptionists Program** – Eliminate program and employ alternative strategies to lesson seasonal staffing pressures.
- **Reduce Leased Office Footprint** – Impact of the relocation of Consilium Place to Bridlewood Mall, Crossways, High Park/Parkdale and Metro Hall to Dufferin Mall and Lesmill to the North York Civic Centre

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	943,164.0	1,075,565.4	1,074,812.6	1,066,829.5
Gross Expenditures	1,010,849.6	1,156,356.1	1,162,106.9	1,164,015.5
<b>Net Expenditures</b>	<b>67,685.6</b>	<b>80,790.7</b>	<b>87,294.4</b>	<b>97,186.0</b>
<b>Approved Positions</b>	<b>1,790.5</b>	<b>1,806.5</b>	<b>1,806.5</b>	<b>1,804.5</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$1.162 billion reflects an anticipated \$5.751 million or 0.50% increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlook expects a further increase of \$1.909 million or 0.16% above 2022 gross expenditures.

**2022 key drivers are as follows:**

## Salaries and Benefits

- \$2.1 million due to contractual obligations
- \$3.0 million due to the 2022 reversal of one-time VSP savings in 2021
- \$2.0 million due to impact of higher vacancies in 2021

## Reduced Footprint

- \$0.5 million reduction in lease costs due to office relocations

## COVID-19

- \$0.7 million in enhanced cleaning and PPE in 2021 budget will not be required in 2022

**2023 key drivers are as follows:**

## Impact of 2020 Decisions

- The cost of the 84 caseload contingent staff are funded from the OW reserve in 2021 and 2022. There is insufficient funding in the reserve for 2023, resulting in added pressure in 2023.
- \$0.7 million reduction in lease costs due to office relocations

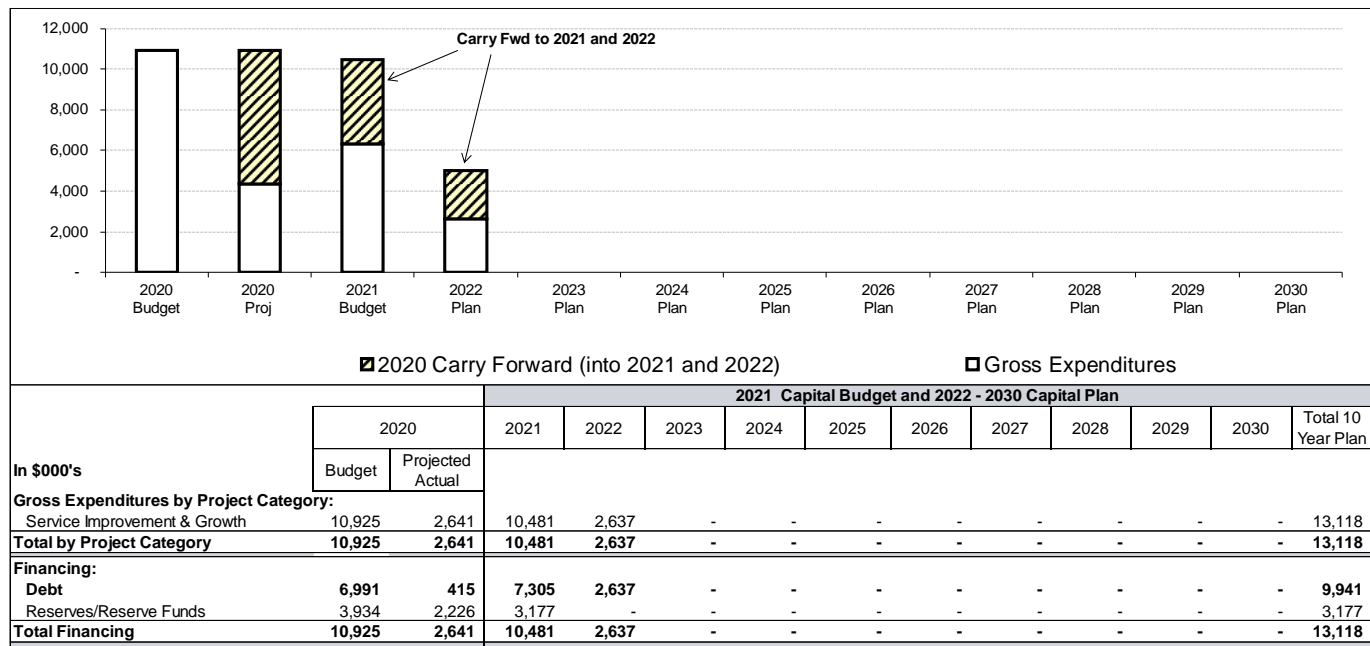
## Salaries and Benefits

- \$2.7 million due to contractual obligations

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



### Changes to Existing Projects (\$4.95 Million)

- New affordable housing units will be built on the site of TESS' Beaches Office under the City's Housing Now initiative, therefore the planned \$3.65 million renovation project has been cancelled.
- The Yonge St project was reduced in scope and the budget reduced from \$3.5 million to \$2.2 million, with \$1.8 million carried forward to 2021 and 2022. Staff are working to explore options to open a small client facing office in the North York Civic Centre.



### New Projects (\$0.0 Million)

- N/A

### Capital Needs Constraints (\$0.0 Million)

- N/A

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$13.118 million 10-Year Gross Capital Program**

	
<b>Aging Infrastructure</b>	<b>Information Technology</b>
\$9.941 M 76%	\$3.177 M 24%
TESS office renovation / relocation projects	Human Services Integration project

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$13.118 M 100%</b>		<b>\$0 M 0%</b>	<b>\$0 M 0%</b>
Debt	\$ 9.941 M		
Reserve Draws	\$ 3.177 M		

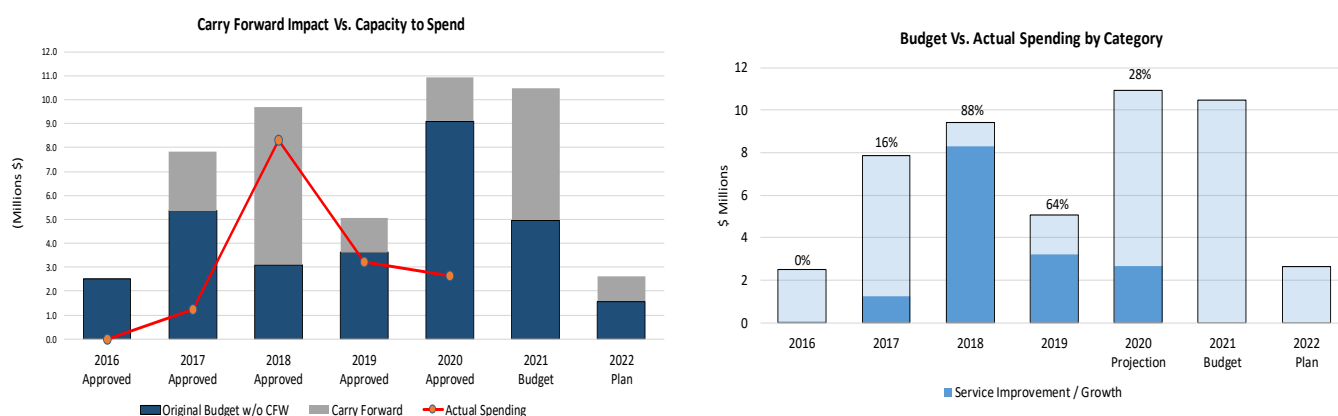
## CAPACITY TO SPEND REVIEW

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 Toronto Employment & Social Services 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.

Cash flow funding of \$0.9 million for the Bridlewood Mall relocation project and \$0.7 million for the Dufferin Mall office relocation project was recast to 2022 due to delays in finalizing the leases. Similarly, cash flow funding of \$1.1 million for the Yonge St relocation project was deferred to 2022.

**Chart 2 – Capacity to Spend**



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

Based on the review of historical capital spending constraints and a capacity to spend review, \$4.807 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$2.637 million deferred to 2022. Adjustments to the Capital Plan are noted below:

- Human Services Integration project: \$1.708 million deferred from 2020 to 2021.
- Dufferin Mall office relocation project: \$2.370 million deferred from 2020 to 2021, and \$0.680 million deferred from 2020 to 2022.
- Yonge Street office relocation project: \$729.3 million deferred from 2020 to 2021, and \$1.081 million deferred from 2020 to 2022.
- Bridlewood Mall office relocation project: \$0.876 million deferred from 2021 to 2022.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan Budget will impact future year Operating Budgets by savings of \$1.794 million net over the 2021-2030 period, primarily due to the reduced footprint in relation to Bridlewood, Dufferin Mall, and Yonge St. office relocation projects.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Bridlewood office relocation project			(213.5)		(525.4)						(738.9)		(738.9)	
Dufferin Mall office relocation project	(160.5)		156.5		(150.0)						(154.0)		(154.0)	
Yonge St. office relocation project	(450.4)		(450.4)								(900.8)		(900.8)	
<b>Sub-Total: Previously Approved</b>	<b>(610.9)</b>		<b>(507.4)</b>		<b>(675.4)</b>						<b>(1,793.7)</b>		<b>(1,793.7)</b>	
<b>Total (Net)</b>	<b>(610.9)</b>		<b>(507.4)</b>		<b>(675.4)</b>						<b>(1,793.7)</b>		<b>(1,793.7)</b>	

## Previously Approved projects

- Reduce Leased Office Footprint – Impact of the relocation of Consilium Place to Bridlewood Mall, Crossways, High Park/Parkdale and Metro Hall to Dufferin Mall and Lesmill to the North York Civic Centre



# 2021 Program Summary

## Toronto Paramedic Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Paramedic Services (PS) provides 24/7 paramedic care in response to life-threatening emergency medical calls. PS delivers the following services:

- Emergency Medical Care
- Emergency Medical Dispatch
- Community Paramedicine

PS is responsible for all aspects of land ambulance service for the City of Toronto. PS has stewardship of more than 45 ambulance stations (including a Multi-Function Station), a fleet of 234 transport ambulances, 1,285 Paramedics and 131 Emergency Medical Dispatchers.

### Why We Do It

**People in Toronto receive timely and compassionate paramedic-based healthcare.**

*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 Medical Care**

**Who We Serve:** 911 Callers, Hospitals, Patients

**What We Deliver:** Provide outstanding paramedic-based, mobile health services and emergency medical response, and provide medically appropriate transport for all patients in the community.

**How Much Resources (gross operating budget):** \$232.4 million

#### **Emergency Medical Dispatch & Preliminary Care**

**Who We Serve:** 911 Callers, Hospitals, Patients

**What We Deliver:** Provide immediate access to dispatch life support instructions through Toronto's Central Ambulance Communications Centre prior to paramedic arrival.

**How Much Resources (gross operating budget):** \$29.5 million

#### **Community Paramedicine & Emergency Call Mitigation**

**Who We Serve:** 911 Callers, Hospitals, Health Care Providers Patients

**What We Deliver:** Provide community-based primary medical care and referrals, at-home medical care to support seniors and vulnerable citizens, and citizen first-response education and awareness within the community.

**How Much Resources (gross operating budget):** \$11.0 million

## Budget at a Glance

### 2021 OPERATING BUDGET

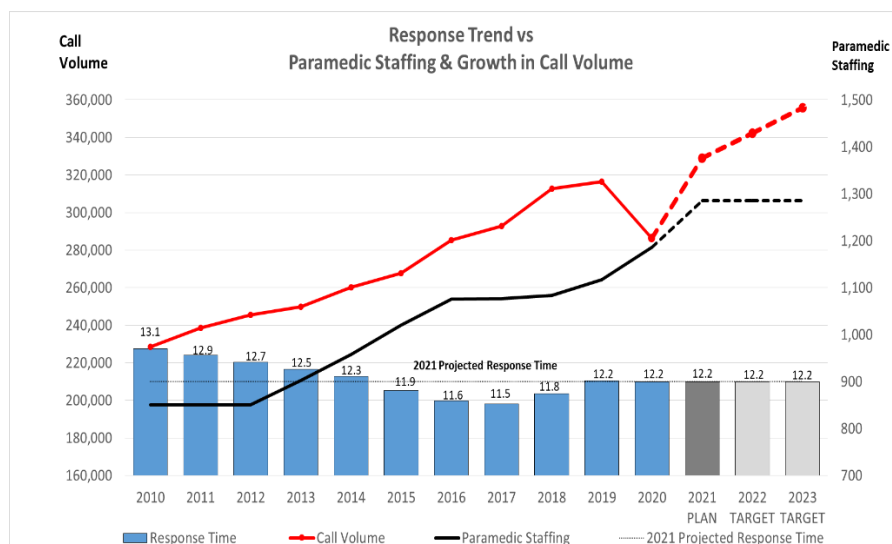
\$Million	2021	2022	2023
Revenues	\$176.5	\$180.0	\$176.2
Gross Expenditures	\$272.9	\$279.3	\$277.7
Net Expenditures	\$96.4	\$99.3	\$101.5
Approved Positions	1,725.3	1,725.3	1,690.3

### 2021 - 2030 10-YEAR CAPITAL PLAN

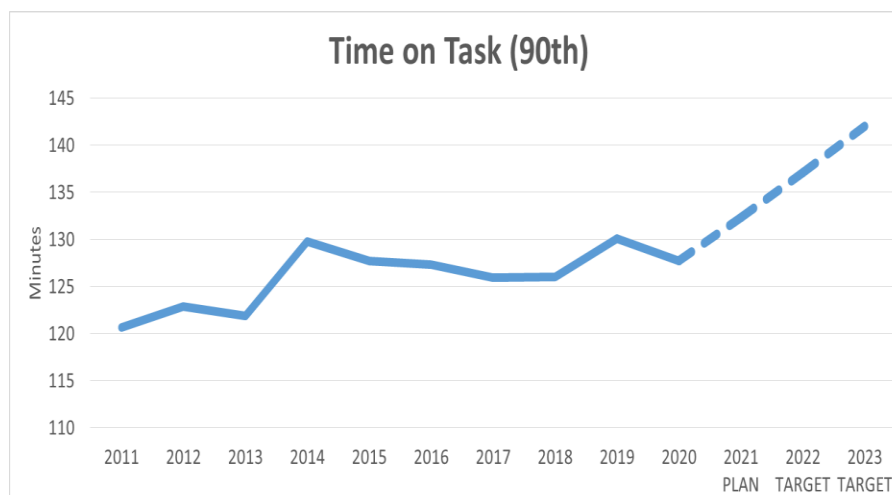
\$Million	2021	2022-2030	Total
Gross Expenditures	\$7.0	\$111.5	\$118.5
Debt	\$3.6	\$ 51.5	\$ 55.1

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers

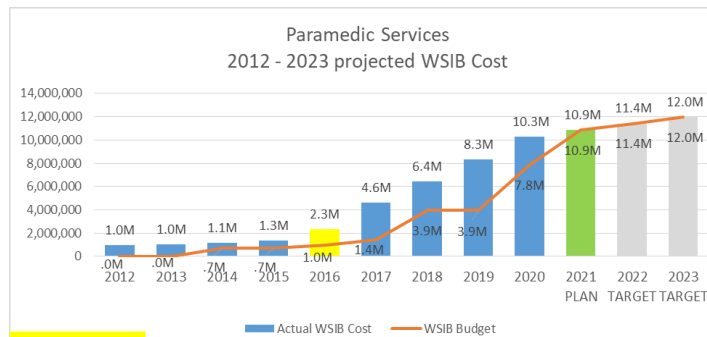


- **EMERGENCY CALL VOLUME – NATURE OF DEMAND**
  - The percentage of critically ill patients remained the same despite a slight decline in call volume due to COVID-19
  - Driven by aging, growing, and increasingly vulnerable population
  - Polarized socio-economic status results in fragmented support systems / reliance on paramedic and public services
- **RESPONSE TIME TO CRITICALLY ILL/INJURED PATIENTS**
  - Reduced ambulance availability due to health care system challenges during the pandemic resulted in no significant improvement in response time to critically ill patients
  - High patient acuity means a greater need for specialized medical care
  - Need to transport to definitive care facilities (e.g., Stroke Centres, Catheterization Labs, Trauma Centres, etc.)



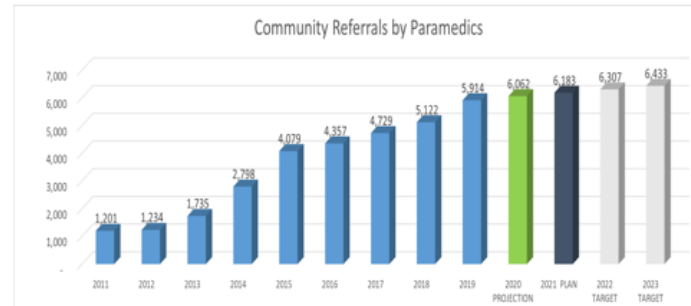
- **INCREASED TIME ON TASK**
  - Total length of time required to service an emergency call
  - 46% increase in Time on Task since 2011 – results in fewer ambulances being available to respond to calls and a greater workload on frontline staff during peak hours
  - Time on task is impacted by specialized patient care transports for critically ill/injured patients, hospital transfer of care, traffic congestion, weather, etc.

## How Well We Are Doing – Behind the Numbers



### • INCREASED WSIB COSTS

- 71.2% increase in the number of work-related (WSIB), lost-time incidents of employee injury/illness -- since the presumptive legislation enacted in April 2016
- Legislation presumes that a diagnosis of post-traumatic stress disorder (PTSD) in first responders is work-related
- Increase in reports of staff exposures to infectious disease and associated WSIB claims related to occupational stress injury



### • COMMUNITY PARAMEDICINE REFERRALS & OUTREACH

- Connect vulnerable residents to community resources to support independent living and aging at home.
- 85% are >65 years old; 65% are for activities of daily living
- Outreach focuses on low income seniors, many from equity seeking groups, who rely on 911 for access to healthcare
- In 2019, there was a 68% increase in home visits; Clinics led to a 15% reduction in 911 calls in TCHC buildings.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Actual	2021 Target	2022 Target	Status
Service Level Measures								
Pre-Hospital Emergency Care	Response Time to critically ill patients, from call received to arrival on scene, 90% of the time (minutes)	11.8	12.2	12.2	12.2	12.4	12.4	●
Pre-Hospital Emergency Care	Emergency Calls (Unique Incidents)	330,358	336,573	350,036	307,872	350,036	364,037	●
Pre-Hospital Emergency Care	Time on Task from call received to hospital transfer of care (minutes) (90th Percentile All Calls)	126.02	130.08	130.08	127.72	134.76	139.61	●
Other Measures								
Pre-Hospital Emergency Care	WSIB Cost (\$ million)	\$6.4 M	\$8.2 M	\$7.8 M	\$10.3 M	\$10.9 M	\$11.3 M	●
Community Paramedicine Outreach & Referral	Number of Community Referrals (CREMS)	5,122	5,914	6,062	5,914	6,183	6,307	●
Emergency Medical Dispatch	Emergency Calls Processed	423,863	419,229	435,998	375,011	435,998	453,438	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• Increase in Medical Supplies and Equipment as well as Personal Protective Equipment (PPE) (\$3.133M)</li> <li>• Increase in Contracted Services for additional cleaning and decontamination of stations, vehicles and equipment (\$0.538M)</li> <li>• Overtime pressures (\$0.517M)</li> <li>• Pandemic pay for Paramedics offset by Provincial funding (\$5.670M Gross; \$0M Net)</li> <li>• Loss in user fees (\$0.800M)</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• PPE Re-Processing Facilities - \$1.062M</li> <li>• Cleaning of vehicles - \$0.439M</li> <li>• Staff Support Centre - \$0.510M</li> <li>• COVID-19 Screening/Testing - \$2.078M</li> <li>• Increased demand for PPE - \$1.664M</li> <li>• Community Paramedicine Expansion - \$2.087M</li> <li>• Temporary Conversion of PT Paramedics to FT - \$3.501M</li> <li>• Modified Year 2 of the Multi-Year Staffing &amp; Systems plan - \$2.293M</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• Deferred the Purchase of 4 additional ERVs (\$0.600M) and 2 additional Ambulances (\$0.450M) to 2021.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• PPE Re-Processing Facilities - \$ 0.500M (2021)</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• Operating performance outcome measures expected to return to previous 10 year trend <ul style="list-style-type: none"> <li>○ Call volume expected to be at 2019 levels</li> </ul> </li> <li>• Reduced ambulance availability <ul style="list-style-type: none"> <li>○ Increased Response Time to critical patients</li> <li>○ Increased Time on task due to reduced hospital system capacity</li> <li>○ Increased infection control requirements</li> </ul> </li> <li>• WSIB <ul style="list-style-type: none"> <li>○ Increased reports of staff exposures to infectious disease</li> <li>○ Increased WSIB claims related to occupational stress injury</li> </ul> </li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• Operating performance outcome measures expected to return to previous 10 year trend <ul style="list-style-type: none"> <li>○ Call volume expected to return to 4% annual increase, per 10 year average</li> </ul> </li> <li>• Reduced ambulance availability <ul style="list-style-type: none"> <li>○ Increased Response Time to critical patients</li> <li>○ Increased Time on task due to reduced hospital system capacity</li> <li>○ Increased infection control requirements</li> </ul> </li> <li>• WSIB <ul style="list-style-type: none"> <li>○ Increased reports of staff exposures to infectious disease</li> <li>○ Increased WSIB claims related to occupational stress injury</li> </ul> </li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- The Pandemic has had a significant impact on Paramedic Services as Public Health measures have significantly changed our demand, how we apply Infection Prevention and Control (IPAC) procedures and the health care system in general (i.e. hospital occupancy/services, etc.).
- Lessons learned:
  - Increased community spread of COVID-19 creates pressure in all health care sectors.
  - Strong public health measures result in a reduction in ambulance call volumes.
  - The public's response to Public Health measures greatly impacts the health care system (i.e. Hospitalization rates, surge capacity strategies and service availability)
- Continued long-term strategy of moving towards a Multi-Function Station system to improve operational efficiencies and accommodate growth in emergency call demand. In 2018, the first Multi-Function Station became fully operational.
- Continued improvement in 911 call mitigation from Community Paramedics providing primary medical care and referrals to support aging at home, health promotion, illness and injury prevention. For example, in 2019, one-on-one interactions with TCHC residents in Community Paramedic Led Clinics led to an estimated 16.5% reduction in emergency calls to those addresses.
- Response times to critical patients significantly improved from 2014 to 2017, with 2017 at an all-time low since 2003 of 11.5 minutes, 90% of the time. However, annual average call volume increases of 4% over the past 10 years have resulted in higher response times in 2018 through 2020. Response time for critical patients in 2020 is 12.2 minutes, 90% of the time.

### Key Challenges and Risks

- Employee Health and Safety, e.g. maintaining safe and clean workplace
- Increased workload on staff/Increased WSIB pressure
- Response to critically ill and injured patients/maintaining ambulance availability
- Healthcare system capacity
- Continued emergency medical call mitigation
- Financial sustainability, e.g. Provincial grant

### Priority Actions

- Supporting healthcare reforms as a result of pandemic experience
- Continue to optimize staffing and deployment plan, e.g. specialized transport programs, paramedic schedules, business continuity
- Maintain adequate supply of PPE
- Staffing and Operation of PPE Re-Processing Facilities
- Continue Staff Support Centre operations, e.g. contact tracing, monitoring employee health
- Continue Community Paramedicine initiatives, e.g. COVID-19 Screening/Testing, integrated care partnership, community outreach clinics
- Increase station and vehicle cleaning

## 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 Requests	2021 Budget	Change v. 2020 Actual	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Emergency Medical Care	118,135.7	130,617.0	129,047.2	142,671.4		142,671.4	13,624.2	10.6%
Emergency Medical Dispatch & Preliminary Care	29,549.8	30,338.8	31,438.8	29,640.4		29,640.4	(1,798.3)	(5.7%)
Community Paramedicine & Call Mitigation	2,025.8	1,856.7	1,503.3	4,193.4		4,193.4	2,690.1	179.0%
<b>Total Revenues</b>	<b>149,711.2</b>	<b>162,812.4</b>	<b>161,989.2</b>	<b>176,505.2</b>		<b>176,505.2</b>	<b>14,516.0</b>	<b>9.0%</b>
<b>Expenditures</b>								
Emergency Medical Care	202,465.8	218,015.5	217,687.9	232,376.5		232,376.5	14,688.5	6.7%
Emergency Medical Dispatch & Preliminary Care	27,385.4	29,934.2	30,634.2	29,528.2		29,528.2	(1,106.0)	(3.6%)
Community Paramedicine & Call Mitigation	2,867.4	3,796.1	3,746.1	10,958.3		10,958.3	7,212.2	192.5%
<b>Total Gross Expenditures</b>	<b>232,718.5</b>	<b>251,745.8</b>	<b>252,068.2</b>	<b>272,862.9</b>		<b>272,862.9</b>	<b>20,794.7</b>	<b>8.2%</b>
<b>Net Expenditures</b>	<b>83,007.3</b>	<b>88,933.4</b>	<b>90,079.0</b>	<b>96,357.7</b>		<b>96,357.7</b>	<b>6,278.7</b>	<b>7.0%</b>
<b>Approved Positions</b>	<b>1,520.3</b>	<b>1,606.3</b>	<b>1,606.3</b>	<b>1,725.3</b>		<b>1,725.3</b>	<b>119.0</b>	<b>7.4%</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$272.863 million gross reflecting an increase of \$20.795 million in spending above 2020 projected year-end actuals, predominantly arising from:

- \$6.5 million for the annualization of 2020 staff added as a result of the Multi-Year Staffing & System's Plan (2019 EC5.3) implemented to address workload pressures due to increasing call demand.
- \$4.4 million for 100% funded Community Paramedicine Expansion Programs
- \$3.5 million for the Temporary Conversion of Part-Time Paramedics to Full-Time to address COVID-19 pressures
- \$2.3 million for implementation of Year 2 of the Five Year Staff Plan (2019 EC5.3)
- \$3.2 million for COVID-19 impacts including additional PPE, cleaning and sanitizing, and staff support.
- \$1.0 million for WSIB pressures as a result of increases in the approval of PTSD claims and benefit entitlement outlined in Bill 127 & Bill 163.
- \$0.733 million for Contributions to Vehicle/Equipment Reserves due to inflation.

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

- **2021 Base Budget totalling \$96.358 million in net expenditures reflects a \$1.252 million net increase above the 2020 Council Approved Budget, when excluding \$6.172 million net in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

There are no significant equity impacts arising from changes to the Toronto Paramedic Services' 2021 Operating Budget.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Paramedic Services is \$272.863 million gross or 8.2% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes 2021 Balancing Actions.

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

Key Cost Drivers	2019 Actuals	2020 Budget	2020 Projection*	2021 Base Budget	YoY Changes	
					\$	%
Expenditures						
1    Salaries & Benefits	199,407.4	215,908.6	213,036.8	232,563.5	19,526.6	9.2%
2    Materials & Supplies	7,661.7	7,803.9	9,482.0	10,094.2	612.2	6.5%
3    Equipment	990.9	1,263.2	2,371.9	1,390.7	(981.2)	-41.4%
4    Service And Rent	10,266.9	11,000.1	11,162.1	11,569.5	407.5	3.7%
5    Contribution To Reserves/Reserve Funds	8,810.8	9,874.0	9,874.0	10,656.3	782.3	7.9%
6    Contribution To Capital	1,100.3	831.3	831.3	831.3		
7    Other Expenditures	4,480.7	5,064.8	5,310.2	5,757.5	447.3	8.4%
Total Exepnditures	232,718.5	251,745.8	252,068.2	272,862.9	20,794.7	8.2%
Revenues						
1    Provincial Subsidies	146,903.5	157,798.6	159,349.8	170,238.3	10,888.5	6.8%
2    User Fees & Donations	1,095.2	1,087.9	362.6	1,087.9	725.2	200.0%
3    Other Revenue (including IDR)	1,384.9	1,447.2	1,021.7	1,455.5	433.9	42.5%
4    Contribution From Reserves/Reserve Funds		2,008.7	908.2	3,253.6	2,345.4	258.3%
5    Transfers From Capital	327.5	470.0	347.0	470.0	123.0	35.5%
Total Revenues	149,711.2	162,812.4	161,989.2	176,505.2	14,516.0	9.0%
Net Expenditures	83,007.3	88,933.4	90,079.0	96,357.7	6,278.7	7.0%
Approved Positions	1,520.3	1,606.3	1,606.3	1,638.3	32.0	2.0%

**\*2020 Projection based on Q3 Variance Report****Salaries & Benefits:**

Includes increases from the annualization of 2020 staff additions (\$6.5M), COVID-19 impacts (\$6.7M), Community Paramedicine Expansion (\$3.5M), Multi-year Staffing & Systems Plan (\$2.1M) and WSIB pressures (\$1.0M).

**Materials & Supplies, Equipment, Other Expenditures:**

Includes increases in contributions to the vehicle and equipment reserves, insurance reserve, in addition to increases in medical supplies, cleaning supplies, uniforms, utilities, cleaning, sanitization, waste disposal contracted services and IDC (Fuel, IT, TRIP project, SmartZone).

**Provincial Funding:**

Includes increases in provincial funding due to growth in service demand which is partially offset by one-time COVID-19 funding received in 2020.

**User Fees:**

Includes a recovery of 2021 user fees to normal levels; 2020 saw a decrease in revenue due to volume reductions in First Aid/CPR training and public events due to the pandemic.

**Contribution from Reserves:**

Includes a Tax Rate Stabilization Reserve transfer of \$3.3M transfer in 2021.



**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Delete 3 Redundant Positions	Efficiencies	(196.5)	(392.9)	(196.5)	(3.0)			
Provincial Funding Growth	Revenue Increase (Other)	6,606.3		(6,606.3)				
Rate Stabilization Reserve Transfer	Revenue Increase (Other)	3,253.6		(3,253.6)				
Hiring Slowdown	Match to Actuals		(923.0)	(923.0)				
Benefits Savings	Match to Actuals		(319.2)	(319.2)				
VSP Savings	Match to Actuals		(82.7)	(82.7)				
Hydro	Match to Actuals		(70.6)	(70.6)				
Line By Line Reductions	Match to Actuals		(50.0)	(50.0)				
<b>Total Balancing Actions</b>		<b>9,663.5</b>	<b>(1,838.4)</b>	<b>(11,501.9)</b>	<b>(3.0)</b>			-

**Delete 3 Redundant Positions:**

Deleted three positions no longer required, further details available in Appendix 3.

**Provincial Funding Growth:**

Increases to various Provincial Grants to address system growth.

**Rate Stabilization Reserve Transfer:**

This transfer offsets the first year of Land Ambulance funding for annualized costs of new staff added in 2020. There is a one year lag in Provincial Funding which will replace the reserve revenue source in 2022.

**Hiring Slowdown:**

Savings associated with staffing plan and impacts of hiring slowdown.

**Benefits Savings:**

Lower than anticipated benefit costs for Medical, Dental and Long Term Disability benefits have been reflected in the 2021 budget.

**Voluntary Separation Package Savings:**

Represents a savings achieved through the VSP program.

**Hydro:**

Budget was reduced due to projected Hydro savings.

**Line By Line Reduction:**

Various discretionary budgets were reduced to match 2020 actual experience.

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

<b>(\$000s)</b>	<b>2021 Budget</b>	<b>2022 Outlook</b>	<b>2023 Outlook</b>
Revenues	176,505.2	180,034.1	176,166.1
Gross Expenditures	272,862.9	279,315.2	277,682.5
<b>Net Expenditures</b>	<b>96,357.7</b>	<b>99,281.1</b>	<b>101,516.4</b>
<b>Approved Positions</b>	<b>1,725.3</b>	<b>1,725.3</b>	<b>1,690.3</b>

**Key drivers**

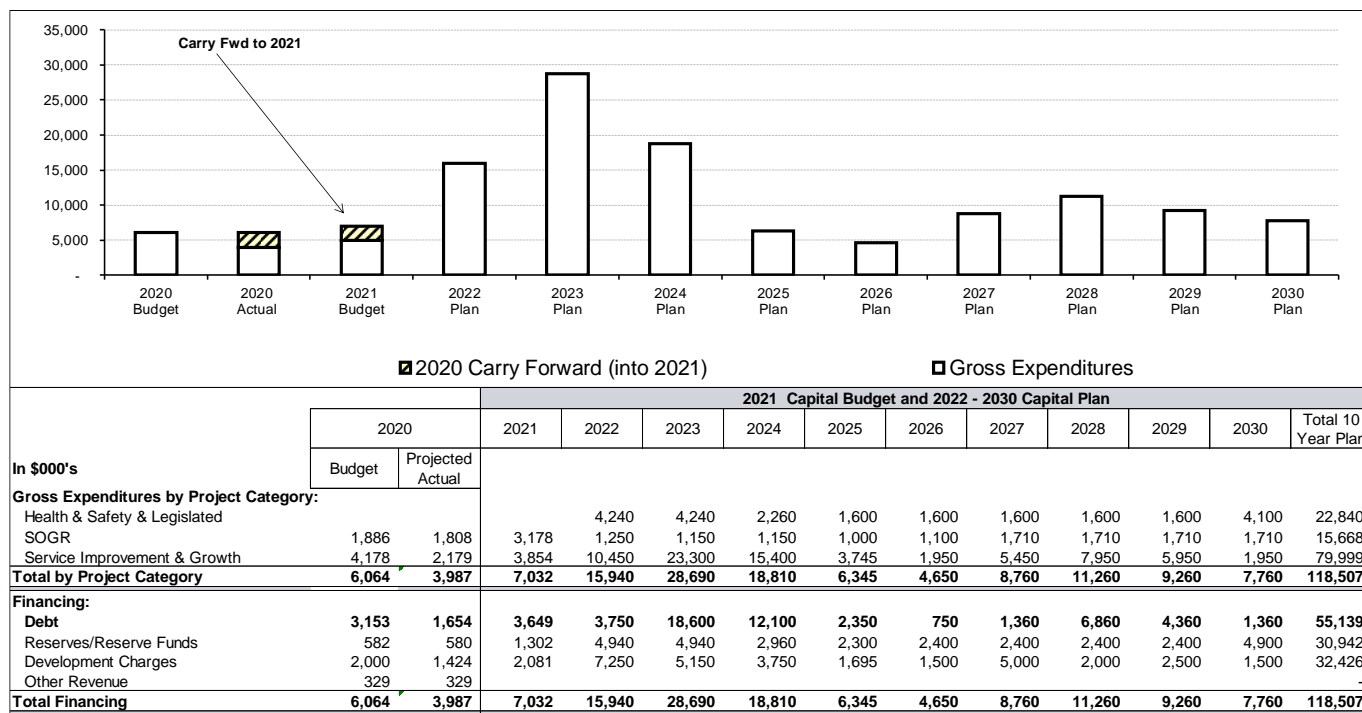
The 2022 Outlook with total gross expenditures of \$279.315 million reflects an anticipated \$6.452 million or 2.36 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a reduction of \$1.633 million or 0.58 per cent below 2022 gross expenditures.

These changes arise from the following:

- 2022: Annualization of Year Two of the Multi-year Staffing & Systems Plan (\$6.050M), COLA and benefits increases (\$2.570M), WSIB increase (\$0.500M), along with inflationary increase to Vehicle & Equipment Reserves (\$1.250M), Operating impact of capital (\$0.581M), offset by one time 2020 CP Expansion (\$1.337M), Temporary Conversion of Part-Time Paramedics to Full-Time (\$3.501M)
- 2022: Grant revenue increase due to 2021 staff additions (\$3.529M).
- 2023: Removal of COVID-19 temporary positions (35 FTEs) will reduce the budget by (\$4.607M) offset by COLA and benefits increases (\$1.515M), Operating impact of Capital (\$0.562M), and increase to Vehicle & Equipment Reserves (\$0.500M).
- 2023: Grant revenue increase is mainly due to Operating impact of Capital (\$0.290M).

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects (\$4.0 Million)

- \$1.5M – Ambulance Post – 330 Bering Ave
- \$1.8M – Ambulances
- \$0.6M – Emergency Response Vehicles
- \$0.1M – Dispatch Console Replacement





### New Projects (\$5.0 Million)

- \$4.5M – Capital Asset Management Planning
- \$0.5M – PPE Re-Processing Facilities

### Capital Needs Constraints (\$83.0 Million)

- \$75.0M - New Communications Centre
- \$2.0M - Ambulance Post #3
- \$2.0M - Ambulance Post #4
- \$2.0M - Ambulance Post #5
- \$2.0M - Ambulance Post #6

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$118.5 Million 10-Year Gross Capital Program**

			
Infrastructure	Communication Systems	Vehicles	Medical Equipment
\$69.5 M 59%	\$7.6 M 6%	\$10.5 M 9%	\$30.9 M 26%
Multi-Function Stations  Ambulance Posts  PPE Re-Processing Facilities  Capital Asset Management Planning	Mobile Data Communications  Ambulance & Portable Radios  NG911	Ambulances  Emergency Response Vehicles	Power Stretchers  Defibrillators  AEDs

**How the Capital Program is Funded**

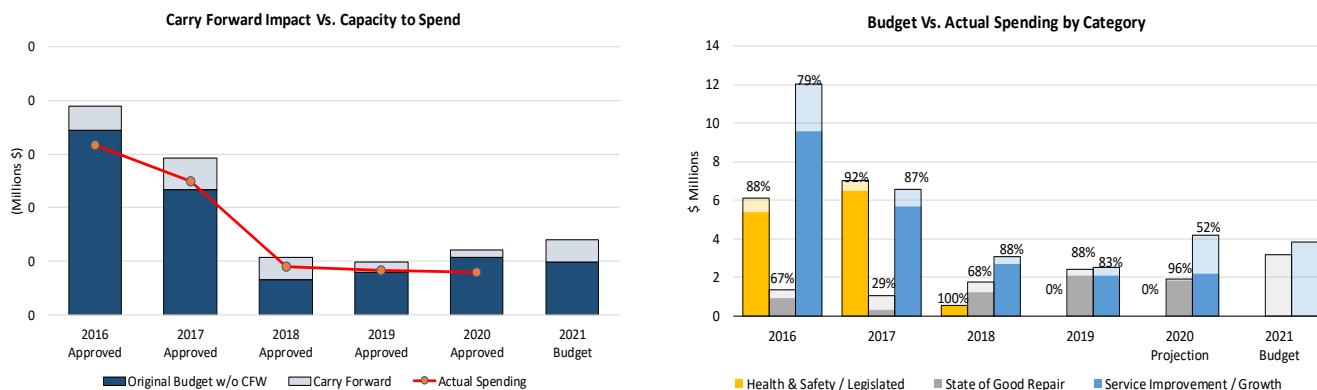
City of Toronto		Provincial Funding	Federal Funding
\$118.5 M 100%		\$0 M 0%	\$0 M 0%
Debt	\$ 55.1 M		
Reserve Draws	\$ 30.9 M		
Development Charges	\$ 32.5 M		

## 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 Toronto Paramedic Services' 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

Based on the review of historical capital spending constraints and a capacity to spend review, \$2.077 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$0.050 million deferred to 2022. Adjustments to the Capital Plan are noted below:

#### Deferred to 2021:

- \$0.576 million – Multi-Function Station #2
- \$0.373 million – Ambulance Post #1 - 30 Queen's Plate Dr.
- \$0.020 million – Mobile Data Communications
- \$0.056 million – Dispatch Console Replacement
- \$0.450 million – Additional Ambulances
- \$0.600 million – Emergency Response Vehicles
- \$0.002 million – Medical Equipment Replacement

#### Deferred to 2022:

- \$0.050 million – Ambulance Post #1 - 30 Queen's Plate Dr.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will Budget will impact future year Operating Budgets by \$4.748 million net over the 2021-2030 period, primarily due to the expected completion of new Multi-Function Station #2 in 2024 and Multi-Function Station #3 in 2029, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
NW District Multi-Function (FACILITY)	(20.0)										(20.0)		(20.0)	
Multi-Function Station #2 - DSGN & CONSTR							1,877.0	18.0	170.0		2,047.0	18.0	1,493.0	18.0
Multi-Function Station #3 (FACILITY)													2,345.0	18.0
Ambulance Post #1 - 30 Queen's Plate Dr			10.0		(5.0)						5.0		5.0	
Additional Ambulances	(204.0)		408.5		204.2		204.0		204.0		816.7		613.0	
Additional ERVs	(77.0)		153.4		76.7		77.0		77.0		307.1		230.0	
Defibrillator Replacement Purchases							84.0		(42.0)		42.0		42.0	
<b>Sub-Total: Previously Approved</b>	<b>(301.0)</b>		<b>571.9</b>		<b>275.9</b>		<b>2,242.0</b>	<b>18.0</b>	<b>409.0</b>		<b>3,197.8</b>	<b>18.0</b>	<b>4,708.0</b>	<b>36.0</b>
<b>New Projects - 2021</b>														
Ambulance Post #2 - 330 Bering Ave			10.0		(5.0)						5.0		5.0	
PPE Re-Processing Facilities	71.0		(35.3)								35.8		35.0	
<b>Sub-Total: New Projects - 2021</b>	<b>71.0</b>		<b>(25.3)</b>		<b>(5.0)</b>						<b>40.8</b>		<b>40.0</b>	
<b>Total (Net)</b>	<b>(230.0)</b>		<b>546.6</b>		<b>270.9</b>		<b>2,242.0</b>	<b>18.0</b>	<b>409.0</b>		<b>3,238.5</b>	<b>18.0</b>	<b>4,748.0</b>	<b>36.0</b>

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Infrastructure and  
Development Services*

# 2021 Program Summary

## City Planning Division

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The City Planning Division is helping to build Toronto's future by managing the growth and physical form of the city – how it looks, feels and moves, and the opportunities it provides in terms of jobs and services to its residents.

City Planning delivers the following services:

- City Building & Policy Development
- Development Review, Decision & Implementation

### Why We Do It

**Development applications comply with the Official Plan, other legislation, and principles of good planning. Applicants receive timely and fair recommendations on development applications.**

**The City of Toronto has an Official Plan and Design Guidelines for balanced and socially and environmentally resilient physical growth. Policy and guideline development is integrated and collaborative.**

*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

#### **City Building & Policy Development**

**Who We Serve:** Community Groups, Interest Groups, Property Owners

**What We Deliver:** Improving the built environment, the integration of land use and transportation, the natural environment, the optimization of the City's waterfront assets, the partnership with planning agencies and other orders of government, and achieving revitalization while ensuring the creation of sustainable neighbourhoods.

**How Much Resources (2021 gross operating budget):** \$23.253 million

#### **Development Review, Decision & Implementation**

**Who We Serve:** Applicants, Community Groups, Interest Groups, Property Owners

**What We Deliver:** Review development applications to ensure desirable development through public consultation and timely review process, while ensuring the implementation of Council policies and applying relevant provincial regulations and plans.

**How Much Resources (2021 gross operating budget):** \$30.136 million



## Budget at a Glance

### OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$39.9	\$41.1	\$41.4
Gross Expenditures	\$53.4	\$54.7	\$55.3
Net Expenditures	\$13.5	\$13.6	\$13.9
Approved Positions	451.0	451.0	449.0

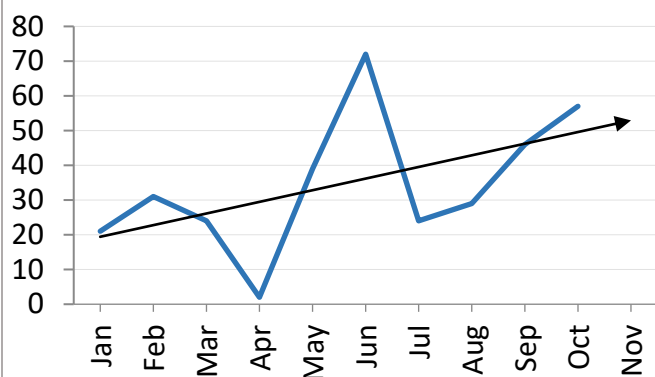
### 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$6.6	\$54.4	\$61.1
Debt	\$3.0	\$26.8	\$29.8

Note: Includes 2020 carry forward funding to 2021

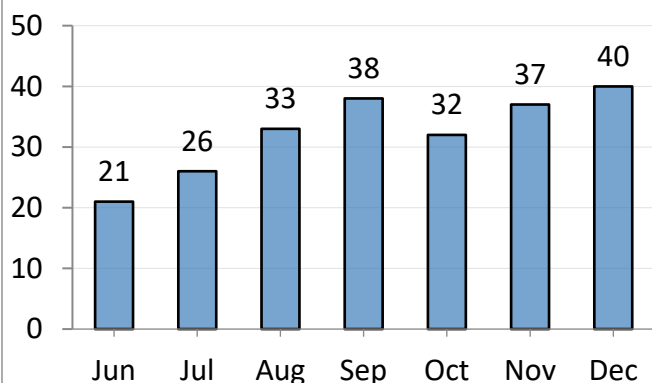
## How Well We Are Doing – Behind the Numbers

No. of Community Planning (New Development and Supporting) Applications Received, 2020



- In 2020, to-date, the number of Official Plan Amendments, Zoning By-law Amendments and Site Plan Control applications received have trended up.
- Total number of Community Planning applications for 2020 is expected to be similar to 2019; however, their size and complexity grow.

Average Number of CoA Applications Scheduled per Hearing, June - September, 2020



- The number of Committee of Adjustment applications scheduled for a panel hearing was greatly impacted by the suspension of City Planning services, due to COVID-19, but it is recovering.
- Since resumption of City Planning services in June, and with revised procedures and experience using the Webex video conference platform, staff and panel members have been able to increase and schedule more applications per hearing. (A decline in October was due to fewer but more complicated applications being scheduled, and a three-month start of member cross-appointments.)

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Development Review, Decision & Implementation	Time-frame (weeks) from receipt of Committee of Adjustment application to hearing date, city-wide average	12	9	9	12	9	8	●
City Building & Policy Development	% proposed residential units with 500 metres of higher order transit	88%	61%	60%	60%	60%	60%	●
Development Review, Decision & Implementation	% of complete / incomplete notice sent within 30 days	78%	72%	80%	80%	80%	80%	●
Service Level Measures								
Development Review, Decision & Implementation	# of complex OPA/Rezoning decisions within 18 months	59%	59%	80%	45%	80%	80%	●
City Building & Policy Development	# of City Building studies completed	36	22	18	18	18	18	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Due to emergency closures and public health regulations, City Planning has experienced the following financial impacts:</p> <ul style="list-style-type: none"> <li>• \$0.046 million in additional staff related overtime, personal protective equipment (PPE) and supplies expenses.</li> <li>• \$0.307 million in additional costs for teleworking to ensure safety and compliance with the prevailing guidelines from the Medical Office of Health.</li> <li>• \$0.390 million in costs related to the lump sum payment to permanent staff who were eligible to retire under the Voluntary Separation Program.</li> <li>• \$2.967 million in projected cost savings in salaries and benefits due to the hiring slow down while continuing recruitment for essential positions.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>Due to the continuation of emergency closures and public health regulations, City Planning will experience the following financial impacts:</p> <ul style="list-style-type: none"> <li>• \$0.769 million in projected cost savings in salaries and benefits (and corresponding revenue reduction of \$0.126 million) due to the implementation of the Voluntary Separation Program.</li> <li>• \$0.309 million in projected cost savings in salaries due to the cancellation of the non-union performance pay.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• \$1.973 million in deferred project costs to align with delivery forecast and constraints.</li> <li>• Reviewed projects and accelerated alternate projects as needed.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• Continue to review with partner divisions on project progress and scheduling.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• City Planning staff continue to work from home and have moved to virtual format of community consultations, public meetings and Community of Adjustment hearings.</li> <li>• Hiring slow-down has impacted the delivery of legislated service and City Council priorities.</li> <li>• Protocols and processes have been implemented in accordance with prevailing health and safety measures to allow all services to be offered.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• There are no anticipated impacts to service levels as a result of COVID-19 during 2021.</li> <li>• The Service Levels will be reviewed and adjusted to reflect processes and protocols as required in accordance with prevailing health and safety guidelines and advice from the Medical Officer of Health.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Following the COVID-19 related suspension of non-essential services on March 18, City Planning resumed full services on June 1, including virtual public hearings at the Committee of Adjustment, which started on June 3.
- Zoning By-law amendments to implement the Finch West LRT were adopted.
- City-wide and site-specific Temporary Use By-laws were initiated to expand zoning permissions for outdoor patios.
- Growing Up: Planning for Children in New Vertical Communities Urban Design Guidelines adopted by City Council.
- Expanding Housing Options in Neighbourhoods approach and work plan approved.
- Proposed Affordable Rental Housing and Affordable Rents Definition and Inclusionary Zoning draft Official Plan and Zoning By-law amendments endorsed by the Planning and Housing Committee.
- Municipal Code amendments for Heritage applications and decisions adopted.
- Retail Design Manual adopted by City Council.
- Golden Mile Secondary Plan and Urban Design Guidelines adopted by Scarborough Community Council and City Council.
- Processed more than 400 Community Planning development review applications.
- Processed approximately 3000 Committee of Adjustment minor variance and consent applications.
- Priority affordable housing applications and initiatives, including modular supportive housing proposals, were processed and approved.

### Key Challenges and Risks

- Prioritize transit, housing and planning frameworks.
- Implementation of Concept 2 Keys (C2K) governance and streamlining changes in the Development Review process.
- High volume of appeals to the Local Planning Appeal Tribunal and Toronto Local Appeal Body.
- Improve the effectiveness and efficiency of the Committee of Adjustment and Community Planning; harmonizing policies and practices.
- Ensure staffing resources are aligned to current work volume pressures.
- Delivering on service levels and legislated requirements, given budgetary restraints.

### Priority Actions

- Key work plan priorities, and related actions:
  - Maintaining and Creating Housing, including advancing Expanding Housing Options in Neighbourhoods.
  - Keeping Toronto Moving, such as support and coordination for Provincial and City priority transit lines.
  - Investing in People and Neighbourhoods, through the creation of Complete Communities and Employment Centres.
  - Championing, influencing and leading strategic City Building including COVID-19 Recovery and Rebuild.
  - Tackling Climate Change and Building Resilience, such as continued implementation of Port Lands Flood Protection.
  - Driving Policy and Practice Change, Process Transformation and Future Work, including a city-wide heritage survey.
- Advancing service delivery improvements (C2K, e-Business, Application Information Centre improvements).
- Adjusting policies and practices to support ongoing legislative changes impacting appeals to the Local Planning Appeal Tribunal (LPAT).
- Addressing a loss of employees due to retirements / internal promotions / resignations / 2020 voluntary separation program, and filling vacancies in key areas.

## 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 vs. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
City Building & Policy Development	4,768.5	7,107.9	4,322.9	5,458.5		5,458.5	1,135.5	26.3%
Development Review, Decision & Implementation	38,331.8	33,988.5	34,287.2	34,034.6	454.8	34,489.4	202.2	0.6%
<b>Total Revenues</b>	<b>43,100.2</b>	<b>41,096.4</b>	<b>38,610.2</b>	<b>39,493.1</b>	<b>454.8</b>	<b>39,947.9</b>	<b>1,337.7</b>	<b>3.5%</b>
<b>Expenditures</b>								
City Building & Policy Development	23,538.2	24,474.2	22,247.5	23,252.7		23,252.7	1,005.2	4.5%
Development Review, Decision & Implementation	27,336.0	30,172.6	27,896.8	29,681.0	454.8	30,135.7	2,239.0	8.0%
<b>Total Gross Expenditures</b>	<b>50,874.2</b>	<b>54,646.9</b>	<b>50,144.2</b>	<b>52,933.6</b>	<b>454.8</b>	<b>53,388.4</b>	<b>3,244.2</b>	<b>6.5%</b>
<b>Net Expenditures</b>	<b>7,774.0</b>	<b>13,550.5</b>	<b>11,534.0</b>	<b>13,440.5</b>		<b>13,440.5</b>	<b>1,906.5</b>	<b>16.5%</b>
<b>Approved Positions</b>	<b>439.0</b>	<b>450.0</b>	<b>450.0</b>	<b>447.0</b>	<b>4.0</b>	<b>451.0</b>	<b>1.0</b>	<b>0.2%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$52.934 million gross reflecting an increase of \$2.789 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Increases in salaries and benefits for existing positions, including the annualization of 13 positions added in the 2020 Budget (funded by fees and reserves), due to anticipated positions to be filled in 2021 to meet service demands, which were vacant in 2020 due to COVID-19 response.
- Continuing support of City Council directed and other initiatives; including Development Review process and service delivery, Bill 139 and 108 impacts, waterfront development and transit expansion projects.
- Above pressures are partially offset by expenditure savings arising from a line by line review and revenues from development application review fees.

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

- 2021 Base Budget totalling \$13.441 million in net expenditures reflects a \$0.110 million net decrease below the 2020 Council Approved Budget.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.455 million gross and \$0 net, enabling:

- Additional 4 positions to accelerate development approvals for affordable housing across Toronto as part of the Housing Now Initiative (\$0.455 million gross, \$0 net).

### EQUITY IMPACTS OF BUDGET CHANGES

**Increasing access to affordable housing:** City Planning's 2021 Operating Budget includes an investment of \$0.454 million to support the development of the Housing Now Initiative, which will have a positive impact on women, seniors, newcomers, and low-income residents, increasing their access to affordable housing. This investment supports numerous City of Toronto equity strategies and commitments including Housing Opportunities Toronto Action Plan, Social Procurement Policy, Strong Neighbourhoods Strategy, Toronto Newcomer Strategy and the Toronto Seniors Strategy.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for City Planning is \$52.934 million gross or 5.6% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, 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	
						\$	%
Expenditures							
1	Salaries and Benefits	46,332.5	50,502.8	46,495.2	49,443.8	2,948.7	6.3%
2	Materials & Supplies	128.1	133.0	81.9	138.0	56.2	68.6%
3	Equipment	486.1	572.4	572.4	323.8	(248.6)	-43.4%
4	Service and Rent	2,051.0	1,740.0	1,267.4	1,610.0	342.6	27.0%
5	Contribution To Reserves	103.2	102.6	102.6	102.3	(0.3)	-0.3%
6	Other Expenditures	1,773.4	1,596.0	1,624.8	1,315.7	(309.1)	-19.0%
Total Expenditures		50,874.2	54,646.9	50,144.2	52,933.6	2,789.4	5.6%
Revenues							
1	User Fees & Donations	36,033.6	30,842.7	32,246.5	31,409.6	(836.8)	-2.6%
2	Transfers From Capital	2,441.4	4,360.6	2,617.5	2,194.2	(423.3)	-16.2%
3	Draw from Reserve Funds	3,236.4	4,141.4	2,982.5	3,387.5	405.0	13.6%
4	Other Revenues and Recoveries	1,388.9	1,751.6	763.7	2,501.8	1,738.1	227.6%
Total Revenues		43,100.2	41,096.4	38,610.2	39,493.1	882.9	2.3%
Net Expenditures		7,774.0	13,550.5	11,534.0	13,440.5	1,906.5	16.5%
Approved Positions		439.0	450.0	450.0	447.0	(3.0)	-0.7%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:** Include inflationary increases on existing salaries and benefits, and anticipated positions to be filled to meet service levels and advance City Council directed and other initiatives in 2021. These increases have been partially offset by reductions to address COVID-19 financial impacts including the cancellation of non-union performance pay and the implementation of the Voluntary Separation Program.

**Other Expenditures:** Include the 2021 funding for The Bentway Conservancy (\$0.800 million).

**User Fees & Donations:** Include inflationary increases of 1.86% to development application review fees and anticipated volume increases.

**Draw from Reserve Funds:** Include recoveries for staff working on the advancement of development review, Growth Plan related Zoning projects and issues arising from Provincial Bills 139 and 108.

**Other Revenue and Recoveries:** Include recoveries for positions addressing externally funded projects, primarily emergent activities in transit development and expansion funded by Metrolinx.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Line-by-line review	Line By Line	(40.0)	(71.7)	(31.7)				
Inflationary increase to user fees (1.86%)	Revenue Increase (User Fees)	566.9		(566.9)				
Non-union Performance Pay cancellation	Other		(309.4)	(309.4)				
Voluntary Separation Program	Other	(125.9)	(769.1)	(643.2)				
<b>Total Balancing Actions</b>		<b>401.0</b>	<b>(1,150.2)</b>	<b>(1,551.2)</b>	<b>-</b>			<b>-</b>

The 2021 Operating Budget includes \$1.551 million in net expenditure reductions attributed to:

**Line-by-Line Review:**

- A reduction in base expenditures in equipment, rents and other expenditures contributes to City Planning's efforts to manage resources and reflect actual experience.

**Revenue Increase:**

- User fees increased to align to projected and inflationary increases.

**Salaries and Benefits Projected Savings (Other):**

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by adopting vacancy management strategies, implementing the Voluntary Separation Program and the cancellation of non-union performance pay.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact
	Revenue	Gross	Net	Positions		
In \$ Thousands						
1      Housing Now Initiative	454.8	454.8		4.0	475.5	Medium
Total New / Enhanced	454.8	454.8		4.0	475.5	

**Housing Now Initiative:**

- Request for 4 dedicated positions (2 senior planners, 1 planner and 1 assistant planner) to accelerate development approvals for affordable housing across Toronto in support of Housing Now Initiative, a city-wide initiative and part of the HousingTO 2020-2030 Action Plan. Housing Now Initiative will enable the City to achieve its target of approving 40,000 affordable rental and supportive homes by 2030.

City Council's Housing Now Initiative has grown from the initial 4 priority projects to 17 locations across Toronto where new mixed income, mixed-use and complete communities will be built. Additional locations will be added to the initiative in 2021.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	38,610.2	39,947.9	41,050.0	41,409.2
Gross Expenditures	50,144.2	53,388.4	54,665.2	55,284.6
<b>Net Expenditures</b>	<b>11,534.0</b>	<b>13,440.5</b>	<b>13,615.1</b>	<b>13,875.4</b>
<b>Approved Positions</b>	<b>450.0</b>	<b>451.0</b>	<b>451.0</b>	<b>449.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$54.665 million reflects an anticipated \$1.276 million or 2.4 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlook expects a further increase of \$0.619 million or 1.1 per cent above 2022 gross expenditures.

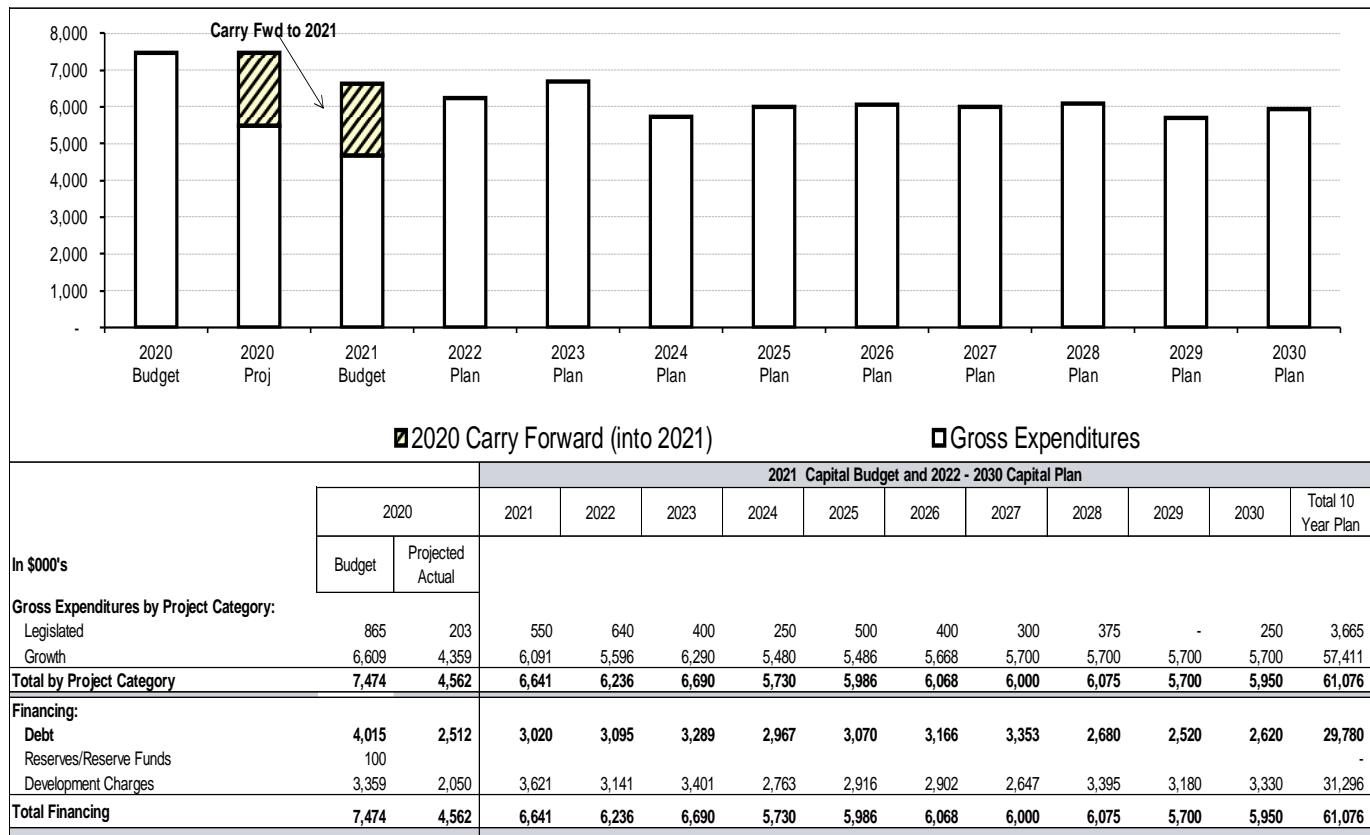
These changes arise from inflationary increases for salaries and benefits.

These increases are partially offset by anticipated inflationary increases for development application review fees.



## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects

- The 2021-2030 Capital Budget and Plan reflects a net increase of \$2.630 million over the nine common years (2021-2029):
- To reflect historical spending for Heritage Studies (\$2.7M) and the Zoning By-law OP conformity review (\$0.2M);
- Updated estimates for the Growth, Avenue/Area, Transportation and Transit Studies (\$2.0M) and Civic Improvements (\$3M); and
- Moving and funding the Toronto Archaeological Resources Plan (\$0.5M) within the operating budget.






### New Projects

- The 2021-2030 Capital Budget and Plan does not include any new projects.

### Capital Needs Constraints

- City Planning does not have any unmet needs over the 10-year planning horizon.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$61.1 Million 10-Year Gross Capital Program**

				
<b>Development Studies</b>	<b>Civic Improvements</b>	<b>Legislated</b>	<b>Plans</b>	<b>Heritage</b>
\$22.3 M 37%	\$30.2 M 49%	\$3.7 M 6%	\$0.7 M 1%	\$4.1 M 7%
Growth; Avenue/ Area; Transportation and Transit	Places	Official Plan 5- Year Review;  Zoning By-law OP Conformity Review	Secondary Plan Implementation	Heritage Conservation District Studies; CHRA

**How the Capital Program is Funded**

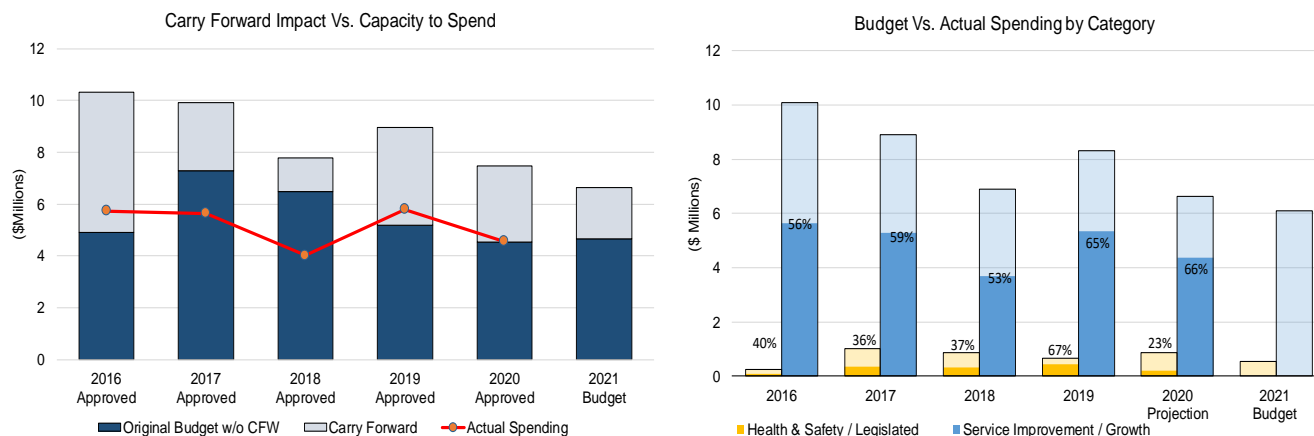
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$61.1 M 100%</b>		<b>\$0.0 M 0%</b>	<b>\$0.0 M 0%</b>
Debt	\$ 29.8 M		
Development Charges	\$ 31.3 M		

## 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 City Planning'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

Growth projects such as Civic Improvements – Places and development studies like Growth Studies represent on average about 94% of the annual capital budget. These projects typically have a multi-year delivery schedule and experience project underspending due in part to the timing of construction projects coordinated with partner divisions or the complexity of studies, with the additional challenge of the COVID-19 pandemic in 2020.

City Planning continues to review its capacity to deliver and has adjusted the 10-year capital plan to average \$6.076 million in yearly spending. In addition, as part of this review, \$1.973 million of unspent 2020 funds will be carried forward into 2021.

# 2021 Program Summary

## Engineering and Construction Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Engineering and Construction Services (ECS) provides specialized engineering design and construction services to internal clients (Toronto Water, Transportation Services, Solid Waste Management Services, and other City Programs and Agencies), and external clients (the development industry, utility companies, TTC, Metrolinx and other public agencies) creating safe and sustainable municipal infrastructure.

ECS delivers the following services:

- Municipal Infrastructure Construction
- Engineering Review and Acceptance
- Engineering Information

### Why We Do It

**Municipal (road, water, wastewater, and solid waste) infrastructure is designed and constructed to ensure that it is safe and sustainable**

*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

#### **Municipal Infrastructure Construction**

**Who We Serve:** Residents, Businesses, City and Agencies, Business Improvement Areas and Visitors

**What We Deliver:** Engineering and project management services for the construction of new and upgraded infrastructure including roads and bridges, TTC streetcar track, sewers and watermain, stormwater management facilities, water & wastewater treatment facilities, and solid waste management facilities

**How Much Resources (2021 gross operating budget):** \$47.805 million

#### **Engineering Review**

**Who We Serve:** Businesses, Residents, Visitors, Utility Companies, City and Agency Staff, Development Industry, Metrolinx

**What We Deliver:** Review and acceptance of development, third party, utility, and other public agencies applications

**How Much Resources (2021 gross operating budget):** \$16.339 million

#### **Engineering Information**

**Who We Serve:** Businesses, City and Agency Staff, Metrolinx, Residents, Waterfront Toronto, Residents, Visitors

**What We Deliver:** Establish, maintain and provide effective technical and data support to various business Units across ECS and other City Divisions involved in managing and building the City's infrastructure

**How Much Resources (2021 gross operating budget):** \$9.541 million

## Budget at a Glance

### OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$72.1	\$72.5	\$72.5
Gross Expenditures	\$73.7	\$75.0	\$75.9
Net Expenditures	\$1.6	\$2.5	\$3.4
Approved Positions	631.1	631.1	631.1

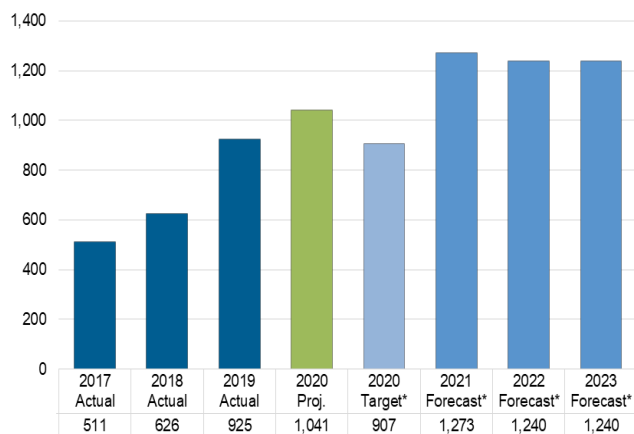
### 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
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This program does not have a capital budget

## How Well We Are Doing – Behind the Numbers

Annual Expenditure on Municipal Infrastructure Design & Construction (\$Millions)

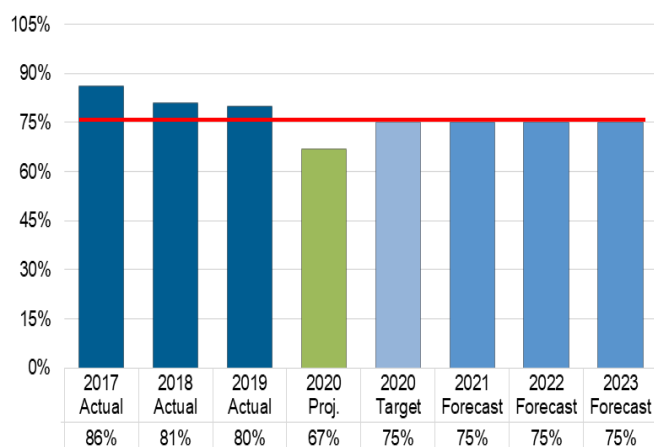


\*80% of the capital program assigned to ECS

### Capital Program Delivery Rate

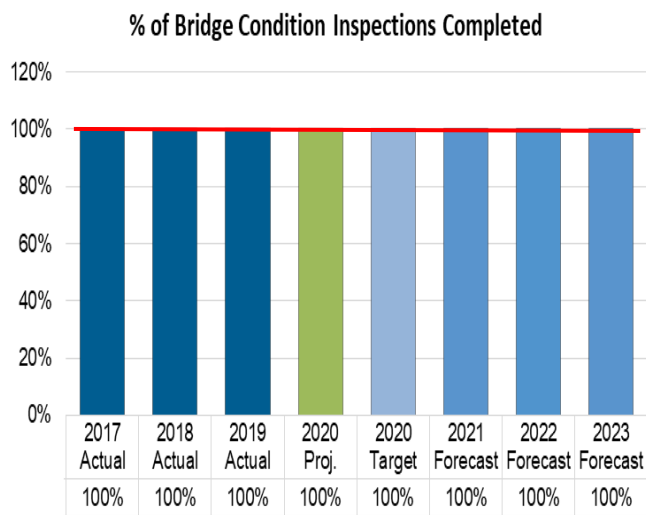
- Surpassed capital program delivery target of 80%, delivering \$1.041 billion in capital projects on behalf of Client Divisions and Agencies, representing a delivery rate of 92% on an assigned capital program valued at \$1.134 billion.
- The value of the capital program delivered in 2020 has increased by \$116 million (13%) over 2019. In 2019 ECS delivered \$925 million in capital projects.
- The value of the capital program delivered has increased by over 100% from 2017 (\$511 million) to 2020 (\$1.041 billion) with anticipated further increases in future years.

% of Development Applications and Revisions Reviewed within STAR timelines



### % of Development Applications Reviewed Within STAR Timelines

- The Council approved target compliance with the "Streamlining the Application Review" (STAR) timeline for circulations of development applications and revisions is 75%.
- In 2019, 81% of development application circulations and revisions by ECS were completed within STAR timelines, surpassing the 75% Council approved target compliance rate.
- In 2020, ECS will not meet the 75% Council approved target compliance rate forecasting to meet 67% of STAR timelines.
- Pending approval of additional staff through the 2021 Budget, ECS will target compliance with STAR timelines in 2021 and future years.



#### % of Bridge Condition Inspections Completed

- ECS is legislated to complete 100% of 877 (624 every second year) City owned by Transportation Services and Parks, Forestry & Recreation vehicular and pedestrian bridge inspections on a biennial basis (every two years).
- In 2019, ECS completed 100% (877) of planned bridge condition inspections. This included inspection of 244 Parks, Forestry & Recreation pedestrian bridges.
- In 2020, ECS is projecting to complete 100% (624) of planned bridge condition inspections, comprising of 322 discrete spans along the elevated portion of the F.G. Gardiner Expressway, and 302 individual bridges and culverts along City roads and parks.
- ECS is targeting to maintain a 100% (877) completion rate in 2021 and future years for the legislated biennial bridge condition inspection cycle.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Municipal Infrastructure Construction	Linear meters of road lane constructed/resurfaced	299,485	483,082	350,000	350,000	350,000	350,000	●
	Linear meters of streetcar way track constructed	2,951	1,942	2,080	2,080	3,457	1,500	●
	Linear meters of sidewalk constructed	59,317	50,095	65,000	65,000	50,000	50,000	●
	Linear meters of watermain constructed	28,986	48,214	42,000	42,000	41,000	41,000	●
	Linear meters of sewer constructed	1,033	10,051	7,900	7,900	7,800	7,800	●
	Number of contracts completed	100	122	100	>100	100	100	●
Engineering Review	Number of development application submissions reviewed	1,988	1,899	1,800 <sup>2</sup>	1,800	1,800	1,800	●
	Number of engineering drawing submissions reviewed	89	114	100 <sup>2</sup>	100	100	100	●
	Number of third party applications reviewed	259	244	770 <sup>2</sup>	770	1300	1335	●
Engineering Information	Number of bridges (vehicular & pedestrian bridge spans) inspected <sup>1</sup>	677	877 <sup>3</sup>	624	624	877 <sup>3</sup>	624	●

<sup>1</sup> ECS is legislated to complete 100% of the vehicular and pedestrian bridge inspections on a biennial basis (every two years).

<sup>2</sup>These are Market Driven Outcomes where ECS is not able to define a Target. ECS is able to project the Target based on year to date activity.

<sup>3</sup>Includes 244 Parks Forestry and Recreation's bridges.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
<b>Municipal Infrastructure Construction</b>	High rate of expenditure on municipal infrastructure design and construction as a % of assigned Capital Program	80%	92%	80%	>90%	80%	80%	●
<b>Engineering Review</b>	Development Applications reviewed and accepted within STAR timelines	80%	81%	75%	67%	75%	75%	●
	Engineering drawing submissions reviewed within STAR timelines	92%	91%	75%	90%	75%	75%	●
	Third Party Applications reviewed within 20 days	97%	94%	90%	98%	90%	90%	●
<b>Engineering Information</b>	Compliance with bridge condition inspection regulatory timelines	100%	100%	100%	100%	100%	100%	●



**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Due to emergency closures and public health regulations, ECS has experienced the following financial impacts:</p> <ul style="list-style-type: none"> <li>• \$0.015 million in additional costs for health and safety supplies and protocols.</li> <li>• \$0.022 million in additional staff related costs (overtime) to respond to emergency efforts.</li> <li>• \$0.530 million in costs related to the lump sum payment to permanent staff who were eligible to retire under the Voluntary Separation Program.</li> <li>• \$0.944 million in projected cost savings in salaries and benefits due to hiring slow-down.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>In response to the financial pressures and challenges resulting from COVID-19, adjustments were made to the operating budget through a combination of efficiencies and cost containment:</p> <ul style="list-style-type: none"> <li>• \$2.023 million in projected cost savings in salaries and benefits (and corresponding revenue reduction of \$1.616 million) resulting from the implementation of the Voluntary Separation Program.</li> <li>• \$0.832 million in projected cost savings in salaries due to cancellation of the non-union performance pay.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Engineering and Construction Services continues to provide safe and specialized engineering design and construction services.</li> <li>• Due to COVID-19 interruptions, insufficient staffing levels and expanded scope of functions ECS achieved 67% compliance on 1,800 development application circulations within mandated timelines (STAR requirement is 75%).</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• There are no anticipated impacts to service levels as a result of COVID-19 during 2021.</li> <li>• The Service Levels will be reviewed to reflect the impacts of hiring slow down and Voluntary Separation Program on program delivery.</li> <li>• With the approval of additional development engineering resources, Engineering and Construction Services anticipates to return to meeting Council approved "Streamlining the Application Review" (STAR) timelines on the review of development applications and meeting customer expectations in a growing development industry.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Delivered \$1.041 billion in capital projects (\$116 million more than in 2019) on behalf of Client Divisions and Agencies, representing a delivery rate of 92% on an assigned capital program valued at \$1.134 billion.
- Maintained 100% completion rate for the Provincially-legislated biennial bridge condition inspection cycle: 624 bridge condition inspections completed, comprising 322 discrete spans along the elevated portion of the F.G. Gardiner Expressway, and 302 individual bridges and culverts along City roads.
- Reconstructed and resurfaced 350 linear km of deteriorated roadways across the City to help ensure that our road network is maintained in a state of good repair.
- Constructed over 60 km of sidewalk across the City for pedestrian safety.
- Completed the first phase of the Gardiner Expressway Strategic Rehabilitation Plan, consisting of the elevated section between Jarvis Street and Cherry Street.
- Long-term Don River and Central Waterfront projects are now actively underway. Phase 1, the Coxwell Bypass Tunnel (\$485 million), at 10.5 km long and 6.3 m in diameter, will intercept combined sewer overflows and stormwater discharges from 23 sewer outfalls improving water quality along the waterfront and the Don River.
- Started construction to upgrade the Ashbridges Bay Wastewater Treatment Plant which includes the new Outfall (\$294 million) (a 7m diameter and 3.5 km tunnel under Lake Ontario) and the Ultra-Violet Effluent Disinfection Facility (\$220 million).
- Implemented Category Management for the delivery of \$27 million in the standalone Watermain Replacement Program.
- Achieved 67% compliance (STAR requirement is 75%) on an estimated 1,800 development application circulations within mandated timelines due to COVID-19, insufficient staffing levels and expanded scope of functions.
- Achieved 98% compliance with timelines for 770 third party applications reviewed in 2020, comprised of 712 transit expansion design submissions (including Eglinton Crosstown Light Rail Transit, GO Expansion, Scarborough Subway Extension, Ontario Line and the Eglinton Crosstown West Extension).
- Achieved 95% compliance with timelines for 2,899 full-stream utility cut permit applications reviewed in 2020.
- Completed 100% (55) of planned environmental certificate of property use (CPU) inspections and reporting on behalf of Parks, Forestry and Recreation, thereby ensuring full compliance with regulatory requirements.
- Processed 148 municipal numbering applications and reported on 15 new street names.



### Key Challenges and Risks

- Uncertainty associated with the Transportation Division's Capital Program assigned to ECS for delivery and the forecasted increase in the aggregate Capital Program assigned to ECS by all client Divisions, presents a challenge to ensure that ECS provides the necessary resources to sustain current capital delivery expenditures and completion rates.
- Increased demand to better service the development industry and for the delivery of major Third Party projects:
  - Provision of adequate staffing to support the implementation of the Concept to Keys (C2K) and Housing Now initiatives.
  - Provision of adequate staffing to respond to increased volumes and complexity of applications expected to be submitted to the City for review and approval.
  - Additional pressures to meet Council approved application review timelines, particularly when receiving incomplete and/or substandard submissions.
  - Specialized support and expedited reviews for Metrolinx LRT, Subway and GO Expansion transit projects.
- Recruiting and retaining top calibre talent that is needed in key business areas, in a highly competitive engineering and construction project management market, continues to negatively impact the ECS ability to fully staff its complement.

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## Priority Actions

### Effectively manage multi-year construction

- Continue to enhance planning and coordination of the multi-year Capital Program with internal and external stakeholders.
- Reiterate the need for asset owning Divisions to define and “lock down” multi-year programs in order to ensure successful delivery of approved Capital Programs and achieve budget expenditure targets.

### Increase delivery capacity to accommodate City’s municipal infrastructure capital program

- Revisit alternative procurement strategies to increase capital construction throughput commensurate with forecasted increase in Capital Program assigned to ECS.
- Pursue “Strategic Sourcing” by issuing multi-year construction contracts in areas where multi-year programs are defined and where feasible.

### Timely Reviews and Processing of Development and Third Party Applications

- Support the implementation of the new C2K and Housing Now initiatives by allocating dedicated staff.
- Ensure adequate staffing and resources are in place to meet the Council approved target compliance of 75% with the "Streamlining the Application Review" (STAR) timeline for circulations of development applications and revisions.
- Continue to ensure Third Party applications are processed according to timelines established by Service Level Agreements.

### Ensure Regulatory Compliance & Reliance on Best Practices

- Continue to maintain 100% completion rate for the Provincially legislated biennial bridge condition inspection cycle.
- Ensure compliance with the new Construction Act including updating of operating procedures.
- Continue vigilance and oversight on construction contracts and consultant services to address issues highlighted in Auditor General’s contract management reviews.

### Leverage Technology

- Advance the electronic review of development application drawings to improve customer service, maintaining application and drawing security, and meeting prescribed review timelines.
- Implement an Enterprise Cloud Construction Project Management and Document Management Solution to more effectively, efficiently and securely manage construction projects and supporting drawings and documents.
- Incorporate Docu-Sign technology for electronic contract executions and e-Approval for all payments to increase efficiency and environmental sustainability.
- Due to COVID-19 and in support of City Modern TO Initiative continue leveraging technology to ensure that existing and new staff have the necessary technology to work remotely.

### Effectively Manage Human Capital

- Develop and implement a strategy, including a comprehensive review of salary compensation, to address the chronic recruiting challenges and retention of top calibre talent in a highly competitive engineering and construction project management market.
  - Continuously assess human capital requirements and complement composition.
  - Promote skills development and develop a succession planning framework.
  - Continue to showcase ECS as an employer of choice by participating and increasing the presence of ECS at targeted events, and with higher education institutions.
-

## 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 vs. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Engineering Information	7,531.5	9,032.9	6,850.5	8,612.8		8,612.8	1,762.4	25.7%
Engineering Review & Acceptance	19,488.5	14,914.6	16,686.4	16,205.0	1,351.2	17,556.2	869.8	5.2%
Municipal Infrastructure Construction	40,512.0	47,361.6	41,526.1	45,906.6		45,906.6	4,380.5	10.5%
<b>Total Revenues</b>	<b>67,532.0</b>	<b>71,309.1</b>	<b>65,063.0</b>	<b>70,724.4</b>	<b>1,351.2</b>	<b>72,075.6</b>	<b>7,012.7</b>	<b>10.8%</b>
<b>Expenditures</b>								
Engineering Information	9,019.3	9,917.6	9,166.0	9,541.2		9,541.2	375.2	4.1%
Engineering Review & Acceptance	12,478.6	14,486.4	12,671.6	14,987.7	1,351.2	16,338.9	3,667.3	28.9%
Municipal Infrastructure Construction	44,612.8	48,791.2	44,970.2	47,805.3		47,805.3	2,835.0	6.3%
<b>Total Gross Expenditures</b>	<b>66,110.8</b>	<b>73,195.2</b>	<b>66,807.8</b>	<b>72,334.2</b>	<b>1,351.2</b>	<b>73,685.4</b>	<b>6,877.6</b>	<b>10.3%</b>
<b>Net Expenditures</b>	<b>(1,421.3)</b>	<b>1,886.1</b>	<b>1,744.8</b>	<b>1,609.8</b>		<b>1,609.8</b>	<b>(134.9)</b>	<b>(7.7%)</b>
<b>Approved Positions</b>	<b>600.1</b>	<b>625.1</b>	<b>625.1</b>	<b>617.1</b>	<b>14.0</b>	<b>631.1</b>	<b>6.0</b>	<b>1.0%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$72.334 million gross reflecting an increase of \$5.526 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

Salary and benefit increases, including the addition of 9.0 positions approved in-year required to deliver transit expansion projects fully funded by Metrolinx.

- Costs for materials and supplies, related to positions to be filled to meet service demands, which were held vacant in 2020 due to COVID-19 response and contracted services required to manage and deliver large scale construction projects.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, mitigation efforts to address COVID-19 financial impacts, and other revenue.

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

- 2021 Base Budget excluding estimated COVID-19 financial impacts totalling \$1.610 million in net expenditures reflects a \$0.276 million net decrease from the 2020 Council approved Budget.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$1.351 million gross and \$0 net, enabling:

- Additional 12 positions required to support the review and approval of development applications and associated construction to meet the Council approved "Streamlining the Application Review" timelines to meet expectations and improve customer services in a rapidly growing development industry (\$1.085 million gross, \$0 net).
- Additional 2 positions dedicated to accelerate development approvals for housing across Toronto as part of the Housing Now Initiative (\$0.266 million gross, \$0 net).

### EQUITY IMPACTS OF BUDGET CHANGES

**Increasing access to affordable housing:** The Engineering and Construction Services' 2021 Operating Budget includes an investment of \$0.266 million to support the development of the Housing Now Initiative, which will have a positive impact on women, seniors, newcomers, and low-income residents, increasing their access to affordable housing. This investment supports numerous City of Toronto equity strategies and commitments including Housing Opportunities Toronto Action Plan, Social Procurement Policy, Strong Neighbourhoods Strategy, Toronto Newcomer Strategy and the Toronto Seniors Strategy.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Engineering and Construction Services is \$72.334 million gross or 8.3% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes Balancing Actions and Table 2c illustrates New and Enhanced requests.

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

Key Cost Drivers (\$000's)	2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	Change vs. 2020 Projection		
					\$	%	
Expenditures							
1 Salaries and Benefits	61,649.0	68,337.6	63,807.1	67,045.0	3,237.9	5.1%	
2 Materials and Supplies	140.1	346.8	150.9	264.3	113.4	75.1%	
3 Equipment	477.1	739.7	581.4	530.0	(51.4)	(8.8%)	
4 Service and Rent	2,721.8	2,861.2	1,355.9	3,566.6	2,210.7	163.0%	
5 Contribution To Reserves	907.3	906.2	906.2	921.3	15.1	1.7%	
6 Other Expenditures (Inc. IDC's)	215.5	3.7	6.4	7.0	0.6	10.1%	
Total Expenditures	66,110.8	73,195.2	66,807.8	72,334.2	5,526.4	8.3%	
Revenues							
1 User Fees & Donations	13,147.8	10,565.3	11,571.2	9,950.2	(1,621.0)	(14.0%)	
2 Transfers from Capital	51,867.8	55,589.2	49,705.0	53,591.1	3,886.0	7.8%	
3 Other Revenues (Inc. IDR's)	2,516.4	5,154.6	3,786.8	7,183.1	3,396.3	89.7%	
Total Revenues	67,532.0	71,309.1	65,063.0	70,724.4	5,661.4	8.7%	
Net Expenditures	(1,421.3)	1,886.1	1,744.8	1,609.8	(135.0)	(7.7%)	
Approved Positions	600.1	625.1	625.1	617.1	(8.0)	(1.3%)	

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:** Include inflationary increases on existing salaries and benefits and annualised costs from the additional 9 positions approved in-year to deliver transit expansion projects, which are fully funded by Metrolinx. As mitigation efforts to address COVID-19 financial impacts, these increases have been partially offset by reductions to account for hiring slow down, cancellation of non-union performance pay and the implementation of Voluntary Separation Program. Certain positions were also repurposed to better align to priorities within Engineering and Construction Services.

**Services and Rents:** Include increases for professional and technical services for the delivery of construction projects.

**Revenue Changes:** Include increases for recovery of additional positions fully funded by Metrolinx and anticipated recovery for capital funded positions.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Non-salary and revenue adjustments	Match to Actuals	55.9	(620.4)	(676.3)	-		9.6	-
Inflationary increase (1.85%) on fees	Revenue Increase (Other)	98.4		(98.4)	-			
Voluntary Separation Program	Other	(1,616.0)	(2,022.9)	(406.8)	-			
Non-Union Performance Pay Cancellation	Other		(832.0)	(832.0)	-			
<b>Total Balancing Actions</b>		<b>(1,461.7)</b>	<b>(3,475.2)</b>	<b>(2,013.5)</b>	<b>-</b>		<b>9.6</b>	<b>-</b>

The 2021 Operating Budget includes \$3.475 million in gross expenditure and \$2.014 million in net reductions as follows:

**Non-salary and Revenue adjustments:**

- A reduction in base expenditures in materials and supplies and other non-salary costs contributes to Engineering and Construction Services' efforts to manage continuous cost increases from internal and external sources.

**Revenue Increase:**

- Various user fees and other revenue increased to align to projected and inflationary increases.

**Salaries and Benefits Projected Savings**

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by adopting vacancy management, Voluntary Separation Program and cancellation of non-union performance pay.



Table 2c: 2021 New / Enhanced

New / Enhanced Request		2021				2022 Annualized Gross	Equity Impact
		Revenue	Gross	Net	Positions		
In \$ Thousands							
1	Development Engineering Resources	1,084.9	1,084.9		12.0	1,465.5	None
2	Housing Now Initiative	266.4	266.4		2.0	268.0	High
Total New / Enhanced		1,351.2	1,351.2		14.0	1,733.5	

**Development Engineering Resources:**

- Request for four (4) senior engineer/senior project manager and eight (8) engineer/project manager positions to reliably meet deadlines and industry expectations. The new positions will support the review and approval of development applications and associated construction to meet the Council approved "Streamlining the Application Review" (STAR) timelines and to meet the expectations and to improve customer services in a rapidly growing development industry. In addition, to achieving the City's strategic goals of investing in people and neighbourhoods and a well-run city.

**Housing Now Initiative:**

- Request for one (1) senior engineer/project manager and one (1) engineer/project manager positions to accelerate development approvals for affordable housing across Toronto in support of Housing Now Initiative, a city-wide initiative and part of the HousingTO 2020-2030 Action Plan. Housing Now Initiative will enable the City to achieve its target of approving 40,000 affordable rental and supportive homes by 2030. The two dedicated temporary positions will provide timely and accelerated service delivery of development approvals for affordable housing.

**2022 & 2023 OUTLOOKS**

Table 3: 2022 and 2023 Outlooks

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	65,063.0	72,075.6	72,466.5	72,479.0
Gross Expenditures	66,807.8	73,685.4	74,990.2	75,907.0
<b>Net Expenditures</b>	<b>1,744.8</b>	<b>1,609.8</b>	<b>2,523.8</b>	<b>3,428.0</b>
<b>Approved Positions</b>	<b>625.1</b>	<b>631.1</b>	<b>631.1</b>	<b>631.1</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$74.990 million reflects an anticipated \$1.305 million or 1.8 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a further increase of \$0.917 million or 1.2 per cent above 2022 gross expenditures.

These changes arise from inflationary increases for salaries and benefits.

# 2021 Program Summary

## Municipal Licensing & Standards

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Municipal Licensing and Standards (MLS) provides by-law administration and enforcement services, including strategies to address noise, business inspections, parks regulations, and animal services issues. Services also include business licensing and permitting, property standards, and animal care including control, shelter and adoption services. The division is responsible for the enforcement of more than 30 by-laws and statutes. MLS delivers the following services:

- By-law Compliance & Enforcement
- Licences & Permits
- Animal Services

### Why We Do It

Municipal Licensing and Standards' mission is to contribute to the safety, vibrancy and maintenance of our communities by being a leader in the professional delivery of by-law enforcement, administration and animal care services to the City of Toronto.

**People in Toronto experience public and private spaces with safe community standards and minimized public nuisances.**

**Businesses, charities and non-profits operating in Toronto obtain licences and permits conveniently and efficiently.**

**Animals in Toronto are cared for and protected safely and reliably.**

*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

#### **By-Law Compliance & Enforcement**

**Who We Serve:** Vulnerable residents, enforcement agencies, business owners & operators, property owners, community groups, and the public.

**What We Deliver:** Bylaw enforcement for licensing, public spaces, and private properties.

**How Much Resources (2021 gross operating budget):** \$33.084 million

#### **Licenses & Permits**

**Who We Serve:** Residents, consumers, business owners & operators, charities and not-for-profit organizations and City/agency staff.

**What We Deliver:** Issuance of business licences and permits, and bylaw exemptions.

**How Much Resources (2021 gross operating budget):** \$14.809 million

#### **Animal Services**

**Who We Serve:** Animal/pet owners, domestic/wild animals, and City/agency staff.

**What We Deliver:** Animal shelter and care, pet licence issuance, and mobile response and animal bylaw enforcement.

**How Much Resources (2021 gross operating budget):** \$13.657 million



## Budget at a Glance

### OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$44.0	\$45.6	\$46.1
Gross Expenditures	\$61.5	\$65.4	\$66.3
Net Expenditures	\$17.5	\$19.8	\$20.2
Approved Positions	538.5	538.5	538.5

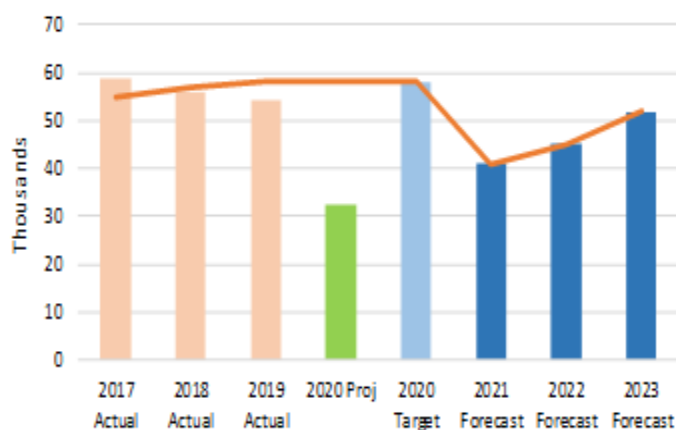
### 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
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This program does not have a capital budget.

## How Well We Are Doing – Behind the Numbers

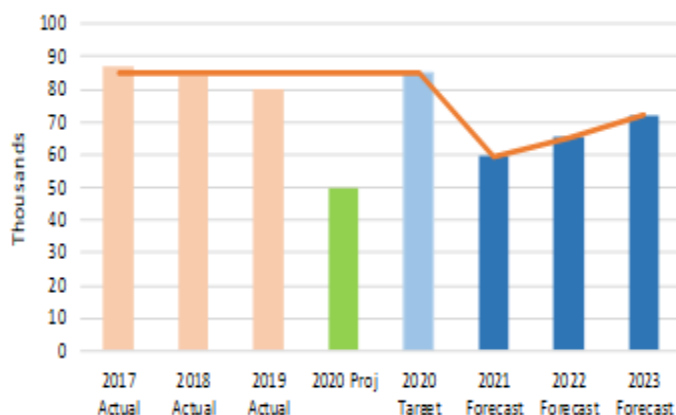
BLRS Licence Issuance and Renewals  
Exclude PTC and Permits



### Business Licensing and Registration

- As of September 30, 2020, BLRS has issued and renewed 32,510 licences. This number excludes permits and private transportation company licences.
- All licence issuances and renewals were briefly suspended in 2020 due to COVID-19 related health measures. A streamlined and contact-free online process was quickly created to replace all previous in-person transactions.
- Business Licensing operations were subsequently re-engineered to provide contactless services and are now operating at 100% capacity.
- New and renewed licence volumes are expected to increase gradually through to 2021; however, there may still be lower than anticipated volumes due to the ongoing economic effects of COVID-19 on businesses.

Public and Private Spaces Service Requests  
Received



### Public and Private Spaces Service Requests

- MLS investigates complaints and resolves bylaw issues in public and private spaces, which improves safety in communities and reduces public nuisances.
- The decline in 2020 is due to service level changes resulting from COVID-19. Non-emergency by-law enforcement on private properties and licensed establishments were suspended during Phase One and Two of the pandemic to allow for dedicated enforcement of provincial emergency orders and the Physical Distancing By-law.
- From the 25,093 Parks investigations, 88% (24,906) were related to the enforcement of COVID-19 regulations.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target*	Status
Service Level Measures								
By-law Enforcement	% non-emergency responses conducted within 5 days of reports	66%	64%	70%	70%	70%	TBD	●
Business Licensing and Registration	% of licences issued within standards (20 days or less)	88%	89%	70%	85%	70%	TBD	●
Toronto Animal Services	% of TAS service requests within standards	74%	68%	75%	70%	75%	TBD	●
Outcome Measures								
By-law Enforcement	% voluntary compliance for property standards bylaws	92%	93%	90%	93%	100%	100%	●
	# Total compliance for Property Standards Bylaws	77,498	74,724	74,700	60,450			
Business Licensing and Registration	% online transactions and payments	39%	41%	40%	97%**	85%	85%	●
	# of Online transactions and payments	21,898	22,470	25,000	34,472			
Toronto Animal Services	Average length of stay (days) or average # of days sheltered	13	13	15	13	14	13	●

\* ML&S service targets are set for performance/operational purposes and are expected to be reviewed in 2021.

\*\* Due to public health guidelines related to COVID-19, the Licensing & Permit Issuance Office was closed to the public. MLS is processing all licensing applications and renewals online.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Due to emergency closure orders and public health regulations, MLS is projected to experience significant financial impacts:</p> <ul style="list-style-type: none"> <li>• \$13.479 million of revenue loss in business licensing fees and permits.</li> <li>• \$0.298 million additional salaries and benefits required to provide COVID-19 enforcement efforts.</li> <li>• \$0.134 million in additional cost required for PPE and Animal Care supplies.</li> <li>• \$0.170 million in costs related to the lump sum payment to permanent staff who were eligible to retire under the Voluntary Separation Program.</li> <li>• \$4.245 million in projected savings resulting from hiring slowdown from and staff on Emergency Leave (EL).</li> <li>• COVID Aid Program – \$30,000 grant from PetSmart Charities, \$155,000 grant from the Scheinburg Relief Fund and \$60,000 donation from Residents to support pet owners directly impacted by COVID-19 to assist with pet supplies.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>As the City reopens MLS expects to experience continued losses in revenues from the economic effects of emergency measures that were implemented, likelihood of a resurgence, and speed of recovery.</p> <ul style="list-style-type: none"> <li>• \$4.916 million in loss of licensing and permits revenues from continued trend in volumes experienced due to Covid-19 and waived fees for boulevard cafés.</li> <li>• \$0.461 million from reversal of CPI increases on licensing and permit fees.</li> <li>• \$2.470 million from reducing taxi industry licensing fees by 50%.</li> </ul> <p>Any pressure from revenue losses will be offset by:</p> <ul style="list-style-type: none"> <li>• \$2.300 million in projected cost savings in salaries and benefits due to hiring slowdown.</li> <li>• \$0.667 million in projected cost savings in salaries and benefits due to the implementation of the Voluntary Separation Program.</li> <li>• \$0.301 million in savings from cancellation of non-union progression pay.</li> <li>• \$1.331 million in projected savings from adjustments to benefits to reflect historical experience and non-salary expenditures for anticipated COVID-19 effects.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Phase One &amp; Two, the entire complement of 200 By-law Enforcement Officers were dedicated to enforcing provincial emergency orders and the Physical Distancing By-law, property standards paused their operations and redeployed 92% of their resources to bylaw enforcement while 8% stayed on to address emergency orders. Phase Three - 95% deployed to property standards investigation function 4 days a week and 3 days 95% dedicated to parks. 5% of BEOs dedicated to businesses which is still in place and continues to be primary responders.</li> <li>• Business Licensing and Gaming Services operations were closed to the public and 10% of the staff were redeployed while 50% were placed on EL. Business operations to provide contactless services response to Phase Two and Three re-openings, and are now at 100% capacity.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• In accordance with the City's COVID-19 Resurgence Plan, and depending on the severity of a resurgence, By-law Enforcement may lead a coordinated enforcement team made up of nine City Divisions and Toronto Police to enforce emergency orders and COVID-19 related By-laws. In addition, non-emergency services may be reduced or temporarily suspended and ML&amp;S staff may be re-assigned to support or lead other priority, COVID-19 related initiatives.</li> <li>• In the meantime, ML&amp;S will continue to restore its staffing complement and service delivery model, as appropriate.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Implemented the Accessibility Reserve Fund program and issued \$1.8M in grants to accessible taxicab owners and drivers.
- Implemented the CafeTO program to provide additional outdoor patios on streets and sidewalks at no cost to restaurants and bars.
- Streamlined licence and permit requirements to improve efficiency and assist businesses.
- Created a new online licence and permit application system to replace in-person only applications.
- Ensured that no licences or permits were cancelled and all late fees were waived as a response to the financial pressures and challenges being faced by Toronto residents and businesses.
- Implemented the Short-Term Rental digital registration system for operators as part of the City's implementation of the Short-Term Rental bylaw.
- Effectively trained and deployed 200 by-law enforcement officers rapidly and flexibly to respond to and enforce provincial and City orders related to COVID-19.
- Created a dedicated team to enforce bylaws regarding multi-tenant houses and modernized licensing processes.
- Implemented safe work practices to ensure continued services delivered safely for both staff and the public when COVID-19 restrictions began.

### Key Challenges and Risks

- Redirection of resources for enforcement of new COVID-19 legislation and bylaws, therefore challenging ML&S' ability to maintain service levels.
- Delays in By-law reviews and the implementation of previously completed By-law reviews due to changes in work planning (as a result of COVID-19).
- Outdated by-laws in need of review and modernization, including Multi-Tenant Housing, Licensing, and Property Standards.

### Priority Actions

- Continue to monitor practices and respond appropriately to the ever evolving pandemic landscape.
- Continued workforce management to ensure appropriate staffing levels are maintained to deliver essential and critical services.
- Continued enforcement of COVID-19 related regulations, including priority responses to emergency orders and health and safety service requests.
- Developing outcome focused priority- and risk-based enforcement models to respond to service calls, centred on achieving compliance (and to assist in rebalancing resources as COVID-19 enforcement continues).
- Continued business transformation and digitization of services to enable intelligence-based enforcement activities, modernized service delivery, and to enable continued virtual access to ML&S by residents and clients.
- Focus on major policy reviews affecting housing quality and vulnerable residents, including the Harmonization of Multi-Tenant Housing By-laws, report back on Vehicle-for-Hire regulations and the implementation of RentSafeTO apartment building rating system (if adopted by City Council - report is expected in Q4 2020).
- Completing the implementation of the licensing and registration of Short-Term Rentals, including compliance and dedicated enforcement.
- Dedicated Enforcement of: RentSafeTO, Multi-tenant Houses, Vehicles-for-Hire, Specialized Enforcement & Resolution.
- Special Animal Programs, including Spay Neuter Your Pet (SNYP) Truck programs and enhanced coyote strategy.

## 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 vs. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Bylaw Compliance & Enforcement	6,595.3	7,179.0	7,610.6	7,069.4	(72.6)	6,996.8	(613.8)	(8.1%)
Licenses and Permits	42,087.9	45,123.4	32,867.7	33,708.3	(356.2)	33,352.1	484.4	1.5%
Animal Services	2,371.1	2,595.7	2,899.1	3,275.1	417.4	3,692.5	793.4	27.4%
<b>Total Revenues</b>	<b>51,054.3</b>	<b>54,898.1</b>	<b>43,377.5</b>	<b>44,052.8</b>	<b>(11.4)</b>	<b>44,041.4</b>	<b>664.0</b>	<b>1.5%</b>
<b>Expenditures</b>								
Bylaw Compliance & Enforcement	33,873.3	34,600.6	34,870.4	33,084.0		33,084.0	(1,786.4)	(5.1%)
Licenses and Permits	13,798.1	19,926.1	12,951.0	14,809.6		14,809.6	1,858.6	14.4%
Animal Services	12,659.7	12,691.4	12,001.0	13,207.2	450.0	13,657.2	1,656.2	13.8%
<b>Total Gross Expenditures</b>	<b>60,331.1</b>	<b>67,218.1</b>	<b>59,822.4</b>	<b>61,100.8</b>	<b>450.0</b>	<b>61,550.8</b>	<b>1,728.4</b>	<b>2.9%</b>
<b>Net Expenditures</b>	<b>9,276.8</b>	<b>12,320.0</b>	<b>16,445.0</b>	<b>17,048.0</b>	<b>461.4</b>	<b>17,509.4</b>	<b>1,064.4</b>	<b>6.5%</b>
<b>Approved Positions</b>	<b>533.5</b>	<b>538.5</b>	<b>538.5</b>	<b>538.5</b>	<b>-</b>	<b>538.5</b>	<b>-</b>	<b>-</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$61.101 million gross reflecting an increase of \$1.728 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Increases in salaries and benefits for existing positions, due to anticipated positions to be filled in 2021 to meet services demands, which were vacant in 2020 due to COVID-19 response.
- Increases in contract services and anticipated uptake in grants for the Accessibility Fund program.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, mitigation efforts to address COVID-19 financial impacts, and recoveries from reserve funds.

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

- 2021 Base Budget of \$17.048 million in net expenditures reflects a \$2.658 net decrease below the 2020 Council approved Budget, when excluding \$7.386 million in estimated COVID-19 financial impacts.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$.450 million gross and \$0.011 million net, enabling:

- MLS has made a number of efforts to support licensed businesses during the COVID pandemic in 2020 including online applications, waiving of late fees, and streamlined licence requirements. As the city moves into a recovery stage, MLS recommends that inflationary increases applied to the cost of a new or renewed licence or permit be waived in 2021 in a further effort to assist Toronto businesses. Reversal of CPI inflationary increases on licenses and user fees to assist COVID-19 recovery efforts.
- A grant to the Toronto Wildlife Centre (\$0.450 million gross and \$0 net) to complete the design and building renovation work funded by the Tree Canopy Reserve fund.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Municipal Licensing and Standards' 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Municipal Licensing & Standards is \$61.101 million gross or 2.1% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes Balancing Actions and Table 2c illustrates 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	
					\$	%
Expenditures						
1 Salaries and Benefits	47,379.1	51,718.0	49,761.9	49,816.0	54.1	0.1%
3 Materials & Supplies	1,162.2	942.6	828.2	904.7	76.5	9.2%
4 Equipment	574.8	476.4	374.0	247.8	(126.2)	-33.7%
5 Service and Rent	3,193.6	2,619.4	2,065.5	2,877.0	811.5	39.3%
6 Contribution To Reserves and Grants	7,771.4	11,117.3	6,523.3	6,931.0	407.7	6.2%
7 Other Expenditure	250.1	344.4	269.5	324.4	54.9	20.4%
Total Expenditures	60,331.1	67,218.1	59,822.4	61,100.8	1,278.4	2.1%
Revenues						
1 Provincial Subsidies						
2 User Fees & Donations	47,241.1	47,203.5	38,306.1	35,033.6	(3,272.4)	-8.5%
3 Draw from Reserve Funds		5,813.6	2,944.8	7,289.2	4,344.4	147.5%
4 Other Revenues (Inc. IDR's)	3,813.2	1,881.0	2,126.6	1,730.0	(396.6)	-18.6%
Total Revenues	51,054.3	54,898.1	43,377.5	44,052.8	675.4	1.6%
Net Expenditures	9,276.8	12,320.0	16,445.0	17,048.0	603.1	3.7%
Approved Positions	533.5	538.5	538.5	538.5	-	-

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:** Include increases in salaries and benefits for existing positions including positions to be filled in 2021 to meet service demands, which were vacant in 2020 due to COVID-19 response. As mitigation efforts to address COVID-19 financial impacts, these increases have been partially offset by reductions to account for hiring slow down, cancellation of non-union performance pay and the Voluntary Separation Program.

**Services and Rents:** Include expenditures for Toronto Animal Services shelter enhancements and professional services required in 2021 for external regulatory and compliance audit services to ensure compliance with Vehicles-for-Hire and Short-Term Rentals bylaws.

**Contribution to Reserves:** Include anticipated uptake in Grants for Accessibility Fund program and contribution to Reserve Fund that were lower than anticipated in 2020.

**Other Revenue Changes:** Include anticipated reserve draws for the Accessibility Fund program (implementation and grants), Cannabis Enforcement, Toronto Wildlife Centre, and TAS shelter enhancements.



**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
2% CPI Increase for applicable fees and licenses	Revenue Increase (User Fees)	461.4		(461.4)			688.3	
Hiring Slow-Down	Other		(2,300.0)	(2,300.0)				
Cancellation of Non-Union Performance Pay	Other		(301.4)	(301.4)				
Voluntary Separation Program	Other		(666.7)	(666.7)				
Other adjustments to reflect actuals	Match to Actuals		(1,331.4)	(1,331.4)				
<b>Total Balancing Actions</b>		<b>461.4</b>	<b>(4,599.5)</b>	<b>(5,060.9)</b>	<b>-</b>		<b>688.3</b>	<b>-</b>

**Revenue Increase (User Fees and Other):**

- Various user fees and other revenue increased to align to projected actual volume and inflationary rate increases, that is recommended to be reversed as a new/enhanced priority noted on the following page.

**Salaries and Benefits Projected Savings**

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by adopting vacancy management, voluntary separation program, cancellation of non-union performance pay, and adjustments to benefit rate.

**Non-salary Adjustments:**

- A reduction in base expenditures in materials and supplies and other non-salary costs contributes to Municipal Licensing & Standards' efforts to manage continuous cost increases from internal and external sources.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request		2021				2022 Annualized Gross	Equity Impact
		Revenue	Gross	Net	Positions		
In \$ Thousands							
1	Reversal of CPI Increases	(461.4)		461.4			None
2	TWC Grant	450.0	450.0				None
Total New / Enhanced		(11.4)	450.0	461.4			

**Revenue Decrease (User Fees and Other):**

- MLS has made a number of efforts to support licensed businesses during the COVID pandemic in 2020 including online applications, waiving of late fees, and streamlined licence requirements. As the City moves into a recovery stage, MLS recommends that inflationary increases applied to the cost of a new or renewed licence or permit be reversed in 2021 in a further effort to assist Toronto businesses.

**Toronto Wildlife Centre Grant:**

- \$0.450 million grant to the Toronto Wildlife Centre to complete design and building renovation work funded by the reallocation of underspent prior year funding transferred to the Toronto and Region Conservation Authority from the Menno-Reesor Restoration Project.

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

This table compares the 2022 and 2023 Outlooks with gross expenditures, revenues, and net expenditures as well as overall approved staff positions.

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	43,377.5	44,041.4	45,645.9	46,126.0
Gross Expenditures	59,822.4	61,550.8	65,397.0	66,284.7
<b>Net Expenditures</b>	<b>16,445.0</b>	<b>17,509.4</b>	<b>19,751.1</b>	<b>20,158.7</b>
<b>Approved Positions</b>	<b>538.5</b>	<b>538.5</b>	<b>538.5</b>	<b>538.5</b>

## Key drivers

The 2022 Outlook with total gross expenditures of \$65.397 million reflects an anticipated \$3.846 million or 6.2 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a further increase of \$0.887 million or 1.4 per cent above 2022 gross expenditures.

These changes arise from inflationary increases for salaries and benefits and reinstatement of the contribution to the Accessibility Fund reserve.

Revenues are expected to increase as a result of an anticipated 2% annual adjustment in 2022 offset by the loss of funding for Cannabis Enforcement and other one-time recoveries from reserves in 2021. A further 2% inflationary increase is anticipated in 2023.



# 2021 Program Summary

## Office of Emergency Management

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### 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

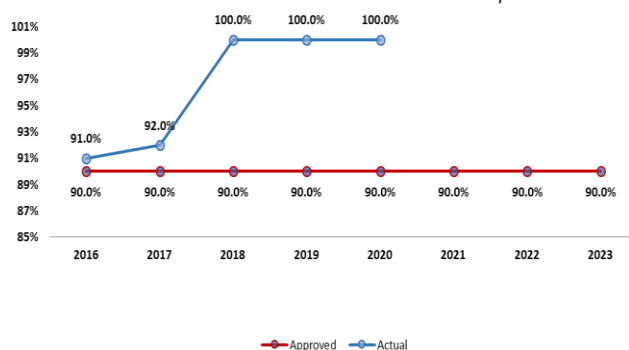
### 2021 - 2030 10-YEAR CAPITAL PLAN

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

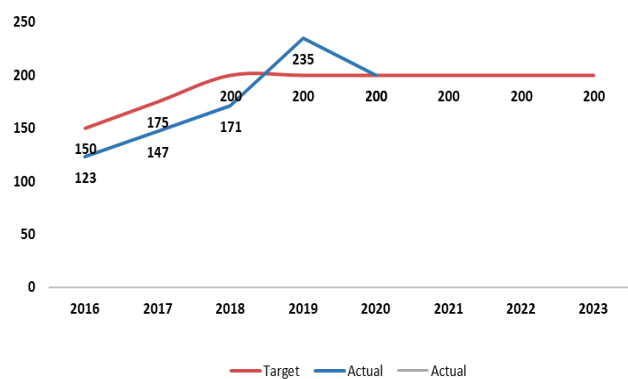
## How Well We Are Doing – Behind the Numbers

Divisions with a Current Business Continuity Plan



- 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

Number of Trained Emergency Operations Center Staff



- 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
Outcome Measures								
Emergency Management	% of City Divisions with a current business continuity plan	100%	100%	90%	90% (measure paused during COVID)	90%	90%	●
Service Level Measures								
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.

## 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	
						\$	%
Expenditures							
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					
Total Expenditures		2,634.4	3,267.5	3,768.6	3,916.2	147.7	3.9%
Revenues							
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%
Total Revenues		347.2	660.0	651.2	660.0	8.8	1.3%
Net Expenditures		2,287.2	2,607.5	3,117.3	3,256.2	138.9	4.5%
Approved Positions		21.0	21.0	21.0	21.0		

\*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	Other		(56.0)	(56.0)				
VSP-Voluntary Separation Program-Savings	Other		(69.2)	(69.2)				
<b>Total Balancing Actions</b>			<b>(125.2)</b>	<b>(125.2)</b>	<b>-</b>			<b>-</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.



**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.

# 2021 Program Summary

## Policy, Planning, Finance & Administration

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Policy, Planning, Finance & Administration (PPFA) provides centralized financial and administrative support to the Deputy City Manager and Infrastructure and Development Services (IDS) programs so they can focus on providing services to Toronto's residents and businesses. PPFA delivers the following services:

- Corporate Leadership
- Organizational Effectiveness
- Financial Management
- Program Support

### Why We Do It

**IDS Divisions are able to make informed financial decisions and provide services that are financially sustainable through timely and accurate financial management.**

**Public consultation on IDS infrastructure projects is timely, accessible and convenient, and the input from residents and businesses contributes to informed decision-making.**

*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

#### **Organizational Effectiveness & Corporate Leadership**

**Who We Serve:** Deputy City Manager – IDS, City Staff/Divisions

**What We Deliver:** Provide strategic advice, planning, coordination and reporting to the Infrastructure and Development Services programs to improve organizational effectiveness, and service delivery.

**How Much Resources (2021 gross operating budget):** \$1.484 million

#### **Financial Management**

**Who We Serve:** City Staff/Divisions and Suppliers of IDS Divisions

**What We Deliver:** Financial planning, reporting, analysis, advice, processing and oversight to the Infrastructure and Development Services programs to ensure compliance with corporate policies and support service delivery.

**How Much Resources (2021 gross operating budget):** \$8.351 million

#### **Program Support**

**Who We Serve:** City Staff/Divisions and residents and businesses

**What We Deliver:** Administrative, public consultation, complement management and payroll time entry services to Infrastructure and Development services divisions to ensure compliance with corporate policies and support service delivery.

**How Much Resources (2021 gross operating budget):** \$6.765 million

## Budget at a Glance

### OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$11.6	\$11.6	\$11.6
Gross Expenditures	\$16.6	\$16.9	\$17.1
Net Expenditures	\$5.0	\$5.3	\$5.5
Approved Positions	167.1	167.1	167.1

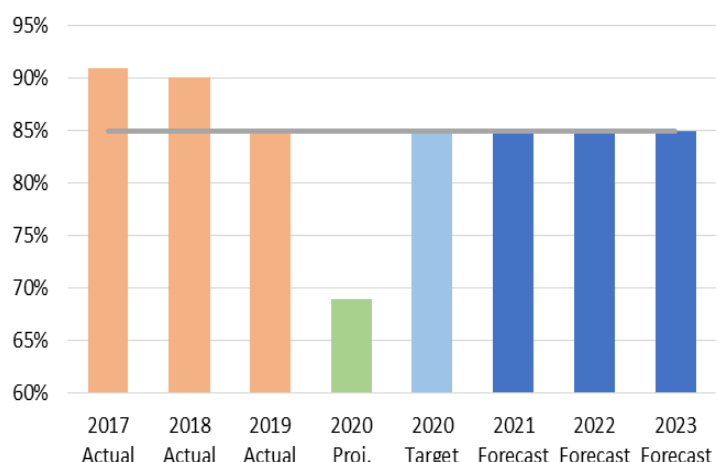
### 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
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This program does not have a capital budget

## How Well We Are Doing – Behind the Numbers

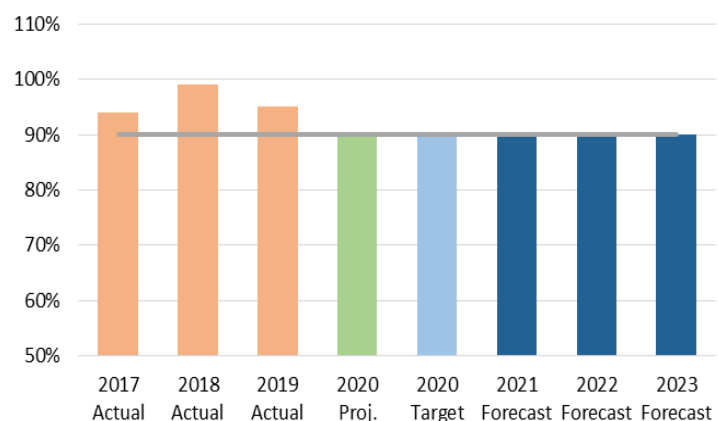
% of invoices confirmed for payment within 60 days



### Invoices Confirmed for Payment

- Vendor invoices are reviewed to confirm that goods and services have been received before payment. PPF&A has a target of 85% of invoices to be reviewed and confirmed within 60 days of the invoice date.
- PPF&A has historically exceeded its target ensuring that the IDS division are in compliance with the corporate policies and contractual obligations.
- The 2020 projected actual reflect processing delays and changes in operational procedures resulting from the impacts of COVID-19 response. 2021 service levels are anticipated to be in keeping with previous years' experience.

% of debtor invoices issued (created and mailed) within 48 hours of receipt or notification of completed request



### Invoices Issued within 48 hours

- PPF&A manages the Accounts Receivable process end-to-end for IDS Divisions, including billing, collections, payment processing, banking, and analysis and reporting.
- PPF&A has a target of issuing 90% of debtor invoices (created and mailed) within 48 hours of receipt of an invoice request.
- Due to efficiencies gained through automation, PPF&A has exceeded its target since 2017. The service target will be reviewed during 2021.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level/Outcome Measures								
Financial Management	% of Infrastructure and Development Services divisional budgets supported and coordinated within deadlines	100%	100%	100%	100%	100%	100%	●
	% of invoices confirmed for payment within 60 days	90%	85%	85%	69%	85%	85%	●
	Total number of invoices paid	59,344	53,448	52,000	52,163	52,000	52,000	
	% of debtor invoices issued (created and mailed) within 48 hours of receipt or notification of completed request	99%	95%	90%	90%	90%	90%	●
	Total number of debtor invoices issues	59,177	42,592	42,000	30,160	42,000	42,000	
	% of undisputed accounts receivable collected within agreed upon payment terms	69%	75%	70%	55%	70%	70%	●
	Total number of undisputed accounts receivable collected	6,204	5,869	6,000	6,000	6,000	6,000	
Program Support	% of time sheets entered	100%	100%	100%	100%	100%	100%	●
	% of compliance to meet notification guidelines and legislated requirements	100%	100%	100%	100%	100%	100%	●

\*PPF&A service targets are expected to be reviewed in 2021.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Due to emergency closures and public health regulations, PPF&amp;A has experienced the following financial impacts:</p> <ul style="list-style-type: none"> <li>• \$0.029 million in additional staff related (overtime) and costs for health and safety supplies and protocols.</li> <li>• \$0.056 million in costs related to the lump sum payment to permanent staff who were eligible to retire under the Voluntary Separation Program.</li> <li>• \$0.600 million in projected cost savings in salaries and benefits due to hiring slow-down.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>In response to the financial pressures and challenges resulting from COVID-19, adjustments were made to the operating budget through a combination of efficiencies and cost containment:</p> <ul style="list-style-type: none"> <li>• \$0.215 million in projected cost savings in salaries and benefits resulting from the implementation of the Voluntary Separation Program.</li> <li>• \$0.131 million in projected cost savings in salaries due to cancellation of the non-union performance pay.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• PPF&amp;A continues to provide timely and accurate services to IDS divisions.</li> <li>• Due to COVID-19 response, PPF&amp;A's achievement of service levels will be impacted for the percentage of invoices confirmed for payment within 60 days (69% vs 85%) and the percentage of undisputed accounts receivable collected within agreed upon payment terms (55% vs 70%).</li> <li>• PPF&amp;A optimized Toronto Building payment process during COVID-19 response through implementation of Electronic Funds Transfer Payments processing over 1,650 payments.</li> <li>• Activated IDS COVID-19 Operations Centre and provided dedicated support to both IDS Divisions and the Business Continuity Task Force.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• There are no anticipated impacts to service levels as a result of COVID-19 during 2021.</li> <li>• The Service Levels will be reviewed and adjusted as required.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Led and supported IDS programs with continued implementation of enterprise-wide corporate initiatives including: Human Resource Information System (Success Factors); eTime Payroll Transformation; and Budget Process Modernization.
- Optimized payment processes through implementation of Electronic Fund Transfer (EFT) and Wire Payment for Toronto Building and continued roll-out of Cheque-Pro (Electronic Cheque Depositing Solution) across IDS programs, eliminating the use of paper deposits and improving overall cash flow.
- Continued to support city building/capital delivery through transitioning to hosting virtual public consultation events through the use of WebEx and on-line tools.
- Completed consultation for Bloor Street West Bike Lanes, the YongeTomorrow study and Transportation Innovation Zones, and launched consultation activities for numerous Active TO cycling projects, along with environmental assessment studies for Broadview-Portlands and Southwest Agincourt.
- Activated IDS COVID-19 Operations Centre and provided dedicated support to both IDS Divisions and the Business Continuity Task Force.
- Supported the COVID-19 Financial Implications Working Group with weekly reporting for IDS programs.

### Key Challenges and Risks

- Maintaining current service levels, while simultaneously implementing new enterprise-wide technology improvements and modernization initiatives.
- Responding to increased complexity and growing demand for service in support of IDS programs.
  - MLS – Short Term Rental
  - Public Consultation Unit – Virtual Stakeholder Engagement
- Building a versatile team that is equipped to adjust to the City's changing service delivery models to ensure seamless provision of financial and administrative support services.

### Priority Actions

- Continue to transform service delivery through leveraging automation and realign resources to respond to changing requirements.
- Lead and support IDS divisions with implementing the Financial Sustainability Program including future phases of the Budget Modernization Process and the Financial Systems Transformation project.
- Provide ongoing IDS support and co-ordination of various payroll and human resource transformation projects.
- Continued activation of IDS COVID-19 Operation Centre providing critical support to the City's response/restart activities.
- Provide reliable and timely management/financial reporting to IDS divisions to support data-driven decision-making and promote compliance.
- Continue to focus on staff training and cross-training to build workforce capacity and enhance skill sets.
- Continue to lead and support the development and delivery of new online engagement tools for virtual public engagement during Covid-19 and beyond.
- Lead and support the development of an IDS Confronting Anti-Black Racism Engagement Strategy.

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget by Service

(In \$000s)	2019 Actual	2020 Budget	2020 Projection	2021 Budget	Change vs. 2020 Projection	
By Service	\$	\$	\$	\$	\$	%
<b>Revenues</b>						
Corporate Leadership		246.6	219.0	245.2	26.2	12.0%
Organizational Effectiveness	9.5	18.9	16.8	25.1	8.3	49.3%
Financial Management	3,767.4	5,777.5	5,174.9	6,135.6	960.6	18.6%
Program Support	6,540.5	5,552.9	5,073.9	5,146.1	72.2	1.4%
<b>Total Revenues</b>	<b>10,317.5</b>	<b>11,595.9</b>	<b>10,484.7</b>	<b>11,552.0</b>	<b>1,067.3</b>	<b>10.2%</b>
<b>Expenditures</b>						
Corporate Leadership	996.9	1,268.2	1,050.8	1,214.6	163.8	15.6%
Organizational Effectiveness	464.5	438.8	305.9	269.0	(36.9)	(12.1%)
Financial Management	7,797.3	8,349.1	7,633.1	8,351.0	717.8	9.4%
Program Support	6,053.9	6,966.7	6,248.6	6,764.6	516.0	8.3%
<b>Total Gross Expenditures</b>	<b>15,312.5</b>	<b>17,022.8</b>	<b>15,238.5</b>	<b>16,599.2</b>	<b>1,360.7</b>	<b>8.9%</b>
<b>Net Expenditures</b>	<b>4,995.1</b>	<b>5,426.9</b>	<b>4,753.8</b>	<b>5,047.2</b>	<b>293.4</b>	<b>6.2%</b>
<b>Approved Positions</b>	<b>165.1</b>	<b>169.1</b>	<b>169.1</b>	<b>167.1</b>	<b>(2.0)</b>	<b>(1.2%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$16.599 million gross reflecting an increase of \$1.361 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Increases in salaries and benefits for existing positions, due to anticipated positions to be filled in 2021 to meet services demands, which were vacant in 2020 due to COVID-19 response.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, mitigation efforts to address COVID-19 financial impacts, and other revenue.

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

- 2021 Base Budget totalling \$5.047 million in net expenditures reflects a \$0.380 million net decrease below the 2020 Council Approved Budget.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** Policy, Planning, Finance and Administration does not have New and Enhanced Services.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Policy, Planning, Finance and Administration's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Policy, Planning, Finance and Administration is \$16.599 million gross or 8.9% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes 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		
					\$	%	
Expenditures							
1 Salaries and Benefits	14,894.6	16,311.3	14,892.8	16,066.7	1,173.9	7.9%	
2 Materials and Supplies	172.6	218.8	60.7	107.5	46.8	77.1%	
3 Equipment	40.6	65.8	31.6	56.8	25.2	79.7%	
4 Service and Rent	155.0	376.2	183.4	331.2	147.8	80.6%	
5 Contribution To Reserves	49.8	50.6	50.6	36.9	(13.8)	(27.2%)	
6 Other Expenditures (Inc. IDCs)			19.3		(19.3)	(100.0%)	
Total Expenditures	15,312.5	17,022.8	15,238.5	16,599.2	1,360.7	8.9%	
Revenues							
1 Other Revenues (Inc. IDR's)	7,680.3	8,603.1	7,643.4	8,657.0	1,013.5	13.3%	
2 Transfers from Capital	2,637.2	2,992.8	2,841.3	2,895.1	53.8	1.9%	
Total Revenues	10,317.5	11,595.9	10,484.7	11,552.0	1,067.3	10.2%	
Net Expenditures	4,995.1	5,426.9	4,753.8	5,047.2	293.4	6.2%	
Approved Positions	165.1	169.1	169.1	167.1	(2.0)	(1.2%)	

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:** Include increases in salaries and benefits for existing positions including positions to be filled in 2021 to meet services demands, which were vacant in 2020 due to COVID-19 response. As mitigation efforts to address COVID-19 financial impacts, these increases have been partially offset by reductions to account for hiring slow down, cancellation of non-union performance pay and the Voluntary Separation Program.

**Services and Rents:** Include increases reflective of requirement for employee related costs and operational priorities.

**Other Revenue Changes:** Include increases for recovery of gross expenditures from rate-based programs (Toronto Water and Solid Waste Management Services) and anticipated recovery for capital and third party funded positions.



**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Non-salary adjustments	Match to Actuals		(165.3)	(165.3)	-			
Voluntary Separation Program	Other		(215.3)	(215.3)	-			
Non-Union performance pay cancellation	Other		(130.5)	(130.5)	-			
<b>Total Balancing Actions</b>			<b>(511.1)</b>	<b>(511.1)</b>	<b>-</b>			<b>-</b>

**Non-salary adjustments:**

- A reduction in base expenditures in materials and supplies and other non-salary costs contributes to Policy, Planning, Finance and Administration's efforts to manage continuous cost increases from internal and external sources.

**Salaries and Benefits Projected Savings**

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by adopting vacancy management strategies, implementing the Voluntary Separation Program and the cancellation of non-union performance pay.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	10,484.7	11,552.0	11,560.0	11,566.1
Gross Expenditures	15,238.5	16,599.2	16,853.7	17,117.3
<b>Net Expenditures</b>	<b>4,753.8</b>	<b>5,047.2</b>	<b>5,293.7</b>	<b>5,551.2</b>
<b>Approved Positions</b>	<b>169.1</b>	<b>167.1</b>	<b>167.1</b>	<b>167.1</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$16.854 million reflects an anticipated \$0.254 million or 1.5 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlooks expects a further increase of \$0.264 million or 1.6 per cent above 2022 gross expenditures.

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

# 2021 Program Summary

## Solid Waste Management Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Solid Waste Management Services collects, transports, processes, composts and disposes of municipal and some private sector waste, recyclables, organics, electronics waste and household hazardous waste.

SWMS manages three collection yards, one litter collection yard, one maintenance yard, seven transfer stations, six household hazardous waste depots, two organics processing facilities, Green Lane Landfill and 160 former landfills.

SWMS customers include single-family homes, multi-residential buildings, small businesses, street and parks bins, special events, schools, City divisions, Agencies and Corporations (DACs), public realm users, and private waste is accepted at out Drop-off Depots and landfill.

SWMS also provides city-wide benefits through litter pick-up, parks bin and street litter bin collection, promotion and education, community outreach and Community Environment Days.

### Why We Do It

**Solid Waste Management Services ensures that Torontonians live in a city where:**

- **Waste is collected in a timely, safe, reliable and efficient manner; and**
- **Waste is managed in an innovative, environmentally and fiscally sustainable manner.**

*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

#### **City Beautification**

**Who We Serve:** Public realm users, local communities, local businesses

**What We Deliver:** Litter pick-up, parks bins and street litter bin collection, special event collection

**How Much Resources (2021 gross operating budget):** \$37.288 Million

#### **Residual Management**

**Who We Serve:** Residential customers including single-family homes and multi-residential buildings, commercial and industrial businesses, schools, DACs, charities, institutions and religious organizations

**What We Deliver:** Management of Green Lane Landfill site, perpetual care, energy generation

**How Much Resources (2021 gross operating budget):** \$39.955 Million

#### **Solid Waste Collection & Transfer**

**Who We Serve:** Residential customers including single-family homes and multi-residential buildings, commercial and industrial businesses, schools, DACs, charities, institutions and religious organizations

**What We Deliver:** Collection of garbage, blue bin recycling, green bin organics, durable goods, yard waste, municipal hazardous and special waste, oversized items, transfer station management

**How Much Resources (2021 gross operating budget):** \$126.552 Million

**Solid Waste Education & Enforcement**

**Who We Serve:** Residential customers including single-family homes and multi-residential buildings, public realm users, schools, DACs, charities, institutions and religious organizations

**What We Deliver:** Promotion and education, enforcement, community outreach and environment days

**How Much Resources (2021 gross operating budget):** \$3.854 Million

**Solid Waste Processing & Transport**

**Who We Serve:** Residential customers including single-family homes and multi-residential buildings, commercial and industrial businesses, schools, City divisions, agencies & corporations (DACs), charities, institutions and religious organizations

**What We Deliver:** Recyclables, organics, leaf and yard waste and durable goods processing, and haulage

**How Much Resources (2021 gross operating budget):** \$154.324 Million

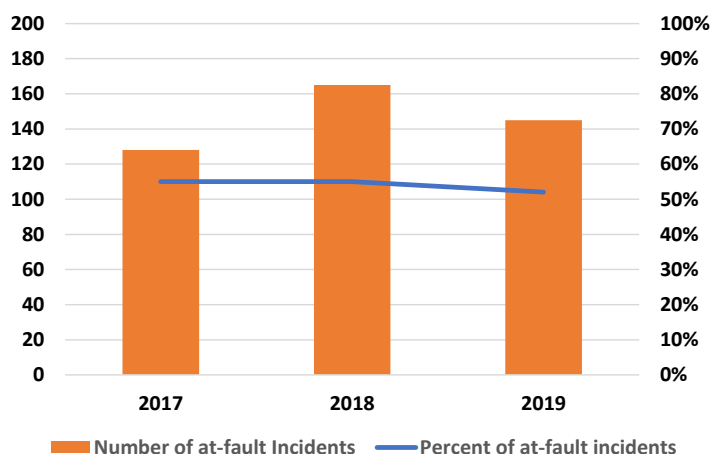
**Budget at a Glance****OPERATING BUDGET**

\$Million	2021	2022	2023
Revenues	\$379.110	\$390.579	\$402.361
Gross Expenditures	\$361.973	\$377.394	\$390.231
Capital Contribution	\$17.137	\$13.185	\$12.130
Approved Positions	1,125.3	1,121.3	1,119.3

**10-YEAR CAPITAL PLAN**

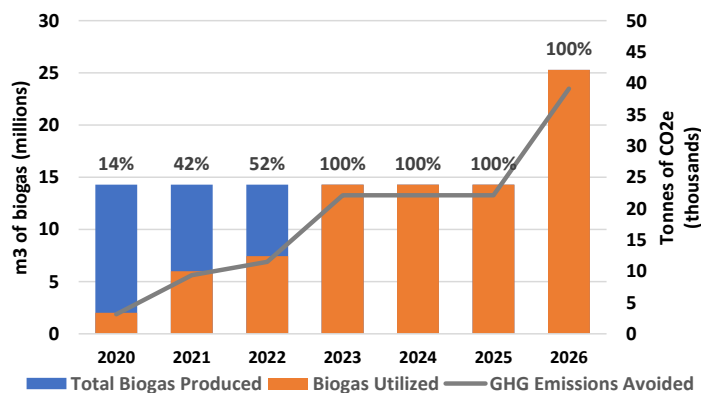
\$Million	2021	2022-2030	Total
Gross Expenditures	\$69.079	\$668.375	\$737.454
Debt Recoverable	\$26.432	\$351.859	\$378.291

Note: Includes 2020 carry forward funding to 2021

**How Well We Are Doing – Behind the Numbers****At-Fault Vehicle-Related Incidents**

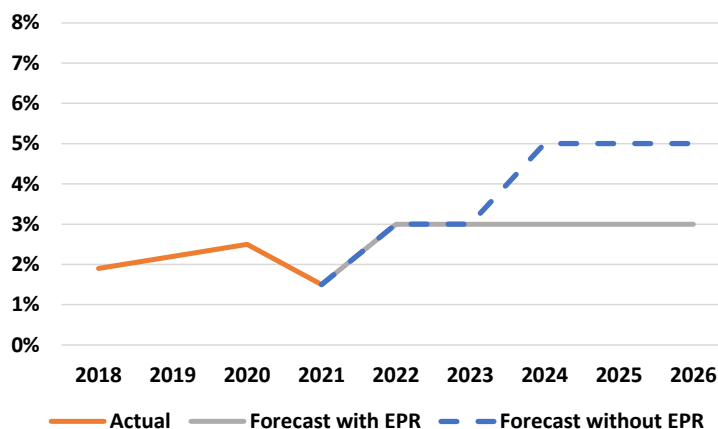
- Solid Waste Management Services is investing in staff, equipment and facilities to ensure staff and the public are safe on the road. These investments include:
  - Working toward Vision Zero by outfitting vehicles with safety equipment (e.g. side guards and in cab cameras).
  - Hiring Health & Safety staff.
  - Enhanced training for new staff.
  - Opening the Keele Valley Training Centre for driver training.
  - Working in partnership with Fleet Services.

### Estimated Biogas from Organics Processing Facilities Converted to Renewable Energy



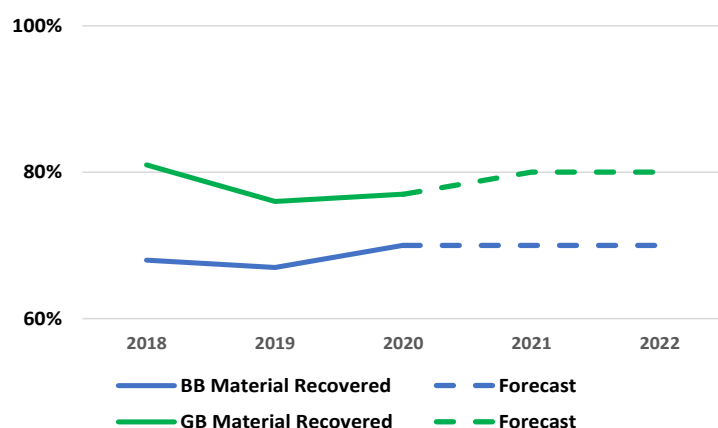
- Solid Waste Management Services' renewable energy trajectory includes utilizing biogas from organics processing facilities including Dufferin in 2020, Disco Road in 2022 and biogas from a 3rd anaerobic digestion facility in 2028.
- Through further capital investments, there is an opportunity to use landfill gas from Green Lane Landfill and Keele Valley Landfill to generate renewable energy. Solid Waste Management Services has a new Manager of Stakeholder and Community Outreach and has hired consultants to conduct feasibility studies to help assess whether Solid Waste Management Services can harness landfill gas to generate renewable energy and reduce GHG emissions.

### % Utility Rate Increase



- In 2021, a 1.5 per cent rate increase is intended to mitigate impacts on Solid Waste Management Services customers in response to the ongoing COVID-19 pandemic.
- To ensure sufficient balances in reserve, 2022 reflects a 3 per cent rate increase and continues year over year.
- The introduction of Extended Producer Responsibility (EPR) will help stabilize the rate. If EPR is not realized by 2024 and \$15 million from EPR efficiencies is not recovered, Solid Waste Management Services will need to increase the rate over the following few years.

### % Blue Bin and Green Bin Material Recovered



- Currently, Solid Waste Management Services recovers a majority of Blue Bin Recycling and Green Bin Organics material.
- Some components of these streams are not recovered, as they are either not accepted in the program, or are not able to be processed, and leave the systems as residue. Residue is then sent to landfill. For example, diapers are accepted in the green bin program but the majority of the items is not able to be processed. These materials introduce financial and operational pressures on the programs because the material is required to be handled a second time.

