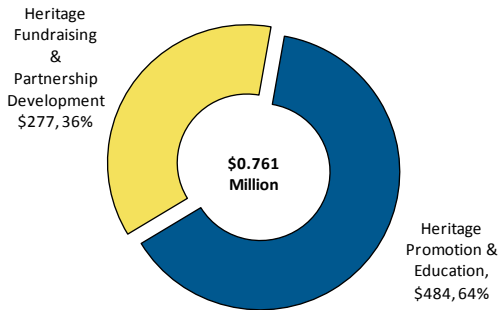


2015 Operating Budget Expenses & Funding

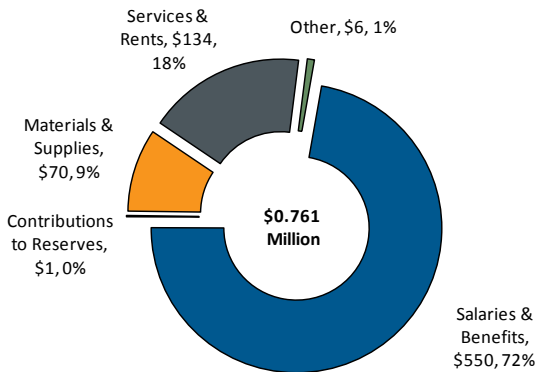
Our Key Challenges & Priority Actions

Where the money goes:

2015 Budget by Service
\$0.761 Million

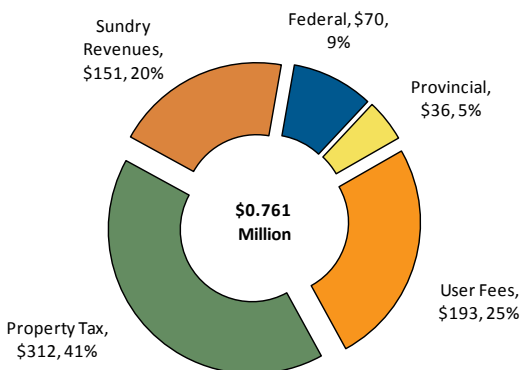


2015 Budget by Expenditure Category



Where the money comes from:

2015 Budget by Funding Source



- **Requirement for Additional Space-** Heritage Toronto needs to secure additional location that will give the Program exhibit and programming space to better partner with community organizations and display Toronto's heritage.
 - ✓ Heritage Toronto is in the process of negotiating with the City of Toronto to finalize the required additional office and programming space.
 - ✓ The new marketing assistant position approved last year will also enable Heritage Toronto to further develop existing and create new opportunities for partnership development and fundraising.

2015 Operating Budget Highlights

- The 2015 Recommended Operating Budget will enable Heritage Toronto to maintain 2014 service levels and continue the following:
 - Deliver various heritage walking, cycling, bus and boutique tours;
 - Create and unveil a number of plaques and markers around the City;
 - Deliver at least one heritage lecture every two months; and
 - Release the *State of Heritage Report*.

Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2015 Recommended Operating Budget for Heritage Toronto of \$0.761 million gross, \$0.312 million net of the following services:

<u>Service</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Heritage Promotion & Education	484.0	111.5
Heritage Fundraising & Partnership Development	277.3	200.3
Total Program Budget	<u>761.3</u>	<u>311.8</u>

2. City Council approve the 2015 recommended service levels for Heritage Toronto as outlined on pages 10 and 12 of this report and associated staff complement of 7 positions.

