

# 2020 Budget Notes

## 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 (416) 395-6449 or [Ritu.Sadana@toronto.ca](mailto:Ritu.Sadana@toronto.ca).*

### What we do

As the third largest social assistance delivery provider in Canada, Toronto Employment & Social Services (TESS) manages an average of 83,000 cases (families or singles) each month through a network of 18 offices. Under the authority of the Ontario Works (OW) Act and Regulations, TESS provides employment services, financial assistance and social supports to almost 150,000 Toronto residents in financial need every month. TESS delivers the following services:

- Employment Services
- Integrated Case Management and Service Planning
- Financial Supports

### Why we do it

Together we encourage purpose and possibility to help the people we serve pursue their best lives. Our vision is to achieve improved employment outcomes for OW participants by increasing individual employability with the goal of sustainable employment and increased financial independence. 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;
- effectively serves people needing assistance; and
- is accountable to the taxpayers of both Ontario and the City of Toronto.

### Who we serve

#### Employment Services

- Social Assistance Recipients & Adult Dependants
- Low Income (Unemployed & Under-employed) Toronto Residents
- Employers

#### Beneficiaries

- City Divisions & Agencies
- Community Agencies & Network
- Provincial Ministries

#### Integrated Case Management and Service Planning

- Social Assistance Recipients & Adult Dependants
- Low Income Toronto Residents

#### Beneficiaries

- City Divisions & Agencies
- Community Agencies
- Provincial Ministries

#### Financial Supports

- Social Assistance Recipients & Adult Dependants
- Low Income Toronto Residents

#### Beneficiaries

- City Divisions & Agencies
- Community Agencies
- Provincial Ministries

## Budget at a glance

### STAFF RECOMMENDED OPERATING BUDGET

\$Million	2020	2021	2022
Revenues	\$1,006.9	\$1,005.9	\$1,006.0
Gross Expenditures	\$1,102.1	\$1,103.3	\$1,102.3
Net Expenditures	\$95.2	\$97.4	\$96.3
Approved Positions	1,875.5	1,873.5	1,873.5

### STAFF RECOMMENDED 10-YEAR CAPITAL PLAN

\$Million	2020	2021-2029	Total
Gross Expenditures	\$10.0	\$9.8	\$19.8
Debt	\$6.7	\$8.4	\$15.0

## Key service outcomes

Outcomes	Description
<b>Eligible City residents receive the benefits and services to which they are entitled according provincial legislation and City policy</b>	<ul style="list-style-type: none"> <li>Provincial legislation and directives prescribe program eligibility and entitlement for social assistance benefits (OW).</li> <li>To support program integrity and compliance, and ensure residents receive benefits to which they are entitled, TESS ensures applicants for OW meet eligibility criteria, uses third party checks and validates financial information, conducts eligibility reviews, and establishes and collects overpayments where warranted.</li> </ul>
<b>All OW recipients have an updated and customized service plan</b>	<ul style="list-style-type: none"> <li>Under the OW Act, adults receiving financial assistance are required to participate in approved employment assistance activities as a condition of eligibility.</li> <li>In collaboration with their caseworker, each client has an action-oriented service plan that addresses urgent needs, and identifies next steps to enhance a client's ability to prepare for, find and maintain employment.</li> </ul>
<b>Investments in employment services result in increased access to employment opportunities for social assistance recipients</b>	<ul style="list-style-type: none"> <li>A range of employment services and programs are available to help social assistance clients prepare for, secure and maintain employment, and become financially independent.</li> <li>Client training is purchased from a variety of training and educational providers, including non-profits, social enterprises, colleges, private career colleges and other training providers. Providers must achieve contracted outcomes on an annual basis. Providers with outcomes above established targets may be considered for an increase in contract value in the following year whereas programs that miss their targets will have their contract values reduced or eliminated.</li> </ul>

## Goals and metrics

Planned Activities to Achieve Outcomes		2018 Actual	2019 Projected Actual	2020 Target	Status
	Average monthly OW cases served	83,755	82,000	83,000	<span style="color: green;">●</span>
	\$ benefits paid	\$856m	\$838m	\$865m	<span style="color: green;">●</span>
	Reduce % of caseload on assistance more than 2 years	49%	51%	45%	<span style="color: red;">●</span>

## Our experience and success

- 31,900 OW clients found employment.
- Over 68,600 social assistance recipients have access to discounted TTC fares through the Transit Fair Pass Discount Program.
- To achieve greater employment outcomes for OW clients, new employment training programs have been developed to focus on population-specific supports and sector-specific employment paths.
- Developed and launched a suite of service partnerships and initiatives in the area of mental health, substance use and social supports.
- To improve access, modernize services, and realize efficiencies, launched two new provincial modernization initiatives: MyBenefits self-serve online portal and paperless document storage Electronic Document Management (EDM) project.
- Supported the successful launch of the Human Services Integration (HSI), single access point, Applications and Support Centre (416-338-8888) in December.

## Key challenges and risks

- The Province has announced plans to integrate OW employment programs with Employment Ontario, starting in 2022. It is anticipated that the Province will announce further changes to Social Assistance which may impact Ontario Works and Ontario Disability Support Program recipients as well as program delivery.
- The percentage of OW clients who report significant and often intersecting barriers to employment – i.e. the complexity of client needs -- continues to grow. This coupled with the fact that half of Toronto's OW caseload has been on assistance for more than 24 months impacts clients' employability.
- Requirements (by the Ministry) for OW delivery partners to meet more aggressive compliance, service planning and employment targets in the wake of a 2018/2019 Ontario Auditor General value-for-money audit.

