

2020 Budget Notes

TO Live

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What we do

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.

TO Live has stewardship for the three facilities: Meridian Hall, St. Lawrence Centre for the Arts and Meridian Arts Centre, and delivers the following service:

- Theatrical & Other Cultural Events
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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.

Who we serve

- Community Groups
 - Corporations
 - Cultural Programming Producers
 - Educational Institutions
 - Event Participants & Attendees
 - Individuals
 - Theatre & Music Resident Companies
 - Theatre Patrons generally and specifically Multicultural and Youth Audiences
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Budget at a glance

STAFF RECOMMENDED OPERATING BUDGET				STAFF RECOMMENDED 10-YEAR CAPITAL PLAN			
\$Million	2020	2021	2022	\$Million	2020	2021-2029	Total
Revenues	\$33.1	\$32.7	\$33.5	Gross Expenditures	\$20.4	\$75.6	\$96.0
Gross Expenditures	\$38.7	\$38.3	\$39.1	Debt	\$18.5	\$75.6	\$94.1
Net Expenditures	\$ 5.6	\$ 5.6	\$ 5.6				
Approved Positions	240.4	240.4	240.4				

Key service outcomes

Outcomes	Description
Programming	<ul style="list-style-type: none"> Increase attendance Increased visibility in community Usage of all creative spaces Diversity in programming to reflect community Excellence and achievement in the arts Support artists to push the boundaries of artistic practice and explore new ideas
Education & Engagement	<ul style="list-style-type: none"> Develop programs ancillary to main stage performances Initiatives to develop new audiences and expand impact Focus on activating uptown and downtown hubs Engaging partners and community members who may not otherwise be engaged in ticketed performances
Development	<ul style="list-style-type: none"> Additional sources of revenue Expanded customer base Partnerships

Goals and metrics

Planned Activities to Achieve Outcomes		2018 Actual	2019 Proj. Actual	2020 Target	Status
	Programming activities – number of performances	626	760	751	●
	Facility rentals for Corporate clients – number of events	154	162	155	●
	Education & engagement – usage days	162	228	261	●

This document reflects the 2020 Operating Budget and 2020-2029 Capital Budget and Plan as recommended by the City's City Manager and Chief Financial Officer and Treasurer, which differs from the budget approved by TO Live board. Please refer to Appendix 11 for details.

Our experience and success

- Launch of new corporate name “TO Live”
- Execution of Meridian partnership and renaming of venues to “Meridian Hall” and “Meridian Arts Centre”
- Presentation of the venue-wide exhibit *Mandela: Struggle for Freedom*, which explores the life and legacy of Nelson Mandela
- Expansion of Education & Engagement programs

Key challenges and risks

- Programming targets/product availability
- Capital SOGR budgets to address backlog and Protocol for management of capital projects
- Massey Hall reopening effect

Priority actions

- The 2020 Budget will continue to grow the new brand, the Meridian partnership, investment in programming, community engagement and customer service. The focus of this fiscal year will be to increase audiences across all seven stages, improve the patron experience in all three venues and invest in staff training and development.
-

Our key service levels



Total number of **221** days used for corporate events at TO Live



Total number of **40** days used for community classes



Total number of **895** days used for programming activities at TO Live

Key service deliverables

Programming

- Capacity building
- Strengthen community relationship
- Quality of artistic presentation
- Partnerships

Development

- Growth in sponsorships and philanthropic support
- Increase public grant support

Patron Services

- Build on customer experience

Corporate

- Investment in staff development

RECOMMENDATIONS

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

1. City Council approve the 2020 Staff Recommended Operating Budget for TO Live of \$38.7 million gross, \$5.6 million net for the following services:

Service:	Gross (\$000s)	Revenue (\$000s)	Net (\$000s)
Theatrical & Other Cultural Events	38,698.6	33,099.4	5,599.2
Total Program Budget	38,698.6	33,099.4	5,599.2

2. City Council approve the 2020 staff complement for TO Live of 240.4 positions, comprising 4.0 capital positions and 236.4 operating positions.
3. City Council approve the 2020 technical adjustments and discontinuation of user fees for TO Live identified in Appendix 8, to reflect in the Municipal Code Chapter 441 "Fees and Charges".
4. City Council approve the 2020 Staff Recommended Capital Budget for TO Live with cash flows and future year commitments totaling \$23.397 million as detailed by project in appendix 5a.
5. City Council approve the 2021-2029 Staff Recommended Capital Plan for TO Live totalling \$72.618 million in project estimates as detailed by project in Appendix 5b.