## How Well We Are Doing

Outcome	Outcome Measure	2018 Actual	2019 Actual	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures							
Torontonians live in a city where waste is collected in a timely, safe, reliable and efficient manner.	# of at fault vehicle-related incidents of at fault vehicle-related incidents	165 55%	145 52%	N/A	N/A	N/A	●
	# of service requests	153,772	160,809	150,000	150,000	150,000	
	% service requests resolved within service standard	89.1%	84.8%	90%	90%	90%	●
Torontonians live in a city where waste is managed in an innovative, environmentally and fiscally sustainable manner.	% of biogas from Organics Processing Facilities converted to renewable energy	N/A	N/A	14%	42%	52%	●
	% utility rate increase	1.9%	2.2%	2.5%	1.5%	3%	N/A
	% of blue bin material recovered	68%	67%	70%	70%	70%	●
	% of green bin material recovered	81%	76%	77%	80%	80%	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
<b>City Beautification</b>	Litter pick-up, parks bins, street bins	1 to 7 times collection per week	1 to 7 times collection per week	1 to 7 times collection per week	1 to 7 times collection per week	1 to 7 times collection per week	1 to 7 times collection per week	●
<b>Residual Management</b>	Compliance with Certificate of Approval for Green Lane Landfill Site and Closed Landfills	100%	100%	100%	100%	100%	100%	●
<b>Collection and transfer</b>	Collection of Garbage, Recyclables and Organics	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	●
	Reliability of Collection for Single-Family Households	99.97%	99.97%	99.97%	99.97%	99.97%	99.97%	
<b>Education</b>	Community Environment Days	44 per year	46 per year	Up to 26 per year	7 per year at Transfer Stations	Up to 26 per year plus 7 events at Transfer Stations	Up to 26 per year plus 7 events at Transfer Stations	●
<b>Processing and Transport</b>	Compliance with Certificate of Approval for Resale of Recyclables	100%	100%	100%	100%	100%	100%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>\$5.048 million projected losses in tipping fee from public and commercial use due to transfer station temporary shutdown.</li> <li>\$2.219 million net revenue losses due to closure of schools, DACs shutdown and other.</li> <li>\$0.796 million in additional costs due to increasing in blue bin tonnage and processing costs due to provincial economic shutdown.</li> <li>\$2.702 million projected processing and disposal cost reductions during economic shutdown due to reduced tonnage collected.</li> <li>\$4.121 million in projected cost savings in salaries and benefits due to hiring slow down policy.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>To address affordability concerns resulting from the pandemic, Solid Waste Management Service is reducing the rate increase to 1.5 per cent from a previously planned rate increase of 2.7 per cent.</li> <li>This is a one-time reduction, which will result in an anticipated \$3.333 million foregone revenue in 2021, mainly from: <ul style="list-style-type: none"> <li>Transfer Station – \$0.897 million in tipping fee from the public and commercial use.</li> <li>Collection Revenues – \$2.436 million.</li> </ul> </li> <li>The 1.5 per cent rate increase will be invested entirely in the capital plan and to manage the COVID-19 financial impacts additional adjustments were made to the operating budget through a combination of additional revenues and reductions such as: <ul style="list-style-type: none"> <li>\$2.613 million projected cost savings in salaries and benefits due to hiring slow down policy.</li> <li>\$1.533 million projected cost savings in salaries and benefits due to voluntary separation program.</li> <li>\$0.535 million savings from cancellation of non-union progression pay.</li> </ul> </li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Fleet Technology Enhancements – deferred \$1.070 million of \$1.320 million to 2021 due to vendor shutdown.</li> <li>Hybrid SUV - Contamination Unit (CSW940) – deferred \$28.0 thousand of \$176.0 thousand to 2021 due shutdown of auto industry.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>There are no anticipated impacts in the capital plan.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>No permanent service level changes as a result of COVID-19. During spring 2020 there was a temporary suspension of Leaf &amp; Yard Waste collection and Toxic Taxi services which have since resumed. Additionally, temporary access restrictions were implemented at City Transfer Stations, but expanded operating hours are being re-introduced gradually.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There are no anticipated impacts to service levels as a result of COVID-19 during 2021.</li> </ul>



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Maintained essential core collection and processing of garbage, Blue Bin recycling, Green Bin organics, Yard Waste and oversized and metal items during the COVID-19 pandemic.
- Initiated the Residual Waste Disposal Study.
- Completed construction of the Dufferin Organics Processing Facility Renewable Natural Gas Project.
- Designing the Disco Road Organics Processing Facility Renewable Natural Gas Project.
- Completed the design of the Dufferin Waste Management Building.
- Opened the Keele Valley Driver Training Centre.
- Initiated the Long Term Waste Management Strategy Five Year Review.
- Initiated the Baseline Study for a Circular Toronto.
- Established an Environmental Health & Safety Compliance unit to expand divisional oversight and compliance activities.
- Initiated and implemented Vision Zero truck safety enhancement pilot projects.



### Received Various Awards including:

- Municipal Waste Association Award – Gold for our annual Waste Management Guide.
- 2019 Diamond Winners of Got IT Award of Excellence - Binspector, the Mobile Contamination Inspection Application.
- 2019 Awesomeness in Marketing Awards – Awesome Cross-Platform Campaign and Top Targeted Campaign for the 3Rs Ambassador Volunteer Recruitment.
- Awarded the “Best Practice of Global Smart Solution Report 2020” by the International Climate Development Institute (ICDI) as part of their Global Smart Solution Report.

### Key Challenges and Risks

- **Extended Producer Responsibility (EPR):** Regulatory landscape has yet to be defined and timing of City's transition from 2023-2025 remains uncertain.
- **Organics Processing Capacity:** Limited regional capacity to address increasing volume demand and population growth.
- **Landfill Capacity Constraints:** Long-term availability of provincial landfill space is limited and further compounded by recent changes to provincial legislation under the Environmental Assessment Act.
- **2021 Utility Rates:** 1.5 per cent rate increase for 2021 recommended to assist in mitigating COVID-19 related financial pressures on residents/businesses; a loss of approximately \$3.333 million (gross) in previously anticipated revenues.



### Priority Actions

- **Climate Change Resiliency:** RNG from Dufferin Organics Processing Facility to be blended with City's Natural Gas to achieve lower-carbon supply and support GHG reduction targets. RNG infrastructure development continuing for the Disco Road Organics Processing Facility with commissioning anticipated in 2022 to further increase RNG supply.
- **Extended Producer Responsibility (EPR):** Development of recommendations for City's formal EPR transition plan, following release of final regulations anticipated in early 2021; this includes supporting negotiations on transition terms and conditions, as well as commencing work on a formal change management plan
- **Utility Rate Stability:** Obtain approval for a fixed 3 per cent blended rate increase for each of the outlook years (2022 and 2023) to support rate stabilization, ensure program funding for future year operating needs including principal and interests costs and necessary contributions to Reserves required to support 10-year Capital Plan.
- **Full Cost Recovery - Oversized Items:** Increase of \$3.85 to the annual Oversized Item fee to align with the full cost of related collection, transfer, processing and/or disposal. The Oversized Item annual fee for 2021 will increase to \$19.75.
- **Organics Processing Capacity:** Advance project development work related to the 3<sup>rd</sup> Anaerobic Digestion (AD) Facility, maintaining target of initiating construction in 2024 and anticipated commissioning in 2028.
- **Landfill Capacity:** Continue investigating long-term disposal options including landfill capacity development and energy from waste as well as site contract renegotiations and sending material to alternate sites.
- **Health & Safety:** Advance Vision Zero initiatives on Collection fleet. Enhance driver safety through new SWMS Training Facility. Environmental and Health & Safety Compliance unit to expand divisional oversight and compliance activities.

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget by Service

(In \$000s)	2019 Actual	2020 Budget	2020 Projection	2021 Budget	Change vs. 2020 Projection	
By Service	\$		\$	\$	\$	%
<b>Revenues</b>						
City Beautification	1,646.7	1,564.9	1,564.9	6,498.9	4,934.0	315.3%
Residual Management	6,094.5	8,843.3	6,282.5	10,566.9	4,284.4	68.2%
Solid Waste Collection & Transfer	335,829.8	322,156.9	315,095.9	331,810.2	16,714.3	5.3%
Solid Waste Education & Enforcement	29.7	3.5	3.5	0.3	(3.2)	(92.2%)
Solid Waste Processing & Transport	65,856.0	46,335.3	35,772.9	30,234.0	(5,538.9)	(15.5%)
<b>Total Revenues</b>	<b>409,456.7</b>	<b>378,903.9</b>	<b>358,719.6</b>	<b>379,110.2</b>	<b>20,390.6</b>	<b>5.7%</b>
<b>Expenditures</b>						
City Beautification	35,256.1	38,340.7	36,165.5	37,288.4	1,122.9	3.1%
Residual Management	37,018.5	39,634.3	33,871.0	39,954.9	6,083.9	18.0%
Solid Waste Collection & Transfer	123,915.2	127,468.5	122,471.1	126,552.3	4,081.3	3.3%
Solid Waste Education & Enforcement	4,285.6	5,660.7	3,693.4	3,854.1	160.7	4.4%
Solid Waste Processing & Transport	125,880.2	149,632.9	144,929.7	154,323.5	9,393.8	6.5%
<b>Subtotal - Gross Expenditures</b>	<b>326,355.6</b>	<b>360,737.1</b>	<b>341,130.6</b>	<b>361,973.3</b>	<b>20,842.6</b>	<b>6.1%</b>
Capital Contribution	83,101.1	18,166.7	17,589.0	17,137.0	(452.0)	(2.6%)
<b>Total Gross Expenditures</b>	<b>409,456.7</b>	<b>378,903.9</b>	<b>358,719.6</b>	<b>379,110.2</b>	<b>20,390.6</b>	<b>5.7%</b>
<b>Approved Positions</b>	<b>1,122.8</b>	<b>1,128.3</b>	<b>1,128.3</b>	<b>1,125.3</b>	<b>(3.0)</b>	<b>(0.3%)</b>

\*2020 Projection based on Q2 Variance Report

\*\*2019 Actual excludes internal revenue and cost of Green Lane Landfills

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$361.973 (prior to capital contribution) million gross reflecting an increase of \$20.843 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Salary and benefit increases, and inflationary increases to collection and processing contracts as well as related volume changes.
- Principal and interest payment of recoverable debt.
- Above pressures are offset by base expenditure savings arising from a line by line review, other operational savings, revenues from sale of Renewable Natural Gas (RNG), revenues from rate increase on collection fee of oversize items and anticipated volume changes.

The 2021 Operating Budget recommends a 1.5 per cent rate increase. Approximately 4.5 per cent of the 2021 Operating Budget or 2.6 per cent below the 2020 projected year-end actuals will go towards the annual capital reserve contribution to fund the 10-year Capital Plan.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** Solid Waste Management Services does not have New and Enhanced Services.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Solid Waste Management Services' 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Solid Waste Management Services is \$361.973 (prior to capital contribution) million gross or 6.1 per cent higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes Balancing Actions.

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

Key Cost Drivers	2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	YoY Changes	
					\$	%
Expenditures						
1 Salaries and Benefits	94,980.9	102,522.6	96,261.4	98,596.5	2,335.0	2.4%
2 Materials and Supplies	7,090.7	8,799.4	7,670.2	9,030.7	1,360.5	17.7%
3 Equipment	307.4	226.6	298.6	232.1	(66.5)	(22.3%)
4 Service and Rent	135,972.0	152,091.1	142,460.2	156,933.8	14,473.6	10.2%
5 Contribution To Reserves	48,462.0	56,190.0	55,959.3	58,405.7	2,446.4	4.4%
6 Other Expenditures (Inc. IDC's)	39,542.7	40,907.5	38,480.8	38,774.5	293.6	0.8%
Subtotal - Gross Expenditures	326,355.6	360,737.1	341,130.6	361,973.3	20,842.6	6.1%
Capital Contribution	83,101.1	18,166.7	17,589.0	17,137.0	(452.0)	(2.6%)
Total Expenditures	409,456.7	378,903.9	358,719.6	379,110.2	20,390.6	5.7%
Revenues						
1 User Fees & Donations	311,140.6	321,052.8	311,578.2	327,680.6	16,102.4	5.2%
2 Other Revenues (Inc. IDR's)	98,316.1	57,851.0	47,141.4	51,429.6	4,288.2	9.1%
Total Revenues	409,456.7	378,903.9	358,719.6	379,110.2	20,390.6	5.7%
Approved Positions	1,122.8	1,128.3	1,128.3	1,125.3	(3.0)	(0.3%)

\*2020 Projection based on Q2 Variance Report

\*\*2019 Actual excludes internal revenue and cost of Green Lane Landfills

**Salaries and Benefits:** Include net increases for inflationary cost (\$0.634 million) on existing salaries and benefits and anticipated positions to be filled (\$6.383 million), to meet service demands, which were held vacant in 2020 due to COVID-19 response. These increases have been partially offset by reductions to account for vacancies in 2021 resulting from hiring slow-down (\$2.613 million), cancellation of non-union performance pay (\$0.535 million) and the voluntary separation program (\$1.533 million), all mitigation efforts to address COVID-19 financial impacts.

**Materials and Supplies:** Include Consumer Price Index (CPI) inflationary increases on existing material contracts.

**Service and Rent:** Includes CPI inflationary increases on collection, processing and disposal contracts as well as anticipated volume changes related to increased diversion initiatives.

**Contribution to Reserve:** Increases for principal and interest payment of recoverable debt for capital projects, offset by reduction in fleet reserve contribution.

**Contribution to Capital:** Approximately 4.5 per cent of Solid Waste Management Services' 2021 Operating Budget will go towards the annual capital reserve contribution to fund the 10-year Capital Plan.

**User Fees and Donations:** Higher revenues from rate increase, increase to annual fee for oversize items and anticipated volume changes.

**Other recoveries:** Anticipated revenue from sale of RNG.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Efficiencies/Savings	Efficiencies		(4,265.9)	(4,265.9)	-	(400.1)	(400.1)	-
Oversized Fee Increase	Revenue Increase (User Fees)	3,346.1		(3,346.1)	-	515.2	(515.2)	-
Hiring slow down	Other		(2,613.2)	(2,613.2)	-			
Voluntary Separation Program	Other		(1,533.3)	(1,533.3)	-			
Cancellation of Non-Union Merit Pay	Other		(534.6)	(534.6)	-			
<b>Total Balancing Actions</b>		<b>3,346.1</b>	<b>(8,947.0)</b>	<b>(12,293.2)</b>	<b>-</b>	<b>115.1</b>	<b>(915.3)</b>	<b>-</b>

The 2021 Operating Budget includes \$8.947 million in gross expenditures reductions and \$3.346 million in added revenue as follows:

#### **Operational Efficiencies**

- A line-by-line review resulting in base expenditures reduction in services and rents and other non-salary costs contributes to Solid Waste Management Services' efforts to manage continuous cost increases from internal and external sources. The reduction was achieved through implementation of operational efficiencies including pilot service delivery changes in parks by replacing a selection of blue bins with black bins, reductions in advertising and education costs including switching to electronic calendars instead of physical copies, and contract re-negotiations.

#### **Oversized Items Collection Fee Increase**

- Increase user fee for collection of oversize items to reflect full cost recovery.

#### **Salaries and Benefits Projected Savings**

- Mitigation to efforts to address COVID-19 financial impacts include salaries and benefits cost containment by adopting hiring slow down, vacancy management, voluntary separation program and cancellation of non-union merit pay.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	358,719.6	379,110.2	390,578.7	402,361.4
Gross Expenditures	341,130.7	361,973.3	377,393.9	390,230.7
<b>Capital Contribution</b>	<b>17,588.9</b>	<b>17,137.0</b>	<b>13,184.8</b>	<b>12,130.8</b>
<b>Approved Positions</b>	<b>1,128.3</b>	<b>1,125.3</b>	<b>1,121.3</b>	<b>1,119.3</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$377.394 million reflects an anticipated \$15.420 million or 4.3 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlooks expects a further increase of 12.837 million or 3.4 per cent above 2022 gross expenditures.

These changes arise from the following:

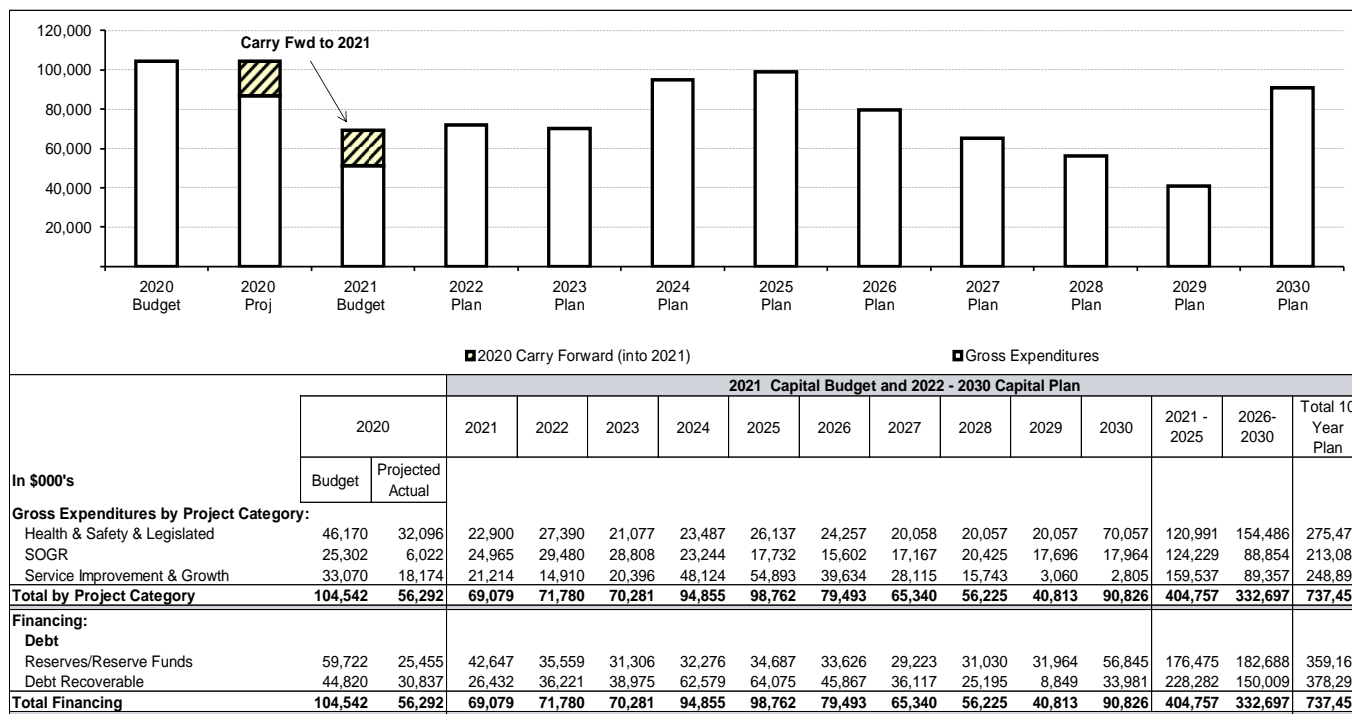
- Inflationary increases related to salaries and benefits, collection, processing and landfill disposal contracts.
- Anticipated increase in required contribution to debt reserve due to increased annual principal and interest costs, and increase in fleet reserve contribution for the replacement of 25 vehicles.
- Operating impact of capital projects once completed.

Revenues are expected to increase as a result of an anticipated 3 per cent blended rate increase in 2022 and a further 3 per cent blended rate increase in 2023.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



### Changes to Existing Projects

- The 2021-2030 Capital Budget and Plan reflects a decrease of \$43.349 million over the nine common years (2021-2029).
- Defer funding of \$37.083 million for Long Term Waste Management Strategy and \$14.268 million for Green Lane Landfill Development.
- Reduction funding of \$3.873 million in growth projects mainly due to commission of Dufferin SSO Facility.
- Net Increase of \$11.875 million for multiple projects to reflect updated cost estimates, scope and project schedules.






### New Projects

- The 2021-2030 Capital Budget and Plan include following \$3.450 million in new programs:
- Technology Roadmap Implementation
- TOWaste Mobile App version 2.0
- EPR Technology Impact Assessment

### Capital Needs Constraints

- The 2021-2030 Capital Budget and Plan is based on Solid Waste Management Services' capacity to deliver. Solid Waste Management Services does not have any unmet needs over the 10-year planning horizon

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$737.5 Million 10-Year Gross Capital Program**

				
<b>Maintaining Infrastructure</b>	<b>Landfill Development and Management</b>	<b>Long Term Waste Management Strategy</b>	<b>Organics Processing Facilities</b>	<b>Biogas/Landfill Gas Utilization</b>
\$257.262M 35%	\$275.477M 37%	\$21.243M 3%	\$130.200M 18%	\$53.272M 7%
Transfer Station Asset Management Collection Yard Asset Management Diversion Facilities Asset Management Dufferin Waste Facility Site Improvement Fleet Technology Enhancements	Green Lane Landfill Landfill Capacity Development Perpetual Care Of Closed Landfills	Long Term Waste Management Strategy	Disco SSO Facility Dufferin SSO Facility Organics Processing Facility	Biogas Utilization Landfill Gas Utilization Renewable Natural Gas

**How the Capital Program is Funded**

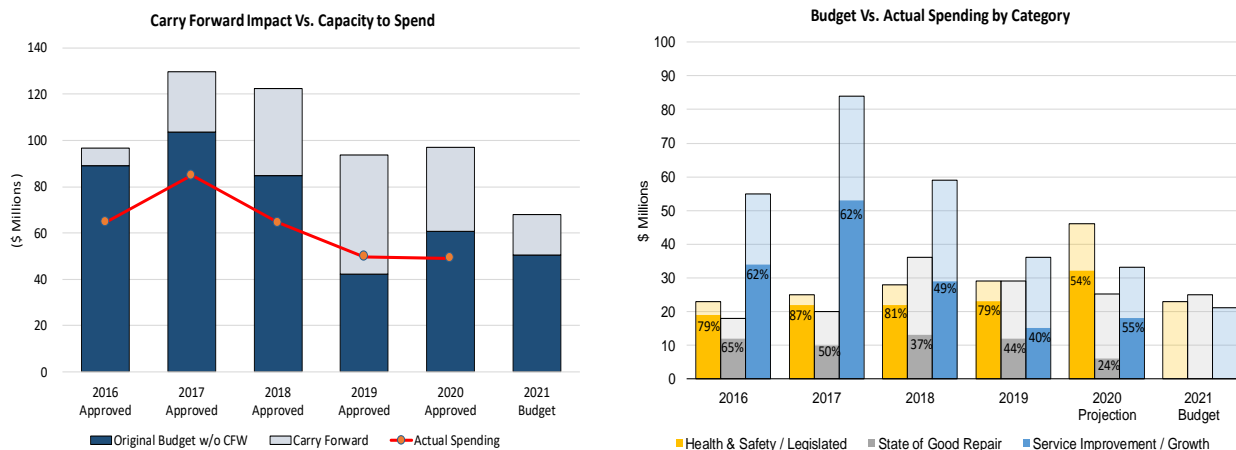
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$737.5 M 100 %</b>		<b>\$0.0 M 0%</b>	<b>\$0.0 M 0%</b>
Recoverable Debt	\$ 378.3 M		
Waste Reserve Fund	\$ 206.2 M		
Green Lane Reserve Fund	\$ 78.4 M		
Landfill Reserve Fund	\$ 74.6 M		

## 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 the Solid Waste Management Services' ability to spend and the markets capacity to deliver.

Key component in determining an appropriate level of annual cash flows include historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 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 2021-2030 Capital Plan for Solid Waste Management is comprised of Legislated projects to fund the perpetual care of old landfills and landfill development at Green Lane; State of Good Repair (SOGR) projects to fund on-going asset management of transfer stations, collection yards and diversion facilities. Service Improvement and Growth related projects aim to achieve program outcomes by providing funding for studies, facilities, implementation of the Long Term Waste Strategy and building future waste as well as an organics processing facilities.

In 2021, Solid Waste Management plans to award approximately \$69.079 million in capital spending on the following high priority projects:

- Green Lane Landfill development (\$13.415 million).
- Dufferin Facility Site Improvement (\$6.346 million).
- Perpetual Care of Closed Landfills and Landfill Capacity Development/Energy from waste (\$9.485 million)
- Service Improvement and Growth projects in Long Term Waste Strategy, IT, Fleet Technology Enhancements and various engineering studies (\$21.212 million).
- Various State of Good Repair projects in Transfer Stations, Collection Yards and Organics Processing Facilities (\$18.619 million).

Based on the review of historical capital spending constraints and a capacity to spend review, \$17.705 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$4.063 million deferred to 2022-2025. Key adjustments to the Capital Plan are noted below:

- Long Term Waste Management Strategy 2021 cash flow has been reduced by \$3.106 million to reflect updated project scope delivery.
- Dufferin Waste Facility Site Improvement 2021 cash flow has been deferred by \$3.682 million and is scheduled to be completed on time by 2024.



- Landfill Gas Utilization 2021 cash flow has been deferred by \$3.613 million to reflect updated project delivery schedule.
- Various State of Good Repair projects, such as Transfer Station and Collection Yards Asset Management, and other projects 2021 cash flow have been reduced by \$5.154 million to reflect constraints in staff resources and market capacity to deliver.

The above 2021 cash flow reductions are offset by an increase to 2021 cash flow in the following projects:

- Diversion Facilities Asset Management 2021 cash flow increased by 1.579 million.
- Fleet Technology Enhancements 2021 cash flow increased by \$1.070 million.

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

Solid Waste Management Services has not currently identified a backlog of State of Good Repair projects. At this time, the funding allocated in the 10-Year Capital Plan for Solid Waste Management Services for State of Good Repair projects is deemed appropriate to maintain the assets in a steady state of good repair.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The approval of the 10-Year Capital Budget and Plan will impact future year Operating Budgets by \$19.103 million net over the 2021-2030 period, primarily due to commissioning of Dufferin Organic Processing Facility, completion of Dufferin Waste Facility Site Improvement work and third Organic Processing Facility or third Anaerobic Digester "3rd AD" as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Computer Software Maintenance and Support Services	45.4		142.1		146.3		150.7		155.2		639.7		1,308.5	
IDC User Hardware & Operational System	27.5	0.3									27.5	0.3	27.5	0.3
Dufferin SSO Facility	2,466.2										2,466.2		2,466.2	
Dufferin Waste Facility Site Improvement									1,000.0		1,000.0		1,000.0	
Organics Processing Facility													14,301.0	
<b>Sub-Total: Previously Approved</b>	<b>2,539.0</b>	<b>0.3</b>	<b>142.1</b>		<b>146.3</b>		<b>150.7</b>		<b>1,155.2</b>		<b>4,133.3</b>	<b>0.3</b>	<b>19,103.2</b>	<b>0.3</b>
<b>Total</b>	<b>2,539.0</b>	<b>0.3</b>	<b>142.1</b>		<b>146.3</b>		<b>150.7</b>		<b>1,155.2</b>		<b>4,133.3</b>	<b>0.3</b>	<b>19,103.2</b>	<b>0.3</b>

### Previously Approved projects

- Organic processing cost in 2021 for Dufferin Organic Processing Facility, which will be fully operational in 2021. This will result in processing cost associated with additional 27,375 tonnes in 2021.
- Dufferin Waste Facility Site Improvement is expected to be completed in 2024 and will result in estimated operational cost of \$1.000 million.
- Computer Software Maintenance and Support Services for SWM IT state-of-the-art Weighscale Technology.
- Third Organic Processing Facility or third Anaerobic Digester "3rd AD" is expected to be operational in 2028 and will result in estimated operational cost of \$14.301 million. The cost to use external providers will decrease as a result.

# 2021 Program Summary

## Toronto Building

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We enforce provincial and municipal building regulations and bylaws, where our primary responsibilities are established through the Building Code Act, such as reviewing and issuing building permits and conducting mandatory inspections of construction to make sure work is in compliance with the Building Code and building permits.

In addition to the roles and responsibilities prescribed by the Building Code Act, the Program administers and enforces the City of Toronto Sign Bylaw and other applicable law. Applicable law is a term used to describe all of the regulations and municipal bylaws, which a project must comply with in order for a permit to be issued.

In 2020, Toronto Building expects to review over 35,000 building permits, complete 165,000 building inspections and complete over 2,800 annual Building Investigations.

### Why We Do It

**Buildings in Toronto are constructed to be safe, accessible, and sustainable for all, through compliance with the Ontario Building Code.**

*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

#### **Building Permission & Information**

**Who We Serve:** Agent, Applicant, Architect / Firm, Builder and Organization, Business, Complainant, Consultant, Contravener, Designer Firm/Professional, Developer, Engineer, Lawyer, Licensee, Mayor & City Council, Operator, Owner's Agent, Police, Property Owner, Ratepayers, Sign Owner, Staff - City Divisions, Surveyor, Tenant.

**What We Deliver:** Preliminary Plan Review, Building Permit Issuance, Building Record Information Provision.

**How Much Resources (2021 gross operating budget):** (\$33.523 million)

#### **Building Compliance**

**Who We Serve:** Building User or Occupant, Property Owner, Agent, Contractor, Design Professional, Sign Owner, Developer, City Divisions, Council/Mayor.

**What We Deliver:** Building Inspection, Building Enforcement.

**How Much Resources (2021 gross operating budget):** (\$29.444 million)

## Budget at a Glance

### OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$79.1	\$84.7	\$85.6
Gross Expenditures	\$63.0	\$68.6	\$69.5
Net Expenditures	(\$16.1)	(\$16.1)	(\$16.1)
Approved Positions	537.0	537.0	537.0

### 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
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This program does not have a capital budget

## How Well We Are Doing – Behind the Numbers

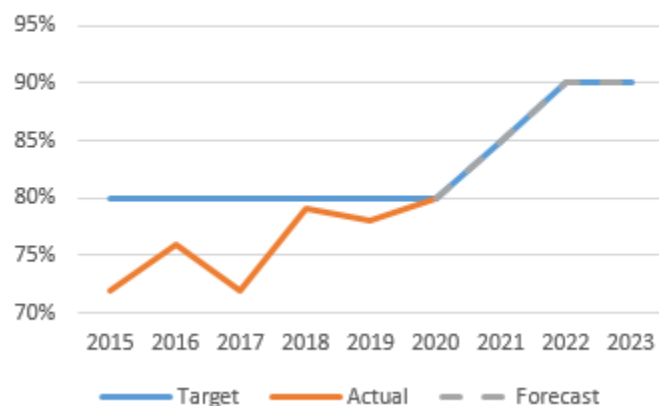
% complete permit applications reviewed within time frames



During the last three years Toronto Building has faced challenges in meeting its target mostly attributed to:

- **Increasing application volumes and application complexity.** Over the last ten years, building permit applications have increased by 33% while approved FTEs have only increased by 4%. The complexity of buildings and building sites has also been increasing, compounding the workload impacts of high application volumes.
- **Staff Turnover and Hiring** – Primarily due to retirements, staff turnover in 2019 was substantially higher (14%) than the preceding three years (8%). As a result, vacancy rates in core areas remain relatively high.
- **COVID-19 service disruptions** temporarily affected the Division's ability to respond to applications within time frames and to conduct essential hiring.

% reports of construction w/o permit responded in time frame



Investments in Inspection Services, including the Residential Infill Construction Strategy and Dedicated Enforcement Team have resulted in a more consistent and improved response to complaints of work being done without a permit. Additional improvements could be realized through:

- **Adoption of risk-based approaches to inspections** to increase staff capacity to focus on more value-added work.
- **Improvements to business intelligence capabilities** to improve ability to respond to problems sites and reoccurring issues and enhanced coordination with partner divisions.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
Building Permission & Information	% preliminary zoning reviews completed within service standard *	70%	73%	70%	73%	75%	85%	●
Building Permission & Information	# preliminary zoning reviews completed *	4,675	4,857	4,500	4,100	4,000	4,000	●
Building Permission & Information	% sign applications reviewed within legislated time frames	85%	78%	94%	83%	94%	94%	●
Building Permission & Information	# sign applications reviewed	2,196	2,165	2,100	1,300	1,500	1,800	●
Building Compliance	% building inspections conducted within time frames	92%	92%	94%	91%	94%	94%	●
Building Compliance	# building inspections conducted	170,066	176,644	175,000	140,000	160,000	165,000	●

\* Legacy preliminary project review and zoning certificate programs historical data merged from 2017 to 2020. Implementation of the new one-stream zoning review program reflected in 2021.

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Building Permission & Information	% complete permit applications reviewed within legislated frames	94%	92%	95%	90%	95%	95%	●
Building Permission & Information	# building permits issued	50,341	47,148	50,000	41,000	45,000	48,000	●
Building Compliance	% reports of construction w/o permit responded to within established time frame	79%	78%	80%	80%	85%	90%	●
Building Compliance	# reports of construction w/o permit responded	3,383	3,543	3,300	3,300	3,300	3,300	●
Building Compliance	% of Emergency requests responded to within 24 hours	100%	97%	95%	95%	100%	100%	●
Building Compliance	# of Emergency requests responded to	79	69	70	85	75	75	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• \$0.031 million in additional staff related overtime expenses,</li> <li>• \$0.337 million in additional costs for teleworking,</li> <li>• \$0.335 million in costs related to the lump sum payment to permanent staff who were eligible to retire under the Voluntary Separation Program</li> <li>• \$4.876 million in projected cost savings in salaries and benefits due to hiring slow-down policy while continuing recruitment for essential positions.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• \$0.282 million in projected cost savings in salaries and benefits due to cancellation of non-union performance pay.</li> <li>• \$1.293 million in projected cost saving in salaries and benefits resulting from the implementation of the Voluntary Separation Program.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• Toronto Building continues to provide safe and accessible services.</li> <li>• Operational protocols and processes have been implemented in accordance with prevailing health and safety measures to allow all services to be offered.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• There are no anticipated impacts to service levels as a result of COVID-19 during 2021.</li> <li>• The Service Levels will be reviewed and adjusted to reflect processes and protocols as required in accordance with prevailing health and safety guidelines and advice from the Medical Officer of Health.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Rapid implementation of business process changes, deployment of technology, and electronic payment options to deliver all permitting and inspection services in support of development and construction in the city through the COVID-19 pandemic.
- Undertook a comprehensive program review with a focus on developing a new operating model for the Division. This new modern building regulatory model and service delivery processes will help facilitate the City's economic recovery from the COVID-19 pandemic.
- Implemented enhanced online information services, by granting clients complete access to Zoning Review Status and pertinent project information.
- Advanced on divisional hiring strategy and succession management plan through implementation and filling of new entry level building inspector positions.
- Participated in the development of legislative and Building Code changes including:
  - Advised the Ministry of Municipal Affairs and Housing in the development of emergency amendments to the Building Code Act intended to mitigate against the effects of the COVID-19 pandemic on municipal building code service delivery and support the building and construction industries.
- In consultation with Toronto Fire, City Planning and the Housing Secretariat, developed innovative approaches to support the construction of Laneway Suites by engaging a building code consultant with expertise in fire protection to help address challenges permit applicants were having meeting the City's fire access requirements under the Code.

### Key Challenges and Risks

- **Organizational Transformation** - realize objectives of program review recommendations for a modernized building regulatory model and practices for the Division.
- **Service Delivery** - ability to drive service quality, efficiency, innovation, and meet service levels in the context of COVID-19 pandemic and beyond.
- **Technology** - accelerate adoption of modern client-centric technology to enable and support modernized building regulatory model and practices, and client expectations.
- **Training and Development** - maintaining and enhancing a continuous learning environment for staff training and development in the context of COVID-19 pandemic and beyond.
- **Fiscal Responsibility** - investment in resources needed to support transformation while managing economic impact of COVID-19 on building permit activity.

### Priority Actions

- **Organizational Transformation** – phased-in implementation of program review recommendations
- **Service Delivery** - drive service quality, efficiency and innovation by implementing new collaboration platforms and tools for staff.
- **Technology** - pursue a seamless customer service experience and further implement electronic service delivery enhancements and online tools as part of digital first service strategy.
- **Training and Development** - invest in a knowledgeable and engaged workforce by advancing succession planning and enhancing employee training and development programs.
- **Fiscal Responsibility** – implement adjustments to full cost-recovery model based on third-party review recommendations, and actively monitor and assess impact of COVID-19 on permit activity levels.



## 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>								
Building Compliance	44,233.2	35,708.1	45,382.1	35,652.8	954.6	36,607.4	(8,774.7)	(19.3%)
Building Permission & Information	54,794.3	41,773.5	53,693.3	41,425.8	1,080.8	42,506.6	(11,186.7)	(20.8%)
<b>Total Revenues</b>	<b>99,027.5</b>	<b>77,481.7</b>	<b>99,075.4</b>	<b>77,078.7</b>	<b>2,035.4</b>	<b>79,114.0</b>	<b>(19,961.4)</b>	<b>(20.1%)</b>
<b>Expenditures</b>								
Building Compliance	23,185.7	28,622.8	24,951.4	28,459.5	984.2	29,443.7	4,492.3	18.0%
Building Permission & Information	27,361.3	32,712.0	28,791.3	32,472.2	1,051.2	33,523.4	4,732.1	16.4%
<b>Total Gross Expenditures</b>	<b>50,547.0</b>	<b>61,334.8</b>	<b>53,742.7</b>	<b>60,931.8</b>	<b>2,035.4</b>	<b>62,967.1</b>	<b>9,224.4</b>	<b>17.2%</b>
<b>Net Expenditures</b>	<b>(48,480.5)</b>	<b>(16,146.9)</b>	<b>(45,332.7)</b>	<b>(16,146.9)</b>	<b>0.0</b>	<b>(16,146.9)</b>	<b>29,185.8</b>	<b>(64.4%)</b>
<b>Approved Positions</b>	<b>472.0</b>	<b>487.0</b>	<b>487.0</b>	<b>487.0</b>	<b>50.0</b>	<b>537.0</b>	<b>50.0</b>	<b>10.3%</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$60.932 million gross reflecting an increase of \$7.189 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Inflationary increases to salaries and benefits for existing positions and annualized costs for 10 positions dedicated to transit expansion initiatives, added in 2020, fully funded by Metrolinx.
- Increase to services & rents related to renovation expenses for centralized records centre postponed from 2020, and less spending on contracted services related to contingency provision for remedial action.

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

- 2021 Base Budget totalling (\$16.147) million in net expenditures reflects a \$0.0 million net change from the 2020 Council approved Budget.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.035 million gross and \$0 net, enabling:

- Toronto Building Program Review Implementation including the addition of 50 new positions. A phased-in implementation of critical staffing resources required to implement the 23 preliminary improvement opportunities identified through the recent comprehensive Program Review to address significant structural and operational challenges with the goal of becoming a modern, client-focused and leading-edge building regulator.

## EQUITY IMPACTS OF BUDGET CHANGES

**Improving outreach and communications to equity seeking communities.** Toronto Building's 2021 Operating Budget includes funding to improve outreach and communications to Immigrants, persons with disabilities, Indigenous, Black and other racialized communities, seniors and other equity seeking communities. The Division will provide more information in multiple languages and formats; more supports and clarity for construction of new housing, including affordable housing, and undertake renovations to improve accessibility, and health and safety. This investment supports the City of Toronto's Corporate Strategic Plans priority a "Well Run City" and Toronto at Your Service: The City's integrated customer service initiative.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Budget for Toronto Building is \$60.932 million gross or 13.4% higher than the 2020 Projected Actual. Table 2a below summarizes the key cost drivers for the base budget, 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	
						\$	%
Expenditures							
1	Salaries and Benefits	47,541.7	54,209.2	48,120.7	55,033.3	6,912.6	14.4%
2	Materials & Supplies	96.7	122.5	86.9	132.4	45.5	52.4%
3	Equipment	75.5	409.2	411.8	855.9	444.0	107.8%
4	Service and Rent	1,365.6	3,266.1	1,788.5	2,707.9	919.5	51.4%
5	Contribution To Reserves	952.1	2,811.9	2,811.9	1,686.4	(1,125.5)	-40.0%
6	Other Expenditures	515.5	515.8	522.9	515.8	(7.1)	-1.4%
Total Expenditures		50,547.0	61,334.8	53,742.7	60,931.8	7,189.1	13.4%
Revenues							
1	User Fees & Donations	93,190.2	65,358.5	91,115.5	65,358.5	(25,756.9)	-28.3%
2	Other Revenue	269.4	1,861.7	287.6	3,331.7	3,044.1	1058.3%
3	Contribution From Reserve Funds	5,567.8	10,105.4	7,672.3	8,232.3	560.0	7.3%
4	Transfers From Capital		156.1		156.1	156.1	
Total Revenues		99,027.5	77,481.7	99,075.4	77,078.7	(21,996.7)	-22.2%
Net Expenditures		(48,480.5)	(16,146.9)	(45,332.7)	(16,146.9)	29,185.8	-64.4%
Approved Positions		472.0	487.0	487.0	487.0		

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:** Includes inflationary increases to existing salaries and benefits, and annualized costs associated with 10 positions dedicated to transit expansion initiatives, added in 2020, fully funded by Metrolinx. These increases are partially offset through implementation of cost containment efforts to address financial impacts of COVID-19 including cancellation of non-union performance pay, and the Voluntary Separation Program. Toronto Building will strengthen recruitment efforts to implement the Program Review recommendations and further reduce vacancies in 2021.

**Services and Rents:** Includes renovation expenses for centralized records centre postponed from 2020 and less spending on contracted services related to contingency provision for remedial action.

**Contribution to Reserves:** Includes reduced contribution to the Building Code Service Improvement Reserve due to less than required budgeted contribution needs as per the Division's reserve fund target balance analysis.

**User Fees and Donations:** The reduction in building permit revenue is due to higher than expected recognition of deferred revenue from carryover projects in 2020 that is not expected to continue into 2021.

**Other Revenues/Contribution from Reserves:** Includes increases to recoveries of salaries and benefits costs for existing reserve-funded positions and 10 positions dedicated to transit expansion initiatives, added in 2020, fully funded by Metrolinx. Recoveries in 2020 were lower than planned as a result of higher than expected vacancies due to COVID-19 response and the hiring slowdown.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Cancellation of Non-union Performance	Other		(281.5)	(281.5)				
Contribution Provision Reversal	Match to Actuals		(683.3)	(683.3)				
Voluntary Separation Program	Other		(1,293.6)	(1,293.6)				
Line by Line	Line By Line		(638.8)	(638.8)				
<b>Total Balancing Actions</b>		-	<b>(2,897.2)</b>	<b>(2,897.2)</b>	-	-	-	-

The 2021 Operating Budget includes \$2.897 million reductions in gross expenditures attributed to:

#### **Salaries and Benefits Projected Savings**

- Implementation of cost containment efforts to address financial impacts of COVID-19 including cancellation of non-union performance pay and the Voluntary Separation Program.

#### **Contribution Provision Reversal**

- A reduction to reflect actual experience for lower than planned inflation provision.

#### **Line-by-Line Review**

- A reduction in base budget expenditure requirements (includes items such as consulting expenses, vehicle acquisitions, fleet replacement) to reflect actual experience.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact
	Revenue	Gross	Net	Positions		
In \$ Thousands						
Toronto Building Program Review Implementation	2,035.4	2,035.4	0.0	50.0	5,503.9	Low Positive
Total New / Enhanced	2,035.4	2,035.4	0.0	50.0	5,503.9	

#### **Toronto Building Program Review Implementation**

The 2020 approved operating budget included funding for the Division to undertake a comprehensive Program/Organizational Review. Through the retention of a third-party consultant, the focus of the review was aimed towards seeking options for a refreshed, modern client-centric operating model and practices.

To address the significant structural and operating challenges that have emerged after years of record levels of development and construction activity, the recommended 2021 budget includes critical staffing resources required to implement the 23 preliminary improvement opportunities identified through the Program Review. Actioning of these improvement opportunities will position the Division as a modern, client-focused and leading-edge building regulator that is consistent and predictable, efficient, customer-focused, accountable, and flexible.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	99,075.4	79,114.0	84,707.4	85,681.4
Gross Expenditures	53,742.7	62,967.1	68,560.5	69,534.5
<b>Net Expenditures</b>	<b>(45,332.7)</b>	<b>(16,146.9)</b>	<b>(16,146.9)</b>	<b>(16,146.9)</b>
<b>Approved Positions</b>	<b>487.0</b>	<b>537.0</b>	<b>537.0</b>	<b>537.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$68.561 million reflects an anticipated \$5.593 million or 8.9 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a further increase of \$0.974 million or 1.4 per cent above 2022 gross expenditures.

These changes arise from the following:

- Increases in salaries and benefits to reflect annualized costs for new positions added in 2021 and inflationary adjustments in accordance with the collective agreement.

These increases are offset by an increase in reserve fund draw to fund annualized costs for new positions added in 2021, and anticipated inflationary increases to building permit revenues to maintain full cost recovery.

# 2021 Program Summary

## Toronto Fire Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at FPD@toronto.ca.

### Description

In accordance with the Ontario Fire Protection and Prevention Act (FPPA), Toronto Fire Services (TFS) provides residents and businesses with a comprehensive suite of fire protection services 24 hours per day, 7 days per week.

As the largest fire service in Canada, TFS deploys from 83 fire stations and 8 support facilities to support service delivery. On an annual basis, TFS responds to more than 133,000 emergency incidents, inspects 100% of TCHC multi-unit residential properties, and responds to 100% of complaints and requests for Fire Code inspections.

### Why We Do It

**Timely and effective emergency response to mitigate injuries, economic loss and save lives.**

**Buildings and public venues comply with fire safety standards in order to protect the lives and properties of people in Toronto.**

**Fire incidents in Toronto are prevented through regular and relevant public education that raises community awareness.**

*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

#### **Fire Rescue & Emergency Response**

**Who We Serve:** Individuals facing imminent injury or threat to their lives or property.

**What We Deliver:** Through life saving and protection services, victims of emergency incidents are provided basic life support, fire suppression, specialized rescues and large scale emergency response.

**How Much Resources (2021 gross operating budget):** \$474.3 million

#### **Fire Prevention Inspection & Enforcement**

**Who We Serve:** Building owners, building occupants, adjacent property owners, citizens logging fire-related safety concerns, and the public.

**What We Deliver:** Property owners are required to adhere to fire safety legislation and regular fire inspections of new and existing buildings help owners ensure that buildings stay compliant with the provincial safety codes.

**How Much Resources (2021 gross operating budget):** \$28.6 million

#### **Fire Safety Education**

**Who We Serve:** Residents, businesses and institutions, such as schools.

**What We Deliver:** Community awareness programs, such as Alarm for Life program for residential smoke and carbon monoxide alarms, school fire safety programs and other public campaigns to reduce the risk to life and property through education.

**How Much Resources (2021 gross operating budget):** \$6.5 million

## Budget at a Glance

### OPERATING BUDGET

\$ Millions	2021	2022	2023
Revenues	\$20.8	\$20.8	\$20.8
Gross Expenditures	\$509.4	\$529.9	\$536.4
Net Expenditures	\$488.6	\$509.1	\$515.6
Approved Positions	3,191.3	3,191.3	3,212.3

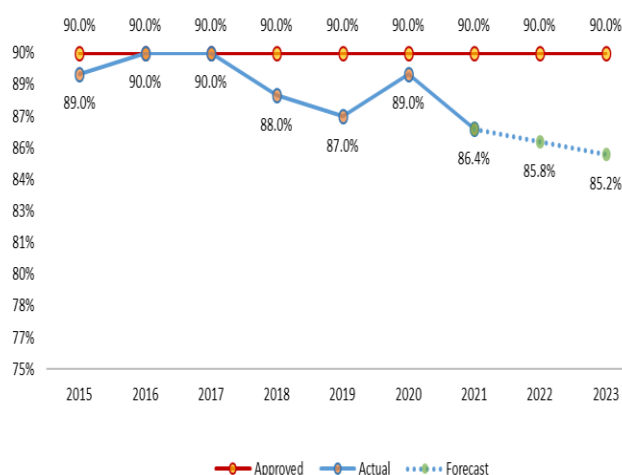
### 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$19.4	\$27.1	\$46.4
Debt	\$5.7	\$13.9	\$19.6

Note: Includes 2020 carry forward funding to 2021

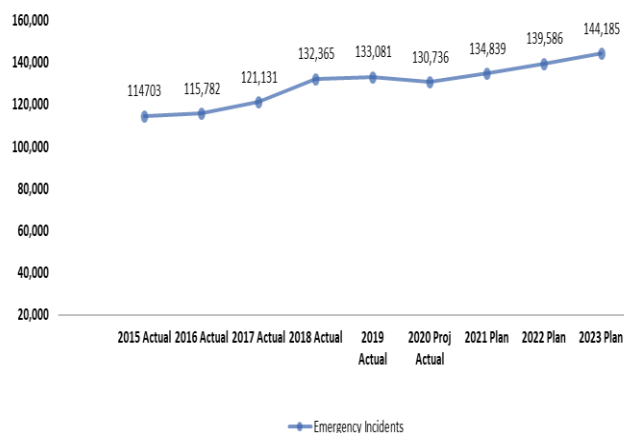
## How Well We Are Doing – Behind the Numbers

### Effective Firefighting Force(10:24 min)-90% of the Time



- Effective Firefighting Force is the time interval from emergency call acknowledgement to arrival of the initial number of personnel required for safe and effective firefighting operations
- TFS continues to expect future challenges in maintaining performance standards due to city growth and densification resulting in increased travel times.
- 2020 represents an anomaly due to decreased travel times related to COVID shut downs and much lighter traffic patterns for a significant portion of the year. In the absence of COVID, the downward trend in achieving EFF is expected to continue. City strategies for dealing with COVID such as CafeTO and ActiveTO may have a further impact on travel time in 2021.
- A redeployment review deferred from 2020 and now planned for 2021 will ensure the best and most efficient use of resources to further reduce service gaps.

### # Emergency Incidents



- Emergency incidents include TFS's response to all types of emergencies including fires, emergency medical incidents, all types of rescue (water, high-angle), and specialized services including hazardous materials.
- Although the overall trend indicates increasing call volumes in each year moving forward, 2020 represents an anomaly due to COVID-19, which has had a tremendous effect of the number and types of emergency calls run by TFS. As of December 2, 2020, overall call volume was down by 7.0%, although the number of emergency calls for fires was up 16.4%, which is reflective of people staying home.
- Public Education efforts have been focussed on on-line social media channels, dealing with the most common causes of fires in recent months.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Fire Rescue & Emergency Response	Effective firefighting force within 10:24min 90% of the time	88%	87%	90%	89%	90%	90%	●
Fire Rescue & Emergency Response	Extent of Fire Spread - % of fires contained to room of origin	86.7	87.2	87.2	84.7	83.5	83.5	●
Service Level Measures								
Fire Rescue & Emergency Response	Total response time within 6:24min 90% of time	82%	81%	90%	80%	90%	90%	●
Fire Rescue & Emergency Response	% responding crew turn-out time within 1:20 mins per NFPA 1710	46%	51%	90%	49%	90%	90%	●
Fire Prevention, Inspection & Enforcement	% of TCHC multi-units residential properties inspected annually		New in 2020	100%	100%	100%	100%	●
Fire Prevention, Inspection & Enforcement	% of vulnerable occupancy inspections conducted annually		New in 2020	100%	100%	100%	100%	●
Fire Safety Education	# Elementary School presentations conducted annually/ total planned	146% (2,109/1,440)	100% (1,800/1,800)	1,825	24% * (433/1,825)	900**	1,843	●
Other Measures*								
Fire Rescue & Emergency Response; Fire Prevention, Inspection & Enforcement; Fire Safety Education	Residential fire related civilian fatalities per 100,000 population*	0.37	0.40	0.40	0.40	0.39	0.39	●
Fire Rescue & Emergency Response	Total Fire Cost per Staffed In-Service Vehicle Hour**	\$470	\$492	\$522	\$522	\$554	\$588	●

\* MBN measures used to compare to other municipalities – these measures are not “owned” by TFS.

\*\* Targets for 2021 and 2022 are based on current deployment model, which is under review.

**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>COVID-19 has resulted in the following unbudgeted costs for TFS of \$0.258 million net:             <ul style="list-style-type: none"> <li>\$0.615 million additional salaries and benefits mainly in overtime required to provide timely response due to COVID-19.</li> <li>\$1.113 million in additional costs required to purchase Personal Protective Equipment for TFS personnel including reusable masks, surgical masks, gloves, and sanitizers.</li> <li>\$0.025 million in costs related to the lump sum payment to permanent staff who were eligible to retire under the Voluntary Separation Program.</li> <li>\$1.495 million savings resulting from delays in hiring due to COVID-19 and the hiring slow down process.</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 Fire's 2020 experience.             <ul style="list-style-type: none"> <li>\$0.615 million additional salaries and benefits mainly in overtime required to provide timely response due to COVID-19.</li> <li>\$1.113 million in additional costs required to purchase Personal Protective Equipment for TFS personnel including reusable masks, surgical masks, gloves, and sanitizers.</li> <li>\$0.062 million projected cost savings in salaries and benefits due to the Voluntary Separation Program.</li> <li>\$0.266 million savings from cancellation of non-union progression pay.</li> <li>\$2.405 million savings resulting from delays in hiring due to COVID-19 and the hiring slow down process.</li> </ul> </li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>As a result of COVID-19 and delays in the coordination of procurement activities, Toronto Fire Services re-casted its 2021 Capital Budget:             <ul style="list-style-type: none"> <li>\$0.1 million in cancellation of the Training Simulators/Facilities project.</li> <li>\$4.0 million for 3 Dohme Ave facility rehabilitation project due to the repurposing of capital funding.</li> <li>\$0.4 million in Particulate Hood carried forward into 2021.</li> <li>\$0.6 million from the cancellation of the Training Facilities Needs Assessment project due to slow down of projects funded by Capital from Current a potential offset to COVID-19 financial impacts</li> </ul> </li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>The 2021 capital projects and cash flows have been reviewed and re-casted as required to align cash flows with the capital project's readiness to proceed.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>TFS will continue to review Service Levels to reflect changes as required to meet ongoing community needs. Changes were more in the way services are provided, not in the service levels themselves.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>TFS will continue to review Service Levels to reflect changes as required to meet ongoing community needs. Changes expected more in the way services are provided, not in the service levels themselves.</li> </ul>



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Adapted service provision to deal with responses during a pandemic, resulting in very few infections amongst TFS staff. Implemented a comprehensive program using TFS Designated Officers to assist in contact tracing and recommendations regarding isolation, testing and work protocols.
- Maintained accredited agency status with the Commission on Fire Accreditation International (CFAI) attained in 2019, following successful submission of the first annual compliance report.
- Realigned internal processes by reorganizing TFS to include Training and Technical Operations under the Operations umbrella, to better support the staff they serve. Launched recruitment process to fill vacancies in Training Officer positions.
- Released the first set of recommendations from the TFS redeployment review, to be implemented in January 2021, to improve response through a realignment of existing resources.
- Acquired G1 adapters for our self-contained breathing apparatus (SCBA) face pieces to ensure staff remained safe from coronavirus in light of a worldwide shortage of PPE. TFS acquired a sufficient number of adaptors, filters, storage cases, and prepared training documents and a training video by May 2020 to ensure no gap in service delivery.
- Public education is being delivered leveraging the use of technology platforms to allow virtual presentation. Routine inspections including high rise buildings continue with necessary PPE, and modifications made to eliminate residential suite inspections unless a serious fire safety threat is present.
- Partnered with Local 3888 executive in three town hall meetings with staff to address issues related to changes in work processes, COVID-19 protocols, and mental health issues, among others.
- Began the rollout of new bunker gear to Operations staff, replacing 10-year-old suits as required by National Fire Protection Association (NFPA) standards. Rollout will be completed in 2021.

### Key Challenges and Risks

- Training has reached a critical staffing shortage resulting in grievances, and an inability to meet requirements of Ministry of Labour inspection reports, as well as recommendations from Auditor General's reports, Coroners Inquests, and the recent CFAI accreditation requirements. The Training Division has moved to the Operations portfolio and a hiring process is underway to fill long standing vacancies. Planning is underway to fill gaps associated with possible NFPA certification issues under discussion at the provincial level. Funding will be allocated to meet outstanding training issues using the existing operational salaries and benefits budget.
- The number of WSIB-approved hours of off-duty time for operational staff has increased significantly within the last 5 years, and is projected to continue to increase as the impact of occupational stress injuries, traumatic mental stress; as well as PTSD incidents continue to increase. TFS's complement level does not provide a mechanism to compensate for these absences.
- Increased annual funding levels for fleet replacement were recommended in 2004 but not achieved until 2018. This funding level is no longer sufficient to keep the TFS fleet within NFPA recommended life cycles. Based on the established lifecycle program, TFS currently has a vehicle replacement backlog of approximately \$42.9 million. All vehicles that require replacement range in age from 15-21 years, and have reached the end of their useful life cycle (projected at 12-15 years) according to standards and comparable municipal organizations. Four front-line and 26 spare emergency apparatus are currently beyond their 15 year life-cycle, with one more front line and 10 spare vehicles reaching that milestone in 2020. Many units that require replacement are due to structural issues resulting from an accelerated rate of corrosion and extended in-service use. Currently, nine front line vehicles are on a conditional one year pass on inspection for frame condition. Additionally, a reserve fund to replace the City's only ice-breaking capable fire boat has never been set up.
- The hiring slow-down resulting from COVID-19 is affecting service delivery in many essential areas, including TFS's communications unit; as delays in hiring and subsequently training staff has created an unsustainable strain on resources.

### Priority Actions

- Complete hiring process in the Training Division and launch new training initiatives to meet significant outstanding issues with assistance and expertise from the Operations division (described above).
- Complete the redeployment review (delayed by COVID-19) in accordance with the CFAI recommendations and City Council direction by conducting critical task analyses to better align the deployment of resources with the TFS standards of cover, to improve the efficiency and effectiveness of resource deployment.



## 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>						
Fire Rescue & Emergency Responses	21,473.7	19,603.3	21,103.3	19,630.6	(1,472.7)	(7.0%)
Fire Prevention, Inspection & Enforcement	1,971.7	1,130.6	1,130.6	1,130.6		
Fire Safety Education	231.4	8.1	8.1	8.1		
<b>Total Revenues</b>	<b>23,676.8</b>	<b>20,741.9</b>	<b>22,241.9</b>	<b>20,769.2</b>	<b>(1,472.7)</b>	<b>(6.6%)</b>
<b>Expenditures</b>						
Fire Rescue & Emergency Responses	451,055.4	462,201.8	459,632.1	474,301.6	14,669.5	3.2%
Fire Prevention, Inspection & Enforcement	27,501.6	28,770.7	28,430.4	28,582.5	152.1	0.5%
Fire Safety Education	5,975.8	6,400.1	6,228.5	6,503.0	274.5	4.4%
<b>Total Gross Expenditures</b>	<b>484,532.9</b>	<b>497,372.6</b>	<b>494,291.1</b>	<b>509,387.1</b>	<b>15,096.0</b>	<b>3.1%</b>
<b>Net Expenditures</b>	<b>460,856.1</b>	<b>476,630.7</b>	<b>472,049.2</b>	<b>488,617.9</b>	<b>16,568.7</b>	<b>3.5%</b>
<b>Approved Positions</b>	<b>3,212.3</b>	<b>3,192.3</b>	<b>3,192.3</b>	<b>3,191.3</b>	<b>(1.0)</b>	<b>(0.0%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$509.387 million gross reflecting an increase of \$15.096 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Increase in salaries & benefits from the Local 3888 Collective Agreement provisions, offset by efficiency savings that include budget adjustments to actual experience.
- Inflationary increase for utilities, maintenance and other non-labour expenditures.
- Non-salary expenditure savings resulting from a Line-by-Line review.
- Resume annual contribution to fleet replacement of \$7.203 million.

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 \$488.618 million in net expenditures reflects a \$10.259 million increase from the 2020 Council approved Budget, when excluding \$1.729 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** The 2021 Operating Budget for Toronto Fire Services does not include New and Enhanced Services.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Fire Services' 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Fire Service is \$509.387 million gross or 3.1% higher than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	456,754.1	474,342.6	470,368.0	478,171.0	7,803.0	1.7%
2	Materials & Supplies	9,090.2	9,886.8	10,749.9	11,388.4	638.5	5.9%
3	Equipment	1,009.0	1,299.0	1,579.0	1,299.0	(280.0)	-17.7%
4	Service and Rent	7,560.2	7,937.7	7,687.7	8,267.0	579.3	7.5%
5	Contribution To Reserves	10,070.3	3,893.0	3,893.0	10,246.5	6,353.5	163.2%
6	Other Expenditures	49.1	13.5	13.5	15.2	1.7	12.4%
Total Expenditures		484,532.9	497,372.6	494,291.1	509,387.1	15,096.0	3.1%
Revenues							
1	Provincial Subsidies	842.7	710.0	710.0	710.0		
2	User Fees & Donations	22,367.1	19,789.8	21,289.8	19,789.8	(1,500.0)	-7.0%
3	Draw from Reserve Funds	130.0					
4	Other Revenues (Inc. IDR's)	337.0	242.1	242.1	269.4	27.3	11.3%
Total Revenues		23,676.8	20,741.9	22,241.9	20,769.2	(1,472.7)	-6.6%
Net Expenditures		460,856.1	476,630.7	472,049.2	488,617.9	16,568.7	3.5%
Approved Positions		3,212.3	3,192.3	3,192.3	3,191.3	(1.0)	-0.0%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:** Includes increase in salaries and benefits of \$7.803 million to fund L3888 COLA pressures of 1.5%, step and recognition pay. As mitigation efforts to address COVID-19 financial impacts, these increases have been partially offset by efficiency savings that adjust the 2021 Operating Budget to actual experience.

**Materials and Supplies:** Include increase of \$0.638 million for cost of cleaning firefighting protective equipment, reflective of an amendment to the existing contract.

**Services and Rents:** Includes increase of \$0.579 million for escalation in winter maintenance contract.

**Contributions to Reserves:** Includes increase in the contribution to Vehicle Reserve for replacement vehicles of \$7.203 million as per the adjusted reserve contribution plan approved during the 2020 budget process.

**User Fees and Donations:** While 2020 projected actuals include over-achieved False Alarm revenues of \$1.5 million, this trend is not expected to continue into 2021, as the redeployment review may result in fewer trucks dispatched to certain types of calls, which will impact false alarm revenues.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
TFS-Changes to reflect actual experience-salaries and benefits	Match to Actuals		(3,216.7)	(3,216.7)				
The Call Back Pilot Project-Cancellation	Other		(2,256.6)	(2,256.6)				
COVID-19-Savings due to hiring slow down policy	Other		(2,405.0)	(2,405.0)				
Remove Merit Pay for Non-Union staff	Other		(266.5)	(266.5)				
Fire Training-Re-Organization	Efficiencies		(118.5)	(118.5)	-1.0		0.0	
Voluntary Separation Program -VSP	Other		(62.1)	(62.1)				
Line by Line Review of non-salary items	Line By Line		(100.0)	(100.0)				
<b>Total Balancing Actions</b>			<b>(8,425.5)</b>	<b>(8,425.5)</b>	<b>-1</b>		<b>0.0</b>	<b>-</b>

The 2021 Operating Budget includes \$8.425 million in gross expenditure reductions as follows:

#### ***Call Back Pilot Project Cancellation***

- Reduction to reflect the elimination of the Call Back Pilot Program approved in 2020 to backfill staff absences due to WSIB and other related absences; includes \$0.992 million savings from redeploying existing staff to open and operate the new Station B (Downsview) which is projected to be completed by Q4, 2021.

#### ***Salaries and Benefits Projected Savings***

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment from adopting vacancy management strategies, including adjusting the 2021 budget to reflect actual experience, and the cancellation of non-union performance pay.
- Implementing the Voluntary Separation Program.

#### ***Training Re-organization:***

- A reduction reflecting staffing re-organization to better meet service requirements for staff training.

#### ***Line by Line Review:***

- A reduction in base expenditures in non-salary costs through efforts to manage continuous cost increases from internal and external sources

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

(\$000s)	2020 Projection *	2021 Budget	2022 Outlook	2023 Outlook
Revenues	22,241.9	20,769.2	20,769.2	20,769.2
Gross Expenditures	494,291.1	509,387.1	529,855.5	536,378.7
<b>Net Expenditures</b>	<b>472,049.2</b>	<b>488,617.9</b>	<b>509,086.3</b>	<b>515,609.5</b>
<b>Approved Positions</b>	<b>3,192.3</b>	<b>3,191.3</b>	<b>3,191.3</b>	<b>3,212.3</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$529.855 million reflects an anticipated \$20.468 million or 4.0 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlook expects a further increase of \$6.523 million or 1.2 per cent above the 2022 gross expenditures.

These changes arise from the following:

- **Salaries and Benefits**

Known Salary and Benefit increases resulting from the cost of living allowance for Local 3888 staff, step increases and recognition pay in 2022 & 2023.

- **Operating Impact of Capital**

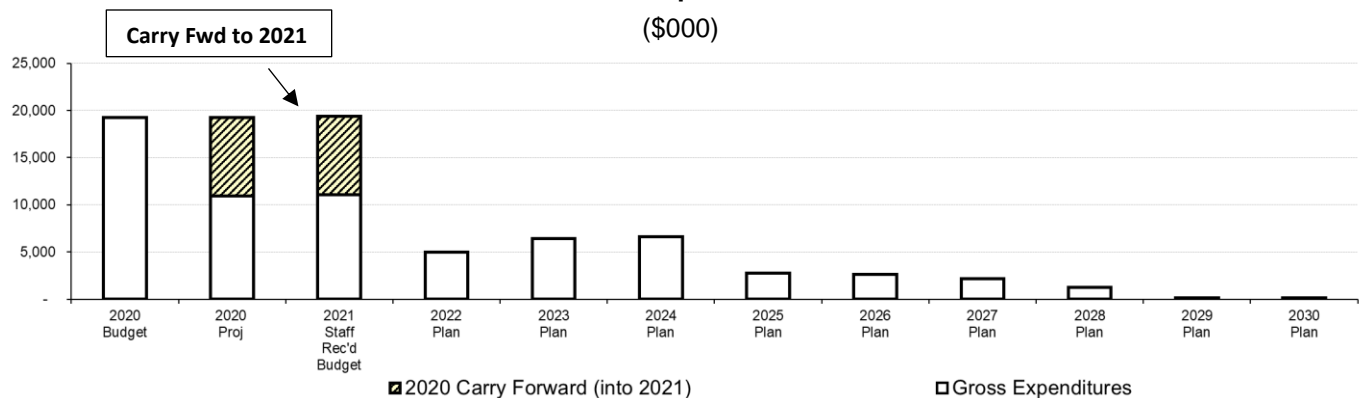
Added crew (21 positions) in 2023 to staff the new Fire Station Downsview, pending a review of the relocation of an existing crew to run the station in 2022.

- **Inflationary Impact**

Increase in utilities and fuel costs due to general inflation in 2022 & 2023.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview



In \$000's			2021 Capital Budget and 2022 - 2030 Capital Plan														
			2020		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2021 - 2025	2026- 2030	Total 10 Year Plan
			Budget	Projected Actual													
Gross Expenditures by Project Category:																	
Health & Safety & Legislated			2,828	1,819	3,348	431	3,133	5,584	2,336	2,500	2,050	1,150	50	50	14,832	5,800	20,632
SOGR			6,655	308	8,177	3,435	2,205	1,005	427	100	100	100	100	100	15,249	500	15,749
Service Improvement & Growth			9,732	4,262	7,840	1,105	1,105							10,050	-	10,050	
Total by Project Category			19,215	6,389	19,365	4,971	6,443	6,589	2,763	2,600	2,150	1,250	150	150	40,131	6,300	46,431
Financing:																	
Debt			4,943	386	5,719	3,785	2,987	3,767	777	400	1,750	150	150	150	17,035	2,600	19,635
Reserves/Reserve Funds			2,526	1,377	2,538	81	2,783	2,822	1,986	2,200	400	1,100			10,210	3,700	13,910
Development Charges			8,846	4,038	9,491	768								10,259	-	10,259	
Provincial														-	-	-	
Federal			123	123	-	337	673							1,010	-	1,010	
Debt Recoverable														-	-	-	
Other1-CFC			2,777	465	1,617									1,617	-	1,617	
Total Financing			19,215	6,389	19,365	4,971	6,443	6,589	2,763	2,600	2,150	1,250	150	150	40,131	6,300	46,431

### Changes to Existing Projects

- The 2021-2030 Capital Budget and Plan reflects a decrease of \$7.323 million.
- Deferral of Station A Woodbine - \$6.523 million to outside of the 10-year plan based on needs assessment.
- Deferral of the Fire Apparatus for Station A Woodbine - \$0.800 million to outside of the 10-year plan based on needs assessment.






### New Projects

- The 2021-2030 Capital Plan does not include new projects.

### Capital Needs Constraints

- The 2021-2030 Capital Budget and Plan is based Toronto Fire Services' capacity to deliver. The following programs are not included in the 10-year plan:
  - Auto-Extrication Tools -\$0.570 million
  - Various Training Simulators -\$0.360 million
  - HUSAR Building Net Zero Amendment - \$2.1 million
  - Fire Master Plan - \$0.900 million
  - Replacement of Fire Boats -\$15.0 million
  - New Fire Stations - Lower Don Lands & Christie - \$30.4 million
  - Relocation of Fire Academy -\$30.0 million
  - Other equipment-\$8.9 million

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$46.4 Million 10-Year Gross Capital Program**

				
<b>New Stations/ Renovations</b>	<b>Information Technology</b>	<b>Vehicles</b>	<b>Communication</b>	<b>Other – SOGR Health &amp; Safety</b>
\$9.8 M 21%	\$4.0 M 9%	\$3.8 M 8%	\$7.8 M 17%	\$21.0 M 45%
New Fire Station; HUSAR Building Expansion; Renovation of 3 Dohme Avenue Facility	Next Generation 911 / Fire Prevention Technology Integration / CAD Upgrade	Fire Apparatus for the new station / High Density Urban Aerial Truck	Lifecycle Replacement of Portable and Mobile Radios	Personal Protective Equipment and Toronto Radio Infrastructure Project (TRIP)

**How the Capital Program is Funded**

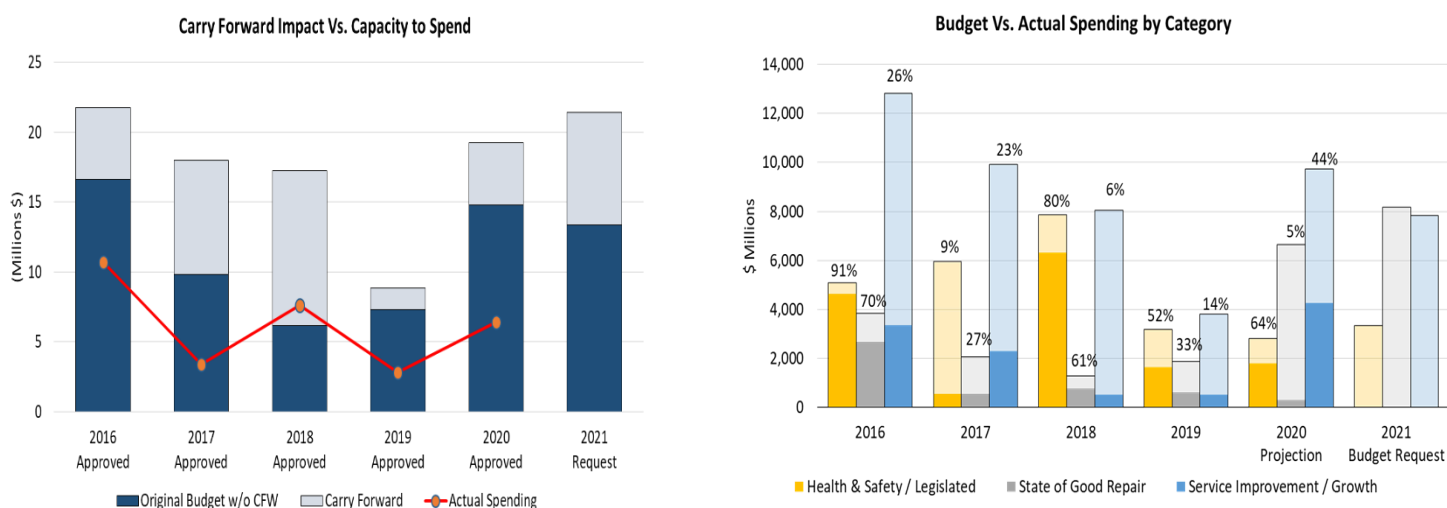
<b>City of Toronto</b>		<b>Federal Funding</b>	
<b>\$45.4 M 98%</b>		<b>\$1.0 M 2%</b>	
Debt	\$ 19.6 M	Grants	\$ 1.0 M
Reserve Draws	\$ 13.9 M		
Development Charges	\$ 10.3 M		
Other	\$ 1.6 M		

## 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 plan. A review was undertaken to ensure budgets align with Toronto Fire Services' 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

Based on the review of historical capital spending constraints and a capacity to spend review, \$2.410 million in capital spending originally cash flowed in 2021/2022 has been advanced to 2020, with an additional \$1.105 million deferred to 2023. Two projects were cancelled totalling \$7.323 million and removed from the 10 year plan.

Adjustments to the Capital Plan are noted below:

- Funding for Station B (Downsview): \$1.590 million was accelerated from 2021 to 2020 as construction is ahead of schedule.
- Funding for The Personal Protection Equipment Replacement: \$0.820 million was accelerated from 2021 and 2022 to 2020 as the project is advancing to mitigate delays from COVID-19.
- Funding for the HUSAR Building Expansion was recast based on the capacity to spend review, reflecting the following changes: \$1.105 million in 2021 was deferred to 2022, and funding of \$1.105 million in 2022 was deferred to 2023. The projected completion date has been changed from Q1 2022 to Q1 2023.
- Funding of \$6.523 million for the Station (A) Woodbine project and \$0.800 million for the Station (A) Woodbine Fire Apparatus project are removed from the 10-Year Capital Plan. Based on a reassessment of the performance analytics, TFS is recommending the deferral of the Woodbine station and corresponding fire apparatus projects to outside of the 10-year plan, given that community development has not occurred as planned, while other areas of the City are experiencing growth and require resources.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG –N/A**

TFS's State of Good Repair backlog and ongoing maintenance is managed by Corporate Real Estate Management's (CREM) State of Good Repair program and is included in the 2020 Capital Budget for CREM.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Budget and Capital Plan will impact future year Operating Budgets by \$3.464 million net over the 2021-2030 period, primarily due to the addition of a new fire crew to staff and operate Station B Downsview, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Station B - Downsview			85		2,469	21.0					2,554	21.0		
Fire Prevention Technology Integration			125								125			
Fire Preven-Office Space Accommodation (3 Dhome)			140								140			
Next Generation 911 Project			65								65			
Toronto Radio Infrastructure Project (TRIP)			255		245		40				540			
<b>Sub-Total: Previously Approved</b>	-	-	670	-	2,714	21	40	-	-	-	3,424	21.0		
<b>New Projects - Future Years</b>														
CAD Update					25		15				40			
<b>Sub-Total: New Projects - Future Years</b>	-	-	-	-	25	-	15	-	-	-	40			
<b>Total (Net)</b>			670		2,739	21.0	55				3,464	21.0		

## Previously Approved projects

- The Fire Prevention Technology Integration project will require funding in 2022 for I&T maintenance / licensing requirements.
- The 21 firefighter positions for Station B-Downsview were originally approved in 2018, but as the project completion was delayed the positions were deleted in the 2020 Operating Budget. TFS is recommending the relocation of an existing crew to staff the Downsview Fire Station in Q4 2021. The impact of relocating the crew on Total Response Time, Effective Fire Fighting Force and containing fires to the room of origin will be measured throughout 2022 and reported during the 2023 budget process.
- The Fire Prevention Office Space Accommodation (3 Dohme) project will require funding for utilities and maintenance costs commencing in 2022.
- Next Generation 911 project will require funding for I&T maintenance costs in 2022.
- Toronto Radio Infrastructure Project (TRIP) project will require additional operating funds commencing in 2022 for annual fees that provide access and management of security provisioning capabilities.



# 2021 Program Summary

## Transit Expansion

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Transit Expansion Division was created in September 2019 to address the delivery of new transit infrastructure in the City of Toronto. The new division provides day-to-day leadership and oversight of the City of Toronto's participation in the long term, multi-billion dollar transit network expansion program. Specifically, the role of the Transit Expansion Division is to:

1. Partner with key stakeholders such as the Province of Ontario, Metrolinx, Infrastructure Ontario, and Toronto Transit Commission (TTC) to deliver new transit infrastructure to keep Toronto moving;
2. Provide dedicated leadership for the City's transit expansion strategy, including coordinating the City's strategic interests and municipal requirements; and
3. Provide oversight of the City's transit expansion program, including centralizing coordination and seeking opportunities throughout the project lifecycle to accelerate transit expansion projects by streamlining and optimizing municipal processes where possible.

### Why We Do It

**The City of Toronto, Province and other stakeholders partner together in a coordinated, organized and integrated manner to deliver on-time and on-budget transit expansion in Toronto.**

*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

#### **Program Management and Planning**

**Who We Serve:** City Council and the City's Senior Leadership Team

**What We Deliver:** agreements, secretariat and governance, environmental assessment reviews, design reviews, procurement, program controls and reporting. Coordinate the City's involvement in the planning of expansion of transit with our external partners.

**How Much Resources (2021 gross operating budget):** \$2.247 Million

#### **Capital Implementation Coordination**

**Who We Serve:** City Council and the City's Senior Leadership Team

**What We Deliver:** We coordinate the city's involvement in the implementation of the transit expansion projects and resolve issues with our external partners.

**How Much Resources (2021 gross operating budget):** \$6.862 Million

## Budget at a Glance

### OPERATING BUDGET

<u>\$Million</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues	\$9.1	\$9.1	\$9.1
Gross Expenditures	\$9.1	\$9.1	\$9.1
Net Expenditures	\$0.0	\$0.0	\$0.0
Approved Positions	59.0	59.0	59.0

### 10-YEAR CAPITAL PLAN

<u>\$Billion</u>	<u>2021</u>	<u>2022-2030</u>	<u>Total</u>
Gross Expenditures	\$0.044	\$1.525	\$1.569
Debt	\$0.034	\$0.062	\$0.096

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Service Level Measures</b>								
<b>Program Management and Planning</b>	End-to-end length of time for issues to be considered and resolved at a Steering Committee	N/A	N/A	TBD	TBD	3 months**	3 months**	●
<b>Program Management and Planning</b>	% of City reviews of Environmental Assessment/Transit Project Assessment Process documents completed within service standard***	N/A	N/A	100%	95%	100%	100%	●
<b>Program Management and Planning</b>	% of City reviews of procurement documents completed within service standard***	N/A	N/A	100%	95%	100%	100%	●
<b>Capital Implementation Coordination</b>	% of City reviews of capital implementation submissions completed within service standard***	N/A	N/A	100%	95%	100%	100%	●

### Notes:

\*TE is a new division created in September 2019. As a result, data to support reporting on prior year actuals for TE Service Measures is not available. TE will be collecting data and reporting on identified service levels in 2021.

\*\*Service level target for 2021 and 2022 needs to be confirmed through baseline data collection.

\*\*\*Service standards for City reviews established in resourcing agreements with Metrolinx.

## COVID-19 IMPACT AND RECOVERY

2020 Impact	2021 Impact and Recovery
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Transit Expansion continues to coordinate support delivery of transit projects and initiatives to keep Toronto moving, hiring has slowed down due to COVID-19, which has impacted how much support can be provided to all the projects.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There are no anticipated impacts to service level as a result of COVID-19 during 2021.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Ontario-Toronto Transit Partnership Preliminary Agreement*, signed in February 2020, established the roles and responsibilities of the Province and the City in implementing major transit initiatives in Toronto.
- Coordinated the addition of temporary City division resources to support the Subway Program.
- Received Council authority to negotiate and execute the GO Master Agreement with Metrolinx for the Metrolinx GO Expansion Program.
- The construction of the Steeles avenue grade separation and Davenport diamond overpass.

### Key Challenges and Risks

- Centralizing Program Management:** Lead the coordination and delivery of municipal requirements with City divisions, identifying opportunities to streamline processes without compromising regulatory due diligence, and implement enhanced project process controls, reporting, and overall accountability.
- Integrating Transit with Major Capital Works:** Integrate and coordinate with other infrastructure delivery priorities, plans, and capital projects (i.e., growth areas, roads, water, utilities, etc.).
- Reducing Transit Staff Vacancies:** TEO along with other City divisions that support transit expansion must be able to retain dedicated staff needed to deliver transit expansion services and support the transit program's demands.
- The recruitment and retention of high calibre transit professionals that are needed in TEO to support key business areas across the City,** in a highly competitive program management market, may continue to impact the Transit Expansion program's ability to fully staff its complement.

### Priority Actions

- Continue to lead engagement with external stakeholders (i.e. with Ontario Ministry of Transportation; Metrolinx, Infrastructure Ontario and other agencies) on transit expansion program.
- Assess and revise the TEO role to enhance the delivery of its Service through review of transit program governance, including committees and working groups.
- Retain the necessary external consulting services and software tools to continue to improve our internal and external coordination and to support our service delivery.

## 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>						
Capital Implementation Coordination	2,039.8	6,450.2	3,883.7	6,862.0	2,978.3	76.7%
Program Management and Planning	277.4	2,221.3	1,339.4	2,247.0	907.6	67.8%
<b>Total Revenues</b>	<b>2,317.2</b>	<b>8,671.5</b>	<b>5,223.1</b>	<b>9,109.0</b>	<b>3,885.9</b>	<b>74.4%</b>
<b>Expenditures</b>						
Capital Implementation Coordination	1,850.5	6,450.8	3,917.7	6,862.0	2,944.4	75.2%
Program Management and Planning	466.7	2,221.3	1,305.4	2,247.0	941.6	72.1%
<b>Total Gross Expenditures</b>	<b>2,317.2</b>	<b>8,672.1</b>	<b>5,223.1</b>	<b>9,109.0</b>	<b>3,885.9</b>	<b>74.4%</b>
<b>Net Expenditures</b>	<b>0.0</b>	<b>0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>Approved Positions</b>	<b>33.0</b>	<b>59.0</b>	<b>59.0</b>	<b>59.0</b>	<b>0.0</b>	

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$9.109 million gross reflecting an increase of \$3.886 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Increases in salary and benefit for existing position due to anticipated positions to be filled in 2021 to meet service demands, which were vacant in 2020 due to COVID-19 response.
- Increases in services and rents related to anticipated professional services to meet program priorities.

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

- 2021 Base Budget totalling \$0.0 million in net expenditures reflects a \$0.0 million net change to the 2020 Council approved Budget.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Services:** Transit Expansion division does not have New and Enhanced Services.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Transit Expansion division's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Transit Expansion is \$9.109 million gross or 74.4 per cent 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	
						\$	%
Expenditures							
1	Salaries and Benefits	1,945.1	7,579.1	4,497.6	8,016.1	3,518.5	78.2%
2	Materials & Supplies	1.6	52.0	26.0	52.0	26.0	100.0%
3	Equipment	93.9	252.1	63.0	252.1	189.1	300.0%
4	Service and Rent	209.3	788.8	636.5	788.8	152.3	23.9%
5	Other Expenditures	67.3					
Total Expenditures		2,317.2	8,672.1	5,223.1	9,109.0	3,885.9	74.4%
Revenues							
1	Transfers from Capital	292.4	2,448.6	1,476.5	2,475.4	999.0	67.7%
2	Other Revenues	2,024.8	6,222.8	3,746.6	6,633.6	2,887.0	77.1%
Total Revenues		2,317.2	8,671.5	5,223.1	9,109.0	3,885.9	74.4%
Net Expenditures			0.6	0.0	0.0	0.0	
Approved Positions		33.0	59.0	59.0	59.0		

\*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.

**Equipment:** Include increases for employee related equipment costs and purchases.

**Services and Rents:** Include increases for professional and technical services for the delivery of divisional priorities and operational requirements.

**Transfers from Capital/Other Revenues:** Include increases for recovery of existing positions fully funded by Metrolinx and anticipated recoveries for capital funded positions.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Cancellation of Non-union Performance	Other		(145.0)	(145.0)				
<b>Total Balancing Actions</b>			(145.0)	(145.0)	-			-

**Salaries and Benefits Projected Savings**

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by canceling the non-union performance pay.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	5,223.1	9,109.0	9,121.3	9,125.0
Gross Expenditures	5,223.1	9,109.0	9,121.3	9,125.0
<b>Net Expenditures</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Approved Positions</b>	<b>59.0</b>	<b>59.0</b>	<b>59.0</b>	<b>59.0</b>

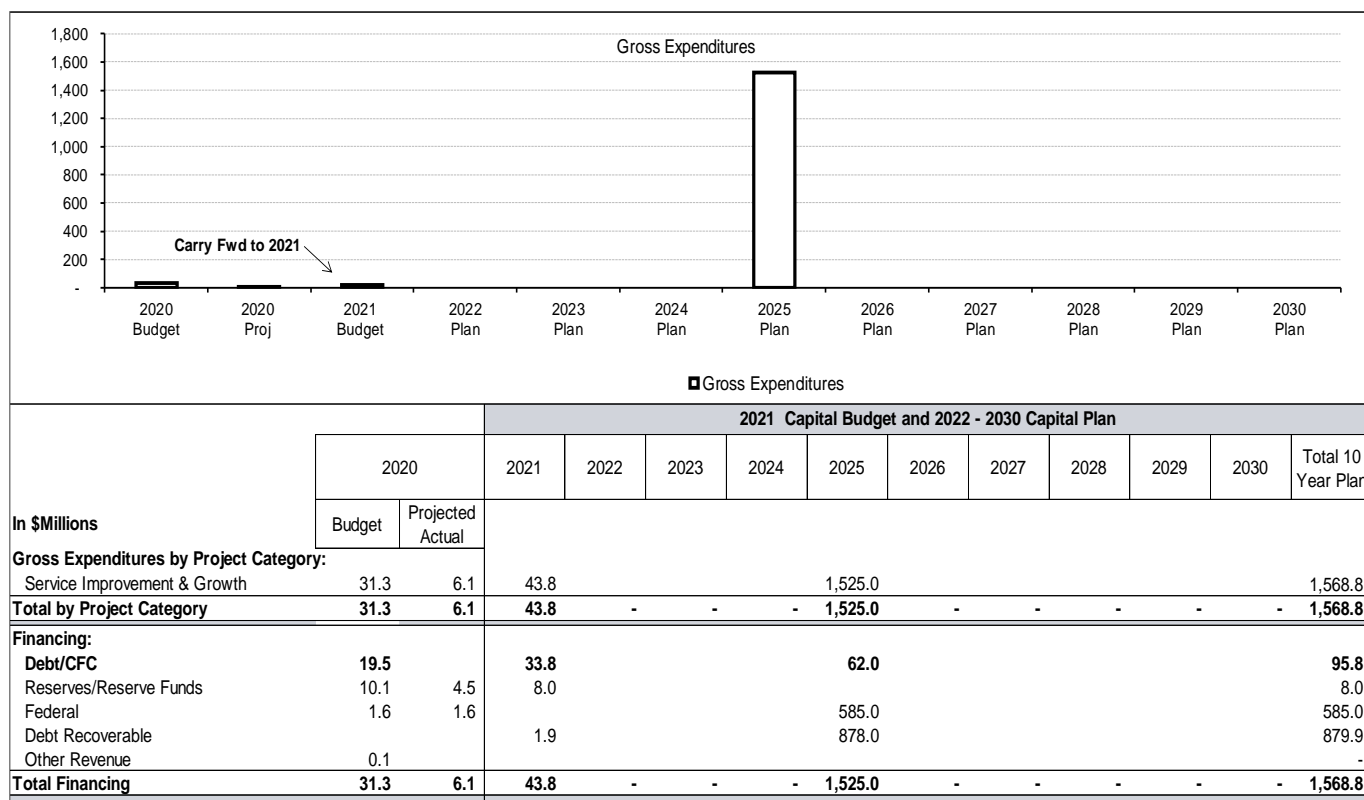
**Key drivers**

The 2022 Outlook with total gross expenditures of \$9.121 million reflects an anticipated \$0.012 million or 0.1 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlooks expects a further increase of \$0.004 million above 2022 gross expenditures.

These changes arise from inflationary increases for salaries and benefits.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects

- The 2021-2030 Capital Budget and Plan reflects a decrease of \$1.9 million due to reduction in project costs.

### New Projects

- There are no new projects in the 2021-2030 Capital Budget.

### Capital Needs Constraints

- The 2021-2030 Capital Budget and Plan is based on Transit Expansion's capacity to deliver.
- Transit Expansion division does not have any unmet needs over the 10-year planning horizon.



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$1.6 Billion 10-Year Gross Capital Program****How the Capital Program is Funded**

City of Toronto		Provincial Funding	Federal Funding
<b>\$983.0 M</b> <b>63%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$585.0 M</b> <b>37%</b>
Debt	\$95.8 M		
Recoverable Debt	\$879.9 M		
Reserve Draws	\$8.0 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 Transit Expansion division's ability to spend and the markets capacity to deliver.

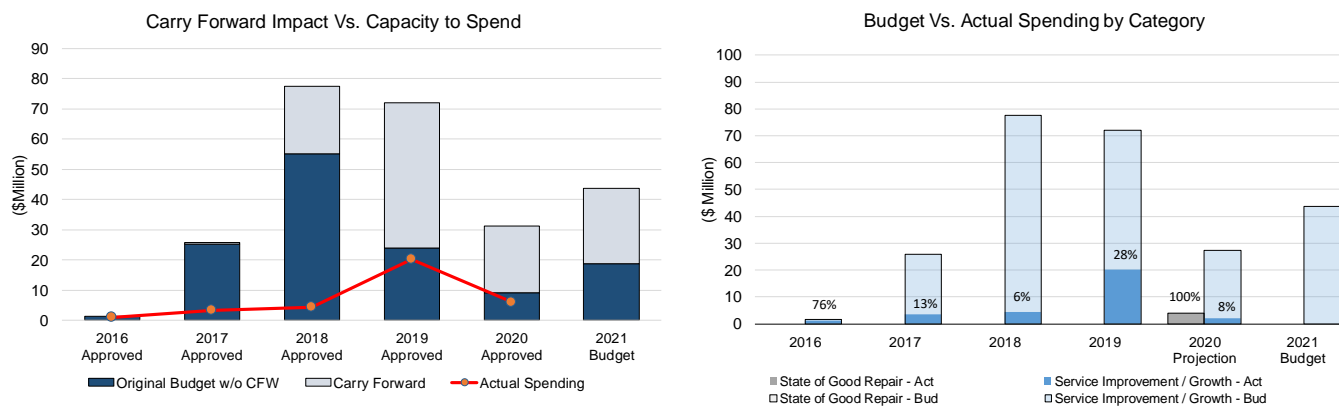
On July 7, 2020 the Province passed legislation (Bill 171 Building Transit Faster Act) to expedite the planning, design and construction process of transit projects in the province of Ontario. With the support of the City, Bill 171 enables the province to accelerate the process of building Ontario's four priority transit projects: Ontario Line, the Yonge North Subway Extension to Markham and Richmond Hill, the three-stop Scarborough Subway Extension and the Eglinton Crosstown West Extension to Pearson airport.

The realignment of transit responsibilities between the Province and the City has now been determined and Transit Expansion division will now work to confirm the City transit project schedules. Cash flows will continue to be refined to align with project timing in future budget processes

A key component in determining the appropriate level of annual cash flows is confirming project scheduling as it plays a major role in the ability to correctly align annual cash flows with planned work. Actual spending was down resulting from uncertainty surrounding the realignment of transit responsibilities between the Province and the City which delayed the planning process on City transit projects.

Based on the review of historical capacity to spend (Chart 2 below), \$25.076 million in capital spending originally cash flowed in 2020 has been deferred to 2021.

**Chart 2 – Capacity to Spend**



# 2021 Program Summary

## Transportation Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Transportation Services strives to keep people moving safely in our diverse and changing city through the delivery of the following services:

- Road & Sidewalk Management
- Transportation Safety & Operations
- Permits & Applications

Transportation Services is responsible for the planning, engineering, design, maintenance and operations of 5,600 km of roads, 6,960 km of sidewalks, 900 bridges and culverts, 2,420 traffic control signals, 580 pedestrian crossovers, 340 km of trails, and 696 km of on-street bikeways.

### Why We Do It

Transportation Services strives to build and maintain Toronto's transportation networks so that:

- **People and businesses are connected to a resilient and reliable transportation network where they can access opportunities and places that they value.**
- **People have access to streets in their communities that are complete, safe, equitable and vibrant.**

*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

#### **Road & Sidewalk Management**

**Who We Serve:** All users of the right of way including pedestrians, cyclists, vehicle operators and passengers, businesses, residents, visitors and tourists.

**What We Deliver:** Roads/sidewalks/cycling infrastructure implementation and maintenance/repairs, cleaning, and de-icing/snow clearing, bridges and retaining walls maintenance.

**How Much Resources (2021 gross operating budget):** \$280.1 million

#### **Transportation Safety & Operations**

**Who We Serve:** All road users such as pedestrians, cyclists, vehicle operators and passengers, emergency service providers, and businesses.

**What We Deliver:** Traffic/transit/pedestrian flow monitoring, traffic control/maintenance device installation and maintenance, traffic sign fabrication/installation/maintenance, pavement markings, red light camera and automated speed enforcement, Vision Zero Road Safety.

**How Much Resources (2021 gross operating budget):** \$144.4 million

#### **Permits and Application**

**Who We Serve:** property owners, businesses including developers and utility companies, community organizations.

**What We Deliver:** Parking permit issuance, construction permit issuance, street event permit issuance, parking and right-of-way by-law enforcement, development application review.

**How Much Resources (2021 gross operating budget):** \$17.3 million

## Budget at a Glance

### OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$196.4	\$187.0	\$184.7
Gross Expenditures	\$441.7	\$455.9	\$454.2
Net Expenditures	\$245.3	\$268.9	\$269.5
Approved Positions	1,340.3	1,338.3	1,334.3

### 10-YEAR CAPITAL PLAN

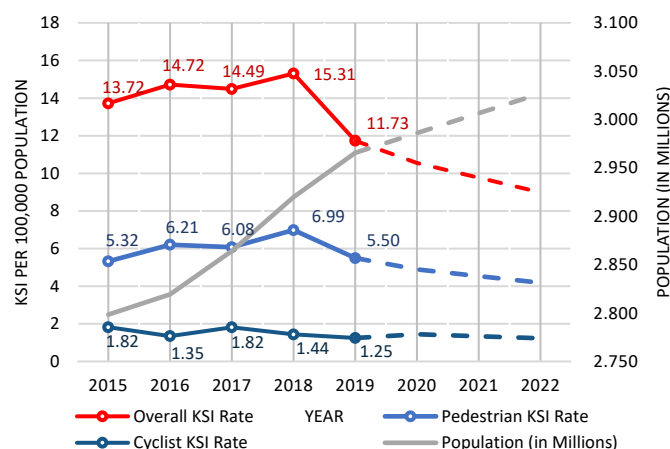
\$Million	2021	2022-2030	Total
Gross Expenditures	\$447.7	\$4,834.1	\$5,281.9
Debt	\$343.5	\$3,834.5	\$4,178.0

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers

### SAFETY

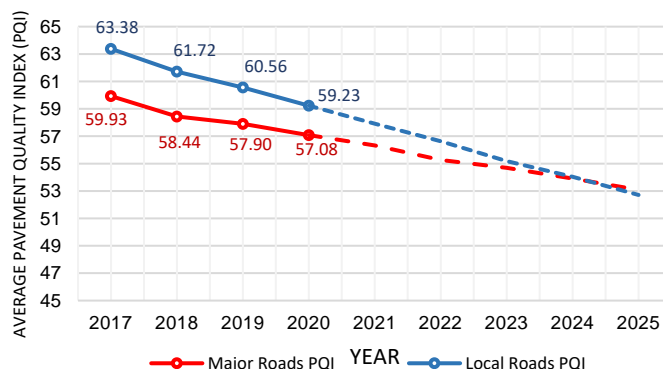
Annual KSI Rate for Vulnerable Road Users (Pedestrians and Cyclists)



- Transportation Services continues to work towards eliminating traffic fatalities and serious injuries (KSI) through the Vision Zero Road Safety Plan.
- While population increased by 6% between 2015 and 2019, the number of traffic-related KSI per 100,000 population decreased for pedestrians and cyclists.
- Investing an additional \$21.4 M and \$2.9 M in Capital and Operating Budgets, respectively, to accelerate implementation of new traffic control devices, advance the Construction Hub Pilot, and expand the Vision Zero deployment of Traffic Enforcement Officers. The additional investments will contribute towards the Vision Zero Plan goal to reduce traffic-related deaths and injuries to zero.

### STATE OF GOOD REPAIR (SGR)

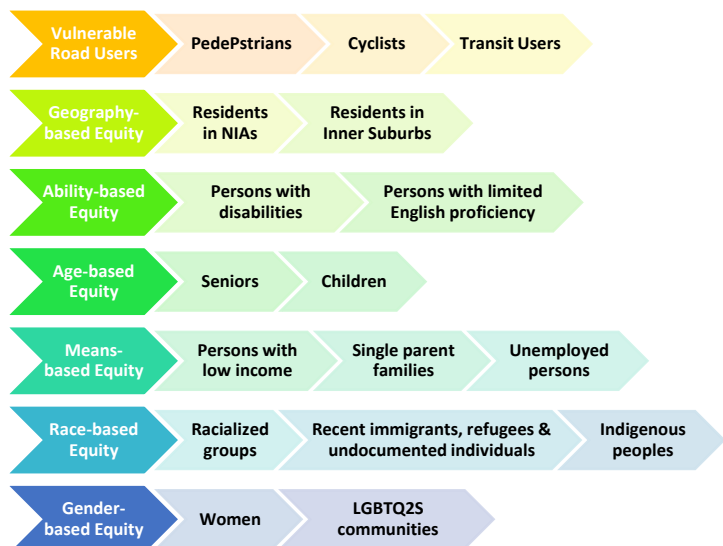
Pavement Condition by Average Pavement Quality Index (PQI) for Major and Local Roads



- Transportation Services is responsible for the maintenance of 5,600 km of roads.
- In 2020, the overall condition for both Major and Local Roads is considered "fair". The threshold for Major Roads to be considered "fair" is above a PQI of 55 and Local Roads is above a PQI of 45.
- Investing \$1.2 B for road rehabilitation in the 10-Year Capital Plan.
- Current levels of SOGR funding will see pavement condition continue to worsen, with the overall condition of Major Roads and Local Roads becoming "poor" by 2022 and 2030, respectively.
- A Long-term Asset Management Plan for sustainable long-term investment in SOGR projects, to reduce the SOGR backlog, and to flatten the curve will come forward to Council in 2021.

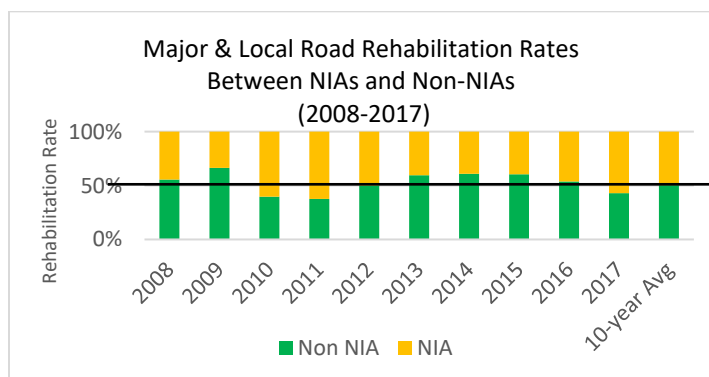
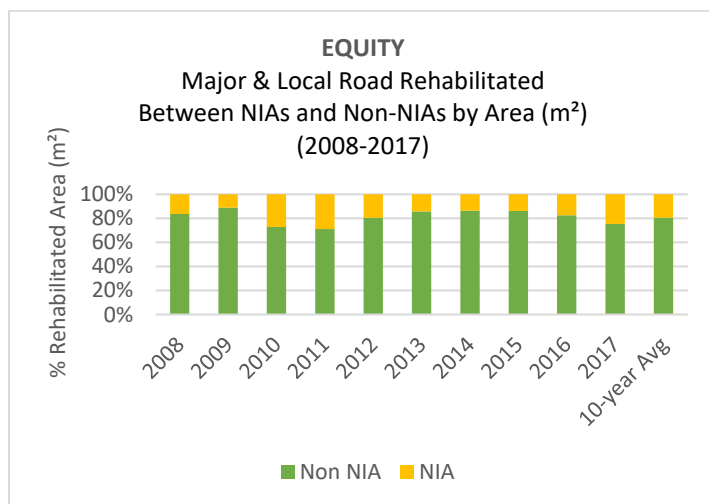
## Capital Program – A Different Perspective: Prioritization and Equity

### Equity Categories & Equity-Seeking Groups



- In 2020, Transportation Services began developing a **Capital Program Prioritization Tool** to guide future decisions on capital investments. Evaluation criteria were used to provide a risk-based and equity-based assessment of capital programs, identify their potential impacts, and develop an annual budget and program prioritization scheme that reflects the values and achieves the strategic objectives of the division.
- Evaluation criteria** include Health & Safety, Legislative Compliance, Reputation, Sustainability, Economic Development, and **Equity**.
- The City does not have an established process to evaluate capital programs against equity. In 2020, Transportation Services started the development of the **Transportation Equity Lens** to identify and remove transportation barriers faced by equity-seeking groups to support equitable planning and capital programming practices.
- The **Transportation Equity Lens** considers 17 equity-seeking groups within 7 equity categories.

### A Deeper Dive – Program-Specific Equity Baselines



- In 2020, Transportation Services began establishing equity baselines for each capital program, starting with Local Roads and Major Roads Program.
- This found from 2008 to 2017, there was equal contribution of road rehabilitation efforts on major and local roads in the Neighbourhood Improvements Areas (NIA) compared to those in non-NIAs. On average, 20% of the rehabilitated roads are located in NIAs and 80% of the rehabilitated roads are located in non-NIAs. This is consistent with the ratio of NIAs vs non-NIAs across the City.
- Major roads in NIAs are in worse condition than those in non-NIAs.** 48% of major roads in NIAs were identified as being in poor condition, compared to 41% of major roads in non-NIAs.
- Road conditions are not equal in NIAs vs non-NIAs. Preliminary findings indicate that Transportation has been contributing equal efforts in rehabilitating roads in both NIAs and non-NIAs, but the **benefits are not equitably translated in terms of the conditions of the road.**
- Further analysis of our capital program areas to establish the equity baseline is underway. This, along with other factors such as needs, coordination, and resource capacity, will be used to drive equitable investment.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Projection	2021 Target	2022 Target	Ultimate Target	Status
<b>Outcome Measures</b>								
Transportation Safety and Operations (Safe)	Number of traffic-related fatalities and seriously injured (KSI) per 100,000 population	15.3	11.7	10.6	9.8	9	0	●
Road & Sidewalk Management	Overall Pavement Quality Index (PQI) for Major and Local Roads	60.6	59.6	58.5	57.4	56.2	70	●
Transportation Safety and Operations (Reliable, Resilient)								
Transportation Safety and Operations (Accessible, Connectivity, Equity)	% of people and employment within prescribed access to a cycling route	55.8%	56.0%	58.0%	59.0%	60.0%	100.0%	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Service Level Measures</b>								
Road & Sidewalk Management (Reliable, Resilient)	% of expressway and roadway potholes made safe within prescribed time of receiving a service request	94.0%	87.0%	90.0%	89.0%	90.0%	90.0%	●
Road & Sidewalk Management (Reliable, Resilient)	% of arterials de-iced within 2-4 hours and collectors de-iced within 4-6 hours after becoming aware roadway is icy	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	●
Transportation Safety and Operations (Safe, Accessible)	% of safety and operations reviews investigated within prescribed service standard of receiving the service request	87.0%	76.0%	90.0%	91.0%	90.0%	90.0%	●
Permits and Application (Accessible, Vibrant)	% of construction, street event, and parking permits validated and issued within prescribed service standard	96.0%	97.0%	100.0%	91.0%	100.0%	100.0%	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Other Measures</b>								
Road and Sidewalk Management	Capital Budget Spend Rate	55.0%	84.0%	90.0%	90.0%	90.0%	90.0%	●
Transportation Safety and Operations								

**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>• Increase in COVID-19 initiatives has resulted in unbudgeted costs: <ul style="list-style-type: none"> <li>◦ \$6.7 M in additional cost to maintain and implement ActiveTO, CafeTO, Curb Streets, and Quiet Streets.</li> </ul> </li> <li>• Decrease in revenue streams resulting from COVID-19 impact <ul style="list-style-type: none"> <li>◦ \$19.6 M in lost revenue resulting from lower demand in temporary parking permits, temporary lane occupancy fees, utility cut restoration, charges in red light and speed enforcement cameras from other municipalities, bike station locker user fees, and street event permit fees.</li> </ul> </li> <li>• Increased budget pressures partially offset by: <ul style="list-style-type: none"> <li>◦ \$13.5 M in underspending in contracted services for school crossing guard and automated enforcement programs.</li> <li>◦ \$8.5 M in underspending in salaries and benefits due to the hiring slow down and Voluntary Separation Program.</li> </ul> </li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>• Maintenance and expansion of COVID-19 initiatives will result in increased costs: <ul style="list-style-type: none"> <li>◦ \$3.8 M for new and enhanced ActiveTO and CafeTO initiatives.</li> </ul> </li> <li>• Projected revenue loss of \$14.2 M primarily due to base COVID-19 impacts: <ul style="list-style-type: none"> <li>◦ \$4.7 M in one-time suspension of the Toronto Parking Authority dividend.</li> <li>◦ \$4.1 M in lower demand from developers in lane occupancy fees,</li> <li>◦ \$2.9 M in lower demand for temporary parking permits,</li> <li>◦ \$1.3 M in deferred revenue recognition for cost recovery of permanent restoration work relating to utility cuts,</li> </ul> </li> <li>• The above pressure will be offset by projected base savings of \$9.3 M in salaries and benefits resulting from continuation of hiring slow down, performance pay cancellation, and the implementation of the Voluntary Separation Program.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• Reduced road traffic enabled projects to proceed ahead of schedule, requiring a cash flow advancement of \$107M, approved by Council in November (<a href="#">EX18.13</a>)</li> <li>• In-year construction progress being monitored closely and pro-actively managed to optimise program delivery</li> <li>• Year-End reallocation anticipated to adjust budget reflective of spending rate and capacity to deliver.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• Possible continuation of ability to advance projects given reduced road traffic, enabling projects to advance ahead of schedule.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Transportation Services will have challenges meeting the provincial legislated timeline of 23 days to process charges for Speed Cameras depending on the volume of charges in Q4 due to limited office space while adhering to social distancing and reduced staff capacity.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Review Service Levels to reflect changes as may be required if regular operations resume simultaneously while continuing COVID-19 initiatives.</li> </ul>



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- The Business Performance Section within Transportation Services continues to ramp up their efforts to increase oversight and compliance with contract management policies and procedures, ensure implementation and tracking of Auditor General Recommendations, and establish Results Based Accountability metrics to measure the impacts of the services we deliver.
- Revised approach to budget and capital program management to minimize risk and maximize spend rates. As a result, the 2020 spend rate is projected to be higher than previous years.
- Updated the MoveTO 2021-25 - Congestion Management Interim Action Plan, advanced the Surface Transit Network Plan and completed the Freight & Goods Movement Strategy to implement key initiatives to improve mobility for all road users across the city.
- Accelerated Vision Zero Road Safety Plan delivery resulting in the installation of 50 speed enforcement cameras, implementation of sign changes supporting speed limit reductions on approximately 250 km of minor arterial and collector roadways, increased enforcement from Toronto Police Services with approximately 35,000 tickets issued, 47 traffic control devices, 80 schools with safety zones, and 152 speed humps installed at 35 sites.
- Resurfaced or reconstructed 88 km of local and major roads.
- Filled 185,600 potholes in 2020.
- Traffic signal timing studies completed on 12 arterial corridors (285 signals) in 2020 to optimize throughput and reduce Greenhouse Gas (GHG) emissions while applying a Vision Zero lens to ensure that pedestrian safety is sustained.
- Implemented various COVID-19 initiatives (ActiveTO, CafeTO, CurbTO, and Quiet Streets) including: 40 kilometres of on-street cycling lanes, 439 curb lane closures for cafes, 220 CurbTO installations, and 78 concrete blocks hand painted and wrapped by local artists through the STArt Program.



### Key Challenges and Risks

#### Keeping up with Demand

- Council's comprehensive vision for safety of the road network for all users has resulted in the incremental addition of new and innovative programs with significant scale and impact.
- Continue to deliver new initiatives as a result of COVID-19 while balancing resources with other programs.

#### Performance Measurement

- Monitoring, analyzing and managing the City's transportation network using permanent robust data collection.

#### Growth Pressures

- Growing backlog in the major and local road repairs which increases the City's liability, accelerate premature deterioration, exponentially increasing cost repairs over the lifecycle.
- Additional demand for maintenance, cleaning, and winter operations for new roads and sidewalks to ensure clean, safe, and comfortable transport infrastructure for cyclists, pedestrians, transit users, vehicles, and good movement.



- 
- Developing effective policies and flexible infrastructure that will support emerging technologies such as autonomous vehicles.

**Project Delivery**

- Increase capital program planning and delivery of the capital projects identified in the Cycling Network Plan.

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**Priority Actions****Program Reviews**

- Implement ActiveTO 2.0 and CafeTO 2.0.
- Assess School Crossing Guard program with traffic warrant studies.
- Review the effectiveness of the work zone Construction Hub pilot.
- Review winter maintenance program and prepare next tender call.

**Policy Review**

- Implement Micromobility strategy.
- Implement MoveTO (CMP 2.0).
- Develop Long-Term Asset Management Strategy that addresses local and major road SOGR backlog.
- Complete full user fee review in the right-of-way such as:
  - Right-of-way permits to ensure full cost recovery of resources required to issue and enforce permits.
  - Construction permits (lane occupancy) to ensure more efficient and shorter duration occupations in the right of way to reduce congestion.

**City-Wide Strategy**

- Deliver a comprehensive parking strategy to govern inventory and rates.
-

## 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>								
Permits & Applications	59,339.7	63,910.8	57,152.5	51,919.4		51,919.4	(5,233.1)	(9.2%)
Road & Sidewalk Management	86,664.5	106,017.8	67,931.6	124,083.1	2,044.4	126,127.5	58,195.9	85.7%
Transportation Safety & Operations	10,667.1	20,547.8	9,582.0	18,284.3	108.1	18,392.3	8,810.4	91.9%
<b>Total Revenues</b>	<b>156,671.3</b>	<b>190,476.4</b>	<b>134,666.1</b>	<b>194,286.8</b>	<b>2,152.5</b>	<b>196,439.2</b>	<b>61,773.1</b>	<b>45.9%</b>
<b>Expenditures</b>								
Permits & Applications	17,876.6	19,485.9	16,351.0	17,250.7		17,250.7	899.7	5.5%
Road & Sidewalk Management	254,051.7	256,136.3	237,458.6	275,702.8	4,415.5	280,118.3	42,659.7	18.0%
Transportation Safety & Operations	114,478.0	141,917.3	124,065.6	141,417.6	2,934.6	144,352.2	20,286.6	16.4%
<b>Total Gross Expenditures</b>	<b>386,406.3</b>	<b>417,539.5</b>	<b>377,875.2</b>	<b>434,371.1</b>	<b>7,350.1</b>	<b>441,721.2</b>	<b>63,845.9</b>	<b>16.9%</b>
<b>Net Expenditures</b>	<b>229,735.0</b>	<b>227,063.1</b>	<b>243,209.1</b>	<b>240,084.3</b>	<b>5,197.5</b>	<b>245,282.0</b>	<b>2,072.8</b>	<b>0.9%</b>
<b>Approved Positions</b>	<b>1,201.3</b>	<b>1,311.3</b>	<b>1,311.3</b>	<b>1,329.3</b>	<b>11.0</b>	<b>1,340.3</b>	<b>29.0</b>	<b>2.2%</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$434.371 million gross reflecting an increase of \$56.496 million above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Increase in salaries and benefits, including the addition of 14 positions approved in-year required to deliver transit expansion projects (fully funded by Metrolinx) and 39 positions to improve safety through implementation of Automated Speed Enforcement, capital delivery (16 positions) and sustainment resources to maintain newly completed infrastructure.
- Inflationary increases for existing contracts and utility escalations.
- Efforts to overcome COVID-19 services delivery challenges for Road & Sidewalk Management and Safety & Operations services have been addressed in this budget through resource realignment requiring gross budget levels that mirror 2020.
- Recognition of contribution to Public Realm Reserve Fund fully funded by advertising revenues from the Street Furniture Program.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, mitigation efforts to address COVID-19 financial impacts, and other revenue

The 2021 Operating Budget includes a CPI inflationary increase of 2.33 per cent on user fees (excluding utility cut revenues) and 1.86 per cent rate increase on Development Application Review Program revenues.

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

- 2021 Base Budget excluding estimated COVID-19 financial impacts totalling \$225.858 million in net expenditures reflects a \$1.205 million net decrease below the 2020 Council approved Budget.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$7.350 million gross, enabling:

- Additional resources in response to deliver COVID-19 initiatives including 4 positions and contracted services partially recovered from capital and reserve funds, and Paid Duty Officers for the continuation, expansion and maintenance of ActiveTO and CafeTO (\$3.791 million gross, \$2.371 million net).
- Additional funding to expand the Vision Zero Road Safety Plan deployment of dedicated traffic enforcement team in Toronto Police Services and expansion of pilot past 41 and 23 Divisions (\$2.500 million gross and net)
- City-wide investments to celebrate the Year of Public Art (\$0.625 million gross, zero net), 4 positions to deliver the work zone Construction Hub Pilot to promote mobility (\$0.279 million gross and net), and 3 positions to accelerate delivery of new traffic control devices (\$0.155 million gross and \$0.047 million net).

## EQUITY IMPACTS OF BUDGET CHANGES

**Improving sense of identity and belonging:** The changes in Transportation Services' 2021 Operating Budget contains low positive equity impacts. The Transportation Services' 2021 Operating Budget includes an investment of \$0.625 million for expansion of StreetARToronto during the Year of Public Art. The Year of Public Art will have a low positive impact on Indigenous, Black and Equity-seeking groups of Toronto by seeking out and engage an expert advisory committee from the Black and Indigenous communities in order to focus funding recommendations on and selection of Black and Indigenous artists.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Transportation Services is \$434.371 million gross or 15.0 per cent higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, 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	
						\$	%
Expenditures							
1	Salaries and Benefits	109,054.5	118,494.0	106,671.2	118,816.7	12,145.6	11.4%
2	Materials & Supplies	54,412.7	51,597.9	52,245.0	51,319.3	(925.7)	(1.8%)
3	Equipment	496.5	515.3	822.7	629.0	(193.7)	(23.5%)
4	Service and Rent	184,648.0	201,876.1	172,177.3	202,243.4	30,066.0	17.5%
5	Contribution To Capital	30,457.9	38,239.8	38,261.5	54,436.1	16,174.6	42.3%
6	Contribution To Reserves	7,336.8	6,816.5	7,697.5	6,926.6	(771.0)	(10.0%)
Total Expenditures		386,406.3	417,539.5	377,875.2	434,371.1	56,495.9	15.0%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations	48,508.4	69,822.9	47,588.8	65,521.6	17,932.8	37.7%
3	Draw from Reserve Funds	25,653.6	32,429.6	28,701.6	21,959.4	(6,742.2)	(23.5%)
4	Other Revenues (Inc. IDR's)	82,509.3	88,223.9	58,375.6	106,805.8	48,430.2	83.0%
Total Revenues		156,671.3	190,476.4	134,666.0	194,286.8	59,620.8	44.3%
Net Expenditures		229,735.0	227,063.1	243,209.2	240,084.3	(3,124.9)	(1.3%)
Approved Positions		1,201.3	1,311.3	1,311.3	1,329.3	18.0	1.4%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:** Include inflationary increases on existing salaries and benefits and anticipated positions to be filled, to meet services demands, which were held vacant in 2020 due to COVID-19 response. In addition, the increase includes annualised costs from the additional 14 positions approved in-year to deliver transit expansion projects (fully funded by Metrolinx) and 39 positions to improve safety through implementation of Automated Speed Enforcement and 16 new capital delivery positions. Above increases are partially offset by reductions to mitigate COVID-19 financial impacts resulting from the hiring slowdown, cancellation of non-union performance pay, and the Voluntary Separation Program.

**Materials & Supplies:** Include inflationary increases on salt supplies for winter maintenance, which are offset by a corporate hydro rate reduction of 2.46 per cent. The division was able to mitigate CPI increases on other materials and supplies through operational efficiencies and resource realignments.

**Services & Rents:** Include inflationary increases on street lighting and traffic control maintenance. Increases for contracted services for road & bridge maintenance and utility cut repairs over the 2020 projection are required as volumes are expected return to pre-COVID-19 levels.

**Contribution to Capital:** Include increases for additional Public Realm Reserve contribution of \$29.017 million, partially offset by a reduction in reserve contribution of \$7.800 million to reflect the completion of street sweeper replacements and a one-time deferral for the regular Fleet Reserve contribution of \$5.000 million to better align with anticipated future vehicle and equipment procurement cash-flows.

**Revenue Changes:** Include Consumer Price Index (CPI) increase of 2.33 per cent on user fees (excluding utility cut revenues) and 1.86 per cent rate increase on Development Application Review Program revenues, additional contribution to the Public Realm reserve to reflect actual experience inclusive of an adjustment to reflect the completion of street sweeper replacements, and a one-time suspension of the Toronto Parking Authority dividend of \$4.679 million due to COVID-19.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Increase rates by inflation for full cost recovery	Revenue Increase (User Fees)	1,216.6		(1,216.6)	-			
Expenditure realignment to volumes	Line By Line	143.2	(2,299.4)	(2,442.6)	-			
Defer contribution to Fleet Replacement Reserve Fund	Match to Actuals		(5,000.0)	(5,000.0)		10,000.0	10,000.0	
Salaries and Benefit Realignment	Other		(6,990.4)	(6,990.4)	-			
Performance Pay Cancellation	Other		(891.4)	(891.4)				
Voluntary Separation Program	Other	(141.9)	(1,502.4)	(1,360.5)				
<b>Total Balancing Actions</b>		<b>1,217.8</b>	<b>(16,683.6)</b>	<b>(17,901.5)</b>	<b>-</b>	<b>10,000.0</b>	<b>10,000.0</b>	<b>-</b>

**Increase in User Fees & Recoveries:**

- Additional utility cut user fees to reflect inflationary increases and base adjustments to achieve full cost recovery.

**Line-by-line Realignments:**

- A reduction in base expenditure costs primarily in services and rent contributes Transportation Services' efforts to manage continuous cost increases from internal and external sources.

**Fleet Reserve Contribution Deferral:**

- Adjustment to the Fleet Reserve Contribution schedule to align with changes made to the division's Fleet procurement plan while ensuring there is a sufficient reserve balance.

**Salaries and Benefits Projected Savings:**

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by adopting vacancy management, Voluntary Separation Program and cancellation of non-union performance pay.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request		2021				2022 Annualized Gross	Equity Impact
		Revenue	Gross	Net	Positions		
In \$ Thousands							
1	New traffic control devices	108.1	155.2	47.1	3.0	320.5	None
2	Construction Hub Pilot		279.3	279.3	4.0	573.3	None
3	Year of Public Art	625.0	625.0				Low
4	Covid-19 Initiatives	1,419.4	3,790.5	2,371.1	4.0	3,118.1	None
5	Vision Zero expansion of Traffic Enforcement Team (TPS)		2,500.0	2,500.0			None
Total New / Enhanced		2,152.5	7,350.1	5,197.5	11.0	4,011.8	

**New traffic control devices:**

- Additional funding to increase public safety by accelerating the implementation of new traffic control devices including new traffic signals, mid-block pedestrian signals, pedestrian crossovers, and flashing beacons from 18 months down to 8 months or less from the time that they are approved by City Council.

**Construction Hub Pilot:**

- Temporary staff to expand pilot to effectively manage access to the right-of-way with an emphasis on Vision Zero Road Safety Plan principles, while developing traffic management and communications plans to help mitigate the congestion-related impacts associated with unavoidable road closures.

**Year of Public Art:**

- Additional funding for the one-time expansion of the StreetARToronto program to celebrate Toronto's extensive collection of public art and the artists behind it, while creating more opportunities for the public to connect and engage with the work.

**COVID-19 Initiatives:**

- Additional funding to support the expansion and maintenance of ActiveTO and CafeTO.

**Vision Zero – Expansion of Traffic Enforcement Team (Toronto Police Services):**

- Additional funding for Toronto Police Services to operate a dedicated traffic enforcement team to expand the current pilot beyond 41 and 23 Divisions.

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

(\$000s)	2020 Budget	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	190,476.4	134,666.0	196,439.2	187,032.6	184,670.6
Gross Expenditures	417,539.5	377,875.2	441,721.2	455,897.4	454,222.7
<b>Net Expenditures</b>	<b>227,063.1</b>	<b>243,209.2</b>	<b>245,281.9</b>	<b>268,864.8</b>	<b>269,552.1</b>
<b>Approved Positions</b>	<b>1,311.3</b>	<b>1,311.3</b>	<b>1,340.3</b>	<b>1,338.3</b>	<b>1,334.3</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$455.897 million reflects an anticipated \$14.176 million or 3.2 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a decrease of \$1.675 million or 0.4 per cent below 2022 gross expenditures.

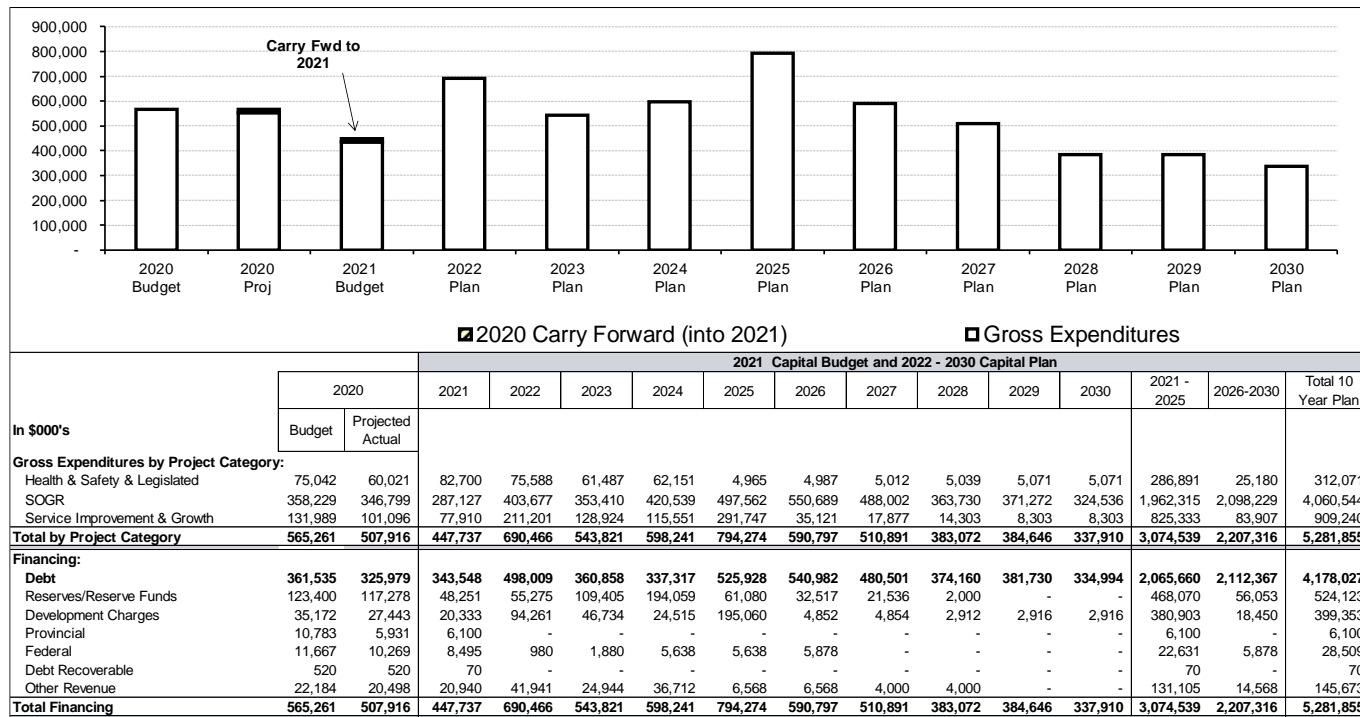
These changes arise from the following:

- Inflationary increases for salaries and benefits.
- Anticipated inflationary increase for utilities, materials and supplies, and contracted services.
- Inflationary increases for the Public Realm Reserve Fund contribution fully funded by revenues from the Street Furniture Program and the impacts of the revised Fleet Vehicle Reserve contribution schedule in 2022 and normalization in 2023.
- The above increases are partially offset by the reduction in Toronto Police Services funding for Vision Zero and ActiveTO, which will be revisited during the 2022 budget cycle to determine if program extension is required.

User Fees and the revenues from the Street Furniture Program are expected to increase by inflation for the 2022 and 2023 outlook years. Utility cut revenues are expected to drop significantly as part of the multi-year phase out and transfer of the permanent restoration program from the division to utility services providers.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects

- The 2021-2030 Capital Budget includes the following changes:
- Increased funding of \$207.601 million to advance delivery of the St. Clair Transportation Master Plan by Metrolinx.
- Increased funding of \$43.000 million to advance property acquisition, design and construction of the West Toronto Rail Path Extension.
- Increased funding of \$83.154 million to maintain the state of good repair of City Bridges.
- Increased funding of \$21.431 million to increase delivery and accelerate implementation timeframe of New Traffic Control Devices as part of the Vision Zero Road Safety Plan (2020 to 2024).

### New Projects






- The 2021-2030 Capital Budget and Plan includes the following new major projects:
- \$61.505 million to implement surface transit priority initiatives, from 2021 to 2024, of which \$55.703 million is anticipated to be funded by the TTC.
- \$38.815 million to deliver MoveTO, the congestion management interim action plan.

### Capital Needs Constraints

- The unmet needs over the 10-year planning horizon include the following:
- \$4.685 billion of SOGR backlog from the F.G. Gardiner (Phase 2), City Bridges, Major Roads, Local Roads, and Laneways.
- \$1.114 billion of growth projects. As phases of growth projects advance, with certainty in cost and delivery schedule, funding requests will be made to include them in the budget.



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$5.282 Billion 10-Year Gross Capital Program**

				
State of Good Repair (Excluding F.G. Gardiner)	F.G. Gardiner Expressway Strategic Rehabilitation Plan	Vision Zero Road Safety Plan	Cycling Network Plan	Congestion Management Plan and Growth Related Projects
\$2.0 B	\$2.0 B	\$161.7 M	\$156.7 M	\$629.7 M
Ten year budget for State of Good Repair related works	Implementation of the Expressway Strategic Rehabilitation Plan Phase 1	Implementation of Vision Zero Road Safety Plan 2.0 (2020 to 2024) and future plan funding post 2024	Implementation of Cycling Network Plan (2021) and future plan funding post 2021	Implementation of Growth Related Projects

**How the Capital Program is Funded**

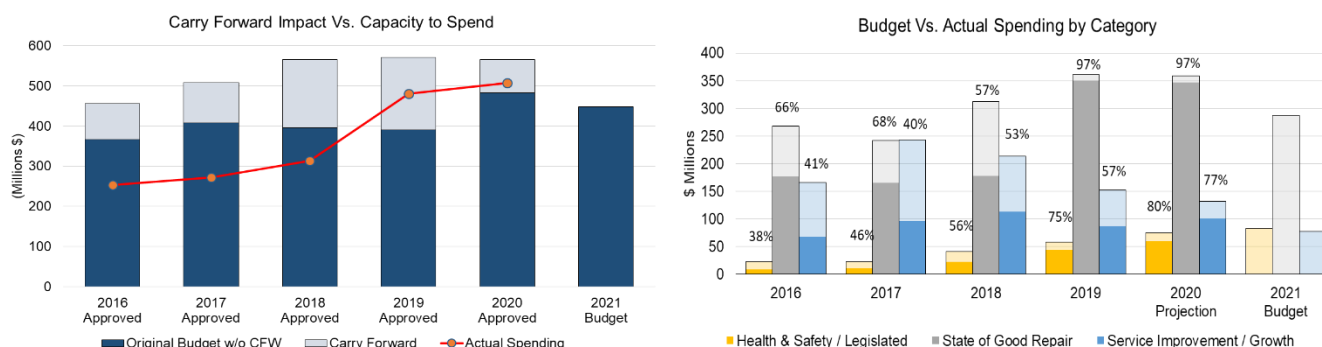
City of Toronto		Provincial Funding		Federal Funding	
\$ 5.247 B		\$ 6.100 M		\$ 28.509 M	
99.3%		0.1%		0.5%	
Debt	\$ 4.178 B	OMCC Grant	\$ 5.200 M	DMAF Grant	\$ 24.909 M
Recoverable Debt	\$ 0.070 M	COVID-19 Resilience Grant	\$ 0.900 M	COVID-19 Resilience Grant	\$ 3.600 M
Reserve Draws	\$ 524.123 M				
Development Charges	\$ 399.353 M				
Other	\$ 145.673 M				

**CAPACITY TO SPEND REVIEW**

The 10-Year Capital Plan has been developed with consideration of other City priorities, state of readiness of projects, historical demonstrated ability to spend within any given year of the ten year capital program as well as the level of projected 2020 underspending that will be carried forward into 2021 to complete capital work.

Since 2018, Transportation Services has implemented new practices and budget management protocols to drive project delivery, reduce risk, and increase spend rate. Chart 2 below sets out historical capacity to spend by project categories and illustrates that the projected spends in 2020 are anticipated to be approximately \$235.000 million higher than the spending level in 2017.

**Chart 2 – Capacity to Spend**



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

Transportation Services' 2021 - 2030 Budget and Capital Plan represents an investment in infrastructure totalling \$5.282 billion over 10 years. In 2021, Transportation Services has deferred \$85.644 million in capital spending originally cash flowed in 2021 into the future years. Acceleration of future years' cash flows into 2021 will be requested if projects advance ahead of schedule. Compared to last year's budget, the total funding needs in the common 9 years (2021-2029) increased by \$495.922 million. Key adjustments to the Capital Plan are noted below:

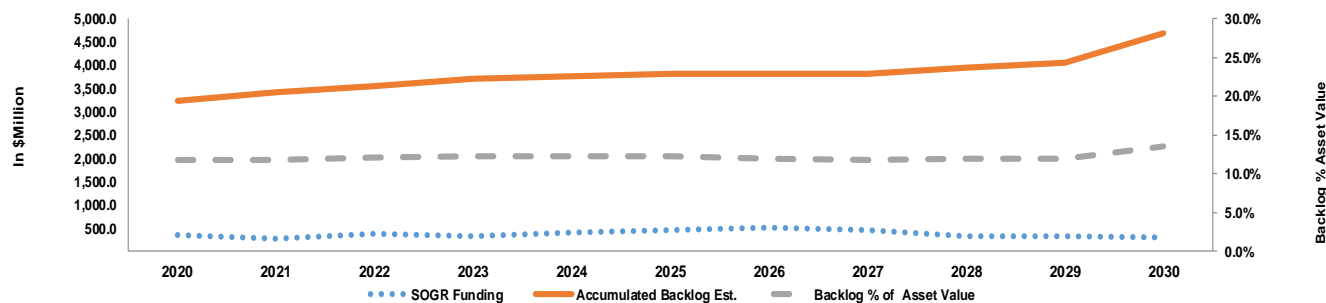
- **F.G. Gardiner Rehabilitation** – Deferred \$61.214 million to future years based on project schedule updates for existing and planned contracts. The delivery of the F.G. Gardiner Expressway Strategic Rehabilitation Plan is scheduled to be fully delivered by 2030. Taking into consideration the 2020 approved in-year adjustments, the total funding requirement for the program over the ten year plan remains unchanged.
- **John St** – Deferred \$9.967 million to future years as construction is anticipated to be tendered by late 2021 with works commencing in 2022 and beyond. Deferral is associated with ongoing coordination with Toronto Hydro on the finalization of project scope. \$5.727 million has been reduced from the overall project cost due to changes in utility relocation delivery arrangement.
- **Legion Road** – As per the stage gating process, \$2.025 million relating to property acquisition has been moved to the "Needs Constraints" category as design and consultation with Metrolinx to confirm approach forward is taking longer than anticipated. Funding relating to property acquisition and/or construction will be requested at the appropriate time through the future budget process.
- **Port Union Road** – Deferred \$6.169 million to future years as the establishment of easements and utility relocations are taking longer than anticipated. Construction is anticipated to commence in 2022 per timing of the expropriation process. Should easements be obtained through other means and works proceed ahead of schedule, acceleration of future years' cash flows into 2021 will be requested.
- **Steeles Widening (Tapscott Road - Beare Road) and Morningside Extension** – Morningside Avenue from Steeles Avenue to Passmore Avenue has been constructed by a private landowner through the Planning Act. \$5.650 million related to property acquisition and utility relocation has been deferred to future years as detailed design continues in 2021, in coordination with private development in the area. Additional time for detailed design is required to confirm, amongst other matters, the feasibility of the Morningside Extension at the at-grade crossing of the rail corridor. Property acquisition and utility relocation are anticipated to begin in 2022, with the construction phase of the project on Steeles Avenue and Morningside Avenue south of Passmore Avenue anticipated to begin post 2022. Funding for construction has been placed in the "Needs Constraints" category while detailed design continues. Once detailed design is completed and there is more clarity on cost of construction, funding will be requested through the budget process.

- City Bridge Rehabilitation – Increased \$83.154 million from 2021-2024 to align budget with capacity to spend and to provide sufficient funding to ensure no SOGR bridge backlog until 2025.
- GO Transit Expansion City Share – \$22.000 million as municipal contribution to the Kennedy Road / Steeles Avenue grade separation which is being undertaken by Metrolinx as part of its GO Transit Expansion initiative. Agreement negotiations are currently ongoing. Of the \$22.000 million, 50% of the funding is anticipated to be funded by The Regional Municipality of York. Payment to Metrolinx is to be made at project completion which is currently anticipated in 2022.
- MoveTO – new project funding of \$38.815 million to implement the congestion management interim action plan, which mainly consists of the delivery of 34 smart traffic signals and 100 intelligent intersection starting in 2021. Funding is in line with Council adopted recommendation on November 25, 2020 ([IE17.6](#)).
- Rockcliffe Flood Mitigation (formerly Jane St Crossing) – Increased \$21.242 million to implement TS related infrastructure improvement to mitigate flooding within the Rockcliffe area. The funding is required to complete improvements for Phase 1 projects which include transportation infrastructure upgrades for Symes Road culvert and Jane Street bridge crossing. Funding for Phase 2 works has been placed in the "Needs Constraints" category as per the stage gate process. As the project proceeds and costs and timing are understood, funding will be requested through the budget process.
- Scarlett St Clair Dundas – Increased \$34.670 million to advance construction which is anticipated to begin in 2022. Detailed design and negotiations with CP Rail and affected property owners are underway and anticipated to be completed in 2021 with contract tender anticipated in late 2021.
- St Clair Transportation Master Plan (TMP) - Increased \$207.601 million to fully fund the property acquisition, design, and construction of St Clair Avenue Widening, Davenport Road Extension, and Gunns Road Extension. The projects are anticipated to be delivered by Metrolinx as part of the GO Transit Expansion initiative. Delivery arrangement discussions are currently ongoing and approval of funding request will confirm the City's commitment to deliver the projects. Payment to Metrolinx is to be made at project completion which is currently anticipated in 2025. Due to project readiness, funding for the Keele Extension has been placed in the "Needs Constraints" category. Cash flow or funding adjustments, if required, will be requested in future year budget submissions as the delivery arrangement with Metrolinx is confirmed.
- Surface Network Transit Plan – new project funding of \$61.505 million to study, plan, design, and implement surface transit priority corridors across the City. Funding is in line with Council adopted recommendation on November 25, 2020 ([EX18.1](#)).
- Vision Zero Road Safety Plan, New Traffic Signal Control Devices – Increased \$21.431 million from 2021-2024 to address foreseeable future demand for new traffic signal control devices and accelerate implementation timeframe of devices from 18 months to 8 months as per Council direction on June 29, 2020 ([IE13.8](#)).
- West Toronto Rail Path Extension – Increase \$43.000 million to advance property acquisition, design and construction of the multi-use trail. Works to be delivered by Metrolinx as part of GO Transit Expansion.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Transportation Services: major and local roads, bridge rehabilitation and laneways.

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



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	359.8	282.7	380.9	324.6	407.0	452.6	505.2	451.2	326.8	333.9	286.7
Accumulated Backlog Est.	3,244.2	3,409.3	3,551.4	3,706.6	3,774.6	3,811.9	3,821.8	3,811.0	3,940.8	4,045.3	4,684.2
Backlog % of Asset Value	11.7%	11.8%	12.0%	12.3%	12.3%	12.2%	12.0%	11.7%	11.9%	11.9%	13.6%
Total Asset Value	27,718.8	28,911.9	29,490.1	30,079.9	30,681.5	31,295.1	31,921.0	32,559.4	33,210.6	33,874.8	34,552.3

The 10-Year Capital Plan will fund \$4.060 billion of SOGR projects, providing an average of \$406.544 million annually. This funding will continue ongoing SOGR projects for infrastructure, including major and local roads, city bridges and laneways. Of this, \$619.379 million is planned for the Major Road Rehabilitation Program, and \$603.179 million, is planned for Local Road Rehabilitation.

More than half of Transportation Services' infrastructure consists of roads and bridges that were constructed between 1950 and 1980. In 2018, Transportation Services completed an update of its asset inventory, replacement value, Capital needs for the Major and Local Road Rehabilitation Programs and the funding required to maintain its assets in a state-of-good repair for the next ten years. The level of service for roads is based on the average Pavement Quality Index (PQI). Typically a well-maintained, sustainable network would have an average PQI in the range of 70-75. As shown in the State of Good Repair chart on Page 2, the current average PQI is about 58 and continuing to deteriorate steadily at about 1 point per year based on the current resources, funding available and the short-term (<10 year) needs projection

Based on current proposed ten year capital funding in the 2021 budget, the percentage of Major Roads in poor condition is expected to increase from 43 per cent to 54 per cent by 2030 while the percentage of Local Roads in poor condition is expected to increase from 24 per cent to 47 per cent by 2030. The backlog of rehabilitation needs for both programs are expected to increase over the next 10 years as follows:

- The backlog for Major Roads will increase from \$649.216 million at the end of 2020 to \$1.927 billion or about 27 per cent of assets by 2030; and,
- The backlog for Local Roads will increase from \$522.777 million at the end of 2020 to \$2.104 billion or about 19 per cent of assets by 2030.

The increase in backlog reflects the history of when the infrastructure was built, when rehabilitation is required, and the type of rehabilitation required which is mainly road reconstruction as the roads are reaching the end of their life cycle.

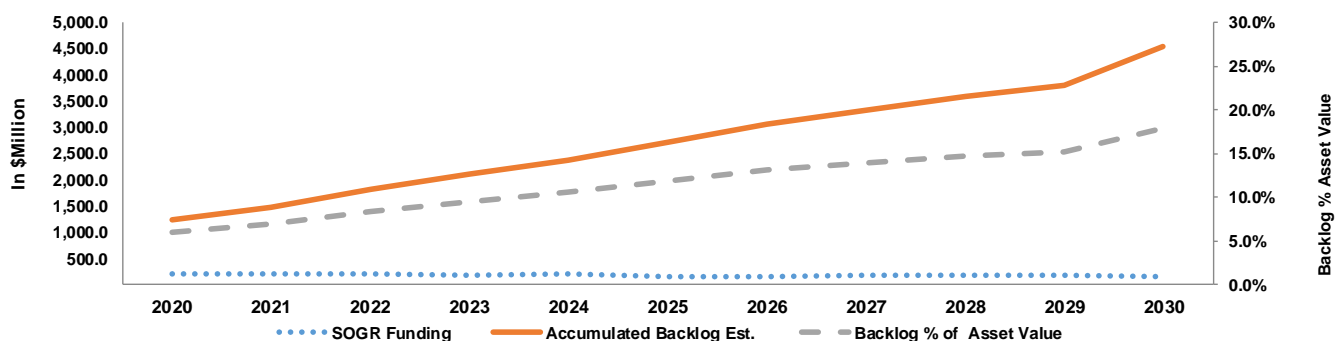
On November 25, 2020, City Council adopted the Reducing the State of Good Repair Backlog and Enhancing Cycling Lane Maintenance report ([IE17.3](#)) which outlines steps and approaches to update the Local and Major Roads Asset Management Plan and develop a long-term plan for the management of assets to drive sustainable long-term investment in SOGR projects and reduce the backlog. This plan will comply with O. Reg. 588/17, detailing the characteristics and conditions of the assets, the levels of service expected from the assets, financing and other strategies, and planned actions over the lifecycle of the assets to ensure assets are providing a specified level of service in the most cost-effective manner.