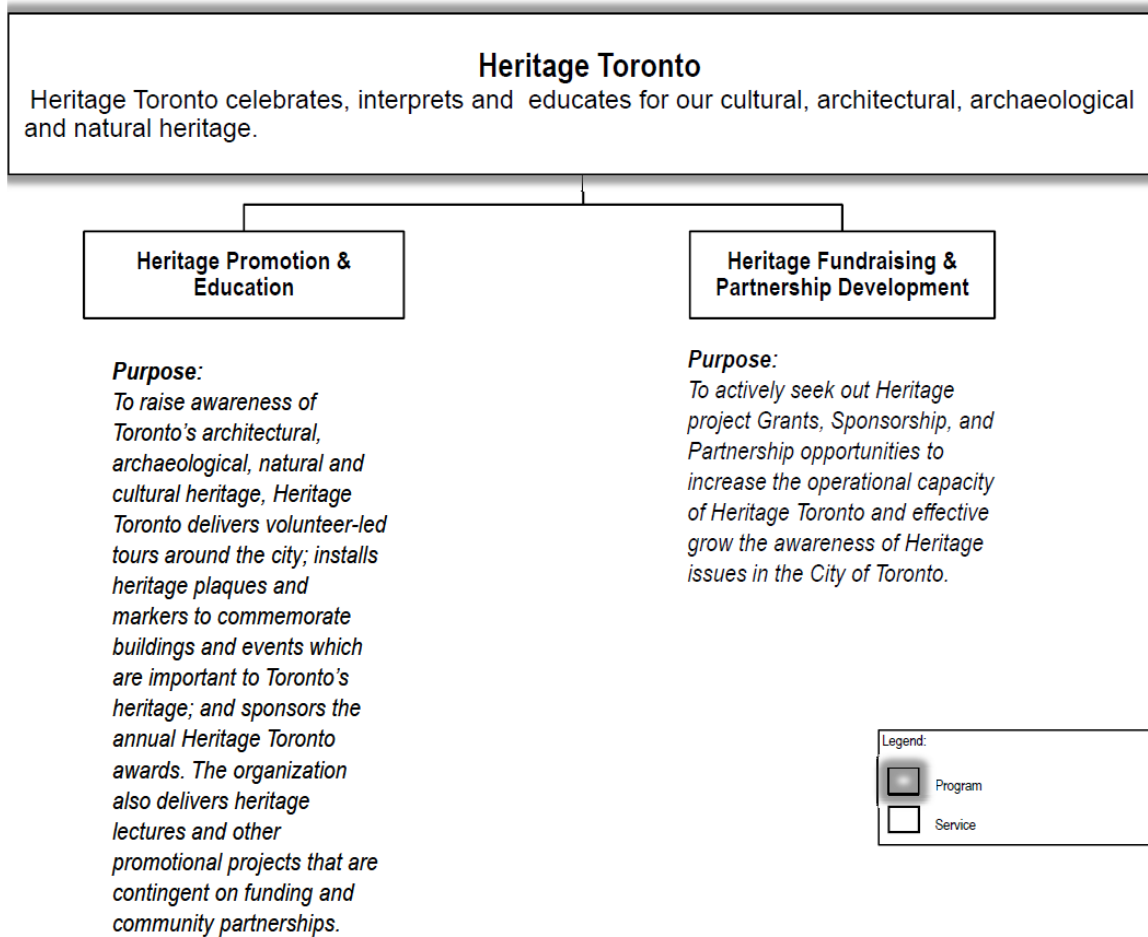


Part I:

2015 – 2017

Service Overview and
Plan

Program Map



2015 Service Deliverables

The 2015 Recommended Operating Budget of \$0.761 million gross and \$0.312 million net for Heritage Toronto will provide funding to:

- Deliver 105 heritage tours (walking, cycling, bus, boutique);
- Create 40 and unveil 15 plaques and markers around the City;
- Deliver 6 heritage lectures;
- Release the *State of Heritage Report*;
- Build public awareness about Toronto's heritage assets;
- Continue to develop Heritage Toronto's social media network to increase marketing for all programs; and
- Continue to develop existing and new partnerships.

Table 1
2015 Recommended Operating Budget and Plan by Service

(In \$000s)	2014		2015 Recommended Operating Budget				Incremental Change 2016 and 2017 Plan				
	Approved Budget	Projected Actual	2015 Rec'd Base	2015 Rec'd New/Enhanced	2015 Rec'd Budget	2015 Rec'd vs. 2014 Budget Approved Changes		2016	2017		
						\$	%			\$	%
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
Heritage Promotion & Education											
Gross Expenditures	497.2	497.2	484.0		484.0	(13.2)	(2.7%)				
Revenue	385.7	385.7	372.5		372.5	(13.2)	(3.4%)				
Net Expenditures	111.5	111.5	111.5	-	111.5	-		-		-	
Heritage Fundraising & Partnership Development											
Gross Expenditures	277.3	277.3	277.3		277.3	-					
Revenue	77.0	77.0	77.0		77.0	-					
Net Expenditures	200.3	200.3	200.3	-	200.3	-		-		-	
Total											
Gross Expenditures	774.5	774.5	761.3		761.3	(13.2)	(1.7%)				
Revenue	462.7	462.7	449.5		449.5	(13.2)	(2.9%)				
Total Net Expenditures	311.8	311.8	311.8	-	311.8	-		-		-	
Approved Positions	7.0	7.0	7.0	-	7.0	-					