Program / Agency:

Clyde Wagner
 President & CEO
 Tel: (416) 368-6161 x7218
 Email: Clyde.Wagner@tolive.com

Corporate:

Anthony Ng
 Manager, Financial Planning
 Tel: (416) 395-6767
 Email: Anthony.Ng@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	
						\$	%
By Service	\$	\$	\$	\$	\$	\$	%
Revenues							
Theatrical & Other Cultural Events	25,202.8	34,589.4	33,099.4	0.0	33,099.4	(1,490.0)	(4.3%)
Total Revenues	25,202.8	34,589.4	33,099.4	0.0	33,099.4	(1,490.0)	(4.3%)
Expenditures							
Theatrical & Other Cultural Events	30,089.2	40,188.6	38,698.6	0.0	38,698.6	(1,490.0)	(3.7%)
Total Gross Expenditures	30,089.2	40,188.6	38,698.6	0.0	38,698.6	(1,490.0)	(3.7%)
Net Expenditures	4,886.4	5,599.2	5,599.2	0.0	5,599.2	0.0	
Approved Positions	232.5	222.7	240.4	0.0	240.4	17.7	7.9%

*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 \$38.7 million gross reflecting a decrease of \$1.5 million in spending below the 2019 projected year-end actuals, predominantly arising from:

- 2020 Increases are fully offset by reversal of one-time transfer of \$2.3 million to Toronto Live Foundation and non-recurring programming expenditures of \$0.4 million, funded by reserves in 2019
- Salaries and benefits increases due to cost of living adjustments
- Inflationary increases in utilities
- Increase in TO Live performances from 675 in 2019 to 751 in 2020 resulting in additional expenditures to reflect the volume of programming which are fully offset by increased revenues. TO Live Programming will build upon the presentations and activities started in 2019 at the Meridian Arts Centre and continue to invest in the presentation of a venue-wide exhibit similar to Mandela: Struggle for Freedom
- Corporate rentals will maintain a steady increase of events from 142 in 2019 to 155 in 2020

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in TO Live's 2020 Operating Budget do not have any equity impacts.

2020 STAFF RECOMMENDED OPERATING BUDGET KEY DRIVERS

The 2020 Staff Recommended Operating Budget for TO Live is \$1.5 million gross or 3.7% lower than the 2019 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

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	
				\$	%
Expenditures					
1 Salaries and Benefits	14,762.7	17,429.7	18,868.5	1,438.8	8.3%
2 Materials & Supplies	3,088.7	3,034.8	3,469.1	434.2	14.3%
3 Equipment	361.8	322.8	173.2	(149.5)	(46.3%)
4 Service and Rent	7,020.2	11,690.2	11,090.9	(599.2)	(5.1%)
5 Contribution To Capital					
6 Contribution To Reserves	3,746.2	4,043.7	3,531.2	(512.5)	(12.7%)
7 Other Expenditures	1,109.7	3,667.4	1,565.7	(2,101.7)	(57.3%)
Total Expenditures	30,089.2	40,188.6	38,698.6	(1,490.0)	(3.7%)
Revenues					
1 Provincial Subsidies		10.0	75.0	65.0	650.0%
2 Federal Subsidies	30.0	11.5	35.0	23.5	204.2%
3 User Fees & Donations	17,842.5	25,468.3	26,189.6	721.3	2.8%
4 Transfers From Capital			593.2	593.2	
5 Other Revenues	7,330.3	9,099.6	6,206.7	(2,892.9)	(31.8%)
Total Revenues	25,202.8	34,589.4	33,099.4	(1,490.0)	(4.3%)
Net Expenditures	4,886.4	5,599.2	5,599.2	(0.0)	-0.0%

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

Salaries and Benefits:

- Salaries and benefits increase due to cost of living adjustment and increase in staffing to support anticipated increase in volume of activity

Other Expenditures and Other Revenues:

- One-time contribution to/from reserves that will not recur in 2020:
 - Transfer from TO Live stabilization reserves to the Toronto Live Foundation for the purpose of providing one-time seed funding in 2019
 - Transfer from the Programming reserve to support special exhibit in 2019
 - Contribution to Facility Fee Reserve Fund to fund a new signage project

User Fees:

- Moderate increase in revenue in line with the increased activity in programming, including stage rentals, corporate clients and TO Live Presents.

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

(\$000s)	2019 Projected Actual	2020 Staff Rec'd Budget	2021 Outlook	2022 Outlook
	\$	\$	\$	\$
Revenues	34,589.4	33,099.4	32,674.6	33,486.0
Gross Expenditures	40,188.6	38,698.6	38,273.8	39,085.1
Net Expenditures	5,599.2	5,599.2	5,599.2	5,599.2
Approved Positions	222.7	240.4	240.4	240.4

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

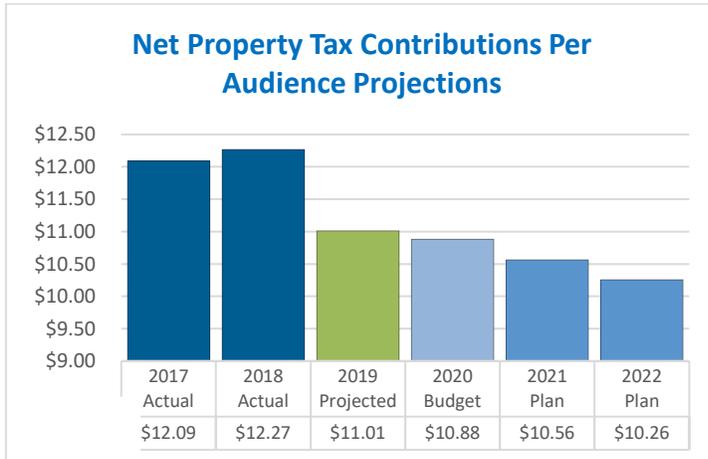
Key 2021 and 2022 drivers

Summarize key drivers/changes reflected in outlooks

- Inflationary adjustments for salaries, benefits and utilities are offset by lower small capital maintenance expenditures resulting in a decrease of gross expenditures in 2021.
- Increase in 2022 to account for known inflationary adjustments for salaries, benefits and utilities which will be offset by revenue.

