



REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

CreateTO 2019 Budget Request

Date: October 19, 2018
To: The Board of Directors of CreateTO
From: Chief Financial Officer
Wards: All

REASON FOR CONFIDENTIAL INFORMATION

This report deals with personal matters about identifiable persons.

SUMMARY

The purpose of this report is to present the 2019 CreateTO Budget for review and approval by the Board.

RECOMMENDATIONS

The Chief Financial Officer recommends that:

1. The Board of Directors of CreateTO recommends that City Council approve CreateTO's 2019 Budget request of \$11.994 million gross, and \$0 net.
2. The Board of Directors of CreateTO direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as it deals with personal matters about identifiable persons.

FINANCIAL IMPACT

Table 1 and 2 below detail the 2019 CreateTO Operating Budget submission to be considered and adopted by the CreateTO board and referred to the 2019 Budget process for Budget Committee and City Council consideration.

Table 1: 2019 Requested Budget

(In \$000s)	2019	2018	Change
Expenses			
Human Resources	10,021	8,798	1,223
Professional Fees	133	776	(643)
Marketing & Communication	266	341	(75)
Board & Professional fees	110	230	(120)
Office Occupancy	707	702	5
Office Services/IT/Travel	757	587	170
Total Expenses	11,994	11,434	560
Revenue			
Contributions from Corporations	11,994	11,434	560
Net Expenditure	0	0	0

Table 2: City Submission Format

(In \$000s)	2018 Approved Budget	2019 Requested Operating Budget				
		Base	New/Enhanced	Total Budget	Total Budget Vs 2018 Approved Budget	
	\$	\$	\$	\$	\$	%
CreateTO						
Gross Expenditures	11,434	11,506	488	11,994	560	4.9%
Revenue	11,434	11,506	488	11,994	560	4.9%
Net Expenditures	0	0	0	0	0	0.0%

The existing operational activities of both Build Toronto Inc. (BT) and Toronto Port Lands Company (TPLC) will be used to fund CreateTO. Therefore, the CreateTO budget will be a net \$0 cost to the City.

Human resource expenses have increased primarily due to; 1) the annual impact of 2018 hires (\$0.5M); 2) Human resources harmonization initiatives (\$0.2M); and 3) 2019 new hires (\$0.5M).

Professional fees have decreased as a result of corporate specific costs (audit, legal and insurance) being recorded as part of the BT and TPLC operating budgets.

Marketing and communication costs have decreased due to one-time website and branding costs related to the agency launch.

Board and professional fees have decreased as a result of board fees being allocated between the agency and corporations (BT and TPLC). Overall fees are also lower due to fewer estimated board meetings in 2019 vs 2018.

Office occupancy costs are in line with 2018 and have been adjusted to reflect actual 2018 costs to date.

Office services, information technology (IT) and travel costs have increased primarily due to IT costs that were previously recorded as capital costs under BT and TPLC and are now being recorded as operating costs as per the City's budget process.

DECISION HISTORY

At its meeting on May 24, 25 and 26, 2017, City Council considered and adopted a new real estate service delivery model for the City government that centralizes all real estate activities City-wide, including all real estate strategy and portfolio planning, major building projects, developments, real estate transactions and facilities management. <https://www.toronto.ca/legdocs/mmis/2017/ra/bgrd/backgroundfile-108969.pdf#page=2>

COMMENTS

CreateTO will follow the City's Budget process, consistent with other Agencies of the City. The recommended Operating Budget, presented in Table 1 and 2, will form part of the City's consolidated Budget.

The Board's recommendation on the Budget, will be forwarded to the City of Toronto's Budget Committee for consideration and recommendation to City Council. Approval of City budgets is anticipated in Q1 2019.

Confidential Attachment 1 represents the significant Human Resources assumptions that were factored in the proposed 2019 Budget for the CreateTO Board's consideration.

CONTACT

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SIGNATURE

Jaspreet Hansra-Kulasingam
Chief Financial Officer

ATTACHMENTS

Confidential Attachment 1 - 2019 Human Resources Budget Assumptions