

2022 Budget Notes

Office of Emergency Management

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Description

The Office of Emergency Management (OEM) maintains, coordinates and drives improvements to Toronto's emergency management program.

Emergency management includes mitigation, preparedness, responses and recovery measures, all of which are distinctive phases of the emergency management cycle.

This work includes coordinating and managing plans and official arrangements to engage and guide the efforts of government, non-government, and private agencies in comprehensive, coordinated ways to respond to a spectrum of emergency needs.

Why We Do It

The City's Emergency Management Program is governed by the Emergency Management and Civil Protection Act, which provides the legal basis and framework for emergency management programs in Ontario. Primary functional responsibility for emergency management is delegated to local municipalities.

- **The City continues to deliver timely, robust, integrated and coordinated services required to meet the needs of Toronto residents and businesses during emergencies.**
- **Toronto residents and businesses are informed of actions required to respond to and recover from emergencies.**

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

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What Service We Provide

Emergency Management

Who We Serve: The Public, Staff at City Divisions, Agencies, Corporations, Boards & Commissions, Partner agencies in the private sector.

What We Deliver: Coordination is a primary function of emergency management. The OEM coordinates emergency resources across the municipality and, as necessary, across municipal and provincial borders (mutual aid) as well as vertically through the Provincial and Federal Governments.

How Much Resources (gross 2022 operating budget): \$ 3.7 Million

Budget at a Glance

2022 OPERATING BUDGET

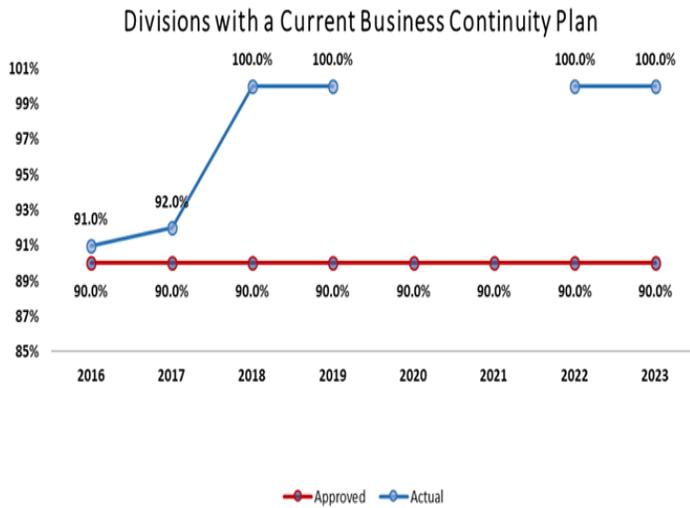
<u>\$Thousands</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$650	\$650	\$650
Gross Expenditures	\$3,656	\$3,667	\$3,689
Net Expenditures	\$3,006	\$3,017	\$3,039
Approved Positions	21	21	21

2022 - 2031 10-YEAR CAPITAL PLAN

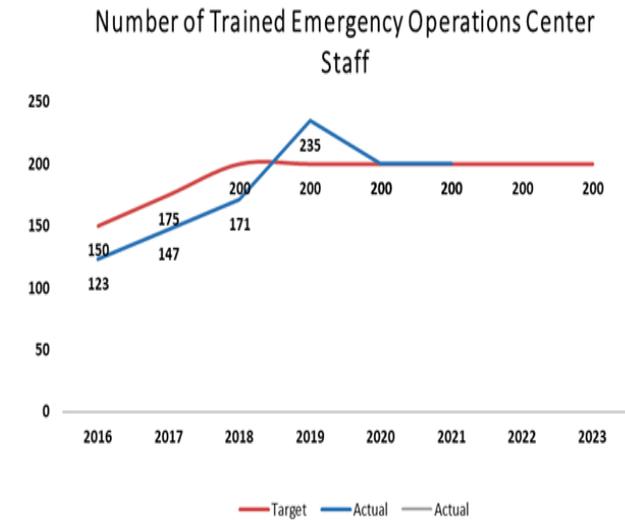
<u>\$Thousands</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
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This program does not have a capital plan

How Well We Are Doing – Behind the Numbers



- Normal organizational and operational realignment and staffing changes make it difficult to ensure that all divisions maintain an up-to-date business continuity plan from year to year.
- Ensuring at least 90% of divisions have a current business continuity plan represents an achievable metric from year to year.
- In 2020 and 2021, the tracking of this metric was paused due to COVID-19 response.



- Every effort is made to ensure a target of 200 trained staff is maintained.
- Staff retirements, reassignments and general turnover create challenges in maintaining a constant pool of trained Emergency Operations Centre (EOC) staff.
- Two hundred is an optimal target pool for ensuring EOC readiness, with 2021 projections achieving that target.

