

2022 Budget Notes

Office of the CFO & Treasurer

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Description

The Office of the Chief Financial Officer and Treasurer ensures the effective use of the Corporation's financial resources by providing sound financial planning management and advice; maintaining financial control; developing and implementing effective financial strategies; and providing timely, accurate and efficient services to Programs, Agencies, Council and the public.

Why We Do It

The purpose is to safeguard the City's assets and to manage City resources effectively, efficiently and economically. The following outcomes contribute to this purpose:

- **Council and City divisions receive financial planning advice and support that is timely and relevant.**
- **Torontonians receive timely and equitable resolutions to their claims against the City.**
- **The City of Toronto has sufficient financial protection from catastrophic financial loss through the insurance program.**
- **Divisions receive timely and trusted independent assurance on their internal controls (in order to mitigate risk). Internal Audit is a key contributor to the City's overall governance framework, providing support to management in discharging their responsibilities for identifying and managing risks. The work performed by Internal Audit also supports the work of the Auditor General's Office to help strengthen risk management and controls throughout the City.**
- **The City's capital projects are financed at the lowest borrowing rate in order to reduce tax burden on Toronto residents and businesses, in consideration of the green and social debenture frameworks to promote sustainability, improve climate resiliency and enhance positive social outcomes.**
- **The City's financial assets are invested responsibly to achieve superior (risk-adjusted) rate of return in order to meet the City's cash flow requirements.**

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.

Program / Agency:

Heather Taylor

Chief Financial Officer and Treasurer

Tel: (416) 392-8773

Email: heather.taylor@toronto.ca

Corporate:

Andy Cui

Manager, Financial Planning

Tel: (416) 397-4207

Email: andy.cui@toronto.ca

What Service We Provide

Financial Planning

Who We Serve: Council, City divisions, Agencies and Corporations

What We Deliver: City of Toronto balanced budget; financial advice; financial policies and financial Reports.

How Much Resources (gross 2022 operating budget): \$11.3 million

Internal Audit

Who We Serve: Council, City divisions, Agencies and Corporations

What We Deliver: Business and risk consulting on policies, processes and information systems. Assurance services including the performance of compliance, operational, financial, forensic and internal control reviews.

How Much Resources (gross 2022 operating budget): \$1.9 million

Insurance & Risk Management:

Who We Serve: Council, City divisions, Agencies and Corporations, Toronto residents

What We Deliver: Insurance and claims risk advice as well as risk mitigation strategies

How Much Resources (gross 2022 operating budget): \$1.8 million

Capital Markets

Who We Serve: Council, City divisions, Agencies and Corporations

What We Deliver: Investment and debt portfolio management

How Much Resources (gross 2022 operating budget): \$1.7 million

Budget at a Glance

2022 OPERATING BUDGET

\$ Millions	2022	2023	2024
Revenues	\$ 3.6	\$ 3.7	\$ 3.8
Gross Expenditures	\$ 16.6	\$17.2	\$17.4
Net Expenditures	\$12.9	\$13.5	\$13.6
Approved Positions	114.0	114.0	114.0

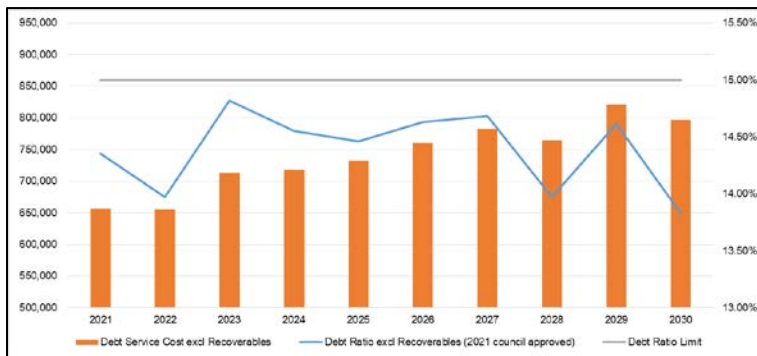
2022 - 2031 10-YEAR CAPITAL PLAN

\$ Millions	2022	2023-2031	Total
Gross Expenditures	\$ 1.8	\$ 5.1	\$ 6.9
Debt	\$ 1.2	\$ 3.9	\$ 5.1