## Priority actions

- Strengthen service planning practices and relationships, to ensure clients are connected to relevant and necessary programs, services, and supports.
- Implement a new suite of contracted employment training programs to increase OW clients' access to employment opportunities.
- Continue to strengthen connections to life stabilization services and supports.
- Continue to modernize social assistance delivery in partnership with the province (e.g. fully implement 'My Benefits' online portal, and Electronic Document Management system).
- Ensure OW offices are accessible to the city's lowest income residents, minimizing client travel time and costs, by relocating three offices.

## Our key service levels



90% of eligibility decisions reached within 4 business days



80% of Service Plans are current



11.9% of caseload with employment income

## Key service deliverables

- Deliver Ontario Works financial assistance and employment benefits to eligible City residents on time and accurately as per provincial legislation and policies.
- Strengthen service planning practices and relationships to enhance client employability and life stabilization (i.e. housing, mental health).
- Increase employment earnings and access to employment opportunities for social assistance recipients.

## RECOMMENDATIONS

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

1. City Council approve the 2020 Staff Recommended Operating Budget for Toronto Employment & Social Services of \$1.102 billion gross, \$95.2 million net for the following services:

<b>Service:</b>	<b>Gross (\$000s)</b>	<b>Revenue (\$000s)</b>	<b>Net (\$000s)</b>
Employment Services	63,475.4	45,967.4	17,508.0
Integrated Case Management and Service Planning	137,304.0	76,816.5	60,487.5
Financial Supports	901,362.9	884,160.3	17,202.6
<b>Total Program Budget</b>	<b>1,102,142.3</b>	<b>1,006,944.2</b>	<b>95,198.1</b>

2. City Council approve the 2020 staff complement for Toronto Employment & Social Services of 1,875.5 positions, comprising 11.0 capital positions and 1,864.5 operating positions.
3. City Council approve the 2020 Staff Recommended Capital Budget for Toronto Employment & Social Services with cash flows and future year commitments totaling \$19.8 million as detailed by project in Appendix 5a.

### Toronto Employment & Social Services:

**Patricia Walcott**

General Manager, Employment  
& Social Services

Tel: (416) 392-8952

Email: [Patricia.Walcott@toronto.ca](mailto:Patricia.Walcott@toronto.ca)

### Corporate:

**Ritu Sadana**

Manager, Financial Planning

Tel: (416) 395-6449

Email: [Ritu.Sadana@toronto.ca](mailto:Ritu.Sadana@toronto.ca)

# **2020 STAFF RECOMMENDED OPERATING BUDGET**

## 2020 OPERATING BUDGET OVERVIEW

Table 1: 2020 Staff Recommended Operating Budget by Service

(\$000s)	2018 Actual	2019 Projected Actual	2020 Base Budget	2020 New / Enhanced	2020 Staff Rec'd Budget	Change v. 2019 Projected Actual	
	\$	\$	\$	\$	\$	\$	%
<b>By Service</b>							
<b>Revenues</b>							
Employment Services	45,291.5	45,898.6	45,967.4		45,967.4	68.8	0.1%
Integrated Case Management and Service Planning	78,870.2	76,516.7	76,816.5		76,816.5	299.8	0.4%
Financial Supports	874,186.1	854,122.5	884,160.3		884,160.3	30,037.9	3.5%
<b>Total Revenues</b>	<b>998,347.8</b>	<b>976,537.8</b>	<b>1,006,944.2</b>	<b>0.0</b>	<b>1,006,944.2</b>	<b>30,406.5</b>	<b>3.1%</b>
<b>Expenditures</b>							
Employment Services	62,472.7	61,509.8	63,475.4		63,475.4	1,965.6	3.2%
Integrated Case Management and Service Planning	138,883.4	132,432.0	137,304.0		137,304.0	4,872.0	3.7%
Financial Supports	887,994.9	871,250.9	901,362.9		901,362.9	30,112.0	3.5%
<b>Total Gross Expenditures</b>	<b>1,089,351.0</b>	<b>1,065,192.8</b>	<b>1,102,142.3</b>	<b>0.0</b>	<b>1,102,142.3</b>	<b>36,949.5</b>	<b>3.5%</b>
<b>Net Expenditures</b>	<b>91,003.1</b>	<b>88,655.0</b>	<b>95,198.1</b>	<b>0.0</b>	<b>95,198.1</b>	<b>6,543.1</b>	<b>7.4%</b>
<b>Approved Positions</b>	<b>1,905.0</b>	<b>1,907.0</b>	<b>1,875.5</b>		<b>1,875.5</b>	<b>(31.5)</b>	<b>(1.7%)</b>

\*2019 Budget and Actuals (based on Q3 2019) adjusted retroactively to remove interdepartmental charges and recoveries.