How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Emergency Management	Conduct an exercise for a simulated emergency to evaluate the City's plans and procedures	100%	n/a*	100%	100%	●	100%	100%
Emergency Management	Train staff to work in the City's Emergency Operations Centre and maintain a target of at least 80% of 200 staff trained	118%	100%	80%	100%	●	100%	100%
Service Level Measures								
Emergency Management	% compliance under the Emergency Mgmt. & Civil Protection Act	100%	100%	100%	100%	●	100%	100%
Emergency Management	% of City Divisions with a current business continuity plan	100%	n/a**	n/a	n/a	●	90%	90%

* Province waived requirement for 2020 and counted COVID response for compliance purposes

** Administrative tracking temporarily halted in 2020 and 2021 due to COVID response.

COVID-19 IMPACT AND RECOVERY**2022 Impact and Recovery****Operating Budget Impact**

- The costs for Cooling Center are projected to be required in a continuing COVID environment only if provincial lockdown orders are put in place preventing the use of indoor spaces for residents.
- Staff overtime costs related to COVID-19 are anticipated to be significantly reduced due to changes in the City's policy and as demonstrated by 2021 actual experience.

Service Level Changes

- OEM will continue to review Service Levels to reflect the necessary changes as required to meeting ongoing community needs.
 - Potential changes will be more in the way services are provided, not in the service levels themselves.
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EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Due to the global COVID pandemic, the City's Emergency Operations Center (EOC) was activated. To date, this has been the longest continuous activation of the EOC in the City's history.
- Over 150 staff and 51 DAC's (Divisions, Agencies and Corporations) have participated in the EOC response with the EOC and OEM leading many response specific task forces and working groups. Less than 10% of this total was OEM staff with the remainder being redeployed to the EOC from various DAC's.
- The OEM initiated multi-stakeholder activities on Nuclear Emergency Preparedness and Response planning in partnership with Ontario Power Generation based on an MOU and funding agreement for OEM staffing.

Key Challenges and Risks

- Continuing to meet the emergency management needs of a rapidly growing City, including ensuring the City is ready to support an increase in vulnerable individuals during emergencies.
- Supporting the City's readiness and resiliency for emergencies caused by new and/or re-emerging threats, such as a resurgence of COVID-19 or extreme weather events that are more likely to occur due to climate change.
- Ensuring OEM has effective succession planning (staff, experience, skills and qualifications) to enable continual program delivery.
- OEM resources are not adequate for an effective and robust response to an emergency. City Divisions are required to supplement OEM staffing requirements, which demands specific skillsets.
- Over 2020 and 2021, the majority of OEM's planning and preparedness initiatives were put on hold to focus on COVID related priorities. While OEM did meet Provincial legislative responsibilities, OEM was not able to significantly advance the corporate emergency management program as required.

Priority Actions

- Meeting the legislative requirements of the Emergency Management and Civil Protection Act, and reviewing City of Toronto Emergency Management By-law (Chapter 59) for appropriate revisions as it relates to COVID-19 Impact and Recovery.
- Reviewing and implementing recommendations of the internal and external COVID-19 After Action Reviews/Reports (relates to COVID-19 Impact and Recovery).
- Conducting an internal organizational structure review including complement and skills needed to support the mandate of the emergency management program as well as the structural requirements of the Corporate organizational structure.
- Initiating an Emergency Social Service program review, including policy and partnership agreements (relates to public safety).
- Leveraging effective use of technology to support priority actions.

RECOMMENDATIONS

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

1. City Council approve the 2022 Operating Budget for the Office of the Emergency Management of \$3.656 million gross, \$0.650 million revenue and \$3.006 million net for the following service:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Office of Emergency Management	3,656.2	650.0	3,006.2
Total Program Budget	3,656.2	650.0	3,006.2

2. City Council approve the 2022 staff complement for Office of Emergency Management of 21.0 positions comprised of 0 capital position and 21.0 operating positions.

2022 OPERATING BUDGET

2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Office of Emergency Management	651.2	660.0	650.0	650.0		650.0		
Total Revenues	651.2	660.0	650.0	650.0		650.0		
Expenditures								
Office of Emergency Management	3,468.7	3,911.6	3,126.5	3,656.2		3,656.2	529.7	16.9%
Total Gross Expenditures	3,468.7	3,911.6	3,126.5	3,656.2		3,656.2	529.7	16.9%
Net Expenditures	2,817.5	3,251.6	2,476.5	3,006.2		3,006.2	529.7	21.4%
Approved Positions**	21.0	21.0	21.0	21.0		21.0	0.0	

*2021 Projection based on Q3 Variance Report

**YoY comparison based on approved positions

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget expenditures of \$3.656 million gross reflecting an increase of \$0.530 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increases in salaries and benefits for existing positions and positions to be filled in 2022, required to meet service demands, which were vacant in 2021 due to hiring delay.
- Increase in other expenditures as the response to the pandemic is constantly evolving.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$3.006 million in net expenditures reflects a \$0.490 million net reduction from the 2021 Council approved Budget, when excluding \$0.446 million in estimated COVID-19 financial impacts.**

COSTS TO ENHANCE SERVICES

New and Enhanced Service:-

The 2022 Recommended Operating Budget for the Office of Emergency Management for does not include New and Enhanced Service priorities.