Note: Includes 2021 carry forward funding

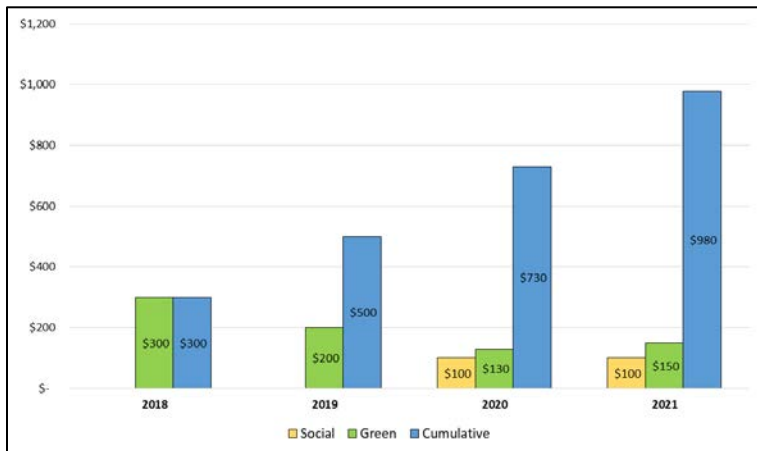
How Well We Are Doing – Behind the Numbers

2021 to 2030 Tax-Supported Debt Services as a % of the Property Tax Levy (\$000s)



- Debt Service Cost as a Percentage of Property Tax is a key indicator for a City’s debt affordability and financial healthiness.
- The City of Toronto has adopted a policy to keep this ratio below 15%. One of Financial Planning Division’s major objectives is to monitor and control the ratio below the 15% limit.
- This is the third year in a row that the City’s 10 year ratio associated with the 10-Year Capital Plan is kept at or below 15% for every single year in the Plan.
- This is achieved by tremendous efforts across the City with intensive reviews of capital projects based on both affordability and readiness to proceed, as well as the implementation of the City’s various non-debt financing strategies.

City of Toronto’s Outstanding Sustainable Public debt (\$ millions)



- The City of Toronto is the largest municipal Green Bond Issuer in Canada (\$780 million outstanding).
- The City was the first government in Canada to establish a Social Debenture Program, and remains the only government in Canada who has issued a Social Bond in the public debt market (\$200 million outstanding).
- The Social Debenture Program demonstrates the City’s commitment to advance positive social action and sustainability for all Torontonians.
- The City’s Debenture Frameworks are developed, reviewed, and supported by third-party opinion (Sustainalytics).
- Sustainable bond issues (Green and Social) will continue in future years to finance capital projects with key metrics.
- The City produces an Annual Newsletter to report on project impacts for investors.
- The City’s capital projects are financed at the lowest borrowing rate in order to reduce tax burden on Toronto residents and businesses, in consideration of the green and social debenture frameworks to promote sustainability, improve climate resiliency and enhance positive social outcomes.
- Released the City of Toronto’s first ever Environmental, Social and Governance (ESG) performance report, becoming the first government in Canada to issue an annual ESG performance report.

How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Financial Planning	% Balanced Operating Budget approved annually in accordance with Council's mandates	100%	100%	100%	100%	●	100%	100%
Financial Planning	% of time decision support released at least 24hrs for notes and 7 days for Reports, prior to council / committee meeting	100%	100%	100%	100%	●	100%	100%
Financial Planning	% of time Operating variance is provided at the first scheduled Budget Committee meeting after 45 days of the reporting period closing	100%	100%	100%	100%	●	100%	100%
Financial Planning	Impact of Capital Funding (Tax & Rate) on the State of Good Repair (\$ Millions)	\$2,159	\$2,098	\$2,505	\$2,076	●	\$3,047	\$2,722
Internal Audit	Respond to requests for advice within 2 business days	100%	100%	100%	100%	●	100%	100%
Internal Audit	An average score of 4 out of 5 in client satisfaction surveys pertaining to all audit completed	4.3	4.2	4.0	4.0	●	4.0	4.0
Insurance & Risk Management	% of claimant correspondence sent within 2 days	84%	97%	95%	98%	●	95%	95%
Insurance & Risk Management	% of acknowledgement letters sent within 5 days	99%	100%	95%	98%	●	95%	95%
Insurance & Risk Management	% of Division reports requested within 2 days	90%	100%	95%	100%	●	95%	95%