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2020 Base Budget** expenditures of \$1.102 billion gross are up \$36.9 million or 3.5% above 2019 projected year-end actuals, predominantly arising from:

- Increase in 100% provincially funded financial, medical, and employment benefits for eligible social assistance recipients totaling \$21.6 million;
- Due to provincial funding uncertainty at the beginning of 2019, TESS delayed hiring to replace staff lost through attrition. Salaries and benefits budgeted for 2020 are \$8.3 million higher than the 2019 projected actuals due to the full-year impact of staff hired in the fourth quarter of 2019.

Requested positions for 2020 reflects provincial program funding for 2020, forecasted caseload of 83,000 and requirements by the Ministry for OW delivery partners to meet compliance, service planning and more aggressive employment targets in the wake of the 2018/2019 Ontario Auditor General value-for-money audit. Failure to achieve employment targets could result in a loss of provincial funding of up to \$8.8 million annually.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** There are no significant equity impacts from the changes in Toronto Employment & Social Services' 2020 Staff Recommended Operating Budget.

**2020 STAFF RECOMMENDED OPERATING BUDGET KEY DRIVERS**

The 2020 Staff Recommended Operating Budget for Toronto Employment & Social Services is \$1.102 billion gross or 3.5% higher than the 2019 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes Other Efficiencies / Savings.

**Table 2a: 2020 Key Drivers – Base Budget**

Key Cost Drivers (\$000)	2018 Actuals	2019 Proj. Actuals	2020 Staff Rec'd Base Budget	Year over Year Changes	
				\$	%
<b>Expenditures</b>					
1 Salaries and Benefits	176,801.4	171,528.0	179,804.8	8,276.8	4.8%
2 Materials & Supplies	10,706.1	10,421.7	12,944.9	2,523.2	24.2%
3 Equipment	1,947.2	388.2	1,165.0	776.8	200.1%
4 Service and Rent	77,308.4	71,775.6	83,334.4	11,558.8	16.1%
5 Contribution To Reserves	1,147.2	2,005.7	2,005.7		
6 Other Expenditures	821,440.6	809,073.6	822,887.5	13,813.9	1.7%
<b>Total Expenditures</b>	<b>1,089,351.0</b>	<b>1,065,192.8</b>	<b>1,102,142.3</b>	<b>36,949.5</b>	<b>3.5%</b>
<b>Revenues</b>					
1 Provincial Subsidies	981,544.8	963,164.8	981,742.7	18,577.9	1.9%
2 User Fees & Donations	0.9				
3 Transfers From Capital	558.4	1,564.3	1,425.9	(138.4)	-8.9%
4 Other Revenues	16,243.7	11,808.6	23,775.7	11,967.0	101.3%
<b>Total Revenues</b>	<b>998,347.8</b>	<b>976,537.8</b>	<b>1,006,944.2</b>	<b>30,406.5</b>	<b>3.1%</b>
<b>Net Expenditures</b>	<b>91,003.1</b>	<b>88,655.0</b>	<b>95,198.1</b>	<b>6,543.1</b>	<b>7.4%</b>

\*2019 Q3 Proj Actuals and 2018 Actuals adjusted retroactively to remove interdepartmental charges and recoveries

**Salaries & Benefits:**

- Includes inflationary cost increases on existing salaries and benefits and resetting the budget to represent full year costs of staff hired in Q4 2019.

**Materials and Supplies:**

- The medical benefits 2020 budget has been reset at the 2019 provincial funding cap which is \$2.5 million higher than the 2019 projected actuals. These expenditures, including funerals, adult dental, and prosthetics are funded 100% by the province up to the funding cap and 100% by the City above the cap.

**Service and Rent:**

- Includes increases in 100% provincially funded OW financial, medical and employment client benefits; the Housing Stabilization Fund which is funded by provincial CHPI funding; and \$2.3 million in one-time expenditures for the Electronic Document Management project as a service modernization initiative to digitize client files.

**Other Expenditures:**

- Reflects caseload driven, 100% provincially funded OW financial and employment client benefits.

**Table 2b: Other Efficiencies / Savings**

(\$000s)											
Recommendation	Type	2020				2021			2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions	Gross	Net	Positions
Reduce OW Caseload	Line by Line	(26,313.3)	(29,428.8)	(3,115.5)	(31.5)	(48.6)	(48.6)	-	(53.5)	(53.5)	-
Human Services Integration	Efficiencies								(2,391.0)	(2,391.0)	
Budget Increase/(Decrease)		(26,313.3)	(29,428.8)	(3,115.5)	(31.5)	(48.6)	(48.6)		(2,444.5)	(2,444.5)	

- The average monthly caseload represents the number of families and singles served during the year and is the Program's key budget driver. Caseload was increased by 2,000 to 86,000 in the 2019 budget due to expectations that a continued growth in refugee cases and OW policy changes would put upward pressure on the caseload. While refugee cases have increased as expected, the overall caseload declined from 83,755 in 2018 to a projected 82,000 in 2019 as economic growth remained strong and OW policy changes were not implemented.
- Caseload for 2020 has been budgeted at 83,000, 3,000 cases lower than budgeted for 2019 but 1,000 cases higher than the 82,000 cases projected for 2019 due to expectations of slower economic growth and a continued increase in refugee claimant cases.
- The Human Services Integration project is a partnership between Children's Services, Shelter Support and Housing Administration, and TESS to integrate access and intake to income support programs. This project will implement an integrated contact centre, an integrated client profile and a Client Relationship Management (CRM) system. The Human Services Integration project is expected to generate net annual operating savings of \$2.391 million across the three divisions beginning in 2022.