How well we are doing

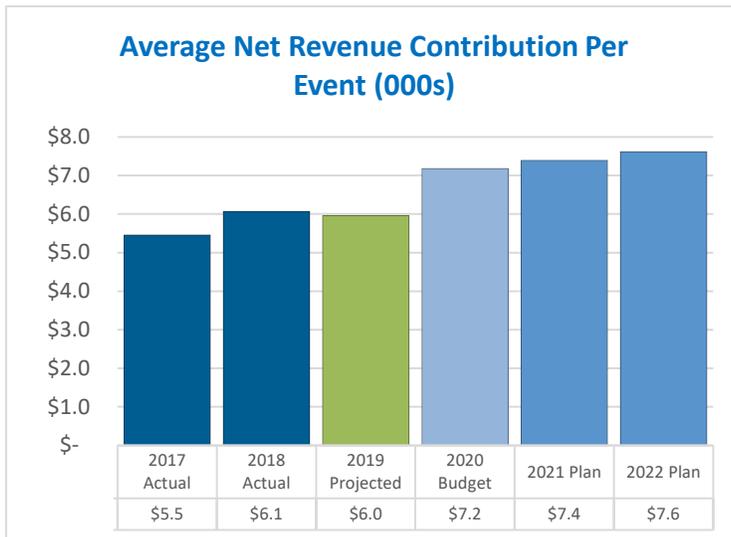
Performance measures



Behind the numbers

- Net City contributions expressed in terms of the number of audience served is expected to decrease for 2020 and beyond
- TO Live serves more audiences over the years while maintaining City subsidy steady.

Average Net Revenue Contribution Per Event (000s)



- Average net revenue contribution is projected to be \$7,200 for 2020, with a steady increase for 2021 and 2022.
- Focus efforts on increasing corporate events and facility rentals across the 7 stages while continuing to support programming activities across our venues.

Number of Performances/Corporate Events

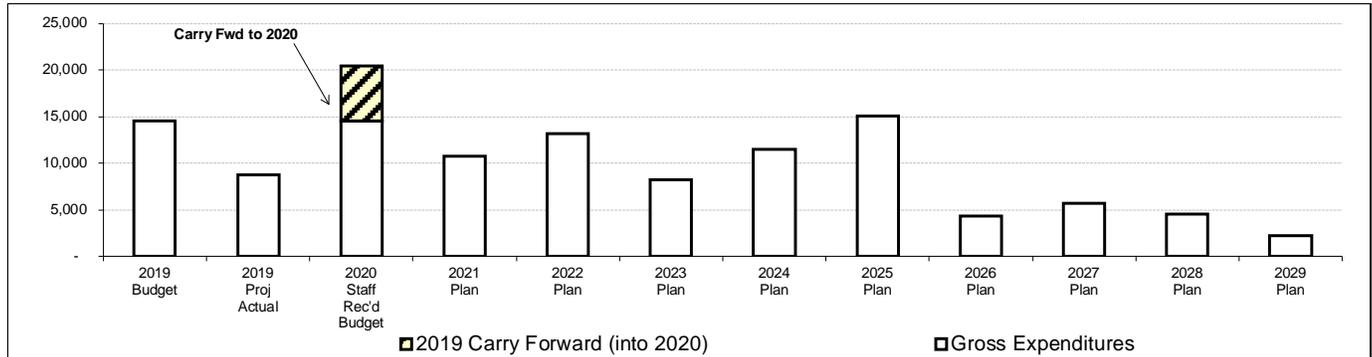


- TO Live anticipates additional corporate events in 2020. The addition of a catering kitchen at Meridian Arts Center will help achieve this target.
- Number of performances is expected to increase in 2020 primarily due to increase in rental activity in the Meridian Hall and Bluma theatres.