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Insurance & Risk Management	% of claim reports acted on within 15 days	19%	98%	95%	98%	●	95%	95%
Insurance & Risk Management	% of IRM inquiries responded to and resolved within 3 business days	95%	89%	80%	89%	●	80%	80%
Capital Markets	Adhering to the Council-approved Investment Policy (% in Compliance)	100%	100%	100%	100%	●	100%	100%
Capital Markets	Toronto Investment Board Meetings Held (minimum 4 per year)	5	3	4	4	●	4	4
Capital Markets	Debt Repayment in Accordance with City By-Laws – Correct Amounts and On Schedule (% in Compliance)	100%	100%	100%	100%	●	100%	100%
Capital Markets	New Debt Issued as a Percentage of the Annual Debt Authority (\$1 billion)	95%	98.6%	100%	100%	●	100%	100%

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Continued to provide financial advice and support to the City during the COVID-19 pandemic; leading and coordinating financial tracking across all City divisions and agencies to ensure the City's services are adequately funded despite operational challenges and financial implications.
- Supported intergovernmental funding requests – in total, the City has benefited from nearly \$2.8 billion in intergovernmental COVID-19 relief funding since the start of the pandemic, ensuring continuation of the City's critical frontline services.
- Finalized and delivered the Core Infrastructure Asset Management Plan to City Council, in collaboration with Toronto Water and Transportation Services, in accordance with provincial regulations and in alignment with the City's Corporate Asset Management Policy.
- Received approval of the City of Toronto as a CPA Training Office and Pre-Approved Program, and launched a Community of Practice for CPA students.
- Successfully renewed the City's insurance program despite increasingly challenging market conditions.
- TTC Insurance Company Limited received approval to amend its license to insure the auto risks of the City resulting in savings to the City.
- Issued an additional \$150 million green bond and \$100 million social bond to help finance critical capital projects that enhance climate action and social outcomes.
- Awarded "Social Bond of the Year – Local Authority/Municipality" at the 2021 Environmental Finance Bond Awards for the issuance of the City's inaugural social bond (the only Canadian government to do so), signalling our leadership in the green, social and sustainability bond and loan market.
- Released the City of Toronto's first ever Environmental, Social and Governance (ESG) performance report, becoming the first government in Canada to issue an annual ESG performance report.

Key Challenges and Risks

- Continued uncertainty regarding the impacts of COVID-19 on the City's operations and financial sustainability, which may affect the City's ability to deliver services and capital projects.
- Ongoing risk due to reliance on federal and provincial funding which is critical to the City's financial sustainability during the pandemic and recovery period.
- Increased demand for Internal Audit services from City divisions, who expect to receive timely and trusted independent assurance on their internal controls.
- Continuation of the hard insurance market, with expected premium increases and limited available capacity in the market
- Risk of lower rates of return in a low interest environment (portfolio is 70% fixed income)

Priority Actions

- Continue to prioritize COVID-19 recovery and rebuild efforts, and leverage available federal / provincial assistance to ensure the City's operations are properly funded.
- Continue to monitor the City's operating and capital spending, considering legislative and health and safety requirements and the maintenance of service levels, while analyzing COVID-19 related pressures.
- Ensure the City's reserves are adequately funded through prudent budgeting and the surplus allocation process, and continue to monitor the SOGR backlog to safeguard the City's capital assets in good repair.
- Continue to support the City's priorities in budget modernization initiatives as a strategic partner.
- Explore strategies to manage the increasing costs of the City's insurance program
- Implement a cloud-based Risk Management Information System to enhance the City's ability to manage risk and provide metrics on claims/inquiries.
- Continue to monitor the debt capacity level to sustain the City's credit rating and financial sustainability.
- Demonstrate the City's commitment to advancing positive social action and sustainability for all through the Social Bond Program, and focus on ESG-related opportunities and risks across strategic priorities.
- Leverage the City's low cost of borrowing to finance capital projects that contribute to environmental sustainability, to mitigate and adapt to the effects of climate change and reduction of GHG emissions.
- Support management to identify and implement key actions in alignment with the 2020 KPMG Audit Findings Report and Management Letter.