**Note:**

1. For additional information on 2020 key cost drivers refer to [Appendix 1](#).

**2021 & 2022 OUTLOOKS****Table 3: 2021 and 2022 Outlooks**

(\$000s)	2019 Projected Actual	2020 Staff Rec'd Budget	2021 Outlook	2022 Outlook
	\$	\$	\$	\$
Revenues	976,537.8	1,006,944.2	1,005,924.2	1,005,973.3
Gross Expenditures	1,065,192.8	1,102,142.3	1,103,348.6	1,102,262.8
<b>Net Expenditures</b>	<b>88,655.0</b>	<b>95,198.1</b>	<b>97,424.4</b>	<b>96,289.5</b>
<b>Approved Positions</b>	<b>1,907.0</b>	<b>1,875.5</b>	<b>1,873.5</b>	<b>1,873.5</b>

\*2019 Q3 Projected Actuals adjusted retroactively to remove interdepartmental charges and recoveries

**Key 2021 drivers****Impacts of 2020 decisions**

- The 2020 budget includes \$2.3 million gross and \$1.4 million net in one-time expenditures for a service modernization initiative, the Electronic Document Management project to digitize client files. These costs are one-time and will not be required in 2021.
- The four office renovation/relocation projects included for capital funding in 2020 as noted in Appendix 5a will require operating funding of \$1.4 million for additional lease costs during the retrofit of the new offices.

**Salaries and Benefits**

- The 2021 impact of inflationary increases in salaries and benefits is \$2.3 million.

**Key 2022 drivers****Salaries and Benefits**

- The 2022 impact of inflationary increases in salaries and benefits is \$2.8 million.

**Operating Impact of Capital**

- Completion of TESS' four office renovation/relocation projects and the Human Services Integration project (HSI) will generate net savings of \$2.5 million in 2022, \$0.1 million from the four renovation/relocation projects and \$2.4 million from HSI across the three divisions.

## How well we are doing

### Performance measures

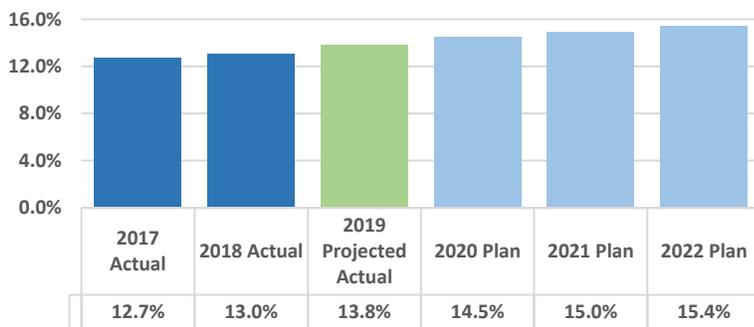
#### % of eligibility decisions reached within 4 business days



### Behind the numbers

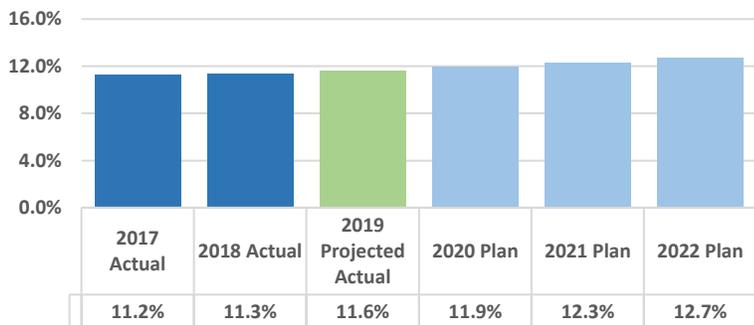
- The increase in the % of eligibility decisions reached within 4 business days over the past two years is due to the successful implementation of the Service Delivery (Access) Model, which reduced the average amount of time it takes to make an eligibility decision.

#### % of Terminations Exiting to Employment



- % of terminations exiting to employment measures the proportion of cases that left the OW caseload that reported finding employment.
- While an increasing percentage of the OW caseload is more distant from the labour market and requires more intensive support to transition to employment, TESS is projecting continuing improvements in 2020 due to an increased emphasis on Employment Service planning, Workforce development initiatives, and implementation of new contracted employment programs.