It is expected that the updated Asset Management Plan will come forward to Council in 2021

SOGR funds have been made available to continue the Strategic Rehabilitation Plan for the F. G. Gardiner Expressway. The Plan includes the implementation of the preferred alternative in the Gardiner East Environmental Assessment, including public realm improvements through the reconstruction of Lake Shore Boulevard East. In 2020, a review of the program was completed to realign annual cash flow requirements to reflect historical spending patterns, project readiness, and required coordination with other major projects.

In past budget processes, SOGR Rehabilitation of the F.G. Gardiner Expressway post 2026 (2026 to 2039), known as Phase 2 of the F.G. Gardiner Expressway Strategic Rehabilitation Plan, was noted as a funding pressure post the ten year plan and was not submitted as backlog. The anticipated total funding requirement for the program is estimated at \$1.373 billion, completing various bent and bridge rehabilitation. As part of the 2021 budget process, \$142.680 million (2026 to 2030) of the \$1.373 billion (2026 to 2039), has been included as part of the Needs Constraints.

**Chart 4: Total SOGR Funding & Backlog**  
(Key asset classes excluding the F.G. Gardiner)



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>SOGR Funding</b>	207.5	202.3	198.9	188.6	191.0	159.6	162.6	165.7	168.8	172.0	139.5
<b>Accumulated Backlog Est.</b>	1,241.7	1,487.2	1,811.2	2,102.5	2,386.4	2,716.8	3,067.0	3,338.6	3,581.7	3,802.4	4,541.6
<b>Backlog % of Asset Value</b>	6.0%	7.0%	8.4%	9.5%	10.6%	11.8%	13.1%	13.9%	14.7%	15.3%	17.9%
<b>Total Asset Value</b>	20,838.8	21,255.6	21,680.7	22,114.3	22,556.6	23,007.8	23,467.9	23,937.3	24,416.0	24,904.3	25,402.4

The chart above depicts the SOGR funding and accumulated backlog estimates: major and local roads, bridge rehabilitation and laneways.

When rehabilitation on the Gardiner is excluded, the SOGR backlog for remaining transportation infrastructure will increase from \$1.242 billion at the end of 2020 to an anticipated \$4.542 billion by year end in 2030, representing 17.9 per cent of the asset replacement value.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will impact Operating Budgets by \$7.645 million net over the 2021-2030 period.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Maintenance of New Infrastructure (Roads, Sidewalks, Cycling Infrastructure)	574.9		574.9		574.9		574.9		574.9		2,874.7		2,874.7	
Mobile Computing	100.0		100.0		100.0		100.0		100.0		500.0		500.0	
Enterprise Work Management System	383.1	3.0	585.5		696.3		1,043.3		1,109.8		3,818.0	3.0	3,818.0	3.0
Traffic Control Installation	47.1	1.0	97.9		102.3		102.3		102.3		451.9	1.0	451.9	1.0
<b>Total (Net)</b>	<b>1,105.2</b>	<b>4.0</b>	<b>1,358.3</b>		<b>1,473.5</b>		<b>1,820.5</b>		<b>1,887.0</b>		<b>7,644.6</b>	<b>4.0</b>	<b>7,644.6</b>	<b>4.0</b>

- The 2021 Capital Budget will increase the 2021 Operating Budget by a total of \$1.105 million for maintenance costs arising from the completion of new roads and related infrastructure, newly built IT systems to support transportation operations, and newly built traffic control devices.
- As part of future capital budget submissions, Transportation Services will continue to review its capital projects and analyze the impacts on operations.

# 2021 Program Summary

## Toronto Water

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Water manages one of the largest water, wastewater and stormwater systems in North America, 24 hours a day, seven days a week.

Toronto Water's services ensure that over 3.6 million residents and businesses in Toronto, and portions of York and Peel have access to safe drinking water, safely treated wastewater and stormwater management.

### Why We Do It

**Drinking water is delivered to people (residents, businesses, visitors and the Industrial, Commercial, Institutional sector in Toronto and York Region) in a safe and reliable manner to protect public health.**

**Wastewater is collected from people (residents, businesses and the Industrial, Commercial, Institutional sector in Toronto and Peel Region) and treated in a safe and environmentally sustainable way to protect public health.**

**Stormwater (rain and melted snow) is collected or diverted to help prevent the risk of property flooding, control erosion and improve water quality to protect public health and Toronto's waterways.**

*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

#### **Water Treatment & Supply**

**Who We Serve:** Water account holders and water consumers.

**What We Deliver:** Supply +435 billion litres annually of safe potable water. Continuous distribution of potable water through +6,100km of watermain and City-owned water services.

**How Much Resources (gross operating budget):** \$195.791 million (2021)

#### **Wastewater Collection & Treatment**

**Who We Serve:** Wastewater account holders, wastewater producers, public and private landowners.

**What We Deliver:** Return to Lake Ontario +400 billion litres annually of treated wastewater. Continuous conveyance of wastewater through +5,100km of sewers.

**How Much Resources (gross operating budget):** \$229.906 million (2021)

#### **Stormwater Management**

**Who We Serve:** Public and private landowners

**What We Deliver:** Continuous conveyance of stormwater (rainwater and melted snow) through +4,900km of storm sewers.

**How Much Resources (gross operating budget):** \$43.127 million (2021)



## Budget at a Glance

### OPERATING BUDGET

\$Billion	2021	2022	2023
Revenues	\$1.415	\$1.443	\$1.474
Gross Expenditures	\$0.469	\$0.475	\$0.484
Capital Contribution	\$0.947	\$0.968	\$0.989
Approved Positions	1,841.3	1,856.3	1,857.3

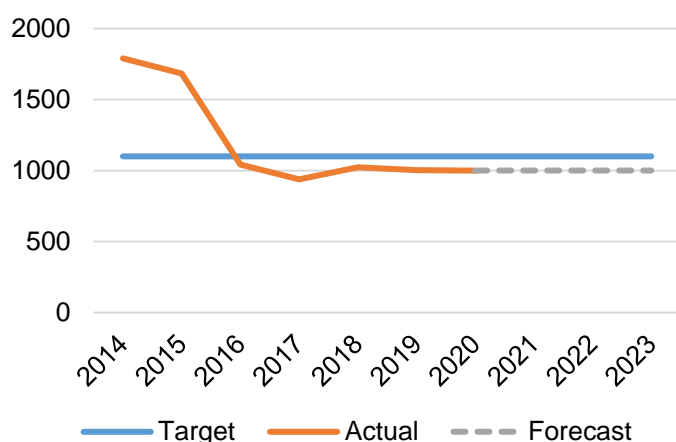
### 10-YEAR CAPITAL PLAN

\$Billion	2021	2022-2030	Total
Gross Expenditures	\$1.344	\$13.441	\$14.785
Debt	\$0.000	\$0.000	\$0.000

Note: Includes 2020 carry forward funding to 2021

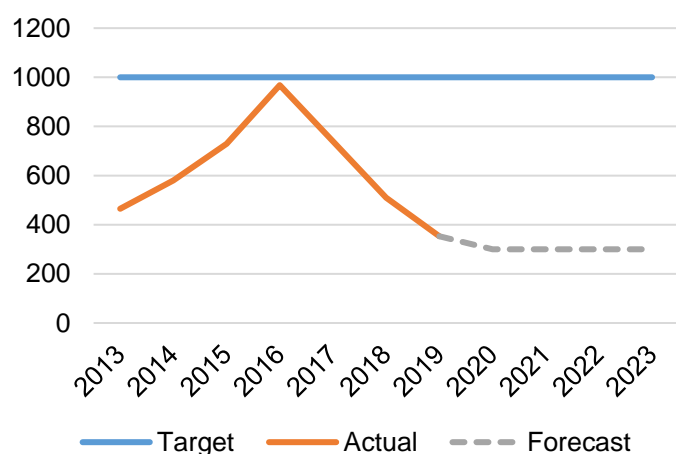
## How Well We Are Doing – Behind the Numbers

Watermain Breaks (WMBREP)



- Toronto Water currently operates over 5,500km of water distribution pipes that provide safe and reliable drinking water to the residents, businesses and visitors of Toronto and York Region.
- Toronto Water has made significant capital investments in infrastructure renewal projects (i.e. watermain replacement, cathodic protection and structural lining) that have contributed to the gradual decline in watermain breaks.
- Inclement weather (extreme cold or temperature fluctuations) continues to be the leading cause of watermain breaks followed by excavation activities, corrosive soils and ground settling.
- Toronto Water is investing \$2.2 billion in the 2021-2030 Capital Budget and Plan for capital improvements that will contribute towards ensuring an overall good condition of the water distribution network.

Sanitary Sewer Cleaned (kms)



- Toronto Water currently maintains a wastewater collection network of over 5,600km and invests in Capital Improvement Projects (CIP) to address the renewal needs of aging infrastructure.
- As part of ongoing infrastructure management, Toronto Water performs regular cleaning and maintenance to ensure the reliable operation of its sanitary system.
- In 2016, Toronto Water implemented Acoustic Pipe Inspection (API), which pre-determines whether a particular portion of the sewer needs to be flushed. This process has reduced the number of unnecessary cleanings and has redirected resources elsewhere for proactive system maintenance.
- Toronto Water is investing \$2.0 billion in capital in the 2021-2030 Capital Budget and Plan along with an annual operating budget of approximately \$6.5 million for corrective and predictive sewer maintenance.



## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Water Treatment & Supply	Water Treatment Non-Compliance Events	0	0	0	0	0	0	●
Water Treatment & Supply	Target Pressure Limits (Pressure Maintenance)	97.20%	97.00%	99.50%	95.00%	99.50%	99.50%	●
Wastewater Collection & Treatment	Pumping Station Outages	0	0	0	0	0	0	●
Wastewater Collection & Treatment	Wastewater Treatment Non-Compliance Events	0	1	0	0	0	0	●
Stormwater Management	Number stormwater ponds inspected/maintained	970	1069	990	1080	990	990	●
Service Level Measures								
Water Treatment & Supply	Watermain Breaks per 100 km of Water Distribution Pipe	16.8 per 100km	16.5 per 100km	22.0 per 100km	22.0 per 100km	22 per 100km	22 per 100km	●
Water Treatment & Supply	Drinking Water Non-Compliance	0	0	0	0	0	0	●
Water Treatment & Supply	Percent Time Operating Within 276 kPa to 793 kPa Requirements	97.20%	97.00%	99.50%	95.00%	99.50%	99.50%	●
Wastewater Collection & Treatment	Non-Compliance Events (WWT)	0	1	0	0	0	0	●
Wastewater Collection & Treatment	Mainline Backups per 100 KM of Pipe	3.3	3.6	4.0	4.0	4.0	4.0	●
Stormwater Management	ML of Dedicated (designed) Stormwater Storage Capacity	1,248 ML	1,248 ML	1,248 ML	1,248 ML	1,248 ML	1,248 ML	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Other Measures								
Water Treatment & Supply	Electrical kWh per ML of Water Pumped	342 kWh per ML	344 kWh per ML	330 kWh per ML	330 kWh per ML	330 kWh per ML	330 kWh per ML	●
Wastewater Collection & Treatment	Percent Biosolids Beneficially Used (ABTB)	100%	100%	100%	100%	100%	100%	●
Stormwater Management	Water Course Inlet/Outlet Inspections	3,526	4025	3,000	4,160	3,000	3,000	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)*</b> <ul style="list-style-type: none"> <li>\$23.5 million projected loss in sale of water due to lower consumption from the Industrial, Commercial and Institutional sector as a result of closures/slowdowns in operations. Year-end results can vary significantly due to the uncertainty of sale of water due to consumption levels, a change in consumer habits, and a change in government order or closures.</li> <li>\$1.7 million in additional costs for health and safety supplies and protocols.</li> <li>\$6.0 million projected cost savings in salaries and benefits due to hiring slow-down.</li> <li>Other non-salary underspending due to delay in certain preventative maintenance and discretionary expenses, as well as lower costs in hydro indirectly related to COVID-19.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>There is a projected \$19.1 million in loss or foregone revenue in 2021. In response to these financial pressures and the challenges being faced by Toronto residents and businesses a 1.5% rate increase for 2021 is being recommended rather than the planned 3% rate increase (3% is planned for future years).</li> <li>To manage the 1.5 per cent rate increase, adjustments were made to the operating budget through a combination of efficiencies, reductions and reduced forecasted revenue in 2021 with no impact or deferrals to the 2021 recommended capital program as a result of the recommended rate.</li> <li>\$5.0 million projected cost savings in salaries and benefits due to hiring slow-down and voluntary separation program; and \$1.1 million savings from cancellation of non-union progression pay.</li> <li>\$0.9 million in additional costs for health and safety supplies and protocols.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Accelerated construction in the right-of-way due to reduced congestion.</li> <li>Accelerated investment into server infrastructure improvement and desktop virtualization technology.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>2021 requested cash flows updated to align with current delivery forecasts.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Toronto Water continues to provide safe drinking water; safe collection and treatment of wastewater; and, stormwater management.</li> <li>All emergency repairs and response continue including emergency watermain break repairs.</li> <li>Regular and preventative maintenance activities were temporarily suspended in addition to some customer service and public education activities and these services have now resumed (events related to the booking of HTO ToGo water trailers have been cancelled indefinitely).</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There are no anticipated impacts to service levels as a result of COVID-19 during 2021.</li> </ul>

\* Projections based on Q2 2020 Variance Report

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Long-term \$2.5 billion Don River and Central Waterfront projects now actively underway. Phase 1, the Coxwell Bypass Tunnel, at 10.5km long and 6.3m in diameter, will intercept combined sewer overflows and stormwater discharges from 23 sewer outfalls improving beach, river and lake water quality.
- Replaced/rehabilitated 87km of aging watermains to help reduce watermain breaks and ensure customers have reliable safe drinking water.
- Invested \$28.405 million in upgrades to aging water reservoirs/water pumping stations to ensure safe, reliable storage and distribution of drinking water.
- Replaced/rehabilitated 61km of aging sewers to address state-of-good-repair (SOGR) needs.
- Invested \$176.774 million in critical upgrades to the Ashbridges Bay Wastewater Treatment Plant the second largest treatment plant in Canada serving more than 1.5 million people.
- Toronto Water Customer Care Centre (CCC) implementation is complete. Initiated in 2017 and resulted in \$0.747 million in savings due the reduction of 8 positions. From June 1, 2019 to June 30, 2020 there were approximately 208,744 interactions including: incoming/outbound calls, emails and outbound calls for COVID-19 pre-screening for customer service required for homes/businesses. The CCC allows for the management of a surge in call volumes including the ability to make outbound calls during complex and lengthy severe weather incidents or emergencies.

### Key Challenges and Risks

- **Managing Reserve Balances:** Critical need to maintain adequate capital reserves to fund the state of good repair 10-year capital program. 10-year capital plan relies primarily on 3 per cent water rate increases.
- **Aging Infrastructure:** Significant SOGR for underground assets/water and wastewater treatment plants and facilities.
- **Basement Flooding:** Significant investment is required to manage basement flooding across the city. There are complex program challenges including coordination, uncertainty of timing of rain events, acceleration of Environmental Assessments, and a Council approved \$32 thousand per property funding criteria.
- **Planning for growth:** Rapid growth in the city core and mid-town are putting pressure on existing linear infrastructure. Long-term strategies are needed to keep up with growth. Significant groundwater issues have occurred over the past three years as deeper parking structures are being built. As a result of City Council development charge exemptions, \$575.158 million is drawn from Toronto Water's capital reserves to accommodate development growth over the next 10 years.
- **Modernization:** An aging suite of information technology tools and databases require significant investment. Critical need to keep pace with upgraded technology requirements: Geographic Information Systems, enhanced data management tools and artificial intelligence including Enterprise Work Management System.

### Priority Actions

- **Customer Service:** Ensure efficient/effective response times for customer service demands including improved customer service culture, technology and infrastructure.
- **Workforce Strategies:** Ongoing development of hiring strategies during the hiring slow down period for critical, vulnerable and hard to fill positions including on-the-job training programs and planning for demographic changes.
- **SOGR:** Continued long-term investment in SOGR projects and reducing the backlog to \$132.304 million by 2030, effectively eliminating the backlog.
- **Growth:** Development of strategy to manage pressure on linear infrastructure in growth areas.
- **Resiliency:** Long-term significant investment in Council approved Wet Weather Flow Master Plan projects to protect the environment and lake, river and stream water quality including \$2.204 billion for the Basement Flooding Protection Program, completion of Environmental Assessments for all Basement Flooding Studies Areas by 2024 and investing \$1.417 billion over the 10 years to implement the Don River and Central Waterfront project, with all project phases forecasted for completion by 2038.

## 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>						
Water Treatment & Supply	588,864.4	614,548.8	600,704.0	619,109.7	18,405.7	3.1%
Wastewater Collection & Treatment	749,591.3	770,181.3	764,370.2	785,617.5	21,247.3	2.8%
Stormwater Management	7,545.8	5,819.5	7,670.4	10,609.2	2,938.8	38.3%
<b>Total Revenues</b>	<b>1,346,001.5</b>	<b>1,390,549.7</b>	<b>1,372,744.6</b>	<b>1,415,336.3</b>	<b>42,591.7</b>	<b>3.1%</b>
<b>Expenditures</b>						
Water Treatment & Supply	200,630.2	203,667.2	189,233.7	195,791.0	6,557.3	3.5%
Wastewater Collection & Treatment	205,812.5	234,585.7	219,459.4	229,905.6	10,446.2	4.8%
Stormwater Management	27,837.9	32,426.7	35,534.1	43,127.5	7,593.3	21.4%
<b>Subtotal - Gross Expenditures</b>	<b>434,280.6</b>	<b>470,679.6</b>	<b>444,227.2</b>	<b>468,824.0</b>	<b>24,596.8</b>	<b>5.5%</b>
Capital Contribution	911,720.9	919,870.1	928,517.4	946,512.3	17,994.9	1.9%
<b>Total Gross Expenditures</b>	<b>1,346,001.5</b>	<b>1,390,549.7</b>	<b>1,372,744.6</b>	<b>1,415,336.3</b>	<b>42,591.7</b>	<b>3.1%</b>
<b>Approved Positions</b>	<b>1,678.3</b>	<b>1,841.3</b>	<b>1,841.3</b>	<b>1,841.3</b>		

\*2020 Projection based on Q2 Variance Report and Council approved in-year adjustments

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$468.824 (prior to capital contribution) million gross reflecting an increase of \$24.597 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Slow-down in spending on discretionary, regular and preventative maintenance activities, and a slow-down in hiring as a result of mitigation efforts to address COVID-19 financial impacts resulted in lower projections in 2020.
- Inflationary increases for salaries and benefits, utilities, chemicals and contract services contract cost.
- Annualised costs from the additional 21 positions approved in-year, required to deliver transit expansion projects (Ontario Line, Scarborough Extension, Yonge Subway Extension, and Eglinton West Light Rail Transit), fully funded by Metrolinx.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, mitigation efforts to address COVID-19 financial impacts, and higher revenues from sale of water to Region of York, increase in new water service connections, and other revenue.

The 2021 Operating Budget recommends a 1.5 per cent rate increase. Approximately 67 per cent of Toronto Water's 2021 Operating Budget or 1.9 per cent above the 2020 projected year-end actuals will go towards the annual capital reserve contribution to fund the 10 year Capital Plan.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Water's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Water is \$468.824 million gross (prior to capital contribution) or 5.5 per cent higher than the 2020 Projected Actuals. 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 Projection	2021 Base Budget	YoY Changes	
				\$	%
<b>Expenditures</b>					
1 Salaries and Benefits	176,938.9	179,697.4	187,541.6	7,844.2	4.4%
2 Materials and Supplies	94,819.6	96,112.8	106,902.2	10,789.4	11.2%
3 Machinery and Equipment	3,151.7	2,767.8	2,835.3	67.5	2.4%
4 Service and Rent	66,552.4	70,300.6	75,474.6	5,173.9	7.4%
5 Contribution To Reserves	10,674.3	10,706.3	10,690.2	(16.1)	-0.2%
6 Other Expenditures (Inc. IDC's)	82,143.7	84,642.3	85,380.1	737.9	0.9%
<b>Subtotal - Gross Expenditures</b>	<b>434,280.6</b>	<b>444,227.2</b>	<b>468,824.0</b>	<b>24,596.8</b>	<b>5.5%</b>
Capital Contribution	911,720.9	928,517.4	946,512.3	17,994.9	1.9%
<b>Total Expenditures</b>	<b>1,346,001.5</b>	<b>1,372,744.6</b>	<b>1,415,336.3</b>	<b>42,591.7</b>	<b>3.1%</b>
<b>Revenues</b>					
1 Sale of Water	1,226,547.3	1,253,711.4	1,289,493.8	35,782.4	2.9%
2 User Fees & Donations	70,696.6	62,691.6	61,899.9	(791.7)	-1.3%
3 Transfers From Capital	7,296.6	8,905.7	9,364.3	458.6	5.1%
4 Other Revenues (Inc. IDR's)	41,461.1	47,435.9	54,578.3	7,142.4	15.1%
<b>Total Revenues</b>	<b>1,346,001.5</b>	<b>1,372,744.6</b>	<b>1,415,336.3</b>	<b>42,591.7</b>	<b>3.1%</b>
<b>Approved Positions</b>	<b>1,678.3</b>	<b>1,841.3</b>	<b>1,841.3</b>		

\*2020 Projection based on Q2 Variance Report and Council approved in-year adjustments

**Salaries & Benefits:** Include inflationary increases on existing salaries and benefits and annualised costs from the additional 21 positions approved in-year to deliver transit expansion projects, which are fully funded by Metrolinx. The above increases have been partially offset by reductions to account for vacancies in 2021 resulting from hiring slow-down, cancellation of non-union performance pay and the voluntary separation program, all mitigation efforts to address COVID-19 financial impacts. Certain positions were also repurposed to better align the re-distribution of work/change within Toronto Water, with no changes to existing services.

**Materials and Supplies:** Include energy and chemical inflationary increases higher than Consumer Price Index (CPI) and CPI increases on existing material contracts (\$5.202 million), offset by ongoing hydro savings and efficiencies through implementation of various utility conservation oriented initiatives (\$4.487 million). The 2021 budget also include provisions for contingencies and estimates based on fluctuating weather conditions.

**Services and Rents:** Include CPI inflationary increases on existing service contracts. The 2021 budget also include provisions for contingencies and estimates based on fluctuating weather conditions.

**Contributions to Capital:** Approximately 67 per cent of the 2021 Operating Budget will go towards the capital reserve contribution to fund the 10-year Capital Plan, representing a 1.9 per cent increase over 2020 projected capital reserve contribution.

**Revenue Changes:** Include rate increase of 1.5 per cent on sale of water that will go towards the annual capital reserve contribution. Water consumption is expected to rebound as restrictions ease and non-essential businesses return to operations. Additional revenues reflect price of water sold to Region of York, increase in new water connections, private water agreements, and other revenue.

Table 2b: 2021 Balancing Actions

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Reduction in Base Expenditures/ Realignment of Budget	Line By Line		(4,785.1)	(4,785.1)				
Energy Efficiencies	Efficiencies		(4,487.4)	(4,487.4)				
Region of York - Rate and Volume	AG Recs	1,731.1		(1,731.1)			(431.6)	
Revenue Increase (User Fees-Rate and Volume)	Revenue Increase (User Fees)	6,674.2		(6,674.2)				
Revenue Increase (Other)	Revenue Increase (Other)	4,098.9		(4,098.9)				
Hiring Slow-down	Other		(2,762.6)	(2,762.6)				
Voluntary Separation Program	Other		(2,165.7)	(2,165.7)				
Cancellation of Non-Union Performance Pay	Other		(1,115.9)	(1,115.9)				
<b>Total Balancing Actions</b>		<b>12,504.2</b>	<b>(15,316.7)</b>	<b>(27,820.9)</b>	<b>-</b>		<b>(431.6)</b>	<b>-</b>

- **Line-by-Line:** A reduction in base expenditures in materials and supplies and other non-salary costs contributes to Toronto Water's efforts to manage continuous cost increases from internal and external sources.
- **Efficiencies:** Ongoing hydro savings and efficiencies that Toronto Water has been able to achieve through implementation of various utility conservation oriented initiatives.
- **Auditor General Recommendations:** In accordance with the Water Supply Agreement between the City of Toronto and the Regional Municipality of York of January 1, 2019, the expected 2021 wholesale water rate has increased in accordance with the Agreement. The review of the Agreement considered recommendation from Auditor General Office.
- **Revenue Increase (User Fees and Other):** Various user fees and other revenue increased to align to projected actual volume and inflationary rate increases.
- **Hiring Slow-Down, Voluntary Separation Program, and Cancellation of Non-Union Performance Pay:** Mitigation efforts to address COVID-19 financial impacts.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	1,372,744.6	1,415,336.3	1,442,576.5	1,473,808.8
Gross Expenditures	444,227.2	468,824.0	474,758.8	484,384.4
<b>Capital Contribution</b>	<b>928,517.4</b>	<b>946,512.3</b>	<b>967,817.7</b>	<b>989,424.3</b>
<b>Approved Positions</b>	<b>1,841.3</b>	<b>1,841.3</b>	<b>1,856.3</b>	<b>1,857.3</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$474.759 million reflects an anticipated \$5.935 million or 1.3 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlook expects a further increase of \$9.626 million or 2.0 per cent above 2022 gross expenditures.

These changes arise from the following:

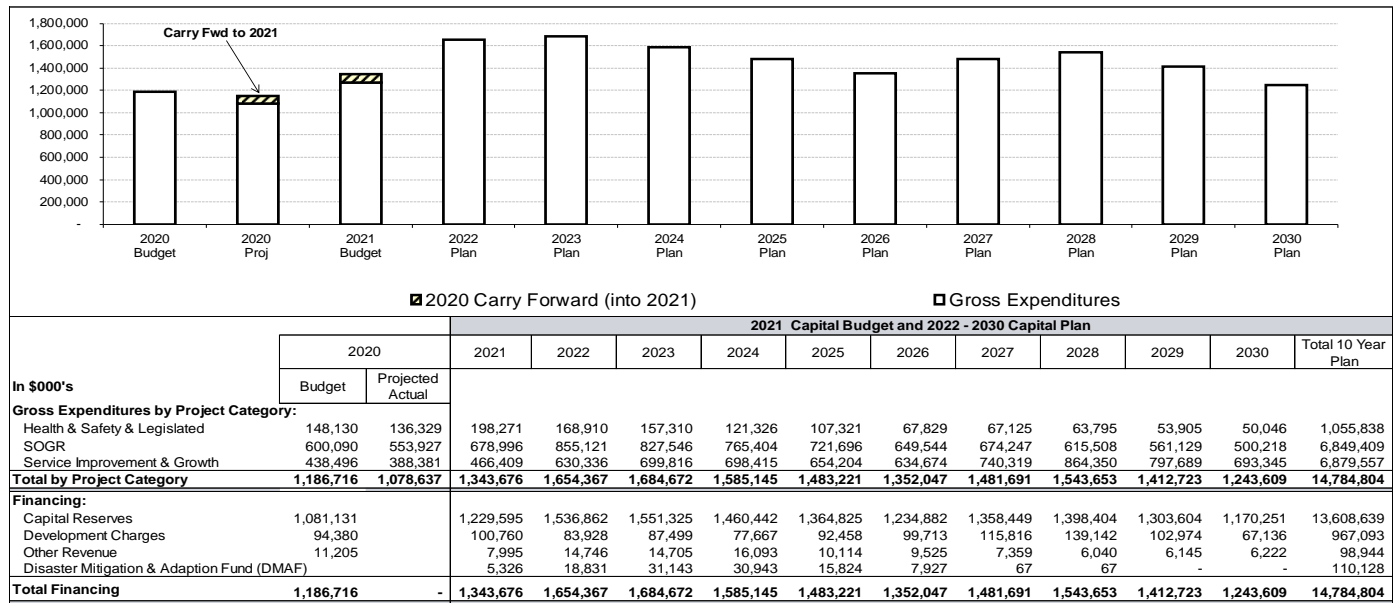
- Inflationary increases for salaries and benefits.
- Anticipated inflationary increases for utilities, chemicals, other materials and supplies, contracted services, contributions to Toronto and Region Conservation Authority and payment in lieu of taxes.
- Operating impact of capital projects once completed and salaries and benefits for staff delivering capital projects.
- Anticipated 15 additional positions tied to phasing in the implementation of Permanent Surface Reinstatement program and Technology Optimization Strategy, and positions required to operate new facilities and infrastructure and deliver capital projects. **(2022 only)**

Revenues are expected to increase as a result of an anticipated 3 per cent water rate increase in 2022 and a further 3 per cent increase in 2023.



## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



\*2020 Projection based on Q2 Variance Report.

### Changes to Existing Projects

- The 2021-2030 Capital Budget and Plan reflects an increase of \$328.376 million as compared to the 2020-2029 Capital Budget and Plan. Key Changes include:
- Increased funding of \$83.770 million to support infrastructure at the Wastewater Treatment Plants.
- Increased funding of \$177.4 million for Trunk Sewer renewal, including increased investment into the Black Creek Sanitary Trunk Sewer project.
- Increased funding of \$149.611 million for the Wet Weather Flow Master Plan, including \$94.515 million to support the Basement Flooding Protection Program, and \$47.531 million for Don River and Central Waterfront.






### New Projects

- The 2021-2030 Capital Budget and Plan does not include new programs. Some of the key investments are as follows:
- \$6.849 billion for SOGR projects to ensure the replacement or rehabilitation of aging watermain and sewers and investment in the aging water and wastewater facilities.
- \$5.207 billion for Service Improvement projects including \$2.204 billion in Basement Flooding Protection projects, and \$1.417 billion to support the Don River and Central Waterfront project.
- \$1.056 billion for Legislative and Health & Safety projects
- \$1.673 billion for Growth Projects.

### Capital Needs Constraints

- The 2021-2030 Capital Budget and Plan is based on the capacity to deliver (85 per cent spending rate included for planning purposes).
- Toronto Water does not have any unmet needs over the 10-year planning horizon.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$14.8 Billion 10-Year Gross Capital Program**

				
<b>Plant &amp; Facilities</b>	<b>Underground Infrastructure</b>	<b>Stormwater Management</b>	<b>Basement Flooding Protection Program</b>	<b>Engineering, Yard &amp; Network Improvements</b>
\$4.133B 28%	\$5.447B 37%	\$2.115B 14%	\$2.204B 15%	\$0.885B 6%
Water Filtration Plants; Wastewater Treatment Plants; Pumping Stations; and Storage & Reservoirs	Watermain and Sewer Replacement/ Rehabilitation; Water Service Replacement; and New Connections	Wet Weather Flow Projects (end of pipe, infrastructure erosion protection); Don River & Central Waterfront	Engineering Studies; Implementation Basement Flooding Protection; Subsidy Program	Engineering Support; Business & Technology; Yards & buildings; Water Efficiency & Metering

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>	
<b>\$ 14,674.7 M</b> <b>99.3%</b>		<b>\$0.0M</b> <b>0%</b>	<b>\$ 110.1M</b> <b>0.7%</b>	
Reserve Draws	\$ 13,608.7M		Disaster Mitigation and Adaptation Fund	\$ 110.1M
Development Charges	\$967.1M			
Other*	\$ 98.9M			

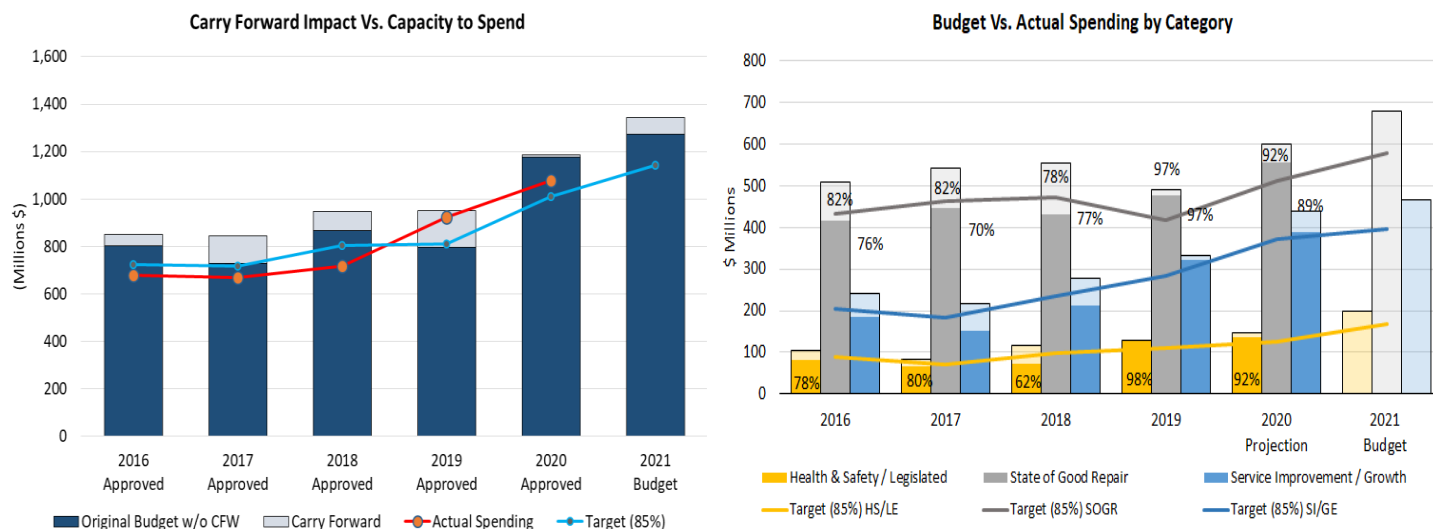
\* Toronto Water's 10-Year Capital Plan includes forecasted funding of \$79 million for the expected Toronto Region & Conservation Authority (TRCA) Watercourse Erosion Control project, to be spent between 2022 and 2030. It is assumed that approximately \$53 million or 67 per cent will be funded by other orders of government. The funding has yet to be secured.

## 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 Toronto Water'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 2021-2030 Capital Budget and Plan represents Toronto Water's largest investment in infrastructure renewal totalling \$14.785 billion over 10 years. The 2021 Capital Budget of \$1.344 billion (including carry forward funding of \$72.454 million) is higher than the historic 5-year average budget.

Toronto Water's actual spending over the previous five years, from 2015 to 2019, has averaged \$724 million per year. In 2020, Toronto Water is forecasting to spend \$1.079 billion or 91 per cent of the Approved 2020 Capital Budget.

In recent years, Toronto Water has awarded a series of large scale multi-year projects, with approximately \$2.2 billion committed for already awarded works as of October 2020. In addition to regularly scheduled annual construction programs, in 2021 Toronto Water will be awarding approximately \$651 million works supporting the following 7 large projects: Ashbridges Bay Wastewater Treatment Plant (ABTP) Polymer Upgrades and Waste Activated Sludge Upgrades Construction (\$104 million and \$170 million respectively); Fairbanks Silverthorn Tunnel Construction (\$140 million); Highland Creek Wastewater Treatment Plant (HCTP) Biosolids Master Plan (\$93 million); Humber Wastewater Treatment Plant (HTP) Process Upgrades Construction (\$55 million); Black Creek STS Design (\$32 million); and Downsview Transmission Main Construction (\$57 million). The 2021 Capital Budget of \$1.344 billion supports the delivery of current large scale multi-year projects, as well as new projects forecasted for award in 2021.

Based on the review of historical capital spending constraints and a capacity to spend review, \$345.037 million in capital spending originally cash flowed in 2021 has been adjusted to align with current delivery forecasts, including deferrals to 2022 and future years. Key adjustments to the Capital Plan are noted below:

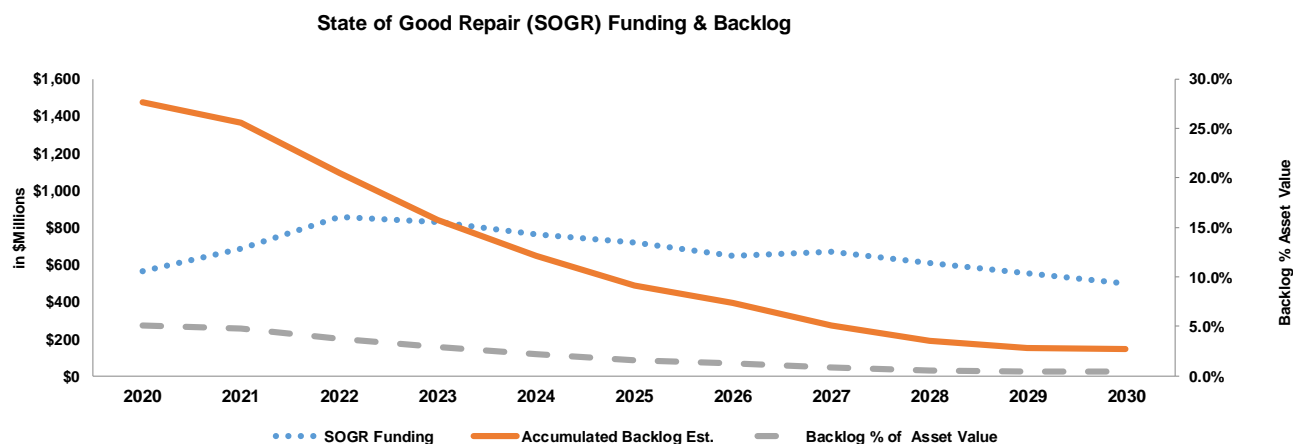
- The *Ashbridges Bay Wastewater Treatment Plant* 2021 cashflow has been reduced by \$52.310 million to reflect updated project delivery schedules for several projects including the Polymer Upgrade, Waste Activated Sludge Upgrade Construction, and Pelletizer Trunk Loading Facility Upgrades projects.
- The *Watermain Replacement* 2021 cashflow has been reduced by \$37.586 million to reflect updated project delivery timelines and project completions.

- The *Sewer Replacement* 2021 cashflow has been reduced by \$24.247 million to reflect updated project scope and delivery plan.
- The *Basement Flooding Protection Program* 2021 cashflow has been reduced by \$58.024 million to reflect updated project delivery schedules. Although the 2021 cashflow has been reduced, the overall 10-year Basement Flooding Protection Program will increase by \$94.515 million (2021-2030). Realignments occurred as a result of a project by project review to identify individual project readiness to tender in 2021 and 2022. Some projects are delayed due to the complex nature of infrastructure design. As well, there have been project schedule revisions due to longer than expected negotiation of acquisitions of easements and lands.
- The *Wet Weather Flow Program* 2021 cashflow has been reduced by \$27.964 million to reflect updated project delivery schedules for several projects including the Western Beaches Retrofit and Bonar Creek SWMF Facility Construction projects.

The 2021 Financial Model assumes that 85 per cent of the net Capital Budget and Plan will be drawn from Toronto Water's Capital Reserve and Water, Sanitary and Stormwater Management Development Charge Reserves based on historical capital completion levels, so as not to overstate actual projected funding requirements.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for linear infrastructure and facilities in Toronto Water.

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

\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	563.538	678.996	855.121	827.546	765.404	721.696	649.544	674.247	615.508	561.129	500.218
Accumulated Backlog Est.	1,472.544	1,368.706	1,097.816	845.862	651.451	493.930	398.778	268.882	181.832	135.047	132.304
Backlog % of Asset Value	5.1%	4.8%	3.8%	2.9%	2.2%	1.6%	1.3%	0.8%	0.6%	0.4%	0.4%
Total Asset Value	28,669.540	28,788.770	29,068.783	29,273.532	30,138.904	31,044.777	31,700.415	32,144.278	32,325.619	32,502.924	33,947.058

\*2020 SOGR Funding is based on recent estimates

- Toronto Water's infrastructure is aging with an accumulated SOGR backlog estimated at \$1.473 billion by the end of 2020, which includes both linear (watermains and sewers) and facility/plant infrastructure (water treatment plants, wastewater treatment plants, pumping stations). This represents 5.1 per cent of the total replacement value of Toronto Water's assets, which at the end of 2020 are estimated to be \$28.670 billion.
- The 2021-2030 Budget and Capital Plan allocates a total of \$6.849 billion over 10 years, including \$678.996 million in 2021 (or 51 per cent of the 2021 Capital Budget) to address the renewal needs of Toronto Water's aging infrastructure. This significant investment into Toronto Water infrastructure will ensure continued and reliable service to residents, businesses and visitors, reducing the SOGR backlog to \$132.304 million in 2030, effectively eliminating the backlog.
- Approximately 57 per cent or \$0.842 billion of Toronto Water's infrastructure backlog is associated with aging linear watermain and sewer infrastructure. The 2021-2030 Budget and Capital Plan allocates a total of \$4.429 billion to address deteriorated linear infrastructure.
- Approximately 43 per cent or \$0.630 billion of Toronto Water's infrastructure backlog is associated with the facilities backlog. The 2021-2030 Capital Budget and Plan allocates a further \$2.421 billion for infrastructure renewal projects at water and wastewater treatment facilities. SOGR works at the water and wastewater facilities may include renewal of existing buildings, and process equipment and machinery, etc.

Stormwater management facilities (stormwater ponds and underground storage tanks) are not included in the SOGR backlog analysis as they are relatively new assets, as well as stream restoration from erosion. Restoration of watercourses is planned on a priority basis to protect existing infrastructure and in coordination with the Toronto Region Conservation Authority based on site conditions resulting from extreme weather events.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will Budget will impact future year Operating Budgets by \$5.167 million net over the 2021-2030 period and an increase of five positions for planned completion of new equipment and facilities.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Ashbridges Bay WWTP - Effluent System - Disinfection System			842.1	2.0	162.8						1,004.9	2.0	1,004.9	2.0
Ashbridges Bay WWTP - Liquid Treatment & Handling & Integrated Pumping Station													1,700.0	
Ashbridges Bay WWTP - Solids & Gas Handling - Waste Activated Sludge Upgrade			(620.0)				1,500.0				880.0		880.0	
Ashbridges Bay WWTP Rehab - D Building PHASE 2							350.0				350.0		350.0	
Basement Flooding Relief - GROUP 2			100.0								100.0		100.0	
Island W.T.P. Chemical & Residuals Management							45.8	0.5	80.0		125.8	0.5	125.8	0.5
Island W.T.P. Plantwide HVAC Upgrades							(50.0)				(50.0)		(50.0)	
Island W.T.P. Island Photovoltaic System							(242.0)		(242.0)		(484.0)		(484.0)	
Harris - HVAC Rehab Construction							(150.0)				(150.0)		(150.0)	
North Toronto WTP Upgrades - Process Improvements					641.4	1.0					641.4	1.0	641.4	1.0
Business System Infrastructure - Technology Improvements			118.9	1.0	24.7						143.6	1.0	143.6	1.0
<b>Sub-Total: Previously Approved</b>			<b>441.0</b>	<b>3.0</b>	<b>828.9</b>	<b>1.0</b>	<b>1,453.8</b>	<b>0.5</b>	<b>(162.0)</b>		<b>2,561.7</b>	<b>4.5</b>	<b>4,261.7</b>	<b>4.5</b>
<b>New Projects - Future Years</b>														
WT&S Plantwide - UV Disinfection - Construction							45.8	0.5	645.0		690.8	0.5	905.8	0.5
<b>Sub-Total: New Projects - Future Years</b>							<b>45.8</b>	<b>0.5</b>	<b>645.0</b>		<b>690.8</b>	<b>0.5</b>	<b>905.8</b>	<b>0.5</b>
<b>Total (Net)</b>			<b>441.0</b>	<b>3.0</b>	<b>828.9</b>	<b>1.0</b>	<b>1,499.6</b>	<b>1.0</b>	<b>483.0</b>		<b>3,252.5</b>	<b>5.0</b>	<b>5,167.5</b>	<b>5.0</b>

**Previously Approved projects**

- Increase in operating costs for salaries, benefits, chemicals, energy, utilities and contracted services from previously approved projects at Ashbridges Bay and North Toronto Wastewater Treatment plants and Toronto Island Treatment Plant. In 2022, upgrades at the Ashbridges Bay Treatment Plant (waste activated sludge) will generate savings of \$0.620 million.

**New projects**

- Increase in operating costs for salaries, benefits, chemicals, utilities and contracted services for plant-wide implementation/construction of ultraviolet disinfection facilities.

# 2021 Program Summary

## Waterfront Revitalization Initiative

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### Description

The Waterfront Secretariat leads the Toronto Waterfront Revitalization Initiative on behalf of the City of Toronto. Secretariat staff work with their Federal and Provincial partners and Waterfront Toronto to ensure that plans, agreements and approvals are in place to advance revitalization in the central waterfront.

The Secretariat's key functions include administering project funding, coordinating development activity, obtaining approvals and minimizing risk exposure for the three governments. The Waterfront Secretariat is part of the City Planning Division.

### Why We Do It

The revitalization of Toronto's waterfront is the largest urban redevelopment project underway in North America; it is one of the world's largest waterfront revitalization efforts.

**Underused land in Toronto's waterfront is transformed or revitalized into vibrant and sustainable mixed use communities with parks, public realm and amenities for public use.**

New infrastructure, funded by three levels of government and delivered by Waterfront Toronto, will facilitate private sector investment. Waterfront revitalization projects will achieve a collective vision, facilitated by collaboration between Waterfront Toronto and City Divisions, as well as the three governments and their agencies; the City's efforts are coordinated by the Waterfront Secretariat.

*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.*

## Budget at a Glance

### OPERATING BUDGET

\$Million	2021	2022	2023
Waterfront Revitalization Initiative is managed by the Waterfront Secretariat, which is a section within City Planning's Operating Budget.			

### 10-YEAR CAPITAL PLAN

\$Millions	2021	2022-2030	Total
Gross Expenditures	\$120.9	\$ 168.2	\$289.1
Debt	\$23.0	\$30.9	\$54.0

Note: Includes 2020 carry forward funding to 2021

## COVID-19 IMPACT AND RECOVERY

### 2020 Impact

#### Financial Impact (Capital)

- The 2021 Capital Budget reflects a number of changes to the 2020 budgeted cash flows resulting from delays due to additional time required to obtain approvals and to coordinate amongst Divisions; as a result the Waterfront Revitalization Initiative includes carry forward funding for the following projects that were affected:
  - \$4.000 million for the East Bayfront Community Centre
  - \$0.200 million for Lower Don Coordination
  - \$0.673 million for Bathurst Quay Public Realm

### 2021 Impact and Recovery

#### Financial Impact (Capital)

- The 2021 capital projects and cash flows have been reviewed and re-casted as required to align with the capital project's readiness to proceed.



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Transformed the West Don Lands and East Bayfront into mixed-use communities, including 580 units of affordable housing.
- Created notable waterfront parks, including Sugar Beach and Corktown Common.
- Outside of the central waterfront, added to Toronto's inventory of shoreline parks with Port Union Waterfront Park and Mimico Waterfront Park.
- Funded the Union Station Second Platform to alleviate congestion and improve passenger safety.
- Completed the Garrison Crossing pedestrian and Cycle Bridge and The Bentway.

### Key Challenges and Risks

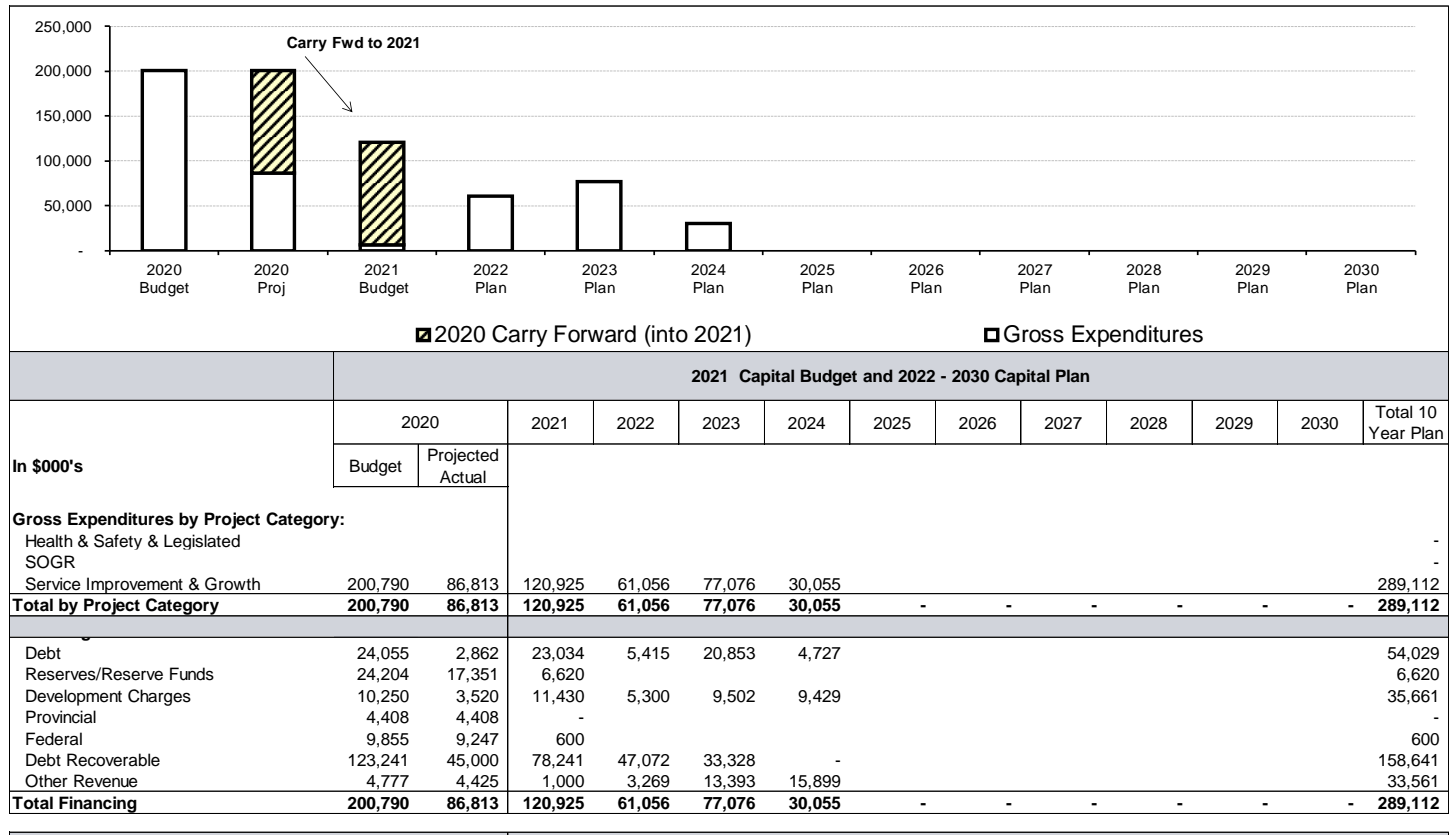
- Mitigating risks related to the implementation of Port Lands Flood Protection.
- Coordinating infrastructure projects in the Lower Don, to avoid constructor conflicts and cumulative user impacts.
- Reviewing next steps for the Port Lands, including roles and responsibilities in revitalization.
- Business and implementation planning, including phasing, in relation to the build-out of future waterfront precincts.
- Securing additional funding for the waterfront transit network and other necessary infrastructure.

### Priority Actions

- Mitigate risk related to Port Lands Flood Protection by working with the Federal and Provincial governments and Waterfront Toronto.
- Address the operating cost of capital related to the infrastructure that will be created through Port Lands Flood Protection.
- Report to Council with an update to the work plan for the development of the Port Lands, including revitalization roles and responsibilities.
- Report to Council with an update on the proposed development of Quayside.
- Implement a child care and recreation centre in the East Bayfront community.
- Implement transportation and public realm projects in Bathurst Quay, working with Ports Toronto and other partners.
- Monitor Billy Bishop Toronto City Airport to ensure compliance with the Tripartite Agreement between the City, Ports Toronto, and Transport Canada.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects

The 2021-2030 Capital Budget and Plan reflects no changes over the nine common years (2021-2029) and it includes the following re-alignment:

- East Bayfront Environmental Reserve Fund (\$.580M)
- Urban Planners and Legal Resources \$.705M

### New Projects





The 2021-2030 Capital Budget and Plan does not include any new projects.

### Capital Needs Constraints

The 2021-2030 Capital Budget and Plan is based on Waterfront Secretariat's capacity to deliver. The following programs are not included in the 10-year plan:

- Port Lands Transportation Infrastructure \$96.5M
- Port Lands Water Infrastructure \$45.1M
- Port Lands Stormwater Infrastructure \$80.3M
- Port Lands Community Infrastructure \$200.2M
- Non Port Lands Infrastructure and Public Realm, including Broadview Eastern Flood Protection \$480M

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$289.1 million 10-Year Gross Capital Program**

			
<b>Flood Protection</b>	<b>Parks Infrastructure</b>	<b>Other Infrastructure</b>	<b>Project Management</b>
\$195.7M 67.8%	\$62.1M 21.4%	\$27.5M 9.5%	\$3.8M 1.3%
Port Lands Flood Protection  Eastern Broadview Flood Protection Environmental Assessment	East Bayfront Community Centre  Bathurst Quay Public Realm  Regional Sports Centre  Bayside Waters Edge Promenade	Precinct Implementation Projects  East Bayfront Public Art  East Bayfront Local Infrastructure	Waterfront Secretariat  Urban Planning and Legal Resources  Lower Don Coordination

**How the Capital Program is Funded**

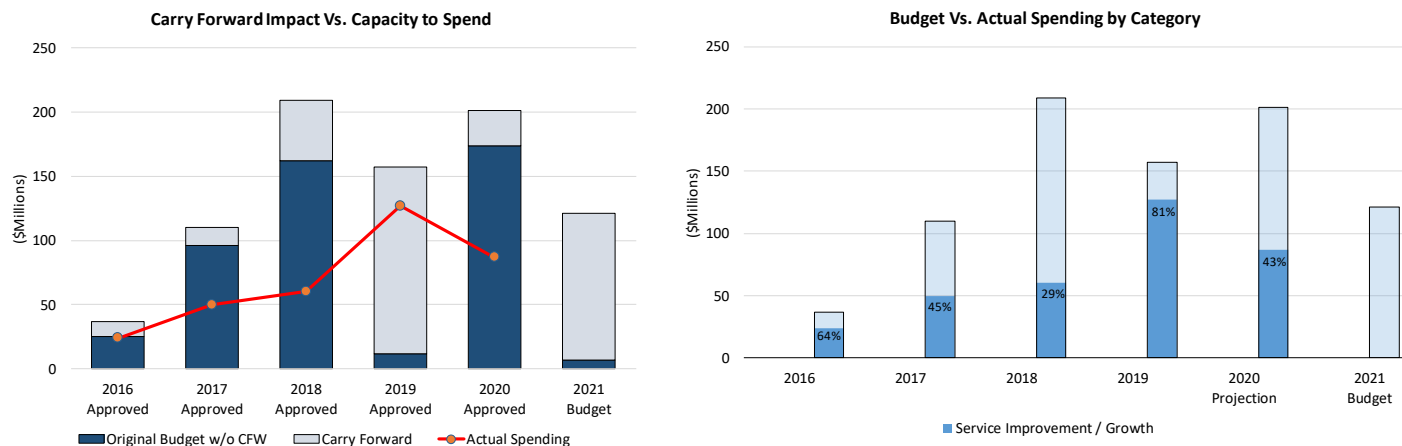
<b>City of Toronto</b>		<b>Federal Funding</b>	
<b>\$288.5 M 99.7%</b>		<b>\$0.6 M 0.3%</b>	
Debt	\$ 54.0M	Other	\$ 0.6M
Reserve Draws	\$ 6.6M		
Development Charges	\$ 35.7M		
Debt Recoverable	\$ 158.6M		
Other	\$33.6M		

## 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 Waterfront Revitalization Initiative'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

Based on the review of historical capital spending constraints and a capacity to spend review, \$114.4 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$47.1 million deferred from 2021 to 2022.

Primary adjustments to the Capital Plan are noted below:

- \$99.5 million in Port Lands Flood Protection funding has been deferred from 2020 to 2021. Further, \$47.1 million in project funding has been deferred from 2021 to 2022. Spending has been deferred to reflect the pace of project spending and to mitigate the cash flow impact of COVID-19 on the City's finances. In addition, the Federal, Provincial and City governments are in negotiations related to the current Contribution Agreement for Port Lands Flood Protection. It is anticipated that the parties will agree on a Contribution Agreement amendment, to be completed in early 2021, that will allow the City to flow even more of its funding contributions in future years (potentially as much as \$19.5 million).
- \$12.0 million in Precinct Implementation project funding has been deferred from 2020 to 2021 as a result of the re-tendering of a water works project on Lower Jarvis Street resulting from high bid prices and additional feedback from Metrolinx which will delay construction until summer of 2021. The start of construction on the East Bayfront Community Centre was delayed by about six months due to COVID-19, as additional time was required to obtain approvals and coordinate between all parties at the onset of pandemic.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The operating impact of the Port Lands Flood Protection project, scheduled for completion in 2024, will be developed in 2021. Staff of Parks, Forestry and Recreation, Financial Planning, the Toronto and Region Conservation Authority, Transportation Services, Toronto Water and the Waterfront Secretariat will undertake a comprehensive analysis of the operating impact of this significant capital project; the findings of this analysis will be reported by mid-2021. The project will lead to the creation of approximately 40 ha (100 acres) of parkland and natural area in the Lower Don and Port Lands, as well as new roads, bridges, and water/wastewater infrastructure.

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Internal Corporate  
Services*

# 2021 Program Summary

## 311 Toronto

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### Description

We provide the City of Toronto a one-window brand and customer service system that supports residents, businesses and visitors. 311 Toronto provides access to non-emergency City services, programs and information 24 hours a day, seven days a week. Information inquiries or requests are received via multiple channels such as phone, online, email, mobile phone applications and Twitter.

Front Line Service Delivery is supported by Project Management office, Information and Business Processing and Metric and Performance teams

### Why We Do It

Toronto residents, businesses and visitors have a single point access to real time, accurate and reliable information on City services anytime and anywhere.

### What Service We Provide

#### **311 Service Delivery**

**Who We Serve:**

Toronto residents, businesses and visitors

**What We Deliver:**

Information provision and service request creation regarding City services through various channels

**How Much Resources (net operating budget):**

\$10.5 Million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$ Millions	2021	2022	2023
Revenues	\$ 8.8	\$ 8.5	\$ 8.5
Gross Expenditures	\$19.4	\$19.3	\$19.5
Net Expenditures	\$10.5	\$10.8	\$11.0
Approved Positions	182.0	182.0	182.0

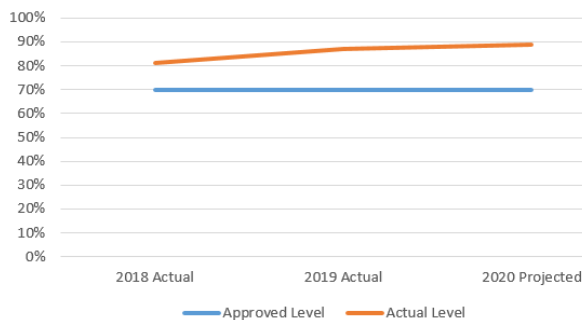
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$0.9	\$1.4	\$2.3
Debt	\$0.9	\$1.4	\$2.3

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers

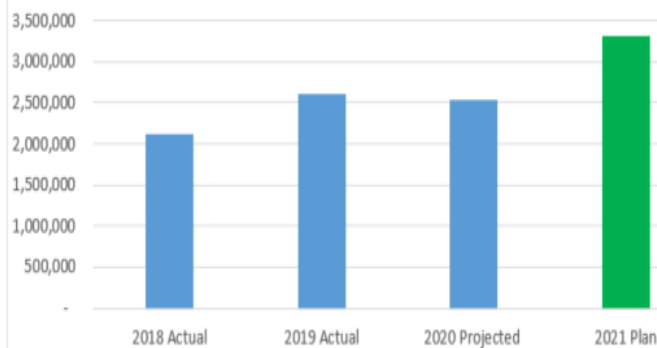
### First Contact Resolution Rate (FCR)



• % of customer Contacts resolved at first point of Contact

First Contact Resolution Rate indicates 311's ability to resolve a customer issue the first time they call 311. The purpose of this measure is to ensure that our customers are receiving timely and relevant information without the need of calling multiple times.

### Public Online Knowledge Base Views



This measure indicates 311's ability at pushing customer transactions and Self-Serve options online.

The online Knowledge Base was disabled for 3 months due to COVID-19 as information was being routed through City of Toronto main web pages.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Projection	2021 Target (ASL*)	2022 Target (ASL*)	Status
Outcome Measures							
311 Service Delivery	Average speed of answer - the average time it takes (in seconds) before a call is answered before the up-front recording / IVR	66	53	36	120	120	●
	Public Online Knowledge Base Views (in million)	2.11	2.60	2.53	3.32	3.48	●
	% of customer contacts resolved at first point of contact (First Contact Resolution Rate)	81%	87%	89%	70%	70%	●
	Number of Calls Handled	1,040,343	1,116,754	1,337,000	1,403,850	1,474,043	●
Service Level Measures							
311 Service Delivery	% of calls received by 311 Toronto that have been answered within approved service standards (75 secs)	75%	81%	82%	80%	80%	●
	Average time spent (in seconds) by a 311 Customer Service Representative on a call including both talk time and wrap up time	299	309	320	270	270	●

\*ASL - Council Approved Service Level



**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>COVID-19 resulted in unbudgeted costs for 311 of \$0.646 million - mainly salaries and benefits paid to the redeployed staff. There is no net impact as above cost is offset by payroll savings from temporary closure of various lines of business such as Tax &amp; Utilities as well delays in hiring due to COVID-19.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>The 2021 COVID-19 impact is projected to be in line with 311's 2020 experience (zero net financial impact)</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>There was delay in completion of most capital projects as project management staff were deployed to handle contingencies arising from the COVID-19 pandemic.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>The 2021 capital projects are expected to proceed per plan.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There was no significant impact of COVID-19 on 311 Service Levels as 311 was able to utilise redeployed staff to assist in managing call volumes.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>311 will continue to deliver the current service levels and no significant impact is expected in 2021.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- The service level target for 2020 is 80% of calls answered within 75 seconds. The actual for 2020 was 82% of the calls answered within 75 seconds
- The average speed of answering a call for 2020 was at 39 seconds.
- The First Call Resolution target is 70%; The actual for 2020 was 85%
- 2020 actual for total contacts handled was 1.4 million

### Key Challenges and Risks

- Maintaining service levels as city growth, call volumes and complexities increase
- Replace and upgrade existing technologies while ensuring the stability of existing platforms
- Readiness for key partners to modernize and transform customer service processes
- Possibility of taking on more Toronto Police Service non-emergency calls, related to Parking, Permits, and Complaints
- Tier 1 Contact Center Consolidations

### Priority Actions

- Implement Phase 2 of the Client Relation Management (CRM) initiative moving all remaining 500+ Service Requests to digital self-serve
- Enhance User / Customer Experience – Channel of Choice
- Establish and OMNI Channel Ecosystem
- Integrate and enhance the 311 Knowledge Base with the new CRM being implemented
- Upgrade the Workforce Management tool within 311, Verint
- Upgrade the Universal Call Centre Enterprise (UCCE) telephony system
- Continue working with divisional stakeholders on enhancing the service levels provided to residents
- Optimized Workforce Scheduling
- Continue with the 311 Quality Assurance program

## 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>								
311 Development	1,555.9	2,014.8	1,084.3	1,928.2		1,928.2	843.9	77.8%
311 Service Delivery	6,881.3	6,882.5	6,574.0	6,882.5		6,882.5	308.5	4.7%
<b>Total Revenues</b>	<b>8,437.3</b>	<b>8,897.2</b>	<b>7,658.3</b>	<b>8,810.7</b>		<b>8,810.7</b>	<b>1,152.4</b>	<b>15.0%</b>
<b>Expenditures</b>								
311 Development	1,917.7	2,432.0	1,554.0	2,439.1		2,439.1	885.1	57.0%
311 Information & Business Processing	784.9	1,285.4	799.6	1,406.8		1,406.8	607.2	75.9%
311 Performance Reporting	162.4	226.9	166.9	250.8		250.8	83.9	50.3%
311 Service Delivery	15,505.1	15,230.7	15,391.6	15,260.7		15,260.7	(130.8)	(0.9%)
<b>Total Gross Expenditures</b>	<b>18,370.1</b>	<b>19,175.0</b>	<b>17,912.0</b>	<b>19,357.4</b>		<b>19,357.4</b>	<b>1,445.4</b>	<b>8.1%</b>
<b>Net Expenditures</b>	<b>9,932.8</b>	<b>10,277.8</b>	<b>10,253.7</b>	<b>10,546.7</b>		<b>10,546.7</b>	<b>293.0</b>	<b>2.9%</b>
<b>Approved Positions</b>	<b>183.0</b>	<b>183.0</b>	<b>183.0</b>	<b>182.0</b>		<b>182.0</b>	<b>(1.0)</b>	<b>(0.5%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$19.357 million gross reflecting an increase of \$1.445 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Project Management Office cost (\$0.844 million) that was delayed in 2020 due to COVID-19, however projected to be fully spent in 2021.
- Tax & Utilities line training (\$0.290 million) was delayed in 2020 due to COVID -19. There is no net impact as this is offset by recoveries from Tax Stabilization Reserve.
- Also, 2021 Budget Request includes a provision of \$0.295 million toward a proposed service change of moving the Verint Impact 360 application from an on-premise to a cloud solution.

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

- **2021 Base Budget totalling \$10.547 million in net expenditures reflects a \$0.269 million net increase above the 2020 Council approved Budget.**

### COSTS TO ENHANCED SERVICES

There is no New and Enhanced proposed for 2021.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in 311 Toronto's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for 311 Toronto is \$19.357 million gross or 8.1% higher than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	17,505.8	18,043.3	16,881.2	18,068.3	1,187.1	7.0%
2	COVID-19 Impact						
3	Materials & Supplies	16.9	12.4	12.4	12.4		
4	Equipment	37.5	100.3	100.3	65.3	(35.0)	-34.9%
5	Service And Rent	781.2	990.3	889.4	1,179.9	290.5	32.7%
6	Contribution To Capital						
7	Contribution To Reserves/Reserve Funds	28.7	28.7	28.7	31.5	2.8	9.9%
Total Expenditures		18,370.1	19,175.0	17,912.0	19,357.4	1,445.4	8.1%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations						
3	Draw from Reserve Funds	130.7	290.5		290.5	290.5	
4	Other Revenues (Inc. IDR's)	6,750.6	6,592.0	6,574.0	6,592.0	18.0	0.3%
5	Transfers From Capital	1,555.9	2,014.8	1,084.3	1,928.2	843.9	77.8%
Total Revenues		8,437.3	8,897.2	7,658.3	8,810.7	1,152.4	15.0%
Net Expenditures		9,932.8	10,277.8	10,253.7	10,546.7	293.0	2.9%
Approved Positions		183.0	183.0	183.0	182.0	(1.0)	-0.5%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits, Draw from Reserve and Transfer from Capital:**

- Project Management Office cost (\$0.844 million) that was delayed in 2020 due to Covid-19, however projected to be fully spent in 2021.
- Tax & Utilities line training (\$0.290 million) was delayed in 2020 due to COVID -19. There is no net impact as this is offset by recoveries from Tax Stabilization Reserve.

**Service & Rent:**

2021 Budget Request includes a provision of \$0.295 million toward a proposed service change of moving the Verint Impact 360 application from an on-premise to a cloud solution.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Deletion of 1 FTE (Support Assistant A)	Efficiencies		(86.4)	(86.4)	(1.0)			
Saving from Line by Line Budget Review	Line By Line		(52.8)	(52.8)				
<b>Total Balancing Actions</b>			<b>(139.2)</b>	<b>(139.2)</b>	<b>(1.0)</b>			

Efficiencies in the Council approved budget help offset investments that upgrade existing technologies, such as moving the Verint Impact 360 application from an on-premise to a cloud solution:

- Deletion of 1 vacant FTE (\$0.086 million gross net)
- Savings in materials and supplies, and equipment budget lines as a result from a line by line expenditure review (\$0.053 million gross and net).

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues	7,658.3	8,810.7	8,520.2	8,520.2
Gross Expenditures	17,912.0	19,357.4	19,288.9	19,543.3
<b>Net Expenditures</b>	<b>10,253.7</b>	<b>10,546.7</b>	<b>10,768.8</b>	<b>11,023.1</b>
<b>Approved Positions</b>	<b>183.0</b>	<b>182.0</b>	<b>182.0</b>	<b>182.0</b>

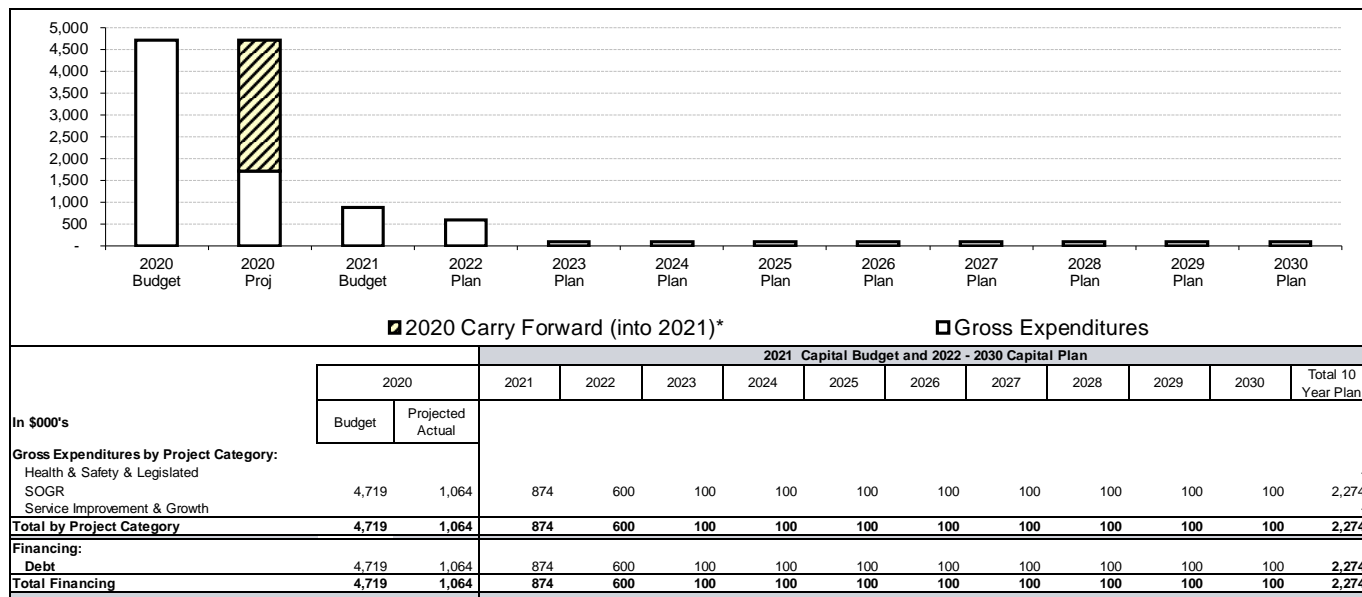
\*2020 Projection based on Q3 Variance Report

## Key drivers

- The Tax & Utilities line training budget (\$0.290 million) with corresponding recovery from Tax Stabilization Reserve is no longer required in 2022 and 2023.
- The net expenditure increase of \$0.222 million and \$0.254 million in 2022 and 2023 respectively relates to payroll adjustments.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



\* The carry forward budget of \$3.0 million relates to projects transferred to and now included in Technology Services

### New Projects

- Artificial Intelligence Project (\$0.250 million) to explore AI opportunities within 311 Customer service delivery.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$2.274 Million 10-Year Gross Capital Program****Information  
Technology**

\$2.274 M  
100%

Technology  
Maintenance and  
Upgrade

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$2.274 M 100%</b>		<b>\$0 M 0%</b>	<b>\$0 M 0%</b>
Debt	\$ 2.274 M		

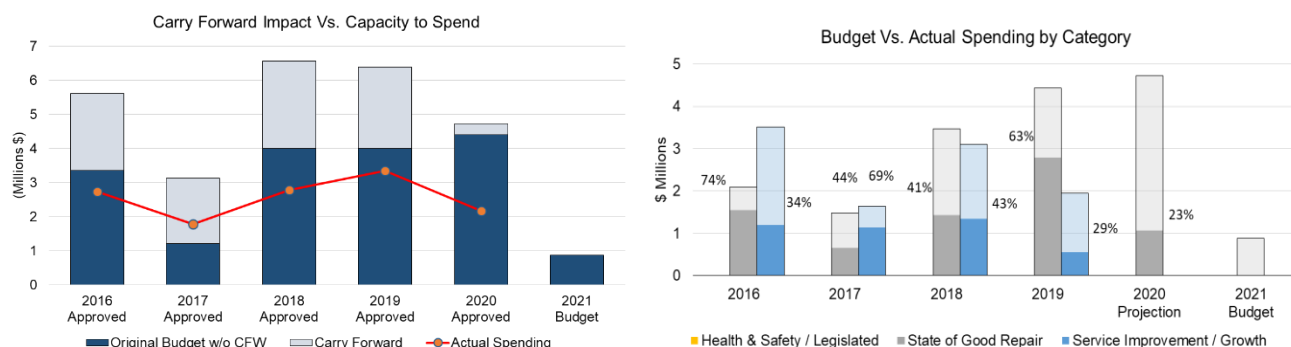


## CAPACITY TO SPEND REVIEW

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 311 Toronto'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

*Verint Upgrade* and *UCCE* (telephony system) *Maintenance & Upgrade* projects are part of 2020 311 capital budget. For the year 2021, these projects are included with Technology Services Division's (TSD) submission.

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

There is no backlog identified at this stage.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

311 Toronto's 2021 Operating Budget request includes a provision of \$0.295 million toward a service change of moving the Verint Impact 360 application from an on-premise to a cloud solution. The *Verint Upgrade* capital project is included under 2021 TSD capital submission.

# 2021 Program Summary

## Corporate Real Estate Management

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### 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

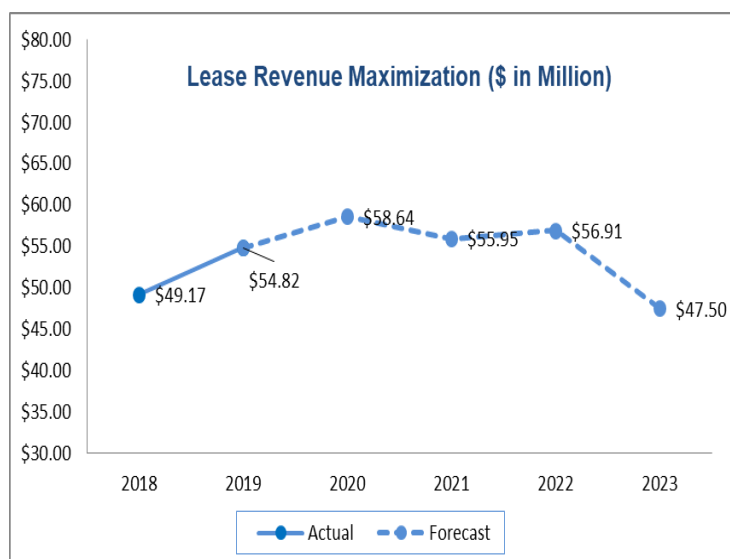
\$Millions	2021	2022	2023
Revenues	\$92.6	\$93.6	\$83.3
Gross Expenditures	\$198.6	\$202.9	\$204.1
Net Expenditures	\$106.0	\$109.3	\$120.8
Approved Positions	1,042.4	1,042.4	1,042.4

### 2021 - 2030 10-YEAR CAPITAL PLAN

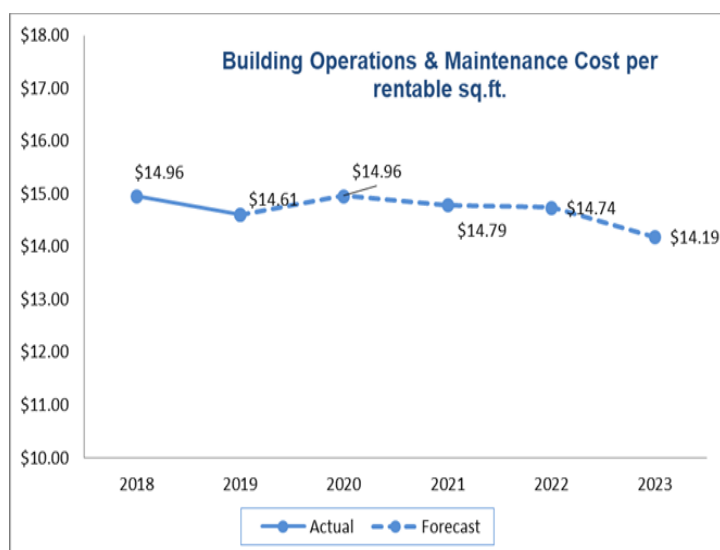
\$Millions	2021	2022-2030	Total
Gross Expenditures	\$283.9	\$1,058.0	\$1,341.9
Debt	\$182.4	\$743.7	\$926.1

Note: Includes 2020 carry forward funding to 2021

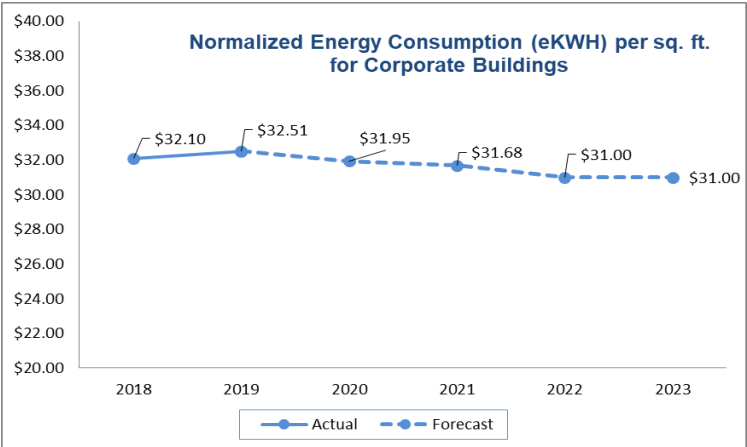
## How Well We Are Doing – Behind the Numbers



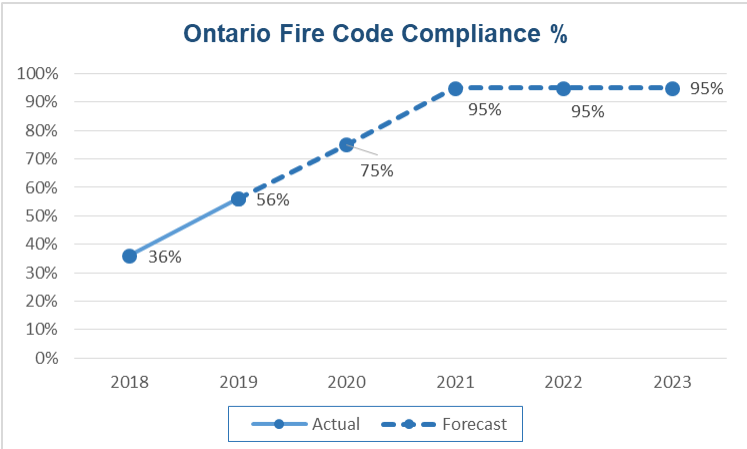
- Impacts of COVID-19 pandemic on leasing revenues, including Union Station, are expected to continue into 2021
- 2020 increase in leasing revenue is due to one-time property tax rebates which are not expected to continue in future years.
- Leasing revenues are expected to rise due to opening of additional 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
Outcome Measures								
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	●
Service Level Measures								
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%	●
Other Measures								
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 at 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



## 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 Council Approved 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	
						\$	%
Expenditures							
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%
Total Expenditures		186,973.4	194,109.2	201,728.6	198,559.0	(3,169.6)	-1.6%
Revenues							
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%
Total Revenues		89,709.8	89,670.9	92,699.7	92,648.7	(51.0)	-0.1%
Net Expenditures		97,263.6	104,438.3	109,028.9	105,910.3	(3,118.6)	-2.9%
Approved Positions		994.0	1,033.4	1,033.4	1,042.4	9.0	0.9%

**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			
In \$ Thousands							
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.
Total New / Enhanced							

**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

**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**

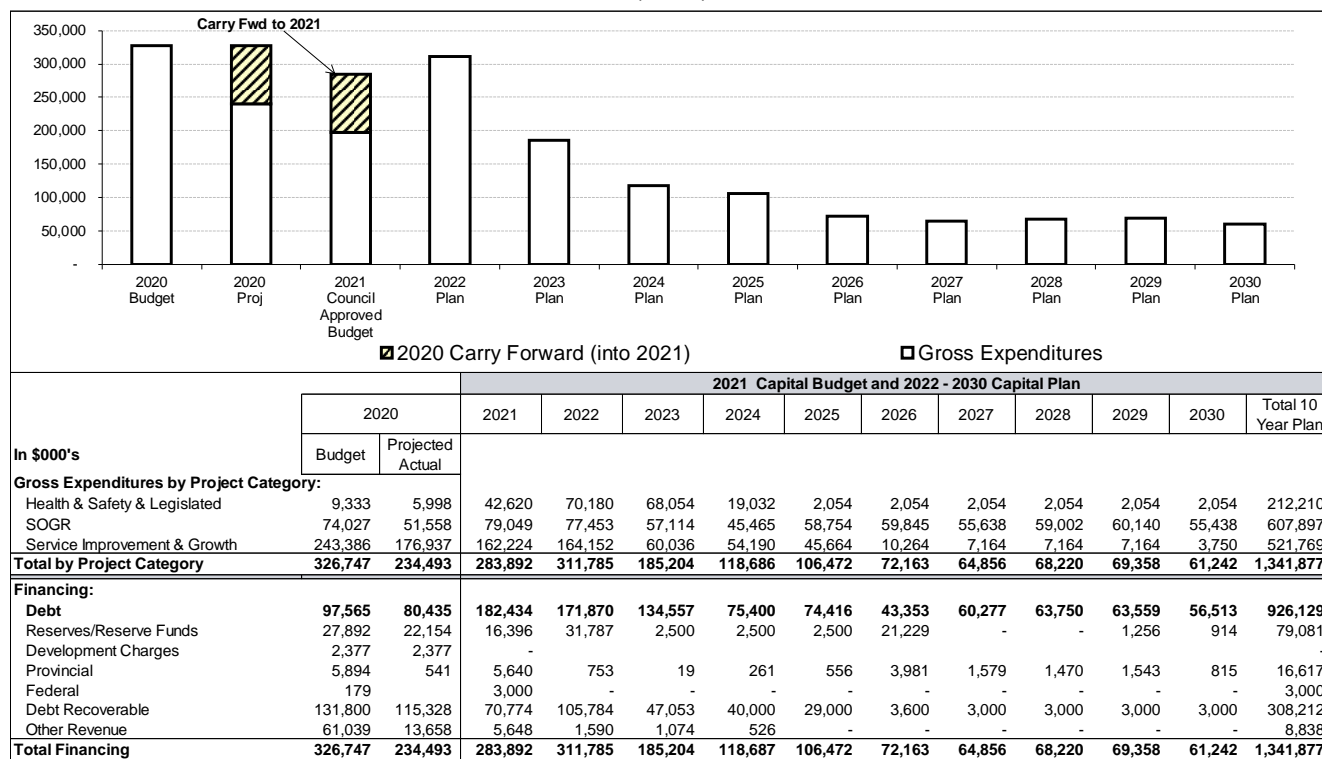
Increase in salaries and benefits reflective of collective agreement obligations. **(2022 & 2023)**

- **Revenue Changes**

Reduction in revenue due to Provincial Courts vacating space at Old City Hall. **(2023 only)**

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### 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 (SOG) 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 SOG 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 SOG 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 SOG requirements identified from building condition audits at City facilities over the next 10 years

**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**

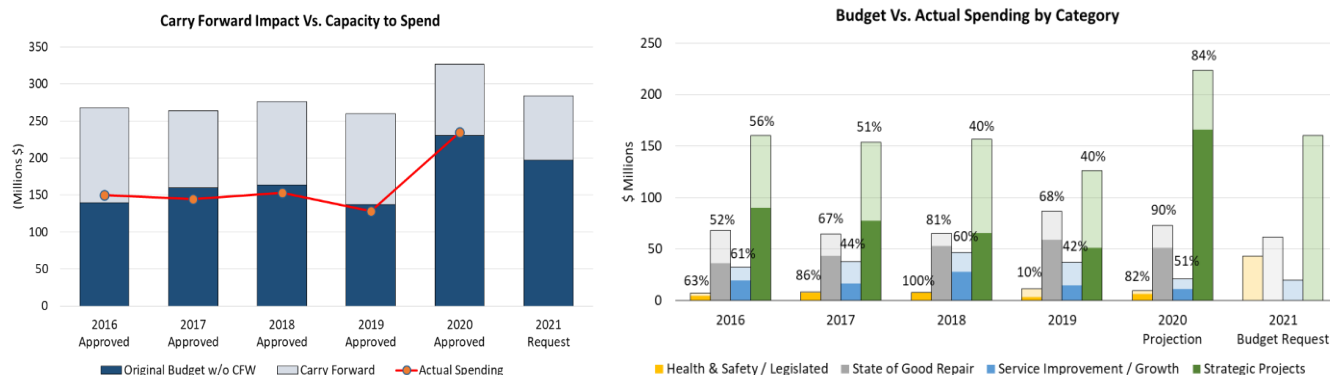
<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$1,322.3 M</b> <b>98.6%</b>		<b>\$16.6 M</b> <b>1.2%</b>		<b>\$3.0 M</b> <b>0.2%</b>	
Debt	\$ 926.1 M	Other	\$ 16.6 M	Other	\$ 3.0 M
Recoverable Debt	\$ 308.2 M				
Reserve Draws	\$ 79.1 M				
Other	\$ 8.9 M				

## 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**



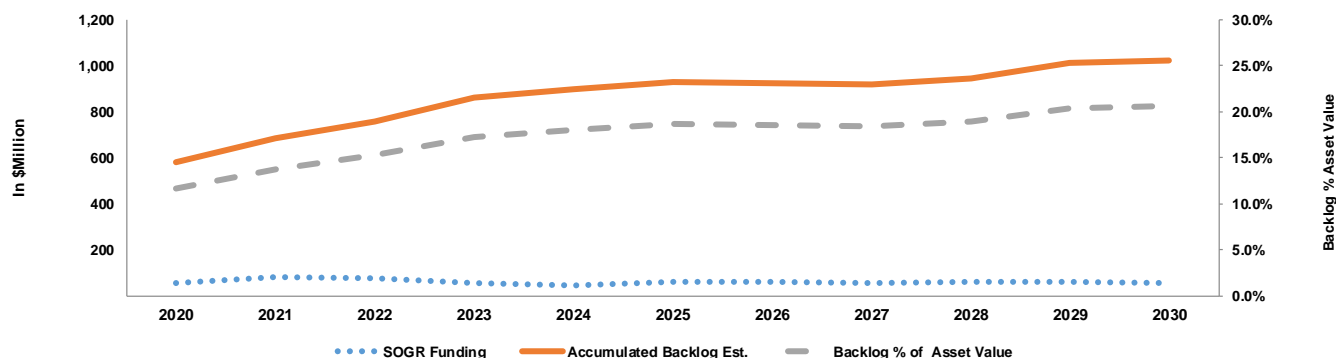
### Capacity to Spend Review Impact on the 10-Year Plan

- The 2021 budget 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 (SGR) 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
SOGR Funding	57	79	77	57	45	59	60	56	59	60	55
Accumulated Backlog Est.	580	685	759	861	896	931	923	919	946	1,015	1,025
Backlog % of Asset Value	11.7%	13.8%	15.3%	17.3%	18.0%	18.7%	18.6%	18.5%	19.0%	20.4%	20.6%
Total Asset Value	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.

# 2021 Program Summary

## Environment & Energy Division

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Environment & Energy Division (EED) leads, fosters, coordinates and supports city action towards achieving Toronto's greenhouse gas reduction targets outlined in TransformTO, the City of Toronto's climate change action plan.

The EED is responsible for leading Toronto's Climate Action Strategy, TransformTO. The EED is continuing to lead the City towards a Net-Zero greenhouse gas (GHG) emissions future before 2050. Achieving TransformTO's GHG emissions reduction targets requires transformational changes in how we live, work, build and commute.

### Why We Do It

**People in Toronto live, work, build and commute in a city where GHG emissions are minimized.**

**Toronto residents, businesses and City Divisions have reliable, timely and implementable information and tools to understand what actions they can take to minimize their environmental impact.**

*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

The Environment & Energy Division, through both local and global initiatives and partnerships, serves, inspires and empowers citizens, City staff, businesses, organizations, local communities and other stakeholders to take transformative action. The Division also represents and serves the future generations who will live in Toronto.

#### **Energy Efficiency in Buildings**

**Who We Serve:** Residents, building owners, businesses and institutions.

**What We Deliver:** Continuous support for residential property owners, scaling up innovative financing mechanisms, dedicated funding for community climate action, advancements in community energy planning, and improving energy efficiency and resiliency of social housing.

#### **New Construction**

**Who We Serve:** Building owners, residents, businesses and institutions.

**What We Deliver:** Advance Leading edge new construction standards, targeting Net-Zero energy through the Toronto Green Standard, and continue to create strategic partnerships with the private sector and other partners.

#### **Outreach & Engagement**

**Who We Serve:** Residents, community groups, partner agencies, businesses and City staff.

**What We Deliver:** TransformTO community engagement, Live Green Toronto activities, networks and communication channels, and delivering award-winning programs like Live Green Toronto and Smart Commute.

#### **Policy & Research**

**Who We Serve:** Residents, community groups, agencies, businesses, institutions, building owners and City staff.

**What We Deliver:** Development of the Plan to Achieve Net-Zero before 2050, and continued development of effective climate action policy and guidelines that create the framework for the net zero climate action.

## Budget at a Glance

### 2021 OPERATING BUDGET

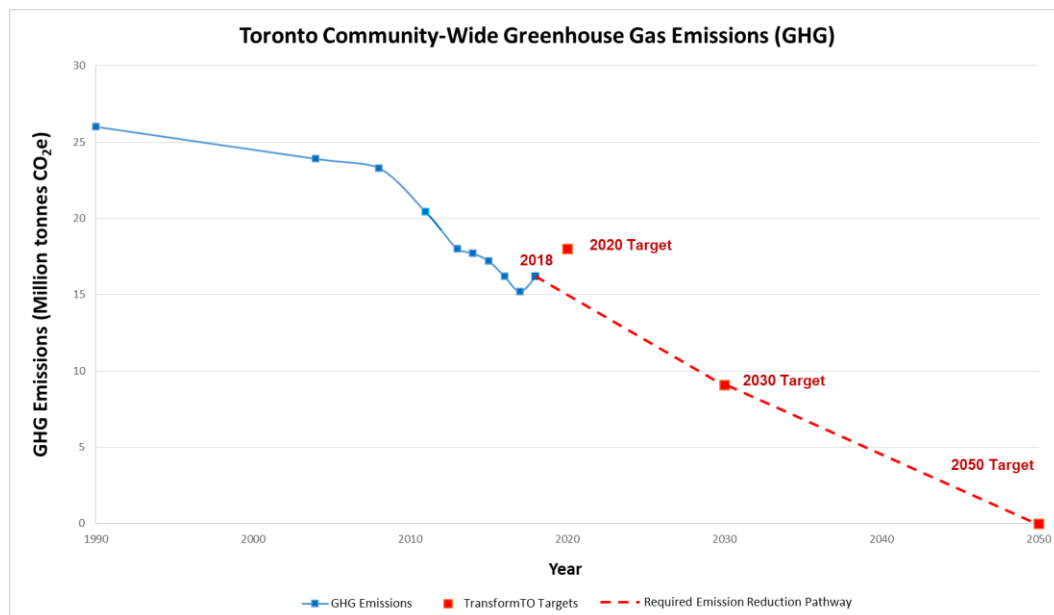
\$ Millions	2021	2022	2023
Revenues	\$4.7	\$2.6	\$2.6
Gross Expenditures	\$16.5	\$15.6	\$15.8
Net Expenditures	\$11.8	\$13.0	\$13.2
Approved Positions	101.6	101.6	101.6

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$66.9	\$275.4	\$342.3
Debt	\$0.0	\$0.0	\$0.0

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers



- 2018 GHG Emissions increase was driven by a colder winter and the Provincial decision to eliminate conservation, renewables and sustainability initiatives that led to increased natural gas powered generation.
- Achieving Net-Zero requires electricity generation to move away from fossil fuels.
- The Net-Zero strategy is in development and will provide a plan to achieve Net-Zero by 2050 or sooner.
- Investments are being made through existing TransformTO initiatives to reduce emissions in Toronto.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
Environment & Energy Division	Community-wide floor space energy derived from renewable or low-carbon thermal energy (m2)	4,000,000	4,000,000	4,000,000	4,000,000	4,100,000	4,500,000	●
Environment & Energy Division	% of Reduction in CO2 emissions to environment relative to 1990 level	37%			Targets: 30% by 2020 65% by 2030 Net-zero by 2050 or sooner			●
Environment & Energy Division	Average GHG Intensity (kg CO2/m2) of new building development applications	19	19	19	19	18	15	●
Environment & Energy Division	Level of interest (grants approved) in EED community grant programs: Eco-Roof Incentive Program, PollinateTO, Waste Reduction Community Grants, Neighbourhood Climate Action Grants	183	804	402	402	200	100	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Although staff continued to implement the TransformTO strategy in 2020, due to COVID-19, work was scaled back to address the pandemic response. The financial impacts from COVID-19 were:</p> <ul style="list-style-type: none"> <li>• \$1.2 million underspending on salaries &amp; benefits due to unplanned vacancies as a result of prioritizing resources to address the COVID-19 pandemic. This includes unplanned vacancies of positions approved through the 2020 budget as part of TransformTO.</li> <li>• \$1.4 million of contracted services for professional services and technical expertise in support of TransformTO objectives, which were not able to be procured as resources were prioritized to focus on COVID-19 response initiatives</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>• Salaries &amp; Benefits are aligned to staffing plans after accounting for the on-going impacts of the COVID-19 pandemic expected to continue into 2021. This is expected to result in a reduction of \$1.0 million in salaries and benefits.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• \$3.8 million from the <i>Renewable Thermal Energy Program</i> was deferred from 2020 to 2021 as procurement resources were prioritized to focus on COVID-19 response initiatives.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• 2021 requested cash flows have been updated to align with current plans.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Development of the Strategy to Achieve Net-Zero was delayed. The EED will provide a strategy development update in 2021.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Development of the Net-Zero strategy has been delayed. Timelines are being revised due to the COVID-19 pandemic and the EED will provide an update on strategy development in 2021. The 2021 update will provide technical scenario analysis, and a path-way to net-zero GHG emissions by 2050 or sooner.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

The EED has supported City Agencies, Corporations and Divisions with adoption of TransformTO. Implementation of these climate action projects is now underway in Parks, Forestry & Recreation, Corporate Real Estate Management, Children's Services, Solid Waste Management, Toronto Paramedic Services, Toronto Community Housing Corporation (TCHC), and others, which will reduce the City's carbon footprint. We are also seeing TransformTO impacts in the community with developers, private sector building owners, residents and community organizations implementing TransformTO in consultation with EED.

#### Climate Action & Resilience in Buildings

- Funded energy and heating resilience at 49 TCHC buildings using recoverable debt and funded 57,047m3 of eco-roof area
- Formally launched the Green Will Initiative
- Council approved Toronto's first Wastewater Energy Transfer project which will reduce over 7,500 tonnes of GHG and decarbonise a hospital by 90%
- Implemented photovoltaic (PV) and battery storage resilience project at Toronto Paramedic Services Station 46, began deep retrofits at Waterfront Neighbourhood Centre & Toronto Paramedic Services Headquarters which will reduce emissions by 80% and 72%, respectively

#### Outreach & Engagement

- Recruited and trained 143 volunteers on TransformTO programs and implementation strategies
- Advanced Smart Commute through a Memorandum of Understanding (MOU) with 5 regional municipalities, BikeShare discounts for hospital workers, creation of a Smart Commute Resource Guide and the launch of surveys to engage clients and employees regarding commuting needs during and post COVID-19

#### Policy & Research

- In 2020, the EED developed and implemented phase 1 of the Climate Lens for City capital projects, completed mandatory regulatory reporting to the Federal and Provincial governments, and collaborated on the successful reporting of the City's Green Bond program
- Continued development of the City's Net-Zero strategy by 2050 or sooner in response to Council's Climate Emergency Declaration, and City Council unanimously approved the City's first Electric Vehicle Strategy
- Participated in international organizations including Carbon Neutral Cities Alliance and C40 Cities to leverage best practices and minimize repetition of efforts amongst major municipalities.

### Key Challenges and Risks

- COVID-19 will continue to present challenges in 2021 and the EED will continue to support the City's recovery. This requires a scaling back of deliverables in 2021
- Political uncertainty and changing priorities at the provincial and federal level present challenges to developing and delivering programs that leverage funding or services from those governments. Reduction of CO2 emissions in Toronto is also dependent on the provincial government's reliance on fossil fuels for electricity generation
- Outreach efforts must be scaled to reach a broader audience across the City and encourage wide-spread changes in behavior. Changing behaviors through outreach is challenging when there are differing public views on the need for climate change mitigation and adaptation, as well as the validity of climate change science.

### Priority Actions

- Enable residents, businesses and building owners to change behaviors and take action towards meeting the overall target of Net-Zero emissions before 2050 through leadership, creating partnerships, providing advice, and the promotion of sustainable solutions
- Continue to oversee the implementation of TransformTO as it relates to the Net-Zero strategy
- Raise the bar for new construction by advancing leading edge new construction standards, target Net-Zero energy through the Toronto Green Standard, and create strategic partnerships with the private sector and other partners.
- Continue TransformTO community engagement, Live Green Toronto activities, networks and communication channels, and delivering award-winning programs like Live Green Toronto and Smart Commute to provide residents, businesses, building owners and Divisions with the information and tools needed to understand how they can minimize their environmental impact.

## 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>								
Environment & Energy	1,809.6	4,263.6	2,647.6	4,654.0		4,654.0	2,006.4	75.8%
<b>Total Revenues</b>	<b>1,809.6</b>	<b>4,263.6</b>	<b>2,647.6</b>	<b>4,654.0</b>		<b>4,654.0</b>	<b>2,006.4</b>	<b>75.8%</b>
<b>Expenditures</b>								
Environment & Energy	11,932.0	17,294.7	12,867.4	16,496.7		16,496.7	3,629.3	28.2%
<b>Total Gross Expenditures</b>	<b>11,932.0</b>	<b>17,294.7</b>	<b>12,867.4</b>	<b>16,496.7</b>		<b>16,496.7</b>	<b>3,629.3</b>	<b>28.2%</b>
<b>Net Expenditures</b>	<b>10,122.4</b>	<b>13,031.1</b>	<b>10,219.8</b>	<b>11,842.7</b>		<b>11,842.7</b>	<b>1,622.9</b>	<b>15.9%</b>
<b>Approved Positions</b>	<b>83.6</b>	<b>101.6</b>	<b>101.6</b>	<b>101.6</b>		<b>101.6</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$16.497 million gross reflecting an increase of \$3.629 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Salaries & Benefits aligned to staffing plans after accounting for the on-going impacts of COVID-19. As fewer staff are redeployed to address City-wide operational needs from the pandemic and accounting for filling required vacancies, the budget reflects greater spending over the 2020 forecast.
- Consultant and other external contracts required to progress TransformTO short term strategies, accelerate the Climate Action Plan and develop the plan to achieve Net-Zero before 2050. Underspending from COVID Impacts in 2020 are not expected to continue into 2021 as access to procurement resources improves.
- Budget related to the Eco-Roof and Pollinator Protect Strategy as a result of increased participation in grant program based on historical experience, funded by reserves.

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

- 2021 Base Budget totalling \$11.843 million in net expenditures reflects a \$1.188 million net decrease below the 2020 Council approved Budget.**

### COSTS TO ENHANCE SERVICES

There are no **New and Enhanced Service** requests.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Environment and Energy's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Environment & Energy Service is \$3.629 million gross or 28.2% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes 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	
						\$	%
Expenditures							
1	Salaries and Benefits	8,268.2	10,034.7	10,034.7	9,947.1	(87.5)	-0.9%
2	COVID-19 Impact			(4,724.4)	(1,030.4)	3,694.0	-78.2%
3	Service and Rent	2,837.1	6,020.9	6,020.9	6,020.9		
4	Contribution to Reserve Funds	59.3	42.7	377.9	362.7	(15.2)	-4.0%
5	Contributions & Transfers	670.6	1,131.9	852.4	1,131.9	279.5	32.8%
6	Other Expenditures	96.9	64.5	305.9	64.5	(241.4)	-78.9%
Total Expenditures		11,932.0	17,294.7	12,867.4	16,496.7	3,629.3	28.2%
Revenues							
1	Fees, Service Charges	757.3	132.8	195.3	132.8	(62.5)	-32.0%
2	Capital Fund Transfer	217.8	216.1	162.4	216.1	53.6	33.0%
3	COVID-19 Impact			(2,063.1)		2,063.1	-100.0%
4	Draw from Reserve Funds	601.7	3,379.4	3,321.8	3,379.4	57.6	1.7%
5	Other Revenues (incl. IDR)	232.8	535.3	1,031.2	925.7	(105.5)	-10.2%
Total Revenues		1,809.6	4,263.6	2,647.6	4,654.0	2,006.4	75.8%
Net Expenditures		10,122.4	13,031.1	10,219.8	11,842.7	1,622.9	15.9%
Approved Positions		83.6	101.6	101.6	101.6		

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

The change against the 2020 projection includes net inflationary increases and increases outlined in collective agreements for staffed positions as well as anticipated positions to be filled in 2021 which were held vacant in 2020 due to the COVID-19 pandemic. These increases have been offset by reductions to account for vacancies in 2021 resulting from the City's continued response and recovery to the COVID-19 pandemic, cancellation of non-union performance pay, and savings from the voluntary separation program.

**COVID-19 Impacts:**

COVID-19 Impacts related to contracted services are not expected to continue into 2021 due to improved access to procurement resources and fewer staff redeployments. Savings from salaries & benefits will continue at a lower amount into 2021 as a result of the COVID-19 pandemic response and recovery.

**Services and Rents:**

Includes consultants and other external contracts required to advance the TransformTO short-term strategies, advance the Climate Action Plan and develop the City's plan to achieve Net-Zero greenhouse gas emissions before 2050.

**Contributions and Transfers & Other Expenditures:**

Budgetary requirements to address the expected demand in Eco-Roof grants, based on historical experience, as well as the new PollinateTO pilot program, both of which are funded by reserves.

**Revenue Changes:**

The increase against the 2020 projection is primarily due to recoveries of expenses from reserve funds for programs that were impacted by the COVID-19 pandemic in 2020.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Voluntary Separation Program savings	Efficiencies		(82.6)	(82.6)				
<b>Total Balancing Actions</b>			(82.6)	(82.6)	-			-

**2021 Balancing Actions**

- Environment and Energy will realize a savings of \$0.083M as a result of staff participation in the Voluntary Separation Program.

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

((\$000s))	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	2,647.6	4,654.0	2,609.0	2,609.0
Gross Expenditures	12,867.4	16,496.7	15,648.4	15,783.2
<b>Net Expenditures</b>	<b>10,219.8</b>	<b>11,842.7</b>	<b>13,039.4</b>	<b>13,174.2</b>
<b>Approved Positions</b>	<b>101.6</b>	<b>101.6</b>	<b>101.6</b>	<b>101.6</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$15.648 million reflects an anticipated \$0.848 million or 5.14 per cent decrease in gross expenditures above the 2021 Operating Budget; The 2023 Outlook reflects an increase of \$0.135 million or 0.86 per cent above 2022 gross expenditures.

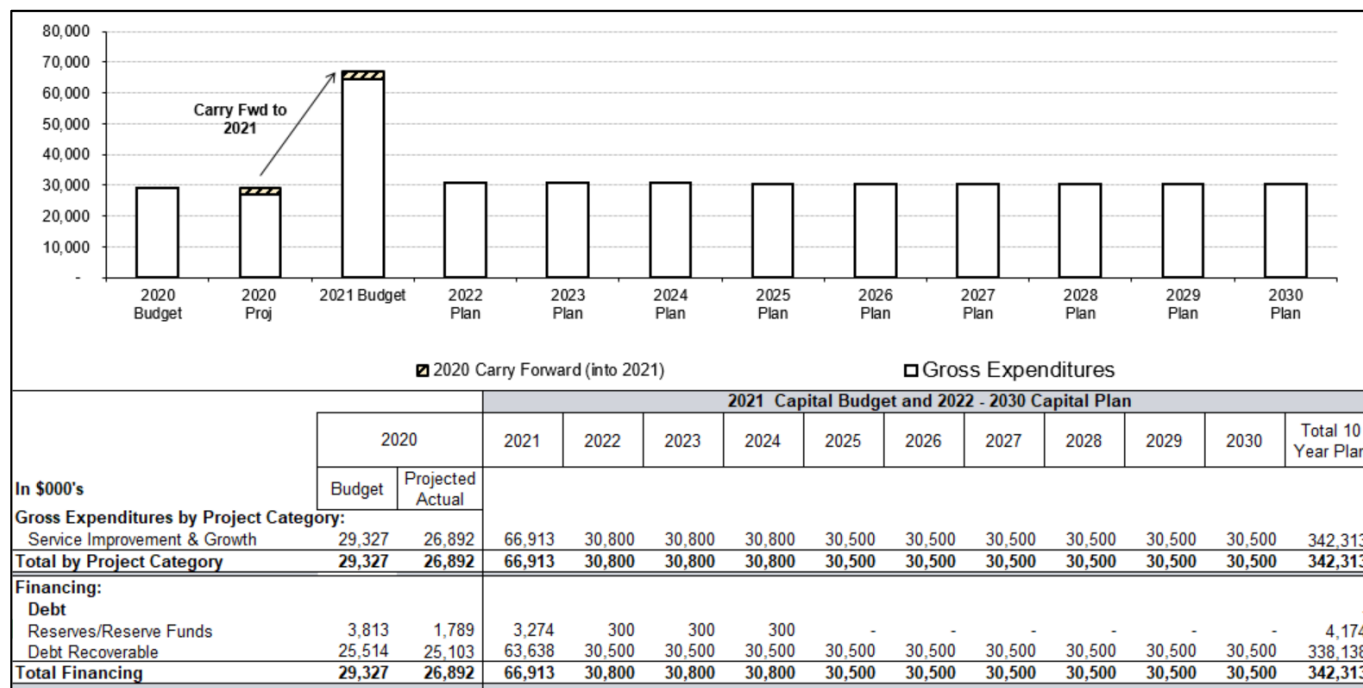
These changes arise from the following:

- **Salaries and Benefits**  
Increase in Salaries and benefits reflective of collective agreement obligations and filled vacancies. **(2022 & 2023)**
- **Reserve funded programs**  
Decrease in revenue from programs funded by reserves with an offsetting reduction in gross expenditures to align with available funding in the respective reserve funds. **(2022 & 2023)**

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



### Changes to Existing Projects




- The 2021-2030 capital budget and plan does not include changes to existing projects.
- \$17.8M in existing projects will carry over into 2021, including:
  - \$3.8M in the *Renewable Thermal Energy Program* as procurement resources were prioritized to focus on COVID-19 response initiatives
  - \$14M in TCHC *CHP* as savings from procurement will allow scope to be expanded to include renewables in 2021

### New Projects

(\$50.150 Million)

- Transform TO - *Renewable Thermal Energy Program* (\$8.0M) to install renewable energy on City buildings;
- Low interest financing to enable community energy projects that reduce emissions for existing building (\$10.0M) and new development (\$30.0M)
- Residential Energy Retrofit Program (HELP)* (\$2.15M) to enable home energy improvements through low-interest financing.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$342.3 Million 10-Year Gross Capital Program**

		
<b>Support Energy Efficiency</b>	<b>Reducing GHG Emissions</b>	<b>Environmental &amp; Resilience Program Delivery</b>
\$17.8 M 5%	\$224.1 M 66%	\$100.4 M 29%
<i>Toronto Community Housing Corp (TCHC) Retrofits Residential Energy Retrofit Program (HELP)</i>	<i>Transform TO Renewable Energy Program New Development Sustainable Energy Plan Financing Combined Heat &amp; Power (CHP) District Energy Systems</i>	<i>Community Energy Planning Existing Building Retrofits</i>

**How the Capital Program is Funded**

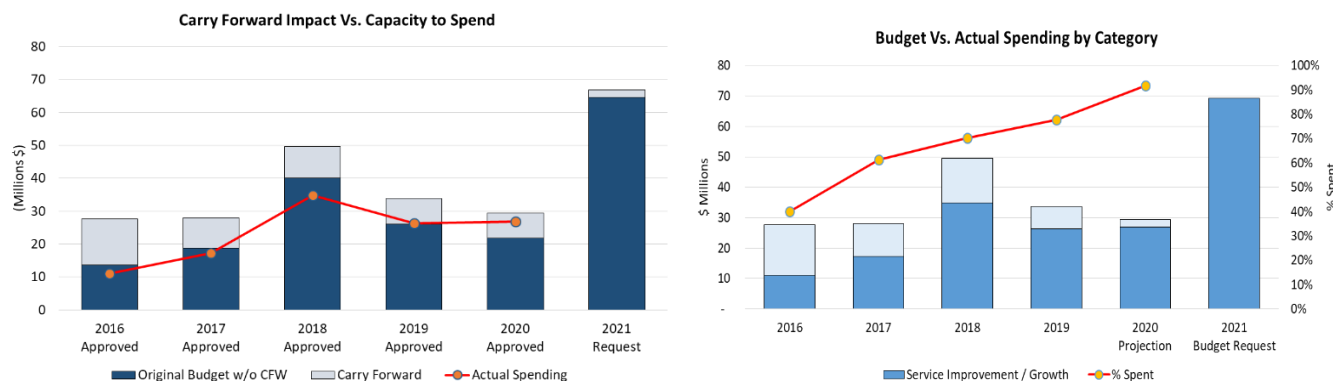
City of Toronto		Provincial Funding	Federal Funding
<b>\$342.3 M 100%</b>		<b>\$0 M 0%</b>	<b>\$0 M 0%</b>
Recoverable Debt	\$ 338.1 M		
Reserve Draws	\$ 4.2 M		

## 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 the Environment & Energy'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

Based on the review of historical capital spending constraints and a capacity to spend review, key adjustments to the Capital Plan are noted below:

- The 2021 capital budget represents a \$37.6 million increase over 2020 and is primarily due to:
  - \$8.0 million in loans for installation of renewable energy systems to existing buildings with deep retrofit potential to achieve TransformTO Leading by Example targets. Multiple measures include solar photovoltaic (PV) system, geothermal system, controls optimization and various other measures resulting in GHG emissions reduction, energy use and energy cost reductions.
  - \$28 million in low interest financing to enable community energy projects that reduce emissions for existing buildings (\$3.0M) and new developments (\$25.0M). As these programs have become more mature, a baseline demand can be established which is used to establish the capital plan.
- 2021-2030 includes an increase in \$193M over the same period in last year's approved capital plan which includes increases for sustainable energy plan financing for new developments, renewable energy projects, as well as residential energy retrofit program, all funded by recoverable debt and reserve funds.

# 2021 Program Summary

## Fleet Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Fleet Services provides comprehensive fleet and fuel management services in a safe and efficient manner to support the delivery of public programs and services through the stewardship of 7,200 fleet assets and 23 fuel sites. City Divisions and Agencies are dependent on Fleet Services success in achieving our mandate.

The City of Toronto has the largest municipal fleet in Canada and one of the most specialized and diverse fleets in North America. Fleet Services is recognized in North America as a centre of excellence in municipal fleet management and as a leader in innovative fleet management and environmental sustainability.

### Why We Do It

**City Divisions, Agencies and Boards have safe, available, reliable and environmentally sustainable assets to meet their service delivery requirements.**

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

#### Fleet Management

**Who We Serve:** All City divisions and many agencies.

**What We Deliver:** Provide a full-range of fleet and asset lifecycle management services for City Divisions and Agencies including: procurement, engineering, maintenance, safety, training, and compliance management to support client operations and compliance with legislative and safety requirements.

**How Much Resources (gross operating budget):** \$42.0 million

#### Fuel Management

**Who We Serve:** All City divisions and many agencies.

**What We Deliver:** Provide full fuel supply chain and service delivery management to support client operations through city-owned fuel sites, while maintaining safe, economical and reliable access to the City's fuel supply.

**How Much Resources (gross operating budget):** \$16.5 million

## Budget at a Glance

### 2021 OPERATING BUDGET

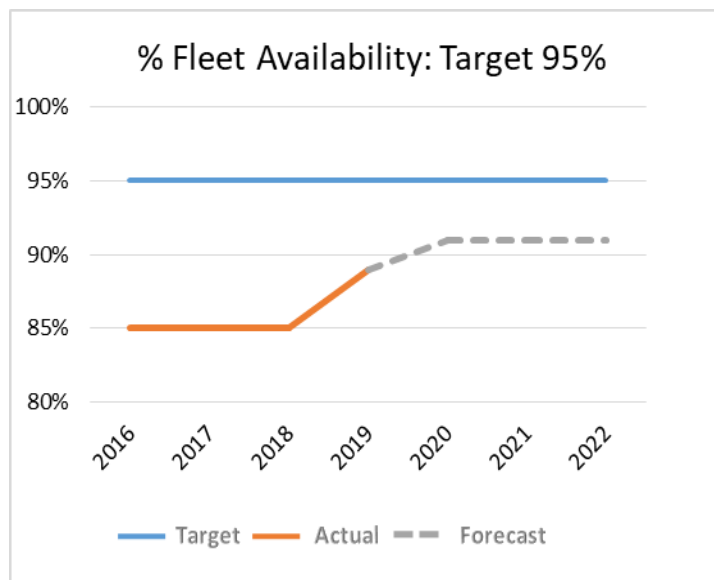
\$Million	2021	2022	2023
Revenues	\$ 34.2	\$ 34.3	\$ 34.4
Gross Expenditures	\$ 58.5	\$ 67.6	\$ 67.9
Net Expenditures	\$ 24.3	\$ 33.3	\$ 33.5
Approved Positions	207.0	207.0	207.0

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$70.7	\$686.8	\$757.5
Debt	\$0.0	\$0.0	\$0.0

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers



- Fleet light duty availability continues to improve through Fleet Services' industry-leading initiatives and optimization measures.
- Fleet medium and heavy duty availability requires additional focus to drive improvements. Focus areas include:
  - Reviewing staffing and contracts to address limited outsource options for highly complex and specialized equipment;
  - Client Preventive Maintenance (PM) compliance;
  - State of Good Repair (SOGR) backlog reduction.
- Improvements in fleet availability have a direct impact on costs and services provided to clients and citizens.



## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
<b>Fleet Management</b>	% Fleet Availability	85%	89%	87%	91%	95%	95%	●
Service Level Measures								
<b>Fleet Acquisition</b>	Light Duty Vehicle Age (<4500kg)	6.5	6.5	6.4	5.8	5.6	5.4	●
<b>Fleet Safety</b>	Ministry of Transportation Commercial Vehicle Operator's Registration (MTO CVOR) Safety Rating	30%	28%	34%	27%	35%	35%	●
<b>Fleet Maintenance</b>	Cost / kilometre for light duty vehicles	\$0.30	\$0.24	\$0.28	\$0.21	\$0.28	\$0.28	●
<b>Fleet Maintenance</b>	% Preventive Maintenance	61%	61%	60%	57%	70%	70%	●
Other Measures								
<b>Fleet Management</b>	Light duty units % Availability	92%	92%	92%	92%	95%	95%	●
<b>Fleet Management</b>	Medium duty units % Availability	85%	84%	90%	88%	95%	95%	●
<b>Fleet Management</b>	Heavy duty units % Availability	80%	77%	80%	79%	95%	95%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• \$1.6 million for additional external rentals, due to social distancing requirements within city vehicles, not recovered from client divisions.</li> <li>• \$0.5 million in additional costs required to decontaminate City vehicles and fuel sites to reduce the spread of COVID-19.</li> <li>• \$0.1 million in additional costs for PPE for staff supporting essential and critical services.</li> <li>• \$2.8 million in savings due to economic changes to the market price for fuel.</li> <li>• \$0.5 million cost deferral in maintenance services arising from the initial shutdown/slowdown of some City services.</li> <li>• \$3.5 million in salary and benefit savings given the reprioritization of City staffing resources due to COVID-19.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• Decrease in costs in 2021 are expected as a result of the following:</li> <li>• \$1.5 million in fuel savings due to volume demands anticipated by clients.</li> <li>• \$0.4 million in savings due to the reprioritization of City staffing resources due to COVID-19 impacting programs such as <i>FleetShare</i> and Fleet Centralization.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• The 2021 Capital Budget includes a carry forward from the following projects that have faced delays in 2020 due to COVID-19:</li> <li>• \$3.5 million <i>Fire Services Fleet Replacement</i> carry forward from procurement delays for trucks to be delivered in 2021.</li> <li>• \$1.6 million in <i>Green Fleet</i> projects including <i>FleetShare</i> and <i>Electric Vehicles (EV) &amp; Charging Infrastructure</i>, resulting from social distancing measures and a reprioritization of City staffing resources due to COVID-19, which impacted the ability to move the programs forward.</li> <li>• \$1.1 million in internal infrastructure projects within Fleet Services that faced delays in upgrading fuel sites due to COVID-19.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• The 2021 Capital Budget includes carry forward and deferral adjustments for projects facing delays due to COVID-19.</li> <li>• Project costs and cash flows are still required to meet the SOGR requirements and will be utilized in 2021.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• Fleet Services expanded Fleet and Fuel Management operations to support essential and critical services to City divisions and Agencies.</li> <li>• Some service levels were impacted as the number of kilometers driven by light duty vehicles was lower in 2020 than in prior years.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• The social distancing requirements and the associated reprioritization of City staffing resources as a result of COVID-19 will cause programs such as <i>FleetShare</i> to be paused.</li> <li>• This reprioritization will also adversely affect preventive maintenance schedules, increase costly and time-consuming outsourcing options, and create invoice volume pressures.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Through our Strategic Asset Management and Procurement plan, and actions taken during 2020, Fleet Services obtained a total cost avoidance to the City of \$24.5M, of which \$5.6M has been implemented and the remaining \$18.9M will be achieved over the life of the contracts. This includes:
  - Capital savings of \$4.6M thus far and an additional \$9.3M over the next 4 years.
  - Operating savings of \$0.7M in 2021 and an additional \$2.0M over the next 10 years.
  - Reducing downtime in delivery of vehicles and parts by 50-84%, and increasing the number of authorized dealers which will lead to reduced downtime, improved availability and reduced costs.
  - Fleet Services executed a new fuel contract effective Jan 1, 2020 with an expected savings of \$1.1M for City divisions and \$6.8M for other Agencies and Public Bodies over 7 years.
- As an essential service, Fleet Services maintained support to essential and critical services in maintenance, engineering, fleet safety and fuel delivery by expanding hours of operations. This included extending services to agencies on the front-lines providing critical support to marginalized citizen groups, including homeless shelters and Food Banks.
- Industry-wide reductions in Fuel prices were a primary driver of Fleet savings in 2020.

### Key Challenges and Risks

- Managing demand for Fleet Services, which directly correlates with client requests and many actions dictated by legislative and regulatory obligations.
- Ensuring budget and expected staffing constraints do not cause Fleet availability and costs to worsen, especially when combined with segments of fleet assets that are past optimal life.
- Continuing to invest in staff to keep Fleet Services on par with staffing at comparable municipalities; this has a direct impact on services provided to clients and citizens.
- Driving improvements with Fleet medium and heavy duty availability. Focus areas include: Reviewing staffing and contracts to address inadequate outsource options for highly complex and specialized equipment; Client Preventive Maintenance Compliance and SOGR backlog reduction.
- Investing in processes, systems and infrastructure to improve efficiency, ensure safety and compliance and support necessary modernization – 1050 Ellesmere and 843 Eastern garages are an essential focal point.
- Delivering on plans and processes to address Auditor General Recommendations, City policies and procedures, health & safety legislation and regulations, given the expected impacts of COVID-19 in delaying previously stated actions, deadlines and initiatives.
- Centralizing the City's Fleet to create a Centre of Expertise in Fleet Management as per Council direction.
- Filling Fleet vacancies and addressing staffing shortfalls to correct legacy compliance issues, fleet availability concerns and to advance future efficiencies.

### Priority Actions

- Continue divisional work on improving equity and diversity, inclusion, and accessibility under the Accessibility for Ontarians with Disabilities Act (AODA), as well as employee engagement and satisfaction to align with Divisional and Corporate priorities.
- Maintain focus on providing the best value and lowest total cost to the City – this includes continuous improvements and addressing staffing deficiencies, necessary to support an overloaded workforce.
- Continue to improve on greenhouse gas (GHG) emission reductions, implement process changes to address Auditor General (AG) recommendations, and continue to improve fleet procurement strategies.
- Complete a technology roadmap needed to modernize aging, disparate fleet technology and accelerate fleet centralization benefits.
- Update fleet safety and training curriculum with programs that leverage eLearning and link to collision, risk and cost reduction strategies.
- Address the above challenges and priorities in support of the City's Financial Sustainability, A Well Run City, Climate Change and Keep Toronto Moving, Corporate and Strategic Priorities.

## 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>								
Fleet Management	23,766.6	22,273.1	19,829.0	22,019.3		22,019.3	2,190.3	11.0%
Fuel Management	9,239.7	13,038.0	11,698.2	12,229.7		12,229.7	531.6	4.5%
<b>Total Revenues</b>	<b>33,006.2</b>	<b>35,311.1</b>	<b>31,527.2</b>	<b>34,249.0</b>		<b>34,249.0</b>	<b>2,721.8</b>	<b>8.6%</b>
<b>Expenditures</b>								
Fleet Management	40,303.4	43,278.1	39,617.9	41,956.5		41,956.5	2,338.6	5.9%
Fuel Management	16,401.7	19,417.6	15,934.0	16,545.9		16,545.9	612.0	3.8%
<b>Total Gross Expenditures</b>	<b>56,705.1</b>	<b>62,695.7</b>	<b>55,551.9</b>	<b>58,502.4</b>		<b>58,502.4</b>	<b>2,950.5</b>	<b>5.3%</b>
<b>Net Expenditures</b>	<b>23,698.9</b>	<b>27,384.6</b>	<b>24,024.7</b>	<b>24,253.4</b>		<b>24,253.4</b>	<b>228.7</b>	<b>1.0%</b>
<b>Approved Positions</b>	<b>194.0</b>	<b>207.0</b>	<b>207.0</b>	<b>207.0</b>		<b>207.0</b>		

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$58.502 million gross reflecting an increase of \$2.951 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Salaries & Benefits increased to improve fleet availability, bring additional medium/heavy work back in house, and implement procurement strategies to maintain the lowest total cost of ownership of the City's fleet.
- Higher fuel price and volume increases expected as economic outlook expected to result in fuel price recovery.

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

- 2021 Base Budget of \$24.253 million in net expenditures reflects a \$3.131 million net decrease from the 2020 Council approved Budget.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Fleet Services' 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Fleet Services is \$58.5 million gross or 5.3% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b 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	
					\$	%
Expenditures						
1 Salaries and Benefits	16,406.7	19,903.8	19,903.8	20,934.5	1,030.6	5.2%
2 COVID-19 Impact			(7,045.7)	(2,827.5)	4,218.1	-59.9%
3 Materials & Supplies	26,776.8	29,066.4	28,034.5	29,377.6	1,343.1	4.8%
4 Equipment	131.5	234.6	183.2	216.4	33.2	18.1%
5 Service and Rent	11,136.0	11,246.6	12,231.9	9,626.0	(2,605.9)	-21.3%
6 Contribution To Reserves	2,250.7	2,244.2	2,244.2	1,175.5	(1,068.6)	-47.6%
7 Other Expenses (Inc. IDC's)	3.5					
Total Expenditures	56,705.1	62,695.7	55,551.9	58,502.4	2,950.5	5.3%
Revenues						
1 Provincial Subsidies						
2 COVID-19 Impact			(2,571.9)	(925.7)	1,646.1	-64.0%
3 User Fees & Donations						
4 Draw from Reserve Funds						
5 Other Revenues (Inc. IDR's)	33,006.2	35,311.1	34,099.0	35,174.7	1,075.7	3.2%
Total Revenues	33,006.2	35,311.1	31,527.2	34,249.0	2,721.8	8.6%
Net Expenditures	23,698.9	27,384.6	24,024.7	24,253.4	228.7	1.0%
Approved Positions	194.0	207.0	207.0	207.0		

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

- Transfer of maintenance expenditures to salaries and benefits to maintain City fleet in good repair.
- Filling vacant positions to advance procurement strategies in order to achieve cost avoidance savings of \$18.9M.

**Materials and Supplies:**

- Increase to fuel demand and prices to accommodate expected changes in fuel outlook as the economy is expected to recover from pandemic response.

**Services and Rents:**

- Lower rentals as social distancing rules are softened and clients are challenged to review all rental requirements.

**Other Revenue Changes:**

- Higher expected revenues from major clients and agencies as services are expanded in 2021 and fuel demands recover.

Table 2b: 2021 Balancing Actions

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Appropriate resourcing (staff & facilities) to reduce cost and related downtime	Other		(262.1)	(262.1)		(87.3)	(87.3)	
Adjust salary to reflect 2021 staffing plan	Match to Actuals		(2,594.4)	(2,594.4)				
One-time delay in reserve contribution	Other		(1,074.7)	(1,074.7)		2,142.0	2,142.0	
Standardization of City-wide tire brands	Efficiencies		(86.4)	(86.4)				
Contracted services savings from new procurement contract	Efficiencies		(72.4)	(72.4)				
Postpone <i>Fleetshare</i> implementation	Service Level Change		(18.2)	(18.2)				
<b>Total Balancing Actions</b>			<b>(4,108.2)</b>	<b>(4,108.2)</b>	<b>-</b>	<b>2,054.7</b>	<b>2,054.7</b>	<b>-</b>

- Other: Filling vacant mechanic positions will allow us to better serve highly complex medium/heavy duty equipment internally rather than rely on external vendors that are limited and often result in unnecessary delays in repairing equipment. Net savings achieved by reducing outsourcing costs in favor of increasing reliance on internal staff. Also, one-time delay in reserve contribution to meet budget reduction strategies.
- Other: One-time deferral of contribution to Fleet's own Vehicle and Equipment Replacement Reserve, given a healthy balance of over \$6 million and requirements for *EV & Charging Infrastructure* and *Fuel Site Closures, Upgrades and Replacement* projects.
- Match to Actuals: Budgeted salary expenditures have been adjusted to reflect the challenges in filling vacant positions in the trades industry and to reflect current staffing plans.
- Efficiencies: Savings are achieved through staff efforts in strategic sourcing and innovative fleet management in procuring maintenance services and tire replacement services. Fleet has entered into contracts with vendors through building stronger strategic vendor relations.
- Service Level Change: Delayed implementation of FleetShare program as social distancing measures for sharing City vehicles have prevented the successful launch of the new program.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	31,527.2	34,249.0	34,318.5	34,438.3
Gross Expenditures	55,551.9	58,502.4	67,633.8	67,944.1
<b>Net Expenditures</b>	<b>24,024.7</b>	<b>24,253.4</b>	<b>33,315.3</b>	<b>33,505.8</b>
<b>Approved Positions</b>	<b>207.0</b>	<b>207.0</b>	<b>207.0</b>	<b>207.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$67.6 million reflects an anticipated \$9.1 million or 15.6 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.3 million or 0.5 per cent above 2022 gross expenditures.

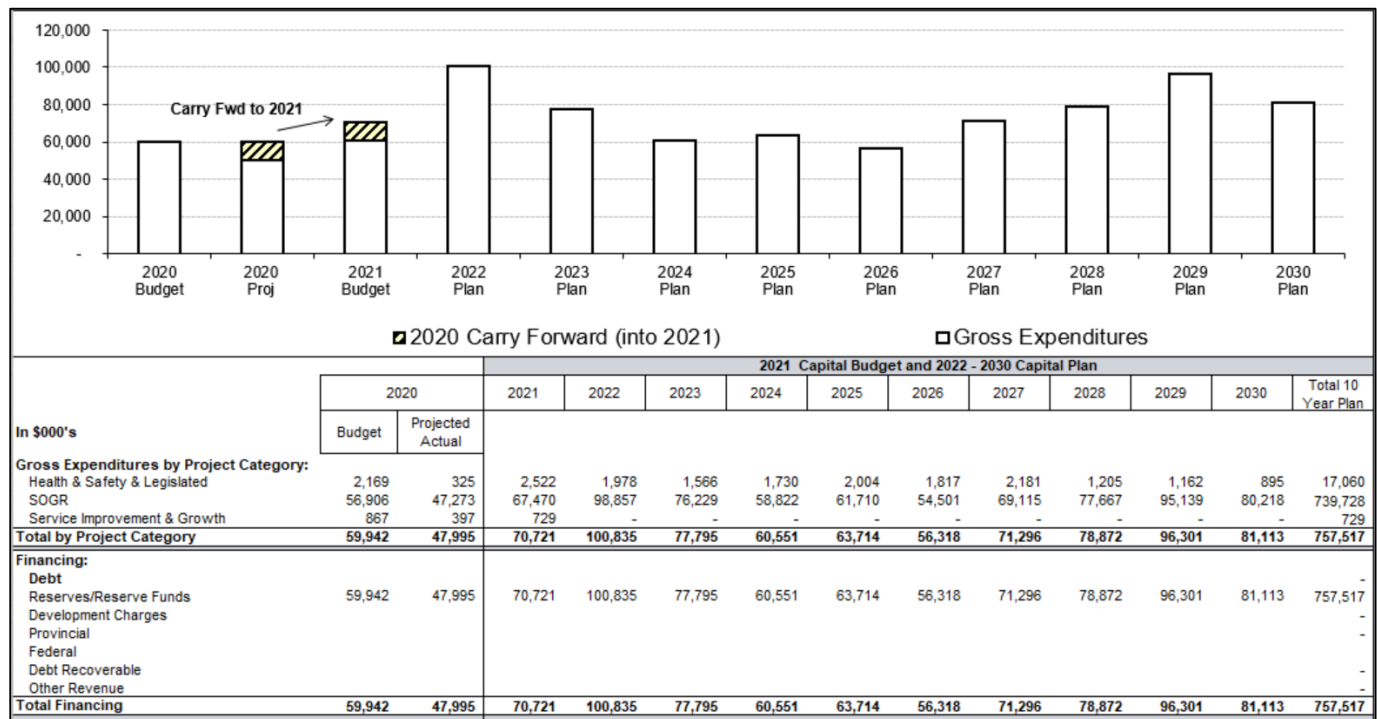
These changes arise from the following:

- Higher fuel prices and volume demand increases as services are expected to be fully operational. **(2022 & 2023)**
- Reserve contributions increased to move critical Electric Vehicle projects forward. **(2022 & 2023)**
- Vacant positions continue to be filled to improve fleet availability. **(2022 & 2023)**

Revenues are expected to increase as a result of increased service delivery and fuel usage. **(2022 & 2023)**

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



**Changes to Existing Projects**  
(\$0.0 Million)

N/A

**New Projects**  
(\$0.0 Million)

N/A





**Capital Needs Constraints**  
(\$0.0 Million)

N/A

Fleet Services 10-year capital plan is focused on building upon our successes in working towards lowest total cost of ownership of Fleet assets and continue to work with clients on their ongoing fleet replacements.



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$757.5 Million 10-Year Gross Capital Program**

			
<b>A Well-Run City</b>	<b>Financial Sustainability</b>	<b>Housing</b>	<b>Keep Toronto Moving / Tackling Climate Change</b>
\$714.7M	\$17.9M	\$9.7M	\$15.2M
Supporting Multiple Service Priorities through replacement of aging Vehicle and Equipment <i>FleetShare</i> Strategy	Capital Asset Management  Financial Systems Transformation	Shelter, Support & Housing & Toronto Community Housing Corporation Vehicle & Equipment replacement	<i>EV and Charging Infrastructure</i> Strategy  Sustainable Fleets Strategy

**How the Capital Program is Funded**

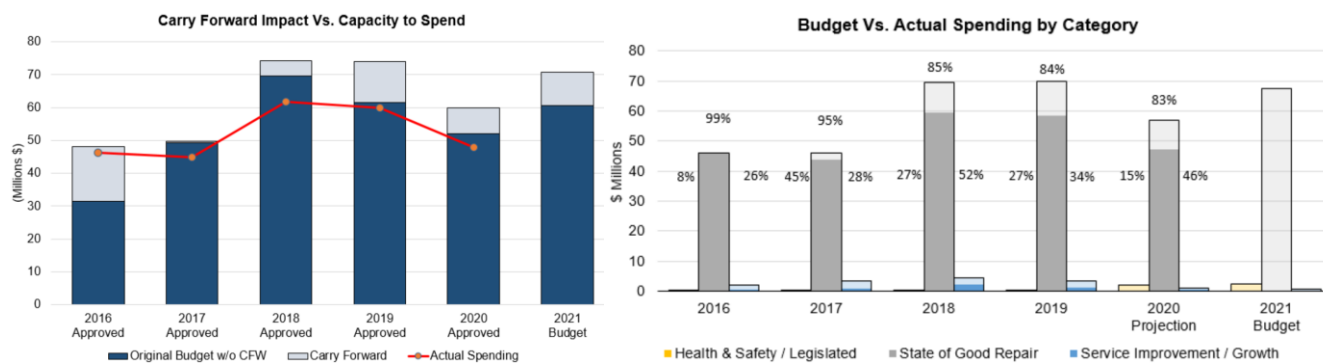
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$757.5 M</b> <b>100%</b>		<b>\$0 M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Reserve Draws	\$ 757.5 M		

## 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 Fleet Services' 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**

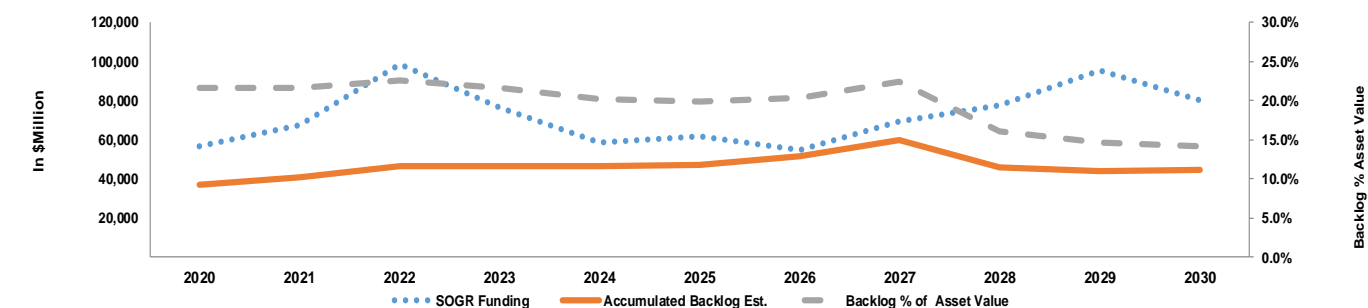


### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$10.1 million in capital spending originally cash flowed in 2020 has been deferred to 2021.

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

The chart below depicts the SOGR funding and accumulated backlog estimates.

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

\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	56,906	67,470	98,857	76,229	58,822	61,710	54,501	69,115	77,667	95,139	80,218
Accumulated Backlog Est.	37,204	40,706	46,786	46,756	46,225	47,101	51,325	59,707	45,554	44,048	44,679
Backlog % of Asset Value	21.6%	21.6%	22.6%	21.6%	20.2%	19.9%	20.4%	22.5%	16.0%	14.7%	14.1%
Total Asset Value	172,341	188,500	207,090	216,430	229,093	237,106	251,285	265,798	284,683	299,379	315,825

- The fleet replacement that is directly managed by Fleet Services currently comprises over 5,500 assets, of which 3,400 are on-road vehicles and 2,100 are off-road and equipment assets. The replacement cost for all assets at current market rates is approximately \$616 million.
- The State of Good Repair Backlog for Fleet Services is defined as the total value of vehicles which have not been replaced at the end of their useful life. The SOGR funding and the accumulated backlog estimates to year-end fluctuate because vehicle replacements are determined on an estimated average useful life, based on vehicle and equipment types.
- The SOGR backlog of \$37.2 million which represents 21.6% of current asset value will continue to remain relatively stagnant if changes to improve available funding and/or reserve contributions are not addressed. It was recommended that Fleet take on more control and direction of client reserve contributions in order to address the backlog through the Value Based Outcome Review.
- In 2015, an action plan was developed that would eliminate the backlog of asset replacements and fund each program's optimal vehicle replacement requirements. The action plan involved aligning cash flow funding and vehicle delivery plans; performing lifecycle analysis on the City's fleet; and developing a multi-year funding plan to align contributions to the Vehicle and Equipment Replacement Reserve with optimal replacement requirements for all divisions and agencies.
- Actions taken since 2016 have reduced the backlog by 69% but an existing backlog remains that is still unfunded.

# 2021 Program Summary

## Office of the Chief Information Security Officer

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The COVID-19 pandemic has accelerated the need for the City of Toronto to digitally transform its services to meet the demands of its residents and workforce, to build additional business resiliencies, and to support our recovery efforts.

This increased demand to create an effective remote workforce coupled with new digital services for residents is leading to an expanded online risk that may be exploited. We are responding to these challenges by modernizing our cyber program led by the recently formed Office of the Chief Information Security Officer (“CISO”).

The CISO vision includes three strategic pillars:

1. To play a key role in transforming Government through Digitization;
2. To provide cyber support to Toronto Residents in order to enable equitable outcomes; and
3. To improve the quality of life of Torontonians by becoming the global leader in urban cyber innovation thereby allowing for social and financial opportunities.

### Why We Do It

The Office of the CISO’s short term objective is to continue protecting the City’s assets (digital infrastructure and information). Our long-term vision is to implement a program that will enable the development of proactive services in contribution to solving some of society’s challenges such as diversity and inclusion, cyber bullying, cyber poverty, missing persons, and cyber health care within the next five years.

In addition to the societal benefits, the Office of the CISO continues to fulfill its mandate to:

- Minimize the impact of cyber incidents that result in financials loss, reputational damage, service disruption, legal liability and loss of life through the delivery of relevant cyber governance;
- Support the City’s strategic priorities of keeping Toronto moving and building resilience by contributing to improvement initiatives (ModernTO, Financial Transformation, and COVID-19 Recovery);
- Promote financial sustainability by containing costs through automated, efficient and/or streamlined processes.

*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.*

## Budget at a Glance

2021 OPERATING BUDGET				2021 - 2030 10-YEAR CAPITAL PLAN			
\$Million	2021	2022	2023	\$Million	2021	2022-2030	Total
Revenues	\$ 0.4	\$ 0.4	\$ 0.4	Gross Expenditures	\$4.0	\$18.6	\$22.6
Gross Expenditures	\$ 28.4	\$28.4	\$28.1	Debt	\$4.0	\$18.6	\$22.6
Net Expenditures	\$ 28.1	\$28.1	\$27.7	Note: Includes 2020 carry forward funding to 2021			
Approved Positions	62.0	62.0	62.0				

## What Service We Provide

### Cyber Services

#### Digital Government

**Who We Serve:** All City Divisions, Councillors, and the Public

**What We Deliver:**

##### Digital Government

- Strategy, governance, and advisory accountabilities City-wide.
- Cyber culture, awareness and training.
- Managing digital risk and support the operationalization of digital programs and cloud initiatives.
- Modernizing infrastructure, oversight over cyber compliance, and enhancing the Cyber Practice.
- Detection, prevention, and mitigation of cyber risk including the City's critical infrastructure.