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in Office of Emergency Management's 2022 Operating Budget have no equity impacts.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Base Budget for the Office of Emergency Management of \$3.656 million gross is 16.9%% higher than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

Table 2a: 2022 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	366.7	650.0	650.0	650.0	650.0		
User Fees & Donations			10.0				
Sundry and Other Revenues	(19.5)	1.2					
Total Revenues	347.2	651.2	660.0	650.0	650.0		
Salaries and Benefits	2,474.8	2,853.0	2,996.5	2,477.4	2,818.3	340.9	13.8%
Materials & Supplies	8.0	24.4	98.7	75.8	98.7	22.9	30.3%
Equipment	35.9	16.3	36.7	16.5	36.7	20.2	122.3%
Service and Rent	114.8	574.7	779.7	556.8	702.5	145.7	26.2%
Contribution To Reserves/Reserve Funds	0.3	0.3					
Other Expenditures	0.5						
Inter-Divisional Charges	285.7						
Total Gross Expenditures	2,920.1	3,468.7	3,911.6	3,126.5	3,656.2	529.7	16.9%
Net Expenditures	2,572.9	2,817.5	3,251.6	2,476.5	3,006.2	529.7	21.4%

*2021 Projection based on Q3 Variance Report

Key Base Drivers:**Salaries & Benefits:**

Includes increases on existing salaries and benefits due to anticipated positions to be filled in 2022

Materials and Supplies:

Includes increases for emergency supplies including Personal Protective Equipment to support COVID-19 response.

Services and Rents:

Includes provisions for the cooling centres used in support of COVID-19 response in the event of provincial lockdown that prevents residents from using alternate cool indoor spaces.

Note:

1. For additional information on 2022 key cost drivers refer to [Appendix 2](#); for a summary of balancing actions, refer to [Appendix 3](#);

2023 & 2024 OUTLOOKS**Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	650.0	650.0	650.0	650.0
Gross Expenditures	3,126.5	3,656.2	3,666.7	3,689.3
Net Expenditures	2,476.5	3,006.2	3,016.7	3,039.3
Approved Positions	21.0	21.0	21.0	21.0

Key drivers

The 2023 Outlook with total gross expenditures of \$3.667 million reflects an additional \$0.011 million or 0.29 per cent increase in gross expenditures above the 2022 Operating Budget, reflecting the impact of inflation on operations.

The 2024 Outlook includes an additional increase of \$0.023 million, or 0.60 per cent above 2023 gross expenditures, reflecting the impact of inflation on operations.

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

In \$ Thousands				
COVID-19 Impacts	2021 Net	2022		
		Revenues	Gross	Net
Revenue Loss				
Sub-Total				
Expenditure Increase				
Staff Overtime	16.4			
Cooling Center	239.3		375.0	375.0
Other Supplies	158.8		70.8	70.8
Sub-Total	414.5		445.8	445.8
Support from Other Levels of Gov't				
Sub-Total				
Total COVID-19 Impact	414.5		445.8	445.8

Appendix 2

2022 Balancing Actions

(\$000s)										
Recommendation	Savings Type	Equity Impact	AG Recs	2022				2023 (Incremental)		
				Revenue	Gross	Net	Positions	Gross	Net	Positions
COVID Impact Reduction	Match to Actuals	None	No		(294.5)	(294.5)				
Total Balancing Actions					(294.5)	(294.5)				

The 2022 Operating Budget includes a reduction of \$0.295 million gross to align 2021 spending projections with the 2022 budget, with the adjustment reflecting staff vacancies due to hiring delays.

Appendix 3

Summary of 2022 Service Change

N/A

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2022 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

**2022 Capital Budget;
2023 - 2031 Capital Plan Including Carry Forward Funding**

N/A

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 6b

2023 - 2031 Capital Plan

N/A

Appendix 7

Reporting on Major Capital Projects: Status Update

N/A

Appendix 8

Summary of Capital Needs Constraints

(In \$ Millions)

N/A

Appendix 9

2022 User Fee Changes

(Excludes User Fees Adjusted for Inflation)

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2022 Operating Budget

N/A

Appendix 11

Glossary

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

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).