#### % of Caseload with Employment Earnings

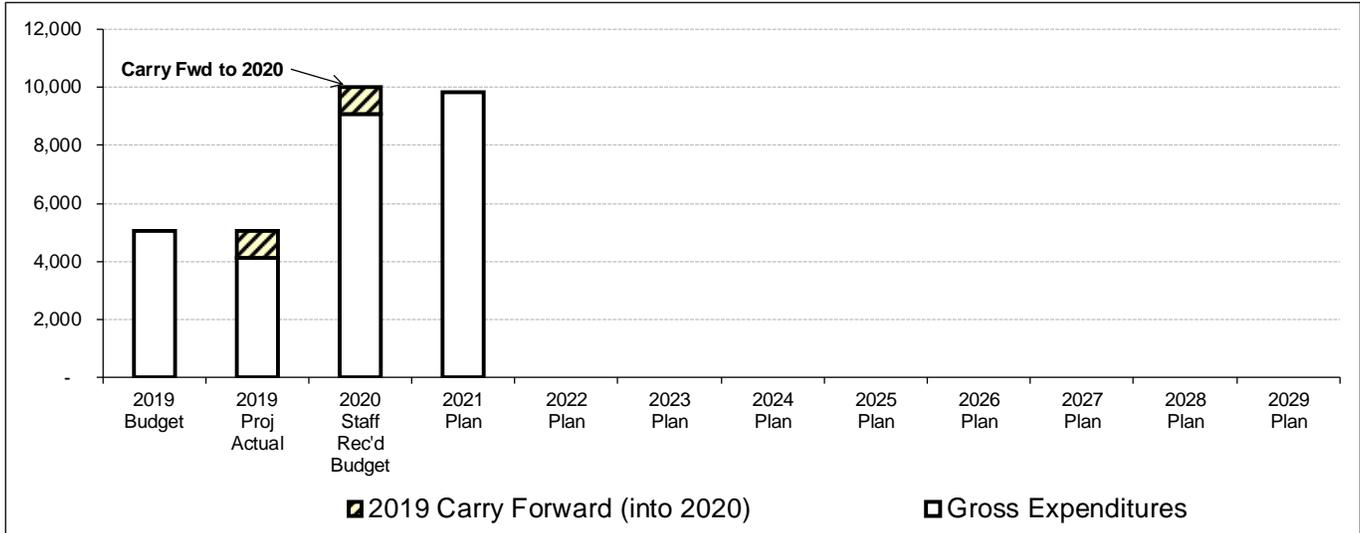


- On average in 2019, 8,400 or 11.6% of the City's OW caseload are working and earning employment income.
- Through strengthened service planning practices and relationships, TESS is targeting continued improvements in 2020.

# **2020 – 2029 STAFF RECOMMENDED CAPITAL BUDGET AND PLAN**

**2020 – 2029 CAPITAL BUDGET & PLAN OVERVIEW**

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



		2020 Staff Recommended Capital Budget and 2021 - 2029 Capital Plan										
		2019		2020	2021	2022	2023	2024	2020 - 2024	2025- 2029	Total 10 Year Plan	
		Budget	Projected Actual									
<b>Gross Expenditures by Project Category:</b>												
Service Improvement & Growth		5,042	3,820	9,991	9,835				19,826	-	19,826	
<b>Total by Project Category</b>		<b>5,042</b>	<b>3,820</b>	<b>9,991</b>	<b>9,835</b>	-	-	-	<b>19,826</b>	-	<b>19,826</b>	
<b>Financing:</b>												
Debt		250	-	6,676	8,366				15,042		15,042	
Reserves/Reserve Funds		4,792	3,820	3,315	1,469				4,784		4,784	
<b>Total Financing</b>		<b>5,042</b>	<b>3,820</b>	<b>9,991</b>	<b>9,835</b>	-	-	-	<b>19,826</b>	-	<b>19,826</b>	

<b>Changes to Existing Projects</b> (\$0.0M)	<b>New Projects</b> (\$15.0M)	<b>Capital Needs Constraints</b> (\$0.0M)
	<ul style="list-style-type: none"> <li>Beaches office renovation (\$3.6 million)</li> <li>Relocation of three TESS offices (\$11.4 million) to better meet the needs of residents. The new locations are close to clients and community partners and more accessible by means of public transit</li> </ul>	

**Note:**

For additional information, refer to [Appendix 5](#) for a more detailed listing of the 2020 and 2021-2029 Capital Budget & Plan by project; and [Appendix 6](#) for Reporting on Major Capital Projects – Status Update, respectively.

**2020 – 2029 CAPITAL BUDGET AND PLAN****\$19.8 Million 10-Year Gross Capital Program**

	
<b>Aging Infrastructure</b>	<b>Information Technology</b>
\$15.0 M 76%	\$4.8 M 24%
TESS office renovation / relocation projects	Human Services Integration project