2020 – 2029 STAFF RECOMMENDED CAPITAL BUDGET AND PLAN

2020 – 2029 CAPITAL BUDGET & PLAN OVERVIEW

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



	2019		2020 Staff Recommended Capital Budget and 2021 - 2029 Capital Plan												2020 - 2024	2025 - 2029	Total 10 Year Plan
	Budget	Projected Actual	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029					
	Gross Expenditures by Project Category:																
Health & Safety & Legislated	6,204	2,068	9,390	7,229	9,577	4,445	9,630	12,686			500			40,271	13,186	53,457	
SOGR	6,261	4,656	10,870	3,472	3,636	3,783	1,844	2,407	4,383	5,754	4,090	2,190		23,605	18,824	42,429	
Service Improvement & Growth	2,115	1,986	129											129	-	129	
Total by Project Category	14,579	8,710	20,389	10,701	13,213	8,228	11,474	15,093	4,383	5,754	4,590	2,190		64,005	32,010	96,015	
Financing:																	
Debt	8,610		18,457	10,701	13,213	8,228	11,474	15,093	4,383	5,754	4,590	2,190		62,073	32,010	94,083	
Reserves/Reserve Funds	2,248		209											209	-	209	
Development Charges														-	-	-	
Provincial														-	-	-	
Federal														-	-	-	
Debt Recoverable														-	-	-	
Other Revenue	3,721		1,723											1,723	-	1,723	
Total Financing	14,579	-	20,389	10,701	13,213	8,228	11,474	15,093	4,383	5,754	4,590	2,190		64,005	32,010	96,015	

Changes to Existing Projects
(\$51.5M)

The 2020-2029 Capital Budget and Plan reflects an increase of \$51.5 million to existing projects over the next nine years (2020-2028). These projects have been reviewed by TO Live to reflect updated cost estimates and project delivery schedule as part of the capacity to spend review.

- \$22.4 million – Increase in Meridian Arts Centre projects to improve accessibility and address outstanding state of good repairs.
- \$15.0 million – Increase in Meridian Hall projects to address AODA deficiencies as well as SOGR backlog for mechanical systems, building envelope and theatre equipment.
- \$14.1 million – Investment in St. Lawrence Centre for the Arts projects to address the accumulated backlog which was identified in the 2017 Building Condition Audit.

Capital Needs Constraints
(\$44.4M)

- Despite added capital investments, building condition assessments and AODA audits indicate additional debt funding will be required in future years.
- TO Live has \$44.4 million capital needs constraints projects over the 10-year planning horizon related to the SOGR for Meridian Arts Centre as well as the theatre systems and equipment at the Meridian Hall.

Note:

For additional information, refer to [Appendix 5](#) for a more detailed listing of the 2020 and 2021-2029 Capital Budget & Plan by project; [Appendix 6](#) for Reporting on Major Capital Projects – Status Update; and [Appendix 7](#) for Capital Needs Constraints, respectively

2020 – 2029 CAPITAL BUDGET AND PLAN

\$96.0 Million 10-Year Gross Capital Program

		
Aging Infrastructure	Accessibility	Equipment
\$43.7 M 45.5%	\$51.7 M 53.9%	\$0.6 M 0.7%
Building Envelope, Mechanical & Electrical Systems	AODA Compliance Projects	Theatrical Systems and Equipment

How the Capital Program is Funded

City of Toronto		Provincial Funding	Federal Funding
\$96.0 M 100%		\$0 M 0%	\$0 M 0%
Debt	\$ 94.1 M		
Reserve Draws	\$ 0.2 M		
Other	\$ 1.7 M		

CAPACITY TO SPEND REVIEW

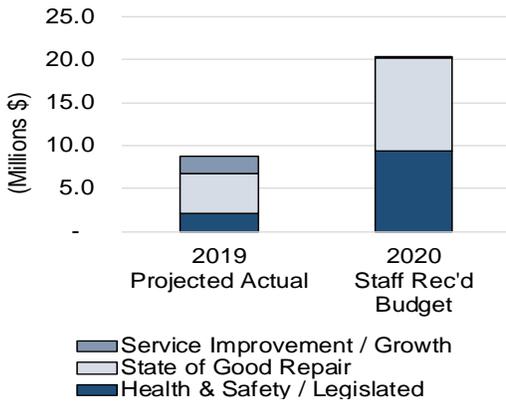
The Recommended 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with the TO Live's ability to spend and the markets capacity to deliver.

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 2019 underspending that will be carried forward into 2020 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 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.

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 and table below.

Chart 2 – Capacity to Spend



Category (in \$ Million)	2019 Projected Actual	2020 Staff Rec'd Budget
Health & Safety / Legislated	2.1	9.4
State of Good Repair	4.7	10.9
Service Improvement / Growth	2.0	0.1
Total	8.7	20.4
% Spent	60%	