##### Business Resilience

- Improve business resilience and support the processes enabling business transactions.
- Provide and support COVID-19 emergency response and recovery initiatives.
- Assess risk and protect against unauthorized access for public facing business applications.
- Data Rights Protection to safeguard personal and health information of City staff and the Public

**How Much Resources (gross operating budget): \$28.4 million**

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
Cyber Diplomacy & Governance	% of cyber policies and standards reviewed annually by Office of the CISO					100%		
	% of cyber awareness training completed annually across teams with privileged access					85%		
Threat Management	% of scheduled scans completed per quarter					100%		
	% of existing endpoints monitored by Threat Management solution (servers, workstations, mobiles)					90%		
Digital Trust	% of Privacy Impact Assessment conducted for critical risk projects					100%		
Business Application Resilience	% of risk assessments conducted for critical risk projects					100%		
Digital Forensics & Investigations	% of investigations reviewed within 30 days					90%		
Urban Technology Protection	% of risk assessments conducted for critical risk projects					100%		

\* The Office of the CISO will be creating a baseline in 2021. It is a new division as of January 2020.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>The Office of the CISO projected to incur \$1.2 million operating costs relating to COVID, including \$1.1 million for COVID-19 Risk Assessment and \$0.1 million for staff overtime.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>2021 Operating Budget does not have COVID-19 impacts.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Nil</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>2021 Capital Budget does not have COVID-19 impacts.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Significant increase in requests for cyber services to support rapid development of COVID-19 related response and recovery applications.</li> <li>Ongoing comprehensive risk assessments of newly deployed and enhanced technology due to COVID-19.</li> <li>Implemented threat monitoring and threat intelligence solution to identify increasing volume of COVID-19 cyber threats.</li> <li>Procured infrastructure and application vulnerability scanning solution to identify weaknesses within our environment.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Professional services to support Emergency Management Response &amp; Recovery.</li> <li>Ongoing threat monitoring and threat intelligence to identify increasing volume of COVID-19 cyber threats.</li> <li>Ongoing infrastructure and application vulnerability scanning to identify weaknesses within our environment.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Created independent division in January 2020 and classified as a critical service.
- Established COVID-19 threat intelligence function.
- Enhanced City's cyber defence and protection of digital assets.
- Cyber risk assessments on enhanced technology to support COVID-19 response and recovery.

### Key Challenges and Risks

- Increased level of cybercrime globally.
- Increase level of attacks and incidents.
- Increased risk of ransomware attacks.
- Decentralization of cyber functions.
- Higher attrition rate and specialized skillsets.
- Audit remediation.
- Maturity level and unassessed risks.

### Priority Actions

Investments to enhance the City's resilience to cyber risks in order to minimize the impact of a cyber attack resulting in potential financial loss, reputational damage, service disruption, legal liability and loss of life.

#### Digital Government

- Strategy, governance, and advisory accountabilities City-wide.
- Cyber culture, awareness and training.
- Managing digital risk and support the operationalization of digital programs and cloud initiatives.
- Modernizing infrastructure, oversight over cyber compliance, and enhancing the Cyber Practice.
- Detection, prevention, and mitigation of cyber risk including the City's critical infrastructure.

#### Business Resilience (including Modernization and Recovery)

- Improve business resilience and support the processes enabling business transactions.
- Provide and support COVID-19 emergency response and recovery initiatives.
- Assess risk and protect against unauthorized access for public facing business applications.
- Data Rights Protection to safeguard personal and health information of City staff and the Public.
- Enhance digital forensic capabilities to investigate fraud, waste, theft, cyber breaches and violations.
- Remediation of Auditor General findings to resolve cyber recommendations.



## 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>								
Cyber Security	51.5	503.0		172.9	209.7	382.5	382.5	N/A
<b>Total Revenues</b>	<b>51.5</b>	<b>503.0</b>		<b>172.9</b>	<b>209.7</b>	<b>382.5</b>	<b>382.5</b>	<b>N/A</b>
<b>Expenditures</b>								
Cyber Security	1,220.9	11,278.5	8,754.1	16,681.6	11,756.1	28,437.7	19,683.6	224.8%
<b>Total Gross Expenditures</b>	<b>1,220.9</b>	<b>11,278.5</b>	<b>8,754.1</b>	<b>16,681.6</b>	<b>11,756.1</b>	<b>28,437.7</b>	<b>19,683.6</b>	<b>224.8%</b>
<b>Net Expenditures</b>	<b>1,169.4</b>	<b>10,775.5</b>	<b>8,754.1</b>	<b>16,508.8</b>	<b>11,546.4</b>	<b>28,055.2</b>	<b>19,301.0</b>	<b>220.5%</b>
<b>Approved Positions</b>	<b>9.0</b>	<b>39.0</b>	<b>39.0</b>	<b>39.0</b>	<b>23.0</b>	<b>62.0</b>	<b>23.0</b>	<b>59.0%</b>

\* 2020 Projection based on Q3 Variance Report

\*\* Currently included in Technology Services Budget

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$16.682 million gross reflecting an increase of \$7.928 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- The 2021 annualization of the 39 positions transferred from TSD to CISO to meet the City's Security priorities; and
- The 2021 increase of \$4.201 million in Service and Rent reflects the deferral in 2020 expenses into 2021 arising from delays in MSSP implementation and professional services for technical assessments.

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

- 2021 Base Budget totalling \$16.509 million in net expenditures reflects a \$5.733 net increase above the 2020 Council approved Budget.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$11.756 million gross, enabling:

- Additional funding of \$11.756 million for Priority Security Items for Cyber Modernization and Digitization of support services

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Office of the CISO'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 CISO is \$16.682 million gross or 90.6% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes New and Enhanced requests

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

Key Cost Drivers (In \$000s)	2019 Actuals *	2020 Budget *	2020 Projection */ **	2021 Base Budget	Change Vs. 2020 Projection	
					\$	%
Expenditures						
1 Salaries and Benefits	847.7	1,784.0	2,114.9	7,096.6	4,981.6	235.5%
2 Materials & Supplies		0.3		23.4	23.4	
3 Equipment	1.9		102.1	11.7	(90.4)	(88.5%)
4 Service and Rent	371.4	9,494.2	5,349.2	9,549.9	4,200.7	78.5%
5 Contribution To Capital						
6 Contribution To Reserves						
7 COVID-19 Impact			1,187.9		(1,187.9)	(100.0%)
Total Expenditures	1,220.9	11,278.5	8,754.1	16,681.6	7,927.5	90.6%
Revenues						
1 Provincial Subsidies						
2 User Fees & Donations						
3 Draw from Reserve Funds				172.9	172.9	
4 Other Revenues (Inc. IDR's)	51.5	503.2				
Total Revenues	51.5	503.2		172.9	172.9	
Net Expenditures	1,169.4	10,775.3	8,754.1	16,508.8	7,754.6	88.6%
Approved Positions	9.0	39.0	39.0	39.0		

\* 2020 Projection based on Q3 Variance Report

\*\* Currently included in Technology Services Budget

**Salaries & Benefits:**

- \$4.982 million increase is mainly due to the 2021 annualization of the 39 positions transferred from TSD to CISO to meet the City's Security priorities.

**Materials and Supplies:**

- \$0.023 million projection in 2021 is mainly due to office supplies & equipment for the newly established division.

**Services and Rents:**

- \$4.201 million increase is mainly due to professional fees and cloud license subscriptions for managed security service providers (MSSP), infrastructure & application, vulnerability management, professional membership/dues, cloud storage, cyber awareness program, and risk assessment.

**Table 2b: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1 Priority 1 Cyber Security Items	209.7	11,756.1	11,546.4	23.0	13,478.9	None	
Total New / Enhanced	209.7	11,756.1	11,546.4	23.0	13,478.9		

Investments totalling \$11.546 million net in 2021 are included in the budget to enhance the City's resilience to cyber risks in order to minimize the impact of a cyberattack resulting in potential financials loss, reputational damage, service disruption, legal liability and loss of life. The investments are composed of the following enhancements:

- Continued support for the Emergency Management Response and Recovery initiatives related to COVID-19;
- Remediation of Auditor General findings to resolve cyber recommendations;
- Case management solution for privacy and forensics data;
- Enhance threat detection & response for critical infrastructure to identify and mitigate cyber attacks;
- Cyber practice development to provide additional support to divisions in building resilience and managing their cyber risks;
- Enhance digital forensic capabilities to investigate fraud, waste, theft, cyber breaches and violations and;
- Strengthen access solution to manage users with elevated permissions to critical systems.

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues		382.5	382.5	382.5
Gross Expenditures	8,754.2	28,437.7	28,438.6	28,064.1
<b>Net Expenditures</b>	<b>8,754.2</b>	<b>28,055.2</b>	<b>28,056.1</b>	<b>27,681.6</b>
<b>Approved Positions</b>	<b>39.0</b>	<b>62.0</b>	<b>62.0</b>	<b>62.0</b>

\* 2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$28.438 million reflects the following:

- Full year salaries & benefits for the 39 FTEs projected to be hired in 2020.
- Additional 23 FTEs to build cyber practice which increases the salaries and benefits and equipment.
- Comprehensive Threat assessment on City's ability to detect, protect and respond to cyber threats.
- Integration of election technologies with cyber tools.
- Increases in cloud and authentication technology due to the anticipated migration of business applications to cloud solution.
- Build the City's digital resilience to support the City's digital transformation initiatives.

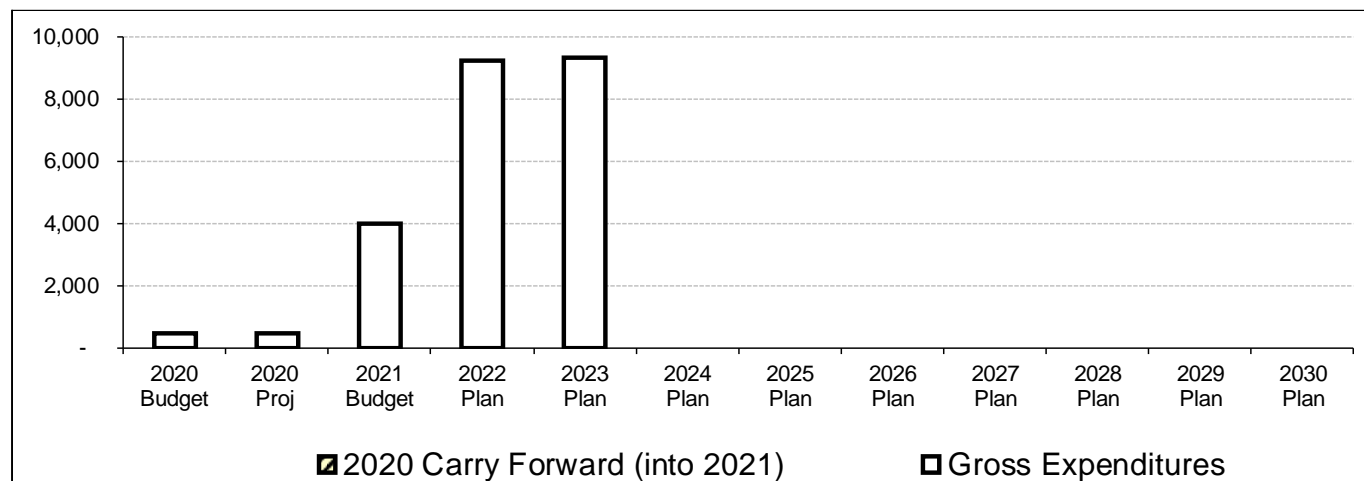
The 2023 Outlook is projected to decrease by \$0.374 million or 2 per cent below the 2022 gross expenditures due to the following:

- Reduction in professional fees with the creation of the internal team to improve the City's cyber maturity and meet the demands of the City's digital transformation.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



In \$000's				2021 Capital Budget and 2022 - 2030 Capital Plan							
				2020		2021	2022	2023	2024	2025	Total 10 Year Plan
				Budget	Projected Actual						
Gross Expenditures by Project Category:											
Health & Safety & Legislated											
SOG											
Service Improvement & Growth				451	451	4,021	9,245	9,362			22,628
Total by Project Category				451	451	4,021	9,245	9,362	-	-	22,628
Financing:											
Debt				451	451	4,021	9,245	9,362			22,628
Reserves/Reserve Funds											
Total Financing				451	451	4,021	9,245	9,362	-	-	22,628

### New Projects

(\$22.6 Million)

2021 adds \$4.021 million for infrastructure and hardware to enable the following security initiatives:

- *Managed Security Service Provider* (\$3.202 million)
- *Forensics, Digitization Support & Vulnerability Scanning* (\$0.819 million)

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$22.6 Million 10-Year Gross Capital Program**


A Well Run City
\$22.6M 100%
<i>Digitization Support Services</i> <i>Managed Security Service Provider (MSSP)</i> <i>Forensics</i> <i>Cyber Command Centre</i> <i>Infrastructure – Vulnerability Scanning</i>

**How the Capital Program is Funded**

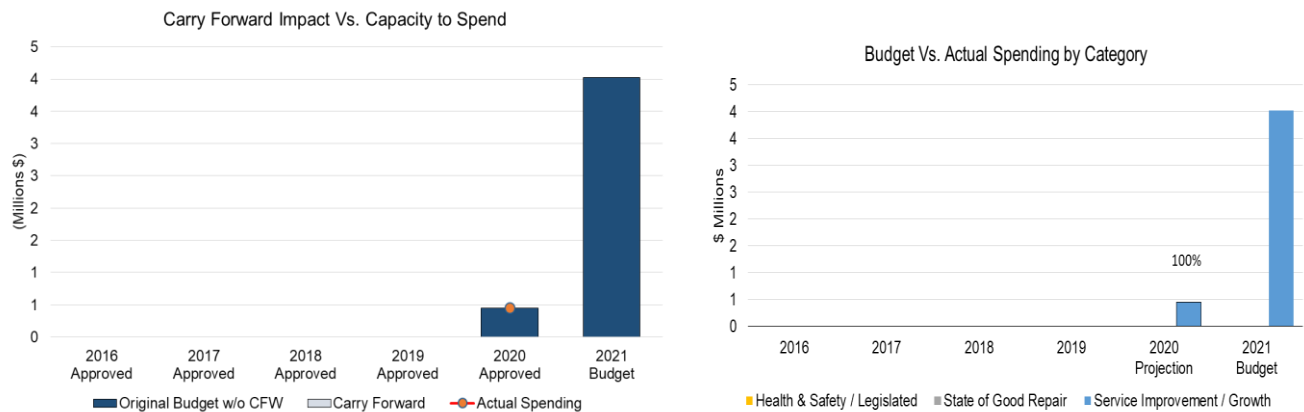
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$22.6 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$ 22.6 M		

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 Office of the CISO'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 Office of CISO division was established in 2020, therefore historical spend for previous years is not applicable. The 2020 budget of \$0.451 million will be fully spent in 2020.

# 2021 Program Summary

## Technology Services Division

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Technology Services Division (TSD) provides city-wide leadership in modernizing and innovating City services through strategic technology investments that advances principles of access, affordability and resiliency with equity as a driving factor. This includes:

- Providing a standardized and best practice technology environment to enable program and service delivery supporting the aspirations of a digital government.
- Collaborating in partnership with all stakeholders (including the Federal and Provincial Governments, community organizations, residents and businesses) to ensure efficient and effective modernization of solutions with the goal of improving the public experience to access City services.
- Ensuring fiscal stewardship in delivery of results based outcomes to enhance business processes and technology implementations.

### Why We Do It

Our services align to the City's Digital Infrastructure Plan, demonstrating a commitment to equity and inclusion, supporting a Well Run City, creating social, economic and environmental benefits, ensuring privacy and security and enabling democracy and transparency. The Technology Services Division (TSD) leads innovative technology services and solutions that effectively supports the delivery City services to its stakeholders by ensuring:

- The City's technology environment is resilient, robust and agile.
- City divisions, residents and businesses experience reliable business continuity enabled from a digital infrastructure that meets their service delivery requirements.

*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

#### **Business Technology Solutions**

**Who We Serve:** City and Agency Staff, Businesses, Residents, & Visitors

**What We Deliver:** Customer centric sustainable digital solutions

**How Much Resources (gross operating budget):** \$54.4 million

#### **Computer & Communications Technology Infrastructure**

**Who We Serve:** City and Agency Staff, Businesses, Residents, & Visitors

**What We Deliver:** Stable and scalable technology infrastructure

**How Much Resources (gross operating budget):** \$57.9 million

#### **Enterprise Technology Services Planning & Client Services**

**Who We Serve:** City and Agency Staff, Businesses, Residents, & Visitors

**What We Deliver:** Investment yielding measured outcomes

**How Much Resources (gross operating budget):** \$28.0 million



## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$35.3	\$34.7	\$34.7
Gross Expenditures	\$140.3	\$153.9	\$155.0
Net Expenditures	\$105.0	\$119.3	\$120.3
Approved Positions	763.0	763.0	767.0

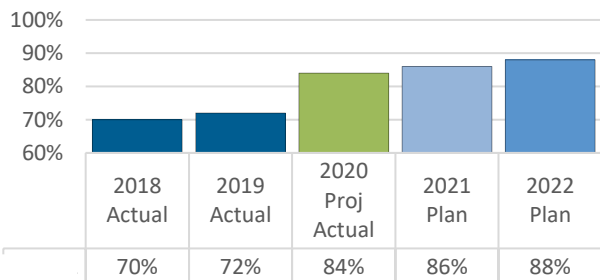
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$67.4	\$254.9	\$322.3
Debt	\$43.6	\$31.3	\$74.8

Note: Includes 2020 carry forward funding to 2021

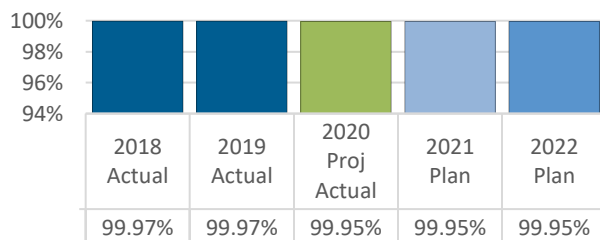
## How Well We Are Doing – Behind the Numbers

### Portfolio: % Plan vs. Actual Completed



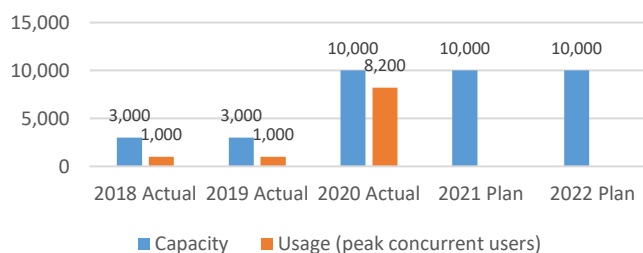
- Gauges performance in completing projects as well as capacity to take on new projects
- As the ratio of completed projects to those planned increases, benefits are realized, and resources can take on new project demands
- Project completion rates reflect an increase from 2018 as a result of greater programmatic alignment of projects to enable better prioritization decisions, leading to the convergence of project planning and completion rates
- Earlier identification of required resources ensures projects are delivered on time

### % Availability of Business Applications



- Measures the availability of all business applications managed by TSD
- The availability of business applications has been maintained as a result of better planning and fewer incidents
- Deviations mainly due to scheduled maintenance/upgrades

### Telework: Actual Usage vs Capacity



- Large increase in capacity and usage in 2020 due to COVID-19 work from home directive, demonstrating the resilience in expanding remote and digital capabilities.
- This does not include Agencies, Boards, Commissions and Corporations, which will be accounted for by the Workplace Modernization Program

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Service Level Measures/Outcome Measures</b>								
<b>Business Technology Solutions</b>	% Availability of Business Applications	99.97%	99.97%	99.95%	99.95%	99.95%	99.95%	●
<b>Business Technology Solutions</b>	Improve Technology Customer Experience: Customer Satisfaction with Technology Service Desk	81%	80%	90%	90%	90%	90%	●
<b>Computer &amp; Enterprise Technology Planning &amp; Client Services</b>	Deliver Technology Projects to enable City Programs and Services Delivery: Technology Projects: % Plan vs. Actual Completed	70%	72%	90%	90%	90%	92%	●
<b>Computer &amp; Communications Technology Infrastructure</b>	% Availability of Technology Network Infrastructure Services	99.99%	99.98%	99.50%	99.50%	99.50%	99.50%	●
<b>Computer &amp; Communications Technology Infrastructure</b>	Ensure continued availability of City Technology Infrastructure / Systems: % Availability of Toronto.ca	99.99%	99.99%	99.50%	99.50%	99.50%	99.50%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>The \$8.8 million net unbudgeted expenditures incurred due to COVID-19 includes:</p> <ul style="list-style-type: none"> <li>\$7.1 million in acquiring additional capital assets (incl. servers, laptops, monitors, tablets, firewall, etc.) to increase technology capacity to enable city-wide teleworking \$2.4 million to increase internet bandwidth, and other technology/staff support costs to support Town Hall meetings/events and city-wide teleworking</li> <li>\$0.6 million loss in capital and project staff revenue recoveries resulting from COVID-19 redeployment</li> </ul> <p><u>Savings due to COVID-19</u></p> <ul style="list-style-type: none"> <li>\$1.3 million underspend related to staffing due to the allocation and prioritization of resources to the City's COVID-19 pandemic response</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>The City continues to incur the following operating expenditures as a result of expanding its remote and digital capabilities to support mobile work, virtual council and remote teams, in 2020:</p> <ul style="list-style-type: none"> <li>\$1.0 million in enhancing security capability for teleworking.</li> <li>\$0.9 million in increasing internet, cloud subscriptions, hardware/software maintenances, etc. to enable City-wide staff to telework and host Town Hall meetings/events.</li> <li>\$0.6 million in acquiring cloud subscriptions for digital signatures, voice agent inquiries, and Chatbot to meet modernized business needs.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>The 2020 capital budget was adjusted to reflect changes due to allocation of funding to support COVID costs, delays in coordination of procurement activities and non-availability of resources due to redeployment.</li> <li>\$15.8 million in capital projects delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts. This includes five new 2020 projects that were cancelled or deferred to 2021 totalling \$3.3 million and 44 on-going projects reduced/deferred to 2021 totalling \$12.5 million. \$4.1 million of the deferred funding was included in the 2021 Budget (COVID-19 Financial Impact Slide) to continue with the ongoing projects</li> <li>Division received capital budget infusion to account for additional technology capital assets procured due to COVID</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <p><u>Impacts for 2021</u></p> <ul style="list-style-type: none"> <li>Desktop Hardware will incur additional costs as the City transitions to 90% notebooks and increased telework</li> <li>Internet services will incur \$1.3 million due to increased number of remote users</li> <li>New Projects in 2021 related to COVID: <i>ConnectTO – Network Utility</i> (\$0.4 million), <i>Office 365</i> (\$5.0 million)</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Conducted 270 virtual Council, City-wide Town Halls and Public consultations</li> <li>Increased Cloud Computing capabilities from 10% to 15%</li> <li>Moved of TELUS Data Centre</li> <li>Implemented 311 Chatbot and evolved to Voice-Chatbot</li> <li>Increased telework capacity from 3,000 to 10,000</li> <li>952K+ participants conducted 199K+ WebEx meetings</li> <li>Increased the mobile computers by 44% from 8,600 to 12,400</li> <li>Implemented Digital Signatures</li> <li>Increased and enhanced internet capacity</li> <li>Enabled additional remotely controlled devices</li> <li>Enhanced Server capacity</li> <li>Enterprise Tableau Licensing to support reporting</li> </ul>	<p><b>Service Level Changes</b></p> <p>Review of service levels to reflect changes may be required for technology upgrades and improvements</p>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Demonstrated resilience and expanded the City's remote and digital capabilities (use of collaboration tools, virtual council and public deputations, Chatbot etc.) within a few weeks to deliver services and support a digital society and a mobile workplace in response to the pandemic
- Support of City-wide Service consolidation using Technology as a lever in the area of 311
- Implemented the Coronavirus Rapid Entry (CORES) Case and Contact Management System used by Toronto Public Health to document data related to the pandemic and share data with the Ministry of Health, in-house
- Collaborated with other Divisions to deliver over 25 different digital solutions (MLS Online Permitting and Licensing, P&E Redeployment Survey, Online Staff Inquiries Management System, Voluntary Separation Program, etc.) to assist with the COVID-19 response efforts
- Developed a new online intake portal to enable and supported the initial launch of the Concepts to Keys program, which the City set up to transform, enhance and improve how the City of Toronto attracts, facilitates and regulates development activity
- Partnered with other technology and telecommunications companies and provided free public internet access to 25 Tower Neighbourhood buildings (over 13,000 people), in City shelters, Long-term Care Homes, recreation centres to support digital equity
- Managed donations of over \$1,000,000 in equipment from technology companies such as 500 free smart phones with 6 months of free service to the Toronto Aboriginal Support Services Council and communication devices for shelters to support digital equity
- Tifffield Data Center construction completed successfully in Mar 2020 will allow consolidation of multiple production data centers and provide shared space to agencies
- Upgraded the City's Museums & Arts Services Historic sites, such as Fort York and enabled more technologically advanced programming for the Economic Development & Culture Division
- Partnered with Shelter Support & Housing Administration Division and Toronto Public Health and developed Use Cases to be implemented using Artificial Intelligence and machine learning for the benefit of Toronto Housing availability and affordability
- Successfully obtained Council adoption on Digital Infrastructure Plan principles and work plan
- Continued with stakeholder engagement and public feedback by establishing a Digital Infrastructure Plan Community Advisory Group

### Key Challenges and Risks

- Sustainable funding model for transition to a "Cloud First" environment
- Prioritization of capital funding may impede timely, new and innovative technology service provisioning
- COVID-19 response and recovery efforts resulting in fatigue and impact/delay divisional technology services centralization as well as shared services with Agencies and Corporations
- Ability to respond quickly to constant change and greater demands on technology services due to resource constraints

### Priority Actions

- Accelerated investment to build the resilient teleworking technology infrastructure required to enable a remote workforce, digital service delivery channels and the Workplace Modernization program
- Investment to implement recommendations of the Auditor General that will address City-wide risk and result in a secure, reliable and high performing technology environment that is modernized and well-positioned to respond to growing business needs and resident demands
- Improve integrated service delivery by streamlining software development and technology operations leveraging new approaches
- Leverage cloud computing to bring a consistent standard approach to delivering business solutions
- Implement strategically aligned work intake and governance model to optimize capacity vs. demand management, improve management of risk and improve service delivery capabilities

## 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>								
Business Technology Solutions	20,495.6	22,760.0	17,980.8	21,112.2		21,112.2	3,131.4	17.4%
Computer & Communications Technology Infrastructure	10,265.6	11,815.8	9,906.4	11,655.3		11,655.3	1,748.9	17.7%
Enterprise Technology Services Planning & Client Services	2,305.3	2,614.1	954.5	2,494.0		2,494.0	1,539.6	161.3%
<b>Total Revenues</b>	<b>33,066.5</b>	<b>37,190.0</b>	<b>28,841.6</b>	<b>35,261.5</b>		<b>35,261.5</b>	<b>6,419.9</b>	<b>22.3%</b>
<b>Expenditures</b>								
Business Technology Solutions	48,349.5	54,456.7	47,814.0	53,791.7	561.9	54,353.6	6,539.6	13.7%
Computer & Communications Technology Infrastructure	43,029.7	44,881.4	56,419.4	55,668.8	2,262.4	57,931.2	1,511.8	2.7%
Enterprise Technology Services Planning & Client Services	26,494.4	27,429.9	22,762.6	26,579.9	1,438.1	28,018.0	5,255.4	23.1%
<b>Total Gross Expenditures</b>	<b>117,873.7</b>	<b>126,768.0</b>	<b>126,996.0</b>	<b>136,040.4</b>	<b>4,262.4</b>	<b>140,302.8</b>	<b>13,306.8</b>	<b>10.5%</b>
<b>Net Expenditures</b>	<b>84,807.1</b>	<b>89,578.1</b>	<b>98,154.4</b>	<b>100,778.9</b>	<b>4,262.4</b>	<b>105,041.2</b>	<b>6,886.9</b>	<b>7.0%</b>
<b>Approved Positions</b>	<b>840.0</b>	<b>791.0</b>	<b>791.0</b>	<b>763.0</b>		<b>763.0</b>	<b>(28.0)</b>	<b>(3.5%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$136.040 million gross reflecting an increase of \$9.044 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Annualized costs of expanding the City's remote and digital capabilities due to the pandemic,
- Additional resources required to support Toronto Public Health's COVID-19 Case & Contact Management system, and
- Investments required to enhance and accelerate the development of the City's digital service infrastructure and support the Workplace Modernization Program to drive future savings/ efficiencies.

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

- **2021 Base Budget of \$100.779 million in net expenditures reflects an \$8.727 million net increase from the 2020 Council approved Budget, when excluding \$2.474 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$4.262 million gross:

- \$2.262 million gross and net, enabling mitigation and management of City-wide risk and implementation of Auditor General recommendations, and
- \$2.000 million gross and net, to expand and accelerate internet access for low-income and underserved communities and residents

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Technology Services' 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Technology Services is \$136.040 million gross or 7.1% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes New and Enhanced requests.

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

Key Cost Drivers	2019 Actuals	2019 Budget	2020 Budget	2020 Projection*	2021 Base Budget	Change vs. 2020 Projection	
						\$	%
Expenditures							
1 Salaries and Benefits	89,249.1	101,405.7	93,512.7	87,616.5	91,349.7	3,733.2	4.3%
2 Materials & Supplies	38.5	46.9	62.8	17.5	63.3	45.8	262.5%
3 Equipment	1,256.9	852.1	614.8	195.0	617.3	422.3	216.5%
4 Service and Rent	26,895.3	28,098.4	32,365.5	30,815.7	41,332.0	10,516.4	34.1%
5 Contribution To Capital							
6 Contribution To Reserves	308.2	211.9	212.2	211.8	204.2	(7.5)	-3.6%
7 COVID-19 Impact				8,139.6	2,473.8	(5,665.8)	-69.6%
Total Expenditures	117,748.2	130,615.1	126,768.0	126,996.0	136,040.4	9,044.4	7.1%
Revenues							
1 Provincial Subsidies							
2 User Fees & Donations	193.4	143.5	139.8	214.5	137.8	(76.7)	(100.0%)
3 Draw from Reserve Funds	2,929.7	4,675.3	5,189.4	3,722.9	4,994.9	1,272.0	34.2%
4 Other Revenues (Inc. IDR's)	29,818.5	39,761.1	31,860.8	25,529.3	30,128.8	4,599.5	18.0%
5 COVID-19 Impact				(625.1)		625.1	(100.0%)
Total Revenues	32,941.7	44,579.7	37,190.0	28,841.6	35,261.5	6,419.9	22.3%
Net Expenditures	84,806.5	86,035.4	89,578.1	98,154.4	100,778.9	2,624.5	2.7%
Approved Positions	840.0	840.0	791.0	791.0	763.0	(28.0)	(3.5%)

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

2020 projection reflects impacts of the allocation of resources to prioritize the COVID-19 pandemic response. 2021 reflects hiring required for accelerated digital modernization and resuming capital projects to support digitization.

**Materials and Supplies:**

Reflects annualized utility costs attributed to new data centre.

**Services and Rents:**

Increase mainly due to operating impacts from completed projects and price increases due to contractual terms/consumer price index increase.

**COVID-19 Impacts:**

Operating expenditures as a result of expanding the City's remote and digital capabilities to support mobile work, virtual council and remote teams.

**Other Revenue Changes:**

Reflects capital recoveries from resuming the capital program and recoveries from eligible Divisions to support operational business needs.



**Table 2b: 2021 Balancing Actions**

Recommendation	Savings Type	(\$000s)						
		2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Better price via contract negotiation	VBOR		(748.1)	(748.1)				
Hana Decommission	VBOR		(668.0)	(668.0)				
Data Centre Centralization	VBOR		(161.5)	(161.5)				
Change Enterprise Print Manager Maintenance from Subscription Model to Perpetual	VBOR		(66.8)	(66.8)				
Desktop Management System Maintenance Reduction Due to Cybersecurity Enhancement	VBOR		(65.8)	(65.8)				
Process Efficiencies and Maintenance Reduction from Telephone Expense Management System Enhancements	Efficiencies		(210.0)	(210.0)	(2)	(76.2)	(76.2)	
Reduction in Professional Services from Managed Services for SuccessFactors	Efficiencies		(200.0)	(200.0)				
Line-By-Line Reductions	Other		(247.9)	(247.9)		(247.9)	(247.9)	
Voluntary Separation Package	Other		(868.8)	(868.8)		868.75	868.8	
Software/Hardware Maintenance Reduction from Office 365 Implementation	VBOR					(265.0)	(265.0)	
Savings from Moving Secure File Tool to Cloud	VBOR					(19.00)	(19.00)	
Software License Maintenance Savings from Webmethod Decommissioning	VBOR					(300.0)	(300.0)	
Audio Video Savings by Switching from Cable to Streaming	VBOR					(103.6)	(103.6)	
<b>Total Balancing Actions</b>			<b>(3,236.8)</b>	<b>(3,236.8)</b>	<b>(2)</b>	<b>(66.7)</b>	<b>(66.7)</b>	<b>-</b>

Balancing actions in the recommended budget help offset operational pressures driven by the City's goal of improving services through digitization:

- \$0.248 million reduction in operating expenditures reflects savings from a line-by-line review based on historical actuals.
- \$0.748 million reduction as a result of better negotiations and pricing on technology maintenance contracts.
- \$0.869 million one-time reduction (2021 only) resulting from Voluntary Separation Package.
- \$0.801 million reduction attributed to implementing new technologies, eliminating co-located data centre rent by centralization, switching licensing model for enterprise print management maintenance, and savings as a result of Hana implementation.
- \$0.410 million in efficiencies from eliminating 2 vacant positions by implementing the telecom expenditure management (TEMS) project and the managed services for the human capital management system (SuccessFactors).

Table 2c: 2021 New / Enhanced

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
<u>City-Wide Security Risk Management &amp; Mitigation</u>							
1 Implement Segregation/Segmentation & Security Control Tool - AU4.1(7)		1,711.8	1,711.8		1,711.8	None	Auditor General recommended to mitigate City risks
2 Increase Network and Security capacity from Managed Security Service Provider Implementation		453.8	453.8		453.8	None	Auditor General recommended to mitigate City risks
3 Implement Asset Management Tool to Control/Restrict unauthorized Access to Open Data - AU7 13(2)(a)&(b) & AU 4.1		96.7	96.7		96.7	None	Auditor General recommended to mitigate City risks
4 Improve Internet Access for Low-Income Communities		2,000.0	2,000.0		2,000.0	None	To expand and accelerate internet access for low-income and underserved communities and residents
Total New / Enhanced		4,262.4	4,262.4		4,262.4		

Investments totalling \$4.262 million in 2021 are included in the recommended budget to address citywide risk and implement Auditor General Recommendations as well as to better serve Toronto citizens:

- \$0.097 million to replace End of Life hardware used to control and restrict unauthorized access to local area networks.
- \$1.712 million for hardware and software to implement adequate network security segregation and security controls based on business needs, risk and emerging architecture.
- \$0.454 million to support managed security services by expanding the existing technology infrastructure/capacity.
- \$2.000 million to expand and accelerate internet access for low-income and underserved communities and residents.



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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues	28,841.6	35,261.5	34,656.8	34,673.7
Gross Expenditures	126,996.0	140,302.8	153,918.3	155,000.4
<b>Net Expenditures</b>	<b>98,154.5</b>	<b>105,041.2</b>	<b>119,261.5</b>	<b>120,326.7</b>
<b>Approved Positions</b>	<b>791.0</b>	<b>763.0</b>	<b>763.0</b>	<b>767.0</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$153.918 million reflects an anticipated \$15.615 million or 11.3 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlook expects a further increase of \$1.082 million or 0.7 per cent above 2022 gross expenditures.

These changes arise from the following:

- **Impacts of 2020 decisions**

Additional \$12.729 million to complete the implementation of Office 365 to modernize communication/collaboration and enhance productivity. **(2022 Only)**

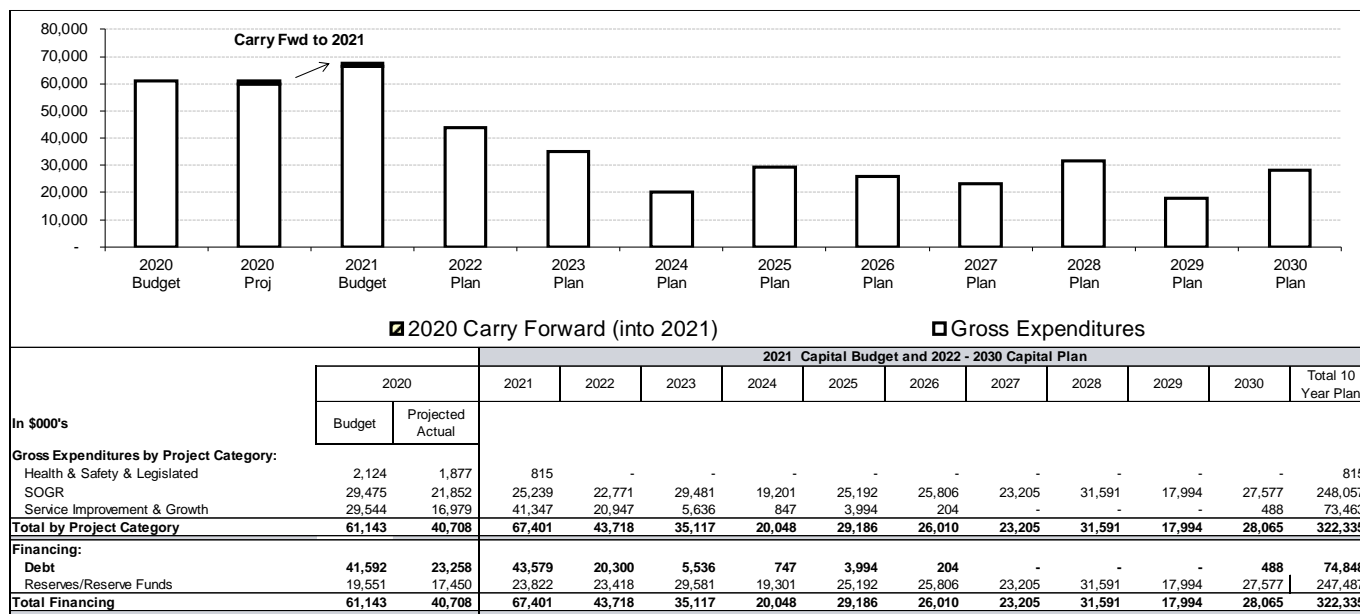
- **Salaries and Benefits**

Increase in Salaries and benefits reflective of collective agreement obligations. **(2022 2023)**

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$19.5 Million)

- *Modernized Data Center Architecture* will modernize the City's technology infrastructure, system development capabilities and methodologies to support and meet City strategic initiatives and priorities
- Consolidation of the *Enterprise Work Management Solution* project within TSD






### New Projects (\$10.7 Million)

- *Office 365 implementation* includes hardware and configuration
- *ServiceNow* replaces TSD's Project Portfolio Management System.
- *Access Control Self-Serve* will upgrade access control software platforms.
- *ConnectTO* begins preliminary work in support of the Council work plan to develop the City's first Digital Infrastructure Plan.

### Capital Needs Constraints (\$5.4 Million)

- *Desktop Hardware Replacement*

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$322.3 Million 10-Year Gross Capital Program**

				
<b>A Well-Run City</b>	<b>Fiscal Responsibility</b>	<b>Housing</b>	<b>Mobility</b>	<b>Infrastructure</b>
\$62.3M 18%	\$1.0M 1%	\$1.1M 1%	\$15.5M 5%	\$242.5M 75%
<i>MLS System Modernization</i>  <i>Modernized Data Center</i>  <i>Enterprise Work Management Solution</i>  <i>Office365</i>	<i>Telecom Expense Management Replacement -</i> Transitioning management and reporting to third party for improved service delivery	Toronto Property System  <i>Artificial Intelligence for Shelter, Support and Housing Administration and Toronto Public Health - Utilizing data to improve outcomes</i>	<i>Geospatial Strategy Roadmap –</i> Utilizing data to improve outcomes  <i>ConnectTO –</i> Maximization of City Asset to deploy public Wi-Fi	<i>Technology Lifecycle Management -</i> Infrastructure. Refresh – E.g. Laptop and tablet replacement – transitioning from desktops

Future year capital investment will change as the Technology Services Division (TSD) transitions to a Cloud First Strategy. Cloud adoption brings about a shift on the profile of how investments are funded. As most cloud services are subscription-based, this model sees a shift to more Operating Expenditures as opposed to Capital Expenditures. Capital Investment will continue to be needed to support the expedient delivery of these cloud services. The first big investment in 2021 in this area with the implementation of Office 365 in support of Workplace Modernization Requirements. Benefits include:

- Greater cost agility with infrastructure as a service – Cloud services have a high degree of cost variability, so expenses can quickly go down if demand for services is reduced.
- Increase retained cash - By using cloud/on-demand services, the City does not have to invest upfront to buy technology infrastructure via regular refresh cycles.
- Reduced Opportunity Costs - Opportunity costs are defined as the value foregone by pursuing a certain course of action. By choosing to use cloud/on-demand, the City can free up cash to invest in other parts of the corporation.

**How the Capital Program is Funded**

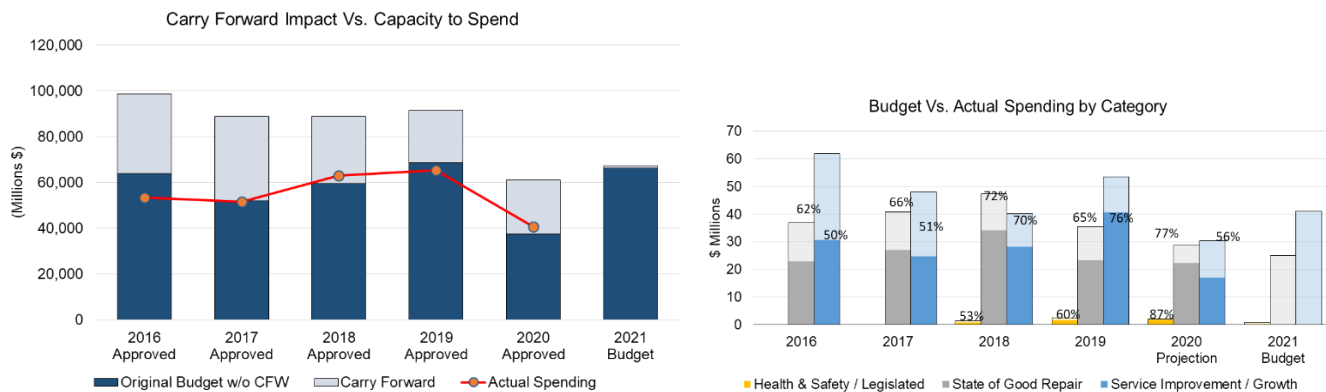
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$322.3 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$ 74.8 M		
Reserve Draws	\$ 247.5 M		

## 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 Technology Service'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**



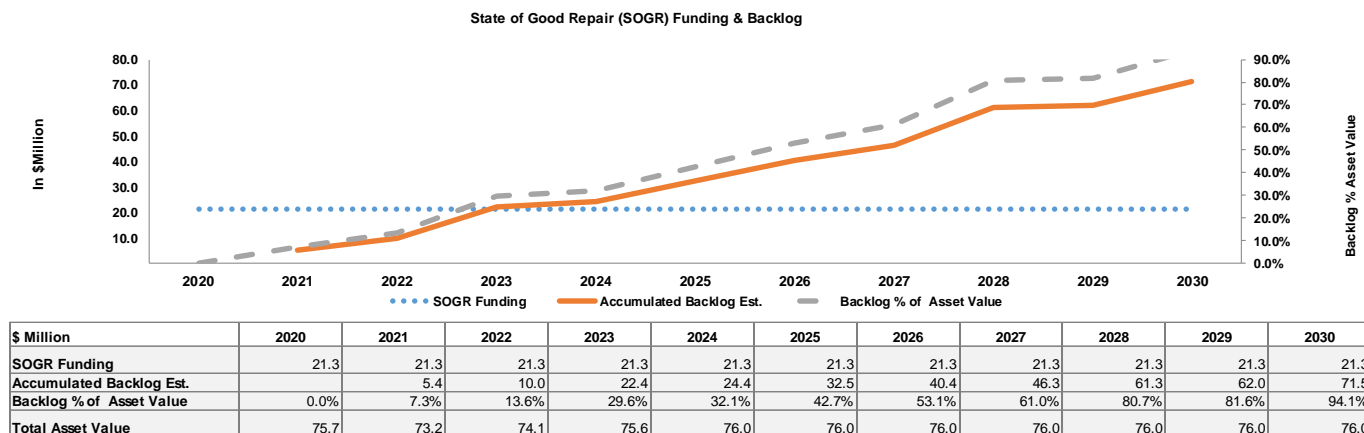
### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$1.096 million in capital spending originally cash flowed in 2020 has been deferred to 2021. Adjustments to the Capital Plan are noted below:

- *MLS Systems Modernization* reduced 2020 budget by \$2.771 million and deferred \$1.207 million to 2022 based on project timelines and capacity to spend
- Eighteen TSD projects have decreased their 2021 budget ask based on TSD's divisional priorities, resource constraints, timelines and capacity to spend. The collective total decrease is \$6.212 million in 2021 compared to the previously submitted 2021 budget.
- *Desktop Software Replacement* has reduced the 2021 budget by \$15.3 million with the transition to *Office365*. Alternatively, *Office365* Project was added for \$8.784 million over 2021, 2022 and 2023.
- *Enterprise Work Management Solution* Program has been consolidated across four divisions (Toronto Water, Solid Waste, Parks Forestry & Recreation, and Transportation) for the total budget to reside in TSD. The consolidation has a net zero impact across The City, however it increases the TSD budget by \$9.053 million in 2021 and \$8.162 million in 2022.
- *Telephony Upgrade* Project from 311 was transferred to TSD in 2021 resulting in an increase of \$1.315 million in 2021 to TSD's budget with an offsetting \$1.315 decrease in 311's budget.
- Projects included in TSD's 2021 budget fall within the following phases
  - 30-100% design completed, procurement-ready - \$37.5M (56% of budget); 22 projects (43%)
  - 5%-30% design completed, procurement-ready - \$11.2M (17% of budget); 13 projects (25%)
  - 5%-30% design completed, not procurement-ready - \$7.5M (11% of budget); 8 projects (16%)
  - 0%-5% design completed, with estimates - \$11.2M (17% of budget) & 8 projects (16%)

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Technology Services such as Lifecycle Management (Desktop Hardware, Software, Servers, etc.).

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

The TSD Life Cycle Management (LCM) programs ensure investments are made so that TSD solutions are kept reliable, current, compliant, and supported for continued client satisfaction for all TSD systems. Technology Infrastructure Services management continually reviews and assesses the technologies that are being sustained by the LCM program to ensure alignment with leadership visions and directions, such as Public Cloud First and ModernTO, while also keeping in mind the constant changes in the technology landscape such as new technologies and increased Cyber Security Risks.

- Funding in the 10-Year Capital Plan addresses State of Good Repair based on planned lifecycle and ensures business continuity of the City's technology. Based on this plan, it is forecasted that there will be a backlog starting in 2021 and additional funding is required to support it.
- Over 49% (\$121 million) of TSD's 2021 - 2030 Life Cycle Management Costs is to refresh desktops and laptops. Due to COVID restart/recovery the 10-year refresh includes the cost of 24,000 units split in a ratio of 90% laptops and 10% desktops.
- Over 22% (\$56 million) is to refresh Network Assets and includes the cost to implement the AG recommendation for Network Access controls & Network Segmentation
- Over 8% (\$20 million) is to support Internet Services and includes the impact of increasing the number of remote workers and the number of network related hardware due to COVID.

The increasing backlog was identified as part of the 2021 budget process following a change in provided hardware (i.e. notebooks). Technology Services will work with FPD to address the projected backlog growth as part of future budget processes.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will Budget will impact future year Operating Budgets by \$8.277 million net over the 2021-2030 period, primarily due to the completion of the below mentioned projects expected to be completed in 2021 and 2022, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Artificial Intelligence (AI) for SSHA and TPH			784	2							784	2		
Corporate Geospatial Strategy Roadmap Implementation	85				311	3					396	3		
Ent Doc & Record Mgmt Solutions (EDRMS) ITD			1,000		5,000						6,000			
Kronos Upgrade			4		4						8			
Open Data Master Plan Implementation	30										30			
TEMS Replacement	474		474								948			
TOConnect Wi-Fi Program			111	1							111	1		
<b>Sub-Total: Previously Approved</b>	<b>589</b>		<b>2,373</b>	<b>3</b>	<b>5,315</b>	<b>3</b>					<b>8,277</b>	<b>6</b>		
<b>Total (Net)</b>	<b>589</b>		<b>2,373</b>	<b>3</b>	<b>5,315</b>	<b>3</b>					<b>8,277</b>	<b>6</b>		

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Finance and Treasury  
Services*

# 2021 Program Summary

## Office of the CFO & Treasurer

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Office of the Chief Financial Officer & Treasurer ensures the effective use of the Corporation's financial resources by providing sound financial planning management and advice; maintaining financial control; developing and implementing effective financial strategies; and by providing timely, accurate and efficient services to Programs, Agencies, Council and the public.

### Why We Do It

The purpose is to safeguard the City's assets and to manage City resources effectively, efficiently and economically. The following outcomes contribute to this purpose:

- Council and City divisions receive financial planning advice and support that are timely and relevant.
- Torontonians receive timely and equitable resolutions to their claims against the City.
- The City of Toronto has sufficient financial protection from catastrophic financial loss through the insurance program.
- Divisions receive timely and trusted independent assurance on their internal controls [in order to mitigate risk].
- The City's capital projects are financed with debt at the lowest borrowing rate in order to reduce immediate tax burden on Toronto residents and businesses.
- The City's financial assets are invested responsibly to achieve superior [risk-adjusted rate of return] in order to meet the City's cash flow requirements.

*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

#### **Financial Planning**

**Who We Serve:** Council, City divisions, Agencies and Corporations.

**What We Deliver:** City of Toronto balanced budget; financial advice; financial policies, financial reports.

**How Much Resources (gross operating budget):** \$11.2M

#### **Insurance & Risk Management**

**Who We Serve:** City divisions, Agencies and Corporations, Toronto residents.

**What We Deliver:** Insurance coverage, claims management and risk management advice

**How Much Resources (gross operating budget):** \$1.8M



## Internal Audit

**Who We Serve:** Council, City divisions, Agencies and Corporations.

**What We Deliver:** Business and risk consulting on policies, processes and information systems. Assurance services including the performance of compliance, operational, financial, forensic and internal control reviews.

**How Much Resources (gross operating budget):** \$1.8M

## Capital Markets

**Who We Serve:** Council, City divisions, Agencies and Corporations.

**What We Deliver:** Liquidity management, investment and debt management as well as letter of credit administration

**How Much Resources (gross operating budget):** \$1.6M

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$ 3.7	\$ 3.9	\$ 3.9
Gross Expenditures	\$16.4	\$17.2	\$17.3
Net Expenditures	\$12.7	\$13.3	\$13.4
Approved Positions	112.0	112.0	112.0

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$2.5	\$4.7	\$7.2
Debt	\$2.1	\$3.0	\$5.1

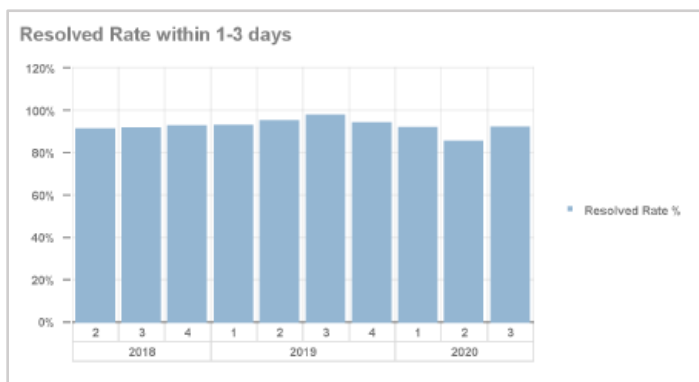
Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers

### Impact of Capital Funding (Tax & Rate) on the State of Good Repair



- Ensuring the City's capital assets in state of good repair is one of CFO's priorities. The Financial Planning Division coordinate with the City programs and agencies to monitor the SOGR backlog trend and ensure the City provides significant funding to control the SOGR backlog
- The City has implemented a series of capital investment strategies and significant funding to address its accumulated SOGR backlog
- With continued investment of SOGR funding, this year's 10-year backlog estimates will be lower than the last year's forecast on both dollar amount and percentage of an asset value.



- IRM strives to respond to and resolve insurance and risk management inquiries within 3 business days.
- Q2 results were slightly lower than expected due to the pandemic and the complexity of inquiries during that timeframe.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures*								
Financial Planning	% Balanced Operating Budget approved annually in accordance with Council's mandates	100%	100%	100%	100%	100%	100%	●
Financial Planning	% of time decision support released at least 24hrs for notes and 7 days for Reports, prior to council / committee meeting	100%	100%	100%	100%	100%	100%	●
Financial Planning	% of time Operating variance is provided at the first scheduled Budget Committee meeting after 45 days of the reporting period closing	100%	100%	100%	100%	100%	100%	●
Insurance & Risk Management	% of claimant correspondence sent within 2 days	83%	84%	80%	99%	80%	80%	●
Insurance & Risk Manage	% of acknowledgement letters sent within 5 days	87%	99%	80%	100%	80%	80%	●
Insurance & Risk Manage	% of Division reports requested within 2 days	75%	90%	80%	100%	80%	80%	●
Insurance & Risk Manage	% of claim reports acted on within 15 days	N/A	19%	80%	99%	80%	80%	●
Internal Audit	Respond to requests for advice within 2 business days	100%	100%	100%	100%	100%	100%	●
Internal Audit	An average score of 4 out of 5 in client satisfaction surveys pertaining to all audit completed	4.35	4.3	4.0	4.3	4.0	4.0	●

\*Outcome measures are considered service level measures as well.

Other Measures								
Financial Planning	Impact of Capital Funding (Tax & Rate) on the State of Good Repair (\$B)	\$2.2	\$2.2	\$2.3	\$2.1	\$2.7	\$2.9	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>COVID-19 has resulted in the following unbudgeted savings of \$0.408 million net:               <ul style="list-style-type: none"> <li>\$0.459 million salaries and benefits savings resulting from delays in hiring due to COVID-19 and the hiring slow down process.</li> <li>\$0.051 million additional salaries and benefits mainly in overtime required to provide timely response due to COVID-19.</li> </ul> </li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>The hiring slow down process is anticipated to continue in 2021 and will result in salaries and benefits saving of \$0.368 million in 2021.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>The Integrated Asset Planning Management (IAPM) project was impacted by COVID-19.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>The 2021 capital projects and cash flows will be reviewed and re-casted as required to align cash flows with the capital project's readiness to proceed.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There has been no impact to service levels from COVID-19.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Office of the CFO &amp; Treasurer will continue to review service levels to reflect changes as required to meet ongoing operational needs.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Provided financial advice and support to the City during the COVID-19 pandemic, led and coordinated the weekly financial tracking across all divisions and agencies to ensure the City's services are adequately funded despite severe revenue loss and operational challenges during the City's lock down
- Led the 2021 budgeting process to ensure the City stays financially sustainable even during the pandemic. In the meantime seek funding from various sources including federal and provincial levels of government to ensure the City's critical services are funded timely
- Supported the financial modernization strategy by improving the budget process based on actual spending capacity and enhanced the budgeting systems to facilitate the new process; supported CMO's Result Based Accountability training and incorporated it into 2021 budget material; supported and incorporated Outcome Engagement to improve quality of statements within the Administrative reviews and for the 2021 Budget Notes
- Developed Framework and issued Social Bond – a first for the Canadian public sector
- Arranged 5 public debt issues for a total of approximately \$1 billion – record number of debt issuances
- Continued Green Bond issuance – City's third issue in this category – largest Green municipal issuer in Canada
- Successfully renewed the City's insurance program despite difficult market conditions
- Completed an assessment of financial controls within Agencies and Corporations to provide assurance that the City's consolidated financial statements are presented fairly and that objectives relating to operations, reporting and compliance will be achieved

### Key Challenges and Risks

- The impact from COVID on the City's operations and funding gap in the coming year is highly uncertain, which may affect the city's ability to deliver services and capital projects
- Additional ongoing federal and provincial funding which is critical to the City's financial sustainability under pandemic and recovery period remains a risk to the City
- Risk of lower rates of return in a low interest environment (portfolio is 70% fixed income)
- Debt issues – possible disruption due to COVID 2<sup>nd</sup> Wave – may not complete funding program of \$1B for Capital
- The hard insurance market is expected to continue into 2021, which will increase the cost of insurance and reduce the available insurance capacity in the market
- Demand for Internal Audit services have been increasing; existing resource levels are not adequate to respond to all requests. This could expose the City to potential risks.

### Priority Actions

- Continue to monitor available federal/provincial assistance to ensure the city's operations are properly funded
- Support the City's Safe Restart plan by providing information needed to make timely informed decisions
- Continue to monitor the city's actual spending against budget to ensure the public is well informed
- Assist the Divisions and Agencies in developing responsible budgets
- Provide strategic and analytical support to Divisions and Agencies to recalibrate the 10 year capital plan based on spending capacity and City's priorities
- Develop the City's Asset Management Plan and submit to the Province as legislatively required
- Continue the budget process transformation to align with the value based outcome review strategies
- Continue to monitor the debt capacity level to sustain the City's credit rating and financial sustainability
- Continue innovative financing with Green and Social Bonds
- Stabilize the cost of the City's insurance program while enhancing coverage, including but not limited to, working to reduce the cost of the City's insurance fronting arrangements, insure City automobiles through the TTC Insurance Company Ltd. and improve the quality of underwriting information provided to insurers
- Complete a RFP for a Risk Management Information System to enhance IRM's ability to manage claims and provide metrics on claims and inquiries

- Focus on Financial Sustainability and Digitization of City services

## 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>								
Insurance & Risk Management	1,720.7	1,818.9	1,805.3	1,782.3		1,782.3	(23.0)	(1.3%)
Capital Markets	135.0	135.0	135.0	135.0		135.0		
Financial Planning	1,482.2	1,606.6	1,162.3	1,529.9		1,529.9	367.6	31.6%
Internal Audit	169.6	255.7	255.7	255.8		255.8	0.1	0.0%
<b>Total Revenues</b>	<b>3,507.5</b>	<b>3,816.2</b>	<b>3,358.3</b>	<b>3,703.0</b>		<b>3,703.0</b>	<b>344.7</b>	<b>10.3%</b>
<b>Expenditures</b>								
Insurance & Risk Management	1,679.4	1,827.0	1,813.4	1,782.3		1,782.3	(31.1)	(1.7%)
Capital Markets	1,304.9	1,564.1	1,681.2	1,641.0		1,641.0	(40.2)	(2.4%)
Financial Planning	10,358.5	11,962.7	11,089.9	11,213.0		11,213.0	123.1	1.1%
Internal Audit	1,695.1	1,789.4	1,622.4	1,763.3		1,763.3	140.9	8.7%
<b>Total Gross Expenditures</b>	<b>15,037.9</b>	<b>17,143.2</b>	<b>16,206.9</b>	<b>16,399.6</b>		<b>16,399.6</b>	<b>192.7</b>	<b>1.2%</b>
<b>Net Expenditures</b>	<b>11,530.4</b>	<b>13,327.0</b>	<b>12,848.6</b>	<b>12,696.6</b>		<b>12,696.6</b>	<b>(152.0)</b>	<b>(1.2%)</b>
<b>Approved Positions</b>	<b>129.0</b>	<b>117.0</b>	<b>117.0</b>	<b>112.0</b>		<b>112.0</b>	<b>(5.0)</b>	<b>(4.3%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$16.400 million gross reflecting an increase of \$0.193 million in spending above 2020 projected year-end actuals, predominantly arising from salary & benefit increases for annualization of positions filled part year/vacant in 2020.

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

- 2021 Base Budget totalling \$12.697 million in net expenditures reflects a \$0.630 million net decrease from the 2020 Council Approved Budget.

### COSTS TO ENHANCE SERVICES

Office of the Chief Financial Officer & Treasurer does not have **New and Enhanced Service** requests in 2021.

### EQUITY IMPACTS OF BUDGET CHANGES

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

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Office of the CFO & Treasurer is \$16.400 million gross or 1.2% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes 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	
						\$	%
Expenditures							
1	Salaries and Benefits	14,356.5	16,344.5	15,813.0	15,937.2	124.2	0.8%
2	COVID-19 Impact			(408.0)	(368.0)	40.0	-9.8%
3	Materials & Supplies	14.9	23.1	16.1	20.2	4.1	25.5%
4	Equipment	41.6	36.5	39.7	37.5	(2.2)	-5.5%
5	Service and Rent	576.2	700.4	707.5	739.7	32.2	4.6%
6	Contribution To Reserves	38.2	38.2	38.1	32.5	(5.6)	-14.7%
7	Other	10.5	0.5	0.5	0.5		
Total Expenditures		15,037.9	17,143.2	16,206.9	16,399.6	192.7	1.2%
Revenues							
1	Draw from Reserve Funds	1,825.1	1,942.3	1,836.8	1,782.3	(54.5)	-3.0%
2	Other Revenues (Inc. IDR's)	1,682.4	1,873.9	1,521.5	1,920.7	399.2	26.2%
Total Revenues		3,507.5	3,816.2	3,358.3	3,703.0	344.7	10.3%
Net Expenditures		11,530.4	13,327.0	12,848.6	12,696.6	(152.0)	-1.2%
Approved Positions		129.0	117.0	117.0	112.0	(5.0)	-4.3%

**Salaries & Benefits:**

2021 salaries and benefits budget includes 6 capital positions for Capital Modernization that were vacant in 2020 but are anticipated to be filled in 2021, offset by Voluntary Separation Program (VSP) savings and unbudgeted salaries and benefits for staff on secondment.

**Service and Rent:**

Increase in services and rents is mainly attributed to contract cost escalation for software maintenance of the Financial Investment and Debt Management system.

**Other Revenue Changes:**

2021 revenue budget includes higher recovery from capital for the 6 capital positions for Capital Modernization, offset by unbudgeted recovery for staff on secondment.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Delete 2 vacant positions	Efficiencies	(78.7)	(282.7)	(204.0)	(2.0)	(11.0)	(9.7)	
VSP savings	Other		(242.0)	(242.0)	(2.0)	66.3	66.3	
<b>Total Balancing Actions</b>		<b>(78.7)</b>	<b>(524.7)</b>	<b>(446.0)</b>	<b>(4.0)</b>	<b>55.3</b>	<b>56.6</b>	<b>-</b>

**The 2021 Operating Budget** includes \$0.525 million in gross and \$0.446 million in net expenditures reductions due to elimination of 4 positions.

- **Efficiencies:** The Director, Finance and Administration position is to be deleted now that Finance and Administration group reports into the Executive Director of Financial Planning Division. A Support Assistant position is to be deleted as work will be redistributed.
- **Other:** A reduction of two positions as a result of the Voluntary Separation Program (VSP),



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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	3,358.3	3,703.0	3,874.6	3,908.8
Gross Expenditures	16,206.9	16,399.6	17,239.3	17,347.6
<b>Net Expenditures</b>	<b>12,848.6</b>	<b>12,696.6</b>	<b>13,364.7</b>	<b>13,438.8</b>
<b>Approved Positions</b>	<b>117.0</b>	<b>112.0</b>	<b>112.0</b>	<b>112.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$17.239 million reflects an anticipated \$0.840 million or 5.12 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.108 million or 0.63 per cent above 2022 gross expenditures.

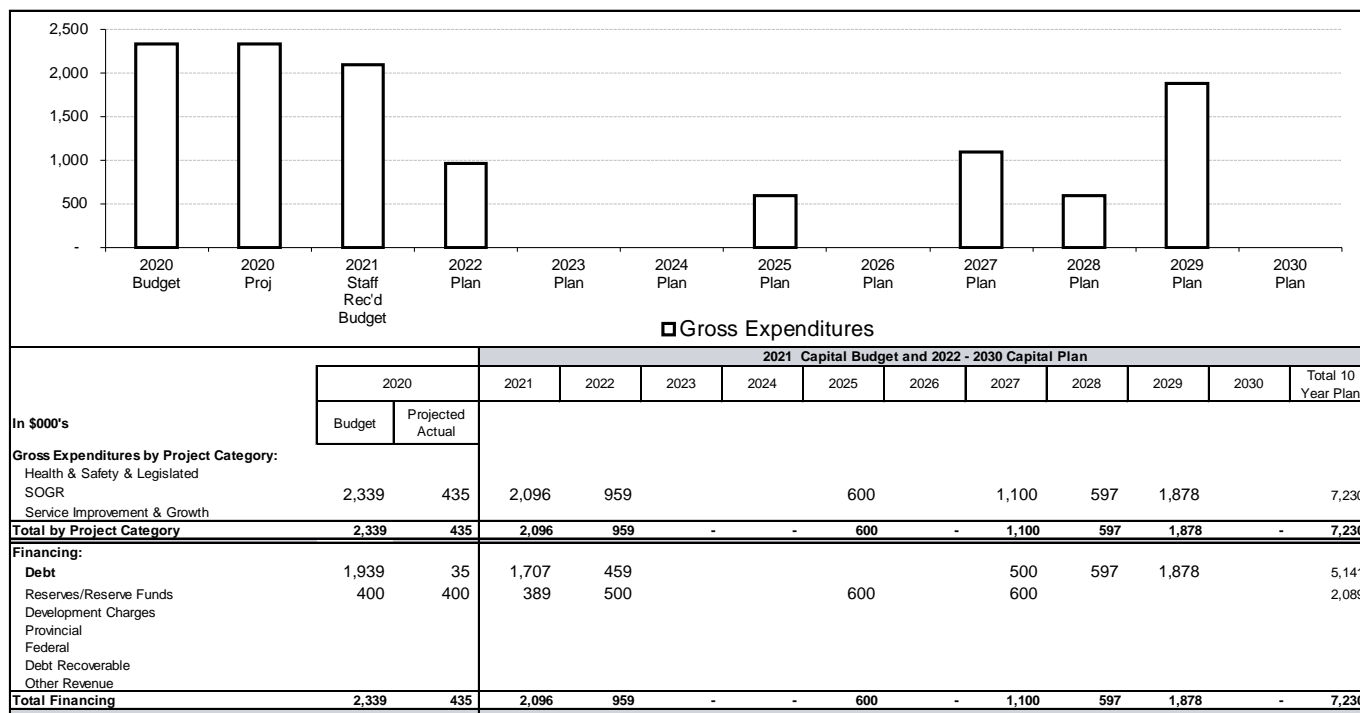
These changes arise from the following:

- Increase in 2022 is primarily due to annualization of positions filled part-year 2021 as well as COLA and step increases for unionized staff.
- Increase in 2023 is primarily due to step increases for unionized staff.

Higher expenditures will result in higher expenditure recoveries in 2022 and 2023.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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








### Changes to Existing Projects (\$0 Million)

- Where feasible, project and cash deferrals have been made based on Office of the CFO & Treasurer's capacity to spend and to reduce the impact on debt

### New Projects (\$0 Million)

### Capital Needs Constraints (\$0 Million)

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$7.2 Million 10-Year Gross Capital Program**

				
<b>Aging Infrastructure</b>	<b>Information Technology</b>	<b>Vehicles</b>	<b>Communication</b>	<b>Equipment</b>
\$0 M 0%	\$7.2 M 100%	\$0 M 0%	\$0 M 0%	\$0 M 0%
	Risk Management Information System  Investment & Debt Management System  Integrated Asset Planning Management  Capital Migration to New System			

**How the Capital Program is Funded**

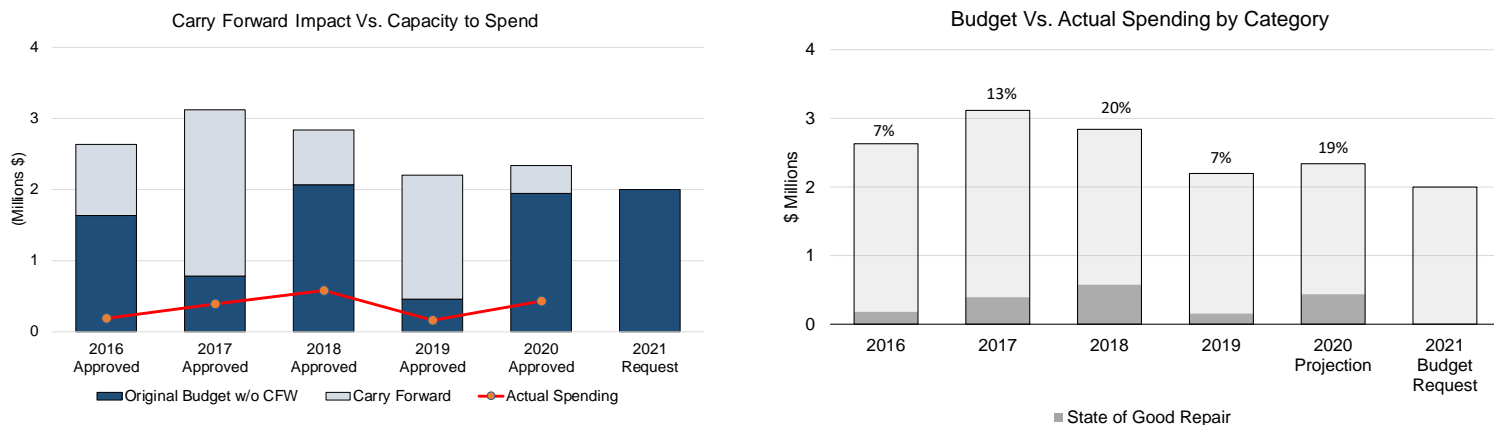
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$7.2 M 100%</b>		<b>\$0 M 0%</b>	<b>\$0 M 0%</b>
Debt	\$ 5.1 M		
Reserve Draws	\$ 2.1 M		

## 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 the Office of the CFO & Treasurer'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 10-Year Capital Plan has been reviewed based on anticipated annual capital spending and cash flows consistent with project readiness.

# 2021 Program Summary

## Office of the Controller

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We provide effective financial and employee services to City Programs, Agencies and Corporations by establishing a robust internal control system with relevant processes and procedures to safeguard City assets; systematic and comprehensive recording of financial transactions, along with timely and accurate reporting of financial information; accurate and efficient pension, payroll and benefit services and procurement and materials management services that meet the needs of City divisions; and providing leadership in revenue billing and collection services.

### Why We Do It

The purpose is to safeguard the City's assets and to manage City resources effectively, efficiently and economically. The following outcomes contribute to this purpose:

- City divisions and Council have access to accurate, compliant, relevant and complete financial information through up-to-date financial system.
- City revenues are sustained through timely, accurate, reliable and flexible billing and collection for property taxes, water and waste water services, solid waste collection, parking tickets, Municipal Land Transfer Tax.
- Toronto residents and businesses have access to reliable, secure and convenient payment options.
- Procurement of goods and services is accessible, timely and consistent for City services and suppliers, which enables City divisions to deliver services as planned.
- Vendors receive accurate and timely payments for the goods and/or services they provide the City.
- City employees and pensioners receive timely and accurate regular payments and benefits.
- City benefits are financially sustainable and meet the physical and mental health needs of employees.

*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

### Accounting Services

**Who We Serve:** Council, City divisions, Agencies and Corporations

**What We Deliver:** Tax & Financial System Support, Sound accounting policy and advice, Compliant and Timely Financial Reporting, Payment Processing

**How Much Resources (gross operating budget): \$11.3M**

### Pension, Payroll & Employee Benefits

**Who We Serve:** Elected Officials, Staff - City of Toronto, Retired Staff – City of Toronto, OMERS Pension Boards & Committees

**What We Deliver:** Payroll, Employee & Retiree Benefits & OMERS Pension Compensation, Non-OMERS Pension Payroll,

**How Much Resources (gross operating budget): \$16.5M**

### Purchasing & Materials Management

**Who We Serve:** City divisions, Agencies and Corporations, Suppliers

**What We Deliver:** Purchasing, Materials Management Stores & Distribution

**How Much Resources (gross operating budget): \$18.6M**

### Revenue Services

**Who We Serve:** Property Owners, Registered Utility Account Holder, Parking Ticket Recipient, Staff - City Divisions, Business Improvement Area members

**What We Deliver:** Property Tax & Utility Billing; Municipal Land Transfer Tax; Municipal Accommodation Tax (Hotel and incoming Short Term Rentals) Parking Ticket, Operations; Tax, Utility & Parking Ticket Client Services; Revenue Accounting & Collection

**How Much Resources (gross operating budget): \$30.4M**

### Financial Control & Strategies

**Who We Serve:** City divisions, Agencies and Corporations

**What We Deliver:** Process improvement, financial control, financial policy and strategy

**How Much Resources (gross operating budget): \$5.8M**

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Millions	2021	2022	2023
Revenues	\$43.1	\$46.6	\$46.6
Gross Expenditures	\$82.6	\$88.9	\$89.9
Net Expenditures	\$39.5	\$42.3	\$43.3
Approved Positions	733.0	731.0	731.0

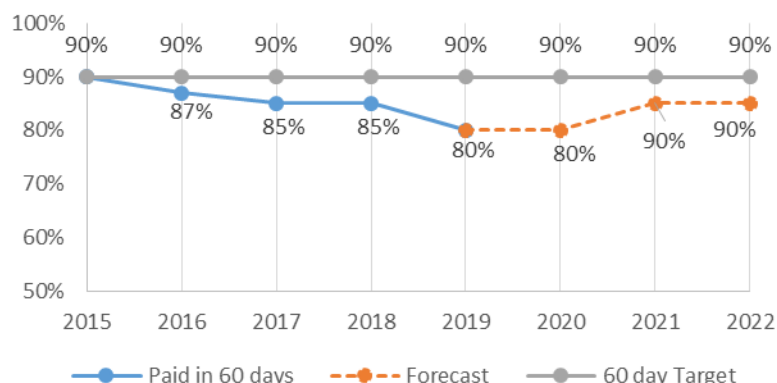
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Millions	2021	2022-2030	Total
Gross Expenditures	\$75.1	\$100.8	\$175.9
Debt	\$72.9	\$ 94.0	\$166.9

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers

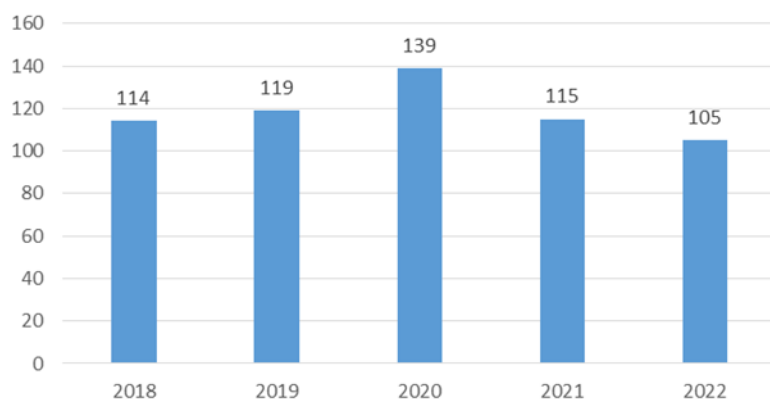
### Payment Processing



Timely payment processing creates a trusting relationship with our vendors. Vendors who are paid on time are more responsive to the City's needs and more helpful when required. Timely payments avoid the many follow up activities that take up staff time and effort.

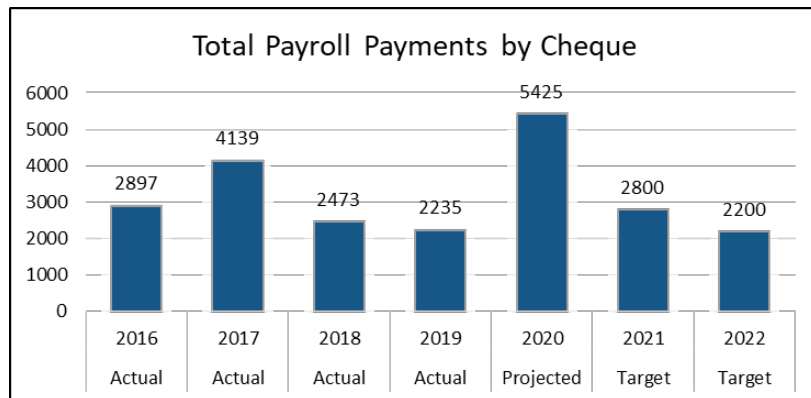
Payment processing activities are shared across the organization. While the Accounts Payable team in Accounting Services is responsible for invoice processing, Divisions provide evidence that goods and services are received as originally ordered and meet expectations through the provision of approvals and system required transactions that indicate that payment can be made.

### Total Average Time in the Procurement Cycle



The projected cycle time increased from 119 in 2019 to 139 days in 2020. This increase is a direct impact of COVID-19, which affected PMMD and City Divisions' operations and priorities significantly during the period March through July 2020. With the resumption of more normalized service levels across the City in the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2020, it is anticipated that the number of days for the end-to-end procurement cycle will improve in 2021, and the targets of 115 and 105 days are being established for 2021 and 2022 respectively. Further improvements and reduction in the cycle time is anticipated with the continued implementation of ARIBA modules and new functionality bringing additional efficiencies to the procurement process.

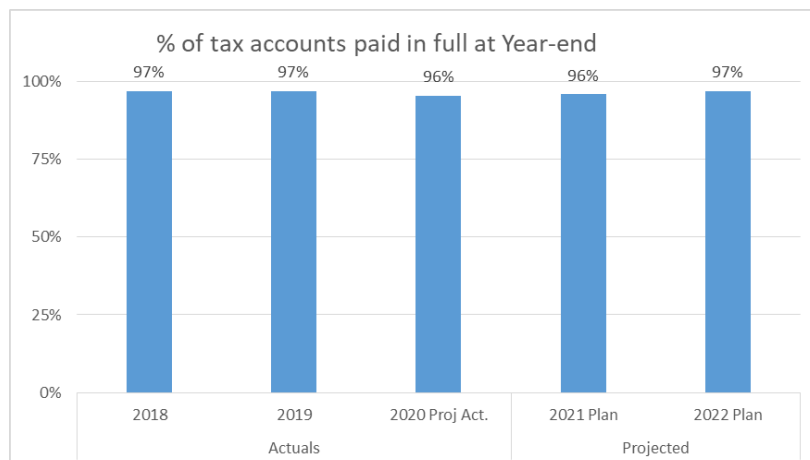
## How Well We Are Doing – Behind the Numbers



The number of payroll payment cheques increased in 2020 as a result of the impact COVID-19 had on employee movements specifically related to part-time recreation employees returning from emergency leave. In addition, hours for full time employees have been adjusted due to late reporting, including corrections in pandemic pay, etc.

Overall, despite 2020 the trend continues to decline year-over-year due to ongoing system enhancements to allow for the processing of most payroll payments through Direct Deposit.

Payments through Direct Deposit increase efficiency and provide a better employee experience by making funds available on a predictable timeline and without any effort from the employee.



The percentage of tax accounts paid in full each year from 2018 through 2020 has experienced a small reduction as a direct results from economic pressures from COVID-19 to fulfill property tax obligations for both residents and businesses.

The trend is expected to slowly increase from 2021 through 2022 as we financially recover from COVID-19.



## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
City divisions and Council have access to accurate, compliant, relevant and complete financial information	% of time financial statements and reports are available to decision-makers by June 30 <sup>th</sup> .	100% June 30	100% June 30	100% June 30	0% Nov 30	100% June 30	100% June 30	●
	% of compliance to PCI standards	100%	100%	100%	100%	100%	100%	●
Vendors receive accurate and timely payments for the goods and/or services they provide the City	90% of payments are made in 60 days	85%	80%	90%	80%	90%	90%	●
Procurement of goods and services is accessible, timely and consistent for city services and Suppliers.	# of days from the Requisition Date to the Purchase Order / Blanket Contract Date	114	119	110	139	115	105	●
City employees and pensioners receive timely and accurate regular payments and benefits.	% of time payroll cheque, direct deposit are made available to all employees by the close of business day on scheduled paydays, 100% of the time.	100%	100%	100%	100%	100%	100%	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
City revenues are sustained through timely, accurate, reliable and flexible billing and collection for property taxes, water and waste water services, solid waste collection, parking tickets, Municipal Land Transfer Tax	% of tax accounts paid in full at year end.	97%	97%	95.5%	95.5%	96%	97%	●
Toronto residents and businesses have access to reliable, secure and convenient payment options	% Electronic Payments (Tax, Utility, Parking tickets)	91.8%	92.1%	95%	95%	95%	95%	●
Service Level Measures								
Accounting Services	% of completion of monthly bank reconciliations 30 days after month end. Target: 100%.	100%	100%	100%	80%	100%	100%	●
	% of accounts receivable collected within 60 days. Target: 75%	75%	75%	75%	60%	75%	75%	●
Pension, Payroll & Employee Benefits	Total Payments by Cheque	2473	2235	3600	5425	2800	2200	●
	# of Active/Inactive Employees & Retirees with benefits	54,357	55,800	58,500	58,500	60,500	61,500	●
Revenue Services	% of parking tickets processed within legislated timeframe	99.9%	99.9%	99.9%	99.5%	99.9%	99.9%	●
		100%	100%	100%	99.9%	100%	100%	

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
	% of property tax bills are prepared/issued within Council approved timeframes							●
Purchasing & Materials Management	Issuance of solicitation within 2-5 days from time of receipt of final approved document, 100 % of time	100%	100%	100%	100%	100%	100%	●
	Material requests issued and delivered within 5 business days	80%	75%	90%	80%	90%	95%	●
Other Measures								
Purchasing & Materials Management	Strategic Sourcing benefits (\$M)	N/A	\$1.11	\$9.47	\$9.47	\$39.08	\$15.26	●
	Inventory turnaround: Turn of inventory value at a rate of 4.25 times per year	5.2	8.5	5	5	5	5	●
	Cost to purchase \$100 of goods and services for the City	\$0.14	\$0.14	\$0.14	\$0.18	\$0.16	\$0.14	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• \$6.4 million projected loss of external user fee revenue due to COVID-19 enacted relief measures, reduction in property sale transactions, delays in processing and creating new property tax accounts</li> <li>• \$0.7 million projected loss of revenue due to the impact of pausing Late Payment and Vendor discount programs to prioritize PPE payments and cash flow management</li> <li>• \$0.5 million in additional costs for health and safety supplies and protocols</li> <li>• \$0.6 million in additional costs related to alternate (mailing) delivery of employee pay statements</li> <li>• \$0.9 million in additional costs for special mailing to notify property owners of change to property tax payment schedule</li> <li>• \$1.0 million in additional payroll costs for redeployment and OT costs.</li> <li>• \$4.2 million in projected cost savings in salaries and benefits due to hiring slowdown, emergency leave protocol.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>• Anticipated that full collection, property sales transactions and new property tax account activity will resume in 2021.</li> <li>• Anticipated that Late Payment and Vendor discount programs will resume in 2021.</li> <li>• \$1.1 million projected cost savings in salaries &amp; benefits due to hiring slowdowns.</li> <li>• \$0.6 million savings due to cancellation of non-union progression pay.</li> </ul>
<b>Financial Impact (Capital)</b> <p>COVID-19 impacted the following capital projects:</p> <ul style="list-style-type: none"> <li>• Parking Tag Mgmt S/W Upgrade</li> <li>• Tax Billing System</li> <li>• PPEB Transformation Program</li> <li>• Supply Chain Management Transformation</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>• The 2021 capital projects and cash flows will be reviewed and re-casted as required to align cash flows with the capital project's readiness to proceed.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• Office of the Controller continues to provide effective financial and employee services to City Programs, Agencies, and Corporations while supporting COVID-19 responsibilities to the corporation (e.g. Payroll, PPE Supplies).</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>• Office of the Controller will continue to review service levels to reflect changes as required to meet ongoing operational needs.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Due to COVID-19, PMMD pivoted to primarily focus on supporting the response to the pandemic through the procurement of personal protective equipment and other services as required by the Divisions. PMMD is ensuring that the City has a 6 to 8 month supply of PPE inventory on hand at all times during the pandemic.
- Successfully developed and launched an on-line COVID tax relief program, allowing eligible taxpayers to apply for a tax deferral.
- Accounting Services further enhanced the 2019 Annual Financial Report, especially the Task Force on Climate Related Financial Disclosures section, which incorporates recommended disclosures for governance, strategy, risk and metrics/targets associated with the impact of climate change on the City and its operations
- Led a multi-divisional team to implement the Financial Systems Transformation Project, a key pillar under the Financial Sustainability corporate priority of the Corporate Strategic Plan. RFP evaluation process was completed in 2020 to procure a vendor to enable the financial transformation including implementation of a new SAP S4/HANA financial system.
- Launch of TEAM (Toronto Employee and Manager) Central - the City's new staff support center – a one-stop access for employees to get information on COVID-19, pensions, payroll, benefits, vacation time, hiring, learning and redeployment. Employees can now quickly and easily contact one central service to get their individualized information in a confidential, secure way from a dedicated team.

### Key Challenges and Risks

#### Modernization

- Financial Systems Transformation Project: development of a modern, automated, and robust core financial system which will enable informed decision-making with reliable data, increased collaboration, and improved integration across the City with a targeted implementation timeline for 2023.
- Category Management and SAP Ariba - support the movement to a service based portfolio model and the modernization of the procurement process, continued investment in the PMMD reorganization is required.
- Enhancing online services: enabling e-billing, online application/enrolment forms.
- The ability to complete the divisional transformations due to hiring constraints and other organizational challenges will impede the Office of the Controller Divisions ability to provide modernized service delivery to its client divisions.

#### Customer Service

- Meeting people resource demands - understanding and defining new skill sets for new service models – facilitating transformation of staff to new service delivery methods. Resource constraints, lack of capacity to ensure positions are filled on timely basis.
- Challenging workload to continue to provide effective financial and employee services to City Programs, Agencies, and Corporations as well as priority initiatives (DOFA, policy updates, etc.) while supporting COVID-19 responsibilities to the corporation (e.g. Payroll, PPE Supplies).

### Priority Actions

- Continue to implement SAP Ariba's Contract Management module and Supplier Lifecycle Performance Module, as well as work with the Systems Integrator for S4 Hana to determine the appropriate alignment to implement SAP Ariba's Procure to Pay Module. All of these modules will further support the City's procurement and contract management processes.
- Review and renew priority financial and accounting policies and processes to ensure there is appropriate governance and robust internal controls consistently applied across the organization. This is an integral component to Financial Sustainability.
- Continued execution of the PPEB Transformation, including the functional re-alignment which will change the service delivery model for the division in order to add value to divisions and prepare for shared services with agencies, boards, commissions and corporations (ABCC) related to sharing resources to provide payroll and benefits services.
- Further transition to a digital operations through implementation of re-engineered processes and improved client experience.

## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Controllership				611.6	1,590.3	2,201.9	2,201.9	N/A
Financial Control Process Improvement								N/A
Corporate Financial Strategies & Policy	549.5	833.7	605.2	655.2		655.2	50.0	8.3%
Accounting Services	2,608.6	2,832.9	1,879.5	2,221.0		2,221.0	341.5	18.2%
Pension, Payroll & Employee Benefits	3,488.0	4,337.4	3,862.6	4,012.5		4,012.5	149.9	3.9%
Purchasing & Materials Management	4,199.2	4,378.0	3,765.4	4,959.5		4,959.5	1,194.1	31.7%
Revenue Services	27,892.1	28,402.4	20,735.8	29,033.1		29,033.1	8,297.3	40.0%
<b>Total Revenues</b>	<b>38,737.4</b>	<b>40,784.4</b>	<b>30,848.5</b>	<b>41,492.9</b>	<b>1,590.3</b>	<b>43,083.2</b>	<b>12,234.7</b>	<b>39.7%</b>
<b>Expenditures</b>								
Controllership	727.7	694.7	670.9	1,164.9	1,590.3	2,755.2	2,084.3	310.7%
Financial Control Process Improvement		414.6	412.8	856.0		856.0	443.2	107.4%
Corporate Financial Strategies & Policy	2,423.7	2,766.6	1,941.0	2,165.0		2,165.0	224.0	11.5%
Accounting Services	9,519.3	11,737.0	9,947.0	11,297.2		11,297.2	1,350.2	13.6%
Pension, Payroll & Employee Benefits	16,041.6	16,890.9	16,803.6	16,470.9		16,470.9	(332.7)	(2.0%)
Purchasing & Materials Management	15,790.9	17,873.1	17,812.3	18,638.4		18,638.4	826.1	4.6%
Revenue Services	30,861.7	30,438.9	28,272.1	30,414.4		30,414.4	2,142.3	7.6%
<b>Total Gross Expenditures</b>	<b>75,364.9</b>	<b>80,815.8</b>	<b>75,859.7</b>	<b>81,006.8</b>	<b>1,590.3</b>	<b>82,597.1</b>	<b>6,737.4</b>	<b>8.9%</b>
<b>Net Expenditures</b>	<b>36,627.5</b>	<b>40,031.4</b>	<b>45,011.2</b>	<b>39,513.9</b>		<b>39,513.9</b>	<b>(5,497.3)</b>	<b>(12.2%)</b>
<b>Approved Positions</b>	<b>696.0</b>	<b>694.0</b>	<b>694.0</b>	<b>698.0</b>	<b>35.0</b>	<b>733.0</b>	<b>39.0</b>	<b>5.6%</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$81.007 million gross reflecting an increase of \$5.147 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Salaries & Benefit – includes step & benefit increases as well as annualizations of positions filled part year in 2020. Projection includes salary savings related to hiring slowdown and emergency leave.

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

- 2021 Base Budget of \$39.514 million in net expenditures reflects a \$0.518 million net decrease from the 2020 Council Approved Budget.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$1.590 million gross and \$0 net, enabling:

- Additional 35 positions required to support the enterprise-wide Financial Systems Transformation project.

## EQUITY IMPACTS OF BUDGET CHANGES

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

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Office of the Controller is \$5.147 million gross or 6.8% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, Table 2b summarizes Balancing Actions, while Table 2c summarizes New and Enhanced.

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

Key Cost Drivers	2019 Actuals	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
					\$	%
Expenditures						
1 Salaries and Benefits	61,181.1	69,140.2	64,382.1	71,041.4	6,659.3	10.3%
2 COVID-19 Impact			(1,254.2)	(1,659.2)	(405.0)	32.3%
3 Materials & Supplies	145.7	223.2	428.9	223.2	(205.7)	-48.0%
4 Equipment	191.7	124.1	248.9	124.0	(124.9)	-50.2%
5 Service and Rent	11,321.9	9,098.9	9,810.1	9,099.0	(711.1)	-7.2%
6 Other	2,252.4	1,957.3	1,971.8	1,957.3	(14.5)	-0.7%
7 Contribution To Reserves	272.1	272.1	272.1	221.1	(51.0)	-18.7%
Total Expenditures	75,364.9	80,815.8	75,859.7	81,006.8	5,147.1	6.8%
Revenues						
1 Provincial Subsidies						
2 User Fees & Donations	16,786.4	17,075.2	17,075.2	17,416.6	341.4	2.0%
3 COVID-19 Impact			(8,547.6)		8,547.6	-100.0%
4 Draw from Reserve Funds	2,153.6	3,664.3	3,435.8	3,334.2	(101.6)	-3.0%
5 Other Revenues (Inc. IDR's)	19,797.4	20,044.9	18,885.1	20,742.1	1,857.0	9.8%
Total Revenues	38,737.4	40,784.4	30,848.5	41,492.9	10,644.4	34.5%
Net Expenditures	36,627.5	40,031.4	45,011.2	39,513.9	(5,497.3)	-12.2%
Approved Positions	696.0	694.0	694.0	698.0	4.0	0.6%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

- Includes step & benefit increases as well as annualizations of positions filled part year in 2020. Projection includes salary savings related to hiring slowdown and emergency leave.

**Materials and Supplies:**

- 2020 Projection includes unbudgeted PPE costs incurred due to COVID-19 that is not anticipated to be required in 2021.

**Service and Rent:**

- 2020 Projection includes unbudgeted costs incurred due to COVID-19 that is not anticipated to be required in 2021.

**COVID-19 Impact - Revenues:**

- \$8.5 million projected loss of revenue mainly impacting user fee revenue due to COVID-19 enacted relief measures, reduction in property sale transactions, delays in processing and creating new property tax accounts

**User Fees:**

- Inflationary adjustment of 2% applied to user fees

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
2% Inflationary impact on user fees	Revenue Increase (User Fees)	341.0		(341.0)				
Hiring slowdown 2021	Other		(1,083.4)	(1,083.4)				
Savings related to staff turnover	Other		(1,418.8)	(1,418.8)				
<b>Total Balancing Actions</b>		<b>341.0</b>	<b>(2,502.2)</b>	<b>(2,843.2)</b>	<b>-</b>			<b>-</b>

2021 Balancing actions are anticipated to generate \$2.843 million in budget offsets through the following:

- Revenue Increase (User Fees) – user fees increased aligned to inflation are expected to generate an added \$0.341 million in revenue.
- Hiring Slowdown & Savings related to staff turnover – \$2.502 million in budget offsets through mitigation efforts to address COVID-19 financial impacts.



**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
Financial Systems Transformation	1,590.3	1,590.3		35.0	4,775.8	None	Support to Enterprise wide Financial Systems Transformation capital project
Total New / Enhanced	1,590.3	1,590.3		35.0	4,775.8		

Additional 35 temporary positions are required to modernize the underlying financial systems infrastructure and standardize processes to drive more consistent access to timely financial information in a more efficient and effective system.

The implementation of one financial system is critical for the City's overall financial management.

The goal of this transformation is to build a reliable, modern, automated, and robust financial system that will be used across all City divisions.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	30,848.5	43,083.2	46,551.4	46,613.9
Gross Expenditures	75,859.7	82,597.1	88,862.6	89,865.7
<b>Net Expenditures</b>	<b>45,011.2</b>	<b>39,513.9</b>	<b>42,311.2</b>	<b>43,251.8</b>
<b>Approved Positions</b>	<b>694.0</b>	<b>733.0</b>	<b>731.0</b>	<b>731.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$88.863 million reflects an anticipated \$6.266 million or 7.59 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$1.003 million or 1.13 per cent above 2022 gross expenditures.

These changes arise mainly from the following:

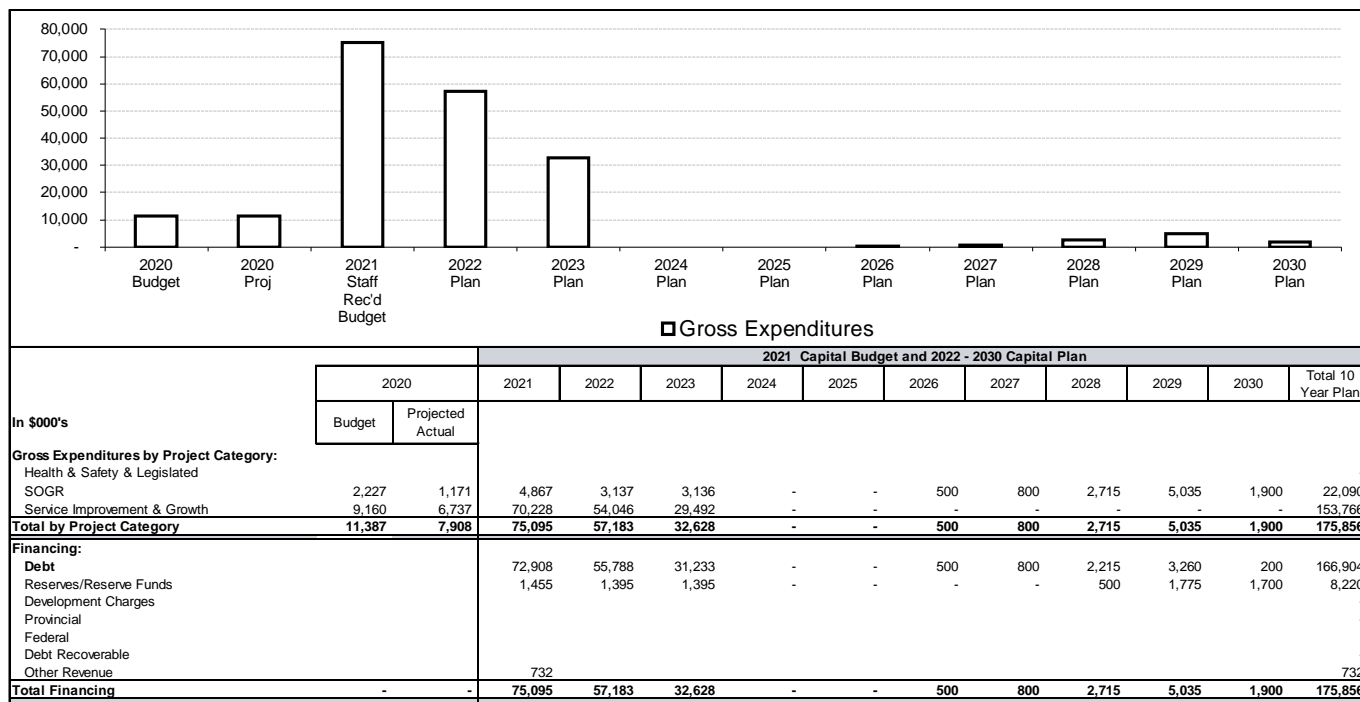
- Annualization in 2022 of 35 capital positions added in 2021.

Higher expenditures will result in higher expenditure recoveries in 2022 and 2023.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$13.7 Million)

- There is an increase of \$7.7 million and \$0.8 million to the Supply Chain Management Transformation and Parking Tag Management Software Upgrade, respectively.
- There is an increase of \$5.2 million to the PPEB Transformation Program Project to continue to "Transform PPEB from a back-office administrator to an enterprise enabler (Shared Services).
- Where feasible, projects and cash deferrals have been made based on capacity to spend and to reduce the impact on debt






### New Projects (\$137.2 Million)

- Financial Systems Transformation project is a response to the City's need to modernize its underlying financial systems infrastructure and standardize processes to drive more consistent access to timely financial information in a more efficient and effective system

### Capital Needs Constraints (\$0 Million)

- Nil

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$175.9 Million 10-Year Gross Capital Program**

				
<b>Aging Infrastructure</b>	<b>Information Technology</b>	<b>Vehicles</b>	<b>Communication</b>	<b>Equipment</b>
	\$175.9 M 100%			
	Financial Systems Transformation  PPEB Transformation  Supply Chain Management Transformation  Parking Tag Management Software Upgrade  Tax Billing System  Utility Billing System  Parking Tag Management Software Replacement 2026  Tax Billing System Replacement 2028  Utility Billing System Replacement 2028			

**How the Capital Program is Funded**

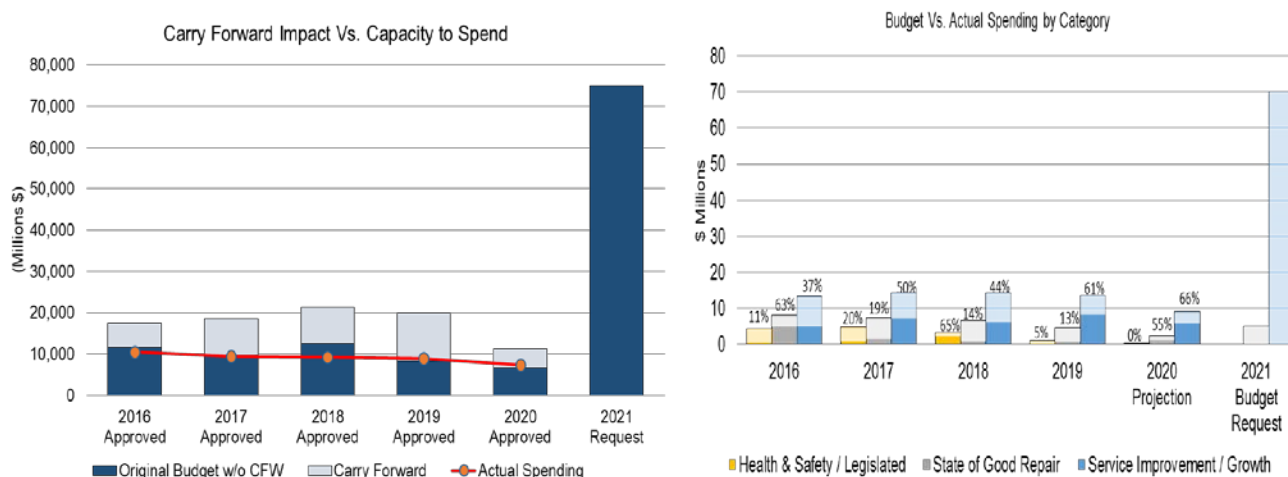
City of Toronto		Provincial Funding	Federal Funding
\$175.9 M 100%		\$0M 0%	\$0M 0%
Debt	\$167.0M		
Reserve Draws	\$ 8.2M		
Other	\$ 0.7M		

## 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 Office of the Controller'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 10-Year Capital Plan has been reviewed based on anticipated annual capital spending with cash flows consistent with project readiness.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan with Budget will impact future year Operating Budgets by \$1.170 million net over the 2021-2030 period, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
PPEB Transformation Program (annual fees, maintenance, vendor support for Clone & Test Tools for SAP & SF)			130.0		130.0		130.0		130.0		520.0		1,170.0	
<b>Sub-Total: Previously Approved</b>			130.0		130.0		130.0		130.0		520.0		1,170.0	
<b>Total (Net)</b>			130.0		130.0		130.0		130.0		520.0		1,170.0	

Previously Approved projects

- Pension, Payroll & Employee Benefits' Transformation Project – annual fees, maintenance, vendor support for Clone & Test Tools for SAP & Success Factors.

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Other City Services*

# 2021 Program Summary

## City Clerk's Office

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca)

### Description

The City Clerk's Office provides the foundation for municipal government in Toronto. We deliver more than 70 types of services from over 30 locations across the City. Most services are prescribed in more than 60 distinct pieces of legislation including the City of Toronto Act 2006, Vital Statistics Act, Assessment Act and Planning Act. The City Clerk has broad and independent authority under the Municipal Elections Act to deliver elections and by-elections.

The City Clerk's Office is responsible for providing the tools, systems and resources required to support its mission, strategic priorities and the delivery of core services, which is realized through three service areas:

- Elect Government by administering all aspects of local elections;
- Make Government Work by managing the government's decision-making process, providing government and official services, delivering provincially delegated services and providing information production services;
- Promote Open Government by managing City information throughout its lifecycle and providing the public access to government information while protecting privacy.

As a shared service, the City Clerk's Office also supports the Mayor's Office, Councillors' Offices and the Offices of the City's four Accountability Officers – the Auditor General, Integrity Commissioner, Lobbyist Registrar, and Ombudsman, as independent officers.

### Why We Do It

We build public trust and confidence in local government, and ensure that:

- Toronto municipal government is democratically elected through open, fair and accessible elections.
- Elected officials, City officials and the public can participate in a transparent, accessible, and democratic Council decision-making process.
- The public has timely, reliable, transparent and accurate access to City information, except where protected by privacy laws.

*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

### **Elect Government**

**Who We Serve:** The public, candidates and electors, other governments, third-party advertisers

**What We Deliver:** Manage and conduct all aspects of local government elections whenever one is required and in compliance with legislation.

**How Much Resources (gross operating budget):** \$6.823 M

### **Make Government Work**

**Who We Serve:** The public, City Council and its Members, Accountability Officers, other governments, Toronto Public Service, City agencies and corporations, community & international organizations

**What We Deliver:** Manage government's decision-making process, provide government and official services, and deliver provincially delegated services.

**How Much Resources (gross operating budget):** \$32.612 M

### **Open Government**

**Who We Serve:** The public, City Council and its Members, Toronto Public Service, City agencies and corporations, other governments, the media

**What We Deliver:** Manage City information through its lifecycle, support the City's digitization goals and initiatives, provide access to City information, and give privacy advice.

**How Much Resources (gross operating budget):** \$10.748 M

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$12.7	\$25.7	\$13.1
Gross Expenditures	\$50.2	\$64.1	\$52.0
Net Expenditures	\$37.5	\$38.5	\$38.9
Approved Positions	368.3	410.0	363.3

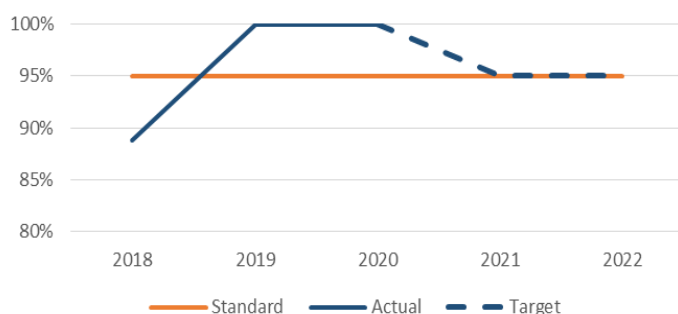
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$14.8	\$36.8	\$51.7
Debt	\$10.5	\$24.0	\$34.5

Note: Includes 2020 carry forward funding to 2021

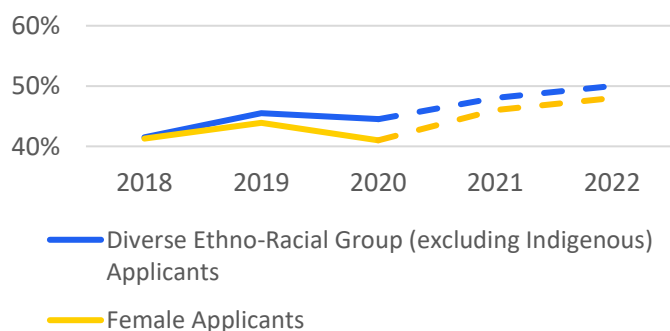
## How Well We Are Doing – Behind the Numbers

Appeals to the IPC where the City's position is upheld



- The City Clerk's Office uses the percentage of appeals to the Information & Privacy Commissioner of Ontario (IPC) where the City's position is upheld as an indicator for the effectiveness of the City's response to freedom of information requests as well as the protection of private information.
- At times, the City does not release information because it meets exclusion criteria defined in the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)
- Appeals to the IPC are made by members of the public when they disagree with the City's decision to refuse access to information.
- The overwhelming majority of the time, the IPC upheld the City's position in full or in part. This means that City staff are consistently making appropriate decisions when assessing information for release to the public.
- During the pandemic, the IPC suspended the appeals process. As a result, the number of appeals in 2020 has been reduced and the timing for hearing those appeals is still to be determined.

Diversity of applicants to public appointments opportunities



- The City Clerk's Office asks all applicants to City boards, committees and tribunals to complete a voluntary, confidential survey to help measure diversity in the City's public appointments.
- The City Clerk's Office recognizes that the City is best served by boards that collectively reflect the diversity of the communities they serve. Applicant demographic categories tracked include gender, age, ethnicity/race, aboriginal/indigenous, LGBTQ2S, and disability.
- The City Clerk's Office connects with business and community organizations to increase awareness of public appointments and to recruit diverse, highly-skilled candidates for City boards, committees, and tribunals.
- During the pandemic, outreach strategies moved to online information sessions, putting greater emphasis on targeted outreach through professional organizations.
- The work done to reflect the diversity of the City is updated quarterly on the Public Appointments Dashboard.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
<b>Make Government Work</b>	# of public interactions in the decision-making process including deputations, communications, agenda subscriptions, meeting viewers	124,967	127,520	128,500	163,000	158,000	151,000	●
<b>Open Government</b>	% of appeals to the Provincial Information Privacy Commissioner where the City's position is upheld	88.8% (9 Orders rec'd, 5 upheld in full, 3 upheld in part)	100% (12 Orders rec'd, 9 upheld in full, 3 upheld in part)	Not expecting any Orders this year due to IPC extended closure	Not expecting any Orders this year due to IPC extended closure	95%	95%	●
<b>Elect Government</b>	Election Readiness	100%	100%	100%	100%	100%	100%	●
Service Level Measures								
<b>Make Government Work</b>	% of meeting agendas and decision documents published according to time lines	100%	100%	100%	100%	100%	100%	●
<b>Make Government Work</b>	% of diverse ethno-racial group applicants to public appointments opportunities. *This does not include applicants who identify as being indigenous	41.5%	45.5%	48%	44.5%	48%	50%	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
<b>Make Government Work</b>	% of female applications to public appointments opportunities	41.3%	43.9%	46%	41%	46%	48%	●
<b>Open Government</b>	% of Freedom of Information requests completed within legislated timelines	66.6%	67.6%	70% (pre COVID target)	50% (COVID impacted)	70%	70%	●
<b>Open Government</b>	# of City of Toronto staff trained in protected privacy	10,802	11,698	12,500	15,000	16,500	18,000	●
<b>Elect Government</b>	Number of voting locations per 1000 electors (distance travelled to polling location)	92	90	Reduction				●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Hiring slowdown, staff on emergency leave, staff overtime and redeployments have resulted in the savings of \$1.293 million.</li> <li>Savings of \$0.700 million in non-salary and revenue loss of \$0.146 million across the City Clerk's Office programs.</li> <li>Reduced demand for Information Production printing, copying and mailing services resulted in non-salary savings of \$2.354 million and reduction of \$1.014 million in revenues.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>There are no incremental costs expected in 2021 related to Covid-19 as City Clerk's Office will continue to utilize existing staff resources but reallocating them to address emerging priorities during pandemic.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Deferred implementation/reduced project scope for 5 capital projects resulted in reduction of 2020 capital funding requirements by \$0.710 million.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>No additional budget impacts anticipated.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Meetings of Council, its committees and boards held electronically since April 2020 and in hybrid format since September 2020.</li> <li>Registry services counters closed to the public except for a marriage licence counter at NYCC re-opened in June for appointments only.</li> <li>Planned introduction of civil marriage ceremonies and associated revenues delayed.</li> <li>Changed burial permit issuance from a counter service to an online service effective May 2020.</li> <li>Created digital solutions to Protocol service delivery, including flag raisings, and memorial and other significant events.</li> <li>Suspended Council reception services at City Hall while the building is closed to the public.</li> <li>Reduced mail, copy and printing services in alignment with demand, but back at full capacity in Q3.</li> <li>Freedom of information requests are managed online only; intake of FOI requests was initially paused, but has resumed where possible.</li> <li>Toronto Archives closed to the public; staff continue to support the public through digital channels (e.g. social media, email).</li> <li>Records Services have transitioned to a hybrid model of providing services remotely and in person where required due to legislated accountabilities.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>With the digitization of burial permits and consolidation of marriage license counters, we are closing Etobicoke and Scarborough registry service counters, and exploring single-counter registry services.</li> <li>Launch of the Clerk's Meeting Portal results in fully digital meeting management and the permanent elimination of printed agenda and meeting materials.</li> <li>Increase in demand for both in-person and digital protocol services and support to the Mayor and Members of Council.</li> <li>Toronto Archives will not be opened to the public until we receive corporate direction to do so, meaning that exhibits, education programming, etc. will be limited to online only.</li> <li>FOI will continue to be managed online, with the implementation of a case management tool in 2021 to enable and streamline this process.</li> <li>Records Centre staff will be resuming functions as they are able to within public health guidelines.</li> <li>Records Services will continue in a hybrid model of providing services remotely and in person where required due to legislated accountabilities.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Facilitated democratic decision-making through planning, staging and recording over 350 meetings of City Council, its committees & boards, including transitioning these bodies to remote meetings to enable legislative decision-making during the pandemic.
- Facilitated Council-decision making on filling the Ward 22 councillor vacancy, managed the office operations of Ward 22 during transition, and planned for Ward 42 by-election.
- Coordinated the processing of almost 22,000 campaign rebate applications and issuing over 10,000 contribution rebate cheques valuing almost \$3 million.
- Modernized services to support Mayor and Councillors through the virtual and in-person delivery of commemorations of individual, civic & community achievements, milestones and tragedies.
- Executed digital first information management initiatives (IM) and supported enterprise transformation initiatives (e.g. Microsoft 365, Workplace Modernization Program).
- Delivered provincially delegated services (marriage license, burial permit issuance, and death registration), and transformed service operations to allow for continued delivery of these crucial services during the pandemic.

### Key Challenges and Risks

#### Elect Government

- Respond to the outcome of the City's court challenge to Bill 5 Better Local Government Act, 2018 which may change the current 25 ward structure.  
Plan for a 2022 election that adheres to all legislative requirements.

#### Make Government Work

- Assess impacts of court challenge of Bill 5 on changes to the City's governance system and our services.
- Meet increased demand for meeting management support for new decision bodies (e.g., LGBTQ2, CABR advisory bodies) and increased meeting frequency of local boards to respond to their own COVID-19 contingency and business planning
- Deliver public-facing services while City Hall & civic centres are closed or have limited public access; and meet unpredictable demand for marriage licences and civil weddings due to public health measures and limits on gatherings and events.
- Increased need for digital solutions to support the role of elected officials in protocol service delivery.

#### Open Government

- Embed IM principles, activities and foundational work into governance structures and corporate initiatives to meet legislated accountabilities; and align CIMS functions to support digital first approach to IM.

### Priority Actions

#### Elect Government

- Plan for the 2022 general election; manage a Negotiated Request for Proposal to replace the City's vote counting equipment; provide more opportunities to vote, leverage technology and enhance security in election administration, explore new methods to recruit and train voting place staff, implement an improved supply chain management model, and integrate Covid-19 protocols.

#### Make Government Work

- Monitor and respond to governance and service impacts of outcome of Bill 5 court challenge.
- Provide effective meeting management for Council, its committees and boards, including electronic and hybrid formats; and undertake Public Appointments outreach and recruitment.
- Implement a new registry services customer service model that reflects the COVID recovery plans;
- Reshape the diplomacy and engagement by elected officials with community and local, national and international dignitaries; and undertake comprehensive review of the City's flag raising policy and report to Council.
- Continue phased implementation of Information Production Transformation.

#### Open Government

- Make digital information more accessible and searchable by implementing new or updated policies, standards and technology tools; and provide support to corporate transformation initiatives.

## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Elect Government	5,009.0	7,160.0	5,016.0	6,822.6		6,822.6	1,806.6	36.0%
Make Government Work	4,933.0	5,552.8	3,868.5	4,980.2	11.6	4,991.8	1,123.3	29.0%
Open Government	1,220.3	1,133.5	1,181.2	872.9		872.9	(308.2)	(26.1%)
<b>Total Revenues</b>	<b>11,162.4</b>	<b>13,846.4</b>	<b>10,065.6</b>	<b>12,675.7</b>	<b>11.6</b>	<b>12,687.3</b>	<b>2,621.7</b>	<b>26.0%</b>
<b>Expenditures</b>								
Elect Government	5,008.4	7,160.0	5,016.0	6,822.6		6,822.6	1,806.6	36.0%
Make Government Work	31,923.1	34,031.9	29,758.5	32,363.7	247.9	32,611.6	2,853.1	9.6%
Open Government	11,257.8	11,582.2	11,156.0	10,747.5		10,747.5	(408.4)	(3.7%)
Covid-19			200.0				(200.0)	(100.0%)
<b>Total Gross Expenditures</b>	<b>48,189.4</b>	<b>52,774.1</b>	<b>46,130.5</b>	<b>49,933.9</b>	<b>247.9</b>	<b>50,181.8</b>	<b>4,051.3</b>	<b>8.8%</b>
<b>Net Expenditures</b>	<b>37,026.9</b>	<b>38,927.7</b>	<b>36,064.9</b>	<b>37,258.2</b>	<b>236.3</b>	<b>37,494.5</b>	<b>1,429.6</b>	<b>4.0%</b>
<b>Approved Positions</b>	<b>385.3</b>	<b>375.9</b>	<b>375.9</b>	<b>368.3</b>		<b>368.3</b>	<b>(7.6)</b>	<b>(2.0%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$49.934 million gross reflecting an increase of \$4.051 million gross in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Increases in salary and benefit related to salary adjustments for Local 79 and Local 416 staff per collective agreement and temporary staff required to conduct pre-2022 municipal election activities and Ward 22 by-election. These budget pressures are offset by efficiencies and alignment with 2020 actuals.
- Increases in paper supplies, postage and third party printing budgets based on City divisions' projected demand for high-speed copying, mailing and printing services.
- Increases in non-payroll budget to conduct pre-2022 municipal election activities and Ward 22 by-election.

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

- 2021 Base Budget of \$37.258 million in net expenditures reflects a \$1.670 million net decrease from the 2020 Council approved Budget.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.248 million gross and \$0.236 million net related to increase in demand for Information Production's high-speed copying and printing services to support:

- Senior Dental Program in Toronto Public Health; and
- Expansion of Red Light Camera and Automated Speed Enforcement in Transportation Services Division.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in City Clerk's Office's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for City Clerk's Office is \$49.934 million gross or 8.2% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b 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	
					\$	%
Expenditures						
1 Salaries and Benefits	38,285.7	40,521.8	38,165.3	39,294.9	1,129.6	3.0%
2 COVID-19 Impact			200.0		(200.0)	-100.0%
3 Equipment	341.3	148.6	174.5	135.5	(39.0)	-22.4%
4 Service and Rent	7,915.6	10,421.8	6,422.9	8,754.5	2,331.6	36.3%
5 Materials and Supplies	1,157.7	1,128.4	658.0	1,110.3	452.3	68.7%
6 Contribution To Reserves	122.5	128.7	128.7	157.9	29.2	22.6%
7 Other Expenditures (Inc. IDC's)	366.5	424.8	381.1	480.8	99.7	26.2%
Total Expenditures	48,189.4	52,774.1	46,130.5	49,933.9	3,803.4	8.2%
Revenues						
1 User Fees & Donations	248.9	340.8	227.1	312.0	84.8	37.4%
2 Draw from Reserve Funds	4,653.1	6,967.7	4,322.5	6,606.4	2,283.8	52.8%
3 Transfer from Capital	2,151.1	2,181.1	2,212.1	1,543.4	(668.7)	-30.2%
4 Other Revenues (Inc. IDR's)	4,109.3	4,356.9	3,303.9	4,214.0		
Total Revenues	11,162.4	13,846.4	10,065.6	12,675.7	2,610.1	25.9%
Net Expenditures	37,026.9	38,927.7	36,064.9	37,258.2	1,193.3	3.3%
Approved Positions	385.3	375.9	375.9	368.3	(7.6)	(2.0%)

**Salaries & Benefits:**

Increase in salary and benefits of \$1.130 million in gross expenditures are mostly related to salary adjustments for Local 79 and Local 416 staff per collective agreement and temporary staff required to conduct pre-2022 municipal election activities and Ward 22 by-election. These budget pressures are offset by efficiencies and alignment with 2020 actuals.

**Materials and Supplies:**

Increase in materials and supplies of \$0.452 million in gross expenditures are mostly related to increases in paper supplies budget based on City divisions' projected demand for high-speed copying and printing services above the 2020 experience.

**Services and Rents:**

Increase in services and rents of \$2.332 million in gross expenditures are mostly related to increases in postage and third party printing budgets based on City divisions' projected demand for high-speed copying, mailing and printing services, and non-payroll budgets required to conduct pre-2022 municipal election activities and Ward 22 by-election.

**Transfer from Reserves:**

Increase of \$2.284 million in draw from reserve funds are mostly related to contribution from Election Reserve Fund to support Election-related activities including Ward 22 By-Election, and contribution from Development Application Review Reserve Fund to support implementation of Bill 139.



**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Review of Non Payroll Budget	Line By Line	(139.5)	(441.8)	(302.3)				-
Closure of North York Copy Centre	Efficiencies		(306.1)	(306.1)	(3.0)			-
City Clerk's Office Transformation	Efficiencies		(50.4)	(50.4)	(2.0)			-
VSP - Position Deletion	Efficiencies		(251.6)	(251.6)	(3.0)			-
VSP - Time-Limited Salary Reduction	Efficiencies	(42.5)	(517.2)	(474.7)		517.2	474.7	-
<b>Total Balancing Actions</b>		<b>(182.0)</b>	<b>(1,567.0)</b>	<b>(1,385.1)</b>	<b>(8.0)</b>	<b>517.2</b>	<b>474.7</b>	<b>-</b>

The 2021 Operating Base Budget includes \$1.567 million in gross expenditures reductions identified as part of internal budget review as follows:

### **Line by Line**

Line by line review of non-payroll budgets resulted in a budget decrease of \$0.442 million in gross expenditures.

### **Efficiencies**

- Closure of North York (NY) Copy Centre*

The closure of NY Copy Centre, which is part of Information Production Transformation, will result in a savings of \$0.306 million in gross expenditures. Copy jobs normally processed at this location will be processed at another Copy Centre, with no effect on service levels to clients.

- City Clerk's Office Service Transformation*

The City Clerk's Office Transformation will result in a savings of \$0.050 million in gross expenditures.

- VSP - Position Deletion*

Implementation of VSP – Position deletion will result in a savings of \$0.252 million in gross expenditures.

- VSP – Time - Limited Salary Reduction*

Implementation of VSP – Time Limited Salary Reduction will result in a one-time savings of \$0.517 million in gross expenditures.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1 New IP Requirement - TPH (Senior Dental Program)	11.6	11.6				None	Supports City Priorities - Senior's Needs
2 New IP Requirement - Transportation Services (Red Light Camera & Automated Speed Enforcement)		236.3	236.3			None	Supports City Priorities - Safety
Total New / Enhanced	11.6	247.9	236.3				

**New Information Production (IP) Requirements**

Toronto Public Health expects an increase in its demand for high-speed copying services in relation to Senior Dental Program. Similarly, Transportation Services Division expects an increase in its demand for high-speed copying and printing services in relation to expansion of Red Light Camera (RCL) program and Automated Speed Enforcement (ASE).

These enhanced requests of \$0.248 million in gross expenditures support City Priorities related to Senior's Needs and Safety and will have no significant equity impacts.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	10,065.6	12,687.3	25,672.6	13,121.6
Gross Expenditures	46,130.5	50,181.8	64,142.1	51,971.3
<b>Net Expenditures</b>	<b>36,064.9</b>	<b>37,494.5</b>	<b>38,469.5</b>	<b>38,849.7</b>
<b>Approved Positions</b>	<b>375.9</b>	<b>368.3</b>	<b>410.0</b>	<b>363.3</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$64.142 million reflects an anticipated \$13.960 million or 28% increase in gross expenditures above the 2021 Operating Budget.

These changes arise from the following:

- Cost to deliver the 2022 municipal election is \$14.600 million in gross expenditures and \$0 net.
- Salary and benefit increase of \$0.111 million in gross expenditures related to salary adjustments for Local 79 and Local 416 staff per collective agreement, partially offset by a decrease in staffing costs for capital delivery.
- Operating impacts from capital related to replacement of the voting equipment is projected to result in a maintenance cost of \$1.000 million gross expenditures and \$0 net.

The 2023 Outlook reflects a decrease of \$12.171 million or 19.0% below 2022 gross expenditures.

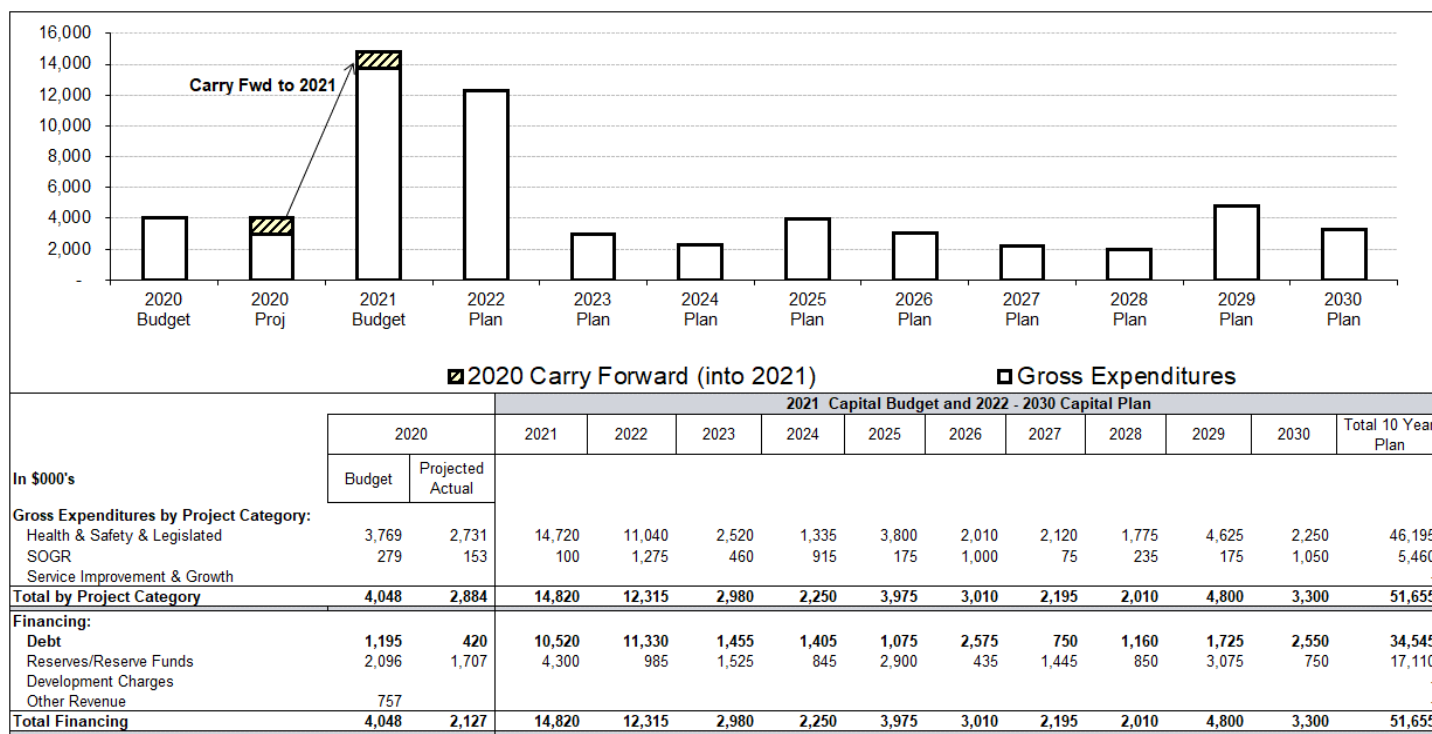
These changes arise from the following:

- Reversal of cost to deliver the 2022 municipal election, offset by cost of \$0.400 million in gross expenditures and \$0 net for post-election activities.
- Salary and benefit increase of \$1.318 million in gross expenditures related to salary adjustments for Local 79 and Local 416 staff per collective agreement and an increase in staffing costs for capital delivery.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)






### Changes to Existing Projects (\$0.7 Million)

- \$0.2M increase to the 2022 *Election Technology Program*, a multi-module system that supports all aspects of the municipal election.
- \$0.3M increase to the *Toronto Meeting Management Information System SOGR* to replace the current system that supports Council's decision-making.
- \$0.1M increase to the *City Clerk's Office Business Systems* project to manage Protocol and By-law status registry requests to meet legislative requirements.
- \$0.1M increase to the *Council Business Systems 2020* project to replace or enhance various applications to meet legislative requirements.

### New Projects (\$20.4 Million)

- \$18.0M *Replacement of Voting Equipment* project required for the 2026 municipal election to ensure the integrity of the voting process and the election results, reduce the risk to the corporation of equipment failure and provide the same level of service to the City's electors as is currently available.
- \$2.2M *Election Supply Logistics Transformation* project will increase security, improve equipment reliability, reduce chain of custody and enhance operational efficiency through the use secured wheel carts to transport election supplies and equipment to and from voting locations, and the use of RFID technology to track critical items.
- \$0.2M *Mail Security & Mail Room Upgrade 2021* project to replace x-ray machines in City Hall and Metro Hall and upgrade mail room to meet health & safety standards.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$51.7 Million 10-Year Gross Capital Program**

		
<b>Aging Infrastructure</b>	<b>Information Technology</b>	<b>Equipment</b>
\$5.1 M 10%	\$25.8 M 50%	\$20.8 M 40%
<ul style="list-style-type: none"> <li>• Mail Security &amp; Mail Room Upgrade</li> <li>• City Clerk's Health &amp; Safety Remediation</li> <li>• Council Transition Requirements</li> <li>• Wedding Chambers SOGR</li> <li>• Infrastructure to support Council/Committee Meetings</li> <li>• Records Centre Services SOGR</li> <li>• City Hall Registry Counter Refresh</li> </ul>	<ul style="list-style-type: none"> <li>• Election Technology Program</li> <li>• Toronto Meeting Management Information System (TMMIS) SOGR</li> <li>• City Clerk's Business System</li> <li>• Council Business System</li> <li>• Public Appointments SOGR</li> <li>• Notices Management Information System (NMIS)</li> <li>• Information Workflow Management System SOGR</li> </ul>	<ul style="list-style-type: none"> <li>• Replacement of Voting Equipment</li> <li>• Election Supply Logistics Transformation</li> <li>• Archives Equipment Upgrade</li> </ul>

**How the Capital Program is Funded**

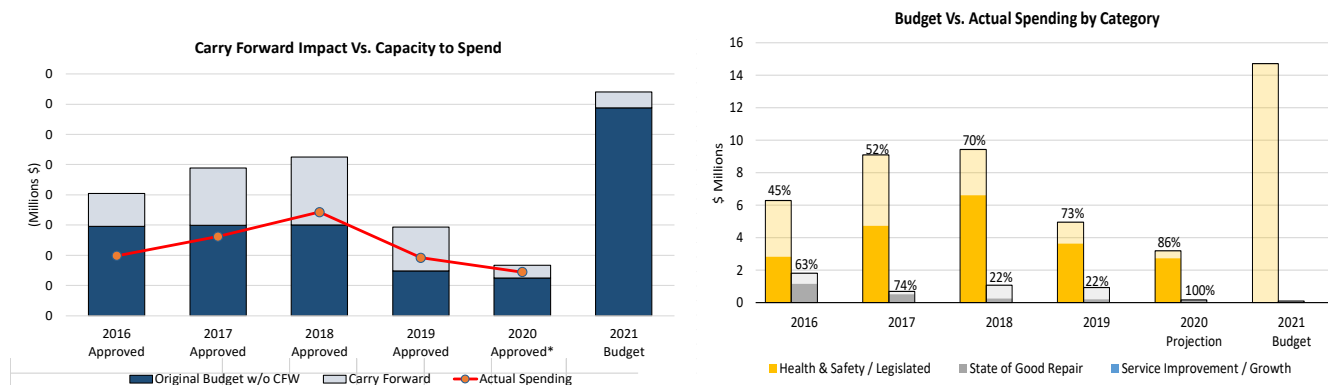
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$51.7 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$34.5 M		
Reserve Draws	\$17.2 M		

## 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 City Clerk's Office's ability to spend and the market's capacity to deliver.

Key components 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**



\* The 2020 Budget excludes CFC funding-related adjustments to accurately reflect capacity to spend.

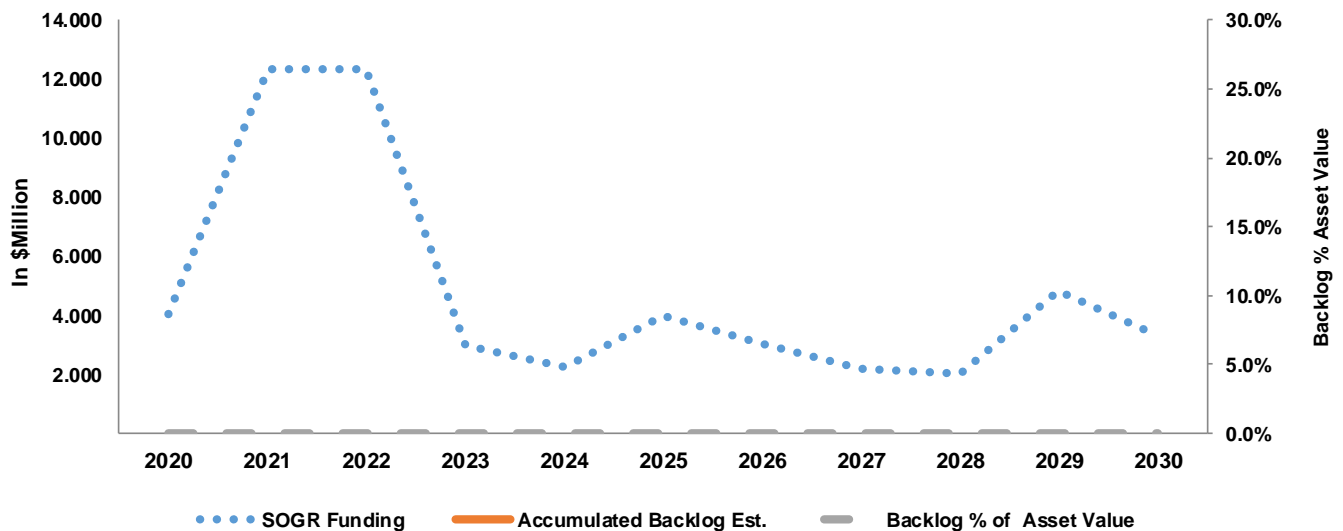
### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$0.635 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$0.075 million deferred to 2022, to reflect anticipated requirements or timing of expected cash flow needs. Adjustments to the Capital Plan are noted below:

- Deferred to 2021:
  - \$0.300 million for *City Clerk's Office Business Systems* project.
  - \$0.200 million for *Toronto Meeting Management Information System SOGR* project.
  - \$0.085 million for *Council Business Systems* project.
  - \$0.050 million for *Records Centre Services* project.
- Deferred to 2022:
  - \$0.075 million for *City Hall Registry Counter Refresh* project.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in City Clerk's Office.

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

\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	4.048	12.320	12.315	2.980	2.250	3.975	3.010	2.195	2.010	4.800	3.300
Accumulated Backlog Est.											
Backlog % of Asset Value	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Asset Value	83.276	85.432	86.492	83.985	84.335	84.770	86.320	85.900	86.630	87.105	88.680

The 10-Year Capital Plan will dedicate \$5.460 million to SOGR projects for regular upgrades and to extend the useful life of systems. There is no SOGR backlog associated with the City Clerk's Office capital assets.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2021 Capital Budget will have no impact on the 2021 Operating Budget, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
City Clerk's Office Business System-Legislative Compliance			17.0								17.0			
<b>Sub-Total: Previously Approved</b>			<b>17.0</b>								<b>17.0</b>			
<b>New Projects - 2021</b>														
Replacement of Voting Equipments			1,000.0								1,000.0			
<b>Sub-Total: New Projects - 2021</b>			<b>1,000.0</b>								<b>1,000.0</b>			
<b>Total (Net)</b>			<b>1,017.0</b>								<b>1,017.0</b>			

Previously Approved projects

- City Clerk's Office will require additional operating funding of \$0.017 million net in 2022 to maintain the *City Clerk's Business System – Legislative Compliance* project once completed and operationalized.

New projects

- City Clerk's Office will require additional operating funding of \$1.000 million net in 2022 to maintain the *Replacement of Voting Equipment* project once completed and operationalized.



# 2021 Program Summary

## City Council

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### What we do

Toronto City Council is the governing body for the City and is comprised of 26 members: the Mayor, elected City-wide, and 25 Councillors who are elected in each of the City's wards.

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### Why we do it

Under the City of Toronto Act (COTA), section 131, it is the role of City Council to:

- represent the public and to consider the well-being and interests of the City;
  - develop and evaluate the policies and programs of the City;
  - determine which services the City provides;
  - ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decisions of council;
  - ensure the accountability and transparency of the operations of the City, including the activities of the senior management of the City;
  - maintain the financial integrity of the City; and
  - carry out the duties of council under this or any other Act.
-

Budget at a Glance

2021 OPERATING BUDGET			
\$Million	2021	2022	2023
Revenues	\$0.1	\$2.5	\$0.1
Gross Expenditures	\$21.8	\$24.1	\$21.7
Net Expenditures	\$21.8	\$21.6	\$21.7
Approved Positions	25.0	25.0	25.0

2021 - 2030 10-YEAR CAPITAL PLAN			
\$Million	2021	2022-2030	Total
City Council has no capital budget.			

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
City Council	251.2	107.5	41.7	56.0		56.0	14.3	34.3%
<b>Total Revenues</b>	<b>251.2</b>	<b>107.5</b>	<b>41.7</b>	<b>56.0</b>		<b>56.0</b>	<b>14.3</b>	<b>34.3%</b>
<b>Expenditures</b>								
City Council	18,541.7	21,888.7	20,432.7	21,837.2		21,837.2	1,404.5	6.9%
<b>Total Gross Expenditures</b>	<b>18,541.7</b>	<b>21,888.7</b>	<b>20,432.7</b>	<b>21,837.2</b>		<b>21,837.2</b>	<b>1,404.5</b>	<b>6.9%</b>
<b>Net Expenditures</b>	<b>18,290.5</b>	<b>21,781.2</b>	<b>20,391.0</b>	<b>21,781.2</b>		<b>21,781.2</b>	<b>1,390.2</b>	<b>6.8%</b>
<b>Approved Positions</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>		<b>25.0</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** of \$21.837 million gross reflecting an increase of \$1.405 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Budget increase in salaries and benefits to reflect the required Councillor staffing budget envelope in accordance with Council policy.
- Budget increase in materials and supplies to reflect the required office budget envelope in accordance with Council policy.

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

- **2021 Base Budget totalling \$21.781 million in net expenditures reflects a \$0 net increase above the 2020 Council approved Budget.**

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Budget for City Council is \$21.8 million gross or 6.9% higher than the 2020 Projected Actuals. However, compared to the 2020 budget, the 2021 Operating budget is \$0.052 million or 0.2% lower. Table 2 below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers		2019 Actuals	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	16,689.2	19,151.3	18,475.5	19,198.5	723.0	3.9%
2	Materials and Supplies	120.4	822.3	114.3	822.3	708.1	619.7%
3	Equipment	154.3	137.5	59.0	56.0	(3.0)	-5.0%
4	Service and Rent	1,175.1	1,478.5	1,411.0	1,412.0	1.1	0.1%
5	Contribution To Capital						
6	Contribution To Reserves	81.6	84.8	84.8	85.5	0.7	0.8%
7	Other expenses	321.0	214.3	288.3	262.9	(25.4)	-8.8%
Total Expenditures		18,541.7	21,888.7	20,432.7	21,837.2	1,404.5	6.9%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations	4.5					
3	Draw from Reserve Funds	148.9	107.5	41.7	56.0	14.3	34.3%
4	Other Revenues (Inc. IDR's)	97.7					
Total Revenues		251.2	107.5	41.7	56.0	14.3	34.3%
Net Expenditures		18,290.5	21,781.2	20,391.0	21,781.2	1,390.2	6.8%
Approved Positions		25.0	25.0	25.0	25.0		

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

- Budget increase of \$0.723 million is largely to reflect the required Councillor staffing budget envelope in accordance with Council policy.

**Materials and Supplies:**

- Budget increase of \$0.708 million is largely to reflect the required office budget envelope in accordance with Council policy.

**Revenues:**

- Higher revenue of \$0.014 million is due to higher funding from Council Equipment and Furniture Reserve.