**How the Capital Program is Funded**

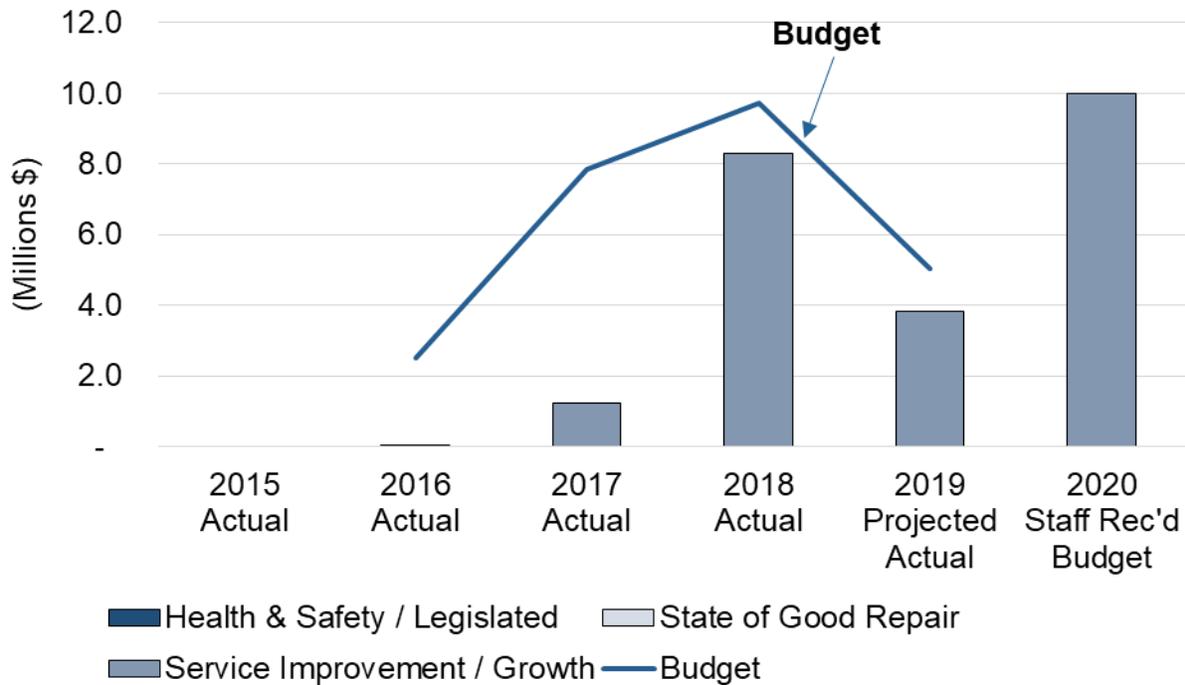
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$19.8 M</b> <b>100%</b>		<b>\$0 M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Debt	\$ 15.0 M		
Reserve Draws	\$ 4.8 M		

**CAPACITY TO SPEND REVIEW**

The Recommended 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 Employment & Social Services ability to spend and the markets capacity to deliver.

The 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 2019 underspending that will be carried forward into 2020 to complete capital work.

**Chart 2 – Capacity to Spend**



Category (in \$ Million)	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Projected Actual	2020 Staff Rec'd Budget
Health & Safety / Legislated	-	-	-	-	-	-
State of Good Repair	-	-	-	-	-	-
Service Improvement / Growth	-	0.0	1.2	8.3	3.8	10.0
<b>Total</b>	-	<b>0.0</b>	<b>1.2</b>	<b>8.3</b>	<b>3.8</b>	<b>10.0</b>
<b>% Spent</b>	<b>0%</b>	<b>0%</b>	<b>16%</b>	<b>85%</b>	<b>76%</b>	

**Capacity to Spend Review Impact on the Recommended 10-Year Plan**

Based on a review of historical capital spending constraints, \$0.260 million in capital spending for the Human Services Integration project originally cash flowed in 2020 has been deferred to 2021.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2020 Capital Budget will have no impact on the 2020 Operating Budget. The Staff Recommended 10-Year Capital Plan will result in a one-time cost of \$1.377 million net in 2021 for additional lease costs during the retrofit of the new offices as shown in Table 4 below.

Future year efficiency savings of \$2.533 million net annually will commence in 2022, \$0.142 million due to lower lease costs in the new offices and \$2.391 million net annually collectively in the Operating Budgets of the three partnering divisions, (TESS, Children's Services, and Shelter Support and Housing Administration) upon completion of the Human Services Integration project.

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

Projects	2020 Budget		2021 Plan		2022 Plan		2020 - 2024		2020 - 2029	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>										
<i>Human Services Integration</i>	-	-	-	-	(2,391)	-	(2,391)	-	(2,391)	-
<b>Sub-Total: Previously Approved</b>	-	-	-	-	(2,391)	-	(2,391)	-	(2,391)	-
<b>New Projects - 2019</b>										
<i>Office Renovation / Relocation</i>	-	-	1,377	-	(142)	-	1,236	-	1,236	-
<b>Sub-Total: New Projects - 2019</b>	-	-	1,377	-	(142)	-	1,236	-	1,236	-
<b>Total</b>	-	-	1,377	-	(2,533)	-	(1,155)	-	(1,155)	-

# APPENDICES

## Appendix 1

## 2020 Staff Recommended Operating Budget by Expenditure Category

Category (In \$000s)	2017	2018	2019	2019	2020	2020 Change from 2019	
	Actual	Actual	Budget	Projected Actual *	Total Staff Recommended Budget	Projected Actual	%
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	948,756.4	981,544.8	1,024,466.3	963,164.8	981,742.7	18,577.9	1.9%
Federal Subsidies							
Other Subsidies							
User Fees & Donations	0.2	0.9					
Licences & Permits Revenue							
Transfers From Capital		558.4	1,431.9	1,564.3	1,425.9	(138.4)	(8.9%)
Contribution From Reserves/Reserve Funds	10,384.9	3,132.6	14,529.7	(381.7)	8,794.4	9,176.1	(2403.8%)
Sundry and Other Revenues	15,764.4	11,537.6	14,035.9	10,865.2	14,022.4	3,157.2	29.1%
Inter-Divisional Recoveries	642.0	1,573.5	1,236.6	1,325.1	958.9	(366.3)	(27.6%)
<b>Total Revenues</b>	<b>975,547.9</b>	<b>998,347.8</b>	<b>1,055,700.4</b>	<b>976,537.8</b>	<b>1,006,944.2</b>	<b>30,406.5</b>	<b>3.1%</b>
Salaries and Benefits	183,862.4	176,801.4	180,609.1	171,528.0	179,804.8	8,276.8	4.8%
Materials & Supplies	10,626.4	10,706.1	12,915.3	10,421.7	12,944.9	2,523.2	24.2%
Equipment	701.2	1,947.2	430.5	388.2	1,165.0	776.8	200.1%
Service and Rent	78,288.9	77,308.4	83,453.1	71,775.6	83,334.4	11,558.8	16.1%
Contribution To Capital	350.0						
Contribution To Reserves/Reserve Funds	1,143.3	1,147.2	2,005.7	2,005.7	2,005.7		
Other Expenditures	793,941.5	803,910.8	849,696.0	792,330.6	805,003.2	12,672.6	1.6%
Inter-Divisional Charges	17,170.5	17,529.8	17,952.3	16,743.0	17,884.3	1,141.3	6.8%
<b>Total Gross Expenditures</b>	<b>1,086,084.2</b>	<b>1,089,351.0</b>	<b>1,147,062.1</b>	<b>1,065,192.8</b>	<b>1,102,142.3</b>	<b>36,949.5</b>	<b>3.5%</b>
<b>Net Expenditures</b>	<b>110,536.3</b>	<b>91,003.1</b>	<b>91,361.7</b>	<b>88,655.0</b>	<b>95,198.1</b>	<b>6,543.1</b>	<b>7.4%</b>
<b>Approved Positions</b>	1,998.0	1,905.0	1,907.0	1,907.0	1,875.5	(31.5)	(1.7%)