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 Chief Financial Officer and Treasurer of \$16.569 million gross, \$3.624 million revenue and \$12.945 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Financial Planning	11,265.7	1,448.5	9,817.2
Internal Audit	1,860.3	255.8	1,604.5
Insurance & Risk Management	1,785.1	1,785.1	0.0
Capital Markets	1,657.8	135.0	1,522.8
Total Program Budget	16,568.9	3,624.4	12,944.5

2. City Council approve the 2022 staff complement for the Office of the Chief Financial Officer and Treasurer of 114.0 positions comprised of 5.0 capital positions and 109.0 operating positions.
3. City Council approve 2022 Capital Budget for the Office of the Chief Financial Officer and Treasurer with cash flows and future year commitments totaling \$2.706 million as detailed by project in [Appendix 6a](#).
4. City Council approve the 2023-2031 Capital Plan for the Office of the Chief Financial Officer and Treasurer totalling \$4.175 million in project estimates as detailed by project in [Appendix 6b](#).
5. City Council request that all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2022 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

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								
Financial Planning	1,169.7	1,672.6	1,137.4	1,448.5		1,448.5	311.1	27.4%
Internal Audit	255.7	255.8	235.8	255.8		255.8	20.0	8.5%
Insurance & Risk Management	1,805.3	1,782.3	1,777.7	1,785.1		1,785.1	7.4	0.4%
Capital Markets	135.0	135.0	135.0	135.0		135.0	0.0	
Total Revenues	3,365.7	3,845.7	3,285.9	3,624.4	0.0	3,624.4	338.5	10.3%
Expenditures								
Financial Planning	11,096.2	11,316.3	9,940.5	11,265.7		11,265.7	1,325.2	13.3%
Internal Audit	1,601.0	1,760.8	1,544.7	1,860.3		1,860.3	315.6	20.4%
Insurance & Risk Management	1,813.4	1,774.6	1,777.7	1,785.1		1,785.1	7.4	0.4%
Capital Markets	1,558.1	1,641.0	1,525.3	1,657.8		1,657.8	132.5	8.7%
Total Gross Expenditures	16,068.7	16,492.7	14,788.2	16,568.9	0.0	16,568.9	1,780.7	12.0%
Net Expenditures	12,703.0	12,647.0	11,502.3	12,944.5	0.0	12,944.5	1,442.2	12.5%
Approved Positions**	117.0	113.0	N/A	114.0		114.0	N/A	N/A

*2021 Projection based on Q3 Variance Report

**YoY comparison based on approved positions

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget expenditures of \$16.569 million gross reflect an increase of \$1.781 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Projected favourable expenditure variance for 2021 due to underspending in salaries and benefits.
- Establishment of a Chartered Professional Accountant (CPA) Pre-Approved program to be initiated in September 2022, result of CPA Ontario approving the City of Toronto as a CPA training office in 2021.

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in the Office of the Chief Financial Officer and Treasurer's 2022 Operating Budget do not have any significant equity impacts.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Budget for the Office of the Chief Financial Officer and Treasurer is \$1.781 million gross or 12.0% 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	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	432.5	0.0	869.7	0.0	616.2	616.2	
Contribution From Reserves/Reserve Funds	1,825.1	1,836.7	1,782.3	1,777.7	1,815.8	38.1	2.1%
Sundry and Other Revenues	188.4	361.4	20.0	334.5	20.0	(314.5)	(94.0%)
Inter-Divisional Recoveries	1,061.5	1,167.6	1,173.7	1,173.7	1,172.4	(1.3)	(0.1%)
Total Revenues	3,507.5	3,365.7	3,845.7	3,285.9	3,624.4	338.5	10.3%
Salaries and Benefits	14,356.5	15,419.6	15,694.8	14,104.9	15,760.8	1,655.9	11.7%
Materials & Supplies	14.9	5.7	20.2	16.0	20.2	4.2	26.3%
Equipment	41.6	46.4	37.5	38.3	39.0	0.7	1.8%
Service and Rent	576.2	558.8	739.7	628.5	748.4	119.9	19.1%
Contribution To Reserves/Reserve Funds	38.2	38.2				0.0	
Other Expenditures	10.4	0.0	0.5	0.5	0.5	0.0	
Total Gross Expenditures	15,037.8	16,068.7	16,492.7	14,788.2	16,568.9	1,780.7	12.0%
Net Expenditures	11,530.3	12,703.0	12,647.0	11,502.3	12,944.5	1,442.2	12.5%

*2021 Projection based on Q3 Variance Report

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

The 2022 Operating Budget reflects an increase in salaries and benefits primarily due to annualized impact of positions budgeted for part of the year in 2021.