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

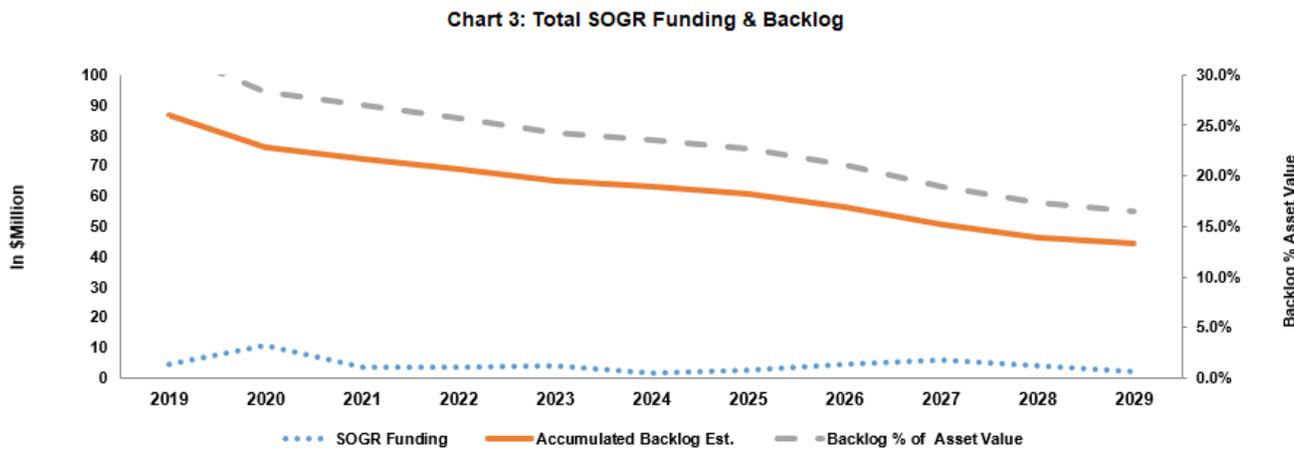
- In 2019, TO Live is forecasting to spend \$8.7 million or 60% of the 2019 Council Approved Capital Budget. The low spend rate is attributed to the delay in establishing the protocol document which outlines the management and delivery of capital projects between TO Live and City Staff.
- Based on the review of historical capital spending trends and capacity to deliver projects, \$8.5 million in capital spending originally cash flowed in 2020 has been deferred to 2021 or future years. These adjustments represent updated cash flows and project delivery timelines while minimizing disruptions to the theatres operations:
 - Meridian Arts Centre - AODA project (\$1.4 million)
 - Meridian Arts Centre - SOGR project (\$3.6 million)
 - St. Lawrence Centre for the Arts - SOGR project (\$2.1 million)

Despite adjustment as noted above, TO Live still requires cash flow funding of \$20.4 million in 2020 to continue the capital work. The 2020 cash flow is higher than the 2019 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 most recent building accessibility audit as well as various health and safety needs 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.

STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for TO Live:



\$ Million	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
SOGR Funding	4.655	10.870	3.472	3.636	3.783	1.844	2.407	4.383	5.754	4.090	2.190
Accumulated Backlog Est.	86.782	75.912	72.440	68.804	65.021	63.177	60.770	56.387	50.633	46.543	44.353
Backlog % of Asset Value	32.4%	28.3%	27.0%	25.7%	24.3%	23.6%	22.7%	21.1%	18.9%	17.4%	16.6%
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 most recent building condition audits and building accessibility assessments are taken into consideration in establishing TO Live's 10-Year Capital Plan.

The 2020-2029 Staff Recommended Capital Budget and Plan provides funding for \$42.429 million of SOGR projects within TO Live over the 10-year period, providing an average of \$4.243 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 \$86.782 million in 2019 to an anticipated \$44.353 million in 2029.

The "Capital Needs Constraints" identified by TO Live 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 affordability and therefore are not included in the City Staff Recommended 10-Year Capital Plan. For further details about these projects, please refer to Appendix 7.

APPENDICES

Appendix 1

2020 Staff Recommended Operating Budget by Expenditure Category

Category (In \$000s)	2017	2018	2019	2019	2020	2020 Change from	
	Actual	Actual	Budget	Projected Actual *	Total Staff Recommended Budget	2019 Projected Actual	2020 Actual
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies			75.0	10.0	75.0	65.0	650.0%
Federal Subsidies		30.0		11.5	35.0	23.5	204.3%
Other Subsidies					90.0	90.0	
User Fees & Donations	16,665.5	17,842.5	22,465.0	25,468.3	26,099.6	631.3	2.5%
Licences & Permits Revenue							
Transfers From Capital		206.8		410.6	593.1	182.5	44.4%
Contribution From Reserves/Reserve Funds	77.7	282.9	3,442.9	4,425.1	2,691.5	(1,733.6)	(39.2%)
Sundry and Other Revenues	4,778.8	6,840.6	10,676.0	4,263.9	3,515.2	(748.7)	(17.6%)
Inter-Divisional Recoveries							
Total Revenues	21,522.0	25,202.8	36,658.9	34,589.4	33,099.4	(1,490.0)	(4.3%)
Salaries and Benefits	14,791.4	14,762.7	17,048.2	17,429.7	18,868.5	1,438.8	8.3%
Materials & Supplies	2,850.7	3,088.7	3,373.3	3,034.8	3,469.1	434.3	14.3%
Equipment	234.0	361.8	238.0	322.8	173.2	(149.6)	(46.3%)
Service and Rent	7,052.4	7,020.2	12,892.9	11,690.2	11,090.9	(599.3)	(5.1%)
Contribution To Capital							
Contribution To Reserves/Reserve Funds	1,284.7	3,746.2	6,965.8	4,043.7	3,531.2	(512.5)	(12.7%)
Other Expenditures	1,275.7	1,109.6	1,739.9	3,667.4	1,565.7	(2,101.7)	(57.3%)
Inter-Divisional Charges							
Total Gross Expenditures	27,488.9	30,089.2	42,258.1	40,188.6	38,698.6	(1,490.0)	(3.7%)
Net Expenditures	5,966.9	4,886.4	5,599.2	5,599.2	5,599.2		
Approved Positions	187.7	232.5	222.7	222.7	240.4	17.7	7.9%