The 2015 Recommended Operating Budget for Heritage Toronto of \$0.761 million gross and \$0.312 million net equals the 2014 Approved Budget and meets the budget target of a 0% increase.

- The reduction of \$0.013 million for gross expenditures and revenues, for a net zero change, reflects a reversal of one-time funding for heritage plaques that was approved by Council in 2014.
- The 2015 Recommended Operating Budget does not include any service changes or new and enhanced service priorities.
- The 2016 and 2017 Plans do not reflect any expenditure or revenue changes as Heritage Toronto does not anticipate any service level changes and plans to absorb any future inflationary cost increases.

Approval of the 2015 Recommended Operating Budget will not change Heritage Toronto's total staff complement, as highlighted in the table below:

Table 2
2015 Recommended Total Staff Complement

Changes	2015 Budget			Plan	
	Heritage Promotion & Education	Heritage Fundraising & Partnership	Total	2016	2017
2014 Approved Complement	2.4	4.6	7.0	7.0	7.0
In-year Adjustments					
Adjusted 2014 Staff Complement	2.4	4.6	7.0	7.0	7.0
Recommended Change in Staff Complement					
Prior Year Impact					
Operating Impacts of Completed Capital Project					
Capital Project Delivery					
Base Changes					
Service Changes					
New / Enhanced Service Priorities					
Total	2.4	4.6	7.0	7.0	7.0
Position Change Over Prior Year					
% Change Over Prior Year			0.0%	0.0%	0.0%



Part II:

2015 Recommended
Budget by Service

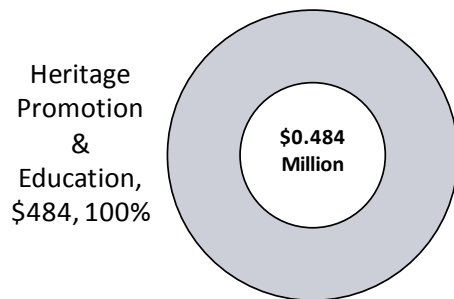
Heritage Promotion & Education



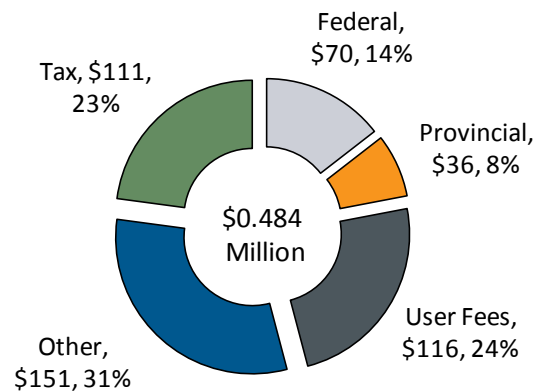
What We Do

- Raise awareness of Toronto's architectural, archaeological, natural and cultural heritage.
- Deliver volunteer-led walks, cycling and bus tours around the City.
- Install plaques and markers to commemorate buildings and events which are important to Toronto's heritage.
- Deliver heritage lectures and other promotional projects that are contingent on funding and community partnerships.