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues	41.7	56.0	2,465.0	65.0
Gross Expenditures	20,432.7	21,837.2	24,109.0	21,722.5
<b>Net Expenditures</b>	<b>20,391.0</b>	<b>21,781.2</b>	<b>21,644.0</b>	<b>21,657.5</b>
<b>Approved Positions</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>

\*2020 Projection based on Q3 Variance Report

**Key 2022 drivers****Council Transition Costs**

- Provision for Council transition costs of \$2.400 million gross and \$0 net related to the 2022 municipal election to be funded from the Council Transition Reserve. This includes severance requirements for Councillors who are not re-elected and their staff.

**Salaries and Benefits**

- Adjustments for salaries and benefits.

**Revenue Impact**

- A one-time funding from the Council Transition Reserve for Council transition costs related to the 2022 municipal election.

**Key 2023 drivers****Council Transition Costs**

- Reversal of Council transition costs of \$2.400 million and \$0 net related to the 2022 municipal election.

**Salaries and Benefits**

- Adjustments for salaries and benefits.

**Revenue Impact**

- Reversal of one-time funding from the Council Transition Reserve for Council transition costs related to the 2022 municipal election.

# 2021 Program Summary

## City Manager's Office

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The City Manager's Office leads the municipal administration and ensures that programs and services are working together to deliver excellent services to citizens and to achieve Council's priorities.

### Why We Do It

The City Manager Office's (CMO) outcome is: the City of Toronto delivers **services that advance prosperity for all** Toronto residents and businesses, in accordance with Council priorities and direction. In order to advance prosperity for all, the City of Toronto delivers services with **fair and equitable outcomes for all** residents and businesses. As a result, Toronto's residents, businesses and elected officials have **trust and confidence** in the administration of their municipal government.

The divisions in the CMO are focused on achieving the following outcomes:

- Corporate strategies, policies and priorities are aligned with Council's vision and set the strategic direction for City divisions.
- The City secures timely and appropriate funding and achieves its legislative and policy priorities from the Provincial and Federal governments.
- City agencies and corporations deliver services and operate in compliance with their Council-approved mandates.
- Toronto residents, businesses and visitors and the Toronto Public Service have access to easy-to-understand, timely and accurate information via multiple communications channels on City services, programs and policies.
- Public and private sector groups and individuals have timely and fair access to city partnership opportunities that support the well-being of residents.
- All City services and facilities are responsive to and supportive of the needs of Indigenous communities. Truth, reconciliation and decolonization is advanced through collaboration and partnerships between the City and Indigenous communities.
- City divisions have a qualified, diverse and engaged workforce to meet their service delivery requirements for current and future needs.
- City's employment practices are fair and equitable. Residents see themselves represented at all levels within the Toronto Public Service.
- City employees work in a physically and mentally safe environment and are provided high quality, accessible learning resources.
- City programs address the barriers faced by Indigenous and equity-seeking people.

*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

### Executive Administration

**Who We Serve:** Residents, City Officials, City Staff

**What We Deliver:** Coordinate corporate agenda forecast activities, corporate issues management, accountability processes

**How Much Resources (gross operating budget):** \$6.544 million

### Strategic & Corporate Policy

**Who We Serve:** City Manager & Deputy City Managers (DCMs), Mayor, City Council, City Divisions, Agencies/Corporations, Accountability Officers and the public

**What We Deliver:** City's intergovernmental funding, policy and legislative priorities, City agency and corporation oversight, strategic planning, governance oversight, government leadership and advice, Corporate Performance & Evaluation

**How Much Resources (gross operating budget):** \$4.181 million

### Strategic Communications

**Who We Serve:** City Manager & DCMs, Mayor, Media, City Council, The Public, City/Agency staff

**What We Deliver:** Corporate identity management, media buying, design services, public and internal communications planning and execution, media relationship management, social media community management

**How Much Resources (gross operating budget):** \$9.888 million

### People & Equity

**Who We Serve:** City Manager & DCMs, Chief Financial Officer (CFO) & Treasurer, Mayor, City Council, City/Agency staff, the Public, and Unions & Associations

**What We Deliver:** Employee Relations and Grievance Management, Safe and Healthy Workplaces and Disability Management, Corporate Learning and Leadership Development, Equity, Diversity & Human Rights, and Employment Services

**How Much Resources (gross operating budget):** \$47.526 million

### Strategic Partnership

**Who We Serve:** City Manager & DCMs, Mayor and City Council, City/agency staff, other orders of government, non-government organizations, charitable organizations, philanthropists, business and priority neighborhoods

**What We Deliver:** Strategic Advice, policy and oversight of corporate public and private sector partnerships; partnership strategic plan development; partnership management and stewardship, strategic philanthropy and revenue generation and management

**How Much Resources (gross operating budget):** \$1.058 million

### Indigenous Affairs

**Who We Serve:** Urban Indigenous (First Nations, Inuit and Metis) communities in Toronto, as well as Indigenous treaty and territorial partners, City Officials, City Staff

**What We Deliver:** Advice, policies, initiatives that help to fulfil the City's commitments to Indigenous peoples

**How Much Resources (gross operating budget):** \$0.937 million

## Budget at a Glance

### 2021 OPERATING BUDGET

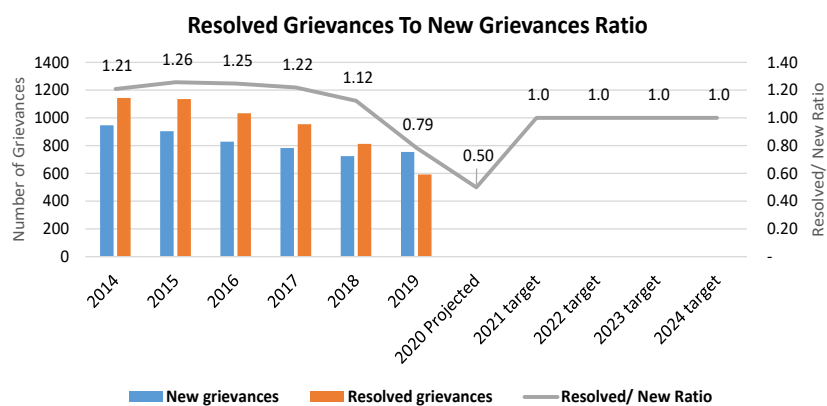
\$Million	2021	2022	2023
Revenues	\$8.3	\$3.3	\$3.2
Gross Expenditures	\$70.1	\$64.3	\$64.2
Net Expenditures	\$61.9	\$61.0	\$61.0
Approved Positions	469.0	469.0	465.0

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
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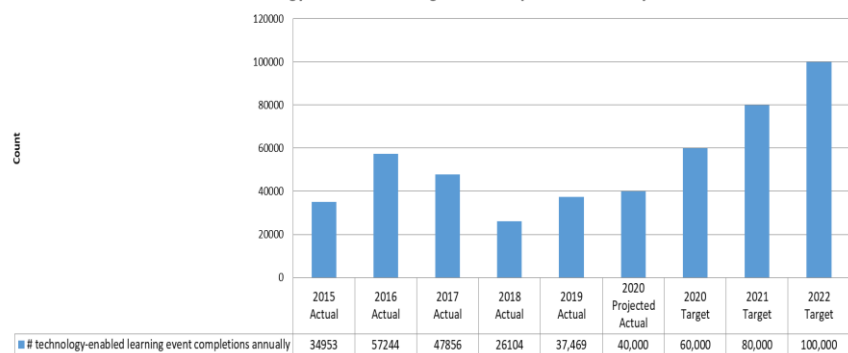
City Manager's Office has no capital budget.

## How Well We Are Doing – Behind the Numbers



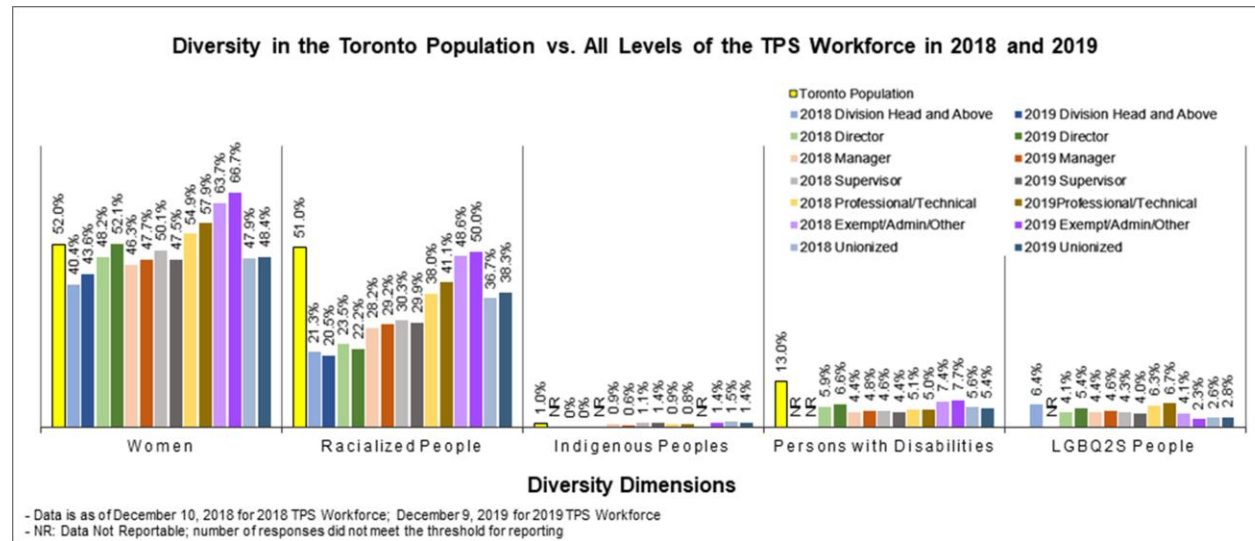
- The reduction in the "resolved-to-new grievance" ratio in 2019 reflects the shift of resources and focus to collective bargaining with the City's two largest unions; for 2020, it is expected to be low due to the impact from COVID pandemic (fewer grievance cases get resolved as a result of more cancellations)

### # technology-enabled learning event completions annually



- The increasing number of technology-enabled learning event completions illustrates improved capacity building for a qualified, engaged and inclusive TPS through access to high quality skills development and online learning





- Toronto Public Service reflects the diversity of the public it serves

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Service Level Measures</b>								
People & Equity services	# technology-enabled learning event completions annually	26,104	37,469	60,000	40,000	80,000	100,000	●
People & Equity services	Average # Days to Fill a Non-union Vacancy	61	62	60	62	61	60	●
Strategic Communication	% respond to media inquiries by the end of business day	n/a	n/a	95%	99%	95%	95%	●
Strategic Communication	Communications tactics created and distributed within planned timing (News releases, advertising & social media content)	n/a	n/a	95%	99%	95%	95%	●
Strategic Communication	Communications tactics created and distributed within planned timing Employee content (intranet, ELL, staff messages) *	n/a	n/a	95%	98%	95%	95%	●
<b>Outcome Measures</b>								
People & Equity services	% Grievances Resolved at Mediation	91%	72%	74%	74%	74%	74%	●
People & Equity services	% change in the number of workplace injuries	18%	1.8%	-6%	-6%	-6%	-6%	●
People & Equity services	% of clients satisfied with the hiring process (service and quality of hire)	95%	95%	97%	95%	97%	97%	●
Strategic Communication	Growth in followers across corporate platforms (Twitter, Facebook, Instagram)	26%	19%	15%	20%	15%	15%	●
Strategic Communication	Growth in user visits/sessions on Toronto.ca **	n/a	n/a	n/a	26%	10%	10%	●
<b>Other Measures</b>								
People & Equity services	# Corporate Learning Event Completions Annually	15,905	14,376	Will be moving to online learning, no instructor led training for 2020		Unknown - will be moving to online/virtual learning		●
People & Equity services	# employees receiving health & safety training annually	6,875	20,574	14,000	8,000	14,000	14,000	●

\* 80% reduction in program/services-related communications and increase of 90% COVID-19 communications as percentage of staff resources

Centralization of web function to 100%, same-day posting of key web updates 99%

\*\* 25% year-over-year increase in the number of sessions recorded on Toronto.ca between March 1 and October 16, 2020 compared to the same period in 2019. Users and Views also increased from 2019 and because all official COVID-19 communications drive to the web as the authoritative source of information, 22% of all 13.5 million views were of COVID-19 web pages between March and October.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>COVID-19 resulted in the following unbudgeted costs for the City Manager's Office (CMO) of \$0.212 million net:               <ul style="list-style-type: none"> <li>\$2.235 million salaries and benefits savings resulting from delays in hiring due to COVID-19 and the hiring slow down process</li> <li>\$0.364 million training savings due to cancelling courses for Toronto Public Service (TPS) provided by external vendors</li> <li>\$0.088 million professional services savings for reduced need for arbitration</li> <li>\$1.790 million additional salaries and benefits in overtime required to provide a timely response due to COVID-19.</li> <li>\$0.950 million in additional costs required to advertise</li> <li>\$0.159 million additional consulting expenses for Toronto Office of Recovery &amp; Rebuild (TORR)</li> </ul> </li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>The 2021 COVID-19 impact is projected to be \$2.275 million net:               <ul style="list-style-type: none"> <li>\$0.775 million in additional salaries and benefits in overtime required to provide a timely response due to COVID-19.</li> <li>\$1.500 million in additional costs required for COVID-19 advertisement.</li> </ul> </li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There has been no impact to service levels from COVID-19.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>The CMO will continue to review Service Levels to reflect changes as required to meet ongoing needs.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Implemented new corporate performance management and accountability tool (Results Based Accountability - RBA), training of 800 staff, 95% of staff surveyed identified improved skills
- Established and managed Toronto Office of Recovery and Rebuild, coordinated city-wide review of the impacts of COVID-19 on Toronto and generated recommendations for City Council
  - TORR engagement of 250 groups and organizations, 100 issue-specific stakeholder tables, and over 13,700 survey responses between May 26 and July 15, 2020
  - 7 comprehensive reports from City Manager to City Council on COVID impacts and responses
- Collaborated with federal and provincial governments on the City's funding, legislation and policy needs in response to COVID-19. Directly supported Divisions to advance City priorities, convened over 65 meetings with the Province under the Toronto-Ontario Cooperation and Consultation Agreement, and co-chaired the Provincial-Municipal Technical Working Group on Emergent Municipal Needs in Response to COVID-19 with the Province and the Association of Municipalities of Ontario
- Led and coordinated support for the City's agencies and corporations as part of the City's COVID-19 response including communication, restart and reopening, human resources and funding
- Achieved a settlement with both Local 416 and Local 79 that met the City's bargaining objectives, providing additional flexibility in service delivery, improved operational efficiency and long-term cost containment. Also effectively led an enterprise-wide labour disruption planning process
- Supported the City's Emergency Response and cost containment efforts by:
  - designing and administering a robust Corporate Redeployment program to redirect employees to support essential services, including the hiring slowdown and voluntary separation program;
  - creating policies and e-learning to train staff working and managing remotely and to ensure that new and redeployed staff placed into critical and essential services (Toronto Public Health, Shelter, Support and Housing Administration, Senior Services and Long Term Care) were trained;
  - creating a City staff support centre – TEAM Central;
  - providing expert occupational health advice to the personal protective equipment (PPE) taskforce, creating and revising policies and working with divisions to adapt their business processes to COVID-19 precautions;
  - implementing the Business Continuity Information System (BCIS) to support service planning activities in partnership with Office of Emergency Management;
  - developing a streamlined accommodation process to address the high volume of disability and family status accommodation cases resulting from COVID-19
- The Indigenous Affairs Office assisted the Indigenous community to navigate the City and build connections with City Divisions. Some examples of this include working closely with:
  - Toronto Building, Municipal Licensing and Standards, Parks, Forestry & Recreation and Fire Services to access land for land-based healing and cultural revival, including Humber Collective.
  - Housing and Planning staff to support the City's first healing lodge for Indigenous women which will start building next year
- At the onset of COVID-19, the Indigenous Affairs Office worked closely with Social Development, Financial & Administration and the Toronto Aboriginal Support Services Council to secure immediate funds for the continuation of vital support services. This work has secured additional funds for Indigenous organizations meeting critical needs for communities
- Following the City's State of Emergency declaration in March 2020, Strategic Partnerships established and led a Donations Coordination Task Force, forged new relationships with donors and developed new partnerships to respond to the pandemic. This resulted in gifts of goods, services and funds valued at more than \$16 million to support vital, community-focused services across the city including personal protective equipment, food, rehousing supports and technology supports particularly for children, youth, and seniors in low income communities

- Established an academic sector partnership to support access to vital research and expert advice focused on city needs and opportunities including COVID-19 response, recovery and rebuild efforts

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### Key Challenges and Risks

- Continuing services in essential projects, while balancing those related to COVID-19 response and recovery/rebuilding initiatives (dependent on status of the pandemic and recovery in 2021)
- Undertaking complex human rights investigations as a neutral third party
- Optimizing timely, proactive and coordinated intergovernmental action with other governments to ensure the City has the needed funding, legislation and policies in place to continue responding to the pandemic, including a resurgence, and achieve City priorities
- Securing intergovernmental infrastructure funding for City capital priorities
- Engaging and collaborating with universities and not-for-profit organizations on City priorities
- Effecting People & Equity's Transformation and continuing to provide seamless labour relations
- Engaging a diverse group of Torontonians to support informed decision-making through safe, effective, accessible means, while overcoming barriers such as digital inequity, isolation and COVID-19 protocols
- Continuing to reduce workplace injuries and illnesses
- Transitioning from instructor-led to virtual training via a blended approach fully accessible to all staff
- Managing the impact of changes in Technology Services' capital budget on People & Equity's service delivery (LRIS, WIN dashboard)
- Sourcing talent to meet the current and future needs of the organization
- Advancing Indigenous place-making initiatives by developing the necessary strategic plan and resources

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### Priority Actions

- Review and assess impacts related to COVID-19, recent organizational/staffing changes, changes to business processes, to inform any adjustments needed to ensure ongoing effectiveness and efficiency
  - Continue to develop meaningful interventions and resources to enhance corporate understanding of human rights, support diverse teams, and create inclusive and respectful workplaces
  - Deliver a coordinated and renewed intergovernmental strategy
  - Initiate a dialogue with federal, provincial and regional officials to convene a strategic federal-provincial-municipal intergovernmental focus on recovery and renewal
  - Support governance and issues management for City agencies and corporations
  - Engage divisions through a phased approach and with Senior Leadership, establish clear priorities
  - Develop a comprehensive strategy to promote meaningful engagement with racialized communities and Indigenous peoples, and improve data and research coordination
  - Continue to provide City divisions with expert advice and support for challenges unique to the unionized environment through collective agreement and policy interpretation. Enhance online training, expand existing training programs to include additional corporate and custom Intact training and liaise with the respective union representatives
  - Support the organization in achieving an ongoing reduction in the number of Ministry of Labour Orders
  - Work with external vendors to transition Indigenous and equity-related classroom courses to virtual instructor-led training sessions, with additional eLearning development to support a blended approach
  - Develop with Technology Services, a Human Resources (HR) Technology Roadmap that continues to modernize and digitize enterprise HR processes
  - Focus on continuous improvement, process efficiencies and modernization of business practices to increase capacity to recruit talent
  - Build engagement and enhance relationships with Indigenous communities, partners and organizations
  - Advance priorities identified by the Indigenous community including community safety and well-being, prosperity and housing.
  - Coordinate with and support City agencies and corporations during the pandemic, recovery/reopening
  - Build and strengthen capacity of the City to support a culture of collaboration and partnership stewardship
  - Develop and implement a philanthropy strategy to support pandemic recovery and rebuild efforts
  - Identify, secure and manage innovative public and private sector partnerships to advance recovery and rebuild efforts
-

## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Executive Administration	751.3	1,000.0	185.6	5,000.0		5,000.0	4,814.4	2593.8%
Strategic & Corporate Policy	869.7	1,333.2	61.5				(61.5)	(100.0%)
Strategic Communications	1,421.5	1,108.8	1,355.6	1,036.8		1,036.8	(318.8)	(23.5%)
Indigenous Affairs Office	(31.4)		(17.1)				17.1	(100.0%)
People & Equity	5,452.3	2,825.7	3,579.0	2,222.1		2,222.1	(1,356.9)	(37.9%)
Strategic Partnership	160.4	134.9						N/A
<b>Total Revenues</b>	<b>8,623.8</b>	<b>6,402.6</b>	<b>5,164.6</b>	<b>8,258.9</b>		<b>8,258.9</b>	<b>3,094.2</b>	<b>59.9%</b>
<b>Expenditures</b>								
Executive Administration	3,439.7	2,488.5	1,722.7	6,543.5		6,543.5	4,820.8	279.8%
Strategic & Corporate Policy	3,493.2	5,301.9	3,806.4	3,738.5	442.6	4,181.1	374.7	9.8%
Strategic Communications	7,470.6	8,468.1	9,652.8	9,888.0		9,888.0	235.2	2.4%
Indigenous Affairs Office	526.6	735.3	755.1	723.1	213.7	936.8	181.7	24.1%
People & Equity	44,757.0	46,702.8	46,644.7	47,137.1	389.3	47,526.4	881.6	1.9%
Strategic Partnership	912.6	840.0	845.5	1,058.1		1,058.1	212.6	25.1%
<b>Total Gross Expenditures</b>	<b>60,599.7</b>	<b>64,536.6</b>	<b>63,427.2</b>	<b>69,088.3</b>	<b>1,045.6</b>	<b>70,133.9</b>	<b>6,706.7</b>	<b>10.6%</b>
<b>Net Expenditures</b>	<b>51,975.9</b>	<b>58,134.0</b>	<b>58,262.6</b>	<b>60,829.4</b>	<b>1,045.6</b>	<b>61,875.0</b>	<b>3,612.4</b>	<b>6.2%</b>
<b>Approved Positions</b>	<b>468.0</b>	<b>465.0</b>	<b>465.0</b>	<b>461.0</b>	<b>8.0</b>	<b>469.0</b>	<b>4.0</b>	<b>0.9%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$69.088 million gross reflecting an increase of \$5.661 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Increases in consulting expenses for the Concept2Keys initiative (net \$0) and
- Annualized salary & benefits for positions filled for less than the entirety of 2020.

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

- 2021 Base Budget of \$60.829 million in net expenditures reflects a \$0.420 million net increase from the 2020 Council approved Budget, when excluding \$2.275 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$1.046 million gross, enabling:

- 1.0 position dedicated to advancing the Indigenous Place-making initiative (\$0.214 million)
- 4.0 positions to establish a Data for Equity Unit (\$0.389 million)
- 3.0 positions to oversee an 18-month Civic Engagement and Insights project (\$0.443 million)

**EQUITY IMPACTS OF BUDGET CHANGES****Medium positive**

**Increasing equity for Black, Indigenous and equity-seeking communities:** The City Manager's Office 2021 Operating Budget includes a \$0.443 million investment (\$0.866 million over two years) which will have a positive investment on Indigenous, Black and equity-seeking communities through the development of a Civic Engagement Strategy for the City of Toronto. This investment supports Council direction to implement the recommendations of the Toronto Office of Rebuild and Recovery report "COVID-19: Impact and Opportunities" and seeks to improve engagement on the City's policies, programs and services. It also includes a \$0.214 million investment which will have a positive impact for Indigenous communities and equity-seeking groups affected by colonialism and systemic barriers. This investment supports the City's Statement of Commitment to Indigenous Communities from 2010 and the Truth and Reconciliation Calls to Action. It also includes a \$0.389 million investment to create a Data for Equity Unit to support implementation of City Council's previously approved Data for Equity Disaggregated Data Strategy which will have a positive impact on Indigenous, Black and equity-seeking groups.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the City Manager's Office is \$69.088 million gross or 8.9% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b 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	
						\$	%
Expenditures							
1	Salaries and Benefits	56,332.1	57,955.8	59,423.5	59,457.5	34.0	0.1%
2	COVID-19 Impact			213.6	2,275.0	2,061.4	965.1%
3	Materials & Supplies	90.9	146.5	48.3	124.9	76.6	158.6%
4	Equipment	237.9	273.9	394.4	279.9	(114.5)	-29.0%
5	Service and Rent	3,812.7	6,059.4	3,281.1	6,841.0	3,559.9	108.5%
6	Contribution To Reserves	101.0	101.0		110.0	110.0	
7	Other Expenditures	25.1		66.3		(66.3)	-100.0%
Total Expenditures		60,599.7	64,536.6	63,427.2	69,088.3	5,661.0	8.9%
Revenues							
1	Transfers from Capital	3,054.9	662.6	1,104.1	142.5	(961.6)	-87.1%
2	Contribution from Reserves/Reserve Funds	845.8	1,833.2		5,000.0	5,000.0	
3	Other Revenues	4,723.2	3,906.8	4,060.6	3,116.4	(944.2)	-23.3%
Total Revenues		8,623.9	6,402.6	5,164.7	8,258.9	3,094.2	59.9%
Net Expenditures		51,975.9	58,134.0	58,262.6	60,829.4	2,566.8	4.4%
Approved Positions		468.0	465.0	465.0	461.0	(4.0)	-0.9%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

Reflects salaries & benefits for positions for the Concept2Keys initiative and positions that were vacant in 2020 but are anticipated to be filled in 2021, offset by savings due to the Voluntary Separation Program (VSP).

**Service and Rent:**

Comprised mainly of consulting expenditures related to Concept2Keys the Toronto Office of Recovery and Rebuild (TORR), and advertising expenditures related to COVID-19. Moreover, in 2020 there was a significant underspend on training expenditures, which are anticipated to be fully spent once again in 2021.

**Transfers from Capital:**

Decrease in 2021 due to the completion of capital projects in 2020.

**Contribution from Reserves/Reserve Funds:**

Recoveries of \$4M related to the Concept2Keys initiative will increase overall draws from the Building Code Act Service Improvement and Development Application Review Reserves from \$1M included in 2020 budget, to the total \$5M in 2021.

**Other Revenues:**

Higher interdivisional recoveries in 2020 were temporary in nature, relating to short-term unbudgeted service agreements with City divisions such as the Toronto Urban Fellows Initiative (TUF).



**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
VSP Savings (SC)	Other		(105.9)	(105.9)				
VSP Savings (P&E)	Other		(435.4)	(435.4)				
<b>Total Balancing Actions</b>			<b>(541.3)</b>	<b>(541.3)</b>	<b>-</b>			<b>-</b>

**The 2021 Operating Budget** includes \$0.541 million in gross expenditures reductions as a result of the Voluntary Separation Program (VSP).

Table 2c: 2021 New / Enhanced

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1	Indigenous Affairs support to Truth & Reconciliation Calls to Action	213.7	213.7	1.0	214.2	Medium	Investing in People and Neighborhoods
2	Creating a Data For Equity Unit	389.3	389.3	4.0	607.8	Medium	City's Equity and Prosperity Goals
3	Civic Engagement & Insights Project	442.6	442.6	3.0	423.3	Medium	Corporate Strategic Plan
Total New / Enhanced		1,045.6	1,045.6	8.0	1,245.3		

### Indigenous Affairs Support to Truth & Reconciliation Calls to Action

Funding of \$0.214 million will provide dedicated resources to advancing the Indigenous Place-making Initiative, which will expand and ensure presentation and commemoration of Indigenous histories and cultures. It will also support a variety of outcomes including Indigenous self-determination, economic development, tourism, shelter, housing and food security.

### Creating a Data for Equity Unit

Funding of \$0.389 million will establish a Data for Equity Unit within the People and Equity Division to provide needed support to divisions on projects that have limited resources, capacity or expertise to collect socio-demographic data and use disaggregated data, as well as conduct community consultations. In order for the Unit to be successful, dedicated staff and resources are needed within the division to ensure organizational capacity to ensure that data collection and use across City divisions is consistent, appropriate, sensitive and reflective of best practices and the implementation of the Data for Equity Strategy.

### Civic Engagement & Insights Project

Funding of \$0.443 million will support an 18-month project to respond to Council direction to develop a civic engagement strategy that will guide effective, impactful and measurable engagement and increase public participation in decision-making local governance; research best practices and consult widely with City staff and the public – particularly Black, Indigenous, Accessibility and equity-seeking communities – to develop the engagement strategy. The support of cross-corporate engagement activities, and the identification and creation of policies, tools and advisory/governance structures will be vital to ensure the success of this engagement strategy.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	5,164.6	8,258.9	3,259.7	3,198.7
Gross Expenditures	63,427.2	70,133.9	64,295.8	64,160.6
<b>Net Expenditures</b>	<b>58,262.6</b>	<b>61,875.0</b>	<b>61,036.1</b>	<b>60,961.9</b>
<b>Approved Positions</b>	<b>465.0</b>	<b>469.0</b>	<b>469.0</b>	<b>465.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$64.296 million reflects an anticipated \$5.838 million or 8.32 per cent decrease in gross expenditures below the 2021 Operating Budget; The 2023 Outlook expects a further decrease of \$0.135 million or 0.21 per cent below the 2022 gross expenditures.

These changes arise from the following:

- Decrease in 2022 is mainly due to the reversal of one-time funding for the Concept2Keys initiative.
- Decrease in 2023 is mainly due to the reversal of one-time funding for the Civic Engagement & Insights Project.

# 2021 Program Summary

## Legal Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We provide the highest quality of legal services to the City of Toronto and function as a strategic resource for Council, City Divisions and Agencies. Our division responds to the increasing demand by the City for legal services, promotes risk management and various mitigation strategies, and applies creative legal analysis while delivering three main services:

- Civil Litigation
- Prosecution
- Solicitor

### Why We Do It

Residents, businesses and visitor health and safety are protected, nuisances are managed, and the City's traffic is kept moving by ensuring greater compliance with City by-laws and Provincial legislation through the support of enforcement activities and the prosecution of offences.

City financial and policy interests are protected by representation throughout legal proceedings involving Courts and Tribunals.

City Council is able to achieve its mandate in all service areas within the current legal framework with the support of quality, strategic, sustainable and cost-efficient legal advice.

*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

#### Civil Litigation

**Who We Serve:** City Council, City Divisions, Agencies & Boards

**What We Deliver:** Protect the City's interests through legal proceedings involving various levels of Court and Tribunals.

**How Much Resources (gross operating budget):** \$16.273 million

#### Prosecution

**Who We Serve:** City Council, City Divisions, Agencies & Boards and Individuals charged with offences.

**What We Deliver:** An opportunity to dispute charges and tickets in a manner which ensures that rights are protected and obligations to follow provincial and municipal laws are enforced in accordance with the public interest.

**How Much Resources (gross operating budget):** \$21.853 million

#### Solicitor

**Who We Serve:** City Council, City Divisions, Agencies & Boards

**What We Deliver:** Provide strategic advice to Council, Staff & Agencies thereby contributing to the achievement of Council's mandate in all service areas.

**How Much Resources (gross operating budget):** \$27.123 million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$27.7	\$24.9	\$24.9
Gross Expenditures	\$65.2	\$67.0	\$67.3
Net Expenditures	\$37.6	\$42.1	\$42.4
Approved Positions	396.4	386.4	384.4

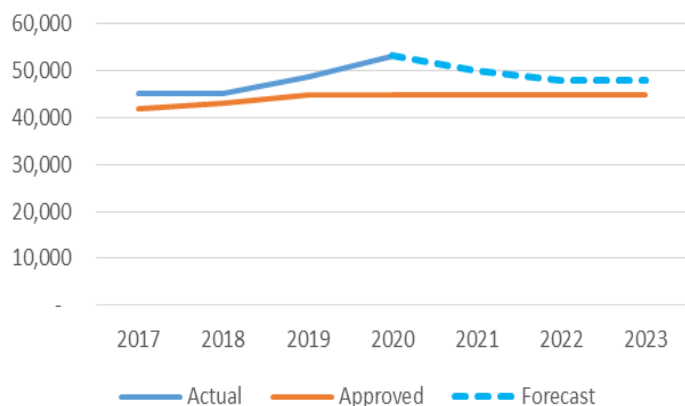
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
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Legal Services does not have a Capital Budget

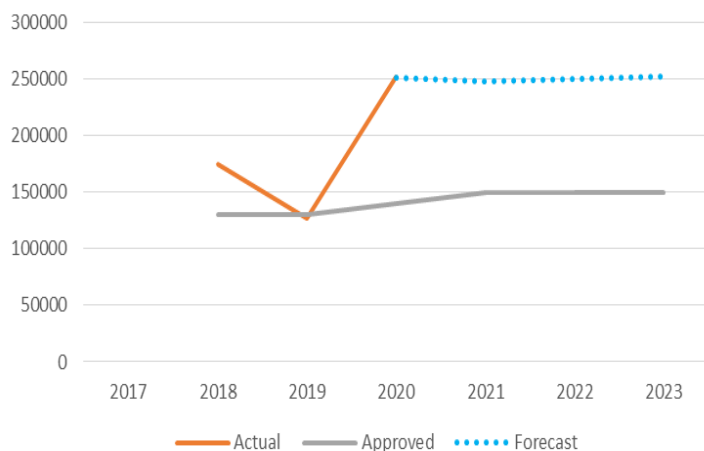
## How Well We Are Doing – Behind the Numbers

### Hours Spent Providing Advice & Opinions



As compared to previous years, there was a significant increase in hours spent providing legal advice and opinions in 2020. This was due to intense and sustained additional legal support for labour negotiations and a potential labour disruption, as well as pandemic planning, response and enforcement. Legal Services also continued its activities to support ongoing corporate priorities (i.e. Transit, Transportation, Affordable Housing, Social Housing, Shelter & Support).

### Screening Reviews Completed (Online)



Through screening reviews for parking, Legal Services saw a significant increase in completed online reviews in 2020. This increase was managed by pivoting the screening offices exclusively to work remotely, rather than through a combination of in-person and remote reviews. Generally, a review conducted by a screening officer in-person takes more time than a screening review conducted through the submission of documentation online. Additional services are being reviewed for a potential shift to remote operations, such as enquiry lines. The pandemic was an opportunity to successfully explore new ways to conduct our business and increase our efficiency.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Civil Litigation	Wins/settlements at Planning Tribunals	71%	87%	80%	94%	80%	80%	●
Prosecution	Online screening reviews of parking violations conducted under Administrative Penalty System (APS)	174,012	126,683	150,000	251,067	150,000	150,000	●
Solicitor	Number of hours spent drafting opinions and providing advice	45,254	47,348	45,000	53,213	45,000	45,000	●
Service Level Measures								
Civil Litigation	Number of Local Planning Appeal Tribunal (LPAT)/ Toronto Local Appeal Body (TLAB) Hearings Heard	335	268	340	189	340	340	●
Civil Litigation	Responses to referrals to arbitration made within 30 days by City Legal Counsel (to avoid statutory referrals)	100%	100%	100%	100%	100%	100%	●
Prosecution	Cases Resolved After Prosecutor Action Through Early Resolution	87%	87%	80%	57%	80%	80%	●
Solicitor	Real estate transactions closed on contracted dates (except due to 3 <sup>rd</sup> party responsibility)	100%	100%	100%	100%	100%	100%	●
Solicitor	Number of Hours Spent Reviewing Contracts/Agreements and other legal documents	86,249	95,468	85,000	97,051	95,000	95,000	●
Other Measures								
Prosecution	Written complaints responded to within 30 days	100%	100%	100%	100%	100%	100%	●
Solicitor	Property requisitions signed off within 7 days of receipt	100%	100%	100%	100%	100%	100%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Due to closure of Courts, Tribunals and Hearings for most of 2020, many staff were redeployed to other divisions to assist with other critical duties or placed on Emergency Leave. This resulted in lower-than-budgeted expenditures on salaries &amp; benefits (\$0.8 million) and supplies (\$0.1 million).</li> <li>Above closures also allowed for the delay in hiring vacant positions that would normally be required to attend Courts and Hearings. This resulted in further salaries &amp; benefit net savings of \$0.7 million</li> <li>Revenue impact due to unfulfilled cost recoverable positions</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Legal Services has made temporary reductions to its salary and benefits budget (\$2.8 million), assuming that several services will not return to full capacity until late 2021 or 2022.</li> <li>With redeployed employees on leave returning to their positions to assist with more normal business demands, Legal Services is not projecting any additional financial impacts in 2021 other than those indicated above.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There was a significant increase in demand for Solicitor services to assist with advice, by-laws and responses to pandemic issues.</li> <li>The closures listed above resulted in delays in various litigation, prosecution and land use matters but the litigation function continued in a reduced capacity.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>As Courts and Tribunals move to a virtual hearing setting that will return to normal levels over time, we anticipate that there will be a shift back to a more traditional litigation/solicitor work split. Depending on waves of the virus this may happen in either Q3 or Q4 of 2021.</li> <li>Service levels will be maintained as Legal Services continues to enhance its ability to have staff work remotely when possible.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Legal Services staff has continued to provide advice on a myriad of legal issues relating to COVID-19 supporting both Toronto Public Health and City operations and outreach. In addition, Legal Services has provided advice, drafting, interpretation and enforcement support regarding various regulations put in place to support public health measures. Legal Services staff have also been involved in numerous projects related to the City's pandemic recovery.
- The move to online-only service for our Administrative Penalty System allowed staff to complete more screenings than they had in person. Given the small number of planning hearings that had decisions rendered during 2020, the information on Wins/Settlements and Losses may not be comparable to those of previous and future years.

### Key Challenges and Risks

- Balancing the allocation of resources required to support urgent pandemic response measures with those required for other ongoing City projects
- Maintaining a high level of service and staff morale while working remotely
- Developing a Succession Plan despite hiring restrictions, retirements, parental leaves and high work volumes
- Ensuring that litigation files are handled in a timely manner and that lawyers are able to effectively conduct hearings, all while working remotely
- Moving to a more paperless practise by updating software systems
- Addressing a backlog of matters (including arbitrations, trials, land use planning hearings) created by the closure of Courts and Tribunals, and in a timely fashion in accordance with various statutory requirements

### Priority Actions

- Providing legal advice and services on development projects to support economic recovery from the pandemic
- Continuing support for Toronto Public Health and Emergency Operations
- Providing Legal advice and services to support:
  - Transit Projects (GO Expansion, Subway Program, Union Station Enhancement)
  - Affordable Housing/Shelter Programs
  - COVID-related measures involving employees of the City
- Continuing to respond to pandemic-related litigation (e.g. Shelter litigation, mask by-law challenges, parks encampments)
- Completing the City's appeal of Bill 5 legislation regarding the number of wards, with a Supreme Court of Canada hearing likely in early 2021
- Expediting property acquisitions to respond to the acceleration of infrastructure construction post COVID



## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Civil Litigation	5,366.0	7,644.3	4,308.3	7,548.1	208.4	7,756.5	3,448.1	80.0%
Prosecutions	2,045.6	2,045.6		2,045.6		2,045.6	2,045.6	N/A
Solicitor	16,419.0	16,377.3	17,113.9	17,143.5	713.2	17,856.7	742.8	4.3%
<b>Total Revenues</b>	<b>23,830.6</b>	<b>26,067.3</b>	<b>21,422.2</b>	<b>26,737.1</b>	<b>921.6</b>	<b>27,658.7</b>	<b>6,236.5</b>	<b>29.1%</b>
<b>Expenditures</b>								
Civil Litigation	14,603.5	16,583.4	15,114.0	16,064.1	208.4	16,272.5	1,158.5	7.7%
Prosecutions	15,989.3	22,372.7	18,517.4	21,853.0		21,853.0	3,335.6	18.0%
Solicitor	25,413.1	28,760.2	25,111.0	26,409.6	713.2	27,122.8	2,011.8	8.0%
<b>Total Gross Expenditures</b>	<b>56,005.9</b>	<b>67,716.3</b>	<b>58,742.4</b>	<b>64,326.7</b>	<b>921.6</b>	<b>65,248.3</b>	<b>6,505.9</b>	<b>11.1%</b>
<b>Net Expenditures</b>	<b>32,175.3</b>	<b>41,649.0</b>	<b>37,320.2</b>	<b>37,589.5</b>		<b>37,589.5</b>	<b>269.3</b>	<b>0.7%</b>
<b>Approved Positions</b>	<b>388.9</b>	<b>405.4</b>	<b>405.4</b>	<b>391.4</b>	<b>5.0</b>	<b>396.4</b>	<b>(9.0)</b>	<b>(2.2%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$64.327 million gross reflecting an increase of \$5.584 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- An increase in salary & benefits similar to 2020 budgeted levels as positions are filled to staff Courts, Hearings and Tribunals that were closed in 2020.
- An increase in salary & benefits similar to 2020 budgeted levels as staff are recalled from redeployment and Employment Insurance.

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

- 2021 Base Budget totalling \$37.590 million in net expenditures reflects a \$4.060 million net decrease below the 2020 Council approved Budget.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.922 million gross, enabling:

- Additional 5 positions to assist with the Housing Now Small Sites Pre-development and Pre-acquisition program.

### EQUITY IMPACTS OF BUDGET CHANGES

**Medium-positive equity impacts:** The budget proposal for the Housing Now Small Sites Pre-development and Pre-acquisition Work Fund has an overall equity impact of medium positive. Low income residents will be particularly impacted by this proposal as it will allow the City to add a range of affordable housing options. It will increase the opportunity for low-and-moderate-income residents to access safe, secure, and adequate housing. An intersectional analysis shows that in Toronto, affordable housing is particularly required for women, seniors, Indigenous, Black, or racialized communities.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Legal Services is \$64.327 million gross or 9.5% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes 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	
						\$	%
Expenditures							
1	Salaries and Benefits	48,190.4	56,870.6	49,049.2	56,563.0	7,513.7	15.3%
2	COVID-19 Impact			(2,577.5)	(2,839.6)	(262.1)	10.2%
3	Materials & Equipment	441.8	739.7	440.2	537.2	96.9	22.0%
4	Service and Rent	2,956.2	2,741.2	4,465.6	2,696.0	(1,769.6)	-39.6%
5	Contribution To Reserves	115.0	115.0	115.0	120.3	5.3	4.6%
6	Other Expenditures	4,302.5	7,249.8	7,249.8	7,249.8		
Total Expenditures		56,005.9	67,716.3	58,742.4	64,326.7	5,584.3	9.5%
Revenues							
1	User Fees & Donations	6,841.7	5,363.4	5,846.1	5,463.1	(382.9)	-6.6%
2	COVID-19 Impact			(1,010.8)		1,010.8	-100.0%
2	Other Revenues (Inc. IDR's)	14,075.7	16,789.9	9,744.0	11,902.9	2,159.0	22.2%
3	Contributions from Reserve Funds	1,445.3	1,575.0	4,901.6	7,621.8	2,720.2	55.5%
4	Transfers From Capital	1,467.9	2,339.0	1,941.4	1,749.3	(192.1)	-9.9%
Total Revenues		23,830.6	26,067.3	21,422.2	26,737.1	5,314.9	24.8%
Net Expenditures		32,175.3	41,649.0	37,320.2	37,589.5	269.3	0.7%
Approved Positions		388.9	405.4	405.4	391.4	(14.0)	-3.5%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

- Salaries & benefits adjustments such as step increases for union staff
- Increase in salary and benefits due to lower vacancy rate in 2021 that will result from anticipated return to normal operations of Courts, Tribunals and Hearings in later quarters

**Materials and Supplies:**

- A reduction from 2020 budgeted levels, but increase from 2020 expenditures as a result of several functions returning to pre-pandemic levels

**Other Revenue Changes:**

- Current vacant positions that will be filled will result in higher recoveries from rate programs, boards and agencies
- Increase in recoveries for projects funded by reserve accounts

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Reduce expenditure categories to match actuals	Match to Actuals		(247.7)	(247.7)		(247.7)	(247.7)	
Voluntary Separation Program	Other		(234.3)	(234.3)				
Changes to expected intake of User Fees and DARP	Revenue Increase (User Fees)	99.8		(99.8)			(99.8)	
<b>Total Balancing Actions</b>		<b>99.8</b>	<b>(482.0)</b>	<b>(581.8)</b>	<b>-</b>	<b>(247.7)</b>	<b>(347.5)</b>	<b>-</b>

**2021 Balancing Actions**

- A move towards more digital business processes and a line by line review of expenditures resulted in Legal Services reducing budgeted expenditures by \$0.248M. The new amounts are more in line with recent spending.
- Legal will realize a savings of \$0.234M as a result of staff participation in the Voluntary Separation Program.
- Legal Services is projecting additional revenues from the intake of User Fees and the Development Application Process of \$0.100M in 2021 as a result of inflation.

Table 2c: 2021 New / Enhanced

New / Enhanced Request		2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
		Revenue	Gross	Net	Positions			
In \$ Thousands								
1	Support Small Sites Pre-Development & Pre-Acquisition Plan	921.6	921.6		5.0		Medium	Safe and secure housing for priority and at risk groups.
Total New / Enhanced		921.6	921.6		5.0			

**Supporting affordable housing:** Legal Services' 2021 Operating Budget includes an investment to support the Small Sites Pre-Development and Pre-Acquisition Plan to support the Housing Now Action Plan, which will support the creation of affordable housing units. This will have a positive impact on low-and-moderate income residents in Toronto.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	21,422.2	27,658.7	24,909.3	24,928.0
Gross Expenditures	58,742.4	65,248.3	66,966.3	67,288.8
<b>Net Expenditures</b>	<b>37,320.2</b>	<b>37,589.5</b>	<b>42,056.9</b>	<b>42,360.8</b>
<b>Approved Positions</b>	<b>405.4</b>	<b>396.4</b>	<b>386.4</b>	<b>384.4</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$66.966 million reflects an anticipated \$1.718 million or 2.63 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.323 million or 0.48 per cent above 2022 gross expenditures.

These changes arise from the following:

- Expectation that there is a return to full complement and funding levels in 2022 as Courts, Tribunals and Hearings return to pre-COVID-19 capacity
- Salary increase for union staff in 2022 and 2023

# 2021 Budget Summary

## Office of the Auditor General

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [AuditorGeneral@toronto.ca](mailto:AuditorGeneral@toronto.ca).

### Description

Under Section 178 of the *City of Toronto Act, 2006*, the Auditor General is “*responsible for assisting City Council in holding itself and City administrators accountable for the **quality of stewardship over public funds and for achievement of value for money in city operations.***”

The Auditor General conducts financial, operational, compliance, information systems, forensic and other special audits and reviews of City divisions, and certain City agencies and corporations.

### Why We Do It

Under the City of Toronto Act, City Council's role includes ensuring the City's practices and procedures are in place to implement the decisions of council and that the City maintains accountability, transparency and financial integrity in City operations.

The **Auditor General supports City Council** in fulfilling its due diligence responsibilities by independently providing transparent information to City Council on whether City programs are run effectively and Torontonians' tax dollars are spent as intended by City Council.

### Mandated responsibilities

Specific responsibilities of the Auditor General are set out in Chapter 3 of the Toronto Municipal Code, including:

- Undertaking financial (excluding attest), performance and cybersecurity audits of City divisions, local boards, and City-controlled corporations, as well as audits upon request of the Toronto Police Services Board, Toronto Public Library Board and the Toronto Board of Health
- Following up on recommendations from previous audit reports
- Reporting to City Council on annual Office activities, including savings achieved

The Auditor General also has an independent oversight role in the investigation of reported wrongdoing. Under section 178 of the City of Toronto Act, the Auditor General must assess the quality of stewardship over public funds. Part of this includes the Auditor General's responsibilities for investigating complaints and alleged wrongdoing are set out in Chapter 192 of the Toronto Municipal Code. Her work includes:

- Operating the Fraud and Waste Hotline Program, including the referral of issues to divisional management
- Conducting investigations into allegations of fraud and other wrongdoing, as well as allegations of employee reprisals

## What Service We Provide

### Auditor General's Office

**Who We Serve:** City Council

**What We Deliver:** The Auditor General's audits and investigations provide independent information for City Council to hold City administrators accountable for providing stewardship over public funds. The Auditor General's work helps to identify and mitigate risks the City faces, improve accountability, strengthen management controls, and enhance the efficiency and effectiveness of City operations. The Auditor General's report on her 2021 Work Plan was considered by City Council on December 16, 2020 and is available at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.AU7.5>.

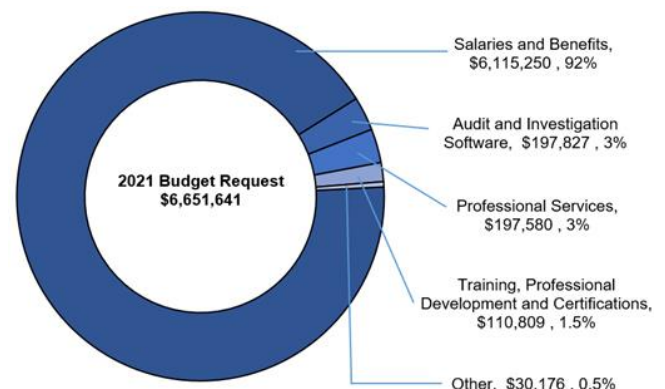
**How Much Resources (gross operating budget):** \$6.652 million

## Budget at a Glance

We have decreased our budget by nearly 10% but our mandate has increased, including conducting work at Toronto Police Service and Toronto Public Library, along with high-risk cybersecurity work.

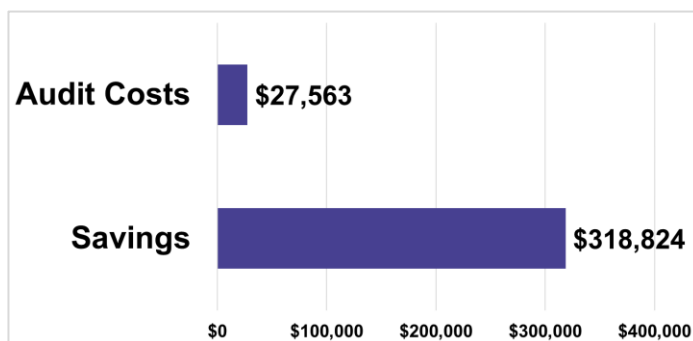
### 2021 OPERATING BUDGET

\$ Millions	2021	2022	2023
Revenues	\$0.0	\$0.0	\$0.0
Gross Expenditures	\$6.7	\$6.7	\$6.7
Net Expenditures	\$6.7	\$6.7	\$6.7
Approved Positions	41.0	41.0	41.0



## Value of the Auditor General's Office

### Audit costs vs. savings (000s) over five years (ROI)\*



\*Figures are from the [2019 Annual Report - Demonstrating the Value of the Auditor General's Office](#). Updated savings figures will be provided in the 2020 Annual Report, which will be presented to Audit Committee in early 2021.

- Management's implementation of our recommendations have resulted in various financial benefits, including increased revenues, development of new revenue streams, operating cost reductions, cost avoidance, better use of City resources, and the elimination of inefficiencies.
- Over five years, City Council invested \$27.6 million in the Office (2015-2019). Over the same period, the City has realized \$318.8 million in savings and revenue increases for the City after implementing Auditor General recommendations.
- A return of \$11.5 to the City for every \$1 invested in our Office.

## Non-financial Benefits

Identifying opportunities to increase cost savings and revenues is only one component of the Auditor General's mandate. Equally important are the non-financial benefits that come from Auditor General recommendations. These include strengthened internal control including cyber security controls, improved policies and procedures, better management and use of City resources, increased operational efficiency, better customer service, and increased detection and prevention of serious safety and security issues.

The following are examples of reports the Office completed in 2020 where the benefits were either non-financial in nature, or could not be conservatively quantified at the time the reports were issued.

Non-quantifiable benefit	Report
Better cyber security for Toronto's Water system	<i>Cyber Safety - Critical Infrastructure Systems: Toronto Water SCADA System</i>
Improving contract design and contract management controls and improving efficiency of processes by leveraging technology	<i>Audit of Winter Road Maintenance Program - Phase One: Leveraging Technology and Improving Design and Management of Contracts to Achieve Service Level Outcomes</i>
Strengthening accountability and delivering on objectives and expected outcomes for providing quality, safe, affordable housing to households in need	<i>Strengthening Accountability and Outcomes for Affordable Housing: Understanding the Impact of the Affordable Home Ownership Program</i>
Deterring employee benefit fraud	<i>Employee Health Benefits Fraud Involving a Medical Spa Continuous Controls Monitoring Program: Opportunities to Reduce Cost of Dental Benefits</i>



## How Well We Are Doing

The Toronto Municipal Code requires that the Auditor General report annually to City Council on the activities of the Office, including the savings achieved. Accordingly, the Auditor General has consistently provided annual reports on the benefits of the work completed by the Office for over 15 years. The Auditor General's [2019 Annual Report - Demonstrating the Value of the Auditor General's Office](#) was considered by City Council on June 29, 2020. The Auditor General will present the Office's 2020 Annual Report to Audit Committee in early 2021.

Service	Outcome	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
By the Numbers								
Deliver impactful performance audits, investigations, and other reports	Reports to achieve financial and non-financial benefits - outcomes (savings, better cyber security, etc.) described in our Annual Reports	13+ reports	14+ reports	8 - 10 reports	7+ reports and 5-year City-wide risk assessment including Police and Library*	10 - 15 reports	10 – 15 reports	●
	Implemented recommendations that led to financial and non-financial benefits (from inception)	89%	88%	90%	90%**	90%	90%	●
Demonstrate value through quantifiable financial benefits	Positive return on investment (ratio of five-year audit costs to five-year estimated realized savings)	\$11.7	\$11.5	\$11.0	\$10.5 **	\$10.0	\$10.0	●
Review and investigate complaints and allegations to the Fraud & Waste Hotline	Prevention, detection, and deterrence of Fraud and Waste by operating a 24/7 hotline. Activities further described in our Fraud and Waste Hotline Annual Reports.	643 complaints 1,000 allegations	587 complaints 950 allegations	N/A	800 complaints 1,250 allegations	N/A	N/A	●
Maintain compliance with Government Auditing Standards	External quality assurance review every three years	Successful pass	N/A	N/A	N/A	To be scheduled	N/A	●

\*Many planned and in-progress audits were paused so that City staff could focus on service delivery and essential City services; this delayed completion and issuance of reports during the year.

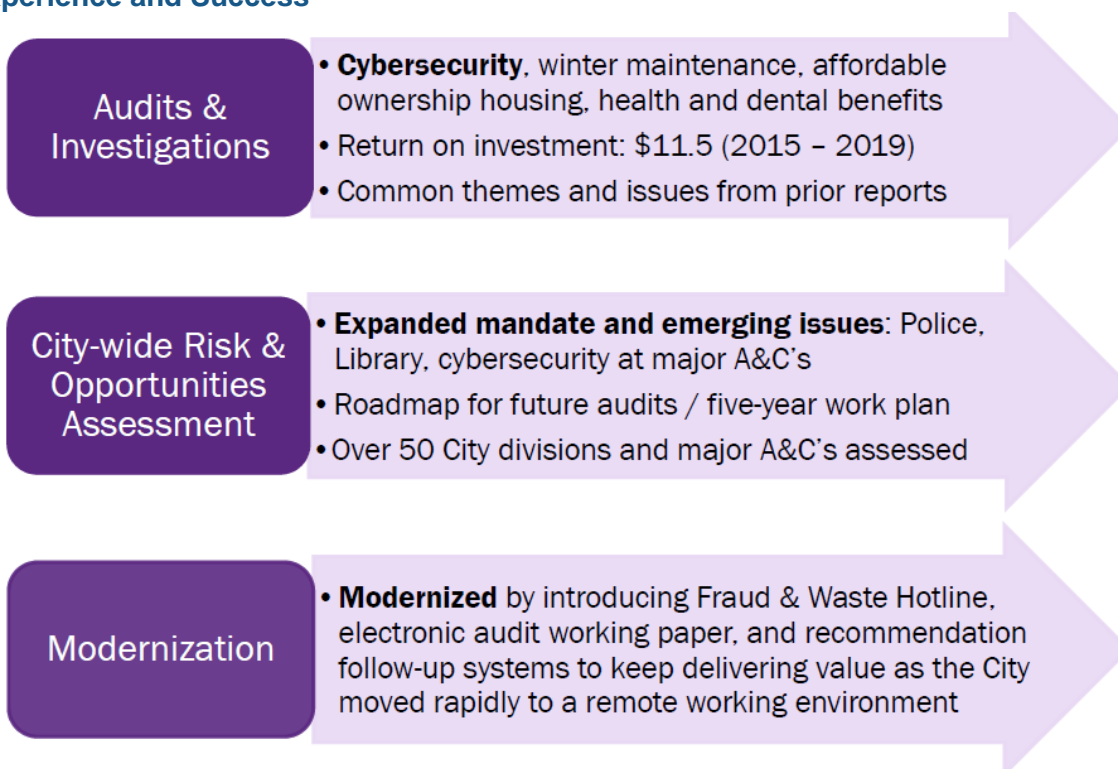
\*\* As a result of the COVID-19 emergency, management's attention to implementing past Auditor General recommendations was sometimes delayed.

## COVID-19 IMPACT AND RECOVERY

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>There are no significant budget impacts due to the COVID-19 emergency situation.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>There are no significant budget impacts expected in 2021 related to COVID-19.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>In the early phases of COVID-19, some planned and in-progress audits were paused so that City staff could focus on service delivery and essential City services. We used this time to modernize our audit systems, including implementing an audit working paper system and a 24/7 online portal to facilitate our recommendation follow-up; and conducted a City-wide risk and opportunities assessment to identify and prioritize audit projects for the next five years.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>There are no anticipated impacts to service levels as a result of COVID-19 during 2021.</li> <li>The 2021 Work Plan incorporates a breadth of audit projects that provide the flexibility and agility needed to keep all resources working effectively as the Office responds to key priorities and emerging risk areas.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success



## Key Challenges and Risks

The Auditor General's 2021 budget for the Office is 1/20th of one per cent (.05%) of the City's 2020 Approved Adjusted Budget.

Recognizing the City's current financial constraints, the 2021 budget is 9.8 per cent lower than the Council-approved 2020 operating budget.

The Office continues to be lean relative to the size and complexity of Toronto's government while being able to address fraud and reprisal allegations and emerging issues appropriately.

1. Addressing an **expanded mandate with reduced funding**. Upon invitations from the respective boards of the Toronto Police Service and Toronto Public Library, the Auditor General conducted risk assessments of these agencies in 2020. The Auditor General's 2021 Work Plan includes four audits of operations governed by these boards.
2. Responding to **key priorities** and **emerging risk areas** in a timely manner. Cyber security risks have increased as more City operations were forced to transition to online, remote work. In order to quickly address and respond to certain information technology risks, the Auditor General may need to delay some other audits included in her Annual Work Plan. Within the 2021 base budget, the Auditor General has capacity to perform two or three cyber security audits.
3. Reviewing and investigating a **higher volume** and backlog of Fraud & Waste Hotline **complaints**. A number of high-risk complaints are waiting to be addressed and 2020 saw an increase in complaints and allegations to the Auditor General's Fraud and Waste Hotline. A number of investigations have been delayed, primarily due to resource constraints and COVID-19 considerations.

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## Priority Actions

1. Confirm **organizational restructure** – securing staff resources to support expanded mandate. Through this budget, the Auditor General is seeking to confirm her organizational restructure by converting five temporary contract staff positions to permanent positions. The restructuring of five positions will have a net zero impact – where reorganization costs will be absorbed in the base budget.
  2. **Agility** in delivering a range of projects – pivoting when needed to respond to emerging issues. Flexibility within the Auditor General's approved budget and staffing is needed to be able to leverage the use of experts and specialized tools to address emerging risk areas. Broadening the areas the Office examines, to include audits at the Toronto Police Service and Toronto Public Library, opens up opportunities to identify additional cost savings and efficiencies to help the City address its financial pressures.
  3. **Cross-training** to build capacity – multi-disciplinary audit and investigations teams, leveraging technical resources when needed. With 2021 being the last year of the current Auditor General's term, solidifying a strong, stable, highly trained workforce at the right approved staff complement levels to continue with project delivery is critical.
-

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Auditor General's Office								
<b>Total Revenues</b>								
<b>Expenditures</b>								
Auditor General's Office	6,282.3	7,375.8	7,375.8	6,651.6		6,651.6	(724.2)	(9.8%)
<b>Total Gross Expenditures</b>	<b>6,282.3</b>	<b>7,375.8</b>	<b>7,375.8</b>	<b>6,651.6</b>		<b>6,651.6</b>	<b>(724.2)</b>	<b>(9.8%)</b>
<b>Net Expenditures</b>	<b>6,282.3</b>	<b>7,375.8</b>	<b>7,375.8</b>	<b>6,651.6</b>		<b>6,651.6</b>	<b>(724.2)</b>	<b>(9.8%)</b>
<b>Approved Positions</b>	<b>36.0</b>	<b>36.0</b>	<b>36.0</b>	<b>41.0</b>		<b>41.0</b>	<b>5.0</b>	<b>13.9%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** of \$6.652 million gross and net reflecting a decrease of \$0.724 million in spending from 2020 projected year-end actuals, predominantly arising from:

- Reversal of temporary funding of \$0.675 million approved in 2020.
- Salary & benefit adjustments related to realignment of budget to actual.
- Conversion of five temporary contract staff positions to permanent audit and forensic unit positions as part of an organizational restructure to align resources with mandate. This will result in a net zero budget impact; conversion costs will be absorbed within the base budget.

### EQUITY IMPACTS OF BUDGET CHANGES

**Equity impacts are not determinable at this time:** The Auditor General's 2021 Annual Work Plan was considered by City Council on December 16, 2020 includes audits where there may be equity impacts resulting from findings and recommendations (e.g. Audits of Toronto Police Service, Toronto Public Library, Toronto Community Housing Corporation, Shelter, Support and Housing Administration - Emergency Shelter Operations). Any changes to the Auditor General's Budget may impact the 2021 Work Plan that was considered by City Council on December 16, 2020.

The Auditor General's Office 2021 Work Plan can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.AU7.5>

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Auditor General's Office is \$6.652 million gross or 9.8% lower than the 2020 Projected Actuals. Table 2 below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers		2019 Actuals**	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	5,537.2	6,184.3	5,916.1	6,115.2	199.1	3.4%
2	Materials and Supplies	7.5	7.7	8.3	7.8	(0.5)	-6.2%
3	Equipment	46.0	65.9	75.4	67.3	(8.2)	-10.8%
4	Service and Rent	681.1	1,107.2	1,365.3	450.3	(915.0)	-67.0%
5	Contribution To Capital						
6	Contribution To Reserves	10.6	10.6	10.6	11.1	0.4	4.2%
Total Expenditures		6,282.3	7,375.8	7,375.8	6,651.6	(724.2)	-9.8%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations						
3	Draw from Reserve Funds						
4	Other Revenues (Inc. IDR's)						
Total Revenues							
Net Expenditures		6,282.3	7,375.8	7,375.8	6,651.6	(724.2)	-9.8%
Approved Positions		36.0	36.0	36.0	41.0	5.0	13.9%

\*2020 Projection based on Q3 Variance Report

\*\* 2019 Actuals adjusted retroactively to remove interdepartmental charges and recoveries

**Salaries & Benefits:**

- Salary & benefit adjustments related to realignment of budget to actual.
- Conversion of five temporary contract staff positions to permanent audit and forensic unit positions as part of an organizational restructure to align resources with mandate. This will result in a net zero budget impact; conversion costs will be absorbed within the base budget.
- In accordance with auditing standards, the Auditor General must determine the appropriate staffing for audit and investigations. This requires the Auditor General to have some flexibility within the Office's approved budget to choose between hiring staff (which are considered "salaries and benefits" expenditures) and contracting external specialists (which are considered "services and rents" expenditures). For example, information technology specialists are used to help assess cyber-security risks and forensic experts are used to support some investigations. For the purposes of the budget, the funds needed to carry out the 2021 Work Plan are allocated to salaries and benefits for permanent and temporary staff. However, on a project-by-project basis (as was the case in 2020), the Auditor General may need to re-allocate funding within the Office's approved budget to "Services and Rent" to instead leverage contracted specialists.

**Equipment:**

- Decrease due to one-time spending related to workplace reconfiguration in 2020.

**Services and Rents:**

- Reversal of one-time temporary funding of \$0.675 million gross approved in 2020 towards contracted specialists needed to support cyber security audits and forensic investigations.
- For the purposes of the budget, the funds needed to carry out the 2021 Work Plan are allocated to salaries and benefits for permanent and temporary staff. However, on a project-by-project basis (as was the case in 2020), the Auditor General may need to re-allocate funding within the Office's approved budget to "Services and Rent" to instead leverage contracted specialists.

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues				
Gross Expenditures	7,375.8	6,651.6	6,668.7	6,689.0
<b>Net Expenditures</b>	<b>7,375.8</b>	<b>6,651.6</b>	<b>6,668.7</b>	<b>6,689.0</b>
<b>Approved Positions</b>	<b>36.0</b>	<b>41.0</b>	<b>41.0</b>	<b>41.0</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$6.669 million reflects an anticipated \$0.017 million or 0.26% increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.020 million or 0.3% above 2022 gross expenditures.

These changes arise from the following:

- Benefit rate adjustments
- Economic factor adjustments for non-payroll items

# 2021 Budget Summary

## Office of the Integrity Commissioner

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-3826 or [integrity@toronto.ca](mailto:integrity@toronto.ca).

### Description

The Office of the Integrity Commissioner is responsible for providing advice, education, policy recommendations and complaint resolution to City Council, local boards, their members and the public on the application of the City's Codes of Conduct, *Municipal Conflict of Interest Act* (MCIA), bylaws, policies and legislation governing ethical behaviour.

### Why We Do It

The *City of Toronto Act, 2006* and Chapter 3 of the Toronto Municipal Code require that City Council appoint an Integrity Commissioner. The Commissioner, as one of the City's four Accountability Officers, helps foster public confidence in the City's government and serves the public, City Council, local boards and their members by:

- **Increasing stakeholder awareness** about the rules in the elected and appointed members' Codes of Conduct and the *Municipal Conflict of Interest Act* (MCIA) so they understand the high standards of conduct members are required to meet.
- **Giving proactive advice to elected and appointed members** to help them perform their duties in a way that best serves the public and protects and maintains the City of Toronto's reputation and integrity.
- **Resolving complaints fairly and impartially** to ensure that allegations of member misconduct are evaluated, investigated, and concluded in a timely manner so that, if there is found to be misconduct, it can be reported to the court, City Council, or local board to impose a penalty or order remedial action.
- **Providing Council and City Staff with expert policy advice** about matters dealing with ethics and integrity to improve the City of Toronto's public administration and governance.

The Integrity Commissioner may also be assigned additional duties respecting ethical matters by City Council to promote public trust, good governance, and to protect and maintain the City of Toronto's reputation and integrity.

*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 Services We Provide

### **Increasing Stakeholder Awareness**

**Who We Serve:** The public, members of Council, members of local boards (restricted definition), staff in elected members' offices, staff of boards, and City staff who want to understand the standards of conduct and the obligations of members.

**What We Deliver:** The Office maintains a webpage with the Commissioner's reports, public statements, interpretation bulletins, as well as legislative updates, information about best practices, and a searchable database of advice. The Office regularly responds to inquiries from the public and the media. Additionally, the Commissioner makes reports and presentations to City Council, local boards, City staff and external organizations about integrity and accountability at the City of Toronto and in government.

### **Giving Proactive Advice to Appointed and Elected Members**

**Who We Serve:** Members of Council and members of local boards (restricted definition) who request confidential advice about how to comply with the standards of conduct they are expected to meet.

**What We Deliver:** The Commissioner gives expert and timely advice about the interpretation and application of the applicable Code of Conduct, the MCIA, and any other relevant legislation and policies to ensure members are given the guidance they need to perform their duties in a way that protects and maintains the City of Toronto's reputation and integrity.

### **Resolving Complaints Fairly and Impartially**

**Who We Serve:** The public, members of Council, members of local boards (restricted definition), City Council, City staff, staff in elected member's offices, and staff of boards who believe that a member of Council or local board (restricted definition) has contravened the Code of Conduct and/or MCIA.

**What We Deliver:** The Office receives complaints about alleged violations of the Code of Conduct and/or the MCIA by elected and appointed members. The Office has adopted comprehensive Complaint and Application Procedures to ensure complaints are assessed, investigated and reported fairly and impartially. The procedures protect both the public interest and the rights and interests of complainants and respondents. The Commissioner's findings are of public significance as the issues concern whether the City of Toronto's elected and appointed officials have met the high standards of conduct required of them in performing their duties. In order to uphold the principles of transparency and accountability, the Commissioner's findings of misconduct are made public report through reports to Council; MCIA proceedings are governed by the open courts principle. Far beyond the penalties and remedial action that Council, a local board, or a judge may order, the outcomes are crucial for upholding the principle of democratic accountability.

### **Providing Council and City Staff with Expert Policy Advice**

**Who We Serve:** City Council and City staff seeking expert guidance to ensure policies are relevant and reflective of the highest standards of integrity.

**What We Deliver:** The Commissioner gives advice and makes recommendations to senior leaders in the City administration. The Commissioner also makes reports to Council, to ensure that the City of Toronto is a national leader in promoting high standards of conduct for government officials.



## Budget at a Glance

2021 OPERATING BUDGET			
\$Million	2021	2022	2023
Revenues	\$0.1	\$0.1	\$0.1
Gross Expenditures	\$0.7	\$0.7	\$0.7
Net Expenditures	\$0.6	\$0.6	\$0.6
Approved Positions	3.0	3.0	3.0

## How Well We Are Doing – Behind the Numbers (As of November 30, 2020)

### Increasing Stakeholder Awareness

- The Commissioner requested to meet members of Council to review the purpose and objectives of his Office and the services it provides to them; 23 of 26 members invited the Commissioner to meet.
- The Commissioner presented to the Toronto Atmospheric Fund Board and two BIA boards in 2020, which is fewer presentations than the previous year and can be directly attributed to the public health emergency declared in the spring.
- The Office responded to 162 inquiries from the public, City staff, the media and Ombudsman Ontario, which is fewer inquiries than the previous year and can be directly attributed to the public health emergency declared in the spring.
- The Office reviewed an additional 407 inquiries that did not warrant a response.
- The Commissioner sent two open letters to members of Council providing advice under the Code of Conduct
  - February 2020: Guidance for Environment Days 2020 and Dealing with Unsolicited Requests and Donations
  - April 2020: Guidance Surrounding the Declaration of an Emergency and How to Address Common Questions that Involve Obligations Under the Code of Conduct
- The Commissioner sent an open letter to the board of CreateTO explaining his jurisdiction and complaint procedures after those question arose at one of its meetings.
- The Commissioner gave a presentation about Code of Conduct/MCIA obligations for a leadership training session for the Toronto Fire Service.
- The Office responded to a survey about Best Practices in Values and Ethics Delivery for Employment and Social Development Canada.
- The Commissioner hosted two virtual meetings of the Municipal Integrity Commissioners of Ontario (MICO). Twenty-two reports from MICO were added to the CanLII database.
- The Office continues to partner with the Community Research Partnerships in Ethics (CRPE) program at the University of Toronto. The Office is working with two students for the 2020/21 academic year.
- The Commissioner met with provincial and federal accountability officers to plan the upcoming Public Sector Ethics Conference, which had to be postponed this spring.
- The Commissioner responded to 12 media inquiries.

### Giving Proactive Advice to Appointed and Elected Members

- The Commissioner gave advice on 65 questions from members of Council and 27 questions from members of local boards. The advice provided involved both complex and straightforward issues. By year end, while the number of inquiries may be fewer than the previous year, the Commissioner's April 2020 open letter to members of Council proactively answered many of the questions for which advice was initially sought at the beginning of the public health emergency. Response times were longer, especially at the beginning of the public health emergency, as the Office adapted to working remotely.
- The Office processed nine gift declaration forms. This was fewer than prior years due to community events and non-essential travel being prohibited in response to COVID-19.

**Resolving Complaints Fairly and Impartially**

- The Office concluded 58% of the complaints received in 2020.
- The average and median number of days to complete an investigation are 279 and 248.5, respectively. This is comparable with 2019.
- The average and median number of days to close a complaint at the intake stage are 52 and 31 respectively. This is improved from previous years.

**Providing Council and City Staff with Expert Policy Advice**

- The Commissioner issued a public statement following the release of the Report of the Collingwood Judicial Inquiry and is considering its recommendations and how they relate to a review of the *Code of Conduct for Members of Council*.
- The Office participated in a review and update of the Human Rights and Anti-Harassment/Discrimination (HRAP) procedures for complaints against senior City officials.

**How Well We Are Doing (As of November 30, 2020)**

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Increasing Stakeholder Awareness	Twenty presentations to local boards	6	21	15	2	TBC	TBC	●
Increasing Stakeholder Awareness	Yearly meetings/presentations to members of Council and their staff	Not available	22 (85%)	26 (100%)	23 (88%)	26 (100%)	26 (100%)	●
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of Council within two business days	87%	79%	70%	77%	75%	75%	●
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of local boards within two business days	78%	73%	70%	52%	75%	75%	●
Resolving Complaints Fairly and Impartially	Complaints closed in same year received	80%	88%	80%	75%	75%	80%	●
Providing Council and City Staff with Expert Policy Advice	Provide relevant and timely policy recommendations	3	3	TBC	2	TBC	TBC	●
Service Level Measures								
Increasing Stakeholder Awareness	Number of inquiries responded to	427	236	200	175	180	225	●
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of Council	155	118	115	70	100	115	●
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of local boards	41	45	45	30	35	40	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Resolving Complaints Fairly and Impartially	Average number of days to complete an investigation	277	279	275	275	270	265	●
Resolving Complaints Fairly and Impartially	Median number of days to complete an investigation	258	248.5	245	246	240	235	●
Resolving Complaints Fairly and Impartially	Average number of days to close a dismissal case	50	59	50	52	50	45	●
Resolving Complaints Fairly and Impartially	Median number of days to close a dismissal case	37	34	31	32	30	25	●
Providing Council and City Staff with Expert Policy Advice	N/A							

**COVID-19 IMPACT AND RECOVERY**

<b>2020 Impact</b>	<b>2021 Impact and Recovery</b>
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Savings of \$0.067 million in legal service and investigative expenses due to COVID-19 emergency situations.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>There are no significant budget impacts expected in 2021 related to COVID-19.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li></li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li></li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success (As of November 30, 2020)

- Provided 92 pieces of advice for 65 questions from members of Council and 27 questions from members of local boards.
- Provided advice to members of Council within two days or less 77% of the time.
- Provided advice to members of local boards within two days or less 52% of the time.
- Processed nine donor declaration forms for community events and sponsored travel.
- Concluded 58% of complaints received in 2020.

### Key Challenges and Risks

- Concurrent and/or complex requests for advice result in delay.
- Concurrent and/or complex investigations impact conclusion of other investigations.
- MCIA investigations must be completed within tight/mandatory timelines.
- The MCIA requires the Commissioner to begin legal proceedings if misconduct is found.
- Witnesses who refuse to comply with summonses cause delay and hamper investigations; enforcing summonses requires external legal resources.
- Complex and/or large investigations may require external legal/forensic resources for completion.
- Investigations and reports may be subject to legal challenge.
- Without the flexibility to retain specialized external legal/forensic resources on a temporary basis, the capacity of the Office to provide advice and complete investigations on complex/numerous matters is compromised.
- Codes and policies need to be reviewed and updated.
- Training and outreach for members and staff needs to be continually updated and provided.

### Priority Actions

- Provide timely advice and updated training to members and staff.
- Develop virtual training opportunities for board members and staff.
- Create accessible and practical educational materials for the public.
- Review Codes and policies.
- Improve capacity of the Office to deal with concurrent or complex investigations and matters under the Code of Conduct and MCIA.

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Office of the Integrity Commissioner				100.0		100.0	100.0	
<b>Total Revenues</b>				<b>100.0</b>		<b>100.0</b>	<b>100.0</b>	
<b>Expenditures</b>								
Office of the Integrity Commissioner	425.2	762.4	672.4	741.3		741.3	68.9	10.2%
<b>Total Gross Expenditures</b>	<b>425.2</b>	<b>762.4</b>	<b>672.4</b>	<b>741.3</b>		<b>741.3</b>	<b>68.9</b>	<b>10.2%</b>
<b>Net Expenditures</b>	<b>425.2</b>	<b>762.4</b>	<b>672.4</b>	<b>641.3</b>		<b>641.3</b>	<b>(31.1)</b>	<b>(4.6%)</b>
<b>Approved Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>		<b>3.0</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

At its meeting of February 19, 2020, City Council adopted the 2020 Capital and Operating Budgets and requested the City Manager and the Chief Financial Officer and Treasurer to report back in 2020 on the feasibility of establishing a reserve fund to fund investigations or external legal services required by the Office of the Integrity Commissioner.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX13.2>

In response to this Council direction, the Chief Financial Officer through a report to the Executive Committee sought City Council approval to establish a new discretionary reserve fund to hold funds that will be required by the Office of the Integrity Commissioner to fund future investigations and/or the hiring of external legal services. The initial contribution of \$0.100 million is to be drawn from the 2020 Approved Operating Budget of the Office in an adjustment that reallocates Legal and Investigative expense to Contribution to the Reserve. Future year contributions will be from the Operating Budget of the Office to maintain the fund at a level not to exceed its maximum level of \$0.400 million. Draws from this reserve will be up to, and not exceed, the limit of the Reserve. In its meeting of December 16-18, 2020, City Council adopted the report recommendations. The 2020 and 2021 budget reflect this Council decision.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX19.7>

**Total 2021 Base Budget** of \$0.741 million gross and \$0.641 million net reflects a decrease of \$0.031 million net in spending from 2020 projected year-end actuals, predominantly arising from the net impact of:

- Contribution of \$0.090 million to the OIC External Legal and Investigative Expense Reserve Fund (XR1415).
- Decrease in the overall services and rents budget but maintains a contingency budget for legal and investigative expenses for the Office to have the capacity to meet appropriate service levels, deal with concurrent and/or complex matters, and meet statutory time limits.
- Draw of \$0.100 million from the OIC External Legal and Investigative Expense Reserve Fund (XR1415).

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Office of the Integrity Commissioner'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 the Integrity Commissioner is \$0.741 million gross and \$0.641 million net or 4.6% lower than the 2020 Projected Actuals. Table 2 below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers		2019 Actuals**	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	382.3	549.5	525.4	524.0	(1.4)	-0.3%
2	Materials and Supplies	0.7	0.7	0.9	0.7	(0.2)	-23.6%
3	Equipment	3.4	0.3	0.7	0.3	(0.4)	-58.1%
4	Service and Rent	37.5	110.6	144.0	124.8	(19.3)	-13.4%
5	Contribution To Capital						
6	Contribution To Reserves	1.4	101.4	1.4	91.6	90.2	6421.8%
Total Expenditures		425.2	762.4	672.4	741.3	68.9	10.2%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations						
3	Draw from Reserve Funds				100.0	100.0	
4	Other Revenues (Inc. IDR's)						
Total Revenues					100.0	100.0	
Net Expenditures		425.2	762.4	672.4	641.3	(31.1)	-4.6%
Approved Positions		3.0	3.0	3.0	3.0		

\*2020 Projection based on Q3 Variance Report

\*\* 2019 Actuals adjusted retroactively to remove interdepartmental charges and recoveries

**Service and Rent:**

- Decrease in overall services and rents budget but maintains a contingency budget for legal and investigative expenses for the Office to have the capacity to meet appropriate service levels, deal with concurrent and/or complex matters, and meet statutory time limits.
- Economic factor adjustments.

**Contribution to Reserves:**

- Contribution of \$0.090 million to the OIC External Legal and Investigative Expense Reserve Fund (XR1415).

**Revenue:**

- Draw of \$0.100 million from the OIC External Legal and Investigative Expense Reserve Fund (XR1415) to cover the contingency budget for legal and investigative expenses.



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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues		100.0	100.0	100.0
Gross Expenditures	672.4	741.3	744.2	747.5
<b>Net Expenditures</b>	<b>672.4</b>	<b>641.3</b>	<b>644.2</b>	<b>647.5</b>
<b>Approved Positions</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$0.744 million reflects an anticipated \$0.003 million or 0.39% increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.003 million or 0.45% above 2022 gross expenditures.

These changes arise from the following:

- Economic factor adjustments for non-payroll items
- Benefit rate adjustments

# 2021 Program Summary

## Office of the Mayor

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### What we do

The Office of the Mayor provides support to the Mayor as the Head of Council and the Chief Executive Officer of the City, as prescribed in the City of Toronto Act, 2006, s. 133 and s. 134.

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### Why we do it

In accordance with the City of Toronto Act, 2006 (s. 133), it is the role of the Mayor, as Head of City Council,

- To act as the Chief Executive Officer of the City;
- To preside over Council meetings so that City business can be carried out efficiently and effectively;
- To provide leadership to Council;
- To represent the City and Council at official functions; and
- To carry out duties as Head of Council under the Act and under any other legislation.

The Mayor's role also includes providing information and making recommendations to Council with respect to Council's role in sections 131(d) and (e) on the City of Toronto Act. These include:

- (d) to ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decision of Council;
- (e) to ensure the accountability and transparency of the operations of the City, including the activities of the senior management of the City.

In addition, as Chief Executive Officer of the City (s. 134), the Mayor shall:

- (a) uphold and promote the purposes of the City;
  - (b) promote public involvement in the City's activities;
  - (c) act as the representative of the City both within and outside the City, and promote the City locally, nationally and internationally; and
  - (d) participate in and foster activities that enhance the economic, social and environmental well-being of the City and its residents.
-

Budget at a Glance

2021 OPERATING BUDGET				2021 - 2030 10-YEAR CAPITAL PLAN			
\$Million	2021	2022	2023	\$Million	2021	2022-2030	Total
Revenues	\$0.0	\$0.0	\$0.0	Office of the Mayor has no capital budget.			
Gross Expenditures	\$2.6	\$2.6	\$2.6				
Net Expenditures	\$2.6	\$2.6	\$2.6				
Approved Positions	1.0	1.0	1.0				

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced Requests	2021 Budget	Change vs. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Office of the Mayor								
<b>Total Revenues</b>								
<b>Expenditures</b>								
Office of the Mayor	2,525.5	2,567.0	2,567.0	2,567.0		2,567.0	0.0	0.0%
<b>Total Gross Expenditures</b>	<b>2,525.5</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,567.0</b>		<b>2,567.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Net Expenditures</b>	<b>2,525.5</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,567.0</b>		<b>2,567.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Approved Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>		<b>1.0</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$2.567 million gross and net reflecting a zero increase in spending above 2020 projected year-end actuals.

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

- **2021 Base Budget totalling \$2.567 million in net expenditures reflects a \$0 net increase above the 2020 Council approved Budget.**

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Budget for the Office of the Mayor is \$2.567 million gross and net or 0.0% increase above the 2020 Projected Actuals. Table 2 below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers		2019 Actuals	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	2,481.0	2,527.0	2,527.0	2,527.0	0.0	0.0%
2	Materials and Supplies	2.6	4.0	3.7	4.0	0.3	8.5%
3	Equipment	2.1		0.1		(0.1)	-100.0%
4	Service and Rent	36.3	32.0	32.6	31.8	(0.8)	-2.4%
5	Contribution To Capital						
6	Contribution To Reserves						
7	Other expenses	3.4	4.1	3.7	4.2	0.6	15.4%
Total Expenditures		2,525.5	2,567.0	2,567.0	2,567.0	0.0	0.0%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations						
3	Draw from Reserve Funds						
4	Other Revenues (Inc. IDR's)						
Total Revenues							
Net Expenditures		2,525.5	2,567.0	2,567.0	2,567.0	0.0	0.0%
Approved Positions		1.0	1.0	1.0	1.0		

\*2020 Projection based on Q3 Variance Report

There are no significant cost drivers.

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues				
Gross Expenditures	2,567.0	2,567.0	2,603.7	2,608.8
<b>Net Expenditures</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,603.7</b>	<b>2,608.8</b>
<b>Approved Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

\*2020 Projection based on Q3 Variance Report

## Key 2022 drivers

### Salaries and Benefits

- Estimated CPI adjustment for the Mayor's salary, and benefit adjustments.

### Inflationary Impact

- Inflationary increases for non-payroll items.

## Key 2023 drivers

### Salaries and Benefits

- Estimated CPI adjustment for the Mayor's salary, and benefit adjustments.

### Inflationary Impact

- Inflationary increases for non-payroll items.

# 2021 Budget Summary



While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-7062 or [ombudsman@toronto.ca](mailto:ombudsman@toronto.ca).

## Description

Mandated by provincial legislation (the *City of Toronto Act, 2006*), Ombudsman Toronto is an independent and effective voice for fairness, accountability and transparency at the City of Toronto. We hold the City government accountable to the people it serves. We identify problems, find practical solutions and make recommendations for how the City can improve.

We:

- listen to the public's complaints about City services and administration and identify areas of concern
- investigate by asking questions, gathering information and analyzing evidence
- explore ways to resolve individual cases without taking sides, while also considering broad systemic issues
- shine a light on problems, recommend system improvements, and show staff and the public what fair service requires

## Why We Do It

Part of the City's mandatory accountability framework, Ombudsman Toronto serves as a bridge between people and their municipal government. We work to ensure that the City (and almost all its agencies, corporations and boards) treat people fairly in how they deliver services. We also humanize the City government for people whose dealings with it have left them feeling mistreated or alienated. Our work helps to increase people's trust and confidence in their City. In short, the work we do makes Toronto better and provides an essential, legally-mandated service to ensure transparency, accountability and fairness in how the City administration operates.

## What Service We Provide

**Who We Serve:** The Public, City Staff and City Council

**What We Deliver:**

- An impartial, confidential, and accessible place for members of the public to make a complaint about unfair treatment by City of Toronto services and administration
- Expert investigative work to find fair resolutions, call out systemic unfairness, and make recommendations based on evidence
- Consultations with City staff to provide guidance and help improve service to the public
- Outreach to the public, City staff and City Council to educate on the role of Ombudsman Toronto and the importance of fairness across all City services and operations

**How Much Resources (gross operating budget for 2021):**

- \$2.271 million

## Budget at a Glance

2021 OPERATING BUDGET				2021 - 2030 10-YEAR CAPITAL PLAN			
\$Million	2021	2022	2023	\$Million	2021	2022-2030	Total
Revenues	\$0.0	\$0.0	\$0.0	Gross Expenditures	\$0.0	\$0.7	\$0.7
Gross Expenditures	\$2.3	\$2.3	\$2.3	Debt	\$0.0	\$0.7	\$0.7
Net Expenditures	\$2.3	\$2.3	\$2.3	Note: Includes 2020 carry forward funding to 2021			
Approved Positions	14.0	14.0	14.0				

## How Well We Are Doing – Behind the Numbers

Performance measures	Behind the numbers
<p>In 2020:</p> <ul style="list-style-type: none"> <li>We handled <b>2,447 cases*</b>, including <b>252 complaints directly related to COVID-19</b> and <b>10 COVID-related OT concerns</b>.</li> <li>We made <b>11 formal recommendations</b> (and countless informal ones) to improve City services.</li> <li>We conducted <b>13 Consultations</b> with City staff. These included providing guidance on how to deliver services and communicate fairly and equitably during the pandemic. We are also lending our administrative fairness expertise to the City's work on police reform.</li> <li>We held over 100 <b>Outreach sessions</b> with the public, City staff and elected officials.</li> </ul> <p>*Projected number to year end, as of November 15, 2020</p>	<ul style="list-style-type: none"> <li>The number of cases we handled in 2020 is <b>up 5.5% from 2019</b>.</li> <li>Our recommendations <b>make the City work more fairly for everyone</b>.</li> <li>We <b>help City staff</b> design better systems and processes and <b>teach them and the public what fair service requires</b>.</li> <li>Our outreach helps ensure that <b>members of the public know about us</b> when they need us, and that <b>City staff and elected officials know what we do and how we work</b>.</li> </ul>



## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Handling more and more complaints	We will continue to work to handle an ever-increasing number of complaints from the public effectively and quickly	2,125 cases	2,358 cases	N/A	2,447 cases	Continued increase expected	Continued increase expected	●
Responding to increasing case complexity	Despite complaints becoming increasingly complex, we are closing cases more quickly thanks to more staff and better processes. However, if case complexity continues to rise, we may see another increase in case duration.	59% closed within 7 days; 87% within 30 days	31.5% closed within 7 days; 75% within 30 days	Expected reduction in case duration	52% closed within 7 days; 85% closed within 30 days	Cases continue to be more complex and may take longer	Cases continue to be more complex and may take longer	●
Providing more consultations to City staff	Consultations with City staff to ensure new policies, processes and services consider administrative fairness	10	15	N/A	13	N/A	N/A	●
Providing more education to the public, City staff and City Council	Educational presentations to ensure stakeholders know about our services and understand our role	23	36	45	45	50	50	●
Service Level Measures								
Addressing complaints and concerns as quickly as possible; working to return to previous service standards	In 2019, we had to reduce our service standards (how quickly we get back to people). We are working to be able to revert to the previous ones as soon as possible (the pandemic has made this more difficult).	1 business day for calls; 2 for emails and letters	2 business days for calls; 5 for emails and letters	1 business day for calls; 2 for emails and letters	2 business days for calls; 5 business days for emails	1 business day for calls; 2 for emails and letters	1 business day for calls; 2 for emails and letters	●

## COVID-19 IMPACT AND RECOVERY

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Lower spending in investigative expenses. Savings were used to hire temporary staff as the most cost-effective way to undertake necessary casework.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>There are no incremental costs expected in 2021 related to COVID-19. Ombudsman Toronto will continue to use existing resources and reallocate them to address emerging priorities during the pandemic.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Staff transitioned seamlessly to working remotely as soon as the pandemic began, and continue to do so without any reduction in service to the public.</li> <li>Staff are remaining connected and informed through weekly team-wide analysis of complaints.</li> <li>We are constantly adopting new ways to be nimble and efficient, including by delivering outreach presentations virtually.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Staff are well-positioned to continue delivering effective and timely service whether working from home or in the office.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

#### Our Numbers

In 2020:

- We handled **2,447 cases** in 2020 (compared to 2,358 in 2019 and 2,125 in 2018)
- We handled **252 complaints directly related to COVID-19** and **10 COVID-related OT concerns**
- We made **11 formal recommendations** (and countless informal ones) to improve City services
- We conducted **13 Consultations** with City staff
- We held **over 100 outreach sessions** with the public, City staff and elected officials

#### Our Actions

- The challenges the people of Toronto face are becoming increasingly more complex. COVID-19 has highlighted, magnified and increased them. By quickly adapting to the changing realities of the pandemic without any reduction in service to the public, we were able to respond quickly and effectively to COVID-19-related and other complaints, which **helped the public weather the impacts of the pandemic**.
- Through Consultations with City staff, we **provided guidance on how the City could adapt in order to continue delivering services fairly and equitably during the pandemic**.
- We **continued to modernize and refine our operations to improve service effectiveness and efficiency**, including:
  - An organizational restructuring, including the creation of a Deputy Ombudsman role (within the existing budget), to ensure office stability and professional and operational continuity
  - Cross-training staff to build operational capacity
  - Reviewing and refining our case management system and business processes.

## Because of Ombudsman Toronto

In 2020:

- Shelter Support and Housing Administration improved its reporting and analysis of data related to services for those experiencing homelessness.
- Revenue Services clarified its public messaging for people with questions about their property tax account during the pandemic and moved up resuming services at the Revenue Services Call Centre for people wishing to escalate their questions and concerns.
- Toronto Public Health improved its communication by directing the public through its webpage to the most current available provincial information about COVID-19 outbreaks in Toronto's long-term care homes.
- Court Services improved its public messaging about how people could challenge tickets they got during the COVID-19 State of Emergency.
- The City is working to improve fairness and transparency of their third-party liability claims process for basement floods and sewer backups.
- The TTC took steps to improve training for staff when interacting with customers experiencing mental health challenges.
- TCHC improved its processes to ensure fair workplace investigations and apologized to employees they had treated unfairly, committing to a new and improved workplace culture.
- The City implemented an ongoing review of its pandemic-related communications to the public, to ensure clarity and effectiveness of message.

## Key Challenges and Risks

- The **volume of complaints we receive continues to rise** (5.5% increase in 2020; 9.1% increase in 2019; 29.1% increase in 2018).
- **The complexity of cases also continues to increase**, which the pandemic has further contributed to.
- The pandemic has created and highlighted **challenges which are most acute for the most vulnerable people** in Toronto. Our services are especially vital for these communities.
- Despite being thoughtful about how to use our limited resources, we often find ourselves **without the necessary resources to do the important work of identifying issues without a complaint and proactive consultation with City staff**.
- While we have been closing cases more quickly thanks to more staff and new processes, **case duration may increase again if the complexity of cases continues to rise**.

## Priority Actions

- **Listen to and resolve the public's complaints** as effectively and as quickly as possible
- **Identify and address systemic issues** in how the City serves people
- **Consult with City staff** to help build fair systems and service and to show them what equitable service requires
- **Continue expanding our outreach** to the public and City staff to inform them of our role and services

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Ombudsman Toronto								
<b>Total Revenues</b>								
<b>Expenditures</b>								
Ombudsman Toronto	1,953.0	2,195.7	2,195.7	2,271.3		2,271.3	75.6	3.4%
<b>Total Gross Expenditures</b>	<b>1,953.0</b>	<b>2,195.7</b>	<b>2,195.7</b>	<b>2,271.3</b>		<b>2,271.3</b>	<b>75.6</b>	<b>3.4%</b>
<b>Net Expenditures</b>	<b>1,953.0</b>	<b>2,195.7</b>	<b>2,195.7</b>	<b>2,271.3</b>		<b>2,271.3</b>	<b>75.6</b>	<b>3.4%</b>
<b>Approved Positions</b>	<b>12.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>		<b>14.0</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** of \$2.271 million gross and net reflecting an increase of \$0.076 million in spending above 2020 projected year-end actuals (prior to enhancements or efficiencies), predominantly arising from:

- Salary & benefit adjustments related to benefit adjustment and realignment of budget to actual.
- Increase in computer software maintenance budget to reflect actual requirements in 2021.
- Increase in contribution to Insurance Reserve Fund.
- Economic factor adjustment for non-payroll items.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Ombudsman Toronto's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Ombudsman Toronto is \$2.271 million gross or 3.4% higher than the 2020 Projected Actuals. Table 2 below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers	2019 Actuals**	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
					\$	%
Expenditures						
1     Salaries and Benefits	1,827.3	1,919.2	2,041.6	1,980.3	(61.3)	-3.0%
2     Materials and Supplies	7.4	5.3	6.2	5.4	(0.9)	-14.3%
3     Equipment	23.8	4.5	7.7	4.6	(3.2)	-40.9%
4     Service and Rent	84.6	256.4	129.8	267.5	137.8	106.2%
5     Contribution To Capital						
6     Contribution To Reserves	9.9	10.4	10.4	13.5	3.2	30.6%
Total Expenditures	1,953.0	2,195.7	2,195.7	2,271.3	75.6	3.4%
Revenues						
1     Provincial Subsidies						
2     User Fees & Donations						
3     Draw from Reserve Funds						
4     Other Revenues (Inc. IDR's)						
Total Revenues						
Net Expenditures	1,953.0	2,195.7	2,195.7	2,271.3	75.6	3.4%
Approved Positions	12.0	14.0	14.0	14.0		

\*2020 Projection based on Q3 Variance Report

\*\* 2019 Actuals adjusted retroactively to remove interdepartmental charges and recoveries

**Salaries & Benefits:**

- Temporary staff were hired in 2020 as the most cost-effective way to undertake necessary casework. The cost of these temporary staff is reversed in 2021 to align with the 2020 investigative expenses budget in the Services & Rents category. This cost reversal is offset by salary & benefit budget pressures related to permanent staff's benefit adjustments and realignment of budget to actual.

**Services and Rent:**

- Increase due to lower spending in investigative expenses in 2020. The 2021 budget reflects anticipated needs of the office, which may require unknown specialized investigative skills and/or services.
- Economic factor adjustments.

**Contribution to Reserves:**

- Increase in contribution to Insurance Reserve Fund.

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues				
Gross Expenditures	2,195.7	2,271.3	2,275.7	2,284.6
<b>Net Expenditures</b>	<b>2,195.7</b>	<b>2,271.3</b>	<b>2,275.7</b>	<b>2,284.6</b>
<b>Approved Positions</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

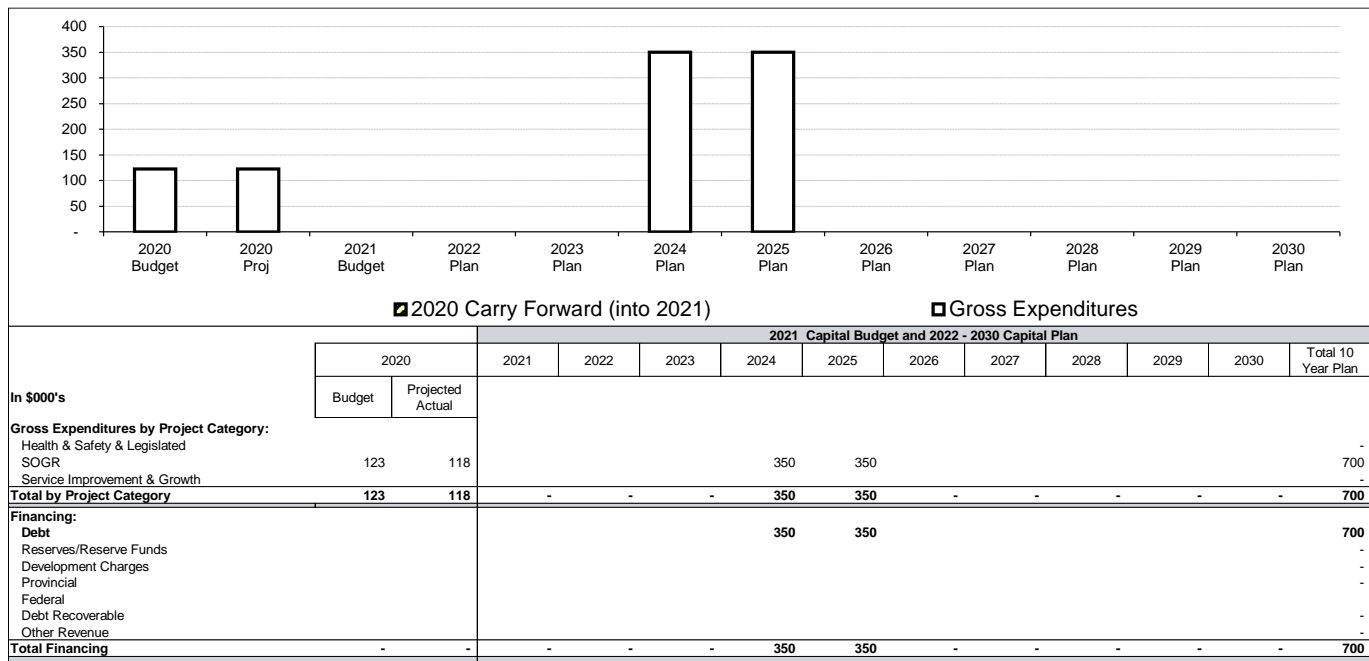
The 2022 Outlook with total gross expenditures of \$2.276 million reflects an anticipated \$0.004 million or 0.19% increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlook expects a further increase of \$0.009 million or 0.4% above 2022 gross expenditures.

These changes arise from the following:

- Benefit rate adjustments
- Economic factor adjustments for non-payroll items

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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




### Changes to Existing Projects (\$0.0 Million)

### New Projects (\$0.7 Million)

- Ombudsman Toronto Case Management System SOGR* project is an end of life replacement and upgrade of the system to meet corporate and industry standards and allow for added functionalities using new technology. The system will support the Office in fulfilling its legislative mandate.

### Capital Needs Constraints (\$0.0 Million)

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$0.7 Million 10-Year Gross Capital Program**


<b>Information Technology</b>
\$0.7 M 100%
<i>Ombudsman Toronto Case Management System SOGR</i>

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
\$0.7 M 100%		\$0.0 M 0%	\$0.0 M 0%
Debt	\$ 0.7 M		





# 2021 Budget Summary

## Toronto Lobbyist Registrar

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-338-5858 or [lobbyistregistrar@toronto.ca](mailto:lobbyistregistrar@toronto.ca).

### Description

The Toronto Lobbyist Registrar (TLR) regulates lobbying activity in the public interest. The TLR is an independent office of the City and reports directly to City Council. The TLR has a legislative mandate to ensure the public disclosure of lobbying activities and adherence to the Lobbyists' Code of Conduct. The disclosure requirement ensures that lobbying activities at the City are transparent. The Code of Conduct sets out the high ethical standards that are expected of lobbyists when they communicate with Toronto public office holders.

### Why We Do It

- The *City of Toronto Act, 2006* and the Toronto Municipal Code Chapter 140, Lobbying, i.e. the Lobbying By-law (the By-law) require the City to regulate lobbying activities. The By-law guarantees:
  - a. Open and unfettered access to City government is a vital aspect of local democracy.
  - b. Lobbying public office holders is a legitimate activity.
  - c. Public office holders and the public should be able to know who is attempting to influence City government.
  - d. Public disclosure of lobbying activity and standards of conduct for lobbyists are important to the integrity of City government decision-making.
- Ethical and transparent lobbying is a central component to a responsive City government which encourages civic engagement and open democratic processes.
- The regulation of lobbying is the cornerstone to building public trust in City government decision-making processes.

*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:** Lobbyists, public and public office holders

**What We Deliver:** Lobbyist registration, publicly searchable online lobbyist registry; outreach and education; and Inquiries, Investigations and Enforcement

**How Much Resources (gross operating budget):** \$1.236 million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$0.0	\$0.0	\$0.0
Gross Expenditures	\$1.2	\$1.2	\$1.2
Net Expenditures	\$1.2	\$1.2	\$1.2
Approved Positions	8.3	8.3	8.3

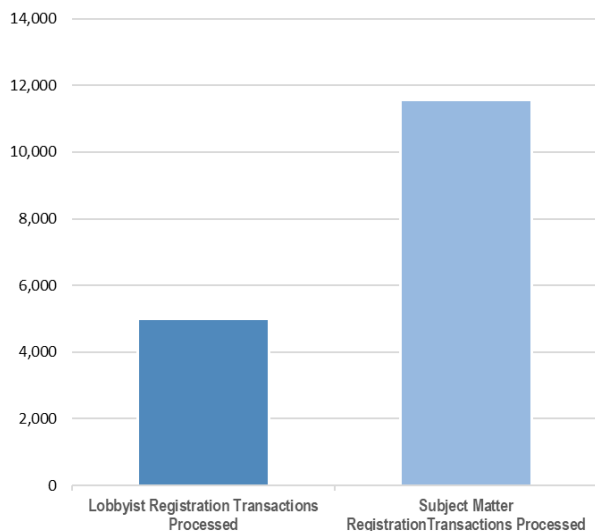
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$0.0	\$1.0	\$1.0
Debt	\$0.0	\$1.0	\$1.0

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers

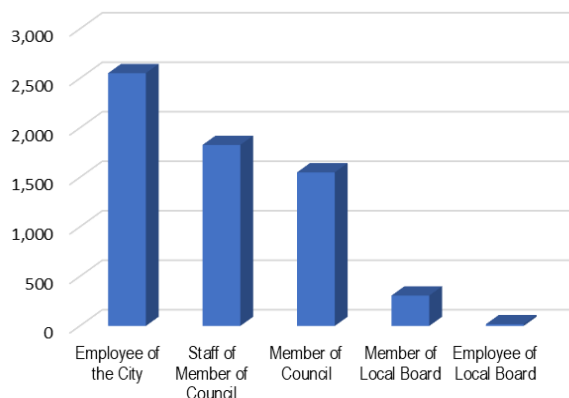
Projected No. of  
Registration Transactions Processed  
in 2020



The TLR's significant outreach and education activities and enforcement activities have contributed to the continuous increase in the Registry's registrations. By the end of 2020,

- the total number of registration transactions processed by the TLR is estimated to be 16,564;
- the number of lobbyist registration transactions processed is estimated to be 5,003; and
- the number of subject matter registration transactions processed is estimated to be 11,561.

Projected No. of Lobbying Communications Reported  
Across All Categories of Public Office Holders in 2020



The total number of lobbying communications reported with the all the City's public office holders are estimated to be 6,259 by the end of 2020.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Maintain an online Registry of lobbyists and lobbying activities that may be searched by anyone at anytime	<ul style="list-style-type: none"> <li>Provide service within 24 hours for inquiries related to registrations, clarification of the By-law and Registry searches to lobbyists and the members of the public</li> </ul>	93%	95%	97%	97%	99%	99%	●
	<ul style="list-style-type: none"> <li>Provide online publicly available Lobbyist Registry (no. of visits to TLR website)</li> </ul>	16,282	18,310	N/A	20,369	N/A	N/A	●
Continue improving audit processes of the data in the Registry to ensure the Registry contains clean and accurate data	Percentage of data reviewed	30%	75%	90%	98%	99%	99%	●
Provide investigation reports	<ul style="list-style-type: none"> <li>Bring public reports to Council to fulfill enforcement duties</li> <li>Ensure required transparency in lobbying activity</li> </ul>	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	●
Investigate complaints regarding allegations of breaches of the By-law	<ul style="list-style-type: none"> <li>Early resolution of less egregious matters</li> <li>Prevention and deterrence of breaches of the By-law</li> </ul>	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	●
Provide registration advice and support compliance	<ul style="list-style-type: none"> <li>Registered lobbying communications</li> </ul>	3,870	6,379	N/A	6,259	N/A	N/A	●

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
	• Efficacy of the By-law's lobbying transparency requirements	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	●
Service Level Measures								
Maintain an online Registry of lobbyists and lobbying activities that may be searched by anyone at anytime	Provide service within 24 hours for inquiries related to registrations, clarification of the By-law and Registry searches to lobbyists and the members of the public	93%	95%	97%	97%	99%	99%	●
Other Measures								
Provide guidance, opinions and interpretation of the By-law to anyone who needs it (Registry Unit)	Provide customer service with 24 hours	93%	95%	97%	97%	99%	99%	●
Provide advice to stakeholders on the By-law (Inquiries and Investigations Unit – “the Investigations Unit”)	Piece of advice	230	280	300	285	290	300	●
Deliver educational outreach presentations and meetings to public office holders, lobbyists and external organizations	No. of sessions	109	108	100	100	110	110	●

**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>There are no significant budget impacts due to the COVID-19 emergency situation.</li> <li>Throughout the COVID-19 emergency, the TLR engaged in the business transformation required to modernize the operations of both its Registry and Investigations Units. The Registry Unit supported the implementation of the new Lobbyist Registration System, which included improving the audit of its data to ensure clean, current and accurate Registry information, and streamlining the registration processes. The COVID-19 pandemic initially foreclosed certain conventional investigation activities, for example, in-person interviews and meetings. However, the Investigations Unit quickly adopted procedures and technology to perform remotely the tasks required to continue its work. This was in no small measure aided by the City's rapid deployment of remote access capabilities to employees and the global pivot to increased electronic communications that allows for the remote preservation, collection and review of evidence. The Investigations Unit also implemented a new case management system, and undertook the necessary operational improvements to ensure timely, effective case file advancement.</li> <li>The TLR continued the services required to fulfill its mandate.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>There are no significant budget impacts expected in 2021 related to COVID-19.</li> <li>The TLR is expected to continue with the business transformation required to modernize the operations of both its Registry and Investigations Units. The Registry Unit will continue to support the implementation of the new Lobbyist Registration System, which will include improving the audit of its data to ensure clean, current and accurate Registry information, and will continue streamlining the registration processes. Considering the lingering challenges presented by COVID-19, the Investigations Unit will continue to utilize technology, including the ongoing implementation of the new case management system, and the modification of conventional investigation procedures to ensure timely, effective case file advancement.</li> <li>The TLR is expected to continue the services required to fulfill its mandate.</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>No changes to service levels.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>No changes to service levels.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- An estimated 104,400 registration transactions have been processed by our office since 2010. An estimated 55,100 lobbying communications have been reported on the Registry since 2010.
- We provide ongoing presentations and training sessions to members of the public, lobbyists, external organizations and City public office holders. In 2020, an estimated 100 educational outreach sessions to stakeholders have been facilitated to share best practices in lobbying regulation and provide advice and interpretation about the By-law.
- In 2020, the Investigations Unit has provided:
  - 285 estimated consultation/pieces of advice to stakeholders
  - 12 full advance legal opinions
  - 6 investigations were commenced
  - 3 inquiries were closed
- A total of 26 inquiry reports were submitted to City Council since 2010.
- The By-law's requirements for public disclosure of lobbying activities on the Registry extend to indirect lobbying. Communicating with government officials by indirect lobbying is known as "grass-roots" lobbying. An estimated 515 grass-roots lobbying campaigns have been registered since 2010.

### Key Challenges and Risks

- The 2021 budget is 1.3% lower than the Council approved 2020 operating budget.
- Notwithstanding the budget reduction, in 2021, the TLR will undertake: the expansion of its mandate through the addition of administrative monetary penalties to enhance its enforcement powers; the continued oversight of an anticipated increase in lobbying registration transactions; and ongoing business transformation initiatives to support the continued modernization of the operations of its Registry and Investigations Units.
- In 2020, the TLR underwent modernization of both its Registry and Investigations Units, through the implementation of the newly upgraded Lobbyist Registration System, and the implementation of a new case management system for its Investigations Unit. The ongoing business transformation that occurred with these projects will continue into 2021, and, the TLR will be required to maximize opportunities for innovation, and for streamlining its processes, in the delivery of its mandate, as the full integration of these two new systems into the TLR's operations will continue throughout 2021.
- The total number of registration transactions processed annually by our office has increased by approximately 580% since 2010. However, the current staff complement has not changed since 2009.
- Outreach activities, the provision of advanced opinions and consultations are being performed using limited resources that would otherwise be available to complete formal investigations.
- The Investigations Unit's capacity to take on new matters is restricted which is extending the length of the investigative process.
- The increased complexity of legal issues and anticipated expansion of the TLR's enforcement powers will require adequate resources.
- Implementing and administering the expected Administrative Monetary Penalty (AMP) system will continue to divert time and resources from the work of the Investigations Unit, including the development of an AMP revenue collection process.
- Ongoing threat of judicial review of inquiries and enforcement options.

- 
- Supporting the full implementation of the newly acquired Lobbyist Registration System into 2021 and ensuring any further improvements can be facilitated will require permanent dedication of Lobbyist Registry staff resources.
  - Ongoing resources are required to ensure that the TLR can meet its mandate and maintain the public's confidence in the TLR's ability to provide oversight.
- 

### **Priority Actions**

- Implementing and administering the anticipated Administrative Monetary Penalty (AMP) system, including levying AMPs and collecting associated revenues.
  - Continuous improvement to the Lobbyist Registration System.
  - Ongoing business transformation required to modernize the operations of both its Registry and Investigations Units.
  - Providing education and outreach sessions to public office holders, including other levels of government, members of the public and lobbyists.
  - The TLR is committed to service within 24 hours for registrations inquiries and Registry searches.
-

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 New / Enhanced Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Toronto Lobbyist Registrar								
<b>Total Revenues</b>								
<b>Expenditures</b>								
Toronto Lobbyist Registrar	1,194.0	1,252.0	1,252.0	1,236.0		1,236.0	(16.0)	(1.3%)
<b>Total Gross Expenditures</b>	<b>1,194.0</b>	<b>1,252.0</b>	<b>1,252.0</b>	<b>1,236.0</b>		<b>1,236.0</b>	<b>(16.0)</b>	<b>(1.3%)</b>
<b>Net Expenditures</b>	<b>1,194.0</b>	<b>1,252.0</b>	<b>1,252.0</b>	<b>1,236.0</b>		<b>1,236.0</b>	<b>(16.0)</b>	<b>(1.3%)</b>
<b>Approved Positions</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>		<b>8.3</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** of \$1.236 million gross and net reflecting a decrease of \$0.016 million in spending compared to 2020 projected year-end actuals (prior to enhancements or efficiencies), predominantly arising from:

- Salary & benefit adjustments related to realignment of budget to actual.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Toronto Lobbyist Registrar's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Toronto of Lobbyist Registrar is \$1.236 million gross or 1.3% lower than the 2020 Projected Actuals. Table 2 below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers		2019 Actuals**	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	1,140.0	1,147.1	1,175.2	1,129.5	(45.7)	-3.9%
2	Materials and Supplies	6.8	7.0	7.2	7.1	(0.1)	-1.5%
3	Equipment	1.2		23.5		(23.5)	-100.0%
4	Service and Rent	44.2	96.1	44.3	97.6	53.3	120.4%
5	Contribution To Capital						
6	Contribution To Reserves	1.8	1.8	1.8	1.8	0.0	1.1%
Total Expenditures		1,194.0	1,252.0	1,252.0	1,236.0	(16.0)	-1.3%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations						
3	Draw from Reserve Funds						
4	Other Revenues (Inc. IDR's)						
Total Revenues							
Net Expenditures		1,194.0	1,252.0	1,252.0	1,236.0	(16.0)	-1.3%
Approved Positions		8.3	8.3	8.3	8.3		

\*2020 Projection based on Q3 Variance Report

\*\* 2019 Actuals adjusted retroactively to remove interdepartmental charges and recoveries

**Salaries & Benefits:**

- Realignment of budget to actual based on current mix of staff. This decrease is partially offset by the benefit adjustment in 2021.

**Equipment:**

- The decrease is due to one-time purchase of computer hardware and software and office equipment in 2020.

**Services and Rent:**

- The increase is to retain the professional services and investigative expense budget approved in 2020 to allow the Office the capacity to meet its statutory responsibilities including undertaking investigations and inquiries as well as render opinions.
- Economic factor adjustments.

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues				
Gross Expenditures	1,252.0	1,236.0	1,239.3	1,243.6
<b>Net Expenditures</b>	<b>1,252.0</b>	<b>1,236.0</b>	<b>1,239.3</b>	<b>1,243.6</b>
<b>Approved Positions</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$1.239 million reflects an anticipated \$0.003 million or 0.27% increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.004 million or 0.35% above 2022 gross expenditures.

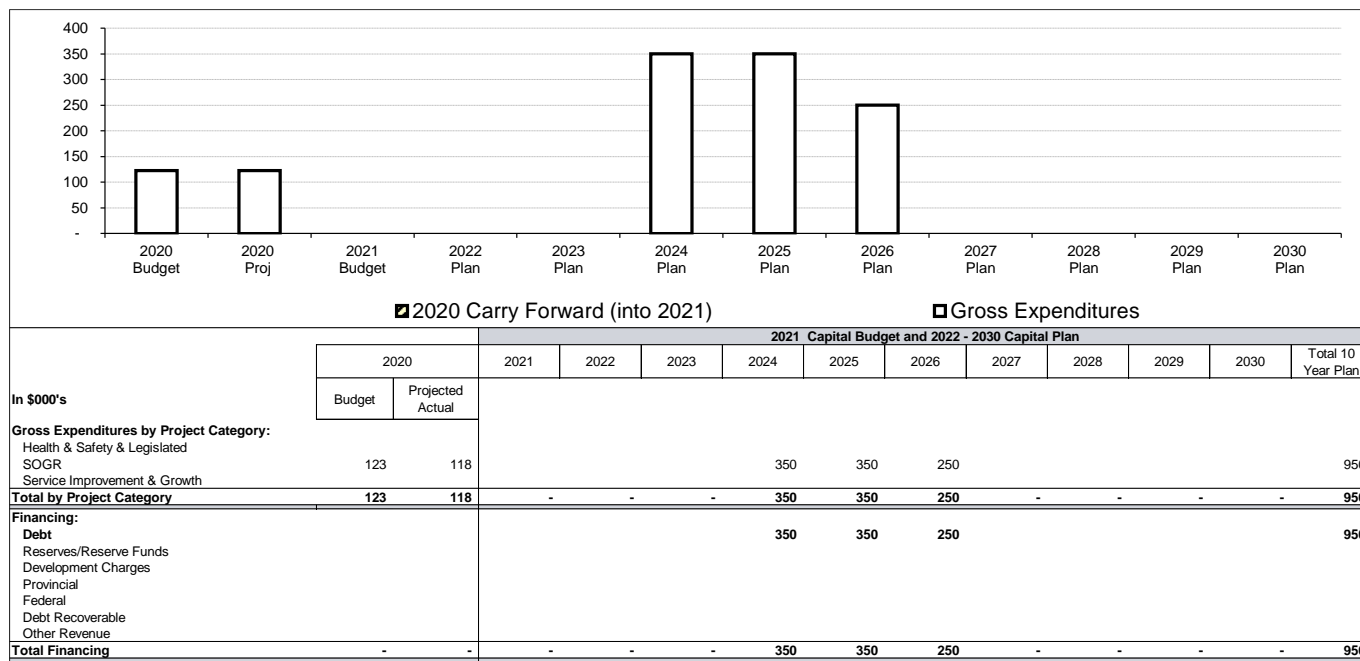
These changes arise from the following:

- Benefit rate adjustments
- Economic factor adjustments for non-payroll items

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**

(\$000)



### Changes to Existing Projects (\$0.0 Million)

### New Projects (\$1.0 Million)

- *Lobbyist Registry State of Good Repair Replacement and Upgrade* in 2024 and 2025 (\$0.7M)
- *TLR Investigation Case Management System Replacement and Upgrade* in 2026 (\$0.3M).

### Capital Needs Constraints (\$0.0 Million)

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$1.0 Million 10-Year Gross Capital Program****Information Technology**

\$1.0 M  
100%

- *TLR Investigation Case Management System*
- *Lobbyist Registry System SOGR*

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$1.0 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$ 1.0 M		

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Agencies*

# 2021 Program Summary

## Arena Boards of Management

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We are 8 Board-managed arenas that offer use of ice (i.e. Hockey, figure skating), programming, and pleasure skating to the community. Some arenas also offer dry floor rentals (i.e. floor hockey) in the summer. These services are complemented with snack bars, pro-shops, and meeting room rentals at some locations.

The Arena Boards of Management have stewardship over 11 ice rinks, including 4 that offer year-round ice rentals.

### Why We Do It

Arena Boards of Management provide safe, full and equitable access to high quality indoor ice sport recreation facilities that are managed effectively and efficiently to provide opportunities for physical fitness and sport skill development through individual and team activities in response to local community needs.

*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

#### **Community Ice & Facility Booking**

**Who We Serve:** Residents, Visitors/Tourists, Community Leagues and Associations, Public and Private School Boards

**What We Deliver:** Ice time for booking, programming, recreational skating for the communities, meeting rooms, snack bars and pro shops

**How Much Resources (gross operating budget):** \$9.909 million

## Budget at a Glance

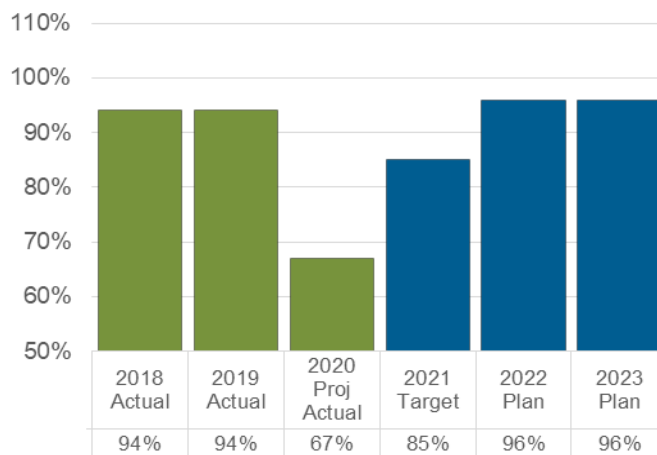
### 2021 OPERATING BUDGET

\$Billion	2021	2022	2023
Revenues	\$9.395	\$10.612	\$10.864
Gross Expenditures	\$9.909	\$10.565	\$10.812
Net Expenditures	\$0.514	(\$0.047)	(\$0.052)
Approved Positions	64.1	65.8	65.8

The capital funding requirements for the Arena Boards of Management are embedded within the 10-Year Capital Plan for Parks, Forestry, and Recreation.

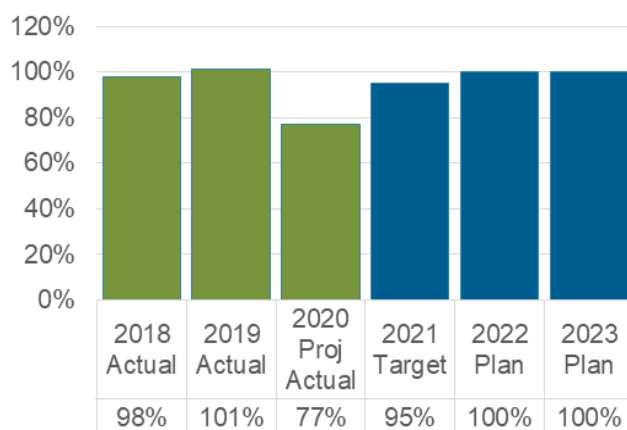
## How Well We Are Doing – Behind the Numbers

### Prime Time Ice Usage



- Prime Time Ice Utilization reflects the percentage of available prime time hours that are booked and used. The industry benchmark for prime time utilization is 96% booked for a standard ice season.
- Due to COVID-19 safety concerns and government mandated closures, prime time ice usage is heavily impacted in 2020. Collectively the Arena Boards of Management only project 67% of the prime time ice to be sold.
- Ice usage improves in 2021 as the arenas project restrictions to be lifted and demand for ice to return back to normal levels part way through the year.

### Cost Recovery (%)



- A key mandate of the Arena Boards is to manage and operate the arenas (City-owned asset) effectively and efficiently at minimal to no cost to the City.
- Fluctuations can be caused by unanticipated demand changes for ice rentals, revenues from accessory operations, advertising, one-time revenues, and unexpected repairs and maintenance costs.
- With the pandemic and its impacts on the arenas operations in 2020, all Arena Boards of Management are projecting to experience losses as revenues have decreased. Impacts of COVID-19 are expected to continue partly into 2021 and by 2022 the arenas shall be able to operate at no cost to the City.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- McCormick Playground underwent a major renovation of their lighting fixtures to retrofit the outdated system and improve its energy efficiency during the pandemic to minimize the amount of service disruptions.

### Key Challenges and Risks

- Meet rising demand for ice-time in the City of Toronto
- Stay competitive in comparison to newer arenas in neighbouring 905 communities that have modern facilities, more available ice-time, and far better customer amenities to service arena users
- Maintain and increase the state of good repair on the aging arenas to minimize the amount of service disruptions due to repairs

### Priority Actions

- Evaluate current state of Toronto arenas and develop a strategy to increase access to ice-time.
- Upgrade facilities' conditions and amenities to improve the service provided to arena users
- Continue to explore opportunities for increased revenues without impacting the needs of the local communities.
- Manage COVID-19 concerns and ensuring the safety of the users of the arenas and its staff



## 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>								
George Bell	782.6	778.8	400.8	819.4		819.4	418.6	104.4%
William H. Bolton	1,199.6	1,258.6	919.5	715.0		715.0	(204.5)	(22.2%)
Larry Grossman Forest Hill Memorial	1,310.3	1,374.8	992.0	1,322.8		1,322.8	330.8	33.4%
Leaside Memorial Community Gardens	2,265.3	2,378.7	1,400.8	2,764.8		2,764.8	1,364.0	97.4%
McCormick Playground	867.9	857.0	450.0	682.5		682.5	232.5	51.7%
Moss Park	865.2	1,009.8	652.1	982.8		982.8	330.7	50.7%
North Toronto Memorial	960.7	1,106.6	689.3	938.6		938.6	249.3	36.2%
Ted Reeve Community	1,324.6	1,342.3	1,125.0	1,169.0		1,169.0	44.0	3.9%
<b>Total Revenues</b>	<b>9,576.1</b>	<b>10,106.7</b>	<b>6,629.5</b>	<b>9,394.9</b>		<b>9,394.9</b>	<b>2,765.4</b>	<b>41.7%</b>
<b>Expenditures</b>								
George Bell	731.2	778.6	736.1	807.1		807.1	71.0	9.6%
William H. Bolton	1,207.6	1,258.4	1,141.6	1,059.1		1,059.1	(82.5)	(7.2%)
Larry Grossman Forest Hill Memorial	1,329.7	1,372.2	1,000.7	1,316.4		1,316.4	315.8	31.6%
Leaside Memorial Community Gardens	2,206.6	2,290.4	2,043.0	2,791.9		2,791.9	748.9	36.7%
McCormick Playground	854.0	856.6	675.0	835.0		835.0	160.0	23.7%
Moss Park	930.6	1,008.7	792.3	974.1		974.1	181.8	22.9%
North Toronto Memorial	960.6	1,106.5	935.4	938.2		938.2	2.9	0.3%
Ted Reeve Community	1,297.0	1,327.5	1,260.0	1,186.8		1,186.8	(73.2)	(5.8%)
<b>Total Gross Expenditures</b>	<b>9,517.2</b>	<b>9,998.8</b>	<b>8,584.0</b>	<b>9,908.7</b>		<b>9,908.7</b>	<b>1,324.7</b>	<b>15.4%</b>
<b>Net Expenditures</b>	<b>(58.9)</b>	<b>(167.9)</b>	<b>1,954.5</b>	<b>513.8</b>		<b>513.8</b>	<b>(1,440.7)</b>	<b>(73.7%)</b>
<b>Approved Positions</b>	<b>65.5</b>	<b>66.0</b>	<b>66.0</b>	<b>64.1</b>		<b>64.1</b>	<b>(1.9)</b>	<b>(2.9%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$9.909 million gross reflecting an increase of \$1.325 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Salary & benefit increases as the Arena Boards of Management project increased ice rentals from 2020 requiring additional part-time staffing.
- Utility increases as the Arenas anticipate restrictions to lift later into the year and additional usage of the ice.
- Only necessary repairs and maintenance costs corresponding with increased usage are expected to increase.
- Loss of revenue as the impacts of COVID-19 are expected to continue into 2021 and therefore, Arenas collectively will not be able to generate sufficient revenues to achieve breakeven or a net surplus for 2021.

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

- **2021 Base Budget of \$0.514 million in net expenditures reflects a \$0.004 million net decrease from the 2020 Council approved Budget, when excluding \$0.626 million in estimated COVID-19 financial impacts.**

### EQUITY IMPACTS OF BUDGET CHANGES

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

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Arena Board of Management is \$9.909 million gross or 15.4% higher than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	5,084.7	5,127.9	4,927.9	5,124.1	196.2	4.0%
2	COVID-19 Impact						
3	Materials & Supplies	2,348.8	2,581.1	1,756.8	2,519.6	762.7	43.4%
4	Equipment	49.6	54.5	36.1	32.7	(3.5)	-9.6%
5	Service and Rent	1,228.0	1,401.3	1,029.1	1,451.7	422.6	41.1%
6	Contribution To Reserves	281.1	308.9	308.9	244.0	(64.9)	-21.0%
7	Contribution To Capital	525.0	525.0	525.0	536.6	11.6	2.2%
Total Expenditures		9,517.2	9,998.8	8,584.0	9,908.7	1,324.7	15.4%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations	8,520.1	8,992.2	5,995.6	8,389.2	2,393.6	39.9%
3	Draw from Reserve Funds				266.7	266.7	
4	Other Revenues (Inc. IDR's)	1,056.0	1,114.5	633.9	738.9	105.1	16.6%
Total Revenues		9,576.1	10,106.7	6,629.5	9,394.9	2,765.4	41.7%
Net Expenditures		(58.9)	(107.9)	1,954.5	513.8	(1,440.7)	-73.7%
Approved Positions		65.5	66.0	66.0	64.1	(1.9)	-2.9%

**Salaries & Benefits:**

The increase in Salary & Benefits is driven by the expected need in staffing during COVID-19 and post-pandemic as the Arenas assume that operations and facilities will resume in 2021 at reduced levels of capacity and utilization, rather than 2020 experience where it required mandatory complete closures. So expenditures are expected to return to relatively usual levels as facilities are assumed to be open, unlike experiences in 2020 which saw mandatory complete closures.

**Materials and Supplies:**

The increase in Materials & Supplies is driven by the projected increase in ice time rentals and the usage of the facilities.

**Services and Rents:**

The increase in Service and Rent is driven by the need for additional maintenance and repairs as some non-urgent repairs were postponed until 2021.

**User Fees & Donations:**

The increase in User Fees & Donations reflects the expected lifting of COVID-19 restrictions but Arenas will not be able to generate sufficient revenues to achieve a net surplus collectively as in the past.

**Draw from Reserve Funds:**

The increase in draws from reserve funds is driven by Leaside Gardens Arena utilizing the *Leaside Memorial Community Gardens Arena Debt Service Reserve Fund* to ensure payments can be made on their loans.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	6,629.5	9,394.9	10,612.1	10,863.9
Gross Expenditures	8,584.0	9,908.7	10,564.9	10,812.1
<b>Net Expenditures</b>	<b>1,954.5</b>	<b>513.8</b>	<b>(47.2)</b>	<b>(51.8)</b>
<b>Approved Positions</b>	<b>66.0</b>	<b>64.1</b>	<b>65.8</b>	<b>65.8</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$10.565 million reflects an anticipated \$0.656 million or 6.62 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.247 million or 2.34 percent above 2022 gross expenditures.

These changes arise from the following:

- The Arena Boards of Management operating as normal by 2022 as operations are not impacted by COVID-19 and ice-time demand seeing pre-pandemic levels.
- Increases in Gross Expenditures will also be driven by inflationary impacts to salaries & benefits. **(2022 and 2023)**
- Increases in Revenues are driven by inflationary increases to ice rental revenues which are offset by inflationary increases to operational cost increases. **(2022 and 2023)**

# 2021 Program Summary

## Association of Community Centres

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Association of Community Centres (AOCCs), comprised of 10 community centres, are committed to fostering a sense of community, promoting civic engagement and enhancing the quality of life by providing programs and services that are responsive and reflective of the unique needs of local communities.

The AOCCs consists of 10 multi-purpose facilities with oversight provided by volunteer Boards of Management to support service delivery. We provide a broad range of community, recreation and social service programs to Toronto residents that aim to meet the evolving needs of changing demographics.

### Why We Do It

**Build community and individual capacity** to meet the diverse and changing needs of communities and individuals by delivering programs, services and ongoing special events for children, youth, adults, seniors and families

**Foster a sense of community** to promote and provide opportunities for civic and community engagement

**The public has equitable access** to affordable and high-quality recreational programs, services and 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

The combined gross operating budget for the following services is \$9.077 million.

#### **Community Centre Strategic Partnership & Resource Development**

**Who We Serve:** Community Centre Members/Potential Members, Local BIAs, Local Residents

**What We Deliver:** Strategic Partnership & Resource Development

#### **Social, Economic & Neighbourhood Development**

**Who We Serve:** Business Community, Local Community, Corporation(s), Interest Groups, Property Owner(s), Residents, Visitors

**What We Deliver:** Social Economic & Neighbourhood Development

#### **Public Space – Community Access**

**Who We Serve:** Business Community, Local Community, Corporation(s), Interest Groups, Property Owner(s), Residents, Visitors

**What We Deliver:** Public Space – Community Access

## Budget at a Glance

### 2021 OPERATING BUDGET

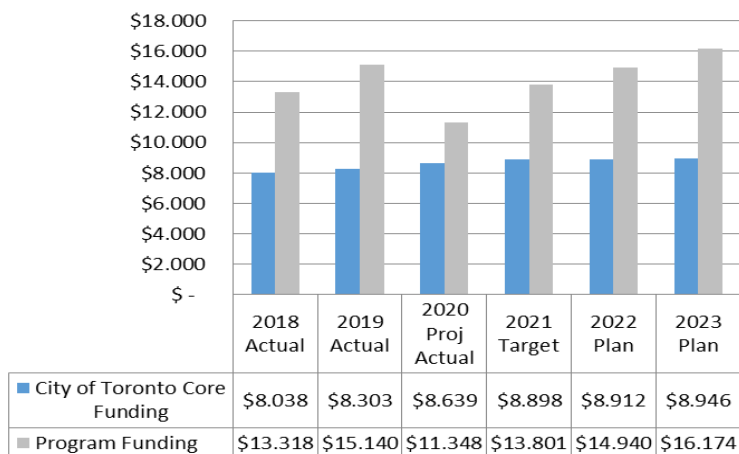
\$ Millions	2021	2022	2023
Revenues	\$ 0.2	\$ 0.2	\$ 0.3
Gross Expenditures	\$ 9.1	\$ 9.1	\$ 9.3
Net Expenditures	\$ 8.9	\$ 8.9	\$ 9.0
Approved Positions	86.4	85.5	85.5

### 2021 - 2030 10-YEAR CAPITAL PLAN

Association of Community Centres has no capital budget.

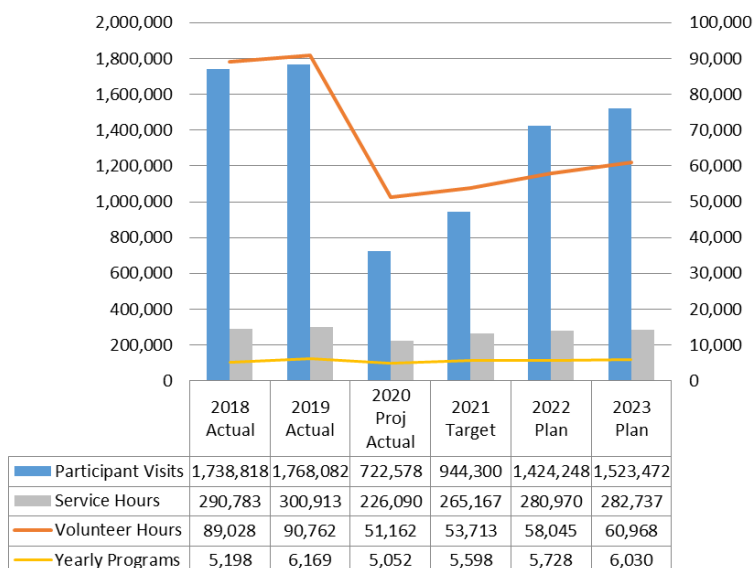
## How Well We Are Doing – Behind the Numbers

### Leveraging City Funding (\$000s)



- The non-core funding leveraged by the AOCCs showed an increase from 2018 to 2019. The projected decrease from 2019 to 2020 is \$3.792 million as a result of the impact of COVID-19 restrictions.
- The AOCCs are projecting an increase in program funding levels in 2021 and future years as the COVID-19 pandemic alleviates and they continue to explore opportunities through additional grants, individual and corporate giving, and fundraising activities.

### Program Participation



- Program participation levels, number of visits, number of individuals served and volunteer and staff hours are projecting a decrease for 2020 due to the impacts of COVID-19 restrictions.
- Future years are forecasting gradual increases in community demand for programming as COVID-19 impacts decrease and the Centres continue to work towards maximizing service hours and participation rates.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- The 519 Church Street Community Centre successfully integrated their community services and programs with their Access to Justice and Anti-Violence Initiatives which continued to grow and evolve based on a consultative approach and ongoing assessment of existing and emerging needs.
- Eastview Neighbourhood Community Centre smoothly transitioned to virtual and remote programming for community members and was also able to respond to greater than 60% demand on their food security and meal programs brought on by COVID-19.
- Through their programs, services, community partners, and donors, Waterfront Neighbourhood Centre was able to provide over 400 meals to community members in response to the COVID-19 pandemic. In addition, the Community Connect Garden was able to provide over 1000lbs of fresh herbs and vegetables.
- Community Centre 55 successfully increased its number of daycare spaces for infants and toddlers by 40, relieving the pressure of parents returning to work. They also increased the number of families helped at Christmas by 100, giving food for Christmas dinner and toys for the children enabling a total of 1000 families to have a Christmas that they might not normally have.
- With funding and support from the City of Toronto's Solid Waste Management Division and the Canadian Women's Foundation, Scadding Court Community Centre is developing a women-led social enterprise called the Stitch Lab by 707 that will be based out of a pop-up storefront in SCCC's Market 707. The Stitch Lab will offer affordable tailoring and alteration services as well as sell products made from repurposed materials such as clothing and textiles. This initiative will support women to create sustainable economic opportunities for themselves and help increase the representation of women in the local entrepreneurship ecosystem. Currently, the women are receiving vocational and business skills training with plans to officially launch Stitch Lab in early 2021.
- In collaboration with Toronto Community Housing (TCHC), Applegrove Community Centre took on a leadership role in engaging Don Summerville tenants on issues related to the revitalization of the TCHC Don Summerville site in order to support the transformation of this aging housing complex into a vibrant mixed use and mixed income community.
- The Ralph Thornton Community Centre worked to continue the implementation of its 2018-2022 strategic plan, by pivoting to provide virtual and distance services during the COVID-19 pandemic, including a continuation of the RTCC's tax-filer clinic, a reimagined summer camp that included virtual and in-person activities, and online connections for seniors and newcomer Chinese children.

### Key Challenges and Risks

- Maintaining adequate, stable core City funding to the Community Centres to ensure the Centres remain open and continue to provide programs and services which are accessible and responsive to local communities.
- Addressing the needs of more disadvantaged residents and responding to the requests of new residents to keep pace with changing community demographics.

### Priority Actions

- Adequate funding is included in the 2021 Operating Budget for inflationary cost increases to maintain services at the 2020 approved levels.
- The Centres will continue to explore opportunities for third party program funding for new initiatives that reflect local community needs and requests.

## 2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget by Service

(In \$000s)	2019 Actual	2020 Budget	2020 Projection*	2021 Base Budget	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>							
Ralph Thornton Community Centre	39.4	39.4	39.4	39.4	39.4		
Swansea Town Hall	332.1	278.8	87.0	140.0	140.0	53.0	60.9%
<b>Total Revenues</b>	<b>371.5</b>	<b>318.2</b>	<b>126.4</b>	<b>179.4</b>	<b>179.4</b>	<b>53.0</b>	<b>41.9%</b>
<b>Expenditures</b>							
519 Church Street Community Centre	1,571.6	1,570.8	1,570.8	1,619.6	1,619.6	48.7	3.1%
Applegrove Community Centre	394.0	540.2	519.9	568.7	568.7	48.8	9.4%
Cecil Community Centre	701.1	729.9	729.8	737.1	737.1	7.3	1.0%
Central Eglinton Community Centre	684.0	745.3	745.3	753.3	753.3	8.0	1.1%
Community Centre 55	792.5	815.8	746.5	798.6	798.6	52.1	7.0%
Eastview Neighbourhood Community Centre	615.9	636.3	635.5	646.3	646.3	10.8	1.7%
Ralph Thornton Community Centre	794.7	813.8	813.8	876.0	876.0	62.2	7.6%
Scadding Court Community Centre	984.8	991.0	991.0	986.0	986.0	(5.0)	(0.5%)
Swansea Town Hall	645.2	592.0	420.0	592.0	592.0	172.0	41.0%
Waterfront Neighbourhood Centre	1,430.3	1,543.7	1,543.7	1,499.4	1,499.4	(44.3)	(2.9%)
<b>Total Gross Expenditures</b>	<b>8,614.1</b>	<b>8,979.0</b>	<b>8,716.4</b>	<b>9,077.1</b>	<b>9,077.1</b>	<b>360.7</b>	<b>4.1%</b>
<b>Net Expenditures</b>	<b>8,242.6</b>	<b>8,660.8</b>	<b>8,590.0</b>	<b>8,897.7</b>	<b>8,897.7</b>	<b>307.7</b>	<b>3.6%</b>
<b>Approved Positions</b>	<b>80.6</b>	<b>81.0</b>	<b>81.0</b>	<b>86.4</b>	<b>86.4</b>	<b>5.4</b>	<b>6.7%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$9.077 million gross reflecting an increase of \$0.361 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Known salary & benefit increases.
- Inflationary increases for non-payroll expenditures including utilities and contracted services.
- Position increase of 5.4 is a result of full time positions being converted to part time FTEs with additional hours added. However, there are no financial implications as the part time positions are paid at a lower rate.

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

- 2021 Base Budget reflects a \$0.187 million net increase from the 2020 Council Approved Budget, when excluding \$0.050 million in estimated COVID-19 financial impacts.