* 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
TO001	Meridian Hall - Electrical Systems	721	-	-	-	-	-	-	-	-	-	721		721	
TO002	Meridian Hall - Theatre Systems and Equipment	342	-	-	-	29	260	-	-	-	-	631	289	342	
TO003	Meridian Hall - AODA Compliance	3,722	3,792	4,856	1,378	1,862	1,714	-	-	-	-	17,324	17,324		
TO004	Meridian Hall - Building Envelope	1,814	412	-	-	85	-	-	-	90	-	2,401	1,266	1,135	
TO005	Meridian Hall - Mechanical Systems	918	-	-	-	-	-	-	-	-	-	918		918	
TO006	St Lawrence Centre for the Arts - AODA Compliance	329	188	1,778	1,135	5,029	4,680	-	-	500	-	13,639	13,639		
TO007	St Lawrence Centre for the Arts - Health & Safety	84	-	-	-	-	-	-	-	-	-	84	84		
TO008	St Lawrence Centre for the Arts - SOGR	4,784	2,058	3,551	3,757	1,422	1,866	3,139	5,754	4,000	2,190	32,521		32,521	
TO009	Meridian Arts Centre - Concession Stands (AODA)	80	-	-	-	-	-	-	-	-	-	80	80		
TO010	Meridian Arts Centre - Sound Isolation	129	-	-	-	-	-	-	-	-	-	129			129
TO011	Meridian Arts Centre - AODA Compliance	4,230	2,837	2,943	1,932	2,710	6,032	-	-	-	-	20,684	20,684		
TO012	Meridian Arts Centre - SOGR	3,145	1,414	85	26	277	541	1,244	-	-	-	6,732		6,732	
TO013	Meridian Hall -Vertical Transportation	91	-	-	-	60	-	-	-	-	-	151	91	60	
	Total Expenditures (including carry forward from 2019)	20,389	10,701	13,213	8,228	11,474	15,093	4,383	5,754	4,590	2,190	96,015	53,457	42,429	129

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
TO001	Meridian Hall - Electrical Systems	721	-	-	-	-	-	-	-	-	-	721			721
TO002	Meridian Hall - Theatre Systems and Equipment	342	-	-	-	-	-	-	-	-	-	342			342
TO003	Meridian Hall - AODA Projects	3,722	-	-	-	-	-	-	-	-	-	3,722	925	2,797	
TO004	Meridian Hall - Building Envelope	1,814	412	-	-	-	-	-	-	-	-	2,226	1,254	12	960
TO005	Meridian Hall - Mechanical Systems	918	-	-	-	-	-	-	-	-	-	918	168		750
TO006	St Lawrence Centre for the Arts - AODA	329	-	-	-	-	-	-	-	-	-	329	329		
TO007	St Lawrence Centre for the Arts - Health & Safety	84	-	-	-	-	-	-	-	-	-	84	84		
TO008	St Lawrence Centre for the Arts - SOGR	4,784	-	-	-	-	-	-	-	-	-	4,784	1,555	2,479	750
TO009	Meridian Arts Centre - Concession Stands (AODA)	80	-	-	-	-	-	-	-	-	-	80	80		
TO010	Meridian Arts Centre - Sound Isolation	129	-	-	-	-	-	-	-	-	-	129	129		
TO011	Meridian Arts Centre - AODA Projects	4,230	2,596	-	-	-	-	-	-	-	-	6,826	5,021		1,805
TO012	Meridian Arts Centre - SOGR	3,145	-	-	-	-	-	-	-	-	-	3,145			3,145
TO013	Meridian Hall -Vertical Transportation	91	-	-	-	-	-	-	-	-	-	91	91		
	Total Expenditure (including carry forward from 2019)	20,389	3,008	-	-	-	-	-	-	-	-	23,397	9,636	5,288	8,473

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 TO Live 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 Including Carry Forward Funding

Project Code	(In \$000s)	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2021 - 2029 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
TO002	Meridian Hall - Theatre Systems and Equipment	-	-	-	29	260	-	-	-	-	289	289		
TO003	Meridian Hall - AODA Audit	3,792	4,856	1,378	1,862	1,714	-	-	-	-	13,602	13,602		
TO004	Meridian Hall - Building Envelope	-	-	-	85	-	-	-	90	-	175		175	
TO006	St Lawrence Centre for the Arts - AODA	188	1,778	1,135	5,029	4,680	-	-	500	-	13,310	13,310		
TO008	St Lawrence Centre for the Arts - SOGR	2,058	3,551	3,757	1,422	1,866	3,139	5,754	4,000	2,190	27,737		27,737	
TO011	Meridian Arts Centre - AODA	241	2,943	1,932	2,710	6,032	-	-	-	-	13,858	13,858		
TO012	Meridian Arts Centre - SOGR	1,414	85	26	277	541	1,244	-	-	-	3,587		3,587	
TO013	Meridian Hall -Vertical Transportation	-	-	-	60	-	-	-	-	-	60		60	
	Total Expenditures (including carry forward from 2019)	7,693	13,213	8,228	11,474	15,093	4,383	5,754	4,590	2,190	72,618	41,059	31,559	-