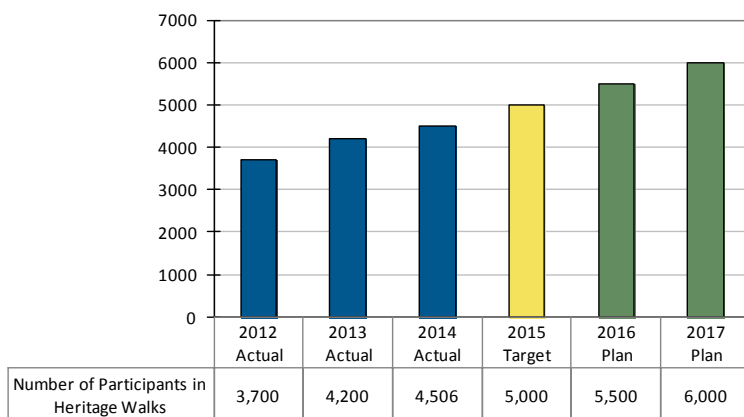
2015 Service Budget by Activity (\$000s)



Service by Funding Source (\$000s)



Key Output Measures



In 2014, 4,506 individuals participated in Heritage Walks.

As popularity of heritage walks grows, the Program set a future target of 5,000 participants in 2015, 5,500 in 2016 and 6,000 in 2017.

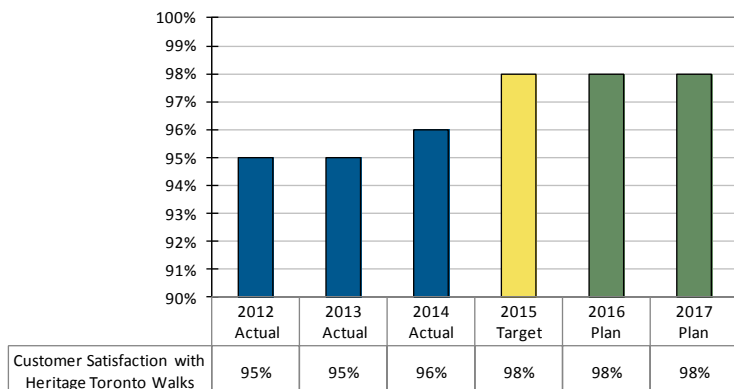
2015 Service Levels Heritage Promotion & Education

Type	Sub-Type	Status	Approved Service Levels			Recommended
			2012	2013	2014	2015
Plaques and Markers		Approved	Install 80 plaques and markers on an annual basis		Install 40 plaques and markers on an annual basis	Install 40 plaques and markers
Heritage Awards		Approved	Annual Heritage Awards presented with a focus on increasing audience to 900 people			Annual Heritage Awards presented with a focus on increasing audience to 900
Heritage Lectures		Approved	Deliver one heritage lecture per quarter			Deliver one heritage lecture every two months
Heritage Tours	Bike Tours	Approved	In pilot phase	Test rides in Etobicoke, Scarborough and North York	10% growth in Bike Tours	10% growth in Bike Tours
	Bus Tours	Approved	Establish programming partnerships	Test tours with City of Toronto Culture and Ontario Black History society	10 % growth in Bus Tours	10% growth in Bus Tours
	Walk Tours	Approved	Increase the number of walks by 10%	Diversity from Walk Tours to Tours Program (i.e. bus, cycling and paid boutique walks)	10% growth in Walk Tours	10% growth in Walk Tours
Liaisons & Consultations		Approved	Have 100% representation of all Heritage organizations to contribute to the performance report	Begin plans for the 2014 Heritage Voices report	Have 100% representation of all Heritage organizations to contribute to the performance report	Have 100% representation of all Heritage organizations to contribute to the performance report
Print/On-line Publications		Approved	Provide new monthly cultural contributions to the on-line publications	Update Wesite to better share archival publications	Provide new monthly cultural contributions to the on-line publications	Provide new monthly cultural contributions to the on-line publications

The 2015 Recommended Service Levels for Heritage Promotion & Education service are consistent with the approved 2014 Service Levels. In 2015, Heritage Toronto will deliver one heritage lecture every two months for a total of 6 lectures a year, which is an increase of 2 lectures per year from 2014.

Customer Satisfaction Measure

Customer Satisfaction with Heritage Toronto Walks



- Heritage measures the satisfaction levels of customers with the Heritage Walks through surveys.
- Customer satisfaction with Heritage Walks has been at 95% in 2012 and 2013 and at 96% in 2014.
- Heritage Toronto is projecting that customer satisfaction will increase to 98% for 2015 and future years.