\* Year-End Projection Based on Q3 2019 Variance Report

\*\* Prior Year Budget and Actuals adjusted retroactively to remove interdepartmental charges and recoveries

## **Appendix 2**

### **Summary of 2020 Service Changes**

**N/A**

## **Appendix 3**

### **Summary of 2020 New / Enhanced Service Priorities Included in Budget**

**N/A**

## **Appendix 4**

### **Summary of 2020 New / Enhanced Service Priorities Not Included in Budget**

**N/A**

### Appendix 5

#### 2020 Capital Budget; 2021 - 2029 Capital Plan Including Carry Forward Funding

Project Code	(In \$000s)	2020 Budget	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2020 - 2029 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
SS906	HSI' Phase 2	3,315	1,469	-	-	-	-	-	-	-	-	4,783			4,783
SS907	Office Renovation / Relocation	6,676	8,366	-	-	-	-	-	-	-	-	15,042			15,042
	<b>Total Expenditures (including carry forward from 2019)</b>	<b>9,991</b>	<b>9,835</b>	<b>-</b>	<b>19,826</b>	<b>-</b>	<b>-</b>	<b>19,826</b>							

### Appendix 5a

#### 2020 Cash Flow and Future Year Commitments Including Carry Forward Funding

Project Code	(In \$000s)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	Total 2020 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
SS906	HSI' Phase 2	3,315	1,469	-	-	-	-	-	-	-	-	4,783	4,783		
SS907	Office Renovation / Relocation	6,676	8,366	-	-	-	-	-	-	-	-	15,042			15,042
	<b>Total Expenditure (including carry forward from 2019)</b>	<b>9,991</b>	<b>9,835</b>	<b>-</b>	<b>19,826</b>	<b>4,783</b>	<b>-</b>	<b>15,042</b>							

The 2020 Cash Flow and Future Year Commitments as noted in the table above, reflects a sub-set of the 10-Year Capital Plan. This sub-set consists of 2020 and future year cash flow funding estimates for projects that have either previously received Council approval or will require approval in 2020 to begin, continue or complete capital work. This approval will enable Employment & Social Services to begin work and/or commit funding for expenses that may not be incurred until 2021 or future years.

### Appendix 5b

#### 2021 - 2029 Capital Plan

N/A

## Appendix 6

### Reporting on Major Capital Projects: Status Update

Division/Project name	2019 Cash Flow			Total Project Cost		Status	Start Date	End Date		On Budget	On Time
	Appr.	YTD Spend	YE Projec Spend	Appr. Budget	Life to Date			Planned	Revised		
<b>Employment &amp; Social Services</b>											
Human Services Integration Phase 2	4,726	1,640	3,829	9,823	2,899	On Track	Jan-18	Dec-21	N/A	Ⓞ	Ⓞ
Comments:	The Applications and Support Centre (ASC), the new integrated channel for phone-based applications and support for Ontario Works, rent geared to income housing subsidy and child care fee subsidy, is scheduled to launch on December 2, 2019.										
Explanation for Delay:	N/A										

- On/Ahead of Schedule Ⓞ >70% of Approved Project Cost
- Minor Delay < 6 months Ⓢ Between 50% and 70%
- Significant Delay > 6 months Ⓡ < 50% or > 100% of Approved Project

## Appendix 7

### Summary of Capital Needs Constraints

N/A

## Appendix 8

### 2020 User Fee Changes (Excludes User Fees Adjusted for Inflation)

N/A

## Appendix 9

**Inflows and Outflows to/from Reserves and Reserve Funds**  
**2020 Operating / Capital Budget**

**Program Specific Reserve / Reserve Funds**

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2019 *	Withdrawals (-) / Contributions (+)		
			2020	2021	2022
		\$	\$	\$	\$
<b>Beginning Balance</b>		32,210.7	32,210.7	25,738.5	19,401.4
National Child Benefit Supplement	XR2102				
<i>Withdrawals (-)</i>			(6,794.4)	(6,594.4)	(7,488.6)
<i>Contributions (+)</i>			322.1	257.4	194.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		-	(6,472.3)	(6,337.0)	(7,294.6)
<b>Balance at Year-End</b>		32,210.7	25,738.5	19,401.4	12,106.8

\* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2019 *	Withdrawals (-) / Contributions (+)		
			2020	2021	2022
		\$	\$	\$	\$
<b>Beginning Balance</b>		3,675.6	3,675.6	2,212.3	734.4
Kids At Compu Scholarship Proj Res Fund	XR2104				
<i>Withdrawals (-)</i>			(1,500.0)	(1,500.0)	(605.8)
<i>Contributions (+)</i>			36.8	22.1	7.3
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		-	(1,463.2)	(1,477.9)	(598.5)
<b>Balance at Year-End</b>		3,675.6	2,212.3	734.4	136.0

\* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2019 *	Withdrawals (-) / Contributions (+)		
			2020	2021	2022
		\$	\$	\$	\$
<b>Beginning Balance</b>		18,426.8	18,426.8	18,611.1	18,797.2
Ontario Works	XR2101				
<i>Withdrawals (-)</i>			-	-	-
<i>Contributions (+)</i>			184.3	186.1	188.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		-	184.3	186.1	188.0
<b>Balance at Year-End</b>		18,426.8	18,611.1	18,797.2	18,985.2

\* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2019 *	Withdrawals (-) / Contributions (+)		
			2020	2021	2022
		\$	\$	\$	\$
<b>Beginning Balance</b>		14,612.5	14,612.5	13,007.7	12,018.1
Social Assistance Stab Reserve	XQ1054				
<i>Operating Budget Withdrawals (-)</i>			(500.0)	(500.0)	(500.0)
<i>Capital Budget Withdrawals (-)</i>			(1,104.8)	(489.6)	-
<i>Contributions (+)</i>					
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		-	(1,604.8)	(989.6)	(500.0)
<b>Balance at Year-End</b>		14,612.5	13,007.7	12,018.1	11,518.1

\* Based on 9-month 2019 Reserve Fund Variance Report

## Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2020 \$	2021 \$	2022 \$
<b>Beginning Balance *</b>		29,462.41	26,435.42	23,282.94
<b>Insurance Reserve Fund</b>	<b>XR1010</b>			
<i>Withdrawals (-)</i>				
Toronto Employment & Social Services		0.00	0.00	0.00
Other Division/Agency Withdrawals		-65,835.19	-65,966.23	-65,970.84
	Total Withdrawals	-65,835.19	-65,966.23	-65,970.84
<i>Contributions (+)</i>				
Toronto Employment & Social Services		1,742.14	1,742.14	1,742.14
Other Division/Agency Contributions		61,066.07	61,071.61	61,080.83
	Total Contributions	62,808.21	62,813.74	62,822.97
Total Reserve / Reserve Fund Draws / Contributions		-3,026.99	-3,152.49	-3,147.87
<b>Balance at Year-End</b>		<b>26,435.42</b>	<b>23,282.94</b>	<b>20,135.07</b>

\* Based on 9-month 2019 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2020 \$	2021 \$	2022 \$
<b>Beginning Balance *</b>		25,183.10	16,736.19	8,289.28
<b>Sick Leave Reserve Fund</b>	<b>XR1007</b>			
<i>Withdrawals (-)</i>				
Toronto Employment & Social Services		0.00	0.00	0.00
Other Division/Agency Withdrawals		-48,960.30	-48,960.30	-48,960.30
	Total Withdrawals	-48,960.30	-48,960.30	-48,960.30
<i>Contributions (+)</i>				
Toronto Employment & Social Services		263.60	263.60	263.60
Other Division/Agency Contributions		40,249.79	40,249.79	40,249.79
	Total Contributions	40,513.39	40,513.39	40,513.39
Total Reserve / Reserve Fund Draws / Contributions		-8,446.91	-8,446.91	-8,446.91
<b>Balance at Year-End</b>		<b>16,736.19</b>	<b>8,289.28</b>	<b>-157.64</b>

\* Based on 9-month 2019 Reserve Fund Variance Report

\*\* This schedule does not take into account the interest earned on the fund

## Appendix 10

### Glossary of Terms

**Approved Position:** Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

**Actuals:** An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

**Capacity to Spend:** Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

**Capital Budget:** A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

**Capital Needs Constraints:** The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

**Complement:** Positions that support the delivery of City services and service levels as approved by Council.

**Efficiencies:** Reductions in the cost of delivering a service without a reduction in service level.

**New / Enhanced:** New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

**Operating Budget:** An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

**Operating Impact of Completed Capital Projects:** The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

**Rate Supported Budget:** Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority

**Staff Recommended Operating / Capital Budget:** An operating or capital budget recommended by City Manager and Chief Financial Officer and Treasurer to City Council for consideration and approval.

**State of Good Repair (SOGR):** The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes

**Tax Supported Budget:** Budget funded by property taxes.

**User Fees:** Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).

**Value Based Outcome Review (VBOR):** The City conducted a Value Based Outcome Review in 2019 for all of its operations and agencies to identify specific opportunities and strategies to maximize the use of tax dollars, enhance its financial sustainability while achieving service outcomes. These opportunities will help the City chart its financial course in the next four years.