### EQUITY IMPACTS OF BUDGET CHANGES

**Medium-positive equity impacts:** The Ralph Thornton Community Centre's 2021 Operating Budget includes an investment of \$0.050 million to fund a temporary Lobby Receptionist during the COVID-19 pandemic which will have a medium-positive impact on low-income residents, women, vulnerable seniors, and black and racialized residents, increasing access to City information, City services, and City spaces.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Association of Community Centres is \$0.361 million gross or 4.1% higher than the 2020 Projected Actuals. 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	
					\$	%
Expenditures						
1     Salaries and Benefits	7,103.4	7,644.2	7,412.0	7,669.9	257.9	3.5%
2     Equipment	206.4	7.5	159.9	163.0	3.1	1.9%
3     Service and Rent	921.3	799.7	844.5	943.3	98.8	11.7%
4     Contribution To Reserves	8.0	16.3	9.5	10.0	0.6	5.9%
5     Other Expenditures	375.0	511.3	290.5	290.8	0.3	0.1%
Total Expenditures	8,614.1	8,979.0	8,716.4	9,077.1	360.7	4.1%
Revenues						
1     User Fees & Donations	371.5	318.2	126.4	179.4	53.0	41.9%
Total Revenues	371.5	318.2	126.4	179.4	53.0	41.9%
Net Expenditures	8,242.6	8,660.8	8,590.0	8,897.7	307.7	3.6%
Approved Positions	80.6	81.0	81.0	86.4	5.4	6.7%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

Adjusted for full complement and known increases in salaries and benefits.

**Equipment:**

Adjusted for realignment to anticipated expenditures.

**Services and Rents:**

Inflationary increases in utilities and contracts.

**Other Expenditures:**

Adjusted for realignment to anticipated expenditures.

**Revenue Changes:**

Adjusted for loss in revenues due to temporary facility closures as a result of COVID-19.



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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	126.4	179.4	221.4	276.0
Gross Expenditures	8,716.4	9,077.1	9,159.5	9,241.7
<b>Net Expenditures</b>	<b>8,590.0</b>	<b>8,897.7</b>	<b>8,938.1</b>	<b>8,965.7</b>
<b>Approved Positions</b>	<b>81.0</b>	<b>86.4</b>	<b>85.5</b>	<b>85.5</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$9.160 million reflects an anticipated \$0.082 million or 0.91 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlooks expects a further increase of \$0.082 million or 0.90 per cent above 2022 gross expenditures.

These changes arise from the following:

- **Salaries and Benefits**  
Increase in salaries and benefits reflective of collective agreement obligations. **(2022 & 2023)**
- **Inflationary Impact**  
Increases in utilities, office maintenance, supplies and contracted services due to inflation. **(2022 & 2023)**

Facility rental fee revenue increases are calculated using projected market rate assumptions.

# 2021 Program Summary

## CreateTO

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### Description

As the City of Toronto's real estate agency, CreateTO manages the City's real estate portfolio, develops City buildings and lands for municipal purposes and delivers client-focused real estate solutions to City divisions, agencies and corporations.

### Why We Do It

Toronto has more than 8,000 properties within its real estate portfolio. CreateTO, working together with the City's Corporate Real Estate Management (CREM) division, is continually looking for new and better ways to use those assets and deliver value to the City (e.g. through the delivery of City-building initiatives such as affordable housing, transit-oriented developments, new park space, and supporting City service delivery.)

As part of the centralized City-wide real estate model, the agency is a steward of the City's real estate assets. The agency leverages its real estate expertise to lead a City-wide real estate strategy, identify opportunities to modernize and harmonize operations, drive service delivery for programs, and maximize real estate value in the pursuit of social, economic, environmental, and program benefits.

*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

#### **Service 1: Real Estate Advisory Services**

**Who We Serve:** Mayor's Office, City Council, City Divisions, Agencies and Corporations and Community Members

**What We Deliver:** Develop and recommend strategies and plans for the City's real estate portfolio, including specific asset classes and properties.

**How Much Resources (gross operating budget):** \$4.93 million

#### **Service 2: Real Estate Development Services**

**Who We Serve:** Mayor's Office, City Council, City Divisions, Agencies and Corporations, Community Members, Real Estate and Land Developers and Corporations and Businesses

**What We Deliver:** Develop, facilitate development and/or provide advice to City divisions, agencies & corporations concerning the development of City lands

**How Much Resources (gross operating budget):** \$6.40 million

#### **Service 3: Port Lands Asset Management**

**Who We Serve:** Mayor's Office, City Council, City Divisions, Agencies and Corporations, Community Members, Real Estate and Land Developers and Corporations and Businesses

**What We Deliver:** Manage lands, leases, other interests in lands, and other assets owned by the Toronto Port Lands Company

**How Much Resources (gross operating budget):** \$3.27 million

## Budget at a Glance

2021 OPERATING BUDGET				2021 - 2030 10-YEAR CAPITAL PLAN			
\$Millions	2021	2022	2023	\$Millions	2021	2022-2030	Total
Revenues	\$ 14.6	\$ 14.3	\$ 14.6	CreateTO has no capital budget.			
Gross Expenditures	\$ 14.6	\$ 14.3	\$ 14.6				
Net Expenditures	\$ 0.0	\$ 0.0	\$ 0.0				
Approved Positions	69.0	69.0	69.0				

## How Well We Are Doing

### Performance measures

CreateTO is working with City staff to identify and establish key service levels and performance measures, which will be finalized in 2021 and reported through the 2022 Budget process. In 2021, the Agency will focus on identifying and measuring against defined metrics, taking a system-wide approach to a performance measure framework.

Our performance measures framework will include metrics regarding:

- Creating Complete Communities;
- Asset Stewardship and Driving Efficiency; and
- Partnerships and Stakeholder Engagement

## COVID-19 IMPACT AND RECOVERY

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>All partners/consultants/planning department/proponents were negatively impacted by COVID19 which leads to overall project delays that are difficult to quantify.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- **Housing Now:** To date, CreateTO along with our City partners have identified 17 sites, which will deliver approximately 4,667 affordable rental units in the City of Toronto.
- **Modular Housing:** CreateTO along with our City partners delivered 100 modular housing units in 2020.
- **ModernTO:** CreateTO continued to advance the City's office optimization strategy, and obtained Executive Committee approval for the ModernTO Implementation plan.
- **City Building:** CreateTO continued to advance projects such as, the Etobicoke Civic Centre, Rail Deck Park and 260 Adelaide.
- **Port Lands Development:** CreateTO continued to work with Waterfront Toronto on the handover of property to enable the Port Lands Flood Protection project while focussing on growth of rental revenue from its remaining land holdings and supporting the further development of the Port lands film industry.

### Key Challenges and Risks

- **Financial Sustainability:** Establish and adopt a new, sustainable financial model for CreateTO that reflects its city-building mandate.
- **Data Management Access:** Access, develop and consolidate Real Estate data to yield meaningful insights for improved asset management and decision making.

### Priority Actions

- **Deliver Affordable Housing:** Continue to work with our City partners to create and advance solutions that meet the vital housing needs of Torontonians. In particular, CreateTO will continue to execute the Housing now and Modular Housing mandates by moving sites through the due diligence process, the marketing process as applicable, and by continuing to identify additional sites to support these key initiatives.
- **Portfolio Strategy:** Advance the City-wide Portfolio Strategy and associated asset strategies. In particular, CreateTO will continue to advance the Office Optimization Strategy (ModernTO), the Industrial Yards Consolidation Strategy and begin work analyzing the Parking portfolio.
- **Facilitate City Building:** Continue to leverage Toronto's real estate portfolio to create new and better opportunities for the benefit of the City and its residents. In particular CreateTO will continue to advance projects such as, the Etobicoke Civic Centre, Rail Deck Park and 260 Adelaide.
- **Support Port Lands Development:** Continue to advance the long-term vision for a sustainable new community in the heart of Toronto, by acting as a responsible steward of City assets in the port lands and support the ongoing flood protection work by Waterfront Toronto.

## 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>								
Service fee from Corporations	12,023.3	13,867.0	13,191.0	13,463.0		13,463.0	272.0	2.1%
Project Management Fees	463.3	542.0	773.0	542.0		542.0	(231.0)	(29.9%)
Other Revenue		250.8	695.8	593.8		593.8	(102.0)	(14.7%)
<b>Total Revenues</b>	<b>12,486.6</b>	<b>14,659.8</b>	<b>14,659.8</b>	<b>14,598.8</b>		<b>14,598.8</b>	<b>(61.0)</b>	<b>(0.4%)</b>
<b>Expenditures</b>								
Salaries & Benefits	10,285.4	11,749.8	12,157.5	12,000.3		12,000.3	(157.2)	(1.3%)
Materials & Supplies	26.4	30.4	19.0	27.8		27.8	8.8	46.3%
Equipment	184.0	174.1	217.2	253.1		253.1	35.9	16.5%
Service & Rent	1,973.4	2,689.2	2,255.2	2,306.3		2,306.3	51.1	2.3%
Other Expenditures	17.4	16.3	10.9	11.3		11.3	0.4	3.7%
<b>Total Gross Expenditures</b>	<b>12,486.6</b>	<b>14,659.8</b>	<b>14,659.8</b>	<b>14,598.8</b>		<b>14,598.8</b>	<b>(61.0)</b>	<b>(0.4%)</b>
<b>Net Expenditures</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Approved Positions</b>	<b>60.0</b>	<b>68.0</b>	<b>68.0</b>	<b>69.0</b>		<b>69.0</b>	<b>1.0</b>	<b>1.5%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$14.599 million gross reflects a decrease of \$0.061 million in spending and is in line with 2020 projected year-end actuals.

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

- **2021 Base Budget totalling \$0.0 million in net expenditures reflects a \$0.0 net increase above the 2020 Council Approved Budget.**

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in CreateTO's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for CreateTO is \$0.061 million gross or 0.4% lower than the 2020 Projected Actuals. 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	
					\$	%
Expenditures						
1 Salaries and Benefits	10,285.4	11,749.8	12,157.5	12,000.3	(157.2)	-1.3%
2 Materials & Supplies	26.4	30.4	19.0	27.8	8.8	46.3%
3 Equipment	184.0	174.1	217.2	253.1	35.9	16.5%
4 Service and Rent	1,973.4	2,689.2	2,255.2	2,306.3	51.1	2.3%
5 Other Expenditures (Inc. IDC's)	17.4	16.3	10.9	11.3	0.4	3.7%
Total Expenditures	12,486.6	14,659.8	14,659.8	14,598.8	(61.0)	-0.4%
Revenues						
1 Transfers From Capital	96.9	150.0	150.0	150.0		
2 Other Revenues (Inc. IDR's)	12,389.7	14,509.8	14,509.8	14,448.8	(61.0)	-0.4%
Total Revenues	12,486.6	14,659.8	14,659.8	14,598.8	(61.0)	-0.4%
Net Expenditures	0.0	0.0	0.0	0.0		
Approved Positions	60.0	68.0	68.0	69.0	1.0	1.5%

**Salaries & Benefits:**

- Includes addition of 1.0 full-time permanent position to support the Agency's Portfolio Strategy work.

**Other Expenditure and Revenue Changes:**

- Minimal net change and is in line with 2020 Projection.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Office Relocation	Efficiencies		(343.0)	(343.0)		(861.2)	(861.2)	
<b>Total Balancing Actions</b>			<b>(343.0)</b>	<b>(343.0)</b>	<b>-</b>	<b>(861.2)</b>	<b>(861.2)</b>	<b>-</b>

- As part of the ModernTO strategy, CreateTO will be one of the first to vacate third party lease space and move to a City owned facility, resulting in savings of \$0.343 million and \$0.861 million net in 2021 and 2022, respectively.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	14,659.8	14,598.8	14,314.1	14,575.2
Gross Expenditures	14,659.8	14,598.8	14,314.1	14,575.2
<b>Net Expenditures</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Approved Positions</b>	<b>68.0</b>	<b>69.0</b>	<b>69.0</b>	<b>69.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$14.314 million reflects an anticipated \$0.284 million or 1.95 per cent decrease in gross expenditures below the 2021 Operating Budget; The 2023 Outlooks expects an increase of \$0.261 million or 1.82 per cent above 2022 gross expenditures.

These changes arise from the following:

- Annual impact of reduction in Office occupancy costs due to office relocation
- Inflationary increase in salaries, benefits and other general and administrative costs



# 2021 Program Summary

## Exhibition Place

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Exhibition Place represents a true "Gathering Place" for residents of both the City and Province, as well as national and international visitors to the region. Over its history, Exhibition Place has evolved to serve as a central location for public celebrations, festival, and events. Exhibition Place is a key economic generator for the City of Toronto and is Canada's largest and best entertainment and sports venue on 192 acres; containing beautiful parkland and both modern and heritage facilities. Exhibition Place is the annual host to approximately 5.5 million visitors, more than 300 events including some of the top consumer exhibitions in Canada such as the Toronto International Boat Show, the National Home Show, the Canadian National Exhibition and the Royal Agricultural Winter Fair.

### Why We Do It

To maintain and elevate the image of the public asset, parklands and heritage buildings, maintain long-term operational financial stability, and promote internal and external customer service excellence, optimize profits and generating economic impact to the City of Toronto and GTA. Also to elevate Exhibition Place as a global leader for exhibitions, conventions & events by creating excellent and sustainable experiences for our customers.

### What Services We Provide

#### Exhibition and Events

**Who We Serve:** Event Participants (national and international); Local Businesses and Residents; Leased tenants

**What We Deliver:** To provide exhibit halls and service for shows and outdoor space for public celebrations and events

**How Much Resources (gross operating budget):** \$23.282 million

#### Conventions, Conference & Meetings

**Who We Serve:** Event Participants (national and international); Local Businesses and Residents; Leased tenants

**What We Deliver:** Provides new meeting rooms, exhibit space, and a Class A ballroom

**How Much Resources (gross operating budget):** \$4.784 million

#### Exhibition Place Parking Access

**Who We Serve:** Event Participants (national and international); Local Businesses and Residents; Leased tenants

**What We Deliver:** To provide convenient access to public parking for Exhibition Place events, BMO field sporting events, and general public use

**How Much Resources (gross operating budget):** \$1.715 million

#### Exhibition Place Asset Management

**Who We Serve:** Exhibition Place; City of Toronto

**What We Deliver:** To provide maintenance and construction services to Exhibition Place facilities and structures

**How Much Resources (gross operating budget):** \$14.027 million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$35.8	\$59.8	\$60.8
Gross Expenditures	\$43.8	\$59.3	\$60.3
Net Expenditures	\$8.0	(\$0.5)	(\$0.5)
Approved Positions	254.0	357.0	357.0

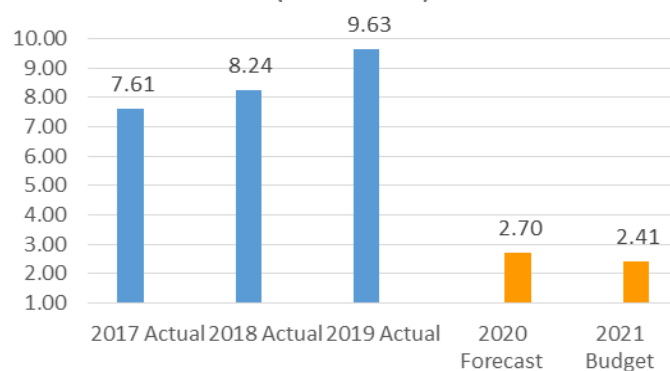
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$11.5	\$138.1	\$149.6
Debt	\$11.5	\$131.7	\$143.3

Note: Includes 2020 carry forward funding to 2021

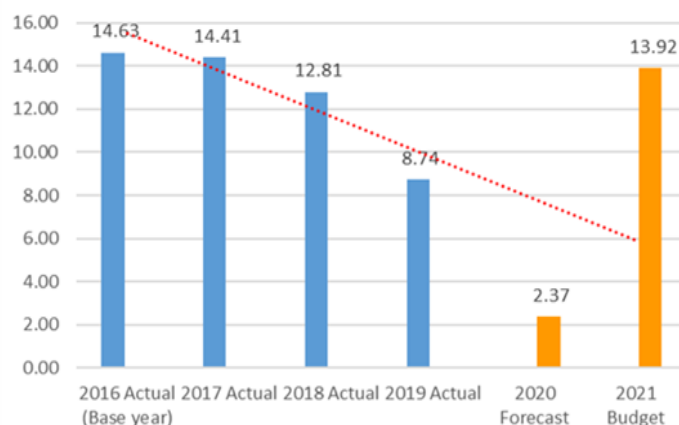
## How Well We Are Doing – Behind the Numbers

Events Rent Revenue - Exhibition Place and Enercare Centre (\$millions)



- Enercare Centre is the largest trade and consumer show facility in Canada and the sixth largest in North America with over 1.1 million square feet of contiguous space. In addition, Exhibition Place has a 192-acre site that allows public celebrations and events, such as the Honda Indy Toronto, and Toronto Caribbean Festival. On an annual basis the Exhibitions and Events service is hosting over 150 events and has a direct annual economic impact of more than \$425 million to Toronto.
- Actual experience suggests that the Enercare Centre and Exhibition Place continue to grow its occupancy rates and number of events hosted.
- 2019 actual rent is higher because contribution from one-time large events such as The Jehovah's Witnesses Conference, TD SMG Meeting, 16U 17U 18U Boys Volleyball National Championships, and Collision Conference.

Net Grid Supplied Electricity Consumption (MWH)



- Exhibition Place sets a goal to aim for Electricity Net Grid Consumption; as an annual tactic, Management set a target to reduce kWh consumption by 1% a year from the base year of 2016. 2021 target is set at 1% from prior year target consistently as the annual goal.
- 2020 forecasted actual Net Grid Supplied Electricity Consumption is reduced significantly primarily due to the electricity production from District Energy System (DES), new high efficiency chiller, and the new GREENSmart lighting policy.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
Exhibition and Events	% compliance with negotiated terms	100%	100%	100%	100%	100%	100%	●
	\$X food & beverage sales per attendee	5.20	5.37	5.47	6.58	5.42	5.42	●
	\$X of Service Revenue per \$1 of Rent Revenue	\$0.56	\$0.75	\$0.71	\$0.48	\$1.05	\$0.72	●
	\$X per square foot of long-term tenant space supported	\$7.88	\$9.84	\$8.76	\$5.97	\$6.45	\$9.07	●
Conventions, Conferences & Meetings	% compliance with negotiated terms	100%	100%	100%	100%	100%	100%	●
	\$x food and beverage sales per attendee	\$91.28	\$140.06	\$91.28	\$119.80	\$93.82	\$93.82	●
	\$X of Service Revenue per \$1 of Rent Revenue	\$0.20	\$0.27	\$0.57	\$0.50	\$0.30	\$0.30	●
Exhibition Place Parking Access	Variable labour cost ratio of x% of revenue	10%	9%	9%	13%	9%	9%	●
	x% of parking spaces available and accessible for all major events	100%	100%	100%	100%	100%	100%	●
Exhibition Place Asset Management	Waste Diversion %	84%	70%	90%	41%	70%	70%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<p><b>Financial Impact (Operating)</b></p> <p>Since the decision made by City of Toronto and the Provincial Public Health to cancel all programs and events due to COVID-19 pandemic, a number of Exhibition Place show organizers have invoked the Force Majeure clause in their license agreements to cancel or postpone their 2020 events. In addition, tenants operations across the grounds have also been impacted and therefore the loss of related ancillary revenue such as parking and show services from their closures. The estimated impact from COVID-19 is the budget pressure of \$14.092 million:</p> <ul style="list-style-type: none"> <li>• \$20.18 million lost net revenue from public events cancellation</li> <li>• \$0.50 million additional cost required to sanitize and operate the facility to new industry standard</li> <li>• \$4.20 million operating cost savings from cancelling all non-essential expenditures, delay in rehiring management staff who retired in 2020, temporary laying off of casual/temporary staff, reducing in volume of base building maintenance, reducing staff overtime and stop contribution to various reserves</li> <li>• \$2.39 million withdrawal from Conference Centre Reserve Fund to pay City loans</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <p>The estimated impact from COVID-19 is a budget pressure of \$8.000 million:</p> <ul style="list-style-type: none"> <li>• \$16.13 million lost net revenue from public events cancellation</li> <li>• \$0.15 million additional cost required to sanitize and operate the facility to new industry standard</li> <li>• \$4.18 million operating cost savings from cancelling all non-essential expenditures, delay in rehiring management staff who retired in 2020, temporary laying off of casual/temporary staff, reducing in volume of base building maintenance, reducing staff overtime and stop contribution to various reserve</li> <li>• \$3.60 million withdrawal from Conference Centre Reserve Fund to pay City loans</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• \$6.34 million in capital projects delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts, resulting in lower than projected spend rate of 56%. Exhibition Place forecasts to achieve a 93% spend rate, excluding COVID-19 impacts.</li> <li>• Cash flow funding of \$6.34 million has been resubmitted to 2021 and 2022 in the amount of \$6.12 million and \$0.22 million respectively.</li> <li>• The impact of COVID-19 on the 10-Year Capital Plan is \$8.365 million deferred to future years.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>• Due to COVID-19 the 2021 Capital Budget was reduced by \$3.71 million to \$11.553 million</li> <li>• The 2021 Capital Budget includes \$6.12 million deferred from 2020 to 2021 due to COVID-19</li> <li>• Projects have been budgeted based on priority and the capacity to spend</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Once operations are normalized Exhibition Place will review service levels for any ongoing requirements for operations and community needs and will make adjustments accordingly</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Once operations are normalized Exhibition Place will review service levels for any ongoing requirements for operations and community needs and will make adjustments accordingly</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- In 2020 Exhibition Place is the first Canadian venue to receive the Global Biorisk Advisory Council (GBAC STAR™) facility accreditation which is the cleaning industry's only outbreak prevention, response and recovery accreditation for facilities
- In 2020 Exhibition Place received the Safe Travels Stamp designation from the World Travel and Tourism Council (WTTC) and Tourism Industry Association of Ontario (TIAO)
- In 2019 we successfully delivered large city-wide booking events such as Collision Conference and The Jehovah's Witnesses Conference
- Exceeded financial and operating budget targets from 2007-2019 total by \$26.53 million.
- We are servicing approximately 1,800 vehicles passing by daily through the grounds, in addition, to approximately 500,000 vehicles parking on an annual basis and the bicyclists who use bicycle lanes from Dufferin Gate to Princes' Gate and connects to Martin Goodman Trail
- Exhibition Place is a Canadian leader in environmental sustainability for convention centre operations. Enercare Centre is awarded LEED® EB:O&M Platinum Certification (Existing Buildings: Operations and Maintenance)
- Beanfield Centre is awarded "LEED® Silver Certified" by the Canada Green Building Council
- Exhibition Place is projected to reach a spend rate of 80% or higher for the 10-Year Capital Plan for the past three years
- Hot on the heels of winning EXHIBITOR Magazine's Centers of Excellence award in October, Enercare Centre has just been awarded EXHIBITOR Magazine's Best Convention Center (500,000 – 1 million square feet of exhibit space)

### Key Challenges and Risks

- Further demonstrated focus on sustainability by preserving and upgrading parkland.
- Expanding the Customer Base by appealing to adjacent residential development.
- Ontario Place / Exhibition Place joint redevelopment/transformation.
- Expansion of Class A convention facilities to meet potential demand.
- Hotel X Phase 2 development.
- The Central Waterfront Secondary Plan.
- Dependence on entertainment/event revenues and impact of global economy on such revenues.
- Growing access and congestion issues in Toronto and immediate area.
- Changing security issues as a high-profile public venue.
- Impact on increased Exhibition Place activity on the surrounding neighborhoods.
- High demand and shortage of labour resources from all trades in order to provide service to clients (i.e. BMO Field, tenants, events, and Hotel X).
- Increasing operational costs in order to deliver current service standards: i.e. increase of unionized wages and benefits (based on contractual agreements); utilities cost, federal carbon tax on natural gas, paid-duty police and security costs etc.
- Maintain and elevate the image of the public asset, parklands and heritage buildings, maintain long-term operational financial stability, and promote internal and external customer service excellence, optimize profits and generating economic impact to the City of Toronto and GTA.
- Value and embrace diversity and inclusion.
- Continue promoting environmental initiatives and energy conservation.
- Review and assess the impacts of COVID – 19 on existing service levels, streamline business processes to increase efficiency and redirect financial resources to fund the impacted/needed areas.
- Capital Works – Capacity to spend could be limited if the event industry returns to normal. The demand for event space could limit the available time to complete major capital projects.
- Capital Works – to achieve a spend rate of at 90% of the 2021 Capital Budget. Significant projects are the Enercare Centre \$4.72 million and Electrical Underground High Voltage Equipment \$2.70 million.
- Addressing the State of Good Repair Backlog estimated at \$32.30 million in 2021 and anticipated to grow to \$119.63 million by 2030.

## 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>								
Conventions, Conferences & Meeting	6,085.8	5,341.3	3,815.6	6,955.4		6,955.4	3,139.8	82.3%
Exhibition Place Asset Management	3,438.4	3,157.4	3,886.9	2,803.4		2,803.4	(1,083.5)	(27.9%)
Exhibition Place Parking Access	8,870.8	8,367.8	2,057.1	1,950.4		1,950.4	(106.7)	(5.2%)
Exhibitions & Events	44,390.7	40,687.4	11,721.2	24,100.3		24,100.3	12,379.2	105.6%
<b>Total Revenues</b>	<b>62,785.7</b>	<b>57,553.8</b>	<b>21,480.7</b>	<b>35,809.4</b>		<b>35,809.4</b>	<b>14,328.7</b>	<b>66.7%</b>
<b>Expenditures</b>								
Conventions, Conferences & Meeting	5,317.3	5,289.3	4,067.8	4,784.4		4,784.4	716.6	17.6%
Exhibition Place Asset Management	16,241.6	15,403.2	12,824.8	14,027.5		14,027.5	1,202.7	9.4%
Exhibition Place Parking Access	3,319.0	3,334.2	1,686.6	1,715.3		1,715.3	28.7	1.7%
Exhibitions & Events	35,663.5	33,027.1	16,493.4	23,282.3		23,282.3	6,788.9	41.2%
<b>Total Gross Expenditures</b>	<b>60,541.4</b>	<b>57,053.8</b>	<b>35,072.5</b>	<b>43,809.4</b>		<b>43,809.4</b>	<b>8,736.9</b>	<b>24.9%</b>
<b>Net Expenditures</b>	<b>(2,244.3)</b>	<b>(500.0)</b>	<b>13,591.8</b>	<b>8,000.0</b>		<b>8,000.0</b>	<b>(5,591.8)</b>	<b>(41.1%)</b>
<b>Approved Positions</b>	<b>356.0</b>	<b>357.0</b>	<b>357.0</b>	<b>254.0</b>		<b>254.0</b>	<b>(103.0)</b>	<b>(28.9%)</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$43.809 million gross reflecting an increase of \$8.737 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Utilities and contract service cost increases from inflation
- Event expenditure increases; which are offset by increases in user fees and recoveries based on anticipated volumes changes from Exhibitions and Events service
- During the 1st six months of 2021, Exhibition Place anticipates a financial pressure from lost events revenues due to cancellations caused by COVID-19. This pressure is partially offset by savings from increases in efficiency and reductions of various non-essential expenditure items.

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

- **2021 Base Budget of \$8.000 million in net expenditures reflects an \$11.266 million net decrease from the 2020 Council approved Budget, when excluding \$19.766 million in estimated COVID-19 financial impacts.**

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Exhibition Place's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Exhibition Place is \$43.809 million gross or 24.9% higher than the 2020 Projected Actuals. 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	
					\$	%
Expenditures						
1 Salaries and Benefits	31,867.2	32,510.8	19,561.1	23,853.3	4,292.2	21.9%
2 COVID-19 Impact			500.0	150.0	(350.0)	-70.0%
3 Materials & Supplies	4,624.4	4,655.8	4,493.6	5,085.5	591.9	13.2%
4 Equipment	534.6	522.0	522.0	372.0	(150.0)	-28.7%
5 Service and Rent	21,484.3	16,934.3	7,864.9	12,817.9	4,953.0	63.0%
6 Contribution To Reserves	2,130.9	2,430.9	2,130.9	1,530.7	(600.2)	-28.2%
Total Expenditures	60,641.4	57,053.8	35,072.5	43,809.4	8,736.9	24.9%
Revenues						
1 Provincial Subsidies						
2 User Fees & Donations	47,816.0	39,586.5	14,226.2	23,845.7	9,619.5	67.6%
3 Draw from Reserve Funds	1,801.2	4,404.5	4,402.5	5,141.0	738.5	16.8%
4 Other Revenues (Inc. IDR's)	13,268.4	13,562.8	2,852.0	6,822.7	3,970.8	139.2%
Total Revenues	62,885.7	57,553.8	21,480.7	35,809.4	14,328.7	66.7%
Net Expenditures	(2,244.3)	(500.0)	13,591.8	8,000.0	(5,591.8)	-41.1%
Approved Positions	356.0	357.0	194.0	254.0	60.0	30.9%

**Salaries & Benefits:**

Salaries & benefits increases due to anticipated volume changes per client demands. The additional cost is 100% recovered from clients.

**Materials and Supplies:**

Utility cost increases are due to inflation and additional direct utility costs to generate additional revenue from the District Energy System.

**Services and Rents:**

Increases in services and rents are due to anticipated event volume changes on the Exhibition Place grounds requiring additional costs per client demands. Additional event costs are fully recovered from increases in user fees and cost recoveries billed to clients.

**User Fees & Donations:**

User fees & donations are increasing from market rate changes to the service offered as well as anticipated volume changes.

**Draw from Reserve Funds:**

Increased draws from the Conference Centre Reserve Fund (CCRF) are anticipated to ensure loan payments can be made while Exhibition Place works to recover from COVID-19.

**Other Revenue Changes:**

Wages and Benefits recoveries revenue is higher in 2019 primarily due to contribution from one time large events at Enercare Centre and Beanfield Centre. The 2021 budget for direct wages and benefit recoveries is adjusted based on anticipated event volume changes per client demands.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Withdrawal from CCRF	Other	2,387.0		(2,387.0)				
Vacancies and layoffs	Other		(1,737.0)	(1,737.0)	103.0			
Other operating cost saving (non-labour costs such as hydro, gas, water, non-essential expenditures, etc...)	Other		(4,653.1)	(4,653.1)				
Contributions to Reserve Funds (CCRF, Fleet, Equipment)	Other		(875.0)	(875.0)				
Contributions to Toronto Marketing Incentive Fund	Other		(250.0)	(250.0)				
<b>Total Balancing Actions</b>		<b>2,387.0</b>	<b>(7,515.1)</b>	<b>(9,902.1)</b>	<b>103.0</b>			<b>-</b>

**The 2021 Operating Budget includes \$7.515 million in gross expenditure and \$9.902 million in net expenditures reductions attributed to:**

**Salary and benefits projected savings:**

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by delays in hiring, and a temporary reduction in part-time staffing budget.

**Temporary reductions to Services and Rents, contributions to reserve funds:**

- A temporary reduction to utilities and third-party services provided on the Exhibition Place grounds have been implemented by management to reduce the pressure from COVID-19. Exhibition Place will also be reducing its contributions to its Conference Centre Reserve Fund, Fleet Reserve, Equipment Reserve and the Toronto Marketing Incentive Fund in 2021 to lower its costs for 2021. As we project COVID-19 to be less of a concern in 2022, these costs are expected to resume back to normal levels in 2022.

**Revenue Increase:**

- Contributions from reserve revenues increases as Exhibition Place draws from its Conference Centre Reserve Fund to pay its loan obligations in 2021. A primary instance for the reserve is to provide a source of funding for any shortfalls in loan payments to the City for the new conference centre.



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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	17,815.9	35,809.4	59,815.4	60,806.4
Gross Expenditures	35,398.6	43,809.4	59,315.4	60,306.4
<b>Net Expenditures</b>	<b>17,582.7</b>	<b>8,000.0</b>	<b>(500.0)</b>	<b>(500.0)</b>
<b>Approved Positions</b>	<b>357.0</b>	<b>254.0</b>	<b>357.0</b>	<b>357.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$59.315 million reflects an anticipated \$15.506 million or 35.4 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a further increase of \$0.991 million or 1.67 per cent above 2022 gross expenditures.

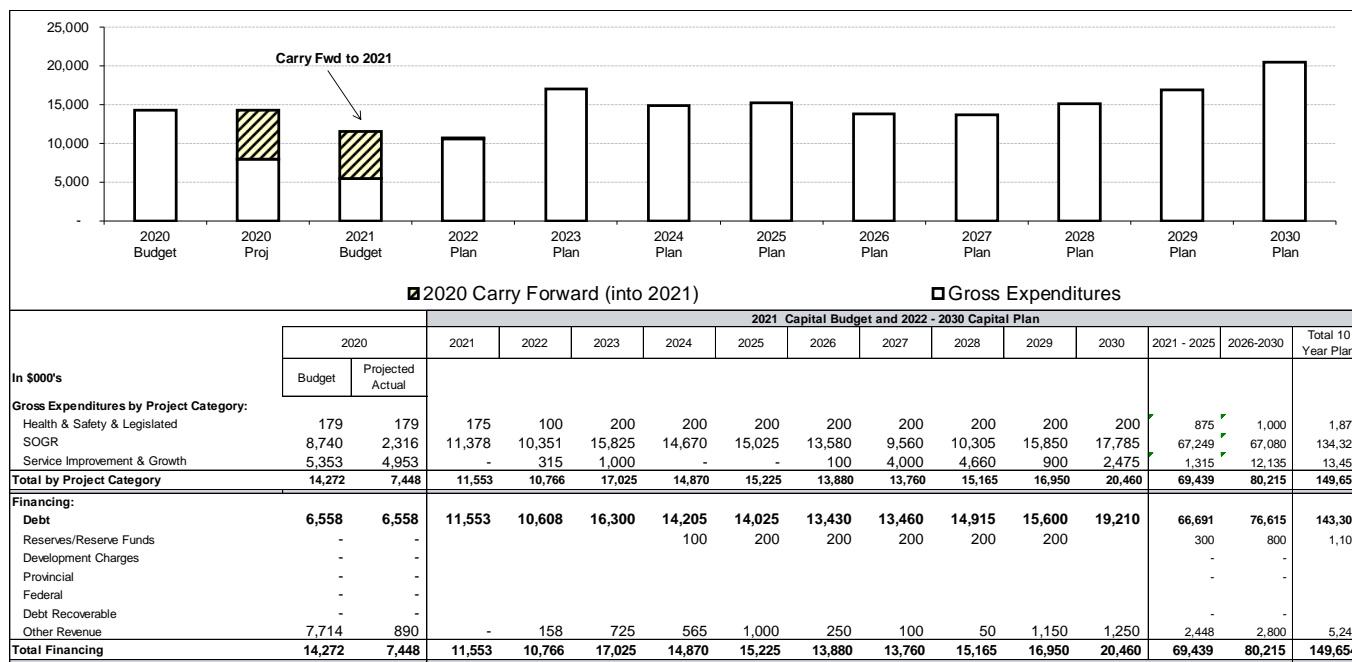
These changes arise from the following:

- Anticipated increases in volume of client demands when operations return to pre-COVID-19 levels **(2022 and 2023)**
- General inflationary increase for non-labour expenditures **(2022 and 2023)**
- Cost of living increases per collective agreements with unions; cost of living increases and performance based financial reward for non-union staff **(2022 and 2023)**

Revenues are expected to increase as a result of an anticipated increase in volume of client demands when operations are normalized. **(2022 and 2023)**

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects (\$0.4 Million)

The 2021-2030 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2021-2029):

- The *Food Building – Boilers, Hot Water Tanks & Water Distribution* project (\$0.4 million) has been deferred to 2022.

### New Projects (\$4.9 Million)

The 2021-2030 Capital Budget and Plan includes new projects as follows:




- The *Enercare Centre – Replace Parking Garage Traffic Topping* (\$4.0 million) which is set to begin in 2029.
- Parks, Parking Lots and Roads – Build Curb Stop Replacement* (\$0.5 million) starting in 2021.
- The *Press Building – Roof Replacement* (\$0.4 million) scheduled for 2030.

### Capital Needs Constraints (\$118.8 Million)

Exhibition Place has three unmet projects over the 10-year planning horizon:

- Coliseum Complex – Industry Building renovation* \$65.0 million.
- Electrical Underground High Voltage Utilities* \$7.1 million
- Projects to reduce the state of good repair backlog \$46.7 million.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$149.7 Million 10-Year Gross Capital Program**

		
<b>Aging Infrastructure</b>	<b>Parks, Parking Lots and Roads</b>	<b>Mechanical/Electrical &amp; Communication Infrastructure</b>
\$130.1M 87%	\$16.3 M 11%	\$3.2 M 2%
Enercare Centre Beanfield Centre Coliseum Complex Food Building Electrical Underground High Voltage	Festival Plaza Sidewalks, Pathways, Roads, & Lots Parking Technology	Building Automation System Transformers in all Substations Replace Fibre Optic Trunked Radio Repeater System

**How the Capital Program is Funded**

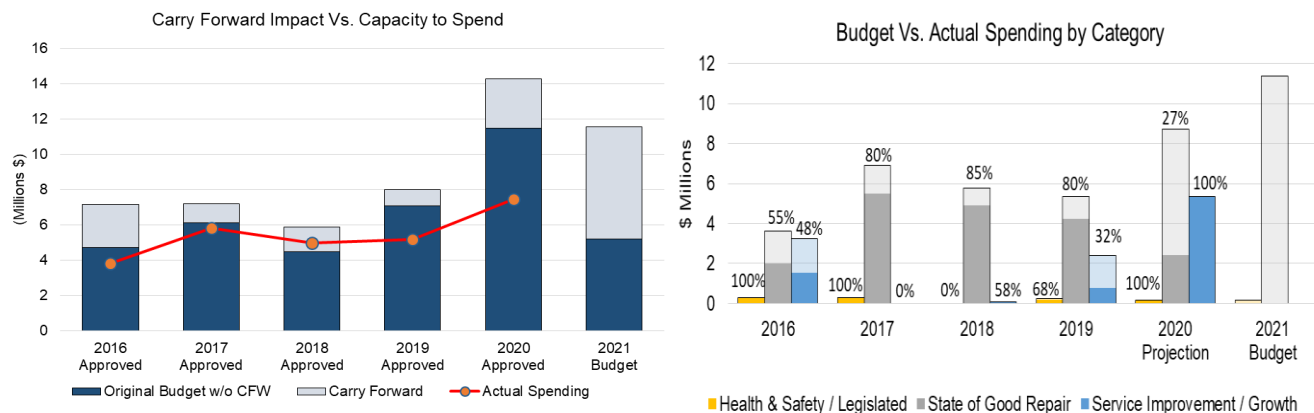
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$ 149.7 M 100%</b>		<b>\$0 M 0%</b>	<b>\$0 M 0%</b>
Debt	\$ 143.3 M		
Reserve Draws	\$ 1.1 M		
Other	\$ 5.3 M		

## 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 Exhibition Place'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

For 2020, the projected spending is \$7.449 million or 52.2% of the 2020 Council Approved Capital Budget of \$14.273 million. The lower spending reflects a reduction of \$6.435 million in funding to address COVID-19 impacts that is not included in the projected spending for the year, but is included in the 2020 Approved Capital Budget.

Based on the review of historical capital spending constraints, capacity to spend review, building assessments and SOGR priority, the 2021 Capital Budget of \$11.553 million includes carry forward funding of \$6.123 million from 2020, and supports the delivery of ongoing projects and programs, as well as new projects that are anticipated to be awarded in 2021, all funded by debt.

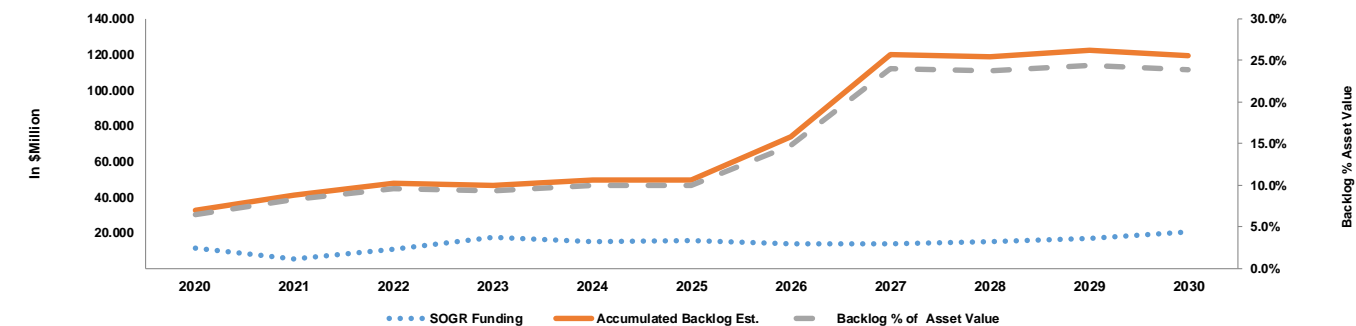
Exhibition Place reviewed its historical capital spending trends and capacity to deliver projects, approximately \$15.0 million in capital spending has been deferred to future years. Key adjustment to the 10-Year Capital Plan is noted below:

- The largest projects that were deferred are the *Parks, Parking Lots and Roads - Festival Plaza* (\$11.485 million) deferred for two years and *Coliseum Complex - roof replacement* (\$3.3 million) deferred one year. The roof replacement will be completed in 4 phases from 2021-2024.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Exhibition Place: heritage buildings, 192 acre grounds, convention and conference centres

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



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>SOGR Funding</b>	11.290	5.430	10.550	17.025	14.870	15.225	13.880	13.760	15.165	16.950	20.460
<b>Accumulated Backlog Est.</b>	32.305	41.050	47.920	46.750	49.590	49.690	73.705	120.020	119.045	122.275	119.630
<b>Backlog % of Asset Value</b>	6.5%	8.2%	9.6%	9.3%	9.9%	9.9%	14.7%	24.0%	23.8%	24.4%	23.9%
<b>Total Asset Value</b>	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231

- The 10-Year Capital Plan will fund \$134.329 million of SOGR projects within Exhibition Place over the 10-year period, providing an average of \$13.433 million annually. This funding will continue ongoing state of good repair projects for Exhibition Place buildings, parks, roads and parking lots.
- Over the 10-year capital plan the SOGR backlog increase by \$87.325 million. The projects contributing to the \$119.630 Million backlog are the *Coliseum Complex* (\$74.5 million), the *Enercare Centre* (\$9.8 million), the *Electrical Underground High Voltage* (\$7.1 million), *Parks, Parking Lots, Roads* (5.8 million), the *Queen Elizabeth Building* (\$5.4 million), the *Horse Palace* (\$4.9 million), the *Better Living Centre* (\$4.5 million), and the *General Services Building* (\$3.1 million).
- Exhibition Place's Capital Needs Constraints includes the SOGR projects to help reduce the backlog that totals \$46.7 million. These projects cannot be accommodated within the City's affordability and Exhibition Place's capacity to spend and therefore not included in the 2021-2030 Capital Budget and Plan.

# 2021 Program Summary

## Heritage Toronto

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Heritage Toronto celebrates and commemorates the City's rich heritage and the diverse stories of its people, places and events. It delivers 80+ annual public programs including walking and bus tours, heritage plaques, the Heritage Toronto Awards.

### Why We Do It

Heritage is a positive force for social inclusion, economic development and is a determinant of sustainability. Bringing citizens together to recognize our shared past and different experiences, Toronto's heritage programs connect people and neighbourhoods and build a compassionate city which honours its diverse stories to ensure that each resident feels reflected, and has a voice, in its future.

*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 Services We Provide

#### Heritage Promotion and Education

**Who We Serve:** City Council, Residents and Tourists, Media, Event Participants, Community organizations, Educational Institutions, Local Businesses, Local Communities

**What We Deliver:** 80+ free, publically accessible programs and a heritage resource for civic engagement

**How Much Resources (gross operating budget):** \$0.731 million

#### Heritage Fundraising and Partnerships

**Who We Serve:** Community Groups and Associations, Corporations, Industry Sector, Philanthropists, Local Heritage Societies, Non-profit Organizations / Foundations, City Divisions, Other Levels of Government

**What We Deliver:** Partnerships with hundreds of community groups, volunteers and donors across the City which are leveraged for both curatorial and financial impacts

**How Much Resources (gross operating budget):** \$0.280 million

## Budget at a Glance

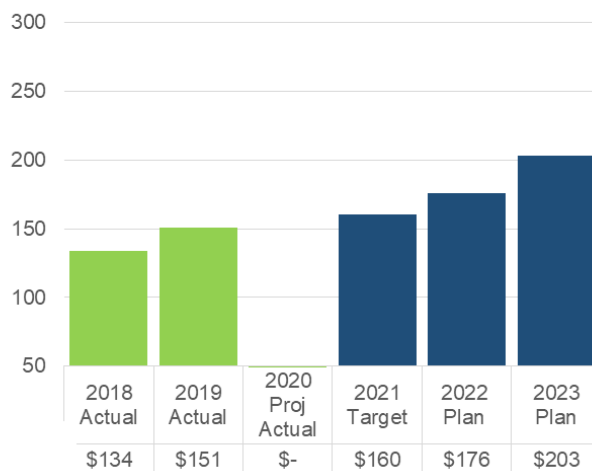
### 2021 OPERATING BUDGET

\$Billion	2021	2022	2023
Revenues	\$0.560	\$0.588	\$0.606
Gross Expenditures	\$1.011	\$1.007	\$1.037
Net Expenditures	\$0.451	\$0.419	\$0.431
Approved Positions	8.55	8.25	8.25

Heritage Toronto does not have a 10-year Capital Plan

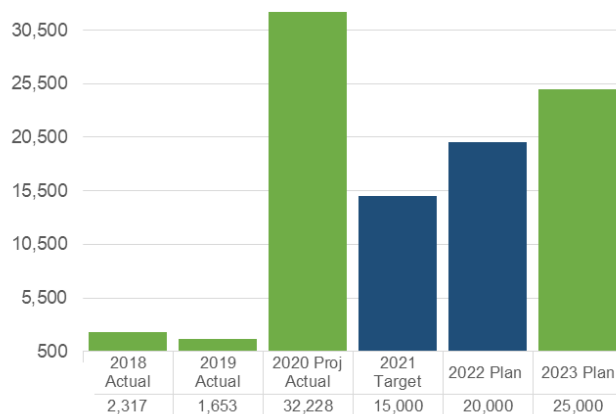
## How Well We Are Doing – Behind the Numbers

Heritage Awards Revenue (\$000s)



- The majority of Heritage Toronto revenues are raised through in-person programs and events. These revenues zeroed in 2020 as public health restrictions necessitated the cancellation of all in person events.
- Prior to COVID, a three-year trend of non-municipal revenue highs has resulted in 60% program growth while simultaneously lowering City investment to 34%.
- The 2021 budget is based on a full recovery of private/earned revenues which will be a significant challenge as it is based on the assumptions that:
  - full public programming will resume by spring and the public will be comfortable in attending
  - corporate sponsors will return as their businesses and marketing budgets will have been fully restored from 2020 losses

Social Media Growth



- Prior to 2020, Heritage Toronto did not have the resources to focus on digital programming despite the recognition that this work is crucial to increase public accessibility and service.
- The cancellation of 2020 in-person programming (walking and bus tours, Awards) allowed remaining staff to pivot to digital work.
- There was a significant public uptake of this work with online event registrations oversubscribed within a day of launch.
- Despite the demonstrated need, Heritage Toronto will have to scale back digital work as staff pivot back to producing in-person programs.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Heritage Promotion and Education	Public walking tours	61	66	64	0	64	64	●
	Awards attendees	500	500	500	0	500	500	●
	Digital Walking Tours/Exhibits	0	1	1	11	1	0	●
	Digital Live Streams and Articles	0	0	0	16	0	0	●
	Emerging Historians Contracts	8	18	18	16	18	20	●
Service Level Measures								
Heritage Promotion and Education	Number of historical plaques installed	58	68	62	58	58	62	●
Heritage Promotion and Education	Host Emerging Historians	28	30	30	0	30	30	●
Heritage Promotion and Education	Unique Page Views of digital programs	N/A	2,187	N/A	13,000	15,000	17,000	●
Heritage Fundraising and Partnerships	% of total operations funding in grants from federal/provincial governments and private foundations	9%	13%	9%	10.5%	2%	9%	●
Heritage Fundraising and Partnerships	% of increase from sponsorship revenues	(6%)	(4%)	3%	(66%)	234%	10%	●
Heritage Fundraising and Partnerships	Number of community partnerships	54	58	58	0	58	58	●
Other Measures								
Heritage Fundraising and Partnerships	Average Annual Donation	\$83	\$88	\$90	\$159	\$175	\$200	●



**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>COVID-19 has resulted in the following unbudgeted costs for Heritage Toronto of \$0.071 million net:             <ul style="list-style-type: none"> <li>\$0.260 million in revenue losses from lost sponsorships, lower donations and the cancelled Heritage Toronto awards event</li> <li>The lost revenues are partially offset by limiting all non-discretionary expenditures as well as Salary and Benefit savings from layoffs resulting in savings of \$0.190 million.</li> </ul> </li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>COVID-19 is projected to partially impact Heritage Toronto's operations in 2021 with \$0.021 million net impact:             <ul style="list-style-type: none"> <li>\$0.021 million in revenue losses is projected as it will take time for Heritage Toronto to locate Sponsors</li> <li>\$0.021 million in increased expenditures for Heritage Toronto to operate tours safely in 2021.</li> <li>\$0.021 million in savings from non-discretionary expenditures.</li> </ul> </li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>While Heritage Toronto's physical operations were heavily impacted by COVID-19, they were able to pivot their operations in 2020 to focus on digital programming and content. This allowed them to provide a modified version of their services.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Heritage Toronto projects to resume walking/bus tours and the Heritage Toronto Awards as they did pre-COVID-19 except with slight modifications to how they are operated. While a large portion of resources were focused on digital content, these resources will be diverted back to in-person programming. However, Heritage Toronto will continue to review Service Levels to reflect changes to its operations to navigate a new reality post-COVID-19.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- The Plaques program maintained a reasonable level of service as operations were not heavily affected by the pandemic.
- Plaques focused on a diversity of subjects with an emphasis on Indigenous history, including its first ever self-funded plaque featuring Chief Wabakinine of the Mississaugas created in consultation with the Mississaugas of the Credit First Nation.
- Creation of new digital content - including livestreams, digital walking tours and published articles - increased public participation by 10x previous levels.
- Given the difficulties of social distancing and remote programming, substantive efforts were made to engage directly with communities to develop our 2020 digital tours in partnership with people who have lived-experiences. Successes include the Indigenous Roots and Little Jamaica tours, both developed by Emerging Historians from the Indigenous and Black community respectively.
- Emerging Historians were prioritized. This program was funded by donors to support Toronto's youth in building professional networks, developing skills sought after by employers, and gaining meaningful, paid work experience.

### Key Challenges and Risks

- Cancellation of public programs and economic impact of the pandemic has resulted in a 66% decrease in corporate sponsorship in 2020. Significant risk that corporate partners will not be able to return as sponsors at the same amount as before, or at all, as they attempt to recover from their 2020 losses.
- Delayed launch of "Sounds like Toronto", a virtual educational exhibit on Toronto's music history.
- Delayed work on a 2<sup>nd</sup> Historical Plaque District and Digital Tour.
- Heritage Toronto currently has no programmers on staff and is two months behind on work necessary for a 2021 walking/bus tour program.
- Heritage Toronto will need to relocate from St. Lawrence Hall as its tenancy is not being extended and this is going to significantly impact the customer service it provides to walk-in members of the public, particularly tourists.

### Priority Actions

- Restore staffing levels to enable delivery of 2021 programs.
- Restore walking/bus tour services and associated revenues.
- Restore Heritage Toronto Awards services and associated revenues.
- Launch "Sounds like Toronto" which includes educational and marketing materials developed in collaboration with Toronto universities with a focus on social justice and inclusion within Toronto's music community.
- Identify resources to produce ongoing digital and social media content.
- Invest in a one-year contract to assist with fundraising recovery, rebuilding and initiating new corporate partnerships and launching a renewed individual giving program.

## 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>								
Heritage Fundraising & Partnership Development	132.4	282.5	87.1	262.4		262.4	175.3	201.3%
Heritage Promotion & Education	657.7	426.2	361.0	297.4		297.4	(63.6)	(17.6%)
<b>Total Revenues</b>	<b>790.1</b>	<b>708.7</b>	<b>448.1</b>	<b>559.8</b>		<b>559.8</b>	<b>111.7</b>	<b>24.9%</b>
<b>Expenditures</b>								
Heritage Fundraising & Partnership Development	221.8	213.4	206.6	279.6		279.6	73.0	35.3%
Heritage Promotion & Education	969.7	926.4	743.0	731.7		731.7	(11.3)	N/A
<b>Total Gross Expenditures</b>	<b>1,191.5</b>	<b>1,139.8</b>	<b>949.6</b>	<b>1,011.3</b>		<b>1,011.3</b>	<b>61.7</b>	<b>6.5%</b>
<b>Net Expenditures</b>	<b>401.5</b>	<b>431.1</b>	<b>501.5</b>	<b>451.5</b>		<b>451.5</b>	<b>(30.0)</b>	<b>(10.0%)</b>
<b>Approved Positions</b>	<b>8.5</b>	<b>9.5</b>	<b>9.5</b>	<b>8.6</b>		<b>8.6</b>	<b>(0.9)</b>	<b>(10.0%)</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$1.011 million gross reflecting an increase of \$0.061 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Salaries and Benefits increases as Heritage Toronto projects full staffing levels as well as an additional .3 position to assist with ensuring public safety during walking/bus tours.
- Materials and Supplies increases due to the need for audio equipment for tours to allow for the service to resume in a safe manner allowing distancing between tourists.

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

- **2021 Base Budget of \$0.452 million in net expenditures reflects a \$0.038 million net decrease from the 2020 Council approved Budget, when excluding \$0.058 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Heritage Toronto's 2020 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Heritage Toronto is \$0.061 million gross or 6.5% higher than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	643.7	688.6	622.5	657.1	34.6	5.6%
2	COVID-19 Impact				12.0	12.0	
3	Materials & Supplies	92.6	54.6	35.5	57.5	22.0	62.1%
4	Equipment						
5	Service and Rent	453.7	395.0	290.0	283.1	(6.9)	-2.4%
6	Contribution To Reserves	1.6	1.6	1.6	1.6	(0.0)	-1.3%
Total Expenditures		1,191.5	1,139.8	949.6	1,011.3	61.7	6.5%
Revenues							
1	Federal Subsidies	134.8	96.9	96.9	4.4	(92.4)	-95.4%
2	User Fees & Donations	598.9	589.4	329.8	551.4	221.6	67.2%
3	Draw from Reserve Funds	33.4	17.5	17.5		(17.5)	-100.0%
4	Other Revenues (Inc. IDR's)	23.0	5.0	4.0	4.0		
Total Revenues		790.1	708.7	448.1	559.8	111.7	24.9%
Net Expenditures		401.5	431.1	501.5	451.5	(50.0)	-10.0%
Approved Positions		8.5	9.5	9.5	8.6	(0.9)	-18.0%

**Salaries & Benefits:**

The increase in Salary & Benefits is driven by resumption of the Heritage Toronto walking/bus tours as this service was halted during COVID-19. Heritage Toronto hopes to operate the tours in 2021 and to do so safely they're requiring an additional position to assist.

**Materials and Supplies:**

Increases in Materials and Supplies are expected as walking/bus tours are expected to resume requiring additional expenditure in materials needed to operate the tours.

**Service and Rent:**

The decreases in Service and Rent is as a result of the completion of heritage plaques for 2019. The offsetting Section 37 fund revenues for these plaques are also removed from the contribution from reserves.

**Federal Subsidies:**

Over the course of the past two years, Heritage Toronto has been receiving federal subsidies for its creation of "Sounds Like Toronto", a virtual educational exhibit on Toronto's music history. The funding for this project is expected to end in 2020.

**User Fees & Donations:**

Heritage Toronto struggled with sourcing additional donors and sponsors in 2020 given the financial impact of COVID-19. The cancellation of the Heritage Toronto Awards event was also a significant impact to Heritage Toronto revenues as it is the largest event of the year for Heritage Toronto. With the hopes that tours and the awards resuming in 2021 Heritage Toronto projects an increase in revenues received from User Fees & Donations.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	448.1	559.8	587.6	606.0
Gross Expenditures	949.6	1,011.3	1,018.4	1,036.8
<b>Net Expenditures</b>	<b>501.5</b>	<b>451.5</b>	<b>430.8</b>	<b>430.8</b>
<b>Approved Positions</b>	<b>9.5</b>	<b>8.6</b>	<b>8.3</b>	<b>8.3</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$1.018 million reflects an anticipated \$0.007 million or 0.70 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlooks expects a further increase of \$0.018 million or 1.81 per cent above 2022 gross expenditures.

These changes arise from the following:

- Inflationary increases to Salaries and Benefits.

Revenues are expected to increase as a result of increased donations and sponsorship revenues in 2022 and in 2023.

# 2021 Program Summary

## 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

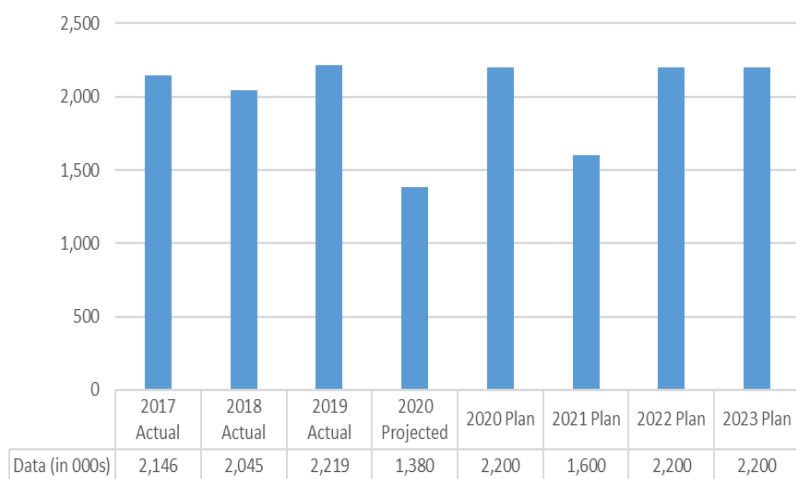
### 2021 - 2030 10-YEAR CAPITAL PLAN

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

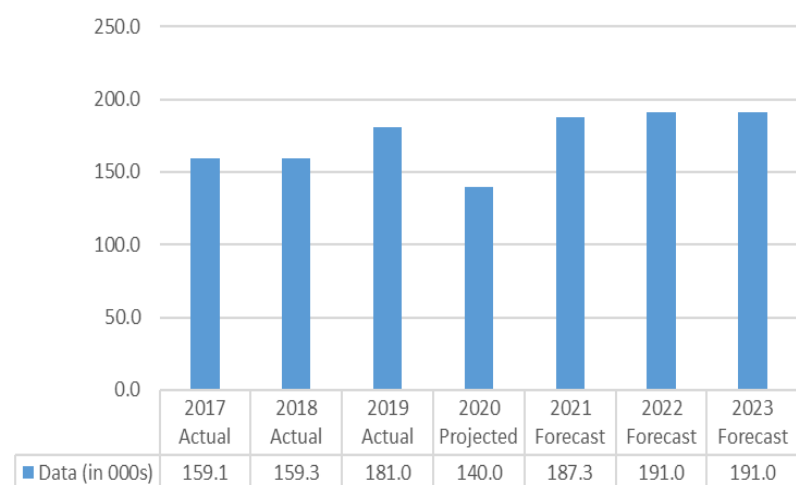
## How Well We Are Doing – Behind the Numbers

Number of Parking Tags Issued (in 000s)

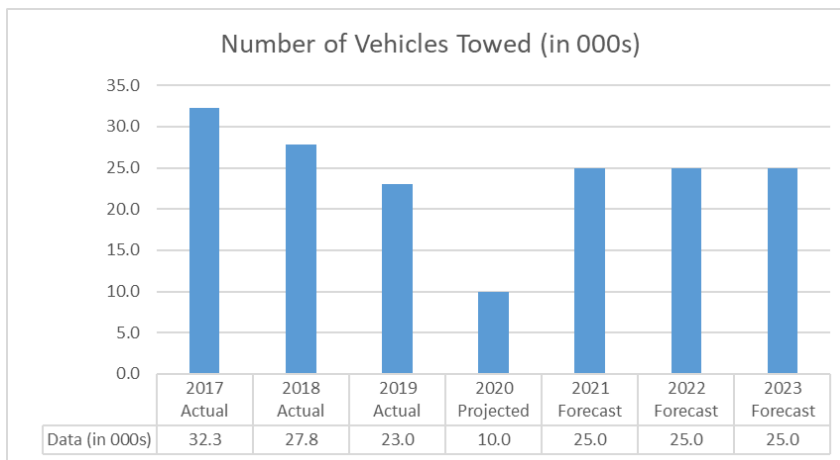


- The number of parking tags issued increased in 2019 due to the Parking Enforcement Unit being at full complement.
- The projected tag issuance for 2020 was expected to be well below average due to COVID-19 impacts.
- The projected tag issuance for 2021 takes into account the continuing impacts of COVID-19.

Number of Calls Parking Responded (in 000s)



- The number of calls attended by the Parking Unit has been steadily increasing over the years; 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 was 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
<b>Financial Impact (Operating)</b> <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 COVID-19, parking tag issuance 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>	<b>Financial Impact (Operating)</b> <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>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>COVID-19 has resulted in lower traffic causing reduced parking tag enforcement activity. As of Q3, PEU was projecting to issue 1.3 million tickets in 2020 compared to the 2.2 million target.</li> </ul>	<b>Service Level Changes</b> <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>

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**EXPERIENCES, CHALLENGES AND PRIORITIES**

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**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).

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**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.

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**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
-

## 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 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	
					\$	%
Expenditures						
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		
	45,894.0	50,768.5	48,653.6	50,543.3	1,889.7	3.9%
Revenues						
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)						
Total Revenues	2,012.5	1,539.7	1,313.2	1,314.5	1.3	0.1%
Net Expenditures	43,881.5	49,228.8	47,340.4	49,228.8	1,888.4	4.0%
Approved Positions	394.0	394.0	394.0	394.0	0.0	0.0%

**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)								
Item	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Reduction to Premium Pay	Service Level Change		(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.

## 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.

# 2021 Program Summary

## TO Live

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

As one of the largest multi-arts institutions in this ever-evolving arts ecosystem, TO Live offers vital programs and services which collectively support the work of Canadian creators and provide an enduring and timeless platform for their stories. A majority of these services are offered through partner relationships with local companies including tenants, such as music, dance, and theatre companies.

### Why We Do It

To activate creative spaces by inspiring local and international artists, and connecting audiences—to be the nexus for new ideas, elevate artistic potential and be the catalyst for creative expression that is reflective of Toronto's diversity.

*The City of Toronto and TO Live aim 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

#### **Theatrical & Other Cultural Events**

##### **Who We Serve:**

Community Groups, Educational Institutions, Theatre & Music Resident Companies, Corporations, Event Participants & Attendees, Theatre Patrons generally and specifically Multicultural and Youth Audiences, Cultural Programming Producers and Individuals

##### **What We Deliver:**

TO Live manages venues for rental and community clients, maintains in a condition which strives to provide world class facilities for those clients and presents a full range of performing arts, theatrical and concert events, family programs, free community events and web series in the three facilities: Meridian Hall, St. Lawrence Centre for the Arts and Meridian Arts Centre

**How Much Resources (gross operating budget):** \$12.6 million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022**	2023**
Revenues	\$ 1.6	\$ 1.6	\$ 1.6
Gross Expenditures	\$12.6	\$12.6	\$12.6
Net Expenditures	\$11.0	\$11.0	\$11.0
Approved Positions	57.0	57.0	57.0

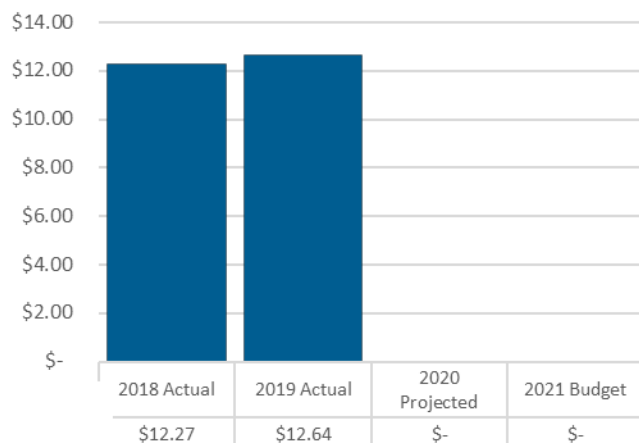
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Million	2021	2022-2030	Total
Gross Expenditures	\$30.4	\$96.8	\$127.2
Debt	\$32.8	\$96.8	\$129.5

Note: Includes 2020 carry forward funding to 2021

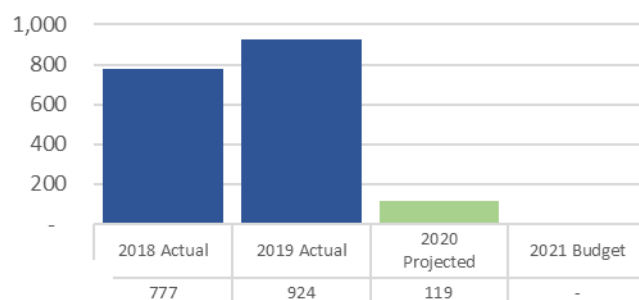
## How Well We Are Doing – Behind the Numbers

### Net Property Tax Contributions Per Audience Projections

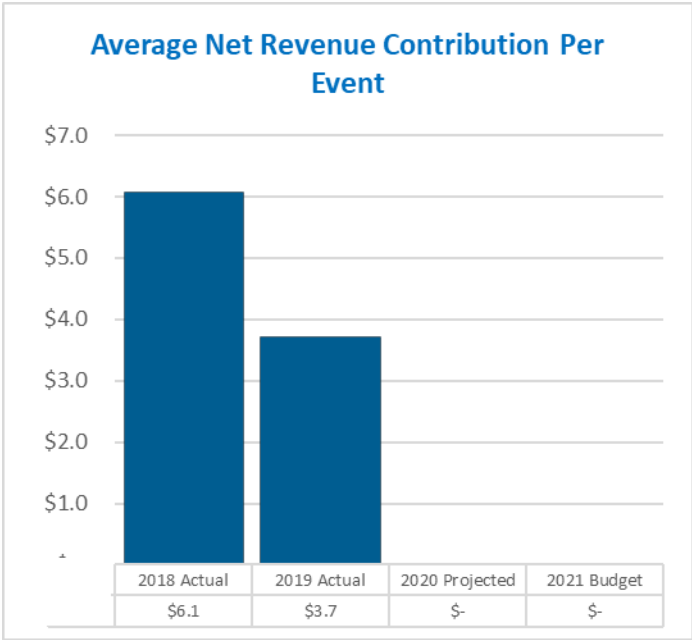


- Due to the 9-month suspension of operations in 2020 related to COVID-19, the 2020 projected net property tax contribution per audience does not yield the result that is comparable to prior years when regular theatre operations were suspended.
- The uncertainties of future resurgence of COVID-19 and public health restrictions on capacity gathering presents a challenge to accurately predict the number of audiences and performances in 2021.

### Number of Performances/Corporate Events



- Due to the 9-month suspension of operations in 2020 related to COVID-19, the number of performances and corporate events has been significantly reduced.
- No performances are projected in 2021 subject to public health guidelines on reopening restrictions.



- Due to the 9-month suspension of operations in 2020 related to COVID-19, the average net revenue contribution per event yields an unrealistic result.
- TO Live is budgeting no operating revenue for 2021.





## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Budget	2020 Projection	2021 Budget*	2022 Budget*	Status
Service Level Measures								
Corporate Events	# of days used for Corporate Events	199	219	221	33	N/A	N/A	●
Stage Shows	# of days used for Programming Activities	648	1234	895	152	N/A	N/A	●
Community Classes	# of days used	34	39	40	22	N/A	N/A	●
SHSM certifications, Xenia Concerts, Pre-Show events	# of days used	20	34	27	6	N/A	N/A	●
Yoga Classes	# of days used	57	51	60	16	N/A	N/A	●
Discover Dance	# of days used	18	19	24	2	N/A	N/A	●
Other Education & Engagement Activities	# of days used	39	85	110	12	N/A	N/A	●

\* Due to COVID-19, the reopening of TO Live venues in 2021 is uncertain. 2021 and 2022 Service Levels are contingent on when reopening is allowed as per public health guidelines.

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Significant revenue loss of \$27.0 million due to suspension of regular operations of TO live venues since March 2020 as a result of COVID-19.</li> <li>To mitigate the revenue shortfall, TO Live implemented cost saving measures including direct costs associated with cancelled/postponed events, building and administrative overheads as well as salaries and benefits for staff on emergency leave and salary reduction for remaining staff. These measures generated savings of \$22.3 million.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>TO Live is projecting \$0 revenue for 2021 due to the expected continued suspension of operations.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Capital projects were delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>The suspension of operations presents an opportunity to engage in a higher number of projects due to less impact of business interruptions on stage activities.</li> <li>Projects that were delayed in 2020 will continue in 2021.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Due to the suspension of regular operations, the programming department pivoted its focus away from traditional stage performances to supporting artists through rehearsals, live streams, and other creative and safe uses of our spaces.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>With the ongoing suspension of operations, TO Live will continue to invest in programming opportunities without the ability to host live audiences in its venues, via our recovery program initiative.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Launch of recovery program phase 1 with safety measures in place
- Continuation of Meridian partnership which started in 2019
- Expansion of Education & Engagement programs

### Key challenges and risks

- Programming targets/product availability
- Capital State of Good Repair budgets to address backlog and Protocol for management of capital projects
- Massey Hall reopening and Live Nation Club launch effects
- COVID-19 restrictions on public gatherings
- Raising funds from corporations and individuals in the new COVID-19 landscape

### Priority be given to:

- Safe reopening of our doors and rebuilding confidence in our audiences to return to live events
- Events and activities that create impact and visibility for TO Live venues
- Black, Indigenous, and People of Colour (BIPOC) artists and companies catering for diverse audiences
- Partnerships and collaborations
- Support for artists, arts workers and companies through the affordable provision of space, production and technical support
- Accessibility as reflected in the ticket pricing policy and the number of free performances
- Initiatives of the Diversity, Equity & Inclusion Committee
- Health & safety protocols

## 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>								
Theatrical & Other Cultural Events	31,440.4	33,099.4	6,148.2	1,582.9		1,582.9	(4,565.3)	(74.3%)
<b>Total Revenues</b>	<b>31,440.4</b>	<b>33,099.4</b>	<b>6,148.2</b>	<b>1,582.9</b>		<b>1,582.9</b>	<b>(4,565.3)</b>	<b>(74.3%)</b>
<b>Expenditures</b>								
Theatrical & Other Cultural Events	37,576.6	38,698.6	16,375.9	12,559.9		12,559.9	(3,816.0)	(23.3%)
<b>Total Gross Expenditures</b>	<b>37,576.6</b>	<b>38,698.6</b>	<b>16,375.9</b>	<b>12,559.9</b>		<b>12,559.9</b>	<b>(3,816.0)</b>	<b>(23.3%)</b>
<b>Net Expenditures</b>	<b>6,136.2</b>	<b>5,599.2</b>	<b>10,227.7</b>	<b>10,977.0</b>		<b>10,977.0</b>	<b>749.3</b>	<b>7.3%</b>
<b>Approved Positions</b>	<b>222.7</b>	<b>240.4</b>	<b>240.4</b>	<b>57.0</b>		<b>57.0</b>	<b>(183.4)</b>	<b>(76.3%)</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$12.6 million gross reflecting a decrease of \$3.8 million in spending below 2020 projected year-end actuals, predominantly arising from:

- Due to COVID-19 restrictions and uncertainties around how live performance will be delivered in post COVID-19 environment, it is uncertain as to when stage activities will resume with audiences while remaining financially viable.
- It is anticipated that the operations of TO Live will continue to be suspended due to the ongoing COVID-19 pandemic in 2021 resulting in further decline in revenue compared to 2020.
- Costs associated with cancelled programs and events are reduced correspondingly in 2021.
- Expenditures represent the requirement to maintain the three venues at minimal operating levels.
- 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 \$10.977 million in net expenditures reflects a \$14.094 million net decrease from the 2020 Council approved Budget, when excluding \$19.472 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in TO Live's 2021 Operating Budget do not have any equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for TO Live is \$3.816 million gross expenditures or 23.3% less than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	17,460.7	18,868.5	9,012.1	6,171.3	(2,840.8)	-31.5%
2	Equipment	489.7	173.2	57.2		(57.2)	-100.0%
3	Service and Rent	10,211.0	11,090.9	3,556.4	4,697.8	1,141.4	32.1%
4	Materials & Supplies	2,954.1	3,469.1	1,540.3	1,509.2	(31.1)	-2.0%
5	Other Expenditures	1,327.2	1,565.7	411.7			
6	Transfer to Foundation	2,323.4					
7	Contribution To Reserves (incl. Insurance Reserve)	2,810.5	3,531.2	1,798.2	181.6	(1,616.6)	-89.9%
Total Expenditures		37,576.6	38,698.6	16,375.9	12,559.9	(3,816.0)	-23.3%
Revenues							
1	Provincial Subsidies	40.6	75.0	6.5		(6.5)	-100.0%
2	User Fees & Donations	23,588.1	26,099.6	3,820.7		(3,820.7)	-100.0%
3	Draw from Reserve Funds	3,169.6	2,691.5	19.6	1,000.0	980.4	5006.7%
4	Other Revenues (Inc. IDR's)	4,642.1	4,233.4	2,301.5	582.9	(1,718.5)	-74.7%
Total Revenues		31,440.4	33,099.4	6,148.2	1,582.9	(4,565.3)	-74.3%
Net Expenditures		6,136.2	5,599.2	10,227.7	10,977.0	749.3	7.3%
Approved Positions		222.7	240.4	240.4	57.0	(183.4)	-76.3%

**Salaries & Benefits:**

- In an effort to mitigate revenue shortfall, TO Live implemented salaries and benefits savings measures to reduce staffing complement by 80% in 2020 as a result of COVID-19. Salaries and benefits continue to reflect the bare minimal to operate the three venues in 2021.

**Services and Rents:**

- Significant underspending in 2020 due to suspension of regular operations. Additional program delivery costs to safely reactivate space available for local arts organizations and artists as part of the TO Live's recovery program initiative.

**Contributions to Reserves and Draw from Reserve Funds:**

- Due to COVID-19, it is anticipated that no facility fee revenues will be received in 2021, resulting in lower contribution to the Facility Fee Reserve Fund.
- The draw from Facility Fee Reserve Fund to address general maintenance and minor state of good repairs will also be reduced in 2021 correspondingly to reflect the loss of facility fee revenues.

**User Fees & Donations and Other Revenue:**

- Reduced revenue in 2020 due to suspension of operations since March 2020. Stage and corporate activities are not budgeted for in 2021 due to uncertainties on public gathering restrictions.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Reduction in staffing costs	Other		12,697.2	12,697.2	183.4			
<b>Total Balancing Actions</b>			<b>12,697.2</b>	<b>12,697.2</b>	<b>183.4</b>			<b>-</b>

TO Live will continue to implement cost reduction measures to address the financial pressures arise from COVID-19, while investing in the programming recovery initiative and the safe reopening of facilities. Reductions are attributed to continued suspension of operations resulting from the COVID-19 pandemic while ensuring baseline staffing support is maintained.

## 2022 & 2023 OUTLOOKS

**Table 3: 2022 and 2023 Outlooks**

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	6,148.2	1,582.9	1,582.9	1,582.9
Gross Expenditures	16,375.9	12,559.9	12,559.9	12,559.9
<b>Net Expenditures</b>	<b>10,227.7</b>	<b>10,977.0</b>	<b>10,977.0</b>	<b>10,977.0</b>
<b>Approved Positions</b>	<b>240.4</b>	<b>57.0</b>	<b>57.0</b>	<b>57.0</b>

## Key drivers

The 2022 and 2023 Outlook with total gross expenditures of \$12.560 million remains unchanged as the 2021 Operating Budget.

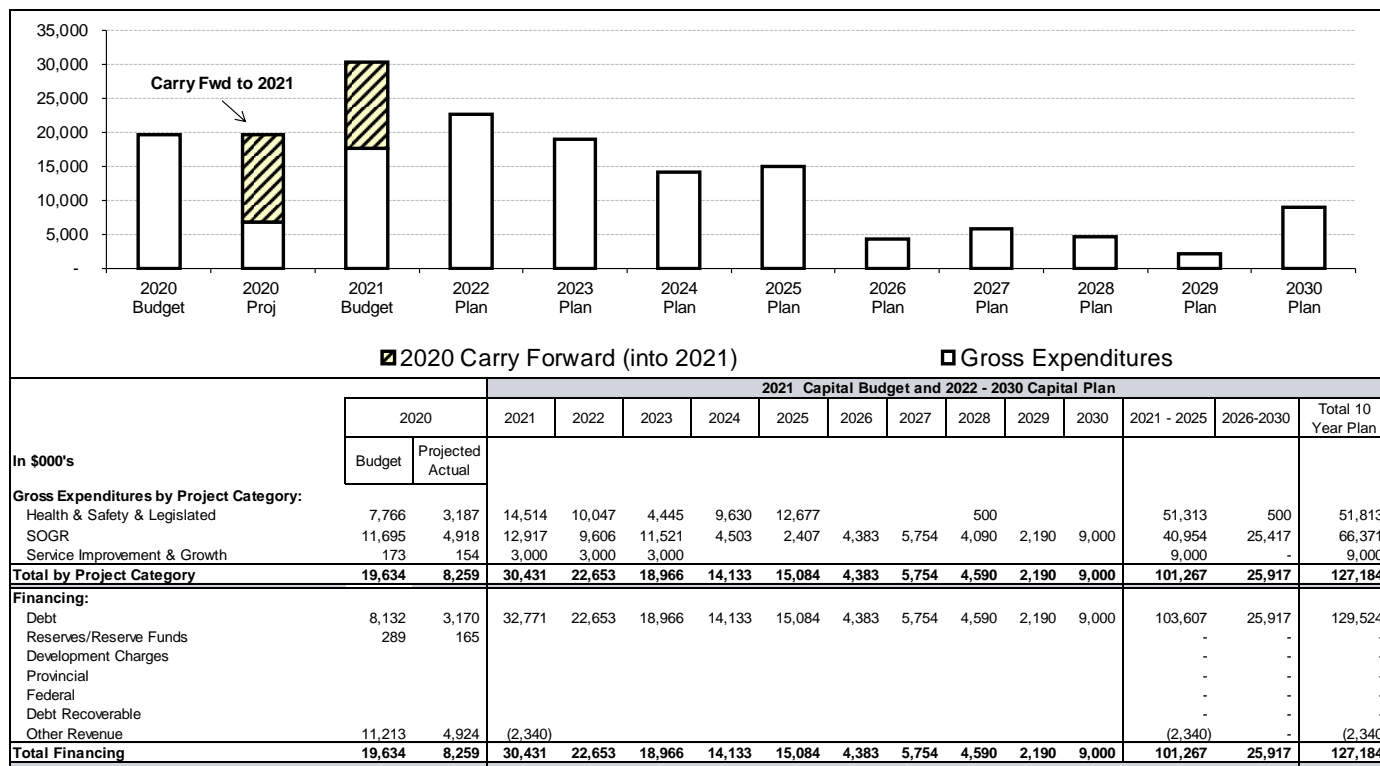
COVID-19 remains an ongoing challenge to the live performance and event industry. TO Live expects a gradual return to regular operations over a significant period of time.

The uncertainty around the pandemic future resurgences, public health guidelines on capacity restrictions and patrons confidence in returning to public gathering, makes it difficult to predict the financial impact in future years.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$5.5 Million)

The 2021-2030 Capital Budget and Plan reflects an investment of \$5.5 million to existing projects over the nine common years (2021-2029). These projects have been reviewed by TO Live to reflect updated cost estimates and project delivery schedules as part of the capacity to spend review.

- \$4.7 million – Increase in *Meridian Arts Centre SOGR* projects to address outstanding state of good repairs.
- \$0.7 million – Increase in *St. Lawrence Centre for the Arts SOGR* projects to address accumulated SOGR backlog.





### New Projects (\$21.6 Million)

- \$10.3 million – To replace the roofs at Meridian Arts Centre to address signs of aging and deterioration
- \$9.0 million – To continue studies and planning for the *St. Lawrence Centre Redevelopment*
- \$1.4 million – To enhance theatre systems and equipment at the Meridian Hall
- \$0.9 million – To improve facilities in response to COVID-19 Health & Safety requirements

### Capital Needs Constraints (\$32.5 Million)

- TO Live has \$32.5 million unfunded projects over the 10-year planning horizon related to the SOGR for Meridian Arts Centre, Theatre systems and equipment at the Meridian Hall and future year Building Condition Audit recommendations.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$127.2 Million 10-Year Gross Capital Program**

			
<b>Aging Infrastructure</b>	<b>Accessibility</b>	<b>Equipment</b>	<b>St. Lawrence Centre Redevelopment</b>
\$ 35.6 M 28.0%	\$ 50.3 M 39.5%	\$ 2.0 M 1.6%	\$ 39.3 M 30.9%
Building Envelope, Mechanical & Electrical Systems	AODA Compliance Projects	Theatrical Systems and Equipment	St. Lawrence Centre Redevelopment

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$127.2 M</b> <b>100%</b>		<b>\$0 M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Debt/CFC	\$127.2 M		



## CAPACITY TO SPEND REVIEW

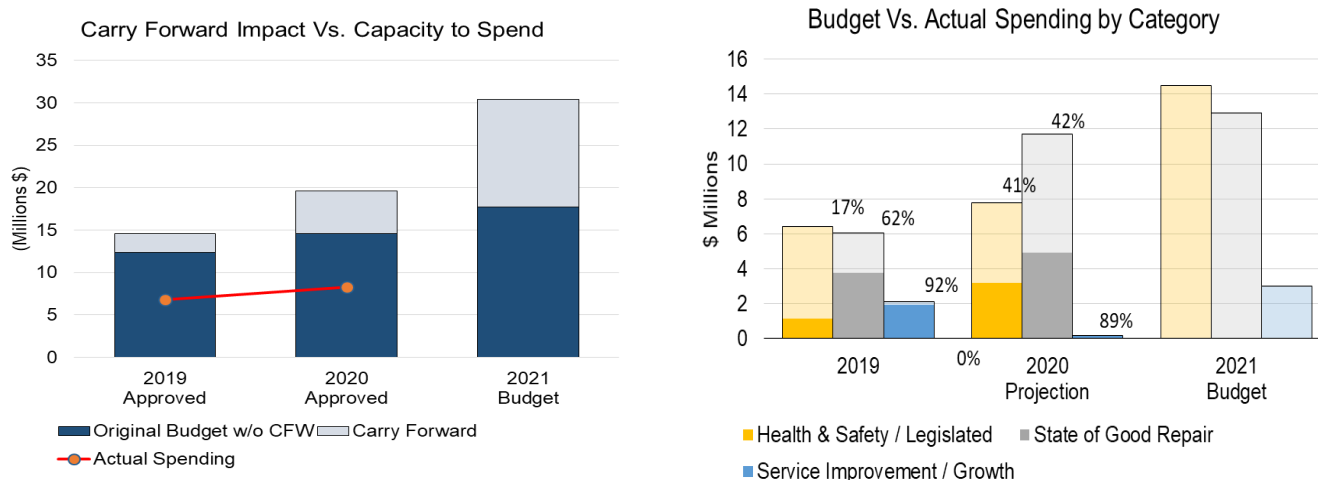
The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with TO Live's ability to spend and the markets capacity to deliver.

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.

The capital project planning and delivery is guided by the "Protocol for Management of TO Live Capital Projects" which was adopted by City Council in mid-2019. The objectives of the Protocol are to assist both the City and TO Live to plan and manage capital projects for the three civic theatres in an effective manner that optimizes the operations of the theatres, their state of good repair, and contributes to their use and programs, while complying with the City's policies and priorities for the long term stewardship of City assets. Due to delay in the approval of the protocol document, the spending rate for 2019 was affected.

Up to 2018, the 10-Year Capital Plan for TO Live was managed separately by individual theatre sites. Economic Development and Culture previously managed the St. Lawrence Centre for the Arts and the Meridian Arts Centre (formerly Toronto Centre for the Arts) on behalf of TO Live, while TO Live has independently managed the Meridian Hall (formerly Sony Centre for the Performing Arts). For this reason, 2019 marks the first year that the 10-Year Capital Plan for the three City-owned theatres were consolidated into one single portfolio, as illustrated in the chart below.

**Chart 2 – Capacity to Spend**



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

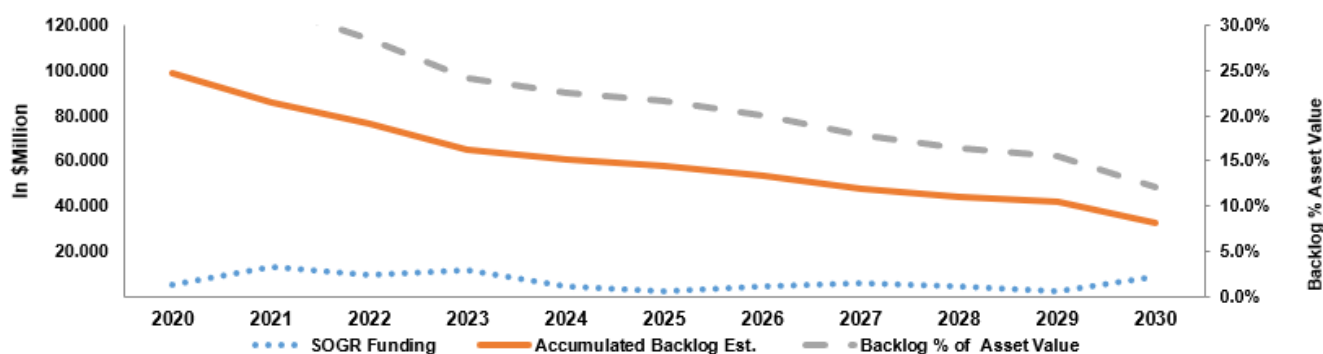
- In 2020, TO Live is forecasting to spend \$8.3 million or 42% of the 2020 Council Approved Capital Budget. \$11.1 million in capital projects were delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts.
- TO Live requires cash flow funding of \$30.4 million in 2021 to continue the capital work. The 2021 cash flow is higher than the 2020 projected spending significantly for the reasons below:
  - To continue capital improvements in the three theatres to address elements that require replacements, reconfigurations and upgrades that are identified in the building accessibility audit as well as various health and safety needs and COVID upgrades including AODA to ensure standards of the facilities are met for patrons and staff.

- To invest in major maintenance in critical and high priority areas that are needing capital improvements to address SOGR backlogs. This will enable TO Live to upkeep the facilities while enhancing customer experience.
- To replace aged roof at the Meridian Arts Centre.
- To continue the studies and planning required as part of the St. Lawrence Centre for the Arts redevelopment.
- There is an opportunity to complete an increased level of capital projects in 2021 due to the reduced programming conflicts as a result of the COVID related suspension of regular operations.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes for TO Live.

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



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	4.918	12.917	9.606	11.521	4.503	2.407	4.383	5.754	4.090	2.190	9.000
Accumulated Backlog Est.	98.918	86.001	76.395	64.874	60.371	57.964	53.581	47.827	43.737	41.547	32.547
Backlog % of Asset Value	36.9%	32.1%	28.5%	24.2%	22.5%	21.6%	20.0%	17.9%	16.3%	15.5%	12.2%
Total Asset Value	267.838	267.838	267.838	267.838	267.838	267.838	267.838	267.838	267.838	267.838	267.838

TO Live has stewardship for the three major City-owned theatres: Meridian Hall, St. Lawrence Centre for the Arts and Meridian Arts Centre. Recommendations from the building condition audits and building accessibility assessments are taken into consideration in establishing TO Live's 10-Year Capital Plan.

The 2021-2030 Council Approved Capital Budget and Plan provides funding for \$66.371 million of SOGR-only projects within TO Live over the 10-year period, providing an average of \$6.637 million annually. TO Live will utilize this funding to maintain building infrastructure, major theatre equipment and Heritage Agreement obligations for the three theatres. However, this funding is not sufficient to completely reduce the growing SOGR backlog over the 10-year period. Based on this plan, the accumulated backlog will decrease from \$98.918 million in 2020 to an anticipated \$32.547 million in 2030.

The "Capital Needs Constraints" include additional SOGR projects to help reduce the backlog of Meridian Hall and Meridian Arts Centre. These projects cannot be accommodated within the City's debt affordability and therefore are not included in the 10-Year Capital Plan.

# 2021 Program Summary

## Toronto and Region Conservation Authority

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### Description

We protect, conserve, and restore natural resources and develop resilient communities through education, the application of science, community engagement, service excellence and collaboration with our partners.

Toronto and Region Conservation Authority (TRCA) provides the following services:

- Watershed Studies & Strategies
- Water Risk Management
- Regional Biodiversity
- Greenspace Securement & Management
- Tourism & Recreation
- Planning & Development
- Education & Outreach
- Sustainable Communities
- Corporate Services

TRCA is the largest landowner (almost 18,000 hectares) in the Greater Toronto Area (GTA) region, and it makes its lands available to the community for outdoor and conservation education, recreation, and historic site purposes. TRCA's area of jurisdiction includes 3,467 square kilometres: 2,506 on land and 961 water-based.

TRCA is not an agency of the City of Toronto and was established in 1957 under the *Conservation Authorities Act (CA Act)*, which sets out the mandate, governance, authorities and other provisions for Conservation Authorities (CA) in Ontario. TRCA's 28-member Board of Directors sets strategic policy and supervises the management of the business and affairs of the TRCA. City Council appoints 14 members which currently includes seven public members, appointed through the City's Public Appointments process, and seven City Council members. The City of Toronto does not exercise control over TRCA or consolidate TRCA's operations into its financial statements.

### Why We Do It

TRCA is one of 36 CAs in Ontario undertaking watershed-based programs that protect people and property from flooding and other natural hazards while conserving natural resources to achieve economic, social and environmental benefits. TRCA is working with the City of Toronto to establish memorandums of understanding and service level agreements for any requested projects or programs that fall outside of a CA Mandatory function as defined by the *CA Act*. It is expected that this will be informed by regulations which are expected to be released in late 2020.

*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 Services We Provide

#### Watershed Health

**Who We Serve:** Government Agencies, Local Municipalities, Residents & Families

**What We Deliver:** Flood and erosion risk management, watershed monitoring, restoration of Toronto's land and water resources, climate science research programs

**How Many Resources (gross operating budget): \$7.9 million**

#### Planning and Sustainable Communities

**Who We Serve:** Government Agencies, Local Municipalities, Businesses & Associations, Residents and Community Groups

**What We Deliver:** Review of federal, provincial, and municipal legislation and initiatives from an integrated watershed management perspective, sustainability and resilience development programs

**How Many Resources (gross operating budget): \$0.6 million**

## Education and Recreation

**Who We Serve:** Schools & Students, Residents, New Immigrants

**What We Deliver:** Access to conservation areas offering affordable family-oriented programming and recreation opportunities, pre-kindergarten to university level environmental education programs

**How Many Resources (gross operating budget):** \$1.7 million

## Budget at a Glance

### 2021 OPERATING BUDGET

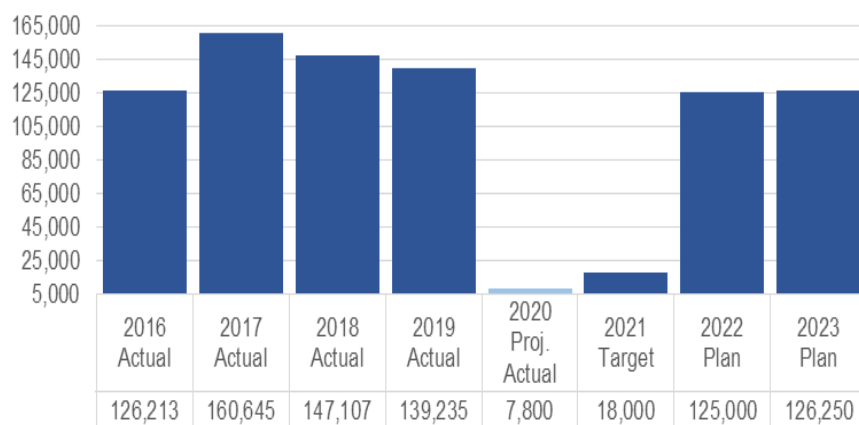
\$ Millions	2021	2022	2023
Revenues	\$ 5.3	\$ 5.4	\$ 5.6
Gross Expenditures	\$ 10.2	\$ 10.9	\$ 11.3
Net Expenditures*	\$ 4.9	\$ 5.5	\$ 5.7

### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$ 18.2	\$ 187.8	\$ 206.0
Debt	\$ 4.0	\$ 42.2	\$ 46.2

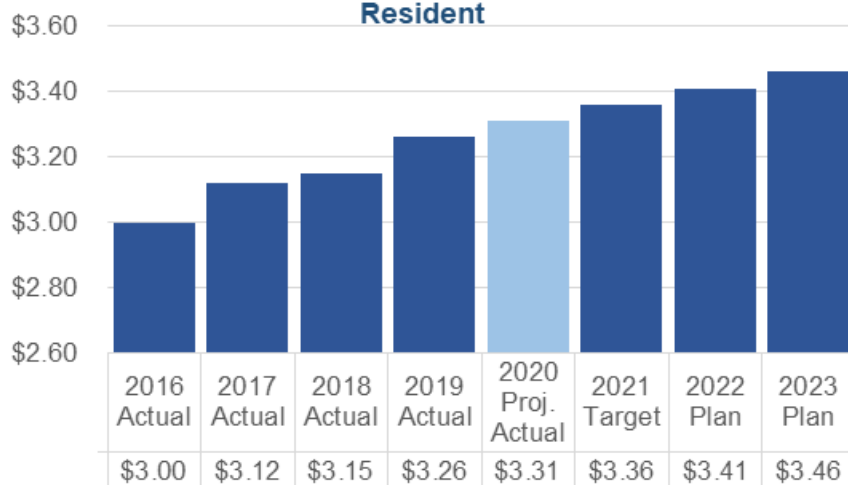
## How Well We Are Doing – Behind the Numbers

# of Visits to Black Creek Pioneer Village



- Attendance at Black Creek Pioneer Village is subject to many factors including weather conditions and seasonal fluctuations.
- Attendance targets have been revised for 2020 onwards to be reflective of operating in compliance with anticipated COVID-19 restrictions. The 2021 plan includes virtual field trip visits.

Cost of TRCA Operating Funding per Toronto Resident



- The costs of TRCA operating funding per Toronto resident include funding from tax levy through property taxes and water rate funding.
- The combined cost per Toronto resident has increased modestly due to the City of Toronto's budgetary constraints in recent years.
- Additional phased-in contributions to TRCA have been included since 2020 to address the existing funding imbalance.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Watershed Health	% of erosion hazard control sites inspected (2,717 sites)	100	113*	100	100	100	100	●
Watershed Health	% of conservation lands management planning achieved	60	60	60	60	65	70	●
Education and Recreation	Attendance numbers at Conservation Areas	819,116	1,036,401	828,200	**	836,482	844,847	●
Planning and Sustainable Communities	% of environmental assessment and permit reviews meeting 10-30 business day service level standard	85	85	85	85	85	85	●
*At risk sites are re-inspected following storm events ** 2020 projections are currently under revision ***Attendance projections and targets were revised in 2020 to be reflective of operating in compliance with anticipated COVID-19 restrictions								
Service Level Measures								
Watershed Health	% of flood plain mapping that meets TRCA's service delivery standards	47	62	94	94	100	100	●
Watershed Health	# of Acres of land ownership	44,582	40,031*	40,220	40,220	40,360	40,480	●
Education and Recreation	# of trail users accessing TRCA managed trails**	49,708	69,595	95,000	95,000	**	**	●
Planning and Sustainable Communities	# of Planning and Permit Applications	2,095	1,944	2,200	1,500	2,100	2,100	●
*Land ownership was reduced in 2019 following the transfer of TRCA lands to Parks Canada **This service measure is transitioning to % increase in traffic on TRCA-managed trails in 2021, targets will be developed after examining 2020 data								
Other Measures								
Education and Recreation	% of online ratings that are ranked 4 or higher at Black Creek Pioneer Village	92	90	90	90	90	90	●

**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>The COVID-19 pandemic and provincially declared emergency resulted in closures of TRCA facilities as well as the cancellation of TRCA events and regularly scheduled programming. These restrictions have dramatically impacted TRCA's business models and associated revenues, primarily in the Education and Training and Parks and Culture Divisions.</li> <li>TRCA's self-generated revenue, 56 % of TRCA's Operating Budget, was significantly impacted as a result of COVID-19 response. Operating expenditures have been reduced in order to mitigate net financial losses to the organization. The City of Toronto's contribution to TRCA's Operating Budget was not impacted as a result of the COVID-19 pandemic.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>TRCA is prepared to maintain reduced operational expenditures in order to offset ongoing reductions in self-generated revenue that may continue into 2021.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>The introduction of new Health &amp; Safety procedures for staff performing field work allowed TRCA to largely maintain delivery of its capital projects and programs in core service areas. Primary financial impacts to TRCA's Capital Budget include increased expenditures resulting from purchase of personal protective equipment and additional staff time required to adapt to the changing environment.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>TRCA anticipates that 2020 impacts will continue into 2021.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Introduction of sanitation procedures, social distancing compliance measures, and fee adjustments, to allow for gradual re-opening of facilities in accordance with approved protocols.</li> <li>Transition of in-person meetings and engagement, particularly in TRCA's Education and Outreach and Sustainable Communities divisions to virtual formats.</li> <li>Alternative working arrangements, where possible, to allow staff to perform their duties from home to maintain service levels.</li> <li>In some cases, changes and innovations resulting from COVID-19 are anticipated to have a positive impact on TRCA's service delivery and will likely lead to increased operational efficiency and new opportunities for stakeholder engagement.</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>TRCA anticipates that 2020 service level changes will continue into 2021.</li> <li>TRCA will continue to monitor public health, legislative changes, and partner municipality practices to ensure legislative compliance, adaptation to the most current public health requirements and alignment with our partners. Environmental scanning and best practice reviews will continue with our peer conservation authorities, municipalities, not-for-profits, and related associations in 2021. This will ensure the sharing of information and alignment of practices with peers and partners.</li> </ul>



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Inspected 2,717 erosion hazard and control sites, protected 23 buildings against erosion and slope instability, stabilized 1.6 kilometres of stream and shoreline and protected 0.9 kilometres of linear municipal water and wastewater infrastructure from exposure by erosion across TRCA's jurisdiction.
- With funding from the City of Toronto and W. Garfield Weston Foundation, TRCA is working to transform the existing Gatineau hydro corridor between the Don River ravine and Rouge National Urban Park into a revitalized greenspace with restored meadow habitat and a connected and upgraded multi-use trail.
- TRCA continues to increase fee-for-service work in water risk management with \$25.9 million of work addressing partner municipality strategic objectives in 2020. Major projects include the Ashbridges Bay Treatment Plant Landform Project in addition to Phases I and II of the East Don Trail project.

### Key Challenges and Risks

- Ongoing monitoring of public health, legislative changes, and partner municipality practices to ensure compliance, adaptation and responsiveness to the COVID-19 pandemic.
- TRCA's expansive jurisdiction will continue to face significant pressures resulting from urbanization, aging infrastructure, extreme weather impacts, climate change effects, invasive species, and other emerging threats. In order to meet these challenges head-on, TRCA will strive to diversify its revenue sources to enhance long-term financial resilience. As part of this effort, Master Service Agreements and Fee-for-Service Agreements with the City of Toronto will be updated and developed to help achieve shared sustainability objectives.
- Provincial changes to the *Planning Act*, *Conservation Authority Act (CA Act)* and regulations. The revised *CA Act* was released in November 2020, which will directly impact the 2022 budget year. TRCA will continue working with all stakeholders to address natural resource management challenges facing our rapidly growing region.

### Priority Actions

- Advance the Scarborough Waterfront Project and other projects that seek to renew City and TRCA shared infrastructure.
- Modernize Corporate Services Information Systems which will allow TRCA to streamline policies and procedures and realize efficiencies including reduced partner or client expense, service time, uncertainty, and/or financial risk.
- Continue to invest in aging infrastructure across TRCA's Conservation Areas and public spaces in order to provide safe, accessible, and functional facilities to the public. TRCA will continue to develop an Asset Management Strategy.
- Measure our impact with a series of key performance indicators relevant to our work will give the ability to align Conservation Authority initiatives to our partner municipality priorities.
- Refinement of the capital needs constraints list throughout 2021 to ensure alignment with the revised *CA Act* and regulations.

## 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	
	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Toronto and Region Conservation Authority	5,075.9	5,202.8	5,202.8	5,332.9	-	5,332.9	130.1	
<b>Total Revenues</b>	<b>5,075.9</b>	<b>5,202.8</b>	<b>5,202.8</b>	<b>5,332.9</b>	<b>-</b>	<b>5,332.9</b>	<b>130.1</b>	<b>2.5%</b>
<b>Expenditures</b>								
Toronto and Region Conservation Authority	8,908.7	9,470.4	9,470.4	10,197.9		10,197.9	727.5	
<b>Total Gross Expenditures</b>	<b>8,908.7</b>	<b>9,470.4</b>	<b>9,470.4</b>	<b>10,197.9</b>	<b>-</b>	<b>10,197.9</b>	<b>727.5</b>	<b>7.7%</b>
<b>Net Expenditures</b>	<b>3,832.8</b>	<b>4,267.6</b>	<b>4,267.6</b>	<b>4,865.0</b>	<b>-</b>	<b>4,865.0</b>	<b>597.4</b>	<b>14.0%</b>

\*2020 Projection based on Q3 Variance Report

\*\* Prior Year Actuals adjusted to represent only the apportionment pertinent to the City of Toronto

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$10.198 million gross reflect an increase of \$0.728 million in spending above 2020 projected year-end actual, which is attributable to the City of Toronto's phased in CVA payment adjustments approved in 2020.

- Consistent with prior years, the method for apportioning TRCA's operating levy between the City of Toronto and TRCA's other partner municipalities, including the regions of Peel, York and Durham, Town of Mono and the Township of Adjala-Tosoronto, is guided by provincial legislation and is based on a modified current value assessment (CVA) calculation for property situation in each participating municipality. The City of Toronto has the highest proportion of overall assessment and is responsible for 64.2% of the TRCA Operating Levy.
- TRCA experiences budget pressures including increased salary costs in excess of cost of living adjustments, such as employee benefit expenditures which routinely exceed inflation. The impact of these pressures has not been included in the 2021 Operating Budget for TRCA.
- The 2021 Operating Budget provides the administrative framework and resources for TRCA programs that provide critical services to the City of Toronto and its residents. These services maintain and improve the region's lands and waters; contribute to public safety from flooding and erosion; and enhance the quality and variety of life in the community by providing lands for inter-regional outdoor recreation, heritage preservation, and conservation education.
- TRCA's Operating Budget consists primarily of levy and self-generated revenues, including development review and permitting fees, user fees at TRCA sites, and a variety of additional fees charged to TRCA stakeholders.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto and Region Conservation Authority's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto and Region Conservation Authority is \$10.198 million gross, representing an increase of \$0.728 million or 7.7% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

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

Key Cost Drivers (\$000s)	2019 Actuals	2020 Budget	2020 Projection*	2021 Base Budget	Change Vs. 2020 Projection	
					\$	%
Expenditures						
1 City of Toronto Contribution to TRCA	8,908.7	9,470.4	9,470.4	10,197.9	727.5	7.7%
Total Expenditures	8,908.7	9,470.4	9,470.4	10,197.9	727.5	7.7%
Revenues						
1 Contribution from Toronto Water	5,075.9	5,202.8	5,202.8	5,332.9	130.1	2.5%
Total Revenues	5,075.9	5,202.8	5,202.8	5,332.9	130.1	2.5%
Net Expenditures	3,832.8	4,267.6	4,267.6	4,865.0	597.4	14.0%

\*2020 Projection based on Q3 Variance Report

\*\* Prior Year Actuals adjusted to represent only the apportionment pertinent to the City of Toronto

- Each year, TRCA receives the full funding amount as approved by Council, resulting in no year-end variance. The 2020 projected actuals align with the 2020 Council Approved Operating Budget of \$9.470 million gross, \$4.268 million net.
- The increase of \$0.728 million in gross expenditures over the 2020 projected actual is attributable to the CVA payment adjustment, approved during the 2020 budget. This increase is partially offset by increased contributions from Toronto Water of \$0.130 million or 2.5%. Under the *CA Act*, TRCA has authority to levy for their maintenance and administrative costs to the benefitting partner municipalities.
- Inflationary increases to utilities and contracts, and salaries and benefits have not been applied.
- TRCA continues to address budget pressures by implementing efficiencies where possible, including reducing full time staff complement of approved but not funded positions, improved coordination with partner municipalities, obtaining funding support from senior levels of government (e.g., NDMP, DMAF). However long-term efficiencies may be offset temporarily by increased upfront costs. For example, TRCA has moved to Office365 from Lotus Notes and is transitioning to a comprehensive Human Resource Information System.

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

(\$000s)	2020 Projection*	2021 Budget	2022 Outlook	2023 Outlook
Revenues	5,202.8	5,332.9	5,466.2	5,602.8
Gross Expenditures	9,470.4	10,197.9	10,925.4	11,318.7
<b>Net Expenditures</b>	<b>4,267.6</b>	<b>4,865.0</b>	<b>5,459.2</b>	<b>5,715.9</b>

\*2020 Projection based on Q3 Variance Report

## Key drivers

The 2022 Outlook with total gross expenditures of \$10.925 million reflects an anticipated \$0.728 million or 7.1% increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlook expects a further increase of \$0.393 million or 3.6% above 2022 gross expenditures.

## 2022 Key Drivers

- Toronto Water Contributions:**  
 Consistent with previous years, Toronto Water's contribution to the TRCA is anticipated to increase by 2.5% per annum, resulting in total revenues to TRCA of \$5.466 million in 2022.
- Additional Contribution to TRCA:**  
 The 2020 Operating Budget and future year Outlooks for TRCA included a phased increase in contributions totalling \$1.698 million including \$0.243 million in 2020; \$0.728 million in 2021; and \$0.728 million in 2022.

## 2023 Key Drivers

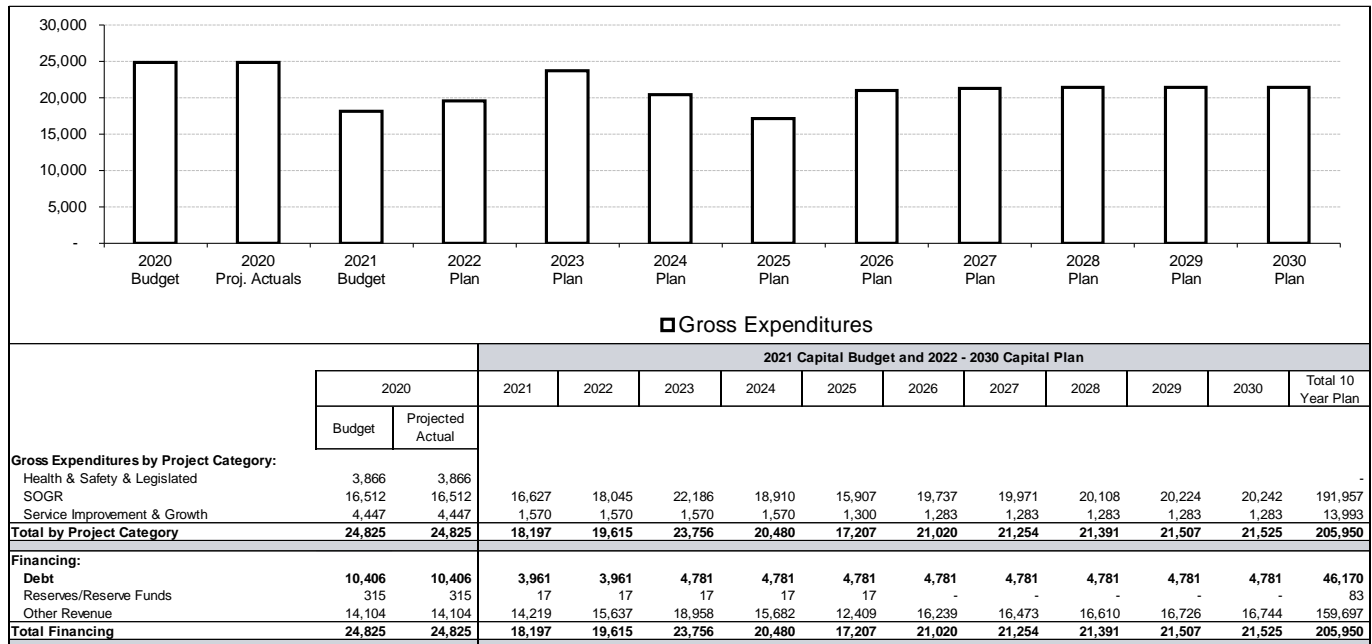
- Toronto Water Contributions:**  
 Consistent with previous years, Toronto Water's contribution to the TRCA is anticipated to increase by 2.5% per annum, resulting in total revenues to TRCA of \$5.603 million in 2023.
- Inflationary Impacts:**  
 In 2023, increases to the base contribution are forecasted to return to 3.6% resulting in an increase of \$0.393 million in gross expenditures.

## Note

- Changes to the *Conservation Authorities Act*:**  
 There may be changes to the 2022 and 2023 Outlooks pending assessment of the regulations pertaining to Bill 108 which were released in November 2020. TRCA will reassess the levying process throughout the 2021 fiscal year, based on changes to the *CA Act*.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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







### New Projects (\$206.0 Million)

- TRCA does not have any new capital projects in the 10-Year Capital Plan of \$206.0M. The Capital Plan includes ongoing projects with cash flow commitments approved on an annual basis including:
- \$192.0M for SOGR projects to maintain assets including major maintenance of existing waterfront erosion control structures, environmental rehabilitation, watershed monitoring and management, and facilities retrofits.
- \$14.0M for Service Improvement / Growth related projects including \$12.8M for the *Long-Term Accommodation – 5 Shoreham* major capital project.

### Capital Needs Constraints (\$750.9 Million)

- \$191.8M for Health & Safety or SOGR projects to avoid service disruption or legal claims including the *Scarborough Waterfront* projects.
- \$276.4M for projects that support the implementation of Council approved priorities including \$33.5M for the *Scarborough Bluffs West* project.
- \$106.0M in projects that would reduce the SOGR backlog including \$24.5M related to the *Black Creek Pioneer Village*.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$206.0 Million 10-Year Gross Capital Program**

			
<b>Critical Erosion Control and Floodworks</b>	<b>Waterfront Development</b>	<b>Infrastructure</b>	<b>Watershed Management</b>
\$129.6 M 63%	\$14.2 M 7%	\$22.4 M 11%	\$39.7 M 19%
Valley Erosion Hazards Toronto Islands - Gibraltar Point Major Maintenance of Erosion Infrastructure	Scarborough Waterfront Project Keating Channel Dredging Tommy Thompson Park Management Program	TRCA Administrative Office Building Asset & Infrastructure Management Plan Information Technology Management	Regional Watershed Monitoring Program Greenspace Land Acquisition Stewardship Projects and Programs

**How the Capital Program is Funded**

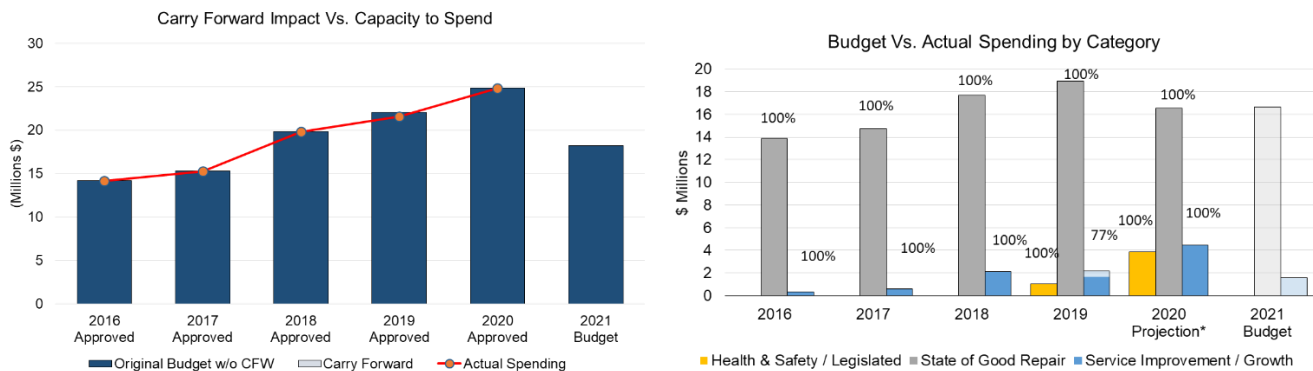
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$206.0 M 100%</b>		<b>\$0</b>	<b>\$0</b>
Debt	\$ 46.2 M		
Reserve Draws	\$ 0.09 M		
Other Revenue – Toronto Water Contribution	\$ 159.7 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan for TRCA 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 TRCA's ability to spend and the market's 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).

**Chart 2 – Capacity to Spend**



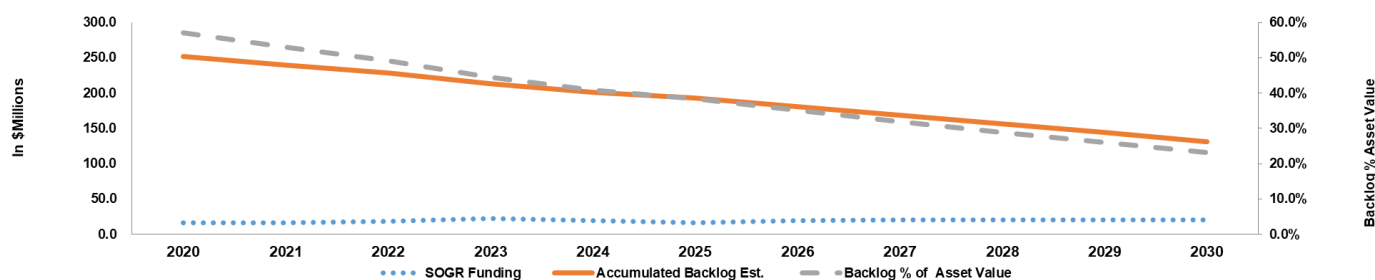
\*2020 Projection based on Q3 Variance Report

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

- The majority of the TRCA's capital projects are ongoing or phased projects which arise from multi-year planning. Feasibility studies or needs assessments have been completed and engineering estimates form the basis of costs. TRCA typically receives 100% of its Capital Budget in any given year and does not require funding to be carried forward into future years due to incomplete projects.

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in TRCA: watershed and infrastructure.

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

- TRCA has stewardship of assets which are comprised of land, land improvements, buildings, infrastructure with a

\$ Millions	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	16.5	16.6	18.0	22.2	18.9	15.9	19.7	20.0	20.1	20.2	20.2
Accumulated Backlog Est.	251.5	240.1	228.7	213.5	201.6	193.0	180.8	168.5	156.2	143.9	131.6
Backlog % of Asset Value	57.2%	53.1%	49.3%	44.5%	40.9%	38.4%	35.1%	31.9%	28.9%	26.0%	23.2%
Total Asset Value	439.9	452.1	464.1	480.2	492.9	502.1	515.1	528.1	541.2	554.3	567.3

total

estimated replacement value at \$439.9 million and capital work-in-progress in the Don, Rouge, Highland, Etobicoke, Mimico and Humber watersheds, as well as along the waterfront.

- In recent years, issues related to erosion and damage from high intensity, localized storms have increased. This has added to the outstanding state of good repair work and to potential safety risks. The 10-Year Capital Plan for TRCA includes a total of \$192.0 million for SOGR projects, funded by \$159.7 million from Toronto Water contributions and \$32.3 million in debt funding.
- SOGR funding continues to provide critical support for TRCA projects and programs related to waterfront and valley erosion control; regional watershed management and watershed monitoring; waterfront development; and critical erosion projects. Key projects in the 10-Year Capital Plan include:
  - \$107.0 million for *Critical Erosion* projects funded by Toronto Water including \$3.0 million for *Gibraltar Point* erosion work; \$70.8 million for *Waterfront Major Maintenance*; \$31.2 million for *Erosion Major Maintenance*; and \$2.0 million for *Floodworks Major Maintenance*; and
  - \$39.1 million to address SOGR projects identified as part of the *Living City Action Plan* including watershed monitoring; regional watershed management; and regeneration sites.
- SOGR funding is anticipated to reduce the current SOGR backlog of \$240.1 million in 2021 to \$131.6 million in 2030 while addressing emerging and expected repair work required.
- TRCA's total asset value is expected to increase from \$439.9 million in 2020 to \$567.3 million in 2030. The SOGR backlog as a percentage of asset value will decrease from 53% in 2021 to 23% in 2030.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

- TRCA typically absorbs the operating impact of its completed capital projects, except in cases where it transfers an asset arising from a completed project to the City of Toronto to manage on an ongoing basis.
- For example, upon completion of TRCA's capital work on ravine parkland, TRCA transfers over the operation of the park to Parks, Forestry and Recreation (PF&R) under the existing agreement between TRCA and the City. This increased operational responsibility would impact the Operating Budget for PF&R.
- TRCA staff will work closely with City Programs including PF&R, Municipal Licensing Services, Transportation Services, Toronto Water and Financial Planning to ensure that future year budget submissions identify any operating impacts of capital projects in the TRCA's 10-Year Capital Plan.

# 2021 Program Summary

## Toronto Atmospheric Fund

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### Description

Toronto Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation. We are experienced leaders and collaborate with stakeholders in the private, public and non-profit sectors who have ideas and opportunities for reducing carbon emissions. Supported by endowment funds, we advance the most promising concepts by investing, providing grants, influencing policies and running programs. We're particularly interested in ideas that offer benefits in addition to carbon reduction such as improving people's health, creating local jobs, boosting urban resiliency, and contributing to a fair society.

### Why We Do It

TAF's ultimate goal is to reduce carbon emissions to net-zero by 2050 in the Greater Toronto and Hamilton Area. This target isn't simply another milestone. It's a vision for a climate-smart urban region that functions within its environmental means and is a leader among climate-friendly urban centres around the world. This is aligned with TransformTO, the City of Toronto's climate action plan, and the declaration of a climate emergency adopted by Council.

*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

### **Service 1: Grants**

**Who We Serve:** Not for profit organizations, charities, academia, research institutions and municipalities in the GTHA who are eligible to receive TAF grants, and internal project teams.

**What We Deliver:** Strategic grants and contributions to TAF projects which demonstrate and advance reduction of Greenhouse Gas (GHG) emissions, along with other benefits.

**How Much Resources (gross operating budget):** \$1.911 million

### **Service 2: Impact Investing**

**Who We Serve:** Businesses and enterprise with low-carbon projects and activities, non-profit and for-profit institutional co-investors, the wider financial sector as interest grows in ESG.

**What We Deliver:** Investment in marketable securities, and direct investments in projects and companies that are aligned with TAF's mandate, generate a risk-adjusted return, and mobilize financial capital for urban low-carbon solutions.

**How Much Resources (gross operating budget):** \$1.676 million

### **Service 3: Program and Policy Advocacy**

**Who We Serve:** Government (Municipal, Provincial, and Federal), businesses and industry, not for profits, and other institutions promoting and delivering GHG reductions.

**What We Deliver:** Strategic programs and policy advocacy that can eliminate barriers and help achieve at-scale GHG reductions for the GTHA and other benefits like improved health, job creation, and economic value.

**How Much Resources (gross operating budget):** \$3.215 million (with a significant portion of this from external funding, alongside endowment proceeds)

### **Service 4: Operations and Governance**

**Who We Serve:** City Council, Province of Ontario and Government of Canada via Federation of Canadian Municipalities, and the wider community including industry partners, not for profits, academia, citizens in the GTHA

**What We Deliver:** A high standard of accountability and compliance with all governance requirements, efficient and effective operations, and a diverse, learning, collaborative and mission-focused culture.

**How Much Resources (gross operating budget):** \$1.098 million



## Budget at a Glance

### 2021 OPERATING BUDGET

\$Millions	2021	2022	2023
Revenues	\$7.9	\$8.0	\$8.1
Gross Expenditures	\$7.9	\$8.0	\$8.1
Net Expenditures	\$0.0	\$0.0	\$0.0
Approved Positions	15.0	15.0	15.0

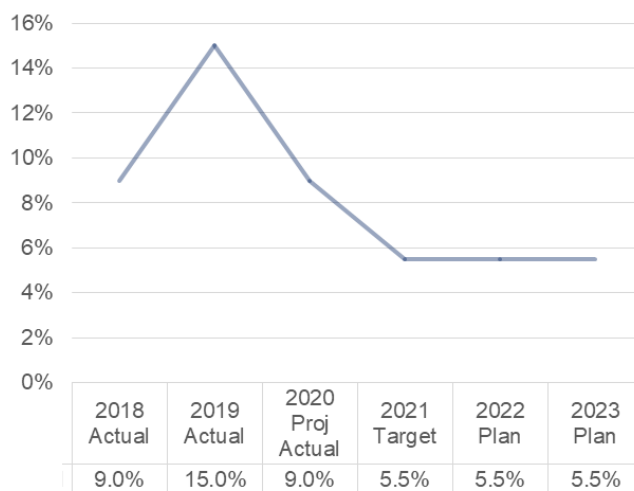
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$Millions	2021	2022-2030	Total
------------	------	-----------	-------

Toronto Atmospheric Fund has no capital budget

## How Well We Are Doing – Behind the Numbers

Portfolio Annual Yield (%)



- TAF's marketable investments portfolio had an average return of 8.1% over 2015 - 2019. The 5.5% annual revenue projection is conservative, especially as the new Canada fund is deployed.
- Direct investments are being increased to reduce the portfolio's volatility, increase risk-adjusted return, and achieve more mandate-related impact.
- TAF attracts external revenues (donations) for specific projects from various sources; an ambitious target has been set for 2021 given federal funding programs for low-carbon solutions.
- TAF maintains a Stabilization Fund – one for each endowment -- to mitigate exposure to the variability of investment earnings from year to year.
- TAF's total operating budget is within the Payout Ratio established by the Board of between 5-6% of the Net Asset Value, on a 4-year rolling average.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures (In \$000s)								
Grants	Total value of grants issued	\$976.0	\$658.0	\$1,200.0	\$1,500.0	\$1,632.0	\$1,664.0	●
Direct Investment (Asset Value)	Total value of equity/loan investments	\$7,563.0	\$9,051.0	\$12,000.0	\$11,441.0	\$15,000.0	\$18,000.0	●

**COVID-19 IMPACT AND RECOVERY**

<b>2020 Impact</b>	<b>2021 Impact and Recovery</b>
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>N/A</li> </ul>

- Toronto Atmospheric Fund (TAF) has had minimal effects from COVID-19. During the market downturn experienced in Q1 and Q2 2020, TAF's marketable securities portfolio which generate the bulk of TAF's revenues, experienced a 14% decline. As a long-term investor, market variability must be expected and the best medicine is to hold and not crystalize losses. In response, TAF paused several projects, paused three planned hires, re-profiled several Grant payments, generally tightened the cash flow management and actively managed our lines of credit to avoid having to redeem securities for liquidity. All Direct Investments were stress-tested, with only one experiencing some COVID-19 related implementation delays. TowerWise-funded retrofits were paused during the initial lockdown but recommenced with appropriate protocols when construction was deemed an essential service. As of March, all TAF staff started working from home and TAF provided various types of support to make this possible and to maintain the team culture and collaboration that is key to TAF's effectiveness. Markets recovered in Q3 2020 the portfolio looks set to generate the projected revenues by end of Q4 2020, leaving TAF in a positive position.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Toronto Atmospheric Fund (TAF) has 30 years of history and experience to draw from in policy advocacy, program delivery, and grant-making and impact investing.
- This year required the TAF team to rapidly adjust to remote work, which we did successfully in March and April 2020.
- While the team has been impacted and projects and processes juggled as resources required, TAF's overall delivery, staff engagement and a sense of team remains strong; Board and Committee public meetings now offer remote participation and have continued uninterrupted.
- Our investment portfolio, while initially impacted in Q2 2020, has bounced back and performed well; and in November 2020, TAF received an additional endowment of \$40 million from the Government of Canada bringing our total fund to \$88 million. The Canada endowment also marks TAF as a member of Low Carbon Cities Canada – a network of urban climate action agencies.
- Our work in delivering deep energy and electrification retrofits in buildings, including case studies and other evaluations, has led to the design of a new strategy to scale and accelerate net-zero retrofits through a "Retrofit Delivery Centre".
- 23 grants made to community organizations across the Greater Toronto Hamilton Area, in areas of new construction, retrofits, electrification of transportation and policy advocacy.
- Strong growth in our communications online and through direct outreach; including monthly blogs and e-newsletters, steady social media presence and several webinars. All annual audience engagement and growth targets achieved.

### Key Challenges and Risks

- Endowment requires active management and specialized oversight to maintain compliance, mitigate against losses, and achieve risk-adjusted returns and impact.
- Many factors influence ability to achieve GHG reduction KPI and other important metrics (such as social and economic benefits) which requires nimbleness and ability to pivot and adapt strategies and tools.
- Global financial markets can be volatile and it will take some time to build up the Stabilization Fund buffer for the Ontario and Canada endowments.
- Retaining top talent is key to TAF's success and requires attention to maintaining a great culture, opportunity for professional development and a total rewards package, especially as climate action is embraced by private and public organizations.

### Priority Actions

- Invest the endowment prudently to generate GHG impact and financial return, and maintain compliance with Council-approved investment policy and other requirements.
- Continued grant-making for greater success, focusing on intersecting social issues and scaling.
- Ensure good governance and accountability to 'shareholders' and stakeholders, and maintaining a well-functioning staff team.
- Implement programs and advance policies that accelerate GHG emissions reductions with a priority focus on retrofitting of existing buildings, net-zero new construction, electrification of transportation, and low-carbon fuels.
- Attract external revenues to support strategic programs including TAF's Retrofit Delivery Centre, deployment of electric vehicle charging infrastructure, and leading-edge GHG quantification.

## 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>								
Investment Income and External Fundraising	8,664.0	5,630.0	5,771.0	7,900.0	-	7,900.0	2,129.0	36.9%
<b>Total Revenues</b>	<b>8,664.0</b>	<b>5,630.0</b>	<b>5,771.0</b>	<b>7,900.0</b>	<b>-</b>	<b>7,900.0</b>	<b>2,129.0</b>	<b>36.9%</b>
<b>Expenditures</b>								
Program Delivery Expenses	2,684.0	3,284.0	3,539.0	4,690.0	-	4,690.0	1,151.0	32.5%
Administrative Expenses	269.0	513.0	409.0	660.0	-	660.0	251.0	61.4%
Salaries and Benefits	1,490.0	1,833.0	1,823.0	2,550.0	-	2,550.0	727.0	39.9%
<b>Total Gross Expenditures</b>	<b>4,443.0</b>	<b>5,630.0</b>	<b>5,771.0</b>	<b>7,900.0</b>	<b>-</b>	<b>7,900.0</b>	<b>2,129.0</b>	<b>36.9%</b>
<b>Net Expenditures</b>	<b>- 4,221.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>
<b>Approved Positions</b>	<b>13.0</b>	<b>13.0</b>	<b>13.0</b>	<b>15.0</b>	<b>-</b>	<b>15.0</b>	<b>2.0</b>	<b>15.4%</b>

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$7.900 million gross reflecting an increase of \$2.129 million in spending above 2020 projected year-end actuals, predominantly arising from:

### Salaries and Benefits:

- Two (2) additional core positions being added to support the increased services required to invest the federal endowment and to use the proceeds from the enhanced endowment into TAF's services areas.

### Grants and Programs:

- Additional grants and program allocations based on enhanced endowment.

### Financial Market Factors:

- Market performance is the key driver of TAF revenues; low Fixed Income/Bond yields will be mitigated by diversifying the portfolio into less interest-rate driven products and Global Equity positions will be reduced in favour of less potentially volatile Direct Investments which are also aligned with TAF's mandate.

### Other Revenue Changes:

- Addition of \$40 million endowment from the Government of Canada is the key driver of TAF's 2021 budget; very conservative assumptions have been made including receiving the funds in Q3 2020 and phased deployment of the asset, initially into bonds and into equities over four quarters.

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

- 2021 Base Budget totalling \$0.0 million in net expenditures reflects a \$0.0 net increase above the 2020 Council Approved Budget.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Atmospheric Fund's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Atmospheric Fund is \$2.129 million gross or 36.9% higher than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	1,490.0	1,833.0	1,823.0	2,550.0	727.0	39.9%
2	COVID-19 Impact					-	
3	Other Expenditures	2,953.0	3,797.0	3,948.0	5,350.0	1,402.0	35.5%
Total Expenditures		4,443.0	5,630.0	5,771.0	7,900.0	2,129.0	36.9%
Revenues							
1	Other Revenues	8,664.0	5,630.0	5,771.0	7,900.0	2,129.0	36.9%
						-	
Total Revenues		8,664.0	5,630.0	5,771.0	7,900.0	2,129.0	36.9%
Net Expenditures		- 4,221.0	-	-	-	-	
Approved Positions		13.0	13.0	13.0	15.0	2.0	15.4%

**Total Revenue Changes:**

- The increase in revenue is a reflection of a) receipt of the \$40 million Canada Endowment which is invested in public equities and fixed income, and direct investments, and b) a significant projected increase in external revenue, mainly for the TowerWise Program for energy efficiency retrofits of multi-unit residential buildings.

**Total Expenditure Changes:**

- Expenditures are directly correlated with the projected changes in investment revenues and from external funding; the latter will not be spent unless it is raised.
- Increase in expenditures includes two additional permanent positions based on endowment capacity and additional contract positions supported by external revenues, if that is raised.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	5,771.0	7,900.0	8,000.0	8,100.0
Gross Expenditures	5,771.0	7,900.0	8,000.0	8,100.0
<b>Net Expenditures</b>	-	-	-	-
<b>Approved Positions</b>	<b>13.0</b>	<b>15.0</b>	<b>15.0</b>	<b>15.0</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$8.000 million reflects an anticipated \$0.100 million or 1.27 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlook expects a further increase of \$0.100 million or 1.25 per cent above 2022 gross expenditures.

These changes arise from the following:

- Receipt of additional Federal Endowment of \$40 million.
- Increased administrative activity to support accountability/reporting for Federal Endowment.

# 2021 Program Summary

## Toronto Parking Authority

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

TPA is a key component within the municipal parking and mobility system, complementing and aligning with City transportation policy as well as collaborating with other City divisions and agencies to achieve City-wide initiatives. TPA provides customers with safe, attractive, self-sustaining, conveniently located and competitively priced off-street and on-street public parking and Bike Share services.

### Why We Do It

Our services support the vibrancy of businesses and the livability of communities, being sensitive to the environment, and ultimately supporting the mobility of Toronto's residents, businesses and visitors...our Customers. TPA:

- Provides competitively priced short-term, high turnover parking, to serve neighbourhood and commercial areas;
- Provides convenient, cost-effective Bike Share option for local trips;
- Discourage long-term parking, especially in downtown and mid-town commercial areas and commercial areas well served by transit; and
- Generates sufficient revenue to cover minimum operating and administrative costs, and either recover past capital costs or allow for future capital investment.

*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

#### **Municipal Parking Services**

**Who We Serve:** Local Business, Residents, Visitors / Tourists

**What We Deliver:** Convenient, safe public parking on-street and off-street with over 300 locations and 40,000 spaces

**How Much Resources (gross operating budget):** \$86.1 Million

#### **Parking Management Services**

**Who We Serve:** City Agencies, Property Owners and Developers

**What We Deliver:** Convenient, safe public parking with 20,700 spaces

**How Much Resources (gross operating budget):** included above

#### **Bike Share Toronto**

**Who We Serve:** Residents, Visitors / Tourists

**What We Deliver:** Convenient, low cost public transportation

**How Much Resources (gross operating budget):** \$9.6 Million



## Budget at a Glance

### 2021 OPERATING BUDGET

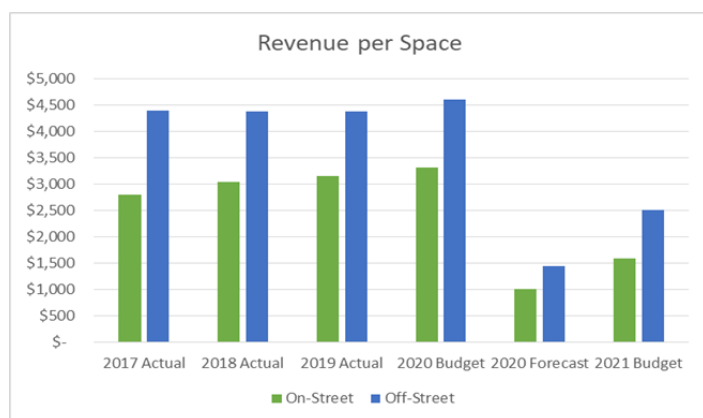
\$Million	2021	2022	2023
Revenues	\$93.5	\$171.0	\$176.2
Gross Expenditures	\$95.7	\$107.1	\$109.0
Net Expenditures	\$2.2	(\$63.9)	(\$67.2)
Approved Positions	326.5	326.5	326.5

### 2021 - 2030 10-YEAR CAPITAL PLAN

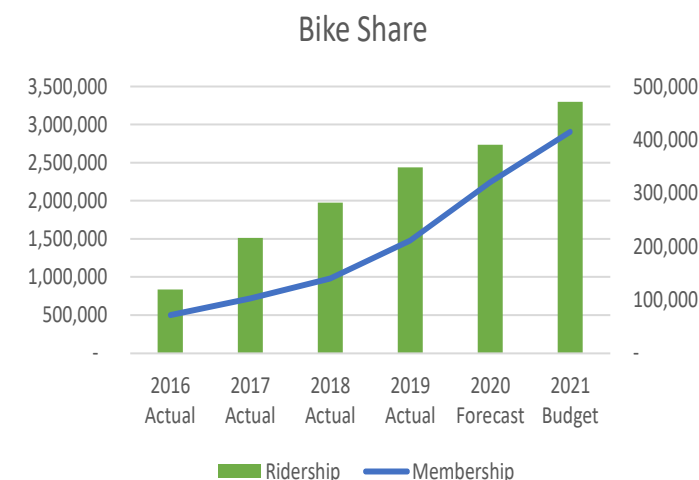
\$Million	2021	2022-2030	Total
Gross Expenditures	\$24.3	\$210.1	\$234.4
Debt	\$ 0	\$ 0	\$ 0

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers



- TPA has continued to operate all facilities through the pandemic
- Parking transaction volume declines, initially up to 90-95% of prior year volumes experienced during Q2, have partially recovered
- Full year parking transaction volume expected to be 50% of the prior year
- Assuming moderate second wave, parking transaction volume budgeted to recover to 55% of previous volumes during 2021
- Parking transaction volume not expected to fully recover until 2022; single occupant vehicle commuters expected to continue to work remotely



- All Bike Share infrastructure continues to fully operate through the pandemic as it offers a convenient, safe way to travel
- Increased casual membership and casual ridership has driven growth through 2020 and is anticipated to continue into 2021 as safe travel remains a primary concern for commuters, and Bike Share also offers a compliment or alternative to public transit
- Membership and ridership growth is expected to grow in alignment with the expansion of the system and popularity of the e-bike option

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Off-Street parking	Parking transaction volume	12.8M	12.1M	12.0M	6.0M	6.7M	11.9M	●
On-Street parking	Parking transaction volume	19.7M	19.5M	19.3M	9.75M	10.7M	19.1M	●
Bike Share	Ridership	1,975K	2,439K	2,750K	2,736K	3,300K	3,465K	●
Service Level Measures								
Off-Street parking	Occupancy of available spaces in established areas	85%	85%	85%	50%	55%	85%	●
On-Street parking	Occupancy of available spaces in established areas	80%	80%	80%	50%	55%	80%	●
Bike Share	Bicycle fleet availability	80%	80%	75%	80%	80%	80%	●
Other Measures								
Off-Street parking	Parking Revenue per Space	\$4.4K	\$4.4K	\$4.6K	\$1.4K	\$2.5K	\$4.6K	●
On-Street parking	Parking Revenue per Space	\$3.0K	\$3.1K	\$3.3K	\$1.0K	\$1.6K	\$3.3K	●
Bike Share	Membership	140K	211K	219K	320K	415K	436K	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Falling parking transaction volume adversely impacting revenue and cash flow: mitigated by performing only critical and essential services, deferring all discretionary spending, adjusting workforce, reducing work weeks, monitoring and responding to transaction volume trends as necessary.</li> <li>Increasing vandalism: addressed by increasing security and staff presence in facilities when and where required.</li> <li>Collapse of Out-of-Home advertising market impacting Bike Share revenue: addressed by securing Fall launch of advertising on Bike Share Station panels and reviewing sponsorship strategy and other market opportunities</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Uncertainty created by second wave requires TPA to continue to proceed cautiously with all operating and investing activity to ensure cash is preserved and long-run value maximized</li> <li>Focus continues on performing critical and essential services, ensuring safety and maintaining all facilities in a state of good repair.</li> <li>Revenues budgeted at 55% of 2019 volumes</li> <li>No parking rate increases contemplated in 2021 budget due to soft demand and to support local communities.</li> <li>Continue to support various City of Toronto (City) initiatives including CurbTO, CafeTO and ActiveTO.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Declining cash balances: managed by pursuing only key strategic, critical, health and safety related or previously committed projects to protect cash balances and support future sustainability. All non-essential capital projects to be deferred until positive cash flow returns consistently.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Deferral of non-critical capital projects or projects which have not been previously committed will continue; only capital projects which are required for health and safety or build a stronger financial position will be pursued.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Parking and Bike Share infrastructure continue to fully operate: with reduced staffing to provide essential and basic services only.</li> <li>Parking inventory declining due to City initiatives: previously budgeted service improvements/expansion delayed due to funding constraints; immediate replacement of on-street parking sought in nearby side streets where appropriate.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>All infrastructure will continue to operate, however, service levels will be reduced as a result of cost containment measures and performing only basic services.</li> </ul>

While addressing the short-term demands of COVID-19, including modifying operations to support physical distancing, establishing cleaning and safety protocols, addressing vandalism and security issues and deferring non-essential projects and expenditures, the planning of strategic projects was prioritized to replace end-of-life systems and establish a platform for growth and sustainability. Since mid-March, TPA has implemented numerous strategic initiatives designed to enhance customer experience, maximize operational efficiency and modernize our capabilities. These new systems will be further leveraged as TPA seeks to update customer-facing technology in 2021, to provide fast, convenient and easy payment options through enhanced mobile and online services. These key strategic initiatives will support our competitive position and further grow our strong Green P brand through the provision of enhanced parking management services to more City and government agencies and third-party companies.