Appendix 6

Reporting on Major Capital Projects: Status Update

N/A

Appendix 7

Summary of Capital Needs Constraints (In \$ Millions)

Project Description	Total Project Cost	Non-Debt Funding	Debt Required	Cash Flow (In \$ Millions)					
				2020	2021	2022	2023	2024	2025 - 2029
<i>Meridian Hall - Theatre Systems and Equipment</i>	7.436	-	7.436	0.894	1.183	0.210	0.547	1.738	2.864
<i>Meridian Hall - Interior Finishes</i>	0.983	-	0.983	-	-	0.085	0.762	0.136	-
<i>Meridian Hall - Mechanical Systems</i>	1.469	-	1.469	0.119	1.092	0.180	-	-	0.078
<i>Meridian Hall - BCA Recommendations 1</i>	1.270	-	1.270	-	-	-	-	-	1.270
<i>Meridian Hall - BCA Recommendations 2</i>	2.080	-	2.080	-	-	-	-	-	2.080
<i>Meridian Hall - BCA Recommendations 3</i>	2.300	-	2.300	-	-	-	-	-	2.300
<i>Meridian Arts Centre - SOGR</i>	28.815	-	28.815	2.156	5.239	3.704	7.913	1.445	8.358
	-	-	-						-
Total	44.353	-	44.353	3.169	7.514	4.179	9.222	3.319	16.950

In addition to the Recommended 10-Year Capital Plan of \$96.0 million, \$44.4 million in capital needs constraints are identified for the TO Live as reflected in the table above.

- **Meridian Hall – Theatre Systems and Equipment** project requires \$7.436 million to improve main line array, replace performance lighting and enhance video systems infrastructure.
- **Meridian Hall – Interior Finishes** project requires \$0.983 million to replace industrial kitchen and acoustic ceiling tiles.
- **Meridian Hall – Mechanical Systems** project requires \$1.469 million to replace chiller and cooling tower and upgrade HVAC distribution.
- **Meridian Hall – BCA Recommendations** projects require \$5.650 million to address future year SOGR requirements arise from the next Building Condition Audit. The most recent Building Condition Audit for Meridian Hall was completed in September 2015. The next audit is due in 2020.
- **Meridian Arts Centre –SOGR** project requires \$28.815 million to address outstanding SOGR backlog.

These projects will be included on the list of "Capital Needs Constraints" for consideration in the future year budget process.

Appendix 8

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

Table 8c - User Fees for Discontinuation

Rate ID	Rate Description	Service	Fee Category	Fee Basis	2019 Approved Rate	Year Introduced	Reason for Discontinuation
TA011	Lyric Theatre NFP Rental Rate	Venue Rentals	Market Based	Per Day	\$3,044.81	2015	Update rental rates post amalgamation of city-owned venues
TA013	Greenwin Theatre NFP Rental Rate	Venue Rentals	Market Based	Per Day	\$707.49	2015	Update rental rates post amalgamation of city-owned venues

Table 8d - User Fees for Technical Adjustments

Rate ID	Rate Description	Service	Fee Category	Fee Basis	2019 Approved Rate	2020 Budget Rate	Reason for Adjustment
SL002	Bluma Appel Theatre - Commercial Rate	Venue Rentals	Market Based	Per Day	\$3,700.00	\$3,500.00	Update existing rental rates post amalgamation of city-owned venues
SL003	Bluma Appel Theatre - Corporate Rate	Venue Rentals	Market Based	Per Day		\$4,000.00	Update existing rental rates post amalgamation of city-owned venues
SL001	Jane Mallett Theatre - Commercial Rate	Venue Rentals	Market Based	Per Day	\$2,100.00	\$2,000.00	Update existing rental rates post amalgamation of city-owned venues
SL004	Jane Mallett Theatre - Corporate Rate	Venue Rentals	Market Based	Per Day		\$2,500.00	Update existing rental rates post amalgamation of city-owned venues
TA012	Lyric Theatre - Commercial Rate	Venue Rentals	Market Based	Per Day	\$4,664.00	\$2,000.00	Update existing rental rates post amalgamation of city-owned venues
TA015	Lyric Theatre - Corporate Rate	Venue Rentals	Market Based	Per Day		\$2,500.00	Update existing rental rates post amalgamation of city-owned venues
TA014	Greenwin Theatre - Commercial Rate	Venue Rentals	Market Based	Per Day	\$982.49	\$1,000.00	Update existing rental rates post amalgamation of city-owned venues
TA016	Greenwin Theatre - Corporate Rate	Venue Rentals	Market Based	Per Day		\$1,500.00	Update existing rental rates post amalgamation of city-owned venues
TA009.1	George Weston Recital Hall - Commercial Rate	Venue Rentals	Market Based	Per Day	\$4,700.00	\$4,000.00	Update existing rental rates post amalgamation of city-owned venues
TA017	George Weston Recital Hall - Corporate Rate	Venue Rentals	Market Based	Per Day		\$5,000.00	Update existing rental rates post amalgamation of city-owned venues
TA010.1	Studio Theatre - Commercial Rate	Venue Rentals	Market Based	Per Day	\$682.00	\$400.00	Update existing rental rates post amalgamation of city-owned venues
TA018	Studio Theatre - Corporate Rate	Venue Rentals	Market Based	Per Day		\$1,000.00	Update existing rental rates post amalgamation of city-owned venues