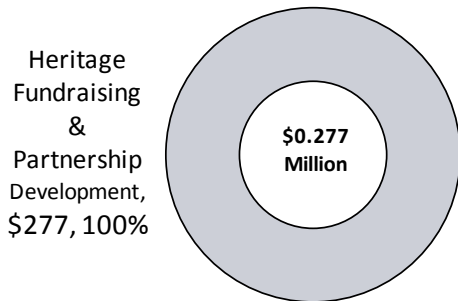
Heritage Fundraising & Partnership Development



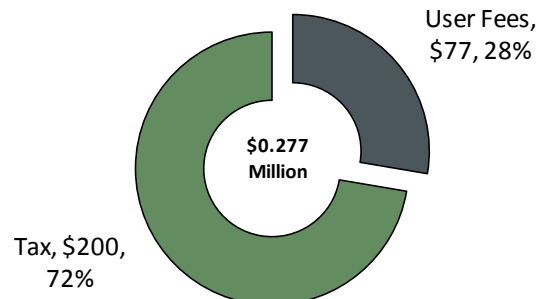
What We Do

- Actively seek out Heritage project grants, sponsorship and partnership opportunities to increase the operational capacity of Heritage Toronto and effectively grow the awareness of heritage issues in the City of Toronto.

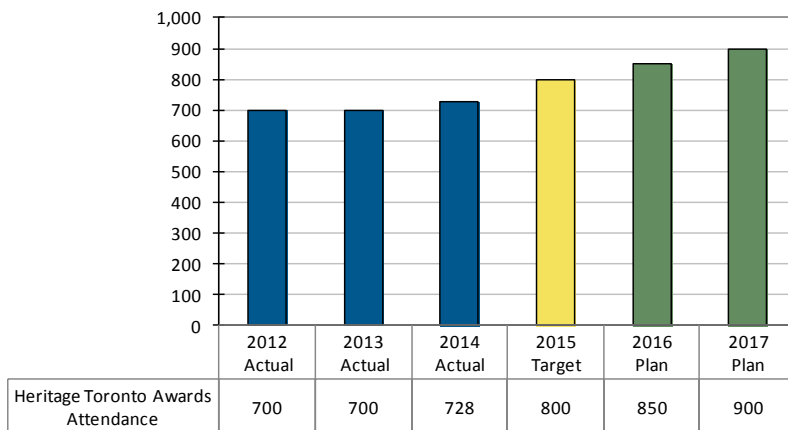
2015 Service Budget by Activity (\$000s)



Service by Funding Source (\$000s)



Key Output Measures



- 700 people attended Heritage Toronto Awards in 2012.
- In 2014, 728 people attended the Awards and it is projected that 800 will attend in 2015 and 850 in 2016.
- Heritage Toronto tracks attendance for the Heritage Awards which create an opportunity for the Program to raise funding through increased sponsorship and awareness of Heritage Toronto's work.

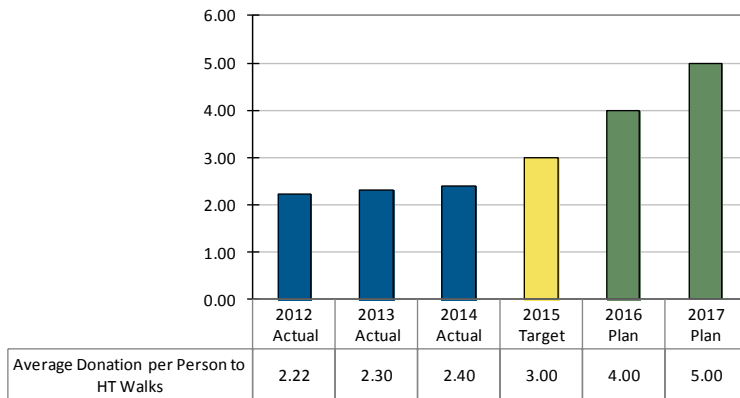
2015 Service Levels Heritage Fundraising & Partnership Development