## 2021 CHALLENGES AND PRIORITIES

### Our Experience and Success

2020 highlights include:

- Expansion of the Bike Share system to 625 docks and 6,850 bikes, including 300 e-bikes,
- Implementation of SAP's Customer Relationship Management software,
- Implementation of new enforcement software and related hardware,
- Launch of Phase 1 of the enterprise resource planning software SAP S4/HANA, supporting finance and daily operations, including procurement, contract management, work orders and asset management,
- Conversion of Bike Share payment processing to Moneris, scheduled for completion in 2020,
- Obtaining Payment Card Industry Data Security Standards Level 1 certification, scheduled for completion in 2020,
- Preparing to launch Green P app version 2, scheduled for December 2020, providing a mobile wallet contactless payment capability including Apple Pay and Google Pay, and
- Preparing Phase 2 of the enterprise resource planning software SAP Success Factors and SAP Analytics applications, scheduled to begin November 2020.

2021 priorities include:

- A series of RFIs and RFPs to identify solutions to address customer demand for greater value through a technology-enabled, modernized service delivery to replace out-of-date systems including an online and mobile monthly permit system allowing consumers to conveniently self-serve, transact and manage monthly permits,
- Tap payment and Pay-by-Debit at TPA Pay & Display terminals to further enhance contactless payment capabilities,
- Green P app integration with existing gated facilities,
- Intermodal integration of TPA's mobile application with Bike Share and other applications to provide integrated seamless mixed mode passenger transit across the GTA,
- Omni-channel customer service technologies to better engage with and support TPA customers in whatever engagement medium they choose.

### Key Challenges and Risks

- **Competing Demand for Access to On-Street Curb Space:** Growing lack of available on-street curb space as competing demands from increasing peak traffic periods, road closures, policy initiatives such as bike lanes and Complete Streets, directly impact service levels and revenues through reduced parking space inventory and time of day restrictions
- **Competing Off-Street Resource Demands:** Fewer opportunities to satisfy short-term parking demands by increasing parking supply in an environment with escalating land and development costs and coordinating the City-wide Real Estate model transformation; supporting City-wide housing priorities
- **Rapidly Evolving Mobility Trends and Technology Disruption:** Operating efficiently and effectively in an increasingly competitive and dynamic environment with disciplined selection of technological solutions to meet Customer expectations and returns

### Priority Actions

- **Technology Roadmap:** Update and leverage available technology to expand service offering with fast, convenient service and easy, reliable payment options
- **Facilities and Asset Management:** Develop an Asset Lifecycle Management program to proactively maintain facilities ensuring facilities are kept clean, safe and in a state of good repair
- **Revenue and Cash Generation:** Support collaboration amongst City departments to minimize negative impact on parking revenues; seek new paid-parking opportunities by expanding services beyond other City agencies to third party developers and property owners

## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$		\$	\$	\$	\$	\$	%
<b>Revenues</b>								
On Street Parking	60,704.3	63,864.0	19,486.0	30,832.0		30,832.0	11,346.0	58.2%
Off Street Parking	97,348.1	101,587.9	32,269.0	55,245.6		55,245.6	22,976.6	71.2%
Bike Share	3,971.3	6,420.0	4,300.0	7,409.5		7,409.5	3,109.5	72.3%
<b>Total Revenues</b>	<b>162,023.7</b>	<b>171,871.9</b>	<b>56,055.0</b>	<b>93,487.1</b>	<b>0.0</b>	<b>93,487.1</b>	<b>37,432.1</b>	<b>66.8%</b>
<b>Expenditures</b>								
On Street Parking	11,636.7	11,662.4	9,424.0	10,636.4		10,636.4	1,212.4	12.9%
Off Street Parking	74,730.3	83,689.5	66,170.0	75,441.2		75,441.2	9,271.2	14.0%
Bike Share	6,389.4	6,420.0	6,730.0	9,646.5		9,646.5	2,916.5	43.3%
<b>Subtotal - Gross Expenditures</b>	<b>92,756.4</b>	<b>101,771.9</b>	<b>82,324.0</b>	<b>95,724.1</b>	<b>0.0</b>	<b>95,724.1</b>	<b>13,400.1</b>	<b>16.3%</b>
<b>Total Gross Expenditures</b>	<b>92,756.4</b>	<b>101,771.9</b>	<b>82,324.0</b>	<b>95,724.1</b>	<b>0.0</b>	<b>95,724.1</b>	<b>13,400.1</b>	<b>16.3%</b>
<b>Net Expenditures</b>	<b>(69,267.3)</b>	<b>(70,100.0)</b>	<b>26,269.0</b>	<b>2,237.0</b>	<b>0.0</b>	<b>2,237.0</b>	<b>(24,032.0)</b>	<b>(91.5%)</b>
Gain on the sale of property	7,081.9							
<b>Total Net Expenditures</b>	<b>(76,349.2)</b>	<b>(70,100.0)</b>	<b>26,269.0</b>	<b>2,237.0</b>	<b>0.0</b>	<b>2,237.0</b>	<b>(24,032.0)</b>	<b>(91.5%)</b>
<b>Approved Positions</b>	<b>328.5</b>	<b>326.5</b>	<b>326.5</b>	<b>326.5</b>		<b>326.5</b>	<b>0.0</b>	

\*2020 Projection based on Q2 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$95.7 million gross reflecting an increase of \$13.4 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Reflecting the full year operating costs of the 2020 bike share system expansion;
- Increasing salaries and wages budget to align with 2019, to allow for a return of maintenance activities to ensure safety in TPA facilities and staffing levels required to deliver key strategic projects to support current service levels and future growth plans to ensure financial sustainability and strong recovery post pandemic; and
- Increasing payment card industry data security standards, licensing, technology and implementation fees associated with the replacement of systems, including an Enterprise Resource Planning system SAP S/4HANA and replacing end-of-life monthly permit services.

## COSTS TO ENHANCE SERVICES

No New and Enhanced Services for 2021.

## EQUITY IMPACTS OF BUDGET CHANGES

The changes in Toronto Parking Authority's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Toronto Parking Authority is \$95.7 million gross or 16.3% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2c summarizes New and Enhanced requests. All expense and operating recommendations are made with a long-run focus to ensure maximum value and cash flow.

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

Key Cost Drivers		2019 Actuals	2020 Projection	2021 Base Budget	YoY Changes	
					\$	%
Parking Expenditures						
1	Salaries and Benefits	26,151.8	22,809.0	26,007.1	3,198.1	14.0%
2	COVID-19 Impact				0.0	0.0%
3	Materials & Supplies	6,008.5	4,078.0	4,513.9	435.9	10.7%
4	Equipment	8,383.3	8,173.0	8,166.8	(6.2)	-0.1%
5	Services & Rents	7,450.3	1,563.0	4,529.6	2,966.6	189.8%
6	Municipal Taxes	21,542.6	25,027.0	23,314.0	(1,713.0)	-6.8%
7	Other expenditures	16,830.5	13,944.0	19,546.2	5,602.2	40.2%
Total Parking Expenditures		86,367.0	75,594.0	86,077.6	10,483.6	13.9%
Parking Revenues						
1	On Street Parking	60,704.3	19,486.0	30,832.0	11,346.0	58.2%
2	Off Street Parking	97,348.1	32,269.0	55,245.6	22,976.6	71.2%
Total Parking Revenues		158,052.4	51,755.0	86,077.6	34,322.6	66.3%
Net Parking Revenue before gains		(71,685.4)	23,839.0	(0.0)	(23,839.0)	-100.0%
1	Gain on the sale of Property	7,081.9	0.0	0.0	0.0	0.0%
Net Expenditures		(78,767.3)	23,839.0	(0.0)	(23,839.0)	-100.0%
Bike Share Expenditures						
1	Salaries and Benefits	309.4	370.0	292.0	(78.0)	-21.1%
2	Services & Rents	5,846.7	5,518.0	8,712.0	3,194.0	57.9%
3	Other expenditures	233.3	842.0	642.5	(199.5)	-23.7%
Total Bike Share Expenditures		6,389.4	6,730.0	9,646.5	2,916.5	43.3%
Total Bike Share Revenues		3,971.3	4,300.0	7,409.5	3,109.5	72.3%
Total Net Bike Share Expenditures		2,418.1	2,430.0	2,237.0	(193.0)	-7.9%
Total TPA Net Expenditures		(76,349.2)	26,269.0	2,237.0	(24,032.0)	-91.5%
Approved Positions		328.5	326.5	326.5	0.0	0.0%

**Salaries & Benefits:**

2020 payroll has been managed carefully through the pandemic, matching staffing to operational requirements. With some revenue recovery, staff have returned from emergency leave to support additional business needs. Transaction volumes in 2021 are expected to support a modest increase of staffing to ensure appropriate maintenance levels of facilities and provide sufficient staffing to ensure strategic projects are implemented to support a strong TPA recovery from the pandemic and ensure future sustainability.

**Services and Rents:**

Direct operating expenses related to services and rents are anticipated to increase in line with revenue, including payment processing and parking management expenses.

**Other Expenses**

TPA has implemented numerous strategic initiatives designed to enhance customer experience, maximize operational efficiency and modernize our capabilities. These new systems will be further leveraged as TPA seeks to update customer-facing technology in 2021, to provide fast, convenient and easy payment options through enhanced mobile and online services. These key strategic initiatives will support our competitive position and further grow our strong Green P brand through the provision of enhanced parking management services to more City and government agencies and third-party companies.

**Revenue Changes:**

Parking transaction volume collapsed early 2020, to as low as 95 percent of the prior year as a result of the City's lockdown during the early response to the pandemic. However, subsequent stage reopening helped to improve parking transaction volumes through the summer months. As a result of the modified reopening stages, 2020 parking revenue for the year is expected to be down 47 percent from the prior year, or about 50 percent of budget.

Going forward, the City's reopening status and activities will significantly impact parking demand. As a result, there is significant uncertainty when assessing TPA's parking revenue and in turn, cash flow. TPA will continue to carefully monitor the pandemic response and parking demand trending in order to determine appropriate service levels.

Overall, 2021 parking revenue is expected to recover slightly through additional off-street parking space inventory and by actively pursuing further parking management service contracts and expanding our customer base supported by the launch of online parking services. On-street parking has been impacted by City initiatives such as CafeTO, CurbTO and ActiveTO, reducing on-street parking space, and these restrictions are expected to continue into 2021. TPA is actively pursuing new on-street parking opportunities to offset these losses, seeking to limit the net loss to 800 spaces.

Due to soft parking demand, and to support local communities, parking rate increases are not being contemplated for 2021 at this time. In addition, through City Real Estate directives, commercial lease payments are expected to be reduced and deferred.

**Bike Share:**

Bike Share has had a successful year, continuing to fully operate through the pandemic, supporting our City and residents with a safe alternative transportation option that is healthy, environmentally friendly and convenient. 2020 ridership and membership are forecasted to grow 12 percent and 52 percent respectively and ridership fee revenue is expected to increase 57 percent compared to 2019.

As the expanded system is further adopted by cyclists during the on-going pandemic, 2021 ridership and fee revenue are expected to grow by 20.6 percent and 22.0 percent respectively. System operating fees are expected to increase to \$8.7 million as a result of the 2020 expansion of the system to 12,000 docks 300 e-bikes. A further system expansion has not been contemplated in the 2021 budget.

In addition to announcing Bike Share's marketing partnership with CAA this year, Bike Share has now partnered with Astral Media, allocating over 400 advertising panel faces for out-of-home advertising. Originally planned to be implemented in early 2020, the advertising agreement was delayed due to the collapse of the out-of-home market in March 2020. As the out-of-home advertising market has been severely impacted by the pandemic, TPA is assessing options for issuing a sponsorship Request for Proposal in late 2020 and is forecasting budget losses to fully reflect the sponsorship loss in 2020 and 2021.



**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Align Salaries and Benefits to 2019 Actuals	Match to Actuals		(2,776.0)	(2,776.0)				
Deferral of Maintenance Costs	Other		(1,700.2)	(1,700.2)		2,170.4	2,170.4	
<b>Total Balancing Actions</b>			<b>(4,476.2)</b>	<b>(4,476.2)</b>	-	<b>2,170.4</b>	<b>2,170.4</b>	-

- **Match to Actuals:** Alignment of Salaries and Benefits to 2019 levels
- **Other:** A Deferral of Maintenance Costs

## 2022 & 2023 OUTLOOKS

**Table 3: 2022 and 2023 Outlooks**

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	56,055.0	93,487.1	171,024.9	176,196.2
Gross Expenditures	82,324.0	95,724.1	107,086.2	109,012.7
<b>Net Expenditures</b>	<b>26,269.0</b>	<b>2,237.0</b>	<b>(63,938.7)</b>	<b>(67,183.5)</b>
<b>Approved Positions</b>	<b>326.5</b>	<b>326.5</b>	<b>326.5</b>	<b>326.5</b>

## Key drivers

	2022 Drivers	2023 Drivers
Salaries & Benefits:	\$3.3 M	\$0.6M
Inflation Impact:	\$1.0 M	\$1.0 M
Growth:	\$7.0 M	\$0.3 M

The 2022 Outlook with total gross expenditures of \$107.1 million reflects an anticipated \$11.4 million or 11.9 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlooks expects a further increase of \$1.9 million or 1.8 per cent above 2022 gross expenditures.

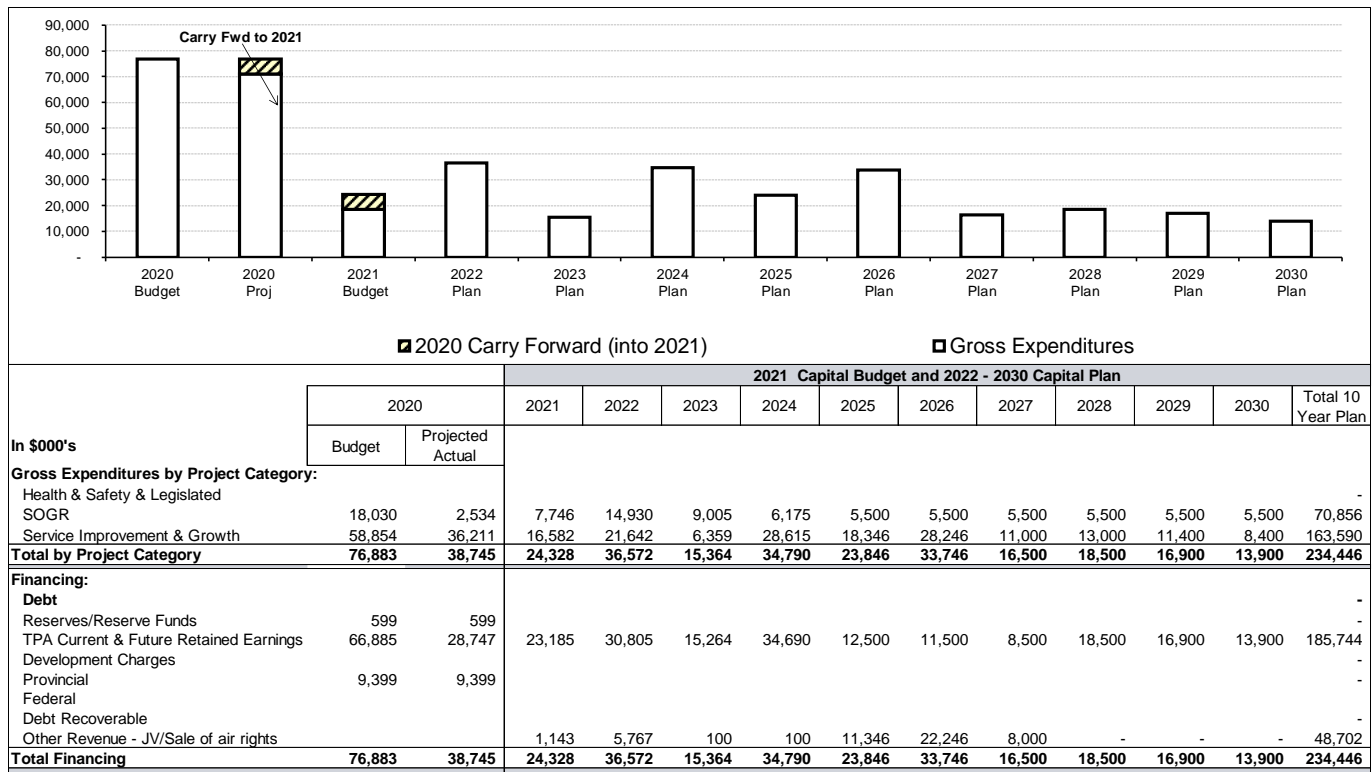
These changes arise from the following:

- In 2022, revenues are expected to increase by \$77.5 million representing a return to pre-covid parking volumes, with a further increase of \$5.2 million in 2023.



## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects (\$2.35 Million)

- Fleet vehicle for operations
- ERP/Financial system – PICK replacement




### New Projects (\$3.75 Million)

- Prepaid parking solutions, including online and mobile monthly permits, and introducing debit payments to support contactless payments in the COVID-19 environment

### Capital Needs Constraints (\$80.9 Million)

- These are planned acquisitions and redevelopments or expansions to existing locations not included in the budget and plan

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$234.4 Million 10-Year Gross Capital Program**

		
<b>Aging Infrastructure</b>	<b>Equipment</b>	<b>Parking facilities expansion</b>
\$70.8 M 30%	\$6.3 M 3%	\$157.3 M 67%
Structural Maintenance, Parking garages concrete repairs, other SOGR	SAP Phase 2, on-line and cloud parking services management solutions	Property acquisitions and JV developments

**How the Capital Program is Funded**

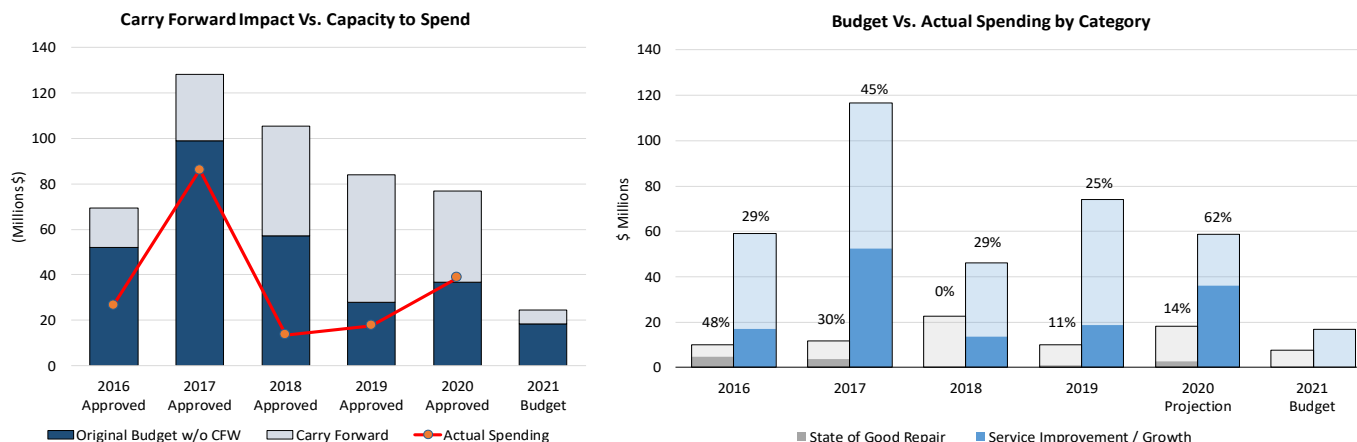
<b>Retained Earnings</b>	<b>Joint Venture/Air Rights</b>
\$185.7 M 79%	\$48.7 M 21%

## 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 Toronto Parking Authority'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

Based on the review of historical capital spending constraints and a capacity to spend review, \$22.8 million of capital projects were cancelled, \$5.97 million has been deferred to 2021, and an additional \$9.34 million deferred to 2022 and 2023. Adjustments to the Capital Plan are noted below. Other significant adjustments include:

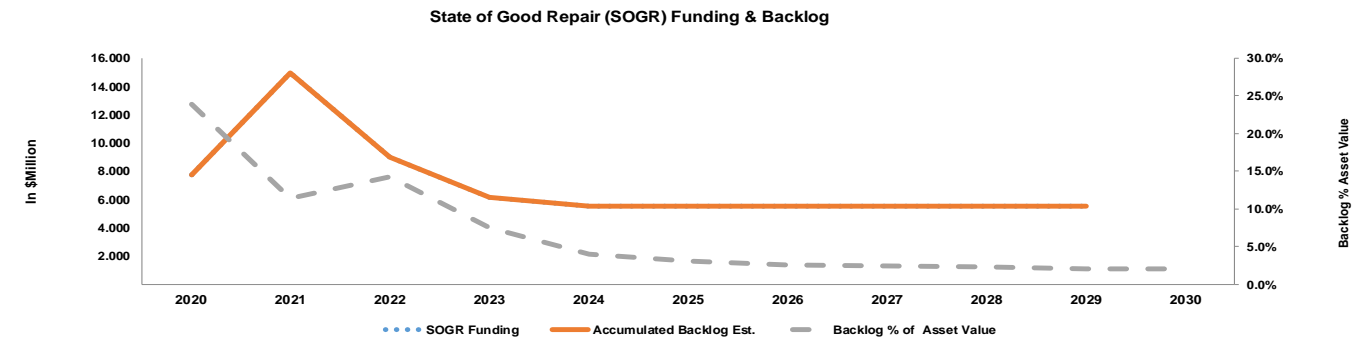
- 50 Cumberland Street redevelopment expense of \$7.06 million moved to 2026, and
- \$80.4 million planned acquisitions and redevelopments & expansions of parking locations were not included in the 2021-2030 budget and plan

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Toronto Parking Authority: major and minor repairs, rehabilitations and upgrades at carpark locations and properties.

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

**Total SOGR Funding & Backlog**



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>SOGR Funding</b>	16.271	7.746	14.930	9.005	6.175	5.500	5.500	5.500	5.500	5.500	5.500
<b>Accumulated Backlog Est.</b>	16.271	7.746	14.930	9.005	6.175	5.500	5.500	5.500	5.500	5.500	5.500
<b>Backlog % of Asset Value</b>	23.9%	11.4%	14.3%	7.5%	4.0%	3.1%	2.6%	2.4%	2.2%	2.1%	2.0%
<b>Total Asset Value</b>	68.135	68.135	104.707	120.071	154.861	178.707	212.453	228.953	247.453	264.353	278.253

- 74 per cent of Toronto Parking Authority's State of Good Repair is associated with various structural and greening initiatives.
- The 2021-2030 Budget and Capital Plan allocates:
  - \$53.0 million for structural and greening initiatives
  - \$17.8 million for major repairs, rehabilitation and upgrades

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan and Budget will impact future year Operating Budgets by \$7.4 million net over the 2021-2030 period, primarily due to the planned acquisition and redevelopment of various properties, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
CP 39 Castlefield Redevelopment			(2)								(2)		(2)	
1220-1222 Wilson					(104)						(104)		(104)	
21 Connell Office Redevelopment (Maint Shop)			(24)		(25)						(49)		(49)	
2204, 2212 Eglinton W. (CP 673)			(50)								(50)		(50)	
Acquisition - 229 Richmond St West			(18)								(18)		(778)	
Acquisition - Etobicoke Civic Centre			(5)						(1,076)		(1,081)		(1,081)	
CP 12/CP 223 (JV) 30 Alvin Ave													(441)	
CP 15 (JV) 50 Cumberland St Redevelopment							(3)				(3)		(355)	
CP 204 (JV) 1113/1117 Dundas St West			(3)		(1)						(3)		(160)	
CP 219 (JV) 87 Richmond Street East			(6)		(319)						(324)		(324)	
CP 221 (JV) 121 St. Patrick St.			(3)		(283)						(286)		(286)	
CP 277 Permanent Construction Surface Lot			(3)		(1)		(28)				(31)		(31)	
CP 282 (JV) 838 Broadview Ave			(8)								(8)		(66)	
CP 5 (JV) Redevelopment 15 Wellesley														
CP 505 Cliveden Redevelopment			(5)		(23)						(28)		(28)	
CP212 / 227 Adelaide and Spadina Re-development			(14)		(283)						(296)		(296)	
Oakwood, 1607 Eglinton Ave. W.			(5)								(5)		(5)	
Bessarion Community Centre			(200)								(200)		(200)	
<b>Sub-Total: Previously Approved</b>			<b>(344)</b>		<b>(1,038)</b>		<b>(30)</b>		<b>(1,076)</b>		<b>(2,487)</b>		<b>(4,256)</b>	
<b>New Projects - 2021</b>														
Bike Share Expansion E-bike expansion					(50)						(50)		(50)	
St. Lawrence Market North					(725)						(725)		(725)	
<b>Sub-Total: New Projects - 2021</b>					<b>(775)</b>						<b>(775)</b>		<b>(775)</b>	
<b>New Projects - Future Years</b>														
Avenue Rd. & Davenport									(125)		(125)		(125)	
Bloor/ Bathurst													(425)	
Bloor/ Dundas													(145)	
Cabbagetown													(120)	
College/ Dovercourt													(100)	
Financial District East of University													(500)	
Leslieville (Queen E of Carlaw/ Coxwell)													(200)	
North York Center - South (Sheppard to Finch)													(200)	
Queen East (Kippendavie to Lee)													(150)	
Redevelopment of CP 224 (34 Hannah Ave)													(400)	
<b>Sub-Total: New Projects - Future Year</b>									<b>(125)</b>		<b>(125)</b>		<b>(2,365)</b>	
<b>Total (Net)</b>			<b>(344)</b>		<b>(1,813)</b>		<b>(30)</b>		<b>(1,201)</b>		<b>(3,387)</b>		<b>(7,396)</b>	

As a result of completed parking facility projects, Toronto Parking Authority generates incremental operating revenue from user fees. Usually, realization of this revenue is projected for the year following completion of the parking facilities, assuming that construction was completed by December 31st of the respective budget year. In assessing the financial viability of new carparks and surface lots, Toronto Parking Authority uses an annual 5% net rate of return based on the past net profit history. In total, TPA is projecting to increase net revenue by \$7.4 million as a result of additional revenue from new or expanded carparks and on-street parking over the nine year period.

# 2021 Program Summary

## Toronto Police Service

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Toronto Police Service (TPS) is committed to delivering essential public safety services which are intelligence-led, sensitive to the needs of the community in a growing city and involving collaborative partnerships and teamwork to overcome challenges and embrace opportunities, including police reform.

### Why We Do It

Public safety is a major factor in terms of where people choose to live, work, visit and invest in. The Toronto Police Service is dedicated to delivering policing services, in partnership with our communities, to keep Toronto the best and safest place to be.

*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:

- Children, youth, adults & older adults
- Incident victims
- Community groups
- Social Services
- Local businesses
- Visitors/Tourists
- City & Agency staff

#### What We Deliver:

- Law enforcement
- Community-based crime prevention
- Assistance to victims of crime
- Emergency response
- Public order maintenance

**How Much Resources (gross operating budget):** \$1.230 Billion

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$149.4	\$143.6	\$141.9
Gross Expenditures	\$1,229.5	\$1,277.3	\$1,313.0
Net Expenditures	\$1,080.1	\$1,133.6	\$1,171.2
Approved Positions	7,524.0	7,524.0	7,524.0

### 2021 - 2030 10-YEAR CAPITAL PLAN

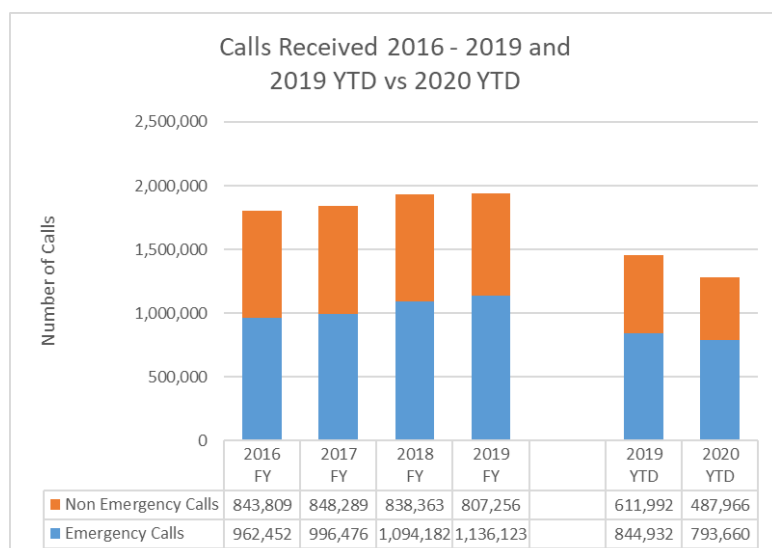
\$Million	2021	2022-2030	Total
Gross Expenditures	\$68.8	\$570.4	\$639.2
Debt	\$30.9	\$194.0	\$225.0

Note: Includes 2020 carry forward funding to 2021

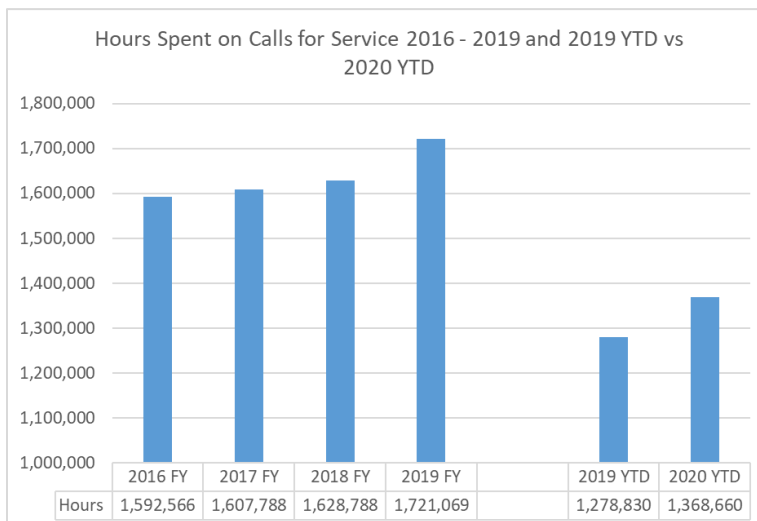
## How Well We Are Doing – Behind the Numbers

	2016 FY	2019 FY	% Change 2019 over 2016	2019 YTD	2020 YTD	% Change 2020 YTD over 2019 YTD
Assault	18,456	20,455	10.8%	17,111	14,944	-12.7%
Auto Theft	3,262	5,207	59.6%	4,268	4,595	7.7%
Break and Enter	6,388	8,401	31.5%	6,941	5,742	-17.3%
Homicide	74	78	5.4%	59	61	3.4%
Robbery	3,602	3,429	-4.8%	2,862	2,410	-15.8%
Theft Over	1,023	1,358	32.7%	1,113	993	-10.8%

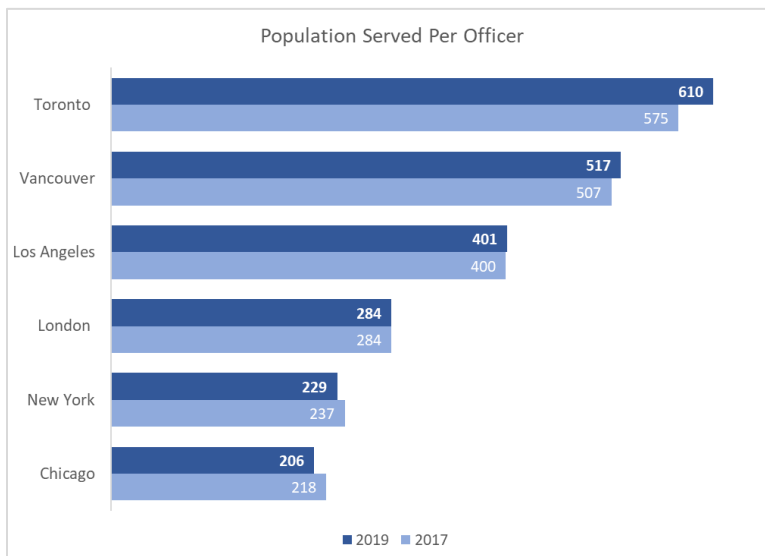
- The Service uses major crime indicators as a measure of how safe the city is.
- From 2016 to 2019 all major crimes increased, except robbery, with the most notable increases seen in auto theft, break and enter and theft over \$5,000.
- In 2020 YTD (October 25, 2020), increases in major crime continue to trend in auto theft and homicide and other major crimes decreased when compared to the same time last year.



- Overall, calls for service increased by 7.6% from 2016 to 2019, with emergency calls for service increasing by 18% and non-emergency calls decreasing by 4.3%.
- In 2020 YTD (September 30, 2020), emergency calls for service decreased by 6.1% and non-emergency calls for service decreased by 20%. Although the number of calls decreased in 2020, the time spent on calls increased as shown below.



- Overall, hours spent on calls for service increased by 8.1% from 2016 to 2019.
- In 2020 YTD (September 30, 2020), hours spent on calls for service is 7.0% higher than 2019 YTD.



- Toronto had the biggest increase in number of residents served per uniform officer compared to other major cities in North America and the United Kingdom.
- Source: Toronto Police Service 2019 Annual Report; U.S. Department of Justice - Federal Bureau of Investigation - Criminal Justice Information Services Division and Officer strength from Metropolitan Police Management Information Study Workforce Data Report.



**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>COVID-19 has resulted in unbudgeted costs, lost revenues and savings impacts. Projected overall net savings for the Toronto Police Service, as at September 30, 2020, was \$8.6M. These savings are offsetting significant budget pressures due to underfunded premium pay expenditures.</li> <li>Revenue losses from services such as vulnerable sector screening and paid duties administration fees (\$8.2M).</li> <li>Additional costs to purchase personal protective equipment for TPS personnel including masks, gloves, sanitizers, cleaning supplies and decontamination equipment (\$2.1M).</li> <li>Additional salaries for nurses and medical advisors and premium pay (\$2.4M).</li> <li>Other expenditures such as equipment to enable remote work and gasoline (\$1.2M)</li> <li>Savings resulting from delays in hiring (\$3.1M).</li> <li>Savings from cost avoidance of premium pay for court and special events (\$10.4M) and savings in medical/dental benefits and other expenditures (\$9M).</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>The 2021 COVID-19 impact is projected to be in line with the Services' 2020 experience for the first 6 months of 2021 with an anticipated overall pressure of \$3.9M.</li> <li>Potential revenue losses from services such as vulnerable sector screening and paid duty administrative fees (\$2.1M).</li> <li>COVID-19 specific supplies, equipment, wellness support (e.g. PPE, decontamination, sanitizer, cleaning aids, nurses etc.) (\$2.2M).</li> <li>Premium pay pressures directly related to COVID-19 and also cost reductions (court attendance, special events; partially offsets anticipated the pressure, but not fully) (\$0.4M).</li> <li>Savings in other expenditures (\$0.8M).</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>\$9.4 million in capital projects cancelled / delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts.</li> <li>Delays in some construction projects due to closing non-essential businesses including construction projects for a period of time.</li> <li>Impact on critical supply chain disruption and cost increase, delays in obtaining permits.</li> <li>Accelerated purchase of laptops to support working remotely (increased access to VPN and obtaining additional virtual communication tools like WebEx).</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>The 2021 capital projects and cash flows have been reviewed and re-cast as required to align cash flows with the capital projects' readiness to proceed. The current COVID-19 pandemic will have an ongoing impact on planned future activities. Projects will continue to be monitored on an ongoing basis and known issues are being actively addressed.</li> <li>Continued provision of current technologies for staff productivity, communication and collaboration.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Reduced vulnerable sector and other checks; reduced paid duty and special events</li> <li>Public visitation limitations at police facilities</li> <li>Remote court attendance</li> <li>COVID-19 related enforcement</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Potentially reduced vulnerable sector and other checks; reduced paid duty and special events</li> <li>The Toronto Police Service will continue 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

- **Fiscally responsible budgets:** 2021 will be the third time in five years that the Service has achieved a 0% increase. Actions to improve affordability of policing services over the last ten years has resulted in an average budget increase over that time that is at the rate of the Consumer Price Index (C.P.I.).
- **Efficiencies and savings:** 2021 budget reflects \$40M in cost avoidance considering an original outlook of 3.6% and builds on over \$100 million in previous year savings and cost avoidance. This was achieved through various management actions to contain and reduce the budget, as well as the reduction of over 400 positions since 2010. Two facilities, used by the Community Partnerships and Engagement Unit and the Public Safety Unit, returned to the City of Toronto with a value of \$4.5 million.
- **Shift schedules:** Continue to implement alternative work schedules to help where the public needs us the most by realigning staffing hours to better reflect peak demand times.
- **Connected Officer:** Contributed to a more mobile and community-focused service delivery with the deployment of 2,050 mobile devices for the Connected Officer Program.
- **Body Worn Camera (B.W.C.):** Rolled out body-worn camera technology to 607 frontline police officers in 11 Division, 22 Division, 23 Division, 31 Division, Public Safety Response Team (P.S.R.T.) and those assigned to the Community Response Unit (C.R.U.) at 52 Division. It is anticipated that the roll-out of the B.W.C. for the remaining 1,743 frontline officers will be completed by October 2021. The B.W.C. will ensure officer accountability and maintain a truthful and integral narrative of police interactions with the public.
- **Alternative service delivery models:** Implemented alternative service delivery approaches to refocus on core service delivery, make better use of resources and create capacity including the 311 call diversion program in partnership with City departments, expansion of online reporting, improved processes, civilianization of some roles, and more efficient deployment of officers.
- **Training:** Delivered specialized training in areas of Race-Based Data Collection and Workplace Harassment in addition to regular ongoing training.

### Key challenges and risks

- **Rising urban population:** A key challenge continues to be service demands, driven by growth. Toronto is growing at an exceptional pace. By 2024, it is expected that Toronto's population will be close to 3.2 million people or about 330,000 more than in 2016 (Source: Statistics Canada. Table 35-10-0077-01 Police personnel and selected crime statistics, municipal police services, and Ontario Ministry of Finance Projections). A rising population drives workload demands including greater calls for service, increased traffic, more crime potential and more city events.
- **More shooting incidents:** Shooting incidents increased by 20.9% from 2016 to 2019. As a result, the number of persons injured due to shootings increased by 47.2% over the same period. Shootings continue to be a public safety concern and also continue to put pressures on constrained resources.
- **Major crime has risen over last several years:** The Service uses major crime indicators as a measure of how safe the city is. This impacts quality of life, entertainment, economic development, business investment and tourism. From 2016 to 2019, all major crimes increased with the most notable increases seen in auto theft (59.6%) and theft over \$5,000 (32.7%). In 2020, increases in major crime continued to trend up in auto theft and homicides. The increase in crime rates over the last few years has driven workload demands through increased calls for service.
- **Time spent on calls and investigations is up:** Complexity of calls for service are driving the time spent on calls up with a 8.1% increase in time spent on calls on average in 2019 compared to 2016. Investigations are also more complex and time consuming.
- **Increasing calls for service:** Calls for service went up overall by 7.6% from 2016 to 2019, with emergency calls for service up by 18% and non-emergency calls down by 4.3%. While calls have been increasing and a declining number of officers, this is presenting challenges in meeting response time standards and in ensuring a balance of reactive and proactive policing. In 2020, calls for service has declined, however, time spent on calls increased.
- **Crisis calls are up (opioids and mental health):** Significant increases are seen from 2016 to 2019 in calls involving persons in crisis (7.9%), overdose (66.4%) and threaten suicide (33.4%) with a continued increase into 2020 for both persons in crisis and overdose. These calls require more time on call, given their complex nature.

- **Legislative impacts:** Costs and resource pressures associated with legislation continue to impact the Service relating to WSIB, Chronic Mental Stress Policy, Cannabis Legalization, Next Generation 9-1-1 and R v. Jordan Decision.
- **Resource constraints:** Ensuring sufficient resources for people, technology, and professional capabilities, within a constrained budget, to enable our reform and modernization journey and to keep a growing city safe. The non-discretionary aspects of the budget as well as staffing levels have declined over a ten year period. Some measures (e.g. not making required reserve contributions) to achieve the 2021 budget are temporary in nature and premium pay continues to be underfunded. These measures are not sustainable and will cause pressures on future year budgets.

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## Priority Actions

- **Police Reform:** Implementation of 81 recommendations for police reform will impact the 2021 and future budgets. Police reform focuses on addressing anti-Black racism, systemic racism and mental health, which greatly impacts marginalized communities and groups. Through these reforms, including a review of practices and procedures, new innovative program and service delivery models, enhanced training, greater collaboration, transparency and accountability, the Service will work to improve interactions, reduce disparities and build trust with the community, which are critical to enhancing public safety and reducing victimization.
  - **Focused program enhancements within the base budget:** Reallocation of existing resources toward priority areas in order to expand services, to meet the needs of a growing and complex city, as outlined below, without adding funds to the budget.
    - **Persons in Crisis:** Increasing resources, through redeployments, in our Mobile Crisis Intervention Teams (M.C.I.T.) to move from coverage of 10 hours/day to 24/7 coverage. M.C.I.T.'s are a partnership between hospitals and police that partner an experienced mental health nurse with a specially trained officer to respond to situations where individuals are experiencing mental health crisis. This expansion will be augmented by a crisis call diversion program, as a proof of concept that embeds a community crisis worker in our 911 communication centre, to help divert calls to a community agency where police response is not required.
    - **Traffic Enforcement:** Expansion of our road safety team to a total of 18 dedicated traffic enforcement officers in support of the City's Vision Zero Road safety plan.
    - **Guns & Gangs:** Expansion of resources, through redeployments, to the gang prevention program to reduce gang membership and violence, in partnership with stakeholders. Also, the current Centralized Shooting Response Team will be established as a permanent program.
    - **Hate Crimes:** Establishment of a co-ordinated and supported response to the investigation and prevention of hate crimes with the dedication of two officers.
  - **Continued focus on prior commitments and investments:**
    - **Neighbourhood Community Officers:** Continuing efforts to expand the Neighbourhood Officer program to up to 10 additional neighbourhoods.
    - **Priority Response:** Dedicating sufficient officers for Priority Response Units (P.R.U.) across the City, to address increases in calls for service and response times. The goal remains to achieve a 70/30 reactive/proactive service model.
    - **Equity, Inclusion and Human Rights Positions:** furthering the objectives of leveraging equity and inclusion practices to build a strong, safe and respectful workplace culture, as well as community partnerships in a globally diverse city.
    - **Modernization:** continuing with the implementation of the Body Worn Camera Program and identifying other technology and intelligence led efficiencies such as expansion of video bail, and online reporting.
  - **Member wellness, development and training:**
    - **Member Wellness:** Improving member wellness and work environment with COVID-19 measures (i.e., PPE, COVID hotline), greater access to mental health resources, training and leadership development.
    - **Training:** Continuing to provide human rights, anti-black racism and anti-bias training to all service members, informed by recommendations for police reform.
-

## 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>								
Toronto Police Service	151,867.0	145,021.0	157,389.4	146,913.3	2,500.0	149,413.3	(7,976.1)	(5.1%)
<b>Total Revenues</b>	<b>151,867.0</b>	<b>145,021.0</b>	<b>157,389.4</b>	<b>146,913.3</b>	<b>2,500.0</b>	<b>149,413.3</b>	<b>(7,976.1)</b>	<b>(5.1%)</b>
<b>Expenditures</b>								
Toronto Police Service	1,176,443.0	1,221,215.7	1,231,402.5	1,227,006.6	2,500.0	1,229,506.6	(1,895.9)	(0.2%)
<b>Total Gross Expenditures</b>	<b>1,176,443.0</b>	<b>1,221,215.7</b>	<b>1,231,402.5</b>	<b>1,227,006.6</b>	<b>2,500.0</b>	<b>1,229,506.6</b>	<b>(1,895.9)</b>	<b>(0.2%)</b>
<b>Net Expenditures</b>	<b>1,024,576.0</b>	<b>1,076,194.7</b>	<b>1,074,013.1</b>	<b>1,080,093.3</b>	<b>0.0</b>	<b>1,080,093.3</b>	<b>6,080.2</b>	<b>0.6%</b>
<b>Approved Positions**</b>	<b>7,881.0</b>	<b>7,881.0</b>	<b>7,881.0</b>	<b>7,524.0</b>	<b>0.0</b>	<b>7,524.0</b>	<b>(357.0)</b>	<b>(4.5%)</b>

\*2020 Projection based on Q3 Variance Report

\*\* 2021 Approved positions represents the approved complement. Actual funded number of positions is 7,388.

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$1,227 million gross reflecting an decrease of \$4.396 million in spending below the 2020 projection (prior to enhancements), predominantly arising from the following pressures and offsetting reductions:

- Collective Agreement impacts to cover negotiated salary and benefit responsibilities, which is the single largest increase to the budget at \$17.1 million offset by significant reductions to funded positions.
- Reductions to contributions to reserves based on a review of reserve continuity schedules and an assessment of the current health of the reserves.
- Discretionary expenditure reductions based on line-by-line reviews and analysis.

Overall, Toronto Police Service's 2021 opening operating budget pressure of \$46 million was mitigated through a series of Balancing Actions (Table 2b) and New / Enhanced (Table 2c) service priorities that resulted in 0% net change over 2020 budget.

A further comparison of the 2021 Budget, excluding 2021 COVID-19 impacts, to the 2020 Council approved Budget is provided below:

- **2021 Base Budget of \$1.080 billion in net expenditures reflects a \$0 net change from the 2020 Council approved Budget, when excluding \$3.899 million in estimated COVID-19 financial impacts in 2021.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.500 million gross and \$0 net, enabling:

- Expansion of the Road Safety Program by 10 officers, for a fully-dedicated team of 18 officers, which will be strategically deployed throughout the City and funded under the City's Vision Zero Road Safety Plan. The expanded team will work closely with all divisions in addressing local community driving complaints, issue traffic offences notices, support local road safety initiatives, and conduct town hall meetings to discuss matters of traffic safety.

### EQUITY IMPACTS OF BUDGET CHANGES

**Prioritizing existing resources while implementing policing reform:** In 2021, the Service will reallocate existing resources toward priority areas in order to expand services for persons in crisis, improve road safety, enhance gun and gang prevention, as well as increase prevention and investigation of hate crimes. These changes will have a positive impact on Indigenous, Black and equity seeking groups.

The implementation of the 81 Recommendations outlined in the *Police Reform in Toronto: Systemic Racism, Alternative Community Safety and Crisis Response Models and Building New Confidence in Public Safety* report

will positively impact Indigenous people, Black, and all equity seeking groups. Through these reforms, a review of practices and procedures, new innovative program and service delivery models, as well as enhanced training and understanding of equity seeking groups, will improve interactions between the Service and citizens of Toronto and reduce disparities.

Expansion of the Road Safety Program is not anticipated to have any significant equity impacts.

## 2021 OPERATING BUDGET KEY DRIVERS

The 2021 Operating Base Budget expenditures for the Toronto Police Service is \$4.396 million gross or 0.4% lower than the 2020 Projection. Table 2a below summarizes the key cost drivers for the base budget, while Table 2c summarizes New and Enhanced service priorities.

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

Key Cost Drivers		2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	1,045,570.1	1,085,597.0	1,080,834.1	1,095,423.3	14,589.2	1.3%
2	Equipment	32,878.0	25,488.6	34,781.2	25,515.7	(9,265.5)	-26.6%
3	Service and Rent	47,498.9	59,619.9	65,277.1	60,566.9	(4,710.2)	-7.2%
4	Contribution To Capital	22,266.0	22,266.0	22,266.0	20,766.0	(1,500.0)	-6.7%
5	Contribution To Reserves	28,229.9	28,244.2	28,244.2	24,734.7	(3,509.5)	-12.4%
Total Expenditures		1,176,443.0	1,221,215.7	1,231,402.5	1,227,006.6	(4,395.9)	-0.4%
Revenues							
1	Provincial Subsidies	61,500.5	47,212.4	65,553.1	47,212.4	(18,340.7)	-28.0%
2	User Fees & Donations	60,720.3	55,792.4	53,749.9	56,522.9	2,773.0	5.2%
3	Draw from Reserve Funds	15,899.3	31,102.6	31,102.6	32,167.5	1,064.9	3.4%
4	Other Revenues (Inc. IDR's)	13,746.8	10,913.6	6,983.8	11,010.5	4,026.7	57.7%
Total Revenues		151,867.0	145,021.0	157,389.4	146,913.3	(10,476.1)	-6.7%
Net Expenditures		1,024,576.0	1,076,194.7	1,074,013.1	1,080,093.3	6,080.2	0.6%
Approved Positions		7,881.0	7,881.0	7,881.0	7,524.0	(357.0)	-4.5%

### Salaries & Benefits:

- Impact of the Collective Agreement settlements, which is the single largest component of the budget increase as well increases in benefits. These increases were partially offset by reductions in funded positions and premium pay to reflect court closures and reduced special events

### Equipment:

- Changes over 2020 projection, related to one-time COVID-19 related costs incurred in 2020 including the reconfiguration of workspaces in some areas, the expanded use of one-person patrol vehicles, and the installation of protective barriers for its members and the community. Also, impacted by in-year grant expenditures in 2020, offset by grant revenue.

### Services and Rents:

- Decrease in services and rents based on 2020 in-year grant funded expenditures but partly offset by an increase in costs associated with the operating impacts resulting from completed capital projects such as Body Worn Camera and Analytics Centre of Excellence (A.N.C.O.E.) which requires ongoing system maintenance and licenses.

### Contributions to Capital:

- Reduction to the contribution to the Vehicle & Equipment Reserve for planned lifecycle replacements. The adequacy of reserves is reviewed annually, based on the Service's estimated spending and asset replacement strategies.



**Contributions to Reserves:**

- Reduction to the contributions to the Insurance Reserve Fund, Health Care Spending Reserve Fund, and Central Sick Bank Reserve Fund.

**Other Revenue Changes:**

- Increased draw from the City's Ontario Cannabis Legislation Reserve to fund training, impact on frontline demands, processing and destruction of seized cannabis.
- Miscellaneous revenue including paid duty equipment rental fees, alarm fees and disclosure fees.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Uniform & Civilian hiring strategy changes	Other		(18,781.7)	(18,781.7)	(140.0)	11,131.9	11,131.9	68.0
Reduce contributions to reserves	Other		(10,309.5)	(10,309.5)		4,600.0	4,600.0	
Draw from City's Ontario Cannabis Legislation Reserve	Other	420.0		(420.0)				
Body Worn Cameras capitalization	Other		(1,400.0)	(1,400.0)				
Reduce gas prices from City estimate of unit cost and defer change in accounting practice	Match to Actuals		(603.0)	(603.0)		403.0	403.0	
Premium Pay reduction	Other		(2,000.0)	(2,000.0)		2,000.0	2,000.0	
Discretionary cuts and other net reductions after compilation of all budgets and across the board cost containment	Other		(3,604.7)	(3,604.7)		1,068.0	1,068.0	
Miscellaneous changes in revenue	Revenue Increase (Other)	2,826.0		(2,826.0)		2,493.0	2,493.0	
<b>Total Balancing Actions</b>		<b>3,246.0</b>	<b>(36,698.9)</b>	<b>(39,944.9)</b>	<b>(140.0)</b>	<b>21,695.9</b>	<b>21,695.9</b>	<b>68.0</b>

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

- Reduction of 140 funded positions, including 90 civilians and 50 uniform, representing approximately \$18.8 million in savings. In 2021, the average number of uniform officers will be 50 officers less compared to 2020. The Service will continue to hire some of the officers that separate, and use premium pay where needed, in order to maintain current service levels and augment priority areas. The Service will hire civilians based on strategic priority and operational criticality. This will increase the number of civilian positions kept vacant by 90 positions from 46 to 136 positions, representing a 5.4% vacancy rate.
- Reductions to contributions to reserve of \$10.3 million. This is a temporary adjustment based on an assessment of the current health of the reserves. In future years, contributions will need to be reassessed ensuring adequate funding for obligations such as sick time and replacement of operationally needed vehicles and equipment.
- Allowable changes in accounting treatments of \$1.4 million in expenses appropriately charged to capital, such as capitalization of part of body worn camera asset expenditures.
- Premium pay reduction of \$2.0 million. This is an expenditure category that has historically been underfunded and will represent an initial budget pressure of \$10-15 million that will need to be managed to strict governance and internal controls.
- Discretionary Service-wide cuts and other reductions of \$3.6 million to costs such as business travel, conferences, stationary and other accounts based on line-by-line reviews and analysis.
- Incremental revenue sources of \$5.7 million such as increased draw from the City's Cannabis Legalization reserve fund, as well as anticipated in-year grant funding from other levels of government.

Table 2c: 2021 New / Enhanced

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1 Vision Zero	2,500.0	2,500.0	0.0	0.0	0.0	None	Supports the City's Vision Zero Road Safety Plan
Total New / Enhanced	2,500.0	2,500.0	0.0	0.0	0.0		

**Expanding Road Safety Program:** The Service's Road Safety program supports the City's Vision Zero Road Safety Plan which is focused on reducing traffic-related fatalities and serious injuries on Toronto's streets. The Road Safety Program will be expanded to a total of 18 dedicated officers, which will be strategically deployed throughout the City. The officers will be redeployed to the Road Safety Program from other program areas. The expanded team will work closely with all divisions in addressing local community driving complaints, issue traffic offence notices, support local road safety initiatives, as well as conduct town hall meetings to discuss matters of traffic safety. Since all Torontonians will be impacted by this initiative in the same way, the proposal has no impact on equity seeking groups.

## 2022 & 2023 OUTLOOKS

Table 3: 2022 and 2023 Outlooks

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	157,389.4	149,413.3	143,637.8	141,865.2
Gross Expenditures	1,231,402.5	1,229,506.6	1,277,282.8	1,313,030.4
<b>Net Expenditures</b>	<b>1,074,013.1</b>	<b>1,080,093.3</b>	<b>1,133,645.0</b>	<b>1,171,165.2</b>
<b>Approved Positions</b>	<b>7,881.0</b>	<b>7,524.0</b>	<b>7,524.0</b>	<b>7,524.0</b>

## Key drivers

The 2022 Outlook with total gross expenditures of \$1.277 billion reflects an anticipated \$47.776 million or 3.89 per cent increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlooks expects a further increase of \$35.748 million or 2.80 per cent above 2022 gross expenditures.

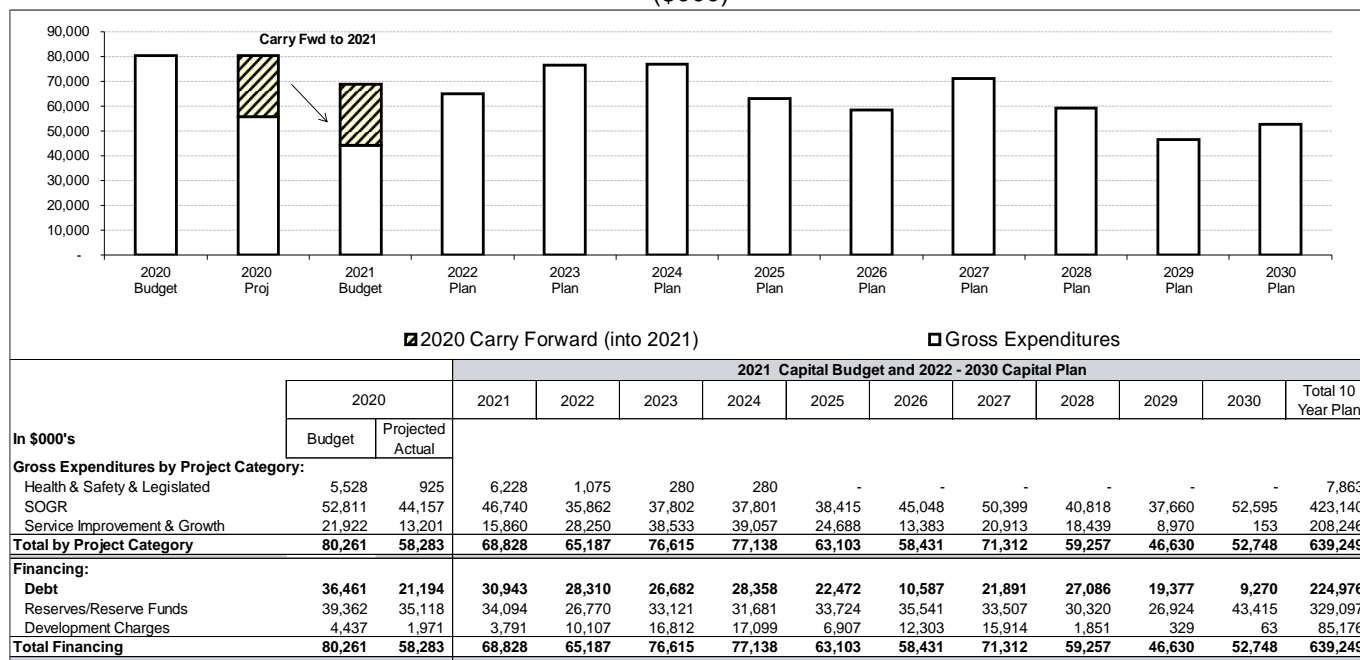
These changes arise from the following:

- Impacts of the Collective Agreements with the Toronto Police Association and the Toronto Police Senior Officers' Organization for each of 2022 and 2023
- Annualizations from prior year uniform hiring strategy that strive to offset retirements and separations in order to ensure certain staffing levels
- Continued filling of critical civilian vacancies
- Increased contributions to reserves and reserve funds to ensure healthy balances in the future to fund projected expenditures
- Revenues are expected to decrease in 2022 since the Community Safety and Policing grant, which funds existing Service programs, is set to expire on March 31, 2022.

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$28 Million)

- *Vehicle and Equipment Replacement* - increased by \$4.4 million for various information technology system replacements, equipment lifecycle as well as vehicle replacement based on standard lifecycle program
- *41 Division* - increased by \$9.6 million due to higher construction cost
- *54/55 Division Amalgamation* - increased by \$11.3 million due to higher construction cost
- *51 Division* - increased by \$6 million due to higher construction cost
- *Body Worn Camera* - increased by \$1.5 million due to infrastructure and camera cost
- *District Policing Process Improvement* - reduced by \$2.5 million due to scope reduction
- *Next Generation 911* - reduced by \$2 million to reflect better project costing based on results of Request for Proposal

### New Projects (\$2 Million)






- *New Command Centre* – for a new command vehicle

### Capital Needs Constraints (\$78.2 Million)

- *Communications Centre – New Facility* for additional space and system requirements as part of Phase II *Next Generation 911*



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$639.2M 10-Year Gross Capital Program**

				
<b>Aging Infrastructure</b>	<b>Information Technology</b>	<b>Vehicles</b>	<b>Communication</b>	<b>Equipment</b>
\$242.5 M 38%	\$220.6 M 35%	\$84.4 M 13%	\$37.4 M 6%	\$54.3 M 8%
54/55 Division 41 Division 13/53 Division S.O.G.R.*	N.G.9-1-1** A.N.C.O.E.*** Workstations Servers Network	Vehicle Replacement	Radio Replacement	Body Worn Camera A.F.I.S.**** C.E.W.***** Property Racking Furniture/Locker

\*State of Good Repair – S.O.G.R.

\*\*Next Generation 911 – N.G. 9-1-1

\*\*\* Analytics Centre of Excellence - A.N.C.O.E.

\*\*\*\*Automated Fingerprint Identification System – A.F.I.S.

\*\*\*\*\*Conducted Energy Weapon – C.E.W.

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$639.2 M</b> <b>100%</b>		<b>\$0M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Debt	\$ 225 M		
Reserve Draws	\$ 329.1 M		
Development Charges	\$ 85.2 M		

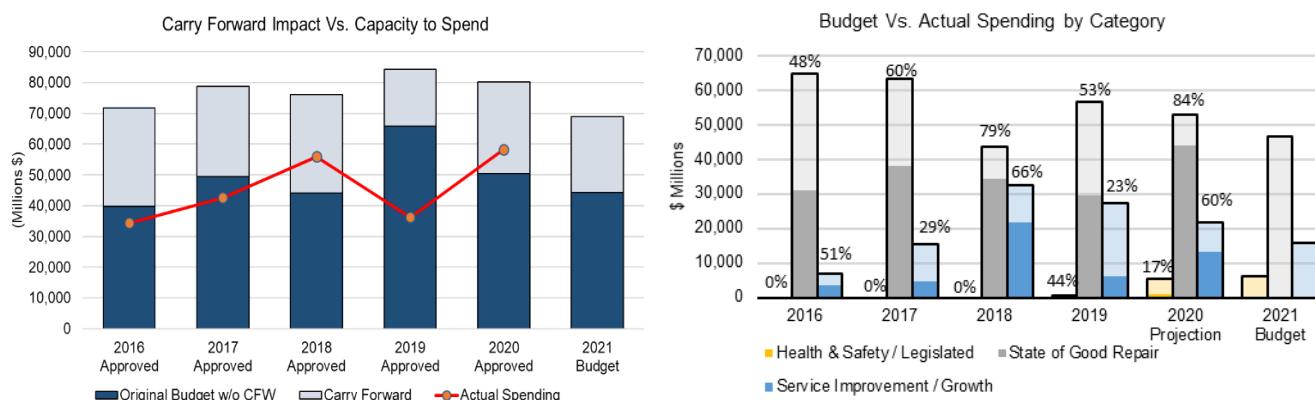
## CAPACITY TO SPEND REVIEW

The 2021-2030 Capital Budget and Plan is \$639.2 million. The 2021 Capital Budget is \$68.8 million (including \$24.5 million carry forward funding). 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 the Toronto Police Service (TPS)'s ability to spend and the market's capacity to deliver.

During the past few years, the Service's capital spending rate has been lower than anticipated. Despite due diligence efforts taken in advance of the actual start of the project, some issues only became known as the work progressed, resulting in revised cost, schedule or scope estimates. Also, civilian staffing shortages in recent years, as a result of a previous hiring moratorium, have put significant pressure on the ability of staff to work on capital projects while continuing to perform their day to day duties. This issue has contributed to project schedule delays which in turn have impacted the spending rate. As part of the 2021 budget process, all projects timelines and costs were reviewed carefully and they will continue to be monitored on an ongoing basis and known issues will be actively addressed.

Key components in determining an appropriate level of annual cash flows include historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 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

Based on the review of historical capital spending constraints and a capacity to spend review, \$15.7 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$8.9 million, which was deferred from 2019 to 2021 for a total carry forward of \$24.5 million to accommodate projects such as *State of Good Repair*, *Transforming Corporate Support*, *54/55 Divisions Amalgamation*, *Body Worn Camera*, *Next Generation 911*, etc.

Also, new project and funding requirements as well as costing adjustments have been added to the 10-Year Capital Plan as noted below:

- *Mobile Command Centre* – thoroughly equipped with industry-standard technology to be the main centre of operation on the road. In an emergency situation it will decrease the response time, allow full engagement in operations, protect all the technology and equipment that might be required and provide Police presence at the scene when required, etc.
- Provides for increased cost in 41 Division and 54/55 Divisions Amalgamation. Based on current budget estimates developed with the benefit of the architectural consultant and construction manager now being on board to design, manage and oversee the construction, the total construction cost is higher than previously

estimated. This is due to a firmer scope/program for the facility and significantly higher construction costs from when the original estimate was prepared. In addition, the complexity of the construction phasing that involves the demolition of a significant portion of the existing 41 Division facility and constructing a new building while continuing to operate as a full functional division is also a significant factor in the increased cost to build the new facility. The 54/55 Divisions project is comparable to the 41 Division project due to its own increased cost as a result of soil remediation and basement level dewatering “bathtub design”.

- Provides for increased cost for *Body Worn Camera* for the appropriate treatment of operating and capital costing breakdown. *Body Worn Camera* initiative is aligned with and will enable the Service's commitment to maintain and enhance public trust and accountability, as part of its commitment to becoming a leader in public safety services and the delivery of professional and unbiased policing. The capital portion of this project will provide for infrastructure and other requirements such as cameras.

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

The City of Toronto's Corporate Real Estate Management (CREM) carries out the state of good repair work required at Police facilities and is responsible for addressing mechanical, electrical, re-roofing and structural issues. As a result, the value of these assets, associated state of good repair backlog and funding required to address these issues are reflected as part of the 10-Year Capital Plan for CREM.

The Toronto Police Service is responsible for addressing state of good repair issues inside its facilities. This work includes but is not limited to renovation/repairs inside its facilities, firing range retrofits, upgrades to locker rooms and washrooms, and front desk replacements.

The 10-Year Capital Plan for Toronto Police Service provides funding for ongoing work directed at addressing state of good repair backlog and funding for TPS equipment, TPS associated vehicles, radio infrastructure and security systems.

Other equipment/systems are replaced according to TPS associated lifecycle programs (reserve-funded) and included as replacements in the TPS's capital program. There is no accumulated backlog for these assets, as the SOGR is funded in the 10-Year Capital Plan for TPS. Using the reserve funding for the lifecycle replacement of vehicles and equipment allows TPS to reduce the debt funding requirements and extreme cost fluctuation year to year. However, this funding strategy results in increased impacts on the TPS Operating Budget, as annual contributions to replenish the reserve are required.

- Those asset groups account for \$336.6 million of the total asset value as of December 31, 2019.

The SOGR projects account for \$423.1 million or 66% of the total 10-Year Capital Budget & Plan of which \$326.5 million or 77% is funded from the Services' Vehicle and Equipment reserve. The remainder \$96.6 million or 23% is funded by debt.

TPS also uses SOGR for maintaining the interior of the facilities and minor renovations. The rest of equipment are replaced as required and are funded from Vehicle and Equipment reserve.

- SOGR (\$44.2 million) – The SOGR program addresses priority needs required inside the TPS facilities including renovations and repairs to ensure the safety of its members and the public
- Major lifecycle replacement projects include:
  - Vehicle and other Equipment (\$84.4 million)
  - Workstations, printers and laptops (\$38 million)
  - Servers (\$48.5 million)
  - Network Equipment (\$36.6 million)
  - Mobile Workstations (\$23.2 million)
  - Wireless Parking system replacement (\$10 million)

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The implementation of capital projects can have an impact on the Service's on-going operating budget requirements. Capital projects and investments usually require maintenance and operational support beyond the initial one-time project cost. Where additional infrastructure and equipment are required, operating budget increases are required to replace the assets in accordance with their life cycle.

The 10-Year capital program will increase future year operating budgets by \$5.36 million net over the 2021-2030 period. The incremental operating impact in 2021 is \$1.58 million as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
ANCOE/Global Search	275		475					1			750	1	750	1
Next Generation 911					525						525		525	
Connected Officer			2,086	2	695						2,781	2	2,781	2
Body Worn Camera	1,300										1,300		1,300	
<b>Sub-Total: Previously Approved</b>	<b>1,575</b>		<b>2,561</b>	<b>2</b>	<b>1,220</b>			<b>1</b>			<b>5,356</b>	<b>3</b>	<b>5,356</b>	<b>3</b>
<b>New Projects - 2021</b>														
<b>Sub-Total: New Projects - 2021</b>														
<b>New Projects - Future Years</b>														
<b>Sub-Total: New Projects - Future Years</b>														
<b>Total (Net)</b>	<b>1,575</b>		<b>2,561</b>	<b>2</b>	<b>1,220</b>			<b>1</b>			<b>5,356</b>	<b>3</b>	<b>5,356</b>	<b>3</b>

**Previously Approved projects**

- *Analytics Centre of Excellence (A.N.C.O.E.) /Global Search* – Additional funding of \$0.275 million in 2021 will be required to fund ongoing system maintenance and licenses. One additional staff is required from year 2024 to maintain the Global Search system.
- *Next Generation 911* – Additional funding of \$0.525 million is estimated for ongoing system maintenance.
- *Body Worn Camera* – Additional \$1.300 million to cover the on-going subscription cost of the program in 2021.

These operating costs, as mentioned above, have been included in the 2021 Operating Budget for Toronto Police Service. Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

# 2021 Program Summary

## Toronto Police Services Board

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### Description

The Toronto Police Services Board is the seven member civilian governing body that oversees the Toronto Police Service. The Board is dedicated to ensuring that police services are delivered in partnership with our communities, to keep Toronto the best and safest place to be. Ontario's *Police Services Act* requires the Board to: generally determine the objectives and priorities for police services in the municipality; set policies for the effective management of the police force; recruit and appoint the Chief of Police and Deputy Chiefs of Police; direct the Chief of Police and monitor their performance; and, determine the budget for the police force.

### Why We Do It

The Board is responsible for ensuring the provision of adequate and effective police services in Toronto. As the employer of the Toronto Police Service, the Board is responsible for negotiating all labour contracts, the hiring and termination of all members, and reviewing the disciplinary processes. We work closely with the Chief of Police to set the strategic vision for the Service, and provide oversight through policies and other legally binding direction. The Board also creates a forum for members of the public to engage and provide their perspectives and input concerning today's policing issues.

*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 Services We Provide

#### **Governance & Oversight**

**Who We Serve:** Residents of Toronto, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General

**What We Deliver:** Modern and robust governance, oversight and accountability measures, which are responsive to community and Service demands, within a challenging fiscal climate.

#### **Policy Development**

**Who We Serve:** Residents of Toronto, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General

**What We Deliver:** Expert analysis and advice from professional Board Office Staff to develop 'best in class' and evidence-based policing and community safety policy on matters of public interest.

#### **Public Engagement & Consultation**

**Who We Serve:** Residents of Toronto, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General

**What We Deliver:** Modern methods and approaches to effectively engage the public and a variety of community organizations into the policy development and police governance process.

**How Much Resources (gross operating budget):** \$3.3 Million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$1.4	\$0.5	\$0.5
Gross Expenditures	\$3.3	\$2.5	\$2.5
Net Expenditures	\$1.9	\$2.0	\$2.0
Approved Positions	7.5	7.5	7.5

Toronto Police Board does not have a 10-Year Capital Budget and Plan

## COVID-19 IMPACT AND RECOVERY

### 2020 Impact

#### Financial Impact (Operating)

- The Board has viewed the current pandemic as an opportunity to examine how we do our business. We have absorbed costs associated with the changes needed to facilitate staff working remotely and to mitigate disruptions to our service delivery.
- All costs associated with pandemic-related impacts (e.g. technology to facilitate remote working) have been absorbed within the 2020 Operating Budget.

#### Service Level Changes

- The Board and Board Office's service delivery has remained high and responsive throughout the pandemic. We have continued to hold monthly Board meetings, respond to the current social climate through virtual town halls, and have held virtual public consultations on matters of public interest, such as the development of a governance framework to guide the use of new body-worn camera technology. The Board Office's transition to new technology to hold virtual meetings was a 'first' among city entities, and has been replicated by other police boards across Ontario. Board Office Staff have continued to support the Board's two advisory panels (Anti-Racism Advisory Panel and the Mental Health and Addictions Advisory Panel), engaging the community on a variety of community safety and governance matters, and have also lent their expertise to various government tables on legislative, programmatic, and policy matters impacting policing and community safety.

### 2021 Impact and Recovery

#### Financial Impact (Operating)

- On-going costs are expected to be minimal and are expected to be absorbed within the 2021 budget.

#### Service Level Changes

- The Board and Board Office expects to maintain the same high level of service delivery and responsiveness for the duration of the pandemic and beyond.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Adherence to pandemic guidelines while being innovative in hosting publicly-accessible virtual Board meetings since the beginning of the restrictions on public gatherings
- Created a platform for citizens to openly express their views on policing matters, through four virtual public town halls in the July 2020 (a model that was replicated in other jurisdictions)
- The approval of 81 recommendations that establish a roadmap for comprehensive policing reform in Toronto, and include building new community safety response models, various initiatives to address systemic racism and concrete steps to improve trust with our communities
- Increased budget transparency and public engagement, including the posting of a 2020 enhanced line-by-line budget, which can be found at: <https://www.torontopolice.on.ca/budget/>
- An expansion of the Service's Mobile Crisis Intervention Program from within the existing police budget to ensure specially-trained teams of police officers and mental health nurses are available throughout the City and during as many hours of the day as possible
- Working closely with the City as it develops an Alternative Community Safety Response Model, including mobile mental health and addictions crisis intervention
- Confirmed permanency of and expanded mandates for the Board's two advisory panels, the Board's Anti-Racism Advisory Panel (ARAP) and the Mental Health and Addictions Advisory Panel (MHAAP), and a recruitment initiative for new members of ARAP (which is currently underway)
- The approval of a new, comprehensive Board Policy on Body-Worn Cameras, the first of its kind in Canada, which creates an important governance framework for the use of this technology
- Ongoing work on the Chief of Police selection process, including incorporating robust community consultation and engagement as part of this process
- Work on a new Memorandum of Understanding, and accompanying work plan, to engage the Auditor General to perform independent audits of the Service to improve service delivery
- Continued governance and oversight for the implementation of *The Way Forward* and all related projects
- Continuation of the Board's two innovative partnerships: Collective Impact and the implementation of a Memorandum of Understanding with Midaynta Community Services (Mending a Crack in the Sky)

### Key Challenges and Risks

- The upcoming challenges for the Board will be finding new, innovative and cost-effective ways to leverage technology in order to remain accessible and engaged with the public during a continued pandemic. There are many priorities, initiatives, and projects that are currently being implemented or that are forecasted to be addressed in 2021 that will require Board members and Board Office Staff to be nimble, engaging, and accessible to the public

### Priority Actions

- Continued implementation of the Board's Police Reform work, culminating in 81 wide-ranging recommendations that are in varying stages of implementation
- Executing a robust Chief of Police Selection Process, which will include extensive public input and consultation and must inspire public confidence and trust
- Addressing findings from ongoing reviews by the Ontario Human Rights Commission and the Independent Civilian Review into Missing Person Investigations
- Continued virtual Board meetings, and other online opportunities for the Board to engage directly with the public (ie. social media, Board website, virtual public consultation, etc.) as well as regular engagement with key policing stakeholders
- Providing input into the development of regulations under Ontario's new *Community Safety and Policing Act, 2019*

## 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>								
Toronto Police Services Board	1,678.7	3,412.0	3,412.0	1,400.0		1,400.0	(2,012.0)	(59.0%)
<b>Total Revenues</b>	<b>1,678.7</b>	<b>3,412.0</b>	<b>3,412.0</b>	<b>1,400.0</b>	<b>0.0</b>	<b>1,400.0</b>	<b>(2,012.0)</b>	<b>(59.0%)</b>
<b>Expenditures</b>								
Toronto Police Services Board	4,000.0	5,342.4	5,267.0	3,331.1		3,331.1	(1,935.9)	(36.8%)
<b>Total Gross Expenditures</b>	<b>4,000.0</b>	<b>5,342.4</b>	<b>5,267.0</b>	<b>3,331.1</b>	<b>0.0</b>	<b>3,331.1</b>	<b>(1,935.9)</b>	<b>(36.8%)</b>
<b>Net Expenditures</b>	<b>2,321.3</b>	<b>1,930.4</b>	<b>1,855.0</b>	<b>1,931.1</b>	<b>0.0</b>	<b>1,931.1</b>	<b>76.1</b>	<b>4.1%</b>
<b>Approved Positions</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>0.0</b>	<b>7.5</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$3.331 million gross reflecting a decrease of \$1.936 million in spending compared to the 2020 projected year-end actuals, predominantly arising from:

On November 24, 2020, Toronto Police Board provided an update on the Missing Persons Investigation Review, which is expected to be completed by the end of March, 2021. Additional funding of \$0.700 million from the Tax Stabilization Reserve is included in the 2021 Budget, resulting in a decrease in gross expenditures and revenues from 2020 projections.

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

- **2021 Base Budget totalling \$1.931 million in net expenditures reflects a \$0 net increase above the 2020 Council approved Budget.**

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Police Services Board's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Police Services Board is \$3.331 million gross or 37% lower than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	1,133.1	1,330.3	1,255.3	1,330.3	75.0	6.0%
2	Equipment	9.0	14.2	14.2	14.2		
3	Service and Rent	2,328.9	3,573.1	3,572.7	1,561.8	(2,010.9)	-56.3%
4	Contribution To Capital						
5	Contribution To Reserves	529.0	424.8	424.8	424.8		
		4,000.0	5,342.4	5,267.0	3,331.1	(1,935.9)	-36.8%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations						
3	Draw from Reserve Funds	1,678.7	3,412.0	3,412.0	1,400.0	(2,012.0)	-59.0%
4	Other Revenues (Inc. IDR's)						
Total Revenues		1,678.7	3,412.0	3,412.0	1,400.0	(2,012.0)	-59.0%
Net Expenditures		2,321.3	1,930.4	1,855.0	1,931.1	76.1	4.1%
Approved Positions		7.5	7.5	7.5	7.5		

**Salaries & Benefits:**

- In August 2019, the Board negotiated a new 2019-2024 collective agreement with the Senior Officers Organization, and approved a recommendation to ratify the same monetary settlement to Excluded staff, which includes members of the Board Office staff. However, in light of the tremendous financial pressures facing the City of Toronto, City Council suspended cost of living increases for its management and non-union staff for 2021. While City Council's direction does not apply to the Board, the Board decided to forgo the 2021 cost of living increase previously extended to Board Staff as well. The estimated impact of the settlement for 2021 is \$18,100. During budget preparation, it was assumed that all Board staff would be at the top of their salary range, as it was unknown what salary step new staff would be placed, as a result, projected salaries are less than budget.

**Services and Rents:**

- Primarily driven by The Missing Persons Investigation Review that is expected to be completed by end of March 2021, resulting in a decrease of \$1.437 million to the Services & Rents budget. Since the Review is funded from the Tax Stabilization Reserve, there is a corresponding reduction in revenues, for net zero impact.
  - The extension of Missing Persons Investigation Review is funded by Tax Rate Stabilization Reserve of additional \$0.700 million in 2021.

**Withdrawal from Reserve Funds:**

- At its meeting on July 23 - 30, 2018, City Council approved up to \$3 million for the Missing Persons Investigations Review. The funds associated with the Review are fully funded by a one-time withdrawal from the Tax Rate Stabilization Reserve. Attached is the link to the report and decision: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX36.44>
- Additional funding of \$1 million to expand the scope of the Missing Persons Investigations Review was approved by City Council at its meeting of February 19, 2020.
- The Board, at its meeting on November 24, 2020 forwarded a request to the City of Toronto's Executive Committee to allocate and transfer to the Board additional funding for the Review in an amount not to exceed \$0.700 million, and request that such funds be made available to the Board as of the date of the request, and until the conclusion of the Review. This request, if granted, will result in a net zero change to the Board's operating budget as it will be funded from the Tax Rate Stabilization Reserve.

- The decrease in withdrawal from the reserve by \$2.012 million in 2021, primarily reflects the adjustment of the remaining funds available to complete the Missing Persons Investigation Review.
- Total cost of the Missing Persons Investigation Review is \$4.700 million.

## 2022 & 2023 OUTLOOKS

Table 3: 2022 and 2023 Outlooks

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	3,412.0	1,400.0	500.0	500.0
Gross Expenditures	5,267.0	3,331.1	2,456.4	2,476.3
<b>Net Expenditures</b>	<b>1,855.0</b>	<b>1,931.1</b>	<b>1,956.4</b>	<b>1,976.3</b>
<b>Approved Positions</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>

### Key drivers

The 2022 Outlook with total gross expenditures of \$2.456 million reflects an anticipated \$0.875 million or 26 per cent decrease in gross expenditures from the 2021 Operating Budget. The 2023 Outlooks expects an increase of \$0.020 million or 0.81 per cent above 2022 gross expenditures.

These changes arise from the following:

- Applying the impact of the collective agreement with the Senior Officers' Organization to Excluded and Board staff. **(2022 and 2023)**
- The completion of the Missing Persons Investigation Review in March 2021 resulting in a decrease in gross expenditures and revenues **(2022)**.

# 2021 Program Summary

## Toronto Public Health

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### Description

In accordance with the Health Protection and Promotion Act, Toronto Public Health's purpose is to deliver public health programs, services, and policies to prevent the spread of disease and promote and protect the health of the people of Toronto. Toronto Public Health's programs, services and policy directions strive to create the optimal conditions to achieve a healthy city for all, meet community public health needs, comply with the Ontario Public Health Standards, and contribute to a broader sustainable health system.

### Why We Do It

Toronto Public Health contributes to the overall quality of life, but more particularly Toronto Public Health's desired outcomes are:

- Prevalence of chronic diseases is reduced and spread of communicable and infectious diseases in Toronto is prevented and controlled in a timely, responsive and equitable manner
- Toronto residents adopt more healthy behaviours
- Conditions are in place to reduce barriers and inequities that inhibit Torontonians from achieving health and well-being

*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

#### **Chronic Disease and Injury Prevention**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Programs and services that promote optimal nutrition and physical activity; diabetes prevention; skin cancer prevention; well-being promotion; adult oral disease management; tobacco cessation programs; and Ontario Seniors Dental Care Program.

**How Much Resources (gross operating budget):** \$45.78 million

#### **Emergency Preparedness**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Programs and initiatives that ensure that public health has the capacity to cope with and recover from threats to public health or disruptions to public health programs and services.

**How Much Resources (gross operating budget):** \$2.5 million

**Environmental Health**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Educational programs and inspections to prevent and reduce the burden of food-borne illnesses; timely and effective detection, identification, and response to drinking water contaminants and illnesses; inspection of recreational water facilities and public beaches to mitigate water-borne illness and hazards.

**How Much Resources (gross operating budget):** \$25.1 million

**Infectious Diseases Prevention**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Tuberculosis education and treatment services; sexual health clinics; infection control and prevention liaison services; investigation and management of infectious and communicable disease, such as COVID-19; inspection of personal service settings.

**How Much Resources (gross operating budget):** \$142.4 million

**Family Health**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Preconception, pregnancy, newborn, child, youth, parental, and family health programs including, breastfeeding clinics, healthy sexual health promotion and education, positive partnering sessions and supports; blind-low vision screening; child and youth oral health screening and treatment programs.

**How Much Resources (gross operating budget):** \$109.1 million

**Public Health Foundations**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Systematic and routine analysis of surveillance information, including monitoring of trends over time, emerging trends, and priority population; conduct surveillance of community emergency planning and preparedness.

**How Much Resources (gross operating budget):** \$19.9 million

## Budget at a Glance

### 2021 OPERATING BUDGET

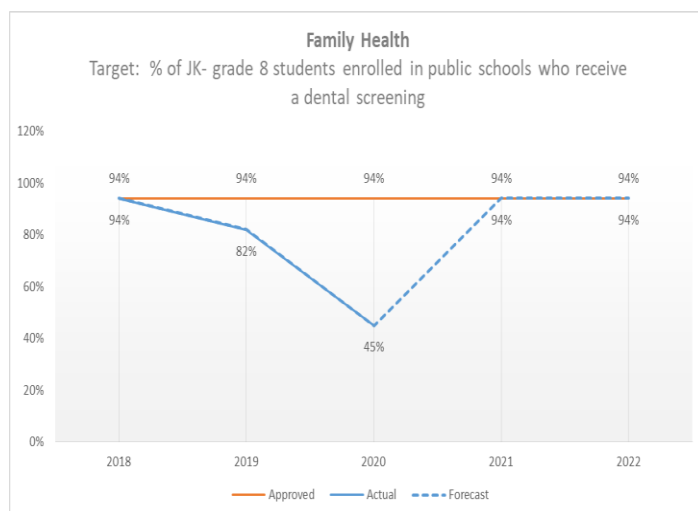
\$Million	2021	2022	2023
Revenues	\$220.4	\$200.9	\$200.7
Gross Expenditures	\$344.7	\$276.2	\$279.7
Net Expenditures	\$124.4	\$ 75.3	\$ 79.0
Approved Positions	2,412.6	1,929.6	1,935.6

### 2021 - 2030 10-YEAR CAPITAL PLAN

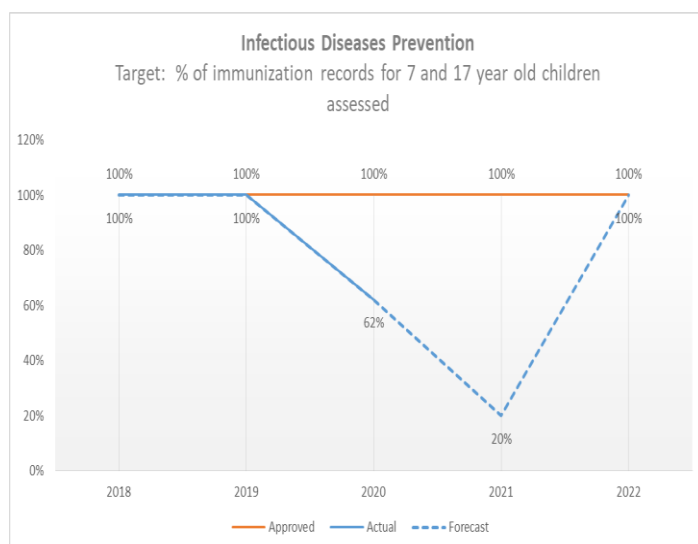
\$Million	2021	2022-2030	Total
Gross Expenditures	\$5.1	\$28.7	\$33.8
Debt	\$1.9	\$28.7	\$30.6

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers



- Dental caries is a complex and multifactorial chronic disease that is heavily influenced by biomedical factors (diet, bacteria and host) and by social determinants of health.
- In Canada, 69% of children 6-11 years of age enrolled in publicly funded dental programs have dental disease and an estimated 2.26 million school-days are lost annually due to dental visits or dental sick-days.
- Dental screening is a secondary prevention which aims at detecting disease as early as possible to prevent, stop or slow the progression of dental disease to improve function and quality of life.
- With the exception of 2020, a significant number of school aged children are screened annually.



- Children and youth attending primary or secondary school should be appropriately immunized against designated disease such as diphtheria, tetanus, measles, mumps, rubella, meningococcal disease, whooping cough and chickenpox.
- Vaccines build immunity, protect children and youth from getting the disease and prevent children and youth from spreading a vaccine preventable disease to others, particular some of our most vulnerable populations such as younger children and older adults.
- Assessing records ensures children and youth have the appropriate vaccinations.
- Vaccine preventable disease levels are at, or near, record lows in Toronto due to Toronto Public Health efforts to maintain high vaccine coverage.
- Service was suspended due to location closures in response to the COVID-19 pandemic.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
<b>Family Health</b>	Reproductive Health Screening - number of screens completed to identify individuals and families at risk for adverse birth outcomes in pregnancy	1,400	1,511	1,600	500	500	1,400	●
<b>Infectious Diseases Prevention</b>	Immunization Record Assessment - percentage of immunization records for 7 and 17 year old children assessed *	100%	100%	100%	62%	100%	100%	●
<b>Infectious Diseases Prevention</b>	Toronto Urban Health Fund - number of community organizations funded to prevent transmission of HIV	49	40	40	47	48	48	●
<p>* This Service Level Measure was affected by the closure of schools in mid-March 2020 as a result of public health measures enacted as part of the response to COVID-19.</p>								

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Service Level Measures</b>								
<b>Chronic Disease and Injury Prevention</b>	Percentage of municipally funded Student Nutrition programs receiving nutrition consultation and support in the school year *	59%	53%	55%	N/A**	55%	55%	●
<b>Emergency Preparedness</b>	Maintain the availability of Toronto Public Health staff to respond to public health emergencies on a 24/7 basis	Achieved	Achieved	Achieved	Achieved	Achieved	Achieved	●
<b>Environmental Health</b>	Percentage of High Risk food premises in compliance with Food Premises Regulation	87%	90%	90%	90%	90%	90%	●
<p>* This Service Level Measure could not be reported as schools closed mid-March 2020 as a result of public health measures enacted as part of the COVID-19 response.</p> <p>** A modified version of this service is being provided and a 2021 Approved Target is not available at this time. Service Levels will be tracked.</p>								

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
<b>Service Level Measures</b>								
<b>Family Health</b>	Percentage of JK- grade 8 students enrolled in public schools who receive a dental screening *	59%	53%	55%	N/A*	N/A**	55%	●
<b>Infectious Diseases Prevention</b>	Percentage of Active Tuberculosis (TB) cases completing adequate treatment according to the Canadian TB Standards	99%	99%	100%	98%	98%	98%	●
<b>Public Health Foundations</b>	Number of surveillance indicators assessed, updated and reported to monitor the health of Toronto's population **	87%	90%	90%	90%	90%	90%	●

\* This Service Level Measure was affected by the closure of schools in mid-March 2020 as a result of public health measures enacted as part of the COVID-19 response.

\*\* This Service Level Measure was affected as Toronto Public Health redeployed staff to support the response to COVID-19.



**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>• \$21.1 million incremental cost related to COVID-19 Response, for which Toronto Public Health be seeking re-imbursement from the province: <ul style="list-style-type: none"> <li>○ \$37.9 million for staff overtime; additional staff (public health nurses, associate medical officers of health, supervisors); contracted medical doctors; communication supports; support for the development and implementation of information systems to support case and contact management and reporting; recovery and build planning; medical supplies and personal protective equipment; security; and</li> <li>○ \$1.6 million for lost revenue; offset by</li> <li>○ \$18.7 million in savings as a result of positions that have remained vacant for the majority of 2020 as Toronto Public Health's operations were primarily focused on the COVID-19 Response.</li> </ul> </li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>• \$59.0 million in cost related to COVID-19 Response, for which Toronto Public Health will be seeking re-imbursement from the province: <ul style="list-style-type: none"> <li>○ \$57.5 million for the annualized costs of additional staff (public health nurses, associate medical officers of health, supervisor) and contracted medical doctors brought on board in 2020; communication supports; support for the implementation of the provincial case and contact management system, additional medical supplies and personal protective equipment and security; and</li> <li>○ \$1.5 million for lost revenues.</li> </ul> </li> <li>• The 2021 budget also takes into consideration: <ul style="list-style-type: none"> <li>○ Staff funded by the Ministry of Children, Community and Social Services (MCCSS) who were redeployed to COVID-19 Response in 2020 who will return to delivering MCCSS programs in 2021; and</li> <li>○ Resources engaged in case and contact management will be redeployed to support the COVID-19 mass vaccine immunization.</li> </ul> </li> </ul>
<p><b>Financial Impact (Capital)</b></p> <p><b>Information Technology Projects:</b></p> <ul style="list-style-type: none"> <li>• \$2.099 million in projects halted as the majority of Toronto Public Health's resources were redeployed to support the COVID-19 response; development and implementation of information systems to support case and contact management and reporting.</li> </ul> <p><b>Ontario Seniors Dental Care Program:</b></p> <ul style="list-style-type: none"> <li>• \$2.49 million for <i>Ontario Senior Dental Care Program</i> projects delayed due to COVID-19.</li> </ul>	<p><b>Financial Impact (Capital)</b></p> <p><b>Information Technology Projects:</b></p> <ul style="list-style-type: none"> <li>• \$2.099 million from 2020 was deferred to 2021 (\$1.785 million) and 2022 (\$0.314 million).</li> <li>• \$0.41 million for projects has been deferred from 2021 to 2022 due to continued redeployment of Toronto Public Health's resources to support the COVID-19 Response.</li> </ul> <p><b>Ontario Seniors Dental Care Program:</b></p> <ul style="list-style-type: none"> <li>• \$2.49 million from 2020 deferred to 2021.</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Service levels have been severely impacted as: <ul style="list-style-type: none"> <li>○ A significant number of programs, services and activities have been suspended and/or reduced during the pandemic particularly as a number of these programs are delivered in settings that were closed, in keeping with provincial regulations; this included settings such as schools, dental clinics, community settings and facilities, and civic centres.</li> <li>○ A significant number of Toronto Public Health's employees have been redeployed to respond to the COVID-19 pandemic.</li> </ul> </li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>• Service levels will continue to be impacted as Toronto Public Health's programs, services and activities are suspended and/or reduced, so resources can be focused on the preventing and controlling the spread of COVID-19 in a timely and responsive manner.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Resources to support the COVID-19 Response: redeployed approximately 70% of Toronto Public Health existing staff complement; expedited hiring for school based nursing positions, and increased staff for case and contact management and tracing.
- Established a Toronto Voluntary Isolation Centre to support individuals who are unable to safely and effectively isolate at home.

### Key Challenges and Risks

- Multiple resurgence of COVID-19 positive cases. Additional public health measures/policies were enacted in the fall of 2020; however, Toronto Public Health continues to plan and prepare for subsequent resurgences into 2021 until such time as a vaccine becomes available and a sufficient number of citizens are vaccinated.
- Ability to deliver all pre-COVID-19 public health programs and services given resources needed to respond to COVID-19.
- COVID-19 is having a profound negative impact on the social, economic, physical and mental health of the City's population.
- The COVID-19 vaccination campaign will be a significant undertaking involving Toronto Public Health, other city divisions, other health care providers, other levels of government, and community agencies.

### Priority Actions

- The key objectives of the COVID-19 response are to:
  - prevent loss of life
  - preserve the capacity of the healthcare system
  - minimize the social and economic impacts
- Toronto Public Health will be focused primarily on responding to COVID-19, with a particular focus on preventing and controlling the spread of COVID-19 in a timely and responsive manner.

## 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 Requests	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Chronic Diseases and Injury Prevention	31,018.8	30,577.8	46,433.1	31,402.1		31,402.1	(15,031.1)	(32.4%)
Emergency Preparedness	2,252.7	1,653.7	1,884.8	1,508.3		1,508.3	(376.5)	(20.0%)
Environmental Health	18,078.5	19,929.8	13,322.5	19,992.9		19,992.9	6,670.4	50.1%
Family Health	67,530.6	88,949.5	90,000.7	89,214.1		89,214.1	(786.6)	(0.9%)
Infectious Diseases	53,246.1	57,206.5	37,032.8	66,357.1		66,357.1	29,324.3	79.2%
Public Health Foundations	13,404.6	11,524.5	8,731.1	11,878.3		11,878.3	3,147.2	36.0%
<b>Total Revenues</b>	<b>185,531.4</b>	<b>209,841.8</b>	<b>197,405.0</b>	<b>220,352.7</b>		<b>220,352.7</b>	<b>22,947.7</b>	<b>11.6%</b>
<b>Expenditures</b>								
Chronic Diseases and Injury Prevention	41,561.6	44,743.6	53,640.9	45,777.3		45,777.3	(7,863.7)	(14.7%)
Emergency Preparedness	2,495.2	2,693.5	2,671.9	2,478.1		2,478.1	(193.8)	(7.3%)
Environmental Health	23,542.6	25,100.0	21,489.8	25,079.2		25,079.2	3,589.4	16.7%
Family Health	95,453.0	110,843.8	101,491.9	109,138.7		109,138.7	7,646.8	7.5%
Infectious Diseases	66,879.4	77,776.4	91,115.4	142,278.3	135.1	142,413.3	51,297.9	56.3%
Public Health Foundations	18,963.3	19,513.6	18,193.9	19,857.6		19,857.6	1,663.7	9.1%
<b>Total Gross Expenditures</b>	<b>248,895.1</b>	<b>280,670.9</b>	<b>288,603.8</b>	<b>344,609.1</b>	<b>135.1</b>	<b>344,744.2</b>	<b>56,140.3</b>	<b>19.5%</b>
<b>Net Expenditures</b>	<b>63,363.7</b>	<b>70,829.1</b>	<b>91,198.8</b>	<b>124,256.3</b>	<b>135.1</b>	<b>124,391.4</b>	<b>33,192.6</b>	<b>36.4%</b>
<b>Approved Positions</b>	<b>1,840.7</b>	<b>2,025.9</b>	<b>2,025.9</b>	<b>2,412.6</b>	<b>0.0</b>	<b>2,412.6</b>	<b>386.7</b>	<b>19.1%</b>

\* 2020 Projection based on Q3 Variance report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$344.609 million gross reflecting an increase of \$56.005 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- Annualized costs of 102 temporary Public Health Nurses hired in 2020 for the COVID-19 School Reopening Initiative.
- 450 temporary nurses positions hired in 2020 to support Case and Contact Management and Tracing.
- 24 temporary Harm Reduction Counsellors and 2 Supervisor positions to support overdose prevention as part of Shelter, Support and Housing Administration's Homeless Initiative and Prevention Services.
- Costs related to the Toronto Voluntary Isolation Centre; contracts for physicians and medical; and computer hardware to support remote work, all of which are directly related to the COVID-19 Response.

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

- **2021 Base Budget excluding estimated COVID-19 financial impacts totalling \$59.041 million in net expenditures reflects a \$5.614 million decrease from the 2020 Council approved Budget.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.135 million gross, enabling:

- Increase in funding to Hassle Free Clinic to maximize overall clinic capacity as well as restore capacity into the sexual health clinic system which has been impacted by COVID-19 public health measures.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Public Health's 2021 Operating Budget have a low negative impact for many equity seeking populations as Toronto Public Health has several services and programs which have been paused or reduced as a result of public health measures put in place to address and/or support the COVID-19 Response.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Public Health is \$344.609 million gross or 19.4% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b 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	182,463.4	203,075.7	211,567.2	256,813.1	45,245.9	21.4%
3 Material & Supplies	3,510.4	4,348.1	3,535.8	4,636.6	1,100.8	31.1%
4 Equipment	1,975.1	1,753.6	3,078.5	1,926.4	(1,152.1)	-37.4%
5 Service and Rent	28,339.0	37,890.8	37,083.8	46,673.7	9,589.9	25.9%
6 Contribution To Reserves	1,373.8	1,377.4	1,377.4	1,311.5	(66.0)	-4.8%
7 Other Expenditures	31,233.4	32,225.3	31,961.1	33,247.8	1,286.7	4.0%
<b>Total Expenditures</b>	<b>248,895.1</b>	<b>280,670.9</b>	<b>288,603.8</b>	<b>344,609.1</b>	<b>56,005.3</b>	<b>19.4%</b>
<b>Revenues</b>						
1 Provincial Subsidies	178,967.9	198,262.6	188,922.4	204,827.8	15,905.4	8.4%
2 Federal Subsidies	4.8	5,150.8	5,037.3	9,047.8	4,010.6	79.6%
3 User Fees & Donations	1,108.4	1,007.0	288.8	477.5	188.7	65.3%
4 Other Revenues (Inc. IDR's)	3,925.7	3,899.9	2,721.6	5,517.6	2,795.9	102.7%
5 Transfers from Capital	1,524.8	1,521.5	434.9	482.1	47.2	10.8%
<b>Total Revenues</b>	<b>185,531.6</b>	<b>209,841.8</b>	<b>197,405.0</b>	<b>220,352.8</b>	<b>22,947.8</b>	<b>11.6%</b>
<b>Net Expenditures</b>	<b>63,363.5</b>	<b>70,829.2</b>	<b>91,198.8</b>	<b>124,256.3</b>	<b>33,057.5</b>	<b>36.2%</b>
<b>Approved Positions</b>	<b>1,840.7</b>	<b>2,025.9</b>	<b>2,025.9</b>	<b>2,412.6</b>	<b>386.7</b>	<b>19.1%</b>

**Salaries & Benefits:**

The annualized costs of positions hired in 2020 as noted on Page 11 in response to the pandemic.

**Services and Rents:**

Costs related to the Toronto Voluntary Isolation Centre, contracts for physicians and medical advice and computer hardware needed to support remote work.

**Provincial Subsidies:**

Funding to support the COVID-19 School Reopening Initiative, public health modernization and one-time mitigation funding.

**Federal Subsidies:**

Funding to support the Toronto Voluntary Isolation Centre.

**User Fees & Donations:**

Reduction in revenue related to food handler training (course fees).

**Other Revenues:**

Increase in overdose prevention services from Shelter, Support and Housing Administration along with reductions in revenue for dental (payment from Ontario Works) and vaccination dosage payments (reimbursements from the province).

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Voluntary Separation Program	Other		(2,705.2)	(2,705.2)				
<b>Total Balancing Actions</b>			(2,705.2)	(2,705.2)	-			-

**Voluntary Separation Program:**

Amounts shown reflect the savings to the City resulting from holding positions vacant for six months for staff that have accepted early retirement.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1 Contracted Services (Hassle Free Clinic)		135.1	135.1			Low	Increase funding to Hassle Free Clinic to maximize clinic capacity and restore capacity into the sexual health clinic system which has been impacted by COVID-19 public health measures.
Total New / Enhanced		135.1	135.1				

**Hassle Free Clinic capacity increase in response to COVID-19:**

This investment (\$0.135 million) will increase the capacity within the broader sexual health clinic system by increasing TPH's contract with Hassle Free Clinic, one of the busiest sexual health clinics in the City of Toronto. The Hassle Free Clinic provides services to hard to reach populations such as new immigrants, different sexual orientations and those with high rates of sexually transmitted infections. The contract will increase capacity at this clinic from 230 clients per week to 630 clients per week to offset the reduced service capacity of the other clinics either closed or seeing a decreased number of clients during COVID-19.

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	197,405.0	220,352.7	200,876.2	200,702.0
Gross Expenditures	288,603.8	344,744.2	276,198.8	279,737.8
<b>Net Expenditures</b>	<b>91,198.8</b>	<b>124,391.4</b>	<b>75,322.6</b>	<b>79,035.8</b>
<b>Approved Positions</b>	<b>2,025.9</b>	<b>2,412.6</b>	<b>1,929.6</b>	<b>1,935.6</b>

**Key drivers**

The 2022 Outlook with total gross expenditures of \$276.199 million reflects an anticipated \$68.545 million or 19.88 per cent decrease in gross expenditures below the 2021 Operating Budget. The 2023 Outlooks reflects an increase of \$3.539 million or 1.28 per cent above 2022 gross expenditures.

These changes arise from the following:

- **Salary and Benefits**

Reduction of 483 temporary positions: 467 decrease in positions hired specifically for the COVID-19 Response, 26 decrease in positions for overdose prevention services for Shelter, Support and Housing Administration's Homeless Initiative and Prevention Services reduction and a decrease of 2 positions supporting harm reduction services and COVID-19 safety measures needed for the delivery of Supervised Consumption Services.

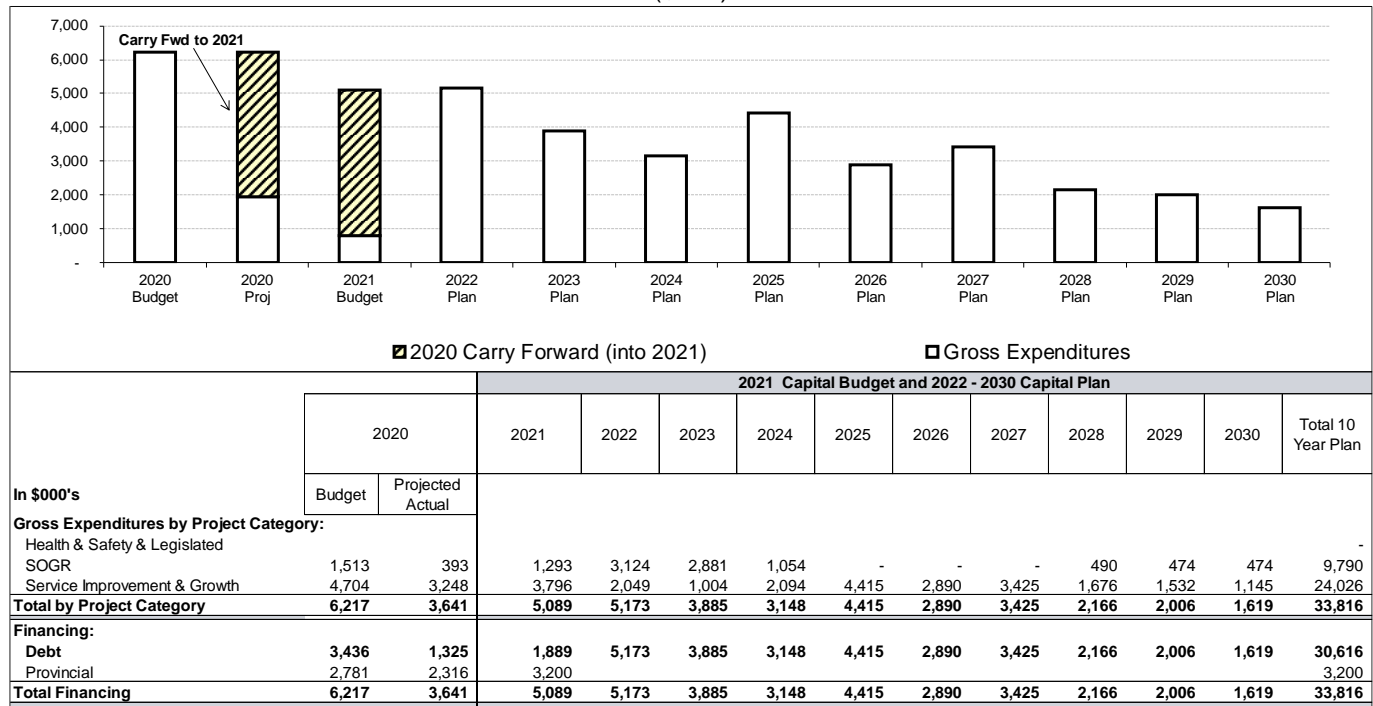
- **Revenue Changes**

Loss of Transitional Mitigation Funding from the Province in 2022 (\$14.622 million)

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$0.737 Million)

- Increased funding required to restart projects paused in 2020 due to COVID-19
  - \$0.414 million for *DataMart Data Warehouse - Phase 3* (2018-2022) in 2021
  - \$0.757 million for *Electronic Medical Record - Phase 3* (2018-2022) in 2022
  - \$0.092 million for *Community Collaboration - Seed* (2019-2022) in 2022
- Decreased funding due to revised scope
  - \$0.498 million for *Community Health Information System* (2017-2022) and deferral of \$0.411 million to 2022 from 2021
  - \$0.028 million for the *Correspondence and Communication Tracking - Seed*

### New Projects (\$0.0 Million)







- Toronto Public Health does not have any new capital projects

### Capital Needs Constraints (\$1.864 Million)

- The *Community Collaboration - Implementation* (2023-2025) project is dependent on the results of the *Seed* funded project and will implement secure community collaboration solutions in order to improve information sharing.



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$33.816 Million 10-Year Gross Capital Program**

					
<b>Decision Making</b>	<b>Workforce Capabilities</b>	<b>Business Processes</b>	<b>Information Technology</b>	<b>Access to Government Services</b>	<b>Access to Services</b>
\$6.259M 18.5%	\$1.334 M 4.0%	\$10.801 M 31.9%	\$8.352 M 24.7%	\$3.870 M 11.4%	\$3.200M 9.5%
Datamart /Data Warehouse  Geographical Information Enablement  Common Geographical Interface  Healthy Smart City - Data and Predictive Analytics  Healthy Smart Cities	Community Collaboration  Mobile Enablement	Electronic Medical Record  Socio-Demographic Data Collection and Reporting  Call Centre Revitalization  Customer Relationship Case Management	Inspection Management  Early Abilities Information System Implementation  Community Health Information System	Public eLearning  Public Notifications and Advisories	Ontario Seniors Dental Care Program: <ul style="list-style-type: none"> <li>o Dental Vans</li> <li>o Dental Clinic Infection Control Upgrades Project</li> <li>o Renovation for Dental Clinics</li> </ul>

**How the Capital Program is Funded**

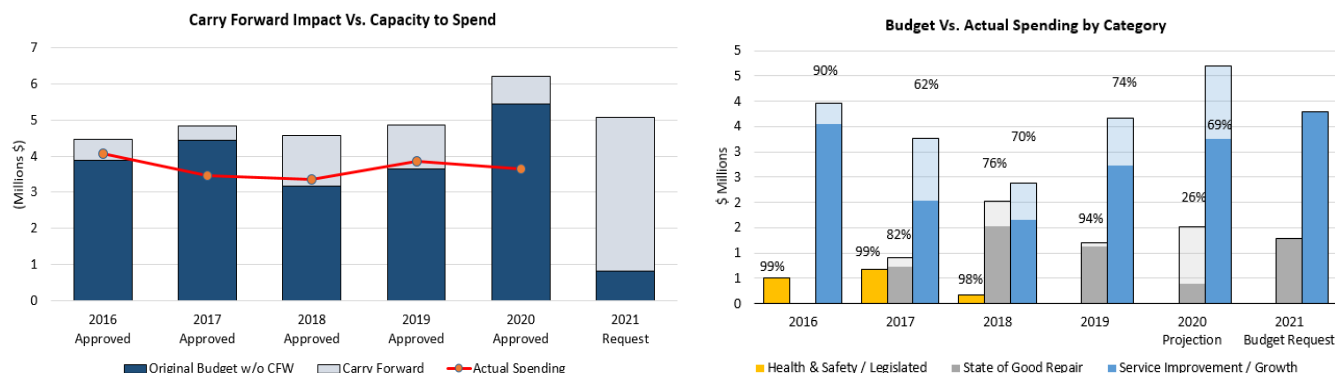
City of Toronto		Provincial Funding	Federal Funding
<b>\$30.6 M</b> <b>91%</b>		<b>\$3.2 M</b> <b>9%</b>	<b>\$0 M</b> <b>0%</b>
Debt	\$30.6 M		

## 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 Toronto Public Health'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

Based on the review of historical capital spending constraints and a capacity to spend review, \$4.274 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$0.314 million deferred to 2022. Adjustments to the Capital Plan are noted below:

- Deferral of \$2.489 million on Dental Clinic's renovations and building of dental vans for the Ontario Seniors Dental Care Program.
- Deferral of \$2.099 million for information technology projects as resources were redeployed to support the COVID-19 Response.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The 10-Year Capital Plan will impact future year Operating Budgets by (\$0.480) million net over the 2021-2030 period, primarily due to the completion of planning projects, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Inspection Management Implementation							554.0		(567.3)	(4.0)	(13.3)	(4.0)	(13.3)	(4.0)
Datamart Data Warehouse					(15.0)		(151.2)	(0.8)			(166.2)	(0.8)	(166.2)	(0.8)
Electronic Medical Record			216.0		(270.0)	(3.0)					(54.0)	(3.0)	(54.0)	(3.0)
Dental & Oral Health Information Systems Project			(89.4)						3.0		(86.4)	0.0	(86.4)	0.0
Community Health Information System							(160.0)	(1.5)			(160.0)	(1.5)	(160.0)	(1.5)
<b>Sub-Total: Previously Approved</b>	<b>0.0</b>	<b>0.0</b>	<b>126.6</b>	<b>0.0</b>	<b>(285.0)</b>	<b>(3.0)</b>	<b>242.8</b>	<b>(2.3)</b>	<b>(564.3)</b>	<b>(4.0)</b>	<b>(479.9)</b>	<b>(9.3)</b>	<b>(479.9)</b>	<b>(9.3)</b>
<b>New Projects - 2021</b>														
<b>Sub-Total: New Projects - 2021</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>New Projects - Future Years</b>														
<b>Sub-Total: New Projects - Future Years</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>126.6</b>	<b>0.0</b>	<b>(285.0)</b>	<b>(3.0)</b>	<b>242.8</b>	<b>(2.3)</b>	<b>(564.3)</b>	<b>(4.0)</b>	<b>(479.9)</b>	<b>(9.3)</b>	<b>(479.9)</b>	<b>(9.3)</b>

### Previously Approved projects

- *The Inspection Management – Implementation* project will end in 2023. The estimated platform software subscription costs beginning in 2024 are expected to be completely absorbed by financial and operational efficiencies in 2025.
- *The DataMart Data Warehouse – Phase 3* project to be completed in 2022, will generate financial and operational efficiencies starting in 2022.
- *The Electronic Medical Records – Phase 3* project will end in 2022. The estimated ongoing annual cloud solution licensing costs are expected to be completely absorbed by financial and operational efficiencies after full implementation in 2021.
- *The Dental and Oral Health Information System* project, ending in 2020, will realize operational efficiencies starting in 2022.
- *The Community Health Information System* project, ending in 2022, will realize financial and operational efficiencies starting in 2024.

# 2021 Program Summary

## Toronto Public Library

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Public Library (TPL) provides free and equitable access to services that meet the changing needs of Torontonians. The Library preserves and promotes universal access to a broad range of human knowledge, experience, information and ideas in a welcoming and supportive environment.

### Why We Do It

Toronto Public Library is the vital active ingredient that informs and inspires Toronto and its communities, making us all more resilient, more knowledgeable, more connected and more successful.

*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

#### Toronto Public Library

**Who We Serve:** Residents who use library services and community agencies & partners

**What We Deliver:** Toronto Public Library provides residents with a seamless library experience – in person, online and in the community – with the goal of ensuring that everyone who wants to use the library has the opportunity to do so in ways that are convenient and responsive to their needs. The Library provides access to a full range of services across five service pillars:

**Spaces, Collections, Programs, Staff and Technology.**

**How Much Resources (gross operating budget):** \$221.6 million

### Budget at a Glance

#### 2021 OPERATING BUDGET

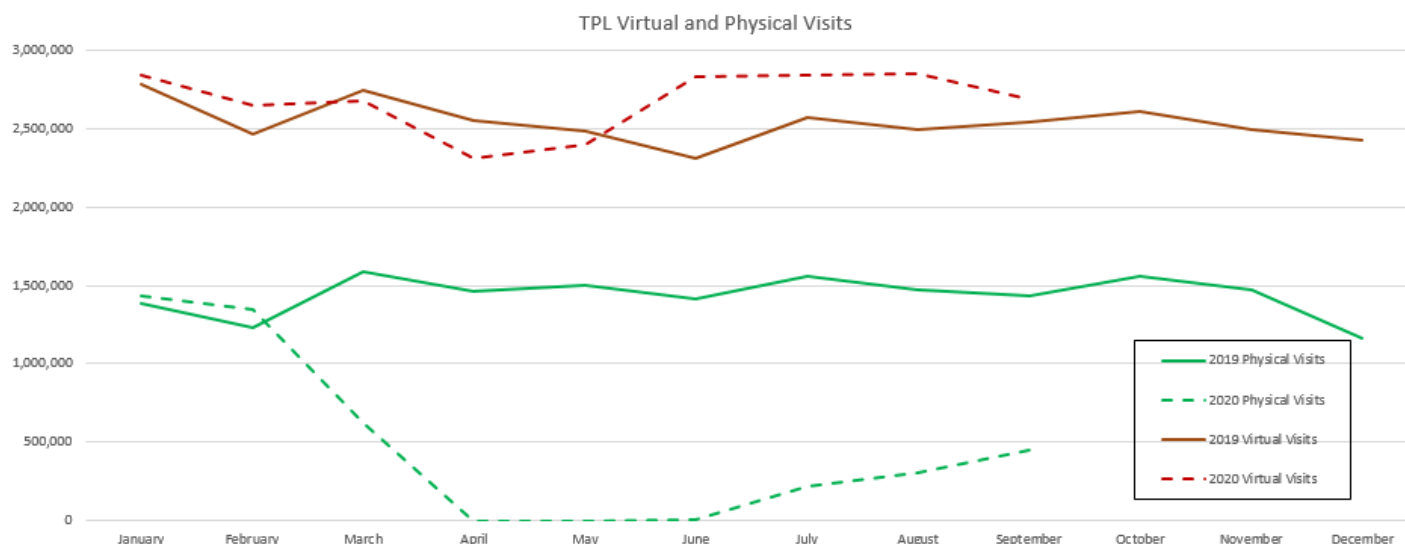
\$Millions	2021	2022	2023
Revenues	\$17.5	\$19.2	\$20.9
Gross Expenditures	\$221.6	\$231.0	\$235.3
Net Expenditures	\$204.1	\$211.8	\$214.4
Approved Positions	1,787.8	1,800.8	1,805.8

#### 2021 - 2030 10-YEAR CAPITAL PLAN

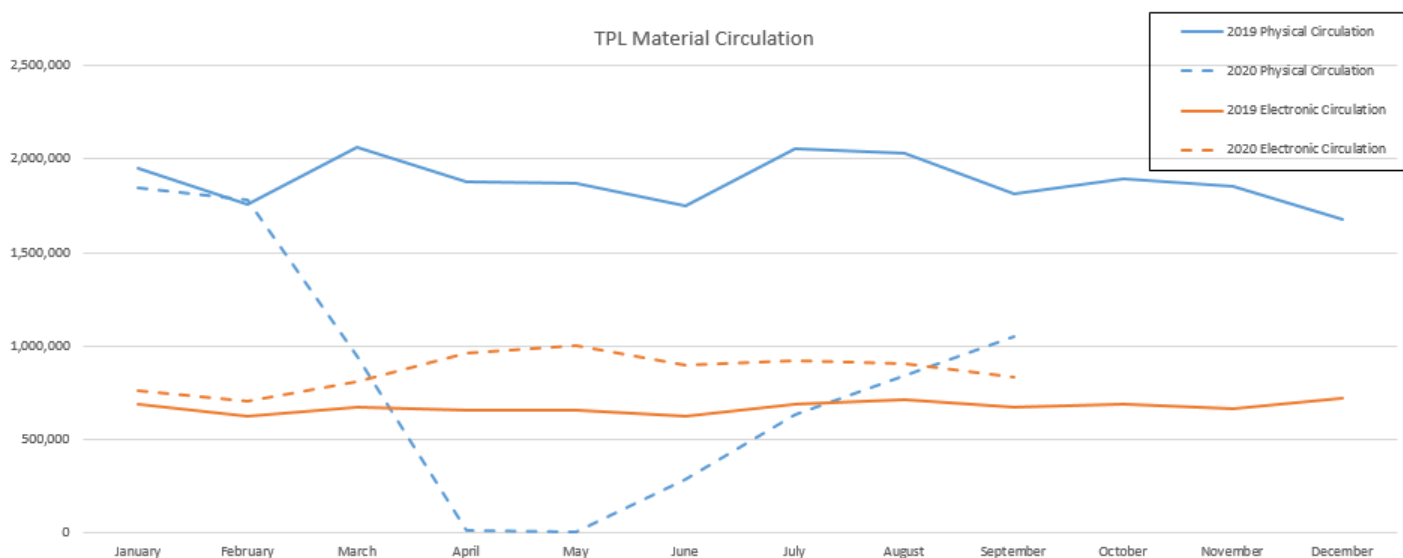
\$Millions	2021	2022-2030	Total
Gross Expenditures	\$44.9	\$395.1	\$440.0
Debt	\$35.4	\$300.3	\$335.7

Note: Includes 2020 carry forward funding to 2021

## How Well We Are Doing – Behind the Numbers



- Based on recommendations from Toronto's Medical Officer of Health, the City of Toronto cancelled most programming and closed a number of facilities, including public libraries in response to the evolving COVID-19 situation. This had an immediate impact on the actual circulation and visits.
- Virtual visits to TPL website ([www.torontopubliclibrary.ca](http://www.torontopubliclibrary.ca)) have increased throughout the pandemic and maintained a consistent trend after reopening.
- Since the initial lockdown as a result of COVID-19, physical visits to branches are seeing a steady increase, despite reduced capacity for space and services. Some of the branches are still not fully open, certain in-branch services are unavailable, and there is no Sunday service.



- On May 14, 2020, Ontario Premier announced stage 1 reopening of services effective May 19, 2020, including libraries for pick up and deliveries.
- Increased and sustained use of library's electronic resources and digital collections compared to 2019
- Sharp increase in physical collections circulation as a result of curbside pick-up initiative
- Physical collections have started to surpass digital collections as branches have reopened

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Toronto Public Library	Physical circulation per capita	8.0	7.8	7.7	3.0	7.3	7.2	●
Toronto Public Library	eBook and eAudiobook circulation per capita	2.4	2.7	3.3	3.5	3.6	3.7	●
Toronto Public Library	User satisfaction with variety of programs and classes offered	79%	83%	83%	83%	83%	83%	●
Service Level Measures								
Toronto Public Library	Library Open Hours	268,882	265,672	268,093	155,940	272,500	279,391	●
Toronto Public Library	Library Materials Budget per capita	\$6.69	\$6.88	\$6.51	\$6.88	\$6.80	\$6.71	●
Toronto Public Library	User satisfaction with the variety of books and other materials available	91%	88%	88%	88%	88%	88%	●
Other Measures								
Toronto Public Library	Well maintained spaces to improve customer experience (total virtual + physical visits)	47.0 M	47.7 M	49.7 M	40.3 M	46.7 M	48.7 M	●
Toronto Public Library	Youth Hubs to support youth and address goals of the Toronto Poverty Strategy and Toronto Youth Equity Strategy	11	13	15	23	23	23	●
Toronto Public Library	Total Operating Cost per Library Use	\$1.85	\$1.94	\$2.17	\$3.15	\$2.34	\$2.32	●
Toronto Public Library	Torontonians who agree public libraries are an important resource for the community	92%	90%	90%	90%	90%	90%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Increased security and janitorial service costs and janitorial supply costs (PPE, disinfectant): \$1.400 million</li> <li>Revenues pressures: printing, room/venue rentals, fines: \$4.850 million</li> <li>Salary and benefit cost savings: \$7.115 million</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Increased janitorial supplies (PPE, ad-hoc cleaning): \$0.300 million</li> <li>Increased contracted janitorial and security: \$2.000 million</li> <li>Decreased revenues related to tenants and venues rentals, printing and fines: \$3.633 million</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Pivoted organization to support working remotely where necessary by providing 400+ additional computing devices, increased access to VPN and enabling additional features of Office365 and WebEx</li> <li>Some planning and execution impact to individual building projects, especially smaller state of good repair work and new projects approved in 2020</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Continued provision of current technologies for staff productivity, communication and collaboration to support both on-site and remote work as well as digital services to our customers</li> <li>Formalization of an IT Security, Risk and Governance Program to ensure a safe and secure IT environment (both on-site and remote) that will minimize the risks of cyberattacks</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Curbside drop-off and pick up of materials (May)</li> <li>Limited in-branch services (June – July): scheduled in-branch holds pickup and computer access; print, scan &amp; photocopy; use of washrooms; Answerline and in-branch phone service</li> <li>Additional in-branch services (August): self-checkout of holds; library card registration; more Digital Innovation Hub computer time; browse and borrow item; connect and use Wi-Fi; work or study (with limited seating); access quick reference services</li> <li>Additional in-branch services (September – December): Leading to Reading; Adult Literacy; Library Settlement Partnership; Digital Innovation Hub &amp; Fabrication Studios; Bookmobile; Home Library Services; open remaining branches; open all youth hubs</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>No fines, room rentals or other in-branch revenues until Q2-Q3</li> <li>Q1 no in-branch programming; reduced in-branch capacity (spaces &amp; technology); continued online programming</li> <li>Q1/February: reinstatement of Sunday service at largest branches, including Research &amp; Reference, District and larger Neighbourhood libraries</li> <li>Q3: Smallest branches will reopen and gradual reinstatement of all remaining services</li> <li>All service level changes are subject to change based on any further or extended COVID-19 restrictions</li> <li>Additional janitorial and guard services are monitored and adjusted in response to pandemic needs and requirements</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Food Security: food banks in library branches serving over 40,000 individuals to date
- Literacy & Learning: free books with food hampers, free books to City shelters, online Adult Literacy service, online school outreach, career coaches in residence
- Digital Access & Inclusion: internet connectivity kits, WiFi hotspot lending, WiFi on Wheels, branch WiFi
- Social Inclusion & Engagement: seniors wellness checks, Bloom Cam, PRESTO card distribution, Toronto Office of Recovery and Rebuild (TORR) Art Installations, StrollTO

### Key Challenges and Risks

- COVID impact: reduced revenues, increased costs, unpredictable impact on operations and staffing
- Digital Services Modernization
  - Accelerate digital capabilities
  - Increase cyber security controls
  - Improve data driven decision-making
- Contract pressures, economic increases
- Support equity and inclusion, especially for vulnerable populations, through poverty reduction initiatives

### Priority Actions

- Focus on keeping buildings open to those in the community with the highest needs
- Respond to increases in demand and pivot between digital and in-person services as needed
- Be agile to scale back high-contract services if necessary
- Continue to add digital services and community-based services as needed



## 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>								
Toronto Public Library	21,875.5	20,639.7	16,603.9	17,759.7	(300.0)	17,459.7	855.7	5.2%
<b>Total Revenues</b>	<b>21,875.5</b>	<b>20,639.7</b>	<b>16,603.9</b>	<b>17,759.7</b>	<b>(300.0)</b>	<b>17,459.7</b>	<b>855.7</b>	<b>5.2%</b>
<b>Expenditures</b>								
Toronto Public Library	209,948.0	217,334.4	212,360.5	221,576.3		221,576.3	9,215.8	4.3%
<b>Total Gross Expenditures</b>	<b>209,948.0</b>	<b>217,334.4</b>	<b>212,360.5</b>	<b>221,576.3</b>		<b>221,576.3</b>	<b>9,215.8</b>	<b>4.3%</b>
<b>Net Expenditures</b>	<b>188,072.6</b>	<b>196,694.7</b>	<b>195,756.5</b>	<b>203,816.6</b>	<b>300.0</b>	<b>204,116.6</b>	<b>8,360.1</b>	<b>4.3%</b>
<b>Approved Positions</b>	<b>1,732.3</b>	<b>1,769.8</b>	<b>1,769.8</b>	<b>18.0</b>		<b>1,787.8</b>	<b>18.0</b>	<b>1.0%</b>

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** gross expenditures of \$221.576 million reflecting an increase of \$9.216 million in spending above 2020 projection (prior to enhancements), predominantly arising from:

- Contractual salary & benefit increases, primarily related to collective bargaining agreement
- Inflationary increases for utilities and contracted services
- Digital Services Modernization
- COVID-19 related pressures including increased security and janitorial costs and lost revenues from fines, print and venue rentals

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

- 2021 Base Budget of \$203.817 million in net expenditures reflects a \$1.189 million net increase from the 2020 Council approved Budget, when excluding \$5.933 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.300 million net, enabling:

- Fines elimination for children's library materials (\$0.300 million net)

### EQUITY IMPACTS OF BUDGET CHANGES

**Increasing equity for Indigenous peoples, Black, and all equity seeking groups:** Toronto Public Library's 2021 Operating Budget includes an investment of \$0.300 million for fines elimination. This enhancement will have a positive impact on Indigenous peoples, Black and racialized groups, persons with low income, members of the LGBTQ2S+ community, persons with disabilities, youth, immigrants, refugees, undocumented individuals and persons experiencing homelessness or precarious housing, increasing their access to City information, library services (collections, technology, programs, staff expertise), training and/or employment, civic engagement and community participation, a sense of identity and belonging, as well as safety and security. This investment supports many of City of Toronto's key equity strategies, including the TO Prosperity: Toronto Poverty Reduction Strategy, Toronto Strong Neighbourhoods Strategy, Toronto Seniors Strategy, Toronto Action Plan to Confront Anti-Black Racism and Toronto Recovery and Rebuild Strategy.

**No significant equity impacts:** The changes in Toronto Public Library's 2021 Operating Base Budget do not have any significant equity impacts.

The Fines Elimination (Children's Fines) budget enhancement has a **HIGH POSITIVE EQUITY IMPACT**.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Toronto Public Library is \$8.060 million net or 4.1% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget and Table 2b below outlines the balancing actions undertaken, while Table 2c summarizes New and Enhanced service priorities.

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

Key Cost Drivers		2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	Change Vs. 2020 Projection	
						\$	%
Expenditures							
1	Salaries and Benefits	151,473.7	156,893.4	158,378.4	157,630.4	(748.1)	-0.5%
2	COVID-19 Impact			(6,215.0)	2,104.3	8,319.3	-133.9%
3	Materials, Supplies & Equipment	3,203.9	3,268.6	4,014.7	3,226.1	(788.6)	-19.6%
4	Library Materials	20,241.7	20,924.4	20,941.1	21,447.5	506.4	2.4%
5	Service and Rent	31,839.4	33,029.8	32,023.0	35,464.9	3,441.9	10.7%
6	Contribution To Capital	1,778.0	1,778.0	1,778.0	400.0	(1,378.0)	-77.5%
7	Contribution To Reserves	1,411.4	1,440.2	1,440.2	1,303.1	(137.1)	-9.5%
Total Expenditures		209,948.0	217,334.4	212,360.5	221,576.3	9,215.8	4.3%
Revenues							
1	Provincial Subsidies	5,842.2	5,678.4	5,739.2	5,714.2	(25.0)	-0.4%
2	COVID-19 Impact			(5,350.0)	(3,828.3)	1,521.7	-28.4%
3	User Fees & Donations	10,550.7	9,253.0	10,506.5	9,782.1	(724.4)	-6.9%
4	Transfer from Capital	1,283.2	1,406.9	1,406.9	1,685.6	278.8	19.8%
5	Draw from Reserve Funds	4,199.3	4,301.4	4,301.4	4,406.0	104.6	2.4%
Total Revenues		21,875.5	20,639.7	16,603.9	17,759.7	1,155.7	7.0%
Net Expenditures		188,072.6	196,694.7	195,756.5	203,816.6	8,060.1	4.1%
Approved Positions		1,732.3	1,769.8	1,769.8	1,787.8	18.0	1.0%

**Salaries & Benefits:**

The decrease of \$0.748 million over 2020 year-end projection, is primarily related to cost of living, step and progression pay and benefit increases (net of the savings related to the Voluntary Separation Program) offset by savings related to TPL's phased reopening strategy. The 2020 year-end projection is lower than 2021 budget as there have been salary remuneration savings in 2020 (hiring delays, overtime, extra hours, extended leave) as impacted by COVID-19.

**Services and Rents:**

Increase of \$3.442 million over 2020 projection, primarily related to contract cost increases, including utilities, security and janitorial costs. The 2020 year-end projection is lower than 2021 budget as there have been some savings related to library programming and utilities, partially offset by increased security and janitorial costs.

**Contributions to Capital:**

A reduction of \$1.378 million in the operating contribution to Technology Asset Management Program (TAMP) reflects the reallocation of funds within existing operating budget for funding the new operating model of the Digital Services Modernization, which will enable TPL to modernize its digital services and perform new functions associated with cybersecurity, data & analytics, and online services while addressing high-risk resourcing gaps.

**Other Revenue Changes:**

An increase in revenues of \$1.156 million compared to the 2020 projection, though a decrease of \$2.880 million compared to 2020 budget, as TPL continues to monitor the impacts of COVID-19. The 2021 revenue budget assumes a return to pre-COVID revenue levels during the third quarter.

**Table 2b: 2021 Balancing Actions**

Recommendation	Savings Type	(\$000s)						
		2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Line by line efficiencies	Line By Line	64.9	(143.9)	(208.8)				
Foregoing non-union progression and COLA	Other		(527.0)	(527.0)				
Voluntary Separation Program	Other		(2,012.0)	(2,012.0)		1,887.0	1,887.0	
Savings from Phased Reopening	Other		(2,822.7)	(2,822.7)		2,822.7	2,822.7	
<b>Total Balancing Actions</b>		<b>64.9</b>	<b>(5,505.6)</b>	<b>(5,570.5)</b>	<b>-</b>	<b>4,709.7</b>	<b>4,709.7</b>	<b>-</b>

**BALANCING ACTIONS**

- Line by line efficiencies totalling \$0.209 million net comprised mainly of savings from a number of expenditure lines including postage and fuel;
- Foregoing non-union progression and cost of living adjustments totalling \$0.527 million net;
- Voluntary Separation Program (VSP), which has the same terms and conditions as the City's VSP, totalling \$2.012 million; and
- Additional savings of \$2.823 million to align the budget with TPL's phased reopening strategy, primarily related to Sunday services.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized	Equity Impact	Supports Key Issue / Challenge
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1 Fines Elimination - Children's	(300.0)		300.0		(600.0)	High	Fines create social inequity and barriers to access for most vulnerable in the community
Total New / Enhanced	(300.0)		300.0		(600.0)		

**Fines Elimination – Children's Fines**

The Fines Elimination budget enhancement totalling \$0.300 million net and gross (2021-2022 total cost of \$0.600 million net and gross) seeks to eliminate overdue fines on children's materials through a phased-in approach by material type, beginning with children's library materials in 2021 and adult library materials in 2022 which will be requested as part of the 2022 Budget submission. The TPL Foundation will fundraise \$0.300 million in 2021 to partially offset the \$0.600 million budget pressure related to eliminating children's fines, and will attempt to fundraise a further \$0.300 million in 2022 to partially offset the budget pressure related to eliminating adult fines. There are nearly 200 fines-free Canadian library systems, including 27 in Ontario and nine in the GTA, and these numbers are increasing.

There is growing evidence that overdue fines do not encourage the return of material as intended but may actually act as a barrier to the use of all library services. Fines create social inequity as the membership cards of people from racialized and low-income (high priority) communities are blocked from library use at a higher rate than others. A total of 5% of children from these communities have blocked cards compared to 1% of children from other areas. Just the fear of incurring fines may act as a barrier to use. Only 28% of Torontonians from racialized and low-income communities, many of them newcomers, are library members, compared to 35% from other areas. During the Library's closure due to COVID-19, Torontonians without library cards had no access to its extensive digital collections, including resources to support home schooling. As it has reopened, the Library has played a critical role in connecting people to resources for employment and learning as the economic impacts of COVID-19 continue. And these impacts have been shown to be greater for Torontonians from racialized and low-income communities.

Fines revenue has been declining for a number of years, down 22% from 2015, because of the increase in the use of digital materials, which do not incur overdue fines.

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

(\$000s)	2020 Budget	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	20,639.7	16,603.9	17,459.7	19,193.4	20,933.7
Gross Expenditures	217,334.4	212,360.5	221,576.3	230,956.2	235,334.9
<b>Net Expenditures</b>	<b>196,694.7</b>	<b>195,756.6</b>	<b>204,116.6</b>	<b>211,762.9</b>	<b>214,401.2</b>
<b>Approved Positions</b>	<b>1,769.8</b>	<b>1,769.8</b>	<b>1,787.8</b>	<b>1,800.8</b>	<b>1,805.8</b>

**Key drivers**

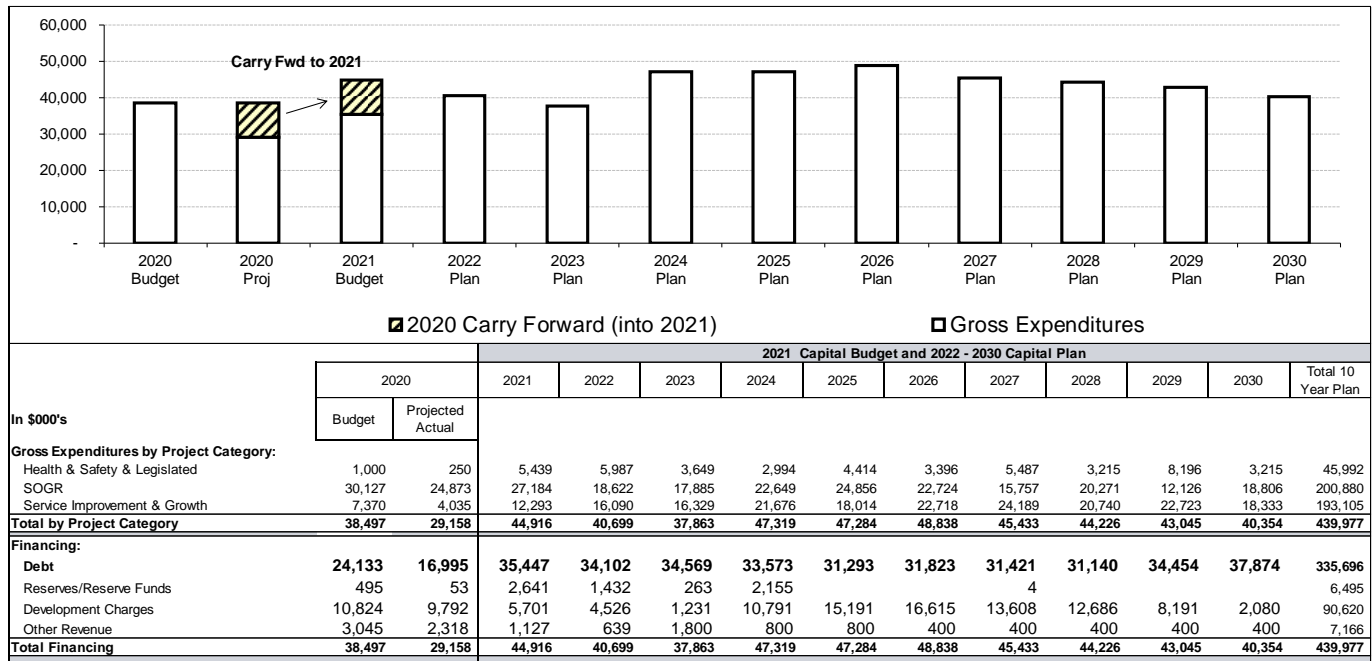
The 2022 Outlook with total gross expenditures of \$230.956 million reflects an anticipated \$9.380 million or 4.2 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks reflects an increase of \$4.379 million or 1.9 per cent above 2022 gross expenditures.

These changes arise from the following:

- Salary and benefit increases related to collective agreement
- Economic increases for service contracts, utilities and library materials
- Reversal of savings from the VSP and phased reopening in 2021, partially offset by decrease in COVID-19 related expenditures
- Digital services modernization and operating impact of Capital

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects (-\$19.9 Million)

- Increased funding for
  - *Albert Campbell Library* project (\$2.277 million gross).
  - *Dawes Road* project (\$4.769 million gross).
  - *Mall Branch* project (\$1.180 million gross).
  - *Service Modernization* project (\$1.618 million gross).
  - *Toronto Reference Library* project (\$0.750 million gross)
  - *Technology Asset Management Program* (\$1 million gross)
- Decreased funding of \$22.726 million over the 10-year plan for the Multi-Branch Renovation Program as costs have been re-allocated to three projects moved from prior year unfunded needs budget submission to the current funded 10-year plan.




### New Projects (\$93.8 Million)

- Three projects moved from prior year unfunded needs budget submission:
  - *Parkdale Library Relocation and Expansion* (\$32.705 million) with construction starting in 2026.
  - *Etobicoke Civic Centre new Construction* (\$29.859 million) with construction starting in 2024.
  - The construction phase of the *Lillian H. Smith Renovation and Expansion* (\$31.066 million).
- \$0.144 million added for planning and design of the Deer Park Library.
- \$0.635 million added for planning and design of the Pleasant View Library.

### Capital Needs Constraints (\$65.3 Million)

- *Danforth/Coxwell Library Relocation and Expansion* (\$17.642 million) with construction starting in 2025.
- *City Hall Library Relocation and Expansion* (\$16.130 million) with construction starting in 2024.
- The construction phase of the *St. Lawrence Library Relocation and Expansion* of \$31.508 million is not fully funded and is not included in TPL's Capital Budget and Plan.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$440 Million 10-Year Gross Capital Program**

		
<b>Aging Infrastructure</b>	<b>Information Technology</b>	<b>Modernization and On-Line Services</b>
\$353 M 80%	\$57 M 13%	\$30 M 7%
Stand Alone buildings; Shared Facilities; Mall units; Structural Maintenance; Building Systems; Other SOGR	Hardware and Software; Servers; Network; Printers	Printing efficiencies; Self-serve fines payment at self-checkout stations and online; Customer Service Modernization; Telepresence technology

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$440 M 100%</b>		<b>\$ 0 M 0%</b>	<b>\$ 0 M 0%</b>
Debt	\$ 335 M		
Reserve Draws	\$ 7 M		
Development Charges	\$ 91 M		
Other	\$ 7 M		

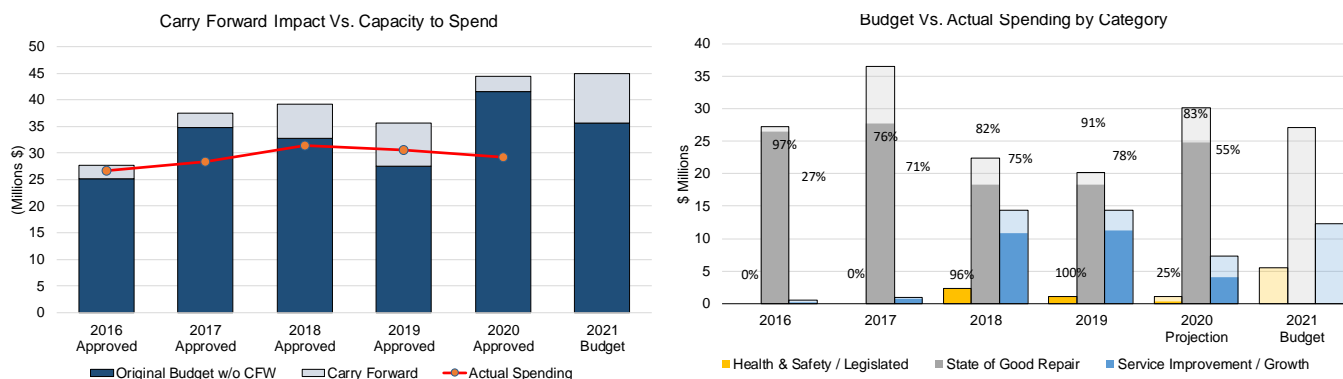
## CAPACITY TO SPEND REVIEW

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 Toronto Public Library'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.