Appendix 9

Inflows and Outflows to/from Reserves and Reserve Funds

2020 Operating 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
		\$	\$	\$	\$
Beginning Balance		3,230.1	2,733.5	2,640.5	2,547.5
TO Live Facility Fee Reserve Fund	XR3030				
<i>Withdrawals (-)</i>		(3,952.0)	(2,691.5)	(2,114.7)	(2,156.8)
<i>Contributions (+)</i>		3,455.4	2,598.5	2,021.7	2,063.8
Total Reserve / Reserve Fund Draws / Contributions		2,733.5	2,640.5	2,547.5	2,454.5
Balance at Year-End		2,733.5	2,640.5	2,547.5	2,454.5

* 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
		\$	\$	\$	\$
Beginning Balance		-	38.0	538.0	1,038.0
TO Live Programming Reserve	XQ2033				
<i>Withdrawals (-)</i>		(350.0)			
<i>Contributions (+)</i>		388.0	500.0	500.0	500.0
Total Reserve / Reserve Fund Draws / Contributions		38.0	538.0	1,038.0	1,538.0
Balance at Year-End		38.0	538.0	1,038.0	1,538.0

* Based on 9-month 2019 Reserve Fund Variance Report

Corporate 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
		\$	\$	\$	\$
Beginning Balance		29,462.4	29,462.4	26,435.4	23,282.9
Insurance Reserve Fund	XR1010				
<i>Withdrawals (-)</i>					
<i>Contributions (+)</i>			432.7	441.3	450.2
Total Reserve / Reserve Fund Draws / Contributions		29,462.4	29,895.1	26,876.8	23,733.1
Other Program / Agency Net Withdrawals & Contributions			(3,459.7)	(3,593.8)	(3,598.0)
Balance at Year-End		29,462.4	26,435.4	23,282.9	20,135.1

* Based on 9-month 2019 Reserve Fund Variance Report

Inflows and Outflows to/from Reserves and Reserve Funds
2020 – 2029 Capital Budget and Plan

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2019	Contributions / (Withdrawals)										Total	
			2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan		
XR3007	Beginning Balance	234	234	25	25	25	25	25	25	25	25	25	25	
Toronto Centre for the Arts Improvement Reserve Fund	<i>Withdrawals (-)</i>													
	<i>MAC - Concession Stands</i>		(80)											(80)
	<i>MAC - Sound Isolation</i>		(129)											(129)
	Total Withdrawals		(209)	-										(209)
	Contributions (+)													-
	Total Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Program/Agency Net Withdrawals and Contributions														-
Balance at Year-End		234	25	25	25	25	25	25	25	25	25	25	25	

Corporate Reserve / Reserve Funds

N/A

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.

Appendix 11

Board Approved Vs. City Staff Recommended Budget

2020 Operating Budget – Board Approved Vs. City Staff Recommended Budget

\$ Millions	Board	City Staff	Difference	
	Approved	Recommended	\$	%
Revenues	33.5	33.1	0.4	1.3%
Gross Expenditures	38.8	38.7	0.1	0.3%
Net Expenditures	5.3	5.6	(0.3)	-5.8%
Approved Positions	240.4	240.4		

- At its meeting on July 23, 2019, the Board of Directors of TO Live received a presentation by the President and Chief Executive Officer, TO Live on the 2020 Budget. TO Live was requesting continued financial support of \$5.274 million from the City of Toronto to invest in its 2020 Operating Budget. This level of funding represents a status quo from the operating subsidy received during 2018 and 2019. Included in the 2020 Board Approved Operating Budget for TO Live was a transfer of \$0.500 million gross and \$0 net annually to its newly established Toronto Live Foundation. Decisions of the meeting can be accessed via the following link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CT5.8>.
- The 2019 Council Approved Operating Budget for TO Live was subsequently increased to \$5.599 million net to reflect an in-year adjustment associated with the City's corporate insurance budget reallocation made through the *Operating Variance Report for the Four Months Ended April 30, 2019* approved by City Council at its meeting on July 16-18, 2019. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX7.18>.
- The 2020 City Staff Recommended Operating Budget for TO Live of \$5.599 million net is consistent with the 2020 Board Approved Operating Budget (including an in-year adjustment noted above). However, the transfer of funds in the amount of \$0.500 million to the Toronto Live Foundation and associated revenue was not included in the 2020 City Staff Recommended Operating due to City Staff not recommending the transfer.