Type	Status	Approved Service Levels			Recommended
		2012	2013	2014	2015
Federal Grants	Approved	15% of operations funded from Federal Grants	Maintain 15% of operations funded from Federal Grants	15% of operations funded from Federal Grants	15% of operations funded from Federal Grants
Provincial Grants	Approved	25% of operations funded from Provincial Grants	Maintain 25% of operations funded from Provincial Grants	25% of operations funded from Provincial Grants	25% of operations funded from Provincial Grants
Charitable Donations	Approved	In pilot phase	Increase the number of donations to HT by 10%	Increase the number of donations to HT by 10%	Increase the number of donations to HT by 10%
Corporate Sponsorship	Approved	Longterm commitments from corporate sponsors around 5%	Longterm commitments from corporate sponsors around 5%	Longterm commitments from corporate sponsors around 5%	Longterm commitments from corporate sponsors around 5%
Partnerships	Approved	Retain 25% of secured partnership value for Heritage Toronto operations	Retain 25% of secured partnership value for Heritage Toronto operations	Retain 25% of secured partnership value for Heritage Toronto operations	Retain 25% of secured partnership value for Heritage Toronto operations

The 2015 Recommended Service Levels for Heritage Fundraising & Partnership Development service are consistent with the approved 2014 Service Levels.

Outcome Measure

Average Donation per Person to HT Walks



- Heritage Toronto received an average donation of \$2.22 per person for Heritage Toronto Walk in 2012, \$2.30 in 2013 and \$2.40 in 2014.
- In 2015, the Program projects it will achieve an average donation of \$3.00 per person.
- Fundraising and sponsorship are increasingly important revenue generating activity which determines Heritage Toronto's ability to meet its key service objectives and reduce its reliance on City funding.



Appendices:

Appendix 1

2014 Service Performance

2014 Key Service Accomplishments

In 2014, Heritage Toronto accomplished the following:

Programming Expansion

- Increased outreach to heritage and culture sector through the *State of Heritage Report* consultations and programming.
- Expanded Tours Program, including pilots to reach tourism and educational markets, and with tours focused on reaching newcomers and diverse cultural communities.
- Expanded Plaques and Markers Program to meet growing demand.

Marketing and Promotion

- Increased survey response rates and conducted more robust data analysis to inform marketing and programming decisions.

2014 Financial Performance

2014 Budget Variance Analysis

(\$000s)	2012 Actuals	2013 Actuals	2014 Approved Budget	2014 Projected Actuals*	2014 Approved Budget vs. Projected Actual Variance	
	\$	\$	\$	\$	\$	%
Gross Expenditures	692.0	705.2	774.5	774.5		
Revenues	380.2	393.4	462.7	462.7		
Net Expenditures	311.8	311.8	311.8	311.8		
Approved Positions	6.0	6.0	7.0	7.0		

* Based on the 9 month Operating Budget Variance Report

2014 Experience

- Heritage Toronto's Third Quarter Variance report projects that the Program will be on target to spend 100% of the 2014 Approved Net Operating Budget of \$0.312 million by year-end.

Impact of 2014 Operating Variance on the 2015 Recommended Budget

- The 2014 Operating Variance will have no impact on the 2015 Recommended Operating Budget.