Toronto Public Library's actual spending over the previous five years, from 2015 to 2019, has averaged \$27.332 million per year or 85%.

**Chart 2 – Capacity to Spend**



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

Based on the review of historical capital spending constraints and a capacity to spend review, \$7.260 million in capital spending originally cash flowed in 2021 has been deferred to 2022, and \$12.611 million cash flowed in 2022 deferred to 2023. Adjustments to the Capital Plan are noted below:

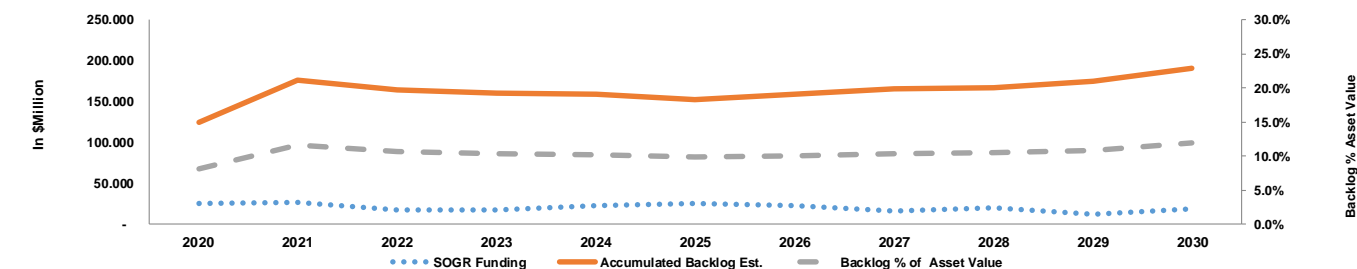
- **North York Central Library** – This project was adjusted through the 2020 third quarter variance report to spend planned 2021 cash flow funding in 2020 as the project was proceeding ahead of schedule. The remaining work totalling \$1.205 million is reflected in 2021.
- **Centennial Library** – The construction start of this project has been deferred to 2022 to align with the City's planning approval process.
- **Dawes Road Library** – The construction start of this project has been deferred from 2022 to 2023 to align with the City's planning approval process.
- **Maryvale Library** – The planning and design work was delayed in 2020 due to COVID-19 and the cash flow will be carried forward into 2021. As a result, the construction end date has been extended from 2021 to 2022.
- **Northern District Library** – The planning and design work was delayed in 2020 due to COVID-19 and the cash flow will be carried forward into 2021 with construction phase to start in 2023.
- **Mall Branch** – Negotiations with the mall landlord was delayed due to COVID-19. The 2020 cash flow will be carried forward into 2021 and the construction end date has been extended from 2022 to 2023.
- **Albert Campbell Library** – This project was accelerated to spend planned 2021 cash flow funding in 2020 as the project was proceeding ahead of schedule.
- **York Woods Library** – This project was accelerated to spend planned 2021 cash flow funding in 2020 as the project was proceeding ahead of schedule. The remaining work totalling \$3.694 million is reflected in 2021.
- **Barbara Frum Library** – The planning and design work has been deferred from 2021 to 2023 with construction to start in 2025.
- Planning and design work for *Lillian H. Smith, Parliament and Sanderson Libraries* that were originally cash flowed to start in 2021 has been deferred to future years based on most current information available.

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



The chart below depicts the SOGR funding and accumulated backlog estimates for Toronto Public Library's 100 branches and two service buildings.

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



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	24.873	27.084	18.086	17.885	22.649	24.856	22.724	15.757	20.271	12.126	18.806
Accumulated Backlog Est.	124.518	176.114	164.627	160.462	158.498	152.831	158.712	165.420	167.307	174.724	190.516
Backlog % of Asset Value	8.2%	11.6%	10.7%	10.4%	10.2%	9.8%	10.1%	10.4%	10.5%	10.9%	11.9%
Total Asset Value	1,520.418	1,521.504	1,532.331	1,545.308	1,557.870	1,557.870	1,571.834	1,597.565	1,597.565	1,603.222	1,603.222

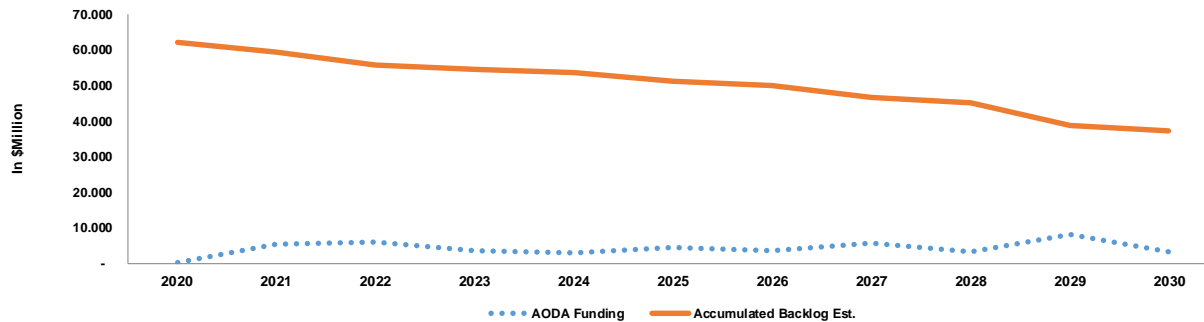
- More than 62 branches or 70% of total square footage of Toronto Public Library's buildings were built in between 1960-80s.
- While on-going lifecycle facility maintenance is part of the current Toronto Public Library capital program, the age of the portfolio will continue to be a growing challenge and require increased capital investment on a go forward basis. Neglecting such maintenance could result in material deterioration of facilities, putting at risk the on-going utilization of branches as a significant community asset by limiting TPL's ability to provide adequate space and service to the general public.
- The 10-Year Capital Plan has \$200.244 million in gross funding for building SOGR projects over the 10-year period to address Toronto Public Library's aging infrastructure, including capital investment of \$22.3 million for Toronto Reference Library to address the ongoing SOGR backlog for this 41-year-old, five-storey, 434,841 sq. ft. central research library that serves the entire city of Toronto.
- A comprehensive Property Condition Assessment (PCA) was completed in 2020, performed by an external firm. The PCA provided a thorough assessment of the building envelope (e.g. windows, brick deterioration, sealant, roofing), mechanical systems (e.g. heating and cooling, elevators), plumbing and other utilities, lighting, furnishings and finishes, wall and floor coverings, site work (e.g. parking lot paving), fire and life-safety systems and recommended replacement/repair based on industry standards for lifecycle replacement. The PCA indicates more SOGR funding requirements than previously identified over the next 10 years to address an aging facilities infrastructure.
- Based on the 2021 – 2030 Capital Plan, the accumulated backlog will increase from \$124.518 million at the end of 2020 to an anticipated \$190.516 million by 2030, while the backlog remains at approximately 12% of asset value.

### **Accessibility for Ontarians with Disabilities Act, 2005 (AODA)**

Toronto Public Library is committed to reducing barriers to accessibility in all branches. The chart below depicts the AODA funding and accumulated backlog estimates for Toronto Public Library's 100 branches and two service buildings.



Chart 4: Total AODA Funding &amp; Backlog



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
AODA Funding	0.250	5.439	5.987	3.649	2.994	4.414	3.396	5.487	3.215	8.196	3.215
Accumulated Backlog Est.	62.221	59.428	55.817	54.401	53.583	51.313	49.970	46.482	45.127	38.736	37.070

- The PCA also included requirements under AODA and identified an accumulated AODA compliance backlog of \$62.221 million at the end of 2020.
- Based on the 2021 – 2030 Capital Plan, the accumulated backlog is expected to decrease to \$37.070 million by 2030.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The 10-Year Capital Plan will Budget will impact future year Operating Budgets by \$6.691 million net over the 2021-2030 period, primarily due to additional operating expenses required to support the renovated and expanded work facilities upon completion, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Albert Campbell Library Renovation			203	3.0	203						406	3.0	406	3.0
Bayview-Bessarion Library Relocation & Expansion			38	3.5	38						76	3.5	76	3.5
Dawes Road Library Reconstruction											-	-	394	3.0
Mall Branch Relocation & Expansion					250	2.0					250	2.0	250	2.0
Maryvale Library Relocation and Expansion			271	1.0							271	1.0	271	1.0
Technology Asset Management Program	203		241		400		400		400		1,644	-	1,644	
Wychwood Library Renovation and Expansion			155	1.5							155	1.5	155	1.5
York Woods Library Renovation	72	2.0	210								282	2.0	282	2.0
<b>Sub-Total: Previously Approved</b>	<b>275</b>	<b>2.0</b>	<b>1,118</b>	<b>9.0</b>	<b>891</b>	<b>2.0</b>	<b>400</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>3,084</b>	<b>13.0</b>	<b>3,478</b>	<b>16.0</b>
<b>New Projects - 2021</b>														
<b>Sub-Total: New Projects - 2021</b>														
<b>New Projects - Future Years</b>														
Barbara Frum Library Renovation											-		182	1.0
Centennial Library Reconstruction							11				11		11	
Deer Park Library Relocation & Expansion											-		12	
Etobicoke Civic Centre New Construction											-		405	3.0
High Park Library Renovation											-		12	
Northern District Library Renovation									436	3.0	436	3.0	436	3.0
Parkdale Library Reconstruction											-		133	1.0
Perth/Dupont Library Relocation & Expansion							11				11		11	
Technology Asset Management Program											-		2,000	
Weston Library Renovation											-		11	
<b>Sub-Total: New Projects - Future Years</b>							<b>22</b>	<b>-</b>	<b>436</b>	<b>3.0</b>	<b>458</b>	<b>3.0</b>	<b>3,213</b>	<b>8.0</b>
<b>Total (Net)</b>	<b>275</b>	<b>2.0</b>	<b>1,118</b>	<b>9.0</b>	<b>891</b>	<b>2.0</b>	<b>422</b>	<b>-</b>	<b>836</b>	<b>3.0</b>	<b>3,542</b>	<b>16.0</b>	<b>6,691</b>	<b>24.0</b>

The 2021 operating costs associated with the completion of Technology Asset Management Program and York Woods Library Renovation in 2021, as mentioned above, have been included in the 2021 Operating Budget for Toronto Public Library. Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

### Previously Approved projects

- *Albert Campbell Library Renovation* - This project involves a renovation of a three story district library that will revitalize all of the public service areas. New spaces and services include a Digital Innovation Hub, Innovation Space, Enhanced Learning Centre and Telepresence equipment. There will also be a Teen Zone and Indigenous focused space.
- *Maryvale Library Relocation* - This project involves a relocation and expansion of a 6,748 sq ft library branch within the Parkway mall. The project will include a redesigned open floor plan and barrier free access for the public, programming spaces for branch and community use, quiet study spaces, customer self-service for check-out and check-in protective security systems. Improved focus areas for teens in particular as well as zoned areas for children, adults and seniors will be created.
- *Wychwood Library Renovation and expansion* - The renovation and 8,716 sq. ft. expansion will include a revitalization of all public service areas. An expansion will include an early literacy centre for children and a flexible senior's space. The project includes an indoor amenity space that will replace the lawn bowling pavilion being removed at the rear of the property. The site services for the lawn bowling green will also be relocated and the garden shed for storage of outdoor equipment will be replaced with additional funding provided by Parks, Forestry and Recreation.
- *York Woods Library Renovation* - This project involves an interior redesign and renovation of the ground and second floors of the branch, improving the connection between the two floors, and a modernization of the theatre. The branch will include a Digital Innovation Hub, Discovery Zone, and a Kids Stop. There will also be multipurpose program space created to support a youth hub, newcomer services, co-sponsored programs and partnerships. A modest addition to the front entrance will be included to improve street presence of the branch.
- *Technology Asset Management Program* - This project provides for the scheduled replacement of PCs and laptops; self-serve (RFID) technology; miscellaneous digital technology, digital signage and presentation equipment for meeting rooms, innovation hub hardware and software; the servers and software supporting the library systems and websites; the network and security equipment and linking all the branches to the central computing site and the Internet.

### New projects

- *Northern District Library Renovation* - This project involves interior and exterior renovations to washrooms, lighting and HVAC systems, replacement of windows, building structure, underground parking, fire alarm system and elevator replacement. A KidsStop, Discover Zone, as well as a digital innovation hub will be incorporated into the renovation.
- *Etobicoke Civic Centre Library New Construction* - Brand new construction of a 28,000 Sq Ft district library on City-owned property at the new Etobicoke Civic Centre complex in south central Etobicoke, an area that is experiencing significant commercial and residential growth. The project will include an open floor plan and barrier-free access for the public, space for adult and children's collections; possible business incubation or hoteling space; study and lounge seating, multipurpose programming space for branch and community use, installation of self-service circulation, and protective security systems. The library will include a KidsStop, a Play & Learn STEM kit that contain robotics and equipment for programming; a digital innovation hub; an enhanced learning centre which provides digital literacy training; telepresence equipment; and a youth hub, a drop-in space for activities.
- *Parkdale Library Relocation and Expansion* - City Council adopted a motion on March 28, 2017 requesting City staff to coordinate the redevelopment of City-owned properties at 1313, 1303 Queen Street West and 220 Cowan Ave. City real estate launched the Parkdale Community Hub Feasibility Study. The study includes the Parkdale branch, Parkdale Arts & Culture Centre and the Masaryk-Cowan Community Recreation Centre. The redevelopment of the Parkdale library will include zoned spaces for children, teens and adults. The library will include a KidsStop, a Play & Learn STEM kit; music instrument lending library; digital collaboration and creation spaces; and a youth hub.

# 2021 Program Summary

## Toronto Transit Commission

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The TTC provides reliable, transit service that draws its high standards of customer care from our rich traditions of safety, service and courtesy. TTC Conventional Service, provides 9.5 million service hours and 250 million service kilometers annually. Wheel-Trans service provides door-to-door accessible transit service for passengers with any disability that prevents them from using conventional transit services, including physical, sensory, cognitive and/or mental health disabilities. Both services operate 24 hours per day, 7 days per week.

The TTC connects the diverse communities of Toronto to economic and social opportunities through an integrated network of subway, bus, streetcar and Wheel-Trans Services.

This integrated network is comprised of 159 bus routes, 10 streetcar routes, 3 subway lines and 1 rapid transit line, with a fleet of 2,115 buses, 204 streetcars and 876 subway cars.

### Why We Do It

The Toronto Transit Commission provides safe, reliable, seamless and accessible transit services to those who live in, work in, and visit Toronto. The TTC plays a central role in supporting the City's social, economic and environmental policy objectives by improving mobility that connects people to employment, leisure, social and economic opportunities.

*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

#### Conventional Transit

**Who We Serve:** Riders, Businesses, Employers, Event Attendees, Neighbouring Municipalities

**What We Deliver:** The TTC connects the diverse communities of Toronto to economic and social opportunities through an integrated network of subway, bus and streetcar services.

**How Much Resources: (gross operating budget):** \$2,034,438,000

#### Wheel-Trans

**Who We Serve:** Riders, Businesses, Employers, Event Attendees, Neighbouring Municipalities

**What We Deliver:** Wheel-Trans connects the diverse communities of Toronto to economic and social opportunities through an integrated network of Wheel-Trans Services.

**How Much Resources: (gross operating budget):** \$118,565,800

## Budget at a Glance

### 2021 OPERATING BUDGET

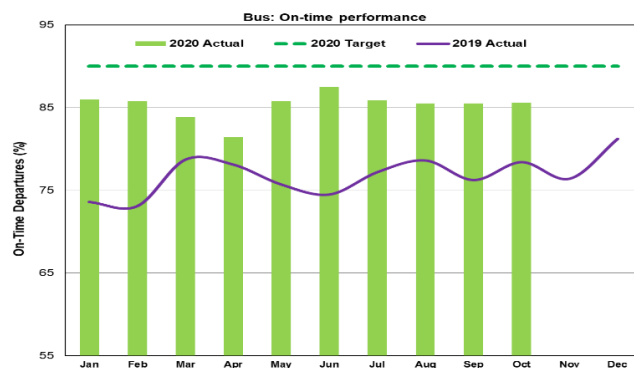
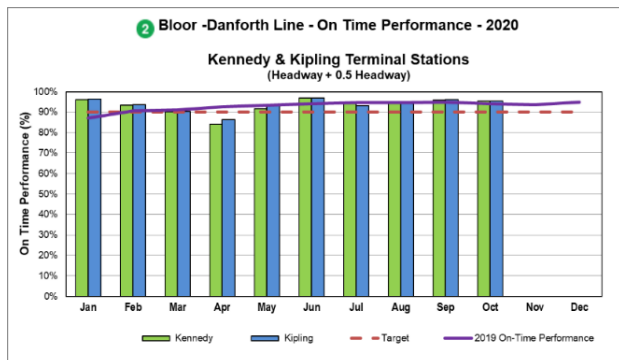
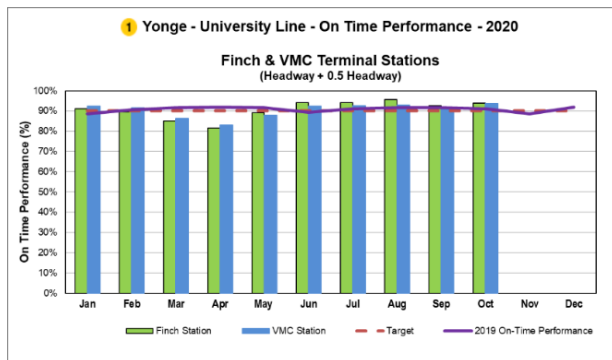
\$Billion	2021	2022	2023
Revenues	\$0.567	\$0.977	\$1.206
Gross Expenditures	\$2.153	\$2.307	\$2.344
Net Expenditures	\$1.586	\$1.329	\$1.138
Approved Positions	16,313	16,315	16,576

### 2021 - 2030 10-YEAR CAPITAL PLAN

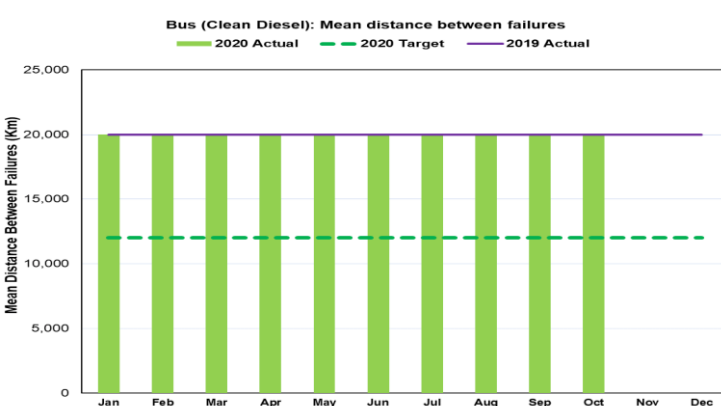
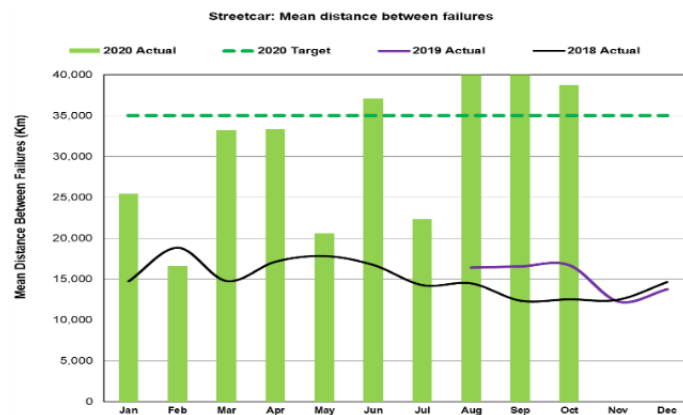
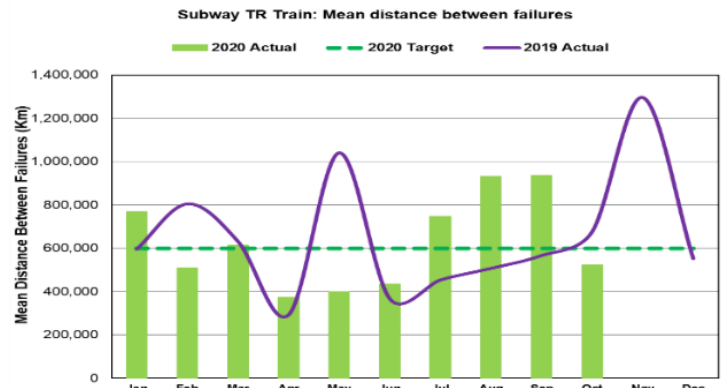
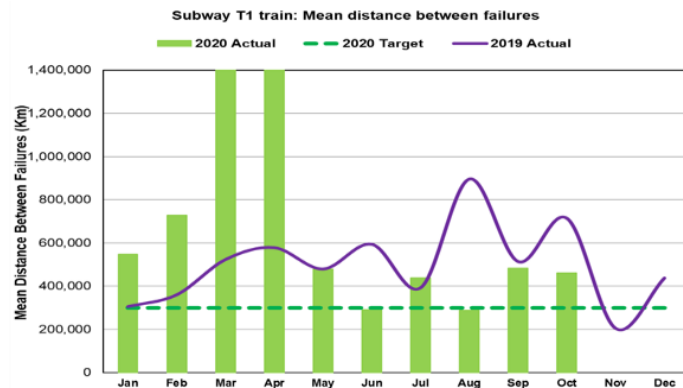
\$Billion	2021	2022-2030	Total
Gross Expenditures	\$ 1.315	\$10.592	\$11.907
Debt Recoverable	\$ 0.678	\$ 6.006	\$ 6.684
Debt	\$ 0.135	\$ 0.410	\$ 0.545
Note: Includes 2020 carry forward funding to 2021			

## How Well We Are Doing – Behind the Numbers

### On-Time Performance



## Vehicle Reliability



- Vehicle fleet meeting or exceeding reliability targets.
- Contributing factors include:
  - Replacement of end of life vehicles
  - Improved preventative maintenance programs
- Additional resources recommended for 2021 due to:
  - Expiring warranty periods for the LRV and Bus fleets
  - Increased complexity and quantity of systems on new LRV fleet
  - Increased preventative maintenance due to legislative requirements

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
TTC Conventional	Revenue Ridership	521.4M	525.5M	533.5M	225.4M	214.4M	386.8M	●
TTC Conventional	Regular Service Hours	9.3M	9.5M	9.6M	9.0M	9.4M	9.6M	●
TTC Conventional	Customer Satisfaction	79%	79%	80%	78%	80%	80%	●
Service Level Measures								
TTC Conventional	Deliver 100% Schedule	101%	100%	100%	94%	100%	100%	●
TTC Conventional - Subway	Achieve 90% On-time	92%	94%	90%	94%	90%	90%	●
TTC Conventional - Streetcar	Achieve 90% On-time	57%	64%	90%	78%	90%	90%	●
TTC Conventional - Bus	Achieve 90% On-time	77%	76%	90%	85%	90%	90%	●
Wheel-Trans	Accommodate 99.5%	99.8%	99.9%	99.5%	99.9%	99.5%	99.5%	●

**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>Projected impact from COVID-19 is \$760M (before cost containment actions); primarily due to loss in passenger revenue</li> <li>2020 Financial Impact to be addressed through Safe Restart Funding and cost mitigation actions.</li> </ul>	<p><b>Financial Impact (Operating)</b></p> <ul style="list-style-type: none"> <li>Projected impact from COVID-19 is \$796.4M</li> <li>Primarily driven by: <ul style="list-style-type: none"> <li>Passenger Revenue loss: \$725M (net of Presto commission savings)</li> <li>Ancillary revenue reduction: \$16M (advertising, commuter parking, subway concessions)</li> <li>Incremental Safety Measure Costs: \$55M, including \$26M for vehicle disinfection costs.</li> </ul> </li> <li>COVID-19 impacts to March 31 expected to be offset by Safe Restart Agreement (SRA) funding and discussions continue with Province for opportunity to utilize Phase 2 SRA funding post March 31.</li> </ul>
<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>Capital review completed to assess the impact of COVID-19 on capital project delivery, including availability of resources, contractors, safety measures, etc. <ul style="list-style-type: none"> <li>TTC Board approved amended 2020-2029 Capital Budget &amp; Plan on May 13, 2020, resulting in a net reduction of \$117.5M, including a net reduction of \$208.1M to TTC's 2020 Approved Capital budget, based on the following actions: <ul style="list-style-type: none"> <li>\$257M reduction as a result of COVID-19 capital project delivery delays</li> <li>Accelerated \$48.9M in critical subway SOGR work from future years to leverage low ridership levels.</li> </ul> </li> </ul> </li> </ul>	<p><b>Financial Impact (Capital)</b></p> <ul style="list-style-type: none"> <li>\$33.5M in accelerated funding recommended in 2021 for subway track SOGR and Easier Access capital projects to continue to leverage low ridership</li> <li>\$3.8M recommended for new capital projects to implement additional safety; disinfection measures, common to transit authorities in 2021: <ul style="list-style-type: none"> <li>\$2.8M to install operator barriers in all buses. An application has been submitted by the City for Provincial-Federal COVID ICIP Resilient Fund for this project.</li> </ul> </li> <li>\$1M for Health and Safety Initiatives, including anti-viral copper coating surfaces</li> </ul>
<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Initiated enhanced cleaning protocols, measures beginning in January: <ul style="list-style-type: none"> <li>Twice daily cleaning; hand sanitizers in the network; back door boarding;</li> </ul> </li> <li>Matched transit service capacity to demand</li> <li>Increased Run as Directed buses to avoid overcrowding</li> <li>Implemented the mandatory requirement for riders to wear masks as of July 2, 2020</li> <li>Introduced system-wide employee screening</li> <li>Implemented a bus priority lane on Eglinton</li> </ul>	<p><b>Service Level Changes</b></p> <ul style="list-style-type: none"> <li>Continued enhanced cleaning and disinfection protocols</li> <li>Demand Responsive Service Plan <ul style="list-style-type: none"> <li>Bus service restored to 2020 budget level.</li> <li>Maintained current service levels for streetcar and subway.</li> </ul> </li> <li>Enhanced employee screening protocol</li> <li>Accelerated critical capital work including: subway track, subway asbestos removal, Easier Access (to meet legislative requirements) and other SOGR work to take advantage of lower ridership.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

**Despite COVID-19's unprecedented service and financial impact, significant progress made on TTC's key priorities:**

- Established priority actions for TTC' Safety Strategic Plan
- Completed Fleet Procurement Strategy & Plan
- Received and rolled out final delivery of 204 LRVs & 60 E-Buses
- Installed Automatic Train Control from Vaughan to Rosedale stations
- Advanced on business transformation priorities and efficiency initiatives
- Established Metrolinx settlement terms to form basis for anticipated agreement regarding proceeds, open payments.
- Implemented equity-based consultation in 2021 service planning process
- Expanded diversity outreach with 2 online forums for female bus operators (4,000+ participants)
- Awarded Wheel-Trans reservations overflow contract to reduce wait times
- Made Wellesley, Chester, Dupont and Runnymede stations accessible, bringing the total number of accessible stations to 50
- Installed Eglinton East Bus Priority Lane
- Advanced service integration with regional partners

### Delivered agile and effective response to COVID-19:

- Delivered demand responsive transit service throughout the pandemic.
- Partnered with City of Toronto to meet needs of most vulnerable during the pandemic (SSHA, EMS; Streets to Homes; Poverty Reduction Office)
- Implemented proactive safety measures: disinfection; mandatory masks
- Expecting to achieve \$151 million in savings to help mitigate COVID-19's financial impact in 2020
- Completed accelerated capital works to leverage low ridership, culminating with first ever 10-day closure, enabling the advancement of State-of-Good-Repair projects, the ATC project and Easier Access projects.

### Key Challenges and Risks

- Engendering public confidence in transit, during a pandemic
- Financial impact of COVID-19 for TTC and City
- What does Recovery look like? By When?
- Advancing workforce diversity and inclusion
- Collective Bargaining negotiations
- Preparing for Eglinton Crosstown in Q1, 2022
- Funding for critical capital needs to ensure system safety, reliability and capacity improvements.
- Changes in intergovernmental funding
- Impact of Provincial transit expansion projects
- Need for long term real estate investment plan given TTC and City building objectives
- Asset management legislative compliance
- Legacy information technology

### Priority Actions

#### 1. Provide safe, seamless and reliable transit service:

- Match service capacity with demand
- Enhance safety response to address COVID-19
- Maintain strong vehicle performance and reliability gained in recent years, by adding resources to proactively maintain vehicles, especially as warranties expire.
- Implement fleet procurement plan
- Advanced subway & surface track SOGR
- Implemented RapidTO on Eglinton East
- Progressed queue jump lanes & transit signal priority



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**2. Transform to solidify TTC's fiscal foundation:**

- Continue business transformation
- Implement service efficiencies and Auditor General recommendations
- Prepare for collective bargaining
- Manage overtime
- ModernTO
- Update capital investment plan
- Develop real estate investment plan
- Continue SAP; Maximo Implementation

**3. Become a more inclusive and accessible service provider:**

- Advanced accessibility and inclusivity by providing:
  - \$1.7 million to increase Wheel-Trans reservation call centre capacity; improving call wait time
  - \$1.1 million to support the implementation of the Embrace Diversity Action Plan; Anti-racism strategy
- Expand gender recruitment outreach
- Apply equity lens to Service Planning
- Freeze TTC Fares
- Continue family of services model implementation
- Fully fund easier access
- Add accessible bus and streetcar stops

**4. Innovate for future demand to ensure a resilient system:**

- Continue 5 year fare policy & 10 year fare collection strategy
  - Advance service integration
  - Open McNicoll bus garage
  - Prepare for line 5 Eglinton LRT startup
  - Implement cybersecurity program
  - Strengthen business continuity & emergency management
  - Pilot automated shuttle
  - Continue roll-out of E-Buses
  - Expand bike parking and bike share
-

## 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>								
TTC Conventional	1,283,189.1	1,344,589.0	574,811.8	562,500.1		562,500.1	(12,311.7)	(2.1%)
Wheel-Trans	8,977.5	9,236.5	4,145.0	4,275.7		4,275.7	130.7	3.2%
<b>Total Revenues</b>	<b>1,292,166.6</b>	<b>1,353,825.5</b>	<b>578,956.8</b>	<b>566,775.8</b>		<b>566,775.8</b>	<b>(12,181.0)</b>	<b>(2.1%)</b>
<b>Expenditures</b>								
TTC Conventional	1,904,409.3	1,987,170.8	1,867,774.4	2,023,100.3	11,337.7	2,034,438.0	166,663.6	8.9%
Wheel-Trans	151,456.7	156,482.9	110,179.0	116,903.5	1,662.3	118,565.8	8,386.8	7.6%
<b>Total Gross Expenditures</b>	<b>2,055,866.0</b>	<b>2,143,653.7</b>	<b>1,977,953.4</b>	<b>2,140,003.8</b>	<b>13,000.0</b>	<b>2,153,003.8</b>	<b>175,050.4</b>	<b>8.9%</b>
<b>Net Expenditures</b>	<b>763,699.4</b>	<b>789,828.2</b>	<b>1,398,996.6</b>	<b>1,573,228.0</b>	<b>13,000.0</b>	<b>1,586,228.0</b>	<b>187,231.4</b>	<b>13.4%</b>
<b>Approved Positions</b>	<b>15,951.0</b>	<b>16,167.0</b>	<b>16,167.0</b>	<b>16,043.0</b>	<b>270.0</b>	<b>16,313.0</b>	<b>146.0</b>	<b>0.9%</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**2021 Recommended Base Budget** expenditures of \$2.140 billion gross reflects an increase of \$162.0 million in spending above 2020 projected year-end actual expenditures (prior to new and enhanced service requests), predominantly arising from:

- Reversal of 2020 cost containment actions such as the restoration of bus service
- Additional COVID-19 safety measures such as employee screening and additional vehicle disinfecting
- Increased vehicle maintenance requirements as vehicles come out of warranty
- McNicoll scheduled to open in March 2021 with funding required to operate the additional facility
- Impact of inflationary cost increases, legislative changes and operating impacts of completed capital projects

Given the financial impacts of COVID-19 on 2020 actual expenditures, a comparison of the 2021 Recommended Base Budget excluding 2021 COVID-19 impacts to the 2020 Approved Operating Budget is provided below:

- Excluding estimated COVID-19 financial costs, the 2021 Base Budget totals \$776.8 million in net expenditures reflecting a \$13.0 million net decrease from the 2020 Council approved Budget. The 2021 Base Budget, although lower than the 2020 Approved Operating Budget, provides for:
  - Matching of service capacity to demand, with restoration of bus service to 101% of pre-pandemic service levels and allows for the resumption of pre-pandemic service levels on streetcar and subway in the fall, should ridership levels warrant.
  - Opening of McNicoll Garage
  - Increased resources for vehicle maintenance
  - Accommodation of inflationary and unavoidable cost pressures
  - Reversal of one-time reserve draws utilized in 2020
  - Freezes TTC fares at 2020 rates
- As noted below, \$13.0 million has been re-invested in new and enhanced service priorities resulting in a total 2021 Net Budget \$789.8 million. When excluding \$796.4 million in added funding for COVID impacts, the recommended 2021 Operating Budget reflects a \$0 net change from the 2020 approved Operating Budget.

## COSTS TO ENHANCE SERVICES

\$13.0 million in base budget savings will be reinvested to fund **New and Enhanced Service** priorities totalling \$13.0 million gross, to advance the following 4 key priority outcomes:

### Accessibility & Diversity:

- Improvements to Wheel-Trans Reservationist Wait-Time (\$1.7 million)
- Continued implementation of initiatives supporting Anti-Racism and Diversity Outreach (\$1.1 million)

### Reliability:

- Improvements to Vehicle Maintenance (\$2.7 million)
- Head of Night Operations (\$0.2 million)

### Resiliency:

- Business Continuity & Emergency Management (\$0.9 million)

### Council-Approved:

- Eglinton LRT Operations (\$3.9 million)
- Cybersecurity (\$1.8 million)
- ModernTO (\$0.7 million)

## EQUITY IMPACTS OF BUDGET CHANGES

The TTC is strongly committed to making Toronto's transit system barrier-free and accessible to all. We believe all customers should enjoy the freedom, independence and flexibility to travel anywhere on the public transit system.

All expenditures required to meet the TTC's accessibility and equity requirements are provided for in the TTC Operating and Capital budgets, including:

- Full funding to complete the TTC's Easier Access Program, which is on track to make all subway stations accessible by 2025 with elevators, wide fare-gates and automatic sliding doors.
- Funding for several improvements elsewhere across the transit system, including additional low-floor streetcars, buses and, new Wheel-Trans fleet, as well as a growing number of accessible bus and streetcar stops.
- \$1.7 million to increase Wheel-Trans call centre capacity and reduce call wait times for trip booking.
- \$1.1 million in incremental funding in addition to the 2020 investments made, now included in the base budget, to implement the Embrace Diversity Action Plan and Anti-Racism Strategy. This includes resources to improve community and recruiting outreach initiatives and ensure the continued implementation of anti-racism initiatives, consistent with the phased plan noted the 2021 budget outlook.

In addition, fares will be frozen at current rates. This action is particularly important to enhance equity and accessibility given that current ridership, relative to pre-pandemic levels is highest in Toronto's Neighbourhood Improvement Areas.

As a result of COVID-19 and the TTC's cost containment strategy, the service changes which occurred in 2020 may have had an impact on equity seeking groups and low income customers. During 2020, these concerns were addressed by operating additional run as directed buses on key routes where warranted by ridership levels.

For 2021, service capacity on the conventional bus network will be restored to 2020 budgeted levels, and optimized across all routes by continuing to apply COVID-19 modified maximum planning capacity thresholds of 25 per bus and adjusting to 35 as ridership increases by year end. In addition, adjustments will be made to address the specific service needs of neighbourhood improvement areas. Planning to address these needs has been aided through consultations with local youth leaders from equity seeking groups in the development of the 2021 service plan.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Toronto Transit Commission is \$2.140 billion gross or 8.2% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes New and Enhanced requests.

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

Key Cost Drivers	2019	2020	2020 Projection	2021 Base Budget	Change Vs. 2020	
	Actuals	Budget			\$	%
Expenditures						
1 Salaries and Benefits	1,416,547.6	1,520,141.5	1,457,745.0	1,536,036.3	78,291.3	5.4%
2 COVID-19 Impact			31,552.3	55,514.8	23,962.5	75.9%
3 Materials & Supplies	320,612.7	314,240.4	270,382.5	304,360.9	33,978.4	12.6%
4 Equipment	25,219.8	24,326.9	24,421.9	24,336.5	(85.4)	-0.3%
5 Service and Rent	255,435.2	249,469.3	168,230.1	189,314.5	21,084.4	12.5%
6 Other Expenditures	17,733.4	9,705.6	10,582.6	12,800.8	2,218.2	21.0%
7 Contribution to Capital						
8 Contribution to Reserves	20,317.2	25,770.0	15,039.0	17,640.0	2,601.0	17.3%
Total Expenditures	2,055,865.9	2,143,653.7	1,977,953.4	2,140,003.8	162,050.4	8.2%
Revenues						
1 Provincial Subsidies						
2 User Fees & Donations	1,262,529.5	1,340,925.5	569,656.8	547,415.4	(22,241.4)	-3.9%
3 Draw from Reserve Funds	22,691.0	9,300.0	9,300.0	15,760.4	6,460.4	69.5%
4 Other Revenues (Inc. IDR's)	6,946.0	3,600.0		3,600.0	3,600.0	
Total Revenues	1,292,166.5	1,353,825.5	578,956.8	566,775.8	(12,181.0)	-2.1%
Net Expenditures	763,699.4	789,828.2	1,398,996.6	1,573,228.0	174,231.4	12.5%
Approved Positions	15,951.0	16,167.0	16,167.0	16,043.0	(124.0)	-0.8%

**Salaries & Benefits:**

Most of the variance is due to significant savings realized in 2020 from cost mitigation actions which will not be repeated in 2021, including the workforce realignment strategy, the deferral of service priority actions and reduction in health benefit claims. In addition, this budget variance also reflects higher average hourly rates due to employee wage progression and the impact of legislative changes, such as the increase in CPP premium rates, as well as additional resourcing for the sustainment of completed capital projects.

**COVID-19 Impact:**

The significant variance accounts for the full year impact of COVID-19 costs for safety measures begun in 2020 plus the implementation of additional mid-day vehicle disinfection, new employee screening, the installation of vehicle filters and costs associated with recertification training which was delayed in 2020 due to COVID-19.

**Materials and Supplies:**

The majority of the increase is attributable to energy price and requirement changes from 2020 as service levels on bus are restored to pre-pandemic levels. The variance also reflects increased investments in vehicle maintenance requirements, as vehicles are coming off warranty.

**Services and Rents:**

The increase in service contract costs is mainly driven by the new Wheel-Trans reservations second sourcing contract and the 2021 budget providing for an increase in Wheel-Trans ridership levels relative to 2020 projection. The variance also reflects increases in IT costs to support completed capital projects and cyber-security initiatives, and the reversal of one-time savings in 2020, primarily due to the mid-year occupancy of the new consolidated warehouse.

**User Fees & Other Revenue Changes:**

The reduction in revenue is due to Q1 passenger revenues expected to be approximately \$159 million lower than 2020 actual Q1 passenger revenue, as most of the first quarter of 2020 preceded the impact of the pandemic. This loss is expected to be mostly offset by slightly higher revenue ridership for the balance of the year, which is expected to average 43% of normal levels between Q2 and Q4, relative to 27% in 2020.

Table 2b: 2021 Balancing Actions

Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Base Budget Reductions: Line-By-Line								
Fuel & Utilities	Line By Line		(29,961.2)	(29,961.2)		(136.6)	(136.6)	
IT: Software Maintenance & Cellular Phones	Line By Line		(2,868.6)	(2,868.6)				
Accident Claims	Line By Line		(8,200.0)	(8,200.0)		3,500.0	3,500.0	
Other Line by Line Reductions	Line By Line		(2,523.7)	(2,523.7)	(18.0)			
Efficiencies								
Implementation of AG Recommendations								
Alternate Source Savings	Efficiencies		(356.0)	(356.0)	5.0			
After Market Parts Warranty	Efficiencies		(385.0)	(385.0)	2.0			
Efficiency Measures								
Service Efficiencies	Efficiencies		(3,866.5)	(3,866.5)	(51.0)	(7,912.6)	(7,912.6)	(152.0)
Service Delivery Efficiencies	Efficiencies		(1,259.8)	(1,259.8)	(27.0)	(1,040.9)	(1,040.9)	(8.0)
Overtime Savings & Crew Efficiencies	Efficiencies		(1,380.3)	(1,380.3)	(8.0)			
Contract Efficiencies	Efficiencies		(2,073.9)	(2,073.9)	0.0			
Divisional Clerical Efficiencies	Efficiencies		(824.6)	(824.6)	(10.0)			
Subtotal: Line-By-Line Review and Efficiencies			(53,699.5)	(53,699.5)	(107.0)	(5,590.1)	(5,590.1)	(160.0)
MX Settlement Reserve Draw	Other			(15,760.4)			9,220.4	
Total Balancing Actions			(53,699.5)	(69,459.9)	(107.0)	(5,590.1)	3,630.3	(160.0)

The 2021 Recommended Operating Budget includes \$53.7 million in gross expenditure reductions resulting from various actions taken by TTC staff, as summarized in the table above and described below:

#### Base Budget Reductions (Line-by-Line)

Annually, the operating budget is analyzed against spending trends and current market conditions as part of a line-by-line review. Through this review, \$43.6 million in savings were identified, resulting in base expenditure reductions in:

- **Fuel & Utilities:** Lower average fuel prices are expected based on recent market trends and fuel requirements hedged to date.
- **IT: Software Maintenance & Cellular Phones:** Expenditure reductions were made to account for external IT support and maintenance no longer required and to reflect reduced rates achieved for cellular phone contracts.
- **Accident Claims:** Accident claim cost were reduced by \$8.2 million to reflect lower cash payment trend experienced in 2020. For the purposes of future year projections, it is anticipated that this trend may not continue at the current rate, and has been forecasted as non-recurring at this time

#### Implementation of AG Recommendations

The continued implementation of Auditor General recommendations results in \$0.7 million in net cost savings arising from the identification of alternate suppliers for vehicle parts and improved use of after market part warranties. A portion of the savings has been reinvested in adding resource capacity to finalize the transformation of both the materials management and procurement and category management functions, as recommended by the Auditor General.

#### Efficiency Measures

To support TTC's continued efforts to solidify its financial foundation, the 2021 Recommended Base Budget includes \$9.5 million in efficiency savings from various efficiency initiatives. These initiatives include overtime reductions due to the management of overtime, contract efficiencies and adjustments to divisional clerk staffing. Also included are service efficiencies which do not impact service capacity for customers and include:

- Implementation of RapidTO on the Eglinton East corridor
- Opening of the McNicoll Bus Garage
- Initial implementation of Automatic Train Control on Line 1

In addition, the 2021 Recommended Base Budget tentatively includes savings associated with the second sourcing of certain maintenance related activities arising from TTC's business transformation program. The inclusion of these savings assumes that the tentative decisions with respect to second-sourcing will be implemented but are

dependent on the outcome of the consultation process required by the Collective Agreement. Depending on the outcome of the collective agreement process these projections may change.

**Table 2c: 2021 New / Enhanced**

New / Enhanced Request	2021				2022 Annualized Gross	Equity Impact
	Revenue	Gross	Net	Positions		
In \$ Thousands						
Accessibility & Diversity						
Wheel-Trans Reservationist Wait-Time		1,662.3	1,662.3		525.0	High
Anti-Racism & Diversity		1,069.5	1,069.5	5		High
Reliability						
Vehicle Maintenance (SOG & SWIS)		2,725.4	2,725.4	18	1,200.0	Medium
Head of Night Operations		225.9	225.9	1		Medium
Resiliency						
Business Continuity & Emergency Management		867.7	867.7	6	500.0	Medium
Council Approved						
Eglinton LRT Operations		3,946.0	3,946.0	235	50,557.0	High
Cybersecurity		1,795.3	1,795.3		2,000.0	Low
Modern TO		708.0	708.0	5		Low
Total New / Enhanced		13,000.0	13,000.0	270	54,782.0	

### Accessibility & Diversity

- Wheel-Trans Reservationist Wait-time**

In accordance with the September 24, 2020 report to the TTC Board Award of Wheel-Trans Call Centre Overflow Contract, \$1.7 million has been added, to establish a reservation overflow contract with a target to reduce average call wait times from 15 minutes to 2 minutes. This will also provide increased call handling capacity to address abandoned calls, and provide flexibility to handle varying call volumes, greatly improving the accessibility of the Wheel-Trans service to customers.

- Anti-Racism & Diversity**

\$1.1 million has been recommended to implement the Embrace Diversity Action Plan, which was presented to the TTC Board at the December 15, 2020 meeting. This includes resources to improve community and recruiting outreach initiatives and ensure the continued implementation of anti-racism initiatives, consistent with the phased plan noted the 2021 Budget Outlook. The Anti-Racism strategy aims to identify, prevent and address racial bias, racial profiling and anti-racism at the TTC, and build trust with Black, Indigenous and racialized communities.

### Reliability

- Vehicle Maintenance**

To protect recent improvements in vehicle reliability, \$2.7 million is included in the budget to establish special work instruction crews to proactively address fleet issues in a timely manner. The funding will also allow for an interior and exterior state of good repair program for the streetcar fleet ensuring the new vehicles remain in good condition.

### Resiliency

- Business Continuity & Emergency Management**

This additional funding will strengthen business continuity and emergency management functions and support the implementation of a comprehensive corporate emergency management and enterprise resilience program. This program will improve system resiliency through clear continuity plans and leadership during major incidents and emergencies.

- **Head of Night Operations**

With increasing volume of overnight heavy maintenance work, a Head of Night Operations is required to establish direct oversight of overnight operations and maintenance activities to ensure the safe delivery of work being performed for system safety and reliability.

#### Council Approved Initiatives:

- **Eglinton Crosstown LRT**

These resources are required in late 2021 to complete training requirements in advance of the anticipated opening of the new Eglinton Crosstown LRT in early 2022. These positions mainly consist of front-line employees such as operators, supervisors and customer service agents.

- **ModernTO**

Resources are required to enable the TTC's contributions to the City's efforts to optimize and modernize office space and save money. This initiative is essential to meeting the objectives of financial sustainability.

- **Cybersecurity**

Resources are required to enable the TTC's contributions to the City's efforts to manage cyber risk and ensure alignment with the City's cyber strategy. This initiative is essential to meeting the shared objectives of system resiliency and financial sustainability.

## 2022 & 2023 OUTLOOKS

**Table 3: 2022 and 2023 Outlooks**

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	578,956.8	566,775.8	977,165.4	1,206,119.9
Gross Expenditures	1,977,953.4	2,153,003.8	2,306,555.7	2,344,008.8
<b>Net Expenditures (including COVID impact)</b>	<b>1,398,996.6</b>	<b>1,586,228.0</b>	<b>1,329,390.3</b>	<b>1,137,888.9</b>
COVID Impact	759,950.9	796,399.9	386,696.0	136,321.4
<b>Net Expenditures (not including COVID impact)</b>	<b>639,045.7</b>	<b>789,828.1</b>	<b>942,694.3</b>	<b>1,001,567.5</b>
<b>Approved Positions</b>	<b>16,167.0</b>	<b>16,313.0</b>	<b>16,315.0</b>	<b>16,576.0</b>
<b>COVID-19 Pressures</b>				
Passenger Revenues (Net of Presto Fees)	704,322.6	725,000.0	340,900.0	131,100.0
Ancillary Revenue	24,126.6	15,885.1	9,185.1	3,385.1
Incremental Expenses	31,501.7	55,514.8	36,610.9	1,836.3
<b>Net COVID-19 Pressure</b>	<b>759,950.9</b>	<b>796,399.9</b>	<b>386,696.0</b>	<b>136,321.4</b>

## Key drivers

The outlook for 2022 and 2023 identifies net expenditure increase (excluding COVID impact) of \$152.866 million and \$58.873 million, respectively. Key drivers include the opening of the Eglinton Crosstown LRT and Finch West LRT, restoration of the streetcar, subway and Wheel-Trans to 2020 service levels and energy and material price escalation.

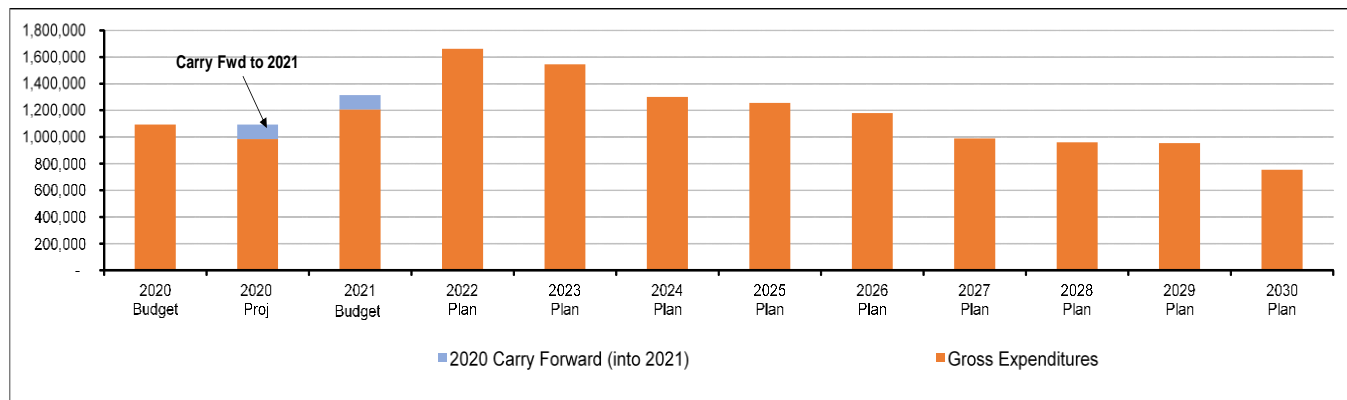
The financial impacts of COVID-19 are expected to remain a factor through 2023 and will not be eliminated until ridership fully recovers. The outlooks for 2022 and 2023 identify COVID-19 pressures of \$386.696 million and \$136.321 million, respectively. The key driver for the COVID impact is passenger revenue which for 2022 and 2023 is a directional estimate as revenue modelling continues.

It should be noted that future year estimates do not include provisions for wage increases or benefit improvements past March 31, 2021, due to the March 31, 2021 expiry of the Collective Agreement with ATU 113 (TTC's largest union).



## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



			2021 Capital Budget and 2022 - 2030 Capital Plan											
In \$000's	2020		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total 10 Year Plan	
	Budget	Projected Actual												
Gross Expenditures by Project Category:														
Health & Safety & Legislated	118,751	114,448	116,795	147,563	166,727	158,658	154,014	119,891	14,462	13,064	12,284	11,741	915,199	
SOGR	744,426	689,779	802,478	1,147,520	945,355	747,055	699,106	607,405	530,634	528,496	515,737	356,882	6,880,669	
Service Improvement & Growth	229,591	177,428	395,328	365,391	432,127	393,427	401,648	451,432	443,602	417,916	424,541	385,592	4,111,002	
Total by Project Category	1,092,768	981,655	1,314,600	1,660,473	1,544,208	1,299,140	1,254,768	1,178,728	988,698	959,476	952,562	754,215	11,906,871	
Financing:														
Debt			134,685	68,706	24,544	13,459	10,308	3,965	3,344	2,925	3,007	279,692	544,635	
Reserves/Reserve Funds			-	-	-	-	-	-	-	-	-	-	-	
Development Charges			151,162	90,834	128,136	112,977	20,606	11,617	11,614	12,812	12,730	12,283	564,772	
Provincial			118,260	111,728	120,228	145,295	144,730	163,715	163,715	163,715	163,715	163,714	1,458,815	
Federal			191,207	359,889	208,539	233,606	233,041	252,026	252,026	252,026	252,026	252,025	2,486,412	
Debt Recoverable			678,115	994,247	1,043,422	779,927	831,631	735,853	548,084	520,581	513,858	38,362	6,684,079	
Other			41,171	35,069	19,339	13,876	14,452	11,553	9,915	7,418	7,227	8,138	168,157	
Total Financing	-	-	1,314,600	1,660,473	1,544,208	1,299,140	1,254,768	1,178,728	988,698	959,476	952,562	754,215	11,906,871	

### Changes to Existing Projects (\$1.11 Billion)

- Easier Access: \$243.6M
- Fire Ventilation and Second Exits: \$241M
- Surface Track: \$110.6M
- Equipment: \$92M

### New Projects (\$66.7 Million)







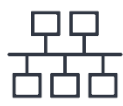

- Equipment: \$20M
- Streetcar Overhaul: \$9.7M
- COVID-19 Bus Barriers: \$2.8M
- Bus Lane Implementation \$8.8M
- Eglinton/Finch LRT Faregates \$4.6M

### Capital Needs Constraints (\$10.3 Billion)

- Vehicle Procurements: \$3.5B
- Vehicle Overhaul: \$1.1B
- Hillcrest Track Replacement Expansion: \$81.4M
- Line 1 Capacity Enhancement: \$1.5B



**2021 – 2030 CAPITAL BUDGET AND PLAN****\$11.9 Billion 10-Year Gross Capital Program**

			
<b>Track</b>	<b>Electrical Systems</b>	<b>Signal Systems</b>	<b>Buildings &amp; Structures</b>
\$725.0 M 6%	\$573.8 M 5%	\$1.013 B 9%	\$2.518 B 21%
<ul style="list-style-type: none"> <li>• Subway Track</li> <li>• Surface Track</li> <li>• Subway Rail Grinding</li> </ul>	<ul style="list-style-type: none"> <li>• Traction Power</li> <li>• Power Distribution / Electric Systems</li> <li>• Communications</li> </ul>	<ul style="list-style-type: none"> <li>• Signal Systems</li> <li>• Automatic Train Control Resignalling</li> </ul>	<ul style="list-style-type: none"> <li>• Fire Ventilation Upgrade</li> <li>• Easier Access Phase III</li> <li>• Toronto Rocket/T1 Rail Yard Accommodation</li> <li>• McNicoll Bus Garage</li> <li>• Bridges &amp; Tunnels</li> </ul>
			
<b>Capacity Improvements</b>	<b>Vehicles</b>	<b>Information Technology</b>	<b>Equipment</b>
\$4.004 B 34%	\$2.206 B 18%	\$381.5 M 3%	\$486.1 M 4%
<ul style="list-style-type: none"> <li>• Bloor-Yonge Capacity Improvements</li> <li>• Line 1 Capacity Enhancements</li> <li>• Line 2 Capacity Enhancements</li> <li>• Service &amp; Transit Expansion Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase of Buses, Streetcars and Subway Cars</li> <li>• Overhaul of Buses, Streetcars and Subway Cars</li> </ul>	<ul style="list-style-type: none"> <li>• SAP ERP Implementation</li> <li>• VISION – Computer Aided Dispatch / Auto. Vehicle Location System</li> <li>• MAXIMO – Asset management system</li> </ul>	<ul style="list-style-type: none"> <li>• Shop &amp; Maintenance Equipment</li> <li>• Revenue &amp; Fare Handling Equipment</li> <li>• Fare System</li> </ul>

**How the Capital Program is Funded**

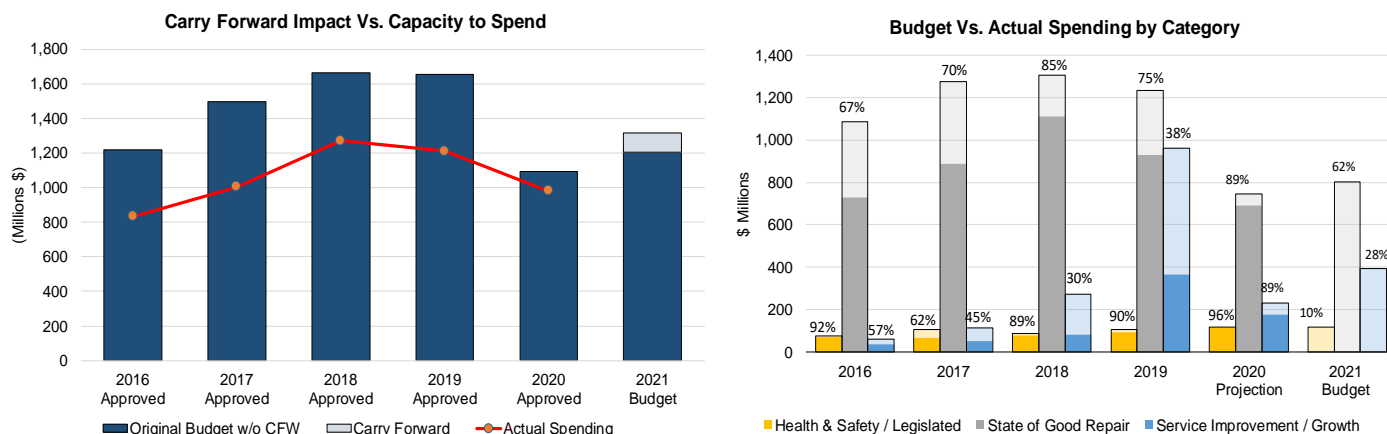
<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$7,961.7 M</b> <b>67%</b>		<b>\$1,458.8 M</b> <b>12%</b>		<b>\$2,486.4 M</b> <b>21%</b>	
City Building Fund	\$ 6,684.1 M	PGT	\$ 934.0 M	FGT	\$ 1,969.3 M
Debt	\$ 544.6 M	PTIF 2	\$ 500.0 M	PTIF 1	\$ 14.0 M
Development Charges	\$ 564.8 M	204 LRV	\$ 24.3 M	PTIF 2	\$ 500.0 M
Other	\$ 168.2 M	Other	\$ 0.5 M	Other	\$ 3.1 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 the Toronto Transit Commission's ability to spend and the market's capacity to deliver.

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

**Chart 2 – Capacity to Spend**



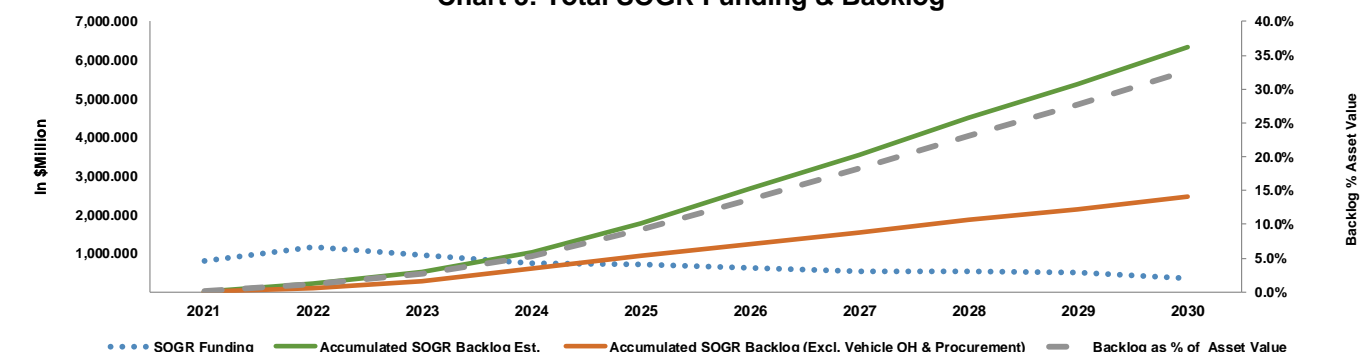
### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$26.6 million in capital spending originally cash flowed in 2021 has been deferred to 2022, with an additional \$61.9 million deferred to 2023. Adjustments to the Capital Plan are noted below:

- Recalibrated the 10-year Capital Plan's project estimates based on capacity to spend and project readiness and smooth annual cash flow estimates to match cash flow spending to project activities and timelines;
- Reviewed requirements for major capital projects based on the progress made through the stage gating process;
- Revisited assumptions on needs, scope, and timing to confirm existing capital priorities and requirements, some of which have been moved beyond the 10-year timeframe;
- Identified any emergent capital priorities that must be funded to address critical health, safety or state of good repair requirements.
- As a result, the 10-Year Capital Plan was recalibrated to:
  - Provided additional "funding room" of \$787.2 million, combined with additional development charge funding for eligible capital costs of \$323.7 million, has enabled TTC staff to fund \$1.11 billion in unfunded capital priorities and needs, with 95% of the funding be added for Health and Safety, Legislated and State of Good Repair projects which were previously unfunded.
  - Establish steady state funding for essential safety and SOGR capital works
    - Continues to leverage lower ridership levels
  - Ensure funding to meet legislative requirements and timelines
  - Align with the Fleet Procurement Strategy
  - Continue business modernization:
    - SAP; Maximo; Vision, Wheel Trans and Stations Transformation
  - Maintain funding to complete ATC Line 1 and adds 10th year funding for ATC Line 2
  - Add funding for COVID-related capital works (which may be eligible for provincial funding)

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

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Transportation Services: major and local roads, bridge rehabilitation and laneways.

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

\$ Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	802.478	1,147.520	945.355	747.055	699.106	607.405	530.634	528.496	515.737	356.882
Accumulated SOGR Backlog (Excl. Vehicle OH & Procurement)	21.112	84.410	272.232	617.472	947.598	1,244.583	1,541.748	1,867.567	2,133.009	2,459.693
Accumulated SOGR Backlog Est.	21.112	216.807	508.675	1,018.924	1,779.745	2,672.810	3,551.674	4,500.488	5,375.455	6,349.679
Backlog as % of Asset Value	0.1%	1.1%	2.6%	5.2%	9.2%	13.8%	18.3%	23.2%	27.7%	32.7%
Total Asset Value	19,435.000	19,435.000	19,435.000	19,435.000	19,435.000	19,435.000	19,435.000	19,435.000	19,435.000	19,435.000

- The SOGR Backlog presented above is based on TTC's 2021 Capital Investment Plan which has been updated to account for project priorities; timing and dependencies.
- The SOGR Backlog analysis reflects both finite and ongoing SOGR capital projects included in the 2021-2030 capital planning timeframe of TTC's 15-year Capital Investment Plan that are currently not funded in the recommended 2021-2030 Capital Budget and Plan.
- While the SOGR Backlog will rise from \$21.1 million or 0.1% of asset value in 2021 to \$6.3 billion or 32.7% of asset value by the end of 2030, the SOGR Backlog would have been higher had it not been for the infusion of incremental funding through the City Building Fund for critical subway infrastructure state of good repair projects in 2020.
- If one excludes the backlog associated with unfunded fleet overhaul and procurement investments, the SOGR Backlog would be \$2.5 billion or 12.7% of asset value by the end of 2030, noting that unfunded vehicle needs make up two-thirds of this backlog.
- The TTC will continue to refine these estimates based on planned condition audits of its asset inventory and this SOGR backlog analysis, including asset values, as the TTC matures its asset management practices.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Completion of capital projects will impact future year Operating Budgets by \$13.0 million net over the 2021-2030 period, primarily due to the completion of Information Technology Systems and various signal system programs. Over the course of the 2021-2030 Capital Plan timeframe, the total operating impacts of completed capital projects will result in a net decrease of 160 positions. It is worth noting that the completion of the Train Door Monitoring Systems (One Person Train Operation) program will provide operating savings beginning in 2022, as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Fare System	74.0		0.0								74.0	0.0		
Information Technology System-Infrastru	1,779.0	0.0	0.0		806.0		3,196.0	(4.0)	13,315.0	(2.0)	19,096.0	(6.0)	33,658.0	17.0
McNicoll Bus Garage Facility	3,723.0	23.0	0.0		0.0		0.0		0.0		3,723.0	23.0		0.0
Train Door Monitoring	0.0	0.0	(5,600.0)	(152.0)	(18,000.0)	0.0	(469.0)		(479.0)		(24,548.0)	(152.0)	(26,958.9)	(188.0)
Purchases of Buses	7,162.0	17.0									7,162.0	17.0		0.0
Purchase of Rail Non-Revenue Vehicle	0.0		(109.0)		32.0	0.0	83.0		84.0		90.0	0.0	3,360.0	0.0
Signal Systems - Various	530.0		535.0		129.0	0.0	31.0		33.0		1,258.0	0.0	1,580.0	8.5
Other Various OBIs	379.0	9.0			138.8		209.4		373.2	1.5	1,100.4	10.5	1,363.0	2.5
<b>Total (Net)</b>	<b>13,647.0</b>	<b>49.0</b>	<b>(5,174.0)</b>	<b>(152.0)</b>	<b>(16,894.2)</b>	<b>0.0</b>	<b>3,050.4</b>	<b>(4.0)</b>	<b>13,326.2</b>	<b>(0.5)</b>	<b>7,955.4</b>	<b>(107.5)</b>	<b>13,002.1</b>	<b>(160.0)</b>

The operating impact arising from the purchase of buses coming off warranty; the sustainment of SAP, Maximo and Vision technology projects and the opening of McNicoll Bus Garage will result in an operating impact of \$13.647 million in 2021, which is included in the 2021 Recommended Operating Budget.

# 2021 Program Summary

## Toronto Zoo

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Canada's premiere Zoo and a leading conservation organization, the Toronto Zoo hosted over 1.2 million guests in 2019 and is home to approximately 5,000 animals, representing almost 400 species and surrounded by Canada's new Rouge National Urban Park. The Zoo is open year-round and is divided into seven zoogeographic regions and boasts over 10 kilometers of walking trails. The Zoo also includes gift shops, animal exhibits, rides, zipline and canopy tour, food services and guest services. Toronto Zoo has stewardship over buildings, infrastructure, natural resource assets, and the wildlife population.

### Why We Do It

**Toronto Zoo mission is connecting people, animals and conservation science to fight extinction. One of the largest tourist sites in the City, employing 700 FT/PT staff and 500 volunteers while serving as a significant economic driver in the east end of the City.**

*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

#### **Zoo Visitor Services**

**Who We Serve:** Community groups, schools and school boards, tour groups, tourists

**What We Deliver:** Educational programming, connections with nature and wildlife, engaging experiences

**How Much Resources (gross operating budget):** \$29.0 million

#### **Zoo Fundraising and Strategic Partnerships**

**Who We Serve:** Toronto Zoo Wildlife Conservancy

**What We Deliver:** Seconded unionized employees to the Conservancy for their fundraising initiatives benefiting the Toronto Zoo

**How Much Resources (gross operating budget):** \$0.3 million

#### **Zoo Conservation & Science**

**Who We Serve:** Schools, Post-secondary educational institutions, educators and scientists, wildlife researchers and societies, zoological institutions, accrediting bodies.

**What We Deliver:** Conservation breeding and reintroduction programs, conservation research programs, reproductive services – our Biodiversity Insurance policy

**How Much Resources (gross operating budget):** \$17.1 million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$ Millions	2021	2022	2023
Revenues	\$27.0	\$31.8	\$38.6
Gross Expenditures	\$46.4	\$51.2	\$54.4
Net Expenditures	\$19.4	\$19.3	\$15.8
Approved Positions	404.2	404.2	404.2

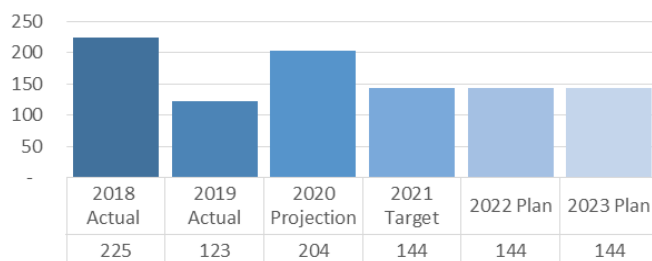
### 2021 - 2030 10-YEAR CAPITAL PLAN

\$ Millions	2021	2022-2030	Total
Gross Expenditures	\$18.6	\$122.1	\$140.7
Debt	\$13.3	\$114.1	\$127.5

Note: Includes 2020 carry forward funding to 2021

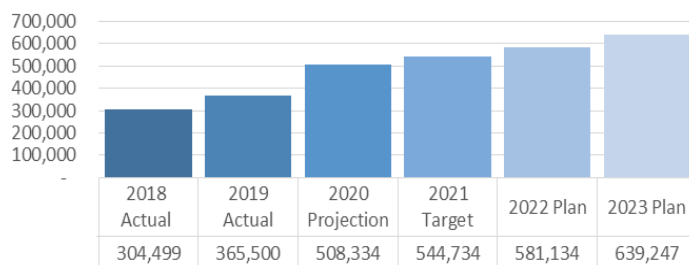
## How Well We Are Doing – Behind the Numbers

### Animals Released into Canadian Wild Habitats



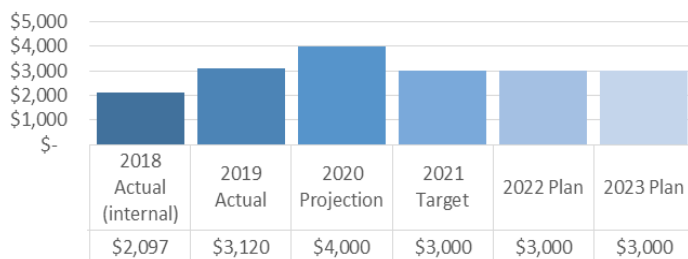
- Animals released from conservation breeding programs and subsequently released into Canadian wild habitats include the following:
  - Eastern loggerheaded shrikes
  - Vancouver Island marmots
  - Black-footed ferrets
  - Blanding's turtles
  - Wood turtles

### Social Media Fanbase (#)



- New onsite Wi-Fi will be used to increase connections.
- Continue strategy to build the Zoo's reputation and profile to drive attendance and awareness of conservation issues.

### External Fundraising (\$000)



- Build the reputation and profile of the Toronto Zoo Wildlife Conservancy to enhance experiences for Zoo guests, serve the animals and to support conservation science.
- Historical fundraising component was completed by the Toronto Zoo and included in the operational budget. In 2019, the Toronto Zoo Wildlife Conservancy was established to fundraise.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Outcome Measures								
Zoo Conservation & Science	# of Day and Overnight Participants (modified operations in 2021)	5,160	5,207	5,149	1,579	3,220	4,450	●
Zoo Conservation & Science	# of "Zoo School" Students Enrolled	36	36	36	0	36	72	●
Zoo Conservation & Science	# of Impressions of Volunteer Engagement with Visitors and Public	772,857	1,033,138	1,005,000	500,000	700,000	1,000,000	●
Zoo Conservation & Science	# of Volunteer Hours Contributed	34,106	39,088	38,250	22,000	28,000	35,000	●
Zoo Conservation & Science	# of Students Educated about the Great Lakes Conservation	26,000	21,000	20,000	18,000	20,000	20,000	●
Service Level Measures								
Zoo Conservation & Science	External Fundraising Revenues Raised	N/A	3,120,000	4,000,000	4,000,000	3,000,000	3,000,000	●
Zoo Conservation & Science	# of Blandings Turtles Released into Wild Habitats	116	48	60	120	60	60	●
Zoo Visitor Services	Social Media Fans	304,499	365,500	425,000	508,334	544,734	581,134	●
Other Measures								
Zoo Visitor Services	# of Attendance at the Zoo	1,115,819	1,120,122	1,225,000	601,065	838,229	992,018	●
Zoo Visitor Services	# of Membership Subscriptions	24,699	27,266	27,000	24,486	27,000	27,000	●
Zoo Visitor Services	\$ of Retail Sales per Visitor	2.17	2.10	2.20	1.63	2.20	2.20	●
Zoo Visitor Services	\$ of Food Sales per Visitor	5.41	5.59	5.57	3.06	5.57	5.57	●



**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>The Zoo was closed from March 14 to May 19, 2020 and reopened for Scenic Safari Drive Thru experience only on May 20th, 2020.</li> <li>Opened fully to all guests on site July 4th, 2020 with modified service levels (including advanced online purchase of tickets and daily attendance caps with closure of splash pad, kids zoo and most rides).</li> <li>Modifications to admission rates to reflect modified service offerings.</li> <li>Revenue was significantly impacted as a result of COVID-19. The Zoo implemented cost saving measures and launched new initiatives to mitigate revenue shortfall.</li> <li>Attendance is projected at 0.601 million compared to target of 1.225 million in 2020.</li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>Ongoing limitations to crowd sizes requiring modified service operations</li> <li>No school trips predicted until Fall 2021.</li> <li>Continued development of innovative service offerings such as scenic safari, campground, virtual programs and marketplace to offset losses.</li> <li>Based on 2020 experience and estimates for safe COVID-19 operations and capacity restrictions, attendance is estimated at 0.838million in 2021, representing a reduction of 0.387 million compared to 2020 budget levels.</li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Capital projects delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts.</li> <li>Delays in other projects include health and safety restrictions and availability of contractors.</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>Projects that were delayed in 2020 will continue in 2021.</li> <li>Planning for recovery in a post-COVID environment.</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Due to closure, modifications of service levels required including implementation of one-way paths and enhanced cleaning protocols and supporting staff.</li> <li>Modification of service offerings to online environment (Learning by the Seat of your pants, Zoo FB Lives).</li> <li>Onsite campground and community marketplace added.</li> <li>No Bush camps, Zoo School or Zoomobile offered during Summer 2020.</li> <li>Closure of indoor pavilions in Fall 2020.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Need and demand continues for remote service offerings.</li> <li>Modified Bush Camp and Zoo School to be offered in Spring and Summer 2021.</li> <li>Planning to deliver on-site modified service operations year-round.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Welcomed an estimated 52% of our attendance targets in 2020
- Created new on-site experiences including the Scenic Safari, Wild Tails Family Campsite, the Marketplace and the early opening of Terra Lumina
- Affirmation of commitment to serving our communities by establishing partnerships including, but not limited to, Second Harvest Food Bank, East Scarborough Storefront, and Pollution Probe
- Development of an equity, diversion, and inclusion strategy to ensure our Zoo reflects our community
- Supported our frontline workings in our community by holding healthcare heroes events
- Established new online platforms to serves guests locally and internationally

### Key Challenges and Risks

- COVID-19 and ambiguity surrounding outlook
- Ensuring adequate health and safety measures met
- Digitization of operations with aging infrastructure
- Addressing SOGR backlog

### Priority Actions

- Achieve attendance targets and a high level of guest satisfaction resulting in a corresponding positive revenue impact while assuming a delay in returning to peak attendance days (i.e. greater than 6,000 visitors in one day)
- Become an inclusive site that reflects our Toronto community
- Embrace our local community, especially those neighbourhoods in our surrounding area and introducing diverse families to wildlife conservation to develop future environmental and conservation champions and thought leaders
- Improve operation efficiency and enhance guest experience through technology upgrades
- Continue the implementation of revenue maximization and cost management activities
- Continue to make the hidden zoo go extinct

## 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>								
Zoo Visitor Services	34,474.4	37,319.2	14,053.8	25,786.8		25,786.8	11,733.0	83.5%
Zoo Fundraising & Strategic Partnerships	469.7		263.0				(263.0)	(100.0%)
Zoo Conservation & Science	888.5	2,042.9	982.1	1,168.8		1,168.8	186.6	19.0%
<b>Total Revenues</b>	<b>35,832.6</b>	<b>39,362.1</b>	<b>15,298.9</b>	<b>26,955.5</b>		<b>26,955.5</b>	<b>11,656.6</b>	<b>76.2%</b>
<b>Expenditures</b>								
Zoo Visitor Services	26,615.8	32,940.5	24,729.2	28,956.4		28,956.4	4,227.2	17.1%
Zoo Fundraising & Strategic Partnerships	201.7		263.0	327.2		327.2	64.2	24.4%
Zoo Conservation & Science	22,475.0	19,193.9	17,096.8	17,140.0		17,140.0	43.2	0.3%
<b>Total Gross Expenditures</b>	<b>49,292.5</b>	<b>52,134.4</b>	<b>42,089.0</b>	<b>46,423.7</b>		<b>46,423.7</b>	<b>4,334.7</b>	<b>10.3%</b>
<b>Net Expenditures</b>	<b>13,459.9</b>	<b>12,772.3</b>	<b>26,790.1</b>	<b>19,468.2</b>		<b>19,468.2</b>	<b>(7,321.9)</b>	<b>(27.3%)</b>
<b>Approved Positions</b>	<b>397.0</b>	<b>403.2</b>	<b>403.2</b>	<b>404.2</b>		<b>404.2</b>	<b>1.0</b>	<b>0.2%</b>

\*2020 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$46.4 million gross reflecting an increase of \$4.3 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Increased expenditures and revenue to reflect operations for full calendar year (no closures) with a slightly greater daily capacity compared to 2020 projection.
- Additional costs associated with health and safety arising from the ongoing pandemic to ensure appropriate physical distancing measures and provide a safe environment for guests, staff and volunteers.
- Additional cost requirements to help continuing the rebuilding of the Zoo including increased digitization costs.
- Inflationary adjustments to utilities based on economic factors.
- 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 \$19.468 million in net expenditures reflects a \$3.929 million net decrease from the 2020 Council approved Budget, when excluding \$10.625 million in estimated COVID-19 financial impacts.**

The 2021 Council Approved Operating Budget of \$46.4 million gross expenditures has decreased by 10.9% when compared to 2020 Budget, due primarily to reduced salary expectations for the period based on modified operations.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Zoo's 2021 Operating Budget do not have any significant equity impacts.

**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for the Toronto Zoo is \$7.322 million gross or 27.3% lower than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	30,214.1	31,432.5	31,492.6	27,388.9	(4,103.7)	-13.0%
2	Materials & Supplies	6,871.2	8,073.6	4,856.7	8,296.7	3,439.9	70.8%
3	Equipment	365.9	555.1	338.8	914.3	575.5	169.9%
4	Service and Rent	10,524.1	10,730.0	4,193.6	8,492.3	4,298.6	102.5%
5	Contribution To Capital	171.0	171.0	171.0	171.0		
6	Contribution To Reserves	1,146.2	1,172.2	1,036.2	1,160.6	124.4	12.0%
Total Expenditures		49,292.5	52,134.4	42,089.0	46,423.7	4,334.7	10.3%
Revenues							
1	Provincial Subsidies	165.9	1,011.5	758.6	1,011.5	252.9	33.3%
2	User Fees & Donations	33,755.0	36,809.9	13,503.6	25,105.3	11,601.7	85.9%
3	Draw from Reserve Funds	386.0	386.0	386.0	400.0	14.0	3.6%
4	Other Revenues (Inc. IDR's)	1,525.7	1,154.8	650.7	438.7	(212.0)	-32.6%
Total Revenues		35,832.6	39,362.1	15,298.9	26,955.5	11,656.6	76.2%
Net Expenditures		13,459.9	12,772.3	26,790.1	19,468.2	(7,322.0)	-27.3%
Approved Positions		397.0	403.2	403.2	404.2	1.0	0.2%

\*2020 Projection based on Q3 Variance Report

**Salaries & Benefits:**

Salaries and benefits are aligned to reflect higher attendance in 2021 which will be offset by salary and benefit savings measures to mitigate revenue shortfall. The Zoo will review the efficiency in operating processes and guest services to optimize staffing requirements without impacting health & safety and service level. The optimization is expected to generate savings through delay in hiring, holding vacant positions, etc.

The current collective bargaining agreement will expire on March 31, 2021 and therefore, the Cost of Living Adjustment (COLA) for union staff is not included in the 2021 Council Approved Operating Budget. A provision of collective agreement estimates to cover negotiated salary and benefit is budgeted corporately as part of the 2021 Non-Program Budget.

**Materials and Supplies:**

With plans to open full year with higher attendance capacities, an increase in materials and supplies expenditures to support appropriate physical distancing measures as well as inflationary and optimization adjustments to utilities is budgeted.

**Services and Rents:**

Attendance driven expenditures are increased in relation to additional cost requirements to help continuing the rebuilding of the Zoo post-COVID including directly attributable COVID costs and increased digitization costs for enhancing guest experience.

**User Fees & Donations:**

Anticipated recovery of operations including full year of on-site services and improved guest capacity compared to 2020 Projection. Base attendance is estimated at 0.838 million for 2021, representing an increase of 0.237 million compared to 2020 projection.

**Table 2b: 2021 Balancing Actions**

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Cost Mitigation	Efficiencies		(4,396.6)	(4,396.6)	-	(1,618.1)	(1,618.1)	-
Attendance reduction savings	Based on Actual Experience		(2,441.3)	(2,441.3)	-	(1,367.7)	(1,367.7)	-
<b>Total Balancing Actions</b>			<b>(6,838.0)</b>	<b>(6,838.0)</b>	-	<b>(2,985.8)</b>	<b>(2,985.8)</b>	-

**Cost Mitigation:**

- Toronto Zoo will continue to implement cost mitigation measures to address COVID-19 financial pressures including salaries and benefits containment while ensuring service levels are maintained

**Attendance Reduction Savings:**

- Attendance driven expenditures are aligned to reflect reduced attendance in 2021

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

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	15,298.9	26,955.5	31,843.4	38,638.0
Gross Expenditures	42,089.0	46,423.7	51,154.0	54,435.4
<b>Net Expenditures</b>	<b>26,790.1</b>	<b>19,468.2</b>	<b>19,310.5</b>	<b>15,797.3</b>
<b>Approved Positions</b>	<b>403.2</b>	<b>404.2</b>	<b>404.2</b>	<b>404.2</b>

**Key drivers**

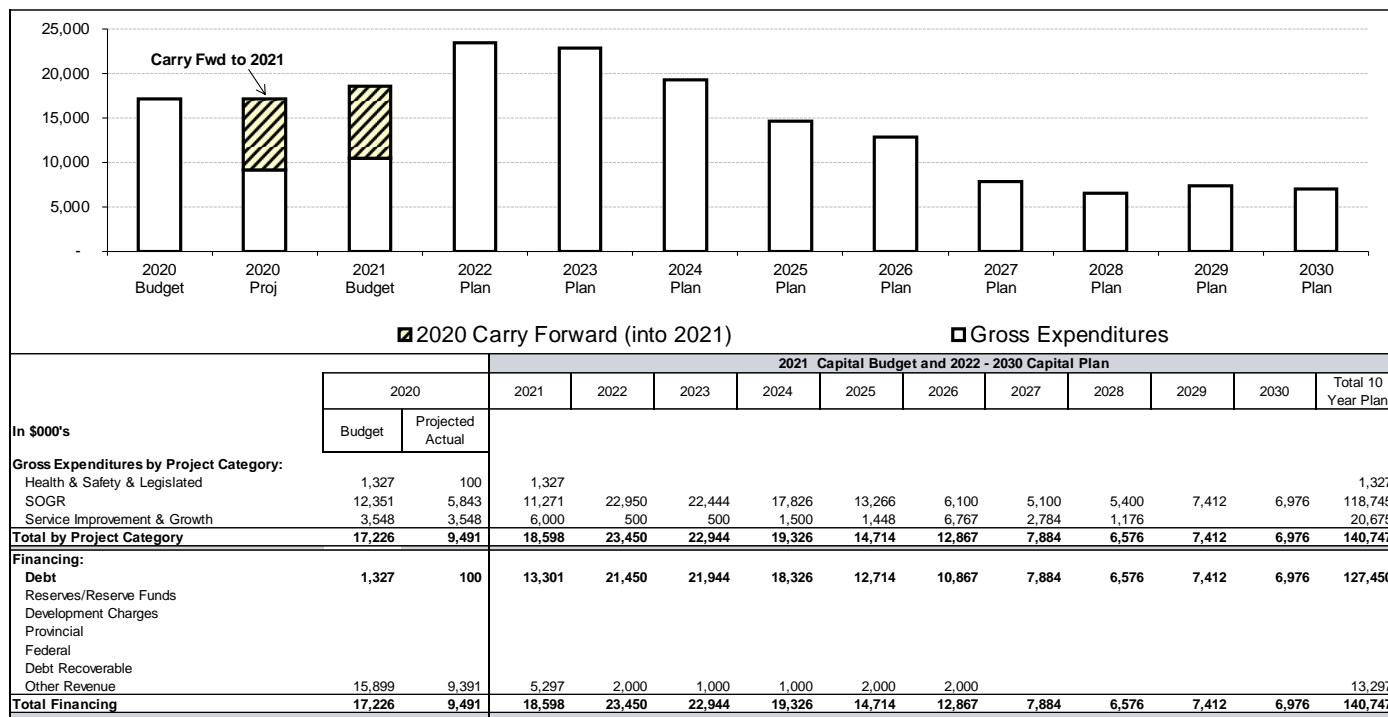
The 2022 Outlook with total gross expenditures of \$51.154 million reflects an anticipated \$4.730 million or 10.2% increase in gross expenditures above the 2021 Operating Budget. The 2023 Outlook expects a further increase of \$3.282 million or 6.4% above 2022 gross expenditures.

These changes arise from the following:

- Salaries and Benefits**  
Anticipated increase in salaries and benefits to reflect increase in attendance level **(2022 & 2023)**
- Inflationary Impact**  
Utilities increase due to general inflation **(2022 & 2023)**
- Revenue Changes**  
Increase in revenues as attendance levels and guest capacity on site are returning to normal. Attendance is anticipated to reach 0.992 million in 2022 and 1.225 million in 2023. **(2022 & 2023)**

## 2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

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



### Changes to Existing Projects (\$23.0 Million)

- \$10.1 million – Increase in *Building and Services Refurbishment* to address aging of the buildings and facilities.
- \$5.4 million – Increase in *Exhibit Refurbishment* for major renovations to old exhibits to extend the life of the existing exhibits.
- \$4.0 million - Change in scope for the Orangutan Outdoor Exhibit project due to changes in architects and an addition of aerial habitat outside the front of the Indo-Malayan Pavilion.
- \$3.1 million – Increase in *Grounds and Visitor Improvements* to address the needs of public concerning visitor amenities.





### New Projects (\$2.5 Million)

- \$2.5 million – The Winter Zoomobile is added to the 10-Year Capital Plan to continue fleet revitalization to green the Zoo's vehicle complement.

### Capital Needs Constraints (\$24.9 Million)

- \$24.9 million - The construction of the *Oceania Pavilion* to replace the aged Indo-Malayan Pavilion which would reduce the ongoing maintenance costs. Funding for the design phase is included in the 10-Year Capital Plan which is anticipated to be completed in 2025-2026.

**2021 – 2030 CAPITAL BUDGET AND PLAN****\$140.7 Million 10-Year Gross Capital Program**

			
<b>Aging Infrastructure</b>	<b>Information Technology</b>	<b>Wildlife Habitats</b>	<b>Accessibility and Service</b>
\$51.9 M 37%	\$8.7 M 6%	\$39.7 M 28%	\$40.5 M 29%
Toronto Zoo Community Conservation Campus SOGR	System Upgrades On-site Digitization	Orangutan Outdoor SOGR	Winter Improvements SOGR

**How the Capital Program is Funded**

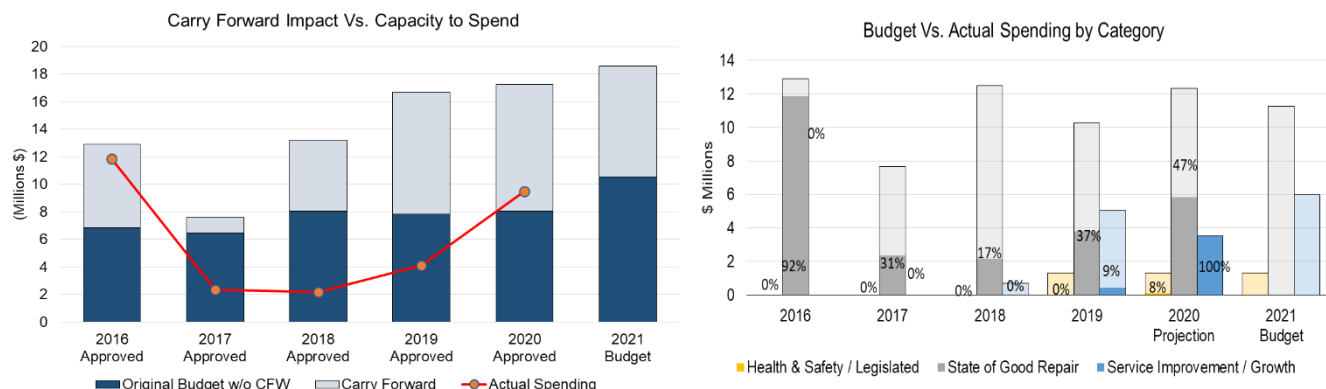
<b>City of Toronto</b>		<b>Toronto Zoo Wildlife Conservancy</b>		<b>Provincial and Federal Funding</b>
<b>\$129.2 M 92%</b>		<b>\$11.5 M 8%</b>		<b>\$0 M 0%</b>
Debt	\$ 127.4 M	Donations	\$ 11.5 M	
Other	\$ 1.8 M			

## 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 Toronto Zoo'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

Based on the review of historical capital spending constraints and a capacity to spend review, \$5.3 million in capital spending originally cash flowed in 2020 has been deferred to 2021, with an additional \$7.0 million deferred to 2022. Adjustments to the Capital Plan are noted below:

- At the onset of COVID-19, due to the uncertainty of the financial impact, capital projects funded by Capital from Current (CFC) were slowed to the end of 2020 to enable potential offsets to COVID-19 financial impacts.
- The *Front Entrance – Construction Phase A* project 2021 cash flow has been deferred by \$8.0 million to 2022 to reflect updated project readiness and delivery times.

Despite adjustment noted above, Toronto Zoo still requires cash flow funding of \$18.6 million in 2021 to continue the capital work. The 2021 cash flow is higher than the historic 5-year average spending and is attributed to the requirements below:

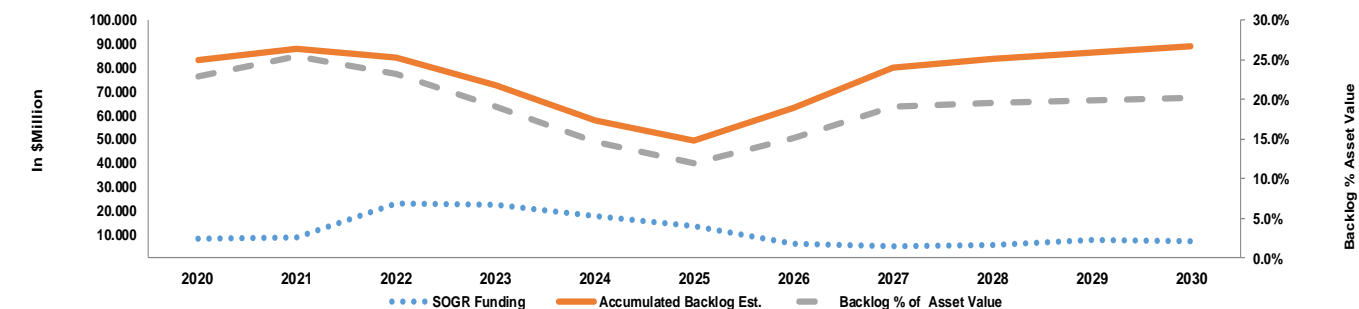
- To improve winter accessibility to the boardwalk ramp from the Indo-Malaya Pavilion to the African Rainforest Pavilion to address AODA legislative requirements.
- To upkeep the facility and enhance guest experiences by redesigning the Conservation Campus (Welcome Area), repairing and replacing building components, renovating smaller exhibits and improving public concerning visitor amenities.
- To upgrade information systems by expanding the current network to improve performance and enhance efficiency.
- To invest in refurbishing exhibits including the Orangutan Outdoor Exhibit, African Rainforest, Wilderness North and the Canadian Pavilion.



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

The chart below depicts the SOGR funding and accumulated backlog estimates for Toronto Zoo:

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



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	8.053	8.450	22.950	22.444	17.826	13.266	6.100	5.100	5.400	7.412	6.976
Accumulated Backlog Est.	83.282	87.937	84.469	72.351	58.052	49.077	62.889	79.952	83.552	86.140	89.164
Backlog % of Asset Value	22.9%	25.4%	23.3%	19.1%	14.7%	12.0%	15.2%	19.0%	19.6%	19.9%	20.3%
Total Asset Value	362.900	346.450	362.900	377.850	395.676	408.942	415.042	420.142	425.542	432.954	439.930

- The foundation of the 10-Year Capital Plan is guided by the Toronto Zoo's 2016 Master Plan. Recommendations from the Wayfinding Study, the Building Audit Report and Site Services Study are taken into consideration in establishing the Zoo's 10-Year Capital Plan. The 2016 Master Plan is currently being updated and will be reflected for consideration during the 2022 Budget process.
- The 2021-2030 Council Approved Capital Budget and Plan will fund \$118.745 million of SOGR projects within Toronto Zoo over the 10-year period, providing an average of \$11.874 million annually. Based on this plan, the accumulated backlog will increase from \$87.937 million in 2021 to an anticipated \$89.164 million by 2030.
- The construction of the Oceania Pavilion could not be accommodated during the 2021 Budget process due to the project readiness and has been included in the "Capital Needs Constraints". The SOGR backlog shows an increasing trend starting 2025 as the Oceania Pavilion project addresses many SOGR issues in the Indo-Malayan Pavilion which was constructed in 1972. For further details about this project, please refer to Appendix 8.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan Budget will impact future year Operating Budgets by \$0.5 million net over the 2021-2030 period, due to the completion of the Information Systems project as shown in Table 4 below.

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

Projects	2021 Budget		2022 Plan		2023 Plan		2024 Plan		2025 Plan		2021-2025		2021-2030	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>New Projects - 2021</b>														
Information Systems	504.0	1.0									504.0	1.0		
<b>Sub-Total: New Projects - 2021</b>	<b>504.0</b>	<b>1.0</b>									<b>504.0</b>	<b>1.0</b>		
<b>Total (Net)</b>	<b>504.0</b>	<b>1.0</b>									<b>504.0</b>	<b>1.0</b>		

The Information Systems project will result in net operating costs of \$0.504 and additional staff which is required to support the repair of equipment, server maintenance and cyber security support for new network.

# 2021 Program Summary

## Yonge-Dundas Square

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Yonge-Dundas Square provides the management, procedures and permits for the safe operations on the square. Consistent with previous years, 28 days are set aside for the public to enjoy the square as a piazza. The impact of COVID 19 on public events has been devastating across the industry. Our plans project an incremental return to the number of events over the next three years.

### Why We Do It

To enhance the vitality of downtown Toronto, to launch, promote, and operate the square as a unique public space borne from the passion of its community and the energy of commercial participation, so as to develop a positive perception by the way of its activities, security and cleanliness.

*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

#### **Public Square and Event Venue**

**Who We Serve:** Businesses, Partners & Sponsors, Residents, Visitors, City and Agency staff.

**What We Deliver:** Yonge-Dundas Square accommodates approximately 240 events each year including third-party and self-programmed events. These events encourage economic and cultural activities by showcasing businesses and drawing residents and tourists to the area.

**How Much Resources (gross operating budget):** \$3.003 million

## Budget at a Glance

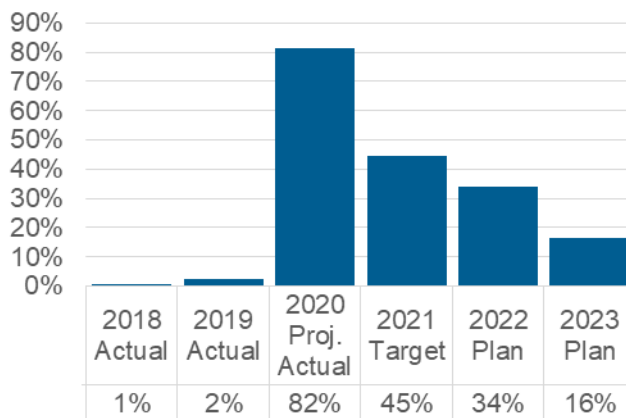
### 2021 OPERATING BUDGET

\$Million	2021	2022	2023
Revenues	\$1.663	\$2.141	\$3.256
Gross Expenditures	\$3.003	\$3.247	\$3.881
Net Expenditures	\$1.340	\$1.106	\$0.625
Approved Positions	8.0	8.0	8.0

Yonge-Dundas Square does not have a 10-year Capital Plan

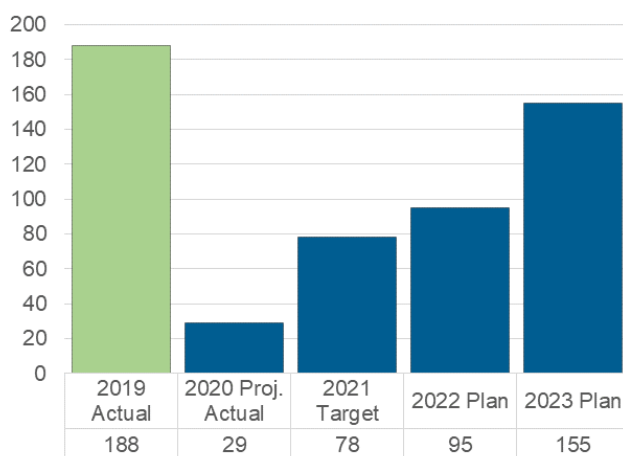
## How Well We Are Doing – Behind the Numbers

### Contribution by City of Toronto as a % of Overall YDS Operating Cost



- The contribution by the City of Toronto to the overall Yonge-Dundas Square Operating Budget is anticipated to be 82% for 2020 as the square's operations have been heavily impacted by the pandemic.
- As the Square projects operations to begin to improve in 2021 and future years, the reliance on City of Toronto funding decreases and revenues generated from operations increase.
- The Agency expects there to be lasting impacts to its operations as it tries to change its business model to adapt to life post-COVID-19.

### Number of Events at YDS



- The number of events on the Square has drastically declined due to the pandemic and safety concerns of hosting any events on the space.
- Yonge-Dundas Square anticipates being able to host a small portion of their event capacity in 2021. The number of events increase in 2022 and 2023 as concerns for COVID are expected to decline as time goes on.

## How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
Public Square and Event Venue	% of Time on a Daily Basis of Square Accessibility for Public Use	100%	100%	100%	100%	100%	100%	●
	% of Utilization for third party rentals	88%	88%	88%	5%	88%	88%	●
	% of Utilization for Yonge-Dundas Productions	12%	12%	12%	0%	12%	12%	●

**COVID-19 IMPACT AND RECOVERY**

2020 Impact	2021 Impact and Recovery
<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>COVID-19 has resulted in the following unbudgeted costs for Yonge-Dundas Square of \$1.948 million net:               <ul style="list-style-type: none"> <li>\$0.047 million in additional costs required to retrofit the office YDS operates in as well portable hand wash stations and regular washroom sanitization.</li> <li>\$3.543 million in revenue losses from cancelled events and activations, which is partially offset by \$1.642 million in savings from decreased event support costs, contracted services and utilities.</li> </ul> </li> </ul>	<b>Financial Impact (Operating)</b> <ul style="list-style-type: none"> <li>COVID-19 is projected to continue to impact YDS' operations in 2021 but not as drastically as 2020, resulting in an estimated net impact of \$1.093 million:               <ul style="list-style-type: none"> <li>\$1.894 million in revenue losses from cancelled events and activations, partially offset by \$0.801 million in savings from decreased event support costs, contracted services and salary and benefit.</li> </ul> </li> </ul>
<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>No impact to capital</li> </ul>	<b>Financial Impact (Capital)</b> <ul style="list-style-type: none"> <li>No impact to capital</li> </ul>
<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Yonge-Dundas Square will continue to review Service Levels to reflect changes to its operations to navigate a new reality post-COVID-19.</li> </ul>	<b>Service Level Changes</b> <ul style="list-style-type: none"> <li>Yonge-Dundas Square will continue to review Service Levels to reflect changes to its operations to navigate a new reality post-COVID-19.</li> </ul>

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Since 2003 YDS has contributed to the ongoing health and vitality of the Downtown Yonge neighbourhood through site improvements, activations, and hosting literally thousands of free events.
- It continues to be a vital open public space in a densely developed city centre.

### Key Challenges and Risks

- Procurement of multi-year Presenting Sponsor agreement for 2021 – 2023 yet to be established.
- Neighbourhood conditions and a changing context require a renewed focus on security and safety, including increased security presence.
- The use during the pandemic by protesters and other unlawful public gatherings despite the Government measures for safety.
- Competition from other City squares that (unlike Yonge-Dundas Square) are not required to operate on a cost recovery basis enabling the delivery of community events at significantly lower costs.

### Priority Actions

- Be bold in asserting the Square's identity.
- Support the vitality of the local neighbourhood through diverse community use.
- Work closely with the various divisions and staff teams within the City of Toronto to meet shared objectives and a safe resumption of business.
- Communicate to the public the importance of safe public spaces.

## 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>								
Public Square and Event Venue	3,271.8	3,933.6	390.7	1,663.0		1,663.0	1,272.3	325.6%
<b>Total Revenues</b>	<b>3,271.8</b>	<b>3,933.6</b>	<b>390.7</b>	<b>1,663.0</b>		<b>1,663.0</b>	<b>1,272.3</b>	<b>325.6%</b>
<b>Expenditures</b>								
Public Square and Event Venue	3,325.5	3,933.6	2,118.4	3,002.7		3,002.7	884.3	41.7%
<b>Total Gross Expenditures</b>	<b>3,325.5</b>	<b>3,933.6</b>	<b>2,118.4</b>	<b>3,002.7</b>		<b>3,002.7</b>	<b>884.3</b>	<b>41.7%</b>
<b>Net Expenditures</b>	<b>53.7</b>		<b>1,727.7</b>	<b>1,339.7</b>		<b>1,339.7</b>	<b>(388.0)</b>	<b>(22.5%)</b>
<b>Approved Positions</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>		<b>8.0</b>		

\*2020 Projection based on Q3 Variance Report

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2021 Base Budget** expenditures of \$3.003 million gross reflecting an increase of \$0.884 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Other Expenses are increasing by \$0.333 million as Yonge-Dundas Square projects to be able to provide services part-way through the year and these costs are associated with providing event and digital support.
- Advertising & Promotion costs of \$0.180 million are expected to normalize as the Yonge-Dundas Square staff work to bring events and installations back to the square.
- Security Costs of \$0.126 million are projected to normalize in 2021 as the square becomes more utilized.
- With the anticipated additional usage of the square additional maintenance of \$0.037 million and contracted services costs of \$0.030 million are expected to be incurred.

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

- **2021 Base Budget of \$1.340 million in net expenditures reflects a \$0.554 million net decrease from the 2020 Council approved Budget, when excluding \$1.894 million in estimated COVID-19 financial impacts.**

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Yonge-Dundas Square's 2021 Operating Budget do not have any significant equity impacts.



**2021 OPERATING BUDGET KEY DRIVERS**

The 2021 Operating Base Budget for Yonge-Dundas Square is \$0.884 million gross or 41.7% higher than the 2020 Projected Actuals. 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	
						\$	%
Expenditures							
1	Salaries and Benefits	810.3	872.0	865.1	833.1	(32.0)	-3.7%
2	COVID-19 Impact			47.3		(47.3)	-100.0%
3	Materials & Supplies	299.1	316.3	205.0	290.7	85.7	41.8%
4	Equipment	89.1	70.0	59.4	72.0	12.6	21.2%
5	Service and Rent	2,101.3	2,549.7	915.9	1,781.4	865.5	94.5%
6	Contribution To Reserves	25.7	125.7	25.7	25.5	(0.2)	-0.9%
Total Expenditures		3,325.5	3,933.6	2,118.4	3,002.7	884.3	41.7%
Revenues							
1	Provincial Subsidies						
2	User Fees & Donations	1,943.5	2,330.0	128.1	937.0	808.9	631.5%
3	Draw from Reserve Funds		187.0	187.0		(187.0)	-100.0%
4	Other Revenues (Inc. IDR's)	1,305.6	1,416.6	75.6	726.0	650.4	860.3%
Total Revenues		3,249.1	3,933.6	390.7	1,663.0	1,272.3	325.6%
Net Expenditures		76.4	0.0	1,727.7	1,339.7	(388.0)	-22.5%
Approved Positions		8.0	8.0	8.0	8.0		

**Salaries & Benefits:**

Costs are decreasing as Yonge-Dundas Square has an employee returning from maternity and a salary freeze for 2021 is being implemented.

**Materials and Supplies:**

Increased spending in Materials and Supplies is expected with an increase in usage of the space and services are provided.

**Services and Rents:**

As Yonge-Dundas Square anticipates the eventual loosening of pandemic restrictions in 2021, service and rents costs are increasing based on the square being utilized for events and activations.

**Revenue Changes:**

User Fee and Other Revenues are expected to increase as restrictions are lifted and the square can be operated in a safe manner.

Table 2b: 2021 Balancing Actions

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Salaries and Benefits	Other		(38.9)	(38.9)				
Decreasing Services and Rent	Other		(762.3)	(762.3)				
<b>Total Balancing Actions</b>			<b>(801.2)</b>	<b>(801.2)</b>	-			-

The 2021 Operating Budget includes \$0.801 million in gross and net expenditure reductions attributed to:

**Salary and benefits projected savings:**

- Yonge-Dundas Square had 2.0 employees on maternity leave in 2020 and they're expecting to return in full capacity to their roles in 2021.

**Temporary reductions to Services and Rents, contributions to reserve funds:**

- A temporary reduction to utilities and third-party services provided on Yonge-Dundas Square have been implemented by management to reduce the pressure from COVID-19. In addition to decreased spending in services and rents, Yonge-Dundas Square will not be contributing to their Yonge Dundas Square Reserve Fund in 2021 to further reduce expenditures, these costs are expected to resume back to normal levels in 2022.

## 2022 & 2023 OUTLOOKS

Table 3: 2022 and 2023 Outlooks

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	390.7	1,663.0	2,141.0	3,256.0
Gross Expenditures	2,118.4	3,002.7	3,246.9	3,889.7
<b>Net Expenditures</b>	<b>1,727.7</b>	<b>1,339.7</b>	<b>1,105.9</b>	<b>633.7</b>
<b>Approved Positions</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>

## Key drivers

The 2022 Outlook with total gross expenditures of \$3.247 million reflects an anticipated \$0.244 million or 8.13 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlooks expects a further increase of \$0.643 million or 19.80 per cent above 2022 gross expenditures.

These changes arise from the following:

- Increasing events and activity on the Square will drive the increases in revenues which is offset by the expenditures incurred to earn those revenues as it becomes safer to host events **(2022 and 2023)**.
- Inflationary increases to salaries & benefits, as well as contracted services are expected in future years **(2022 and 2023)**.

# Tools and Resources

## Acronyms and Abbreviations

Acronym/ Abbreviation	Description
ABCs	Agencies, Boards and Commissions
AD	Anaerobic Digestion
AED	Automatic External Defibrillators
AHA	Arts & Heritage Awareness
AHO	Affordable Housing Office
ALS	Advanced Life Support
AMO	Association of Municipalities of Ontario
AOCC	Association of Community Centres
AODA	Accessibility for Ontarians with Disabilities Act
AQHI	Air Quality Health Index
ASD	Alternative Service Delivery
AYS	Access to Your Supervisor
AZA	Association of Zoos and Aquariums
BCPV	Black Creek Pioneer Village
BET	Business Education Tax
BIA	Businesses Improvement Areas
BMO	Bank of Montreal
BRT	Bus Rapid Transit
BSC	Budget Sub-Committee
CAMS	Capital Asset Management System
CATS	Cross Application Time Sheets
CAZA	Canadian Association of Zoos and Aquariums
CCAC	Canadian Council on Animal Care

Acronym/ Abbreviation	Description
CCAC	Community Care Access Centres
CBR	Cellular and Bimolecular Research
CCTU	Critical Care Transportation Unit
CCTV	Closed Circuit Television
CDP	Chronic Disease Prevention
CFC	Capital from Current
CFO	Chief Financial Officer
CHIN	Refers to a multicultural/multilingual radio station
CIP	Corporate Identity Program
CLRV	Canadian Light Rail Vehicles
CM	City Manager
CMA	Census Metropolitan Area
CNE	Canadian National Exhibition
CNEA	Canadian National Exhibition Association
COLA	Cost of Living Allowance
COTA	City of Toronto Act, 2006
CPI	Consumer Price Index
CPIP	Community Partnership and Investment Program
CREMS	Community Referrals by EMS
CVA	Current Value Assessment
CVOR	Commercial Vehicle Operators Registration
DARP	Development Application Review Project
DBRS	Dominion Bond Rating Service
DC	Development Charge
DCM	Deputy City Manager
DEC	Direct Energy Centre

Acronym/ Abbreviation	Description
DOT	Directly Observed Therapy
DSI	District Service Improvements
DVP	Don Valley Parkway
E&LR	Employee and Labour Relations
EA	Environment Assessment
EDCT	Economic Development Culture and Tourism
EDRMS	Enterprise Document & Records Management Solution
EDS	Electronic Data Systems
EEO	Energy Efficiency Office
EFFS	Electronic Financial Filing System
ETS	Environmental Tobacco Smoke
FIFA	Fédération Internationale de Football Association
EMS	Emergency Medical Services
EPA	Environment Protection Agency
ERCs	Employment Resource Centres
ESS	Employee Self Service
FMRE	Facilities Management and Real Estate
FDI	Foreign Direct Investment
FOI	Freedom of Information
FPARS	Financial Planning and Reporting System
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GFOA	Government Finance Officers Association
GMAC	General Managers Advisor Committee
GR	Growth Related

Acronym/ Abbreviation	Description
GST	Goods and Services Tax
GTA	Greater Toronto Area
GTTA	Greater Toronto Transit Authority
H&S	Health and Safety
HBHC	Healthy Babies Healthy Children
HE	Healthy Environment
HF/HL	Health Families / Healthy Living
HPS	Homelessness Partnering Strategy
HUSAR	Heavy Urban Search & Rescue
HVAC	Heating, Ventilation and Air Conditioning
IAEMD	International Academies of Emergency Medical Dispatch
IBMS	Integrated Business Management System
ICON	Integrated Court Offences Network
IDC	Inter Divisional Charges
IP	Injury Prevention
IPHIS	Integrated Public Health Information System
ISCIS	Integrated Services for Children Information Systems
ISF	Infrastructure Stimulus Fund
IT	Information Technology
ITDS	In the Driver Seat
IVR	Interactive Voice Response
JDA	Joint-Default Analysis
JEPP	Joint Emergency Preparedness Program
LED	Light Emitting Diodes
LEED	Leadership in Energy and Environmental Design

Acronym/ Abbreviation	Description
LHIN	Local Health Integrated Networks
LIMS	Laboratory Information Management System
LRT	Light-rail Transit
LRV	Light Rail Vehicle
LTCA	Long Term Care Act
LTCHS	Long Term Care Homes and Services
LTC	Long Term Care
MBT	Mechanical Biological Treatment
MCCS	Municipal Child Care Services
MFIPPA	Municipal Freedom of Information and Protection of Privacy Act
MLEO	Municipal Law Enforcement Office
MLS	Municipal Licensing Standards
ML&S	Municipal Licensing & Standards division
MLTT	Municipal Land Transfer Tax
MMAH	MMAH - Ministry of Municipal Affairs and Housing
MOE	Ministry of the Environment
MOHLTC	Ministry of Health and Long Term Care
MPAC	Municipal Property Assessment Corporation
MPMP	Municipal Performance Measurement Program
MRAB	Multi Residential Apartment Building
MRF	Material Recovery Facility
MUSH	Municipalities, Universities, Schools and Hospitals
MW	Megawatt
OBCA	Ontario Business Corporation Act



Acronym/ Abbreviation	Description
ODSP	Ontario Disability Support Program
OECD	Organization for Economic Co-operation and Development
OMBI	Ontario Municipal CAOs Benchmarking Initiative
OMB	Ontario Municipal Board
OMPF	Ontario Municipal Partnership Fund
OPHS	Ontario Public Health Standards
OPP	Ontario Provincial Police
OW	Ontario Works
PAD	Public Access Defibrillation
PASO	Pan American Sports Organization
PAYE	Partnership to Advance Youth Employment
PBP	Better Building Partnership Program
PC	Police Constable
PHI	Public Health Inspector
PHIPA	Personal Health Information Privacy Act
PMFSDR	Provincial Municipal Fiscal and Service Delivery Review
POA	Provincial Offences Act
POS	Purchase of Service
PPF&A	Policy, Planning, Finance and Administration
PSAB	Public Sector Accounting Board
PSS	Personal Service Setting
PTMS	Parking Tag Management System
PTOC	Paramedic Transfer of Care
PVT	Personal Vehicle Ownership Tax
RACS	Road Allowance Control System

Acronym/ Abbreviation	Description
RAWF	RAWF - Royal Agricultural Winter Fair
RFP	Request for Proposal
RRAP	Residential Rehabilitation Assistance Program
RT	Rapid Transit
S&P'sd	Standards and Poor's Canada
SAMS	Social Assistance Management System
SARS	Severe Acute Respiratory Syndrome
SASRF	Social Assistance Stabilization Reserve Fund
SCPI	Supporting Communities Partnership Initiatives
SDFA	Social Development, Finance and Administration
SDMT	Service Delivery Model Technology
SHAS	Social Housing Administration System
SLAs	Service Level Agreements
SMIS	Shelter Management Information System
SMP	Substance Misuse Prevention
SOGR	State of Good Repair
SRT	Scarborough Rapid Transit
SSHA	Shelter, Support and Housing Administration
SSO	Source Separated Organics
STEP	Sustainable Technology Evaluation Program
SWM	Solid Waste Management
TAC	Toronto Arts Council
TAF	Toronto Atmospheric Fund
TAMP	Technology Assisted Management Program
TAS	Toronto Animal Shelter

Acronym/ Abbreviation	Description
TAVIS	Toronto Anti-Violence Intervention Strategy
TCEU	Toronto Civic Employees' Union Local
TCHC	Toronto Community Housing Corporation
TCHIS	Toronto Community Health Information System
TDSB	Toronto District School Board
TEDCO	Toronto Economic Development Corporation
TEIS	Toronto Elections Information System
TEO	Toronto Environment Office
TESS	Toronto Employment and Social Services
THEIS	Toronto Healthy Environments Information System
THESI	Toronto Hydro Energy Services Inc.
TKN	Total Kjeldahl Nitrogen
TMMIS	Toronto Meeting Management Information System
TPA	Toronto Port Authority
TPH	Toronto Public Health
TPL	Toronto Public Library
TPS	Toronto Police Service
TRCA	Toronto and Region Conservation Authority
TTC	Toronto Transit Commission
UofT	University of Toronto
WAYS	Web Access to Your Service
WBPP	Works Best Practice Program
WSIB	Workplace Safety and Insurance Board

Acronym/ Abbreviation	Description
YIPI	Youth in Police Initiative
YUS ATO	Yonge-University-Spadina Automatic Train Operation

## Glossary of Terms

**Accrual** - Accounting method that records revenues and expenses when they are incurred, regardless of when cash is exchanged.

**Activity** - A sub-set of the defined service, which includes unique processes and a discrete output delivered to the client(s).

**Agency** - An agency is an organization associated with the City, but operating at arm's-length. An Agency usually operates under a Board of Management appointed by City Council. An agency is referred to in the acronym ABC - Agencies, Boards and Commissions.

**Allocable Service** – A category that will be available when posting financial transactions in SAP. The "allocable service" designation allows costs incurred for multiple services on the same purchase order or cheque request to be temporarily charged to a designated functional area until the split among services can be determined by the division.

**Amortization** – The accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life in a rational and systematic manner appropriate to its nature and use. Depreciation accounting is another commonly used term to describe the amortization of tangible capital assets.

**Approved Complement** - The total number of approved positions that are required to provide the approved level of service for a City Program or Agency. The number of approved positions includes all operating and capital positions (permanently appointed or filled on an acting basis), funded vacancies, position attributes (title, number, position type, position category).

**Approved Position** - An Approved Position is equivalent to a single permanent position regardless of whether it is full-time or part-time.

**Approved Position Year** - An Approved Person Year is an equivalent for a temporary, seasonal, casual or trade position that is calculated in one of three ways:

- A single 35 hour per week position
- A single 40 hour per week position, or
- A combination of part-time positions (less than 35 hours per week) equating to 1820 hours per year (35 hours per week x 52 weeks), or 2080 hours per year for positions less than 40 hours per week (40 hours per week by 52 weeks).

**Assessment** – Value of property determined by Municipal Property Assessment (MPAC) and used by the City as a basis for property taxation.

**Audit** – A systematic and independent examination of books, accounts or statutory records.

**Balanced Budget** – The City of Toronto Act, 2006, states that the budget shall provide that the estimated revenues are equal to the estimated expenditures.

**Benchmarking** - An exercise whereby one organization's results are compared to those of another comparable organization providing the same or similar services based on similar methods of accounting for costs.

**Bonds** – A debt obligation that must be repaid over time.

**Budget** - The financial, operating and management plan for the City that establishes annual appropriations in accordance with the Municipal Act.

**Budget Committee** - The standing committee of City Council, established as part of the new City governance structure, which is mandated to review and recommend on budget matters. The Budget Committee's mandate includes Capital and Operating Budgets, variance reports, and adjustments to budgets during the year. The Committee also plays a key role in coordinating the budget process and submitting a final budget to Council for its consideration. The Budget Advisory Committee carried this mandate in years from the amalgamation of Toronto in 1998 to 2006.

**Budget Scenario** - The term used in SAP to describe a particular data set reflecting all budget detail at a particular point in the review process (as submission, Council approved, etc.). Each scenario includes a number of budget versions in the CO SAP module that represent such analytical categories as projected actuals, adjusted base, base budget changes, new service changes, total budget, future year outlook. For ABCs not using SAP, Forms 14 and 15 provide the Budget Scenario.

**Budget Versions** - In each budget scenario in SAP, the categories of analysis and presentation are in separate structures in the budget module known as versions. The projected actuals, the prior year base budget, the categories of change, service changes, new services, total request, and future year outlook, all exist as separate versions in the SAP CO budget module.

**Business Intelligence (BI)** - The reporting, analysis, and interpretation of business data. When used in the context of the City's SAP system, Business Intelligence (BI) refers to the analytical, reporting and data warehousing solution produced by SAP, also known as Business Objects, or BOBJ (see below).

**Business Process** - A collection of related, structured activities or tasks that produce a specific service or product (serve a particular goal) for a particular customer or customers.

**Business Objects (BOBJ)** - SAP Business Intelligence solution that simplifies data manipulation, allowing users to access, navigate, analyze, format, and share information across a corporate environment.

**Business Transformation** - A key focus area of the FPARS project. The scope of Business Transformation is to:

- 1) develop and evolve the City's service inventory;
- 2) establish a service performance measurement framework;
- 3) modify select processes and policies to support multi-year planning, budgeting and monitoring in a service view; and
- 4) support the organization through a change management strategy and tactics.

**Business Warehouse (BW)** - Related to SAP Business Intelligence (BI), "BW" is used to describe the underlying Data Warehouse Area and its components.

**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 Asset** – A capital asset for capital budget purpose: has physical substance; is owned by the City; is used for the production or delivery of goods or City services; and meet the minimum capital threshold and useful life.

**Capital Budget** - A multi year program adopted by Council comprised of an approved program of capital projects for the current year and a planned program for the succeeding nine years. The multi-year plan covers longer term and one-time expenditures for fixed assets that are more than fifty thousand dollars. It also entails the assumption of debt by the Corporation.

**Capital (Debt) Financing** - Represents the portion of the operating budget required to service the debt assumed by the City from capital expenditures of the current and previous years. It is composed of Capital from Current expenditures and debt charges.

**Capital from Current (CFC)** - Tax levy funds allocated from the current Operating Budget for the funding of capital projects in the Capital Budget.

**Capital Positions** - The term referring to positions funded by Capital projects, funding staff who are working to specifically deliver those projects. The expenditures for Capital Positions are included in the Operating Budget with full recovery from Capital projects.

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

**Capital Program** - A multi-year plan adopted by Council for long-term capital investments in assets and entails the financing of such long term expenditures with capital assessment and assumption of appropriate funding sources. This program lets Council determine long term expenditure priorities, and enables the City to plan long-term debt requirements. The capital program should be linked to individual Program Business Plan.

**Capital Project** - Expenditure for major rehabilitation, replacement and/or expansion of existing assets and infrastructure, and acquisition or creation of new assets. A capital project is a one-time activity with a well-defined set of desired outcomes or end results. It must bring benefit to the organization at least 10-years or longer, the decision usually cannot be changed, and investments are over \$50K. A capital project can be divided into capital sub-projects or sub-tasks that must be performed in order to achieve the desired result. Capital Projects are classified according to the following five categories listed in the order of importance – Health and Safety, Legislated/City Policy, State of Good Repair, Service Improvement and Enhancement, and Growth Related.

**Capital Sub-Project** - Subset or logical components/stages of a major capital project. Individual sub-projects could vary depending on the nature of the project. Example a Park Improvement project could have sub-projects showing individual parks at which the improvement work will be undertaken.

**Cash Flow Carry Forwards** - The projected year-end unspent amount of Council approved previous year cash flow that is necessary to carry forward, in full or part, to complete the capital sub-project / project in the subsequent budget year.

**Categories of Change** - Descriptive categories are used in analysis of the 2009 Operating Budget at the submission phase, as well as analysis and reporting during the review and approval phases of the process. In SAP each category of change is maintained as a separate budget version and a particular stage in the budget version is referred to as a budget scenario. The Operating Budget Impact of Capital Projects will be included in these categories according to how the definitions apply to the nature of these costs. Examples of categories of change are: Base Budget, Adjusted Base Budget, Revenue Change, etc.

**Clerical / Technical / Professional Position** - A clerical / technical / professional position is an Approved Position, which is generally affiliated with CUPE Local 79. A clerical / technical / professional position may be either Full-time or Part-time in status.

**City of Toronto Act, 2006** – Passed by the legislature in June, 2006. The Act allows the City to establish its own governance structure, with enhanced delegation authorities. The Act secures a more enabling legislative framework, commensurate with the City's responsibilities, size and significance. The Act recognizes Toronto as an economic engine of Ontario and Canada with a democratic government that is responsible and accountable. The Act further endorses building a mature relationship with the province based on mutual respect, consultation and cooperation. The Act recognizes the City's authority to enter into agreements with other governments, including the government of Canada.

**Complement Management:** The administration and reporting of the approved and operational complement, including organizational structures, jobs and cost centre assignments (as understood before FPARS), as well as the tracking of vacancies and the impact on positions throughout the year of the funding status (capital vs. operating) and of funding-related changes (e.g. downsizing programs, re-organizations, re-evaluations, pay equity, job and wage grade harmonization).

**Complement Planning:** The business processes for forecasting and establishing the approved complement, including salary dollars and benefits, on an annual and multi-year basis.

**Commitments** – Projected cash flow expenditures beyond the Council approved budget year which require future year cash flow to complete the approved project. In essence it allows a project tender to be executed in the current budget year that requires future year cash flows to complete.

**Community Impact** - Community impact is the measurable change in the level of need of an individual client or the aggregate need of a customer group, directly attributable to the delivery of a service or a program.

**Community Impact Measures** – A performance indicator measuring the impact or benefit that the program / service is having on the communities in relation to the intended purpose or societal outcomes expected.

**Complement** - The number of permanent-equivalent positions including temporary, seasonal, casual and / or trade positions, all expressed in Approved Positions that are required to provide the approved level of service for a particular Program or Agency of the City.

**Complement Management** - Complement Management is the administration of the range of positions, people and structures related to the City as an organization in adherence to its established business processes and operational needs.

**Consumer Price Index (CPI)** – A statistical description of price levels provided by Statistics Canada. The index is used to measure the cost of living.

**Cost Element** - A cost element is a numerical reference to a particular kind of expense or revenue. For instance, 6030 is the cost element denoting "contributions to reserve funds".

**Cost of Living Adjustment (COLA)** – An increase in salaries to offset the adverse effect of inflation on compensation.



**Council Priorities** - Council priorities are outcomes or project outcomes which are to be delivered during the term of Council to support a vibrant and growing city which guides the 2009 Operating and Capital budgets.

**CUPE** – Canadian Union of Public Employees.

**Customers** - In terms of service profiles, customers define a segment of the population that the service is intended to benefit. Public Services have target customers external to the government – individuals, businesses and not-for-profits. Internal Services have public services as their target customers.

**Customer Service Quality Measure** - Measure of customer satisfaction with the service that they receive relative to their needs and expectations.

**Current Value Assessment (CVA)** – The amount of money a willing seller can expect to receive for their property as of date from a prospective buyer.

**Debt** - The amount of all obligations for the payment of interest and principal due by certain agreements and by-laws as incurred by the City of Toronto such as debentures, promissory notes, leases, letters of credit and other financial commitments and guarantees.

**Debt Charges** – The amount of principal and interest payments necessary to retire outstanding debt arising from capital expenditures.

**Debt Financing** - The amount of capital project gross cost that is to be financed with long-term debentures. This is the net amount determined after all other financing sources including GST refunds are considered.

**Development Charges** – Development charges are imposed against new development both residential and non-residential and are the primary funding source for financing Regional growth related capital such as the road network, water and sewer. The rates imposed to Developers are based upon a Council approved Development Charge By-law.

**Efficiencies** - An efficiency measure is a measure of productivity based on dividing the quantity of output (measured in units of deliverables) by the quantity of resources input (usually measured in person hours or dollars).

**Effectiveness / Customer Service Measures** - Effectiveness is a measure of the value or benefit of a service, expressed as the actual change in the specified outcome achieved by delivery of the service. More broadly, an effectiveness measure compares the output of a service, process or resource to its intended contribution to a higher level goal (e.g. the effectiveness of a resource with respect to its contribution to a process, etc.).

**Encumbrance** - Upon approval of projects/sub-projects, programs can begin the RFP process to determine the vendor that will provide goods / services required. Once the vendor's bid is approved, it becomes a legally binding contract hence the value of the bid is an encumbrance and considered spent.

**Estimated Useful Life** - This is an estimation of the time period, usually expressed in years, that the capital asset (project) brings benefit to the organization or a community. This may apply to new sub-project/projects or an addition, alteration or improvement of an existing capital asset.

**Exempt Professional / Clerical Position (individual contributors)** - Any position which is not affiliated with a union, acts as an individual contributor and does not have direct staff reports.

**Expenditure Category (Cost Element) Group** - Expenditure Categories, now called Cost Element Groups in the SAP environment are the high level categories of expenditure and revenue as seen on the budget templates. They are Salaries & Benefits, Materials & Supplies, Equipment, Services and Rents, Contributions and Transfers, Interdivisional Charges and Other on the Expenditure side. On the Revenue side they are Grants from Others, Interdivisional recoveries, User Fees and Other.

**External Financing** - Financing from sources external to the City of Toronto (such as Provincial or Federal subsidy, Corporate Sponsorships, etc.). In addition it includes debt financing as well (see Debt Financing definition below).

**Financial Efficiency** - A measure of the cost of resources per unit of output. In this case, resources are the inputs (e.g, dollars, FTE, employee hours, time). Calculation: input divided by output.

**Fiscal Policy** – A government’s policies with respect to revenues, spending and debt management as these relate to government services, programs and capital investment. Fiscal Policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

**Fiscal Year** – A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. The fiscal year for the City is the calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>).

**Fixed Assets** – Assets that are long-term in nature that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

**Frontline Positions** - Frontline Positions are those approved positions that provide direct service to the public or other consumers.

**Full Time Position** - A full-time position is a position approved as part of the organizational structure for a particular service or program working 35 or 40 hours per week for the full year.

**Fund** – A sum of money made available for a particular purpose

**GAAP** – Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

**Gas Tax** – A share of Provincial and Federal gas tax that is transferred to municipalities to fund public transit systems and other infrastructure.

**Goals** - Goals specify where the organization desires to be in the future within the scope of the stated key business service as it relates to the Program’s mission. Goals provide a framework for the identification of specific, well-defined objectives to be accomplished within specific time frames. Goals are to be pursued over time. The goals that a Program develops should be in support of the key business services and help establish the Program’s direction. These goals provide a unifying theme for activities. Each goal should have at least one objective.

**Grant** - A contribution to the City from a federal or provincial government source to support a particular function, service or program. Grants from other sources should be reported as “Other Income.”

**Growth Related** - A capital project is categorized as growth related if it supports growth and development across the City. Potential development charge revenues could apply to, and be identified for these projects.

**Head Count** - The total number of staff individuals employed by a unit at a particular time, regardless of the nature of their employment: full-time, part-time, seasonal or casual / trades. Currently, the City is using the terminology 'Approved Position' to uniformly report its staffing complement of all statuses.

**Health and Safety** - A capital project is categorized as health and safety if there is an urgent requirement for repairs due to demonstrated concerns for a health and safety hazard.

**Hourly / Operations** - Positions which is either paid on an hourly basis or works directly in operations (maintenance, waste collection, etc.) and that are often associated with TCEU Local 416.

**Internal Financing** - Financing from sources internal to the division or program submitting a capital project including reserve funds, development charges, and other program generated revenues.

**Key Services** - These are the fundamental services critical to the Program's mandate and success. Performance of these services in an exemplary manner will result in the Program achieving its mission.

**Key Customers** - Key Customers are the direct beneficiaries of the service or product provided by a particular program or agency. Key customers may be clients or customer groups, either inside or outside the City, including members or the public or other external entities.

**Legislated or City Policy** - Capital Expenditures required by Provincial or Federal legislation or compliance with City Policy (i.e., environmental initiatives). In the capital project justification section of each business case, the specific legislative or City Council reference will be provided as well as the action required to meet the requirements and timeframe.

**Mature Budget Process** - A budget process that is based on a multi-year view, emphasizes upfront strategic enterprise priority setting, service reviews and public consultation, and focuses on a link between resource allocation decisions and results and outcomes.

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

**Objectives** - Objectives are linked directly to Program goals and are specified, quantified, time-based statements of accomplishments or outcomes which should clearly state the specific results the Program seeks to accomplish. The development of objectives aids decision-making and accountability by focusing on issues and the accomplishment of outcomes and sets the direction for strategies. A Program may have multiple objectives under a single goal. The target indicated for each objective should focus on budgeted results. Example of an objective – develop and implement a cross-shelter case management plan for homeless clients that tracks their visits to all Toronto shelters in a given year by end of the fiscal year.

**Outcome (Results)** - The impacts or consequences for the community, of the activities of government. Outcome reports the results of the service. It can be short-term (immediate success), intermediate-term (success by three-to-six month periods) or long-term (one year or more). OMBI refers to The Ontario Municipal CAO's Benchmarking Initiative; created to make

municipalities across Ontario more innovative and effective through the tracking and sharing of performance statistics and operational best practices.

**Output (Workload)** - The final products or goods and services produced by the organization for delivery to the customer. Output represents the number of units produced or services provided. It represents a measure of the amount of products or services delivered, and quantifies

**OMERS** – Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits to the Region's full-time employees. Employees and employers normally make equal contributions to the plan.

**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.

**Ontario Disability Support Program (ODSP)** - An income and employment support program designed to help people with disabilities live comfortable and productive lives.

**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.

**Other Revenue** - Represents all revenues other than property tax levy, provincial and federal grants, interdivisional recoveries and prior year's surplus. Other Revenue is made up of user fees, fines, interest earnings, and revenues from any other source.

**Outlook** - The Outlook is the anticipated financial plan for a future fiscal year, based on Council approved decisions for the current fiscal year. Outlook information for two future years is part of the Operating Budget submission. Outlooks include the annualized impacts of new / enhanced services, revenue changes or service adjustments approved in a prior year, known cost increments arising from approved multi-year contracts, non-recurring expenditure or revenue adjustments, operating impacts of approved capital projects, step /merit increases, and known Cost of Living adjustments.

**Output** - An output defines the result of a service delivered to a client, measured by quantitative 'units of service delivery'.

**Output Measure** - Measure the number of units of a service or product produced. An example is the tons of curbside waste recycled or cubic metres of water pumped at Pumping Station X.

**Planner Profile** - The Planner Profile determines the planning layout used in planning (SAP). The initial planning screen appears based on the first planning layout defined for a planning area. You can choose "Go to---Next layout" to proceed to the next layout. The Planner Profile is assigned to different user groups and thus controls what objects they are allowed to plan (for example, given cost center and cost element groups).

**Part-Time Position** - A part-time position is a position approved as part of the organizational structure for a particular service or program working less than 35 / 40 hours per week.

**Performance Measure:** Performance measures quantitatively tell us something important about our products, services and the processes that deliver them. They are a tool to help us understand, manage, and improve what our divisions do. Performance measures let us know:

- How well we are doing;
- If we are meeting our goals;

- If our customers are satisfied
- If and where improvements are necessary; and
- If our processes are in the statistical control

**Personnel Expenditure Planning (PEP)** - Functionality in the Public Budget Formulation (PBF) tool that projects salary and benefit costs based on timely HR information (including positions, employees, job profiles, and salary and benefit costs). Using PEP projections, analysts can compare and plan for various contingencies regarding personnel costs during the budget formulation process and mid-year analysis.

**Planned Complement** - The total number of proposed positions before Council approval that are required to provide a level of service for planning and forecasting.

**Presto** – An electronic transit fare card to be used across various GTA transit systems.

**Priority Project** - A degree of important a project is to the Program in achieving the Program's objectives for the planning period. Prioritization may differ from Ranking such that any two projects cannot have the same priority preference number though they may have an equal ranking. Priority shows which projects the Program would prefer over the others if not all projects were allowed for approval. Priorities also show the areas of focus and the strategic direction the Program is heading to. Prioritization should be consistent with the mission and goals of the Program and any deficient areas that need to be addressed during the budget period. Priority numbers should only consist of integers other than zero. Assignments like 0, 1A, 1B, 1.5, 1.75 are not valid priority numbers.

**Product/Types** - This represents a classification of service deliverables.

**Program** - A Division of a Department or an Agency, Board or Commission, which constitutes a service delivery unit and may encompass one or more related municipal services (e.g., the Solid Waste Management program includes a number of services and is a division of Works and Emergency Services Department) and satisfies the following:

- aimed at one or more target groups (e.g., households);
- has program goals defined in social terms with outcomes of public good (e.g., public health); and
- is either mission-driven, (e.g., recreation, or mandate-driven, law-enforcement).

**Program Map** - The visual representation of the services, activities and sub-activities used to reflect the current service output business model. For each division or agency, there is a mission statement. For each identified service, there is a purpose statement.

**Projected Actuals** - Refers to the expected, or anticipated, outcome of the year's expenditure and revenue activities. A recommended approach for departments is to combine actuals year to date as of June 30, plus the balance of the calendarized Council-approved current fiscal year budget. Departments can adjust and update the projected actuals as they see fit. The Projected Actuals are often compared with the current year Budget to determine variances.

**PSAB** - Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (CICA) issues standards and guidance with respect to matters of accounting in the public sector.

**PSAB Section 3150** - Municipal requirement to account for and report on non-financial assets of local governments.

**Ranking Projects** - Ranking is an evaluation of a capital project based on certain criteria. It incorporates and quantifies five Capital Project Categories, (i.e., Health and Safety, Legislated/City Policy, State of Good Repair, Service Improvement and Enhancement, and Growth Related).

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

**Replacement Cost** - Is the cost of replacing the original asset on the basis of current prices (cost). It is not related to the original asset cost.

**Reserve / Reserve Funds** - Reserves and reserve funds have designated purposes and are created through the specific authorizations of Council. All earnings from the investment of reserve funds must form part of the reserve fund, whereas the earnings from reserves flow to the operating budget. The assets of reserve funds are segregated and restricted to the purpose of the reserve funds.

**Revenue** - Income received by an organization for the fiscal year. In the City of Toronto revenue includes tax payments, service (user) fees, transfers from other governments, fines, interest income, etc.

**Salary Gapping** - Unspent salary dollars resulting from position vacancies (e.g. the time a position is unfilled after resignations, unpaid leaves, etc.) Annual unspent salary gapping savings are applied to reduce the corporate tax levy.

**Service** - A detailed account of key offerings that are associated with each program currently delivered by a division.

**Service Level Indicators** - Service Level Indicators express the level and the standard of service provided to key customers or customer groups. Service level indicators may reflect an agreed standard of service (e.g., processing time), a quantitative level of resources or the frequency of service provided (e.g., hectares of parkland per capita), or the supply of service as a percentage of need (e.g., number of subsidized day care spaces provided as a percentage of the number of children in low income families).

**Service Improvement and Enhancement** - A capital project is categorized as service improvement and enhancement if it improves service delivery above the current Council-approved standard or provides for the introduction of new services.

**Service Objective** - A service objective sets out an achievable/measurable action that can be taken in delivering a service in support of the program goal.

**Service Planning** - Service Planning is a key management tool that supports informed operational decisions about: services and service levels; best use of available resources to achieve corporate goals; and cost effective delivery approaches.

**State of Good Repair** - A capital project that allows for the maintenance, repair or replacement of existing assets. This includes asset rehabilitation that extends the useful life of the asset by 10 or more years before replacement is necessary. Asset replacement should be considered, if rehabilitation is not feasible and delayed replacement could result in potential safety hazards. Asset rehabilitation required to meet health and safety issues should be categorized as "Health and Safety".

**Strength** - The number of actual filled staff positions at a specific point in time, whether permanent, seasonal or casual expressed as approved position years.

**Student / Recreation Worker** - A student or recreation worker is one who is employed on a temporary, seasonal or casual basis.

**Support Positions** - Support Positions are those approved positions that are professional, technical or managerial and provide support to the provision of a direct service.

**Targeted Outcomes** - A description or performance measure of the projected result of the implementation or continuance of an Objective or Council Priority within a program service or activity.

**Tax Rate** - A rate used to determine the amount of property tax payable. Taxes on individual properties are calculated by multiplying a property's current value assessment (CVA) by the applicable tax rate.

**Total Gross Expenditures** - Includes all expenditures properly incurred by the Program Area and charged to the Program Area's Budget.

**Total Revenues** - Includes all program-generated revenues (e.g., User Fees), grants and subsidies, internal recoveries and internal financing (e.g., Funding from reserves).

**Units of Service** - Reflects the measurable components of each service deliverable, which illustrates how much service is being provided. These can be identified both in terms of costs and volumes.

**User Fees and Charges** - Includes all program-generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various city permits), encompassing cost elements 8500 to 8680. Donations are not included.

**Vacancy** - A funded, unoccupied position with no commitment (i.e., no base holder or financial commitment).

**Vacancy Management** - The business process to track and report on vacancies.

**Value** - In terms of Service Profiles, value deals with the contribution of a service toward the desired impact on the Customer Group associated with the Service.

**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.

**Variances** - Programs / agencies are expected to clearly detail all assumptions with respect to year-over-year changes, which are greater than \$250,000 or 5% of total gross expenditures. The rationale provided should be based on changes in service levels, objectives or funding requirements.

**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.

**WBS (Work Breakdown Structure)** - The Work Breakdown Structure is the hierarchy that is used within SAP for recording the approved project/sub-project transactions including the budget,

plan, expenditures and revenues. It is within these WBS Elements that the financial status of a project/sub-project can be monitored through system generated reports.

**Zero Based** - The requirement for all expenditures to be fully justified each year without reference to the prior year budget level. All office furniture and consultants are zero based and must be fully supported and justified by supporting documentation.