The 2022 Operating Budget includes 3 positions and salary and benefits totalling \$0.094 million to establish a CPA Pre-Approved Program Route Office (Training Office) to train and develop CPA candidates within the City of Toronto, starting in September 2022. This is partially offset by the reduction of 2 capital positions for the Integrated Asset Planning Management (IAPM) project.

Services and Rents:

The 2022 Operating Budget includes an increase over the 2021 projected actuals for professional services due to underspending experienced in 2021 associated with a delay in implementing the Short Term Promissory Note Program.

Other Revenue Changes:

The 2022 Operating Budget includes \$0.616 million in capital recoveries, which reflects an increase over the 2021 projected actuals primarily attributed to increased recoveries towards the IAPM project.

Offsets and Efficiencies:

The 2022 Operating Budget for the Chief Financial Officer and Treasurer includes \$0.117 million in savings as a result of line-by-line reviews to align expenditures with actual experience.

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

(\$000s)	2021 Projection*	2022 Budget	2023 Outlook	2024 Outlook
Revenues	3,285.9	3,624.4	3,745.5	3,775.9
Gross Expenditures	14,788.2	16,568.9	17,257.1	17,395.1
Net Expenditures	11,502.3	12,944.5	13,511.6	13,619.2
Approved Positions	N/A	114.0	114.0	114.0

*2021 Projection based on Q3 Variance Report

Key drivers

The 2023 Outlook with total gross expenditures of \$17.257 million reflects an anticipated \$0.688 million or 4.15 per cent increase in gross expenditures above the 2022 Operating Budget; the 2024 Outlook expects a further increase of \$0.138 million or 0.80 per cent above 2023 gross expenditures.

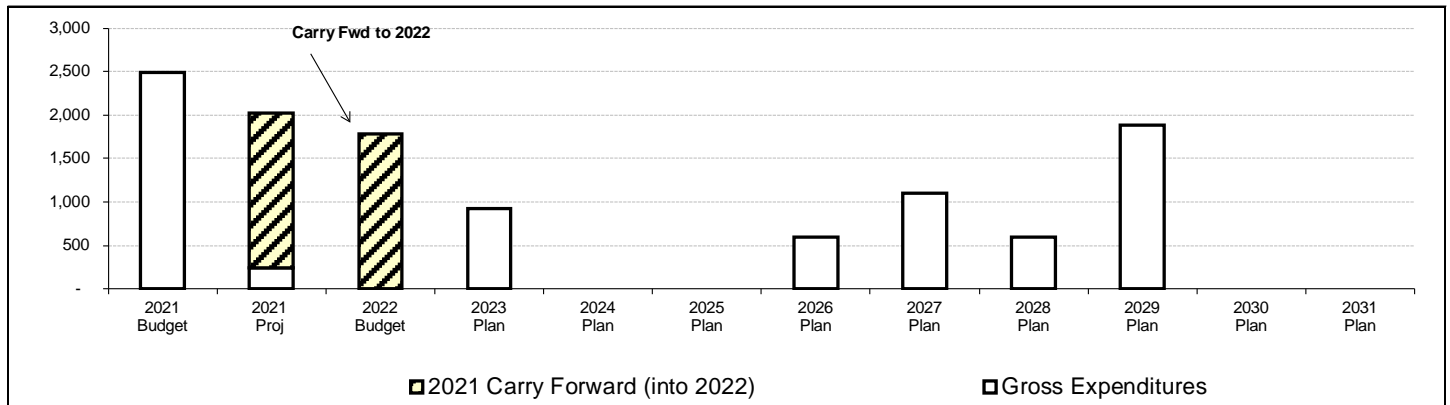
These changes arise from the following:

- Increase in 2023 mainly due to a cost of living adjustment increase for L79 staff (1.5% effective January 1, 2023 and 0.25% effective July 1, 2023), and annualization of positions filled in 2022.
- Increase in 2