Appendix 2

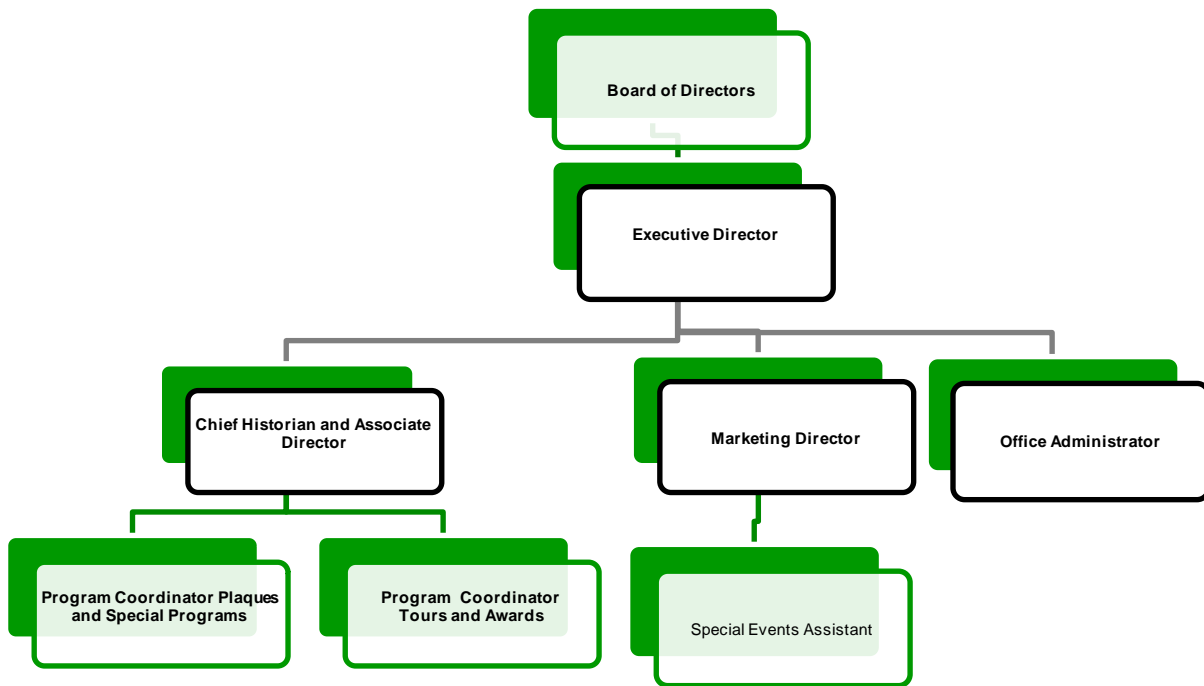
2015 Recommended Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2012	2013	2014	2014	2015	2015 Change from		Plan	
	Actual	Actual	Budget	Projected Actual*	Rec'd Budget	2014 Approved Budget	%	2016	2017
	\$	\$	\$	\$	\$	\$		\$	\$
Salaries and Benefits	476.0	501.1	550.3	550.3	550.3			550.3	550.3
Materials and Supplies	66.6	67.5	70.4	70.4	70.4			70.4	70.4
Equipment									
Services & Rents	146.3	135.1	146.7	146.7	133.5	(13.2)	(9.0%)	133.5	133.5
Contributions to Capital									
Contributions to Reserve/Res Funds	0.9	1.5	1.1	1.1	1.1			1.1	1.1
Other Expenditures	2.2		6.0	6.0	6.0			6.0	6.0
Interdivisional Charges									
Total Gross Expenditures	692.0	705.2	774.5	774.5	761.3	(13.2)	(1.7%)	761.3	761.3
Interdivisional Recoveries									
Provincial Subsidies	29.0	7.3	36.2	36.2	36.2			36.2	36.2
Federal Subsidies	5.6	18.4	70.0	70.0	70.0			70.0	70.0
Other Subsidies									
User Fees & Donations	162.7	154.6	192.5	192.5	192.5			192.5	192.5
Transfers from Capital Fund									
Contribution from Reserve Funds		40.5	13.2	13.2		(13.2)	(100.0%)		
Contribution from Reserve									
Sundry Revenues	182.9	172.6	150.8	150.8	150.8			150.8	150.8
Required Adjustments									
Total Revenues	380.2	393.4	462.7	462.7	449.5	(13.2)	(2.9%)	449.5	449.5
Total Net Expenditures	311.8	311.8	311.8	311.8	311.8			311.8	311.8
Approved Positions	6.0	6.0	7.0	7.0	7.0			7.0	7.0

* Note: Based on the 9 month Operating Budget Variance Report

Appendix 3 2015 Organization Chart



2015 Recommended Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	3.0	3.0	1.0		7.0
Temporary					
Total	3.0	3.0	1.0		7.0

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Table 6

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (\$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2014 \$	Rec'd Withdrawals (-) / Contributions (+)		
			2015 \$	2016 \$	2017 \$
Projected Beginning Balance		21,307.7	21,307.7	756.6	(9,119.3)
Insurance Reserve Fund	XR1010				
<i>Proposed Contributions</i>			1.1	1.1	1.1
Total Reserve / Reserve Fund Draws / Contributions			1.1	1.1	1.1
Other Program / Agency Net Withdrawals & Contributions			(20,552.2)	(9,877.0)	1,119.7
Balance at Year-End		21,307.7	756.6	(9,119.3)	(7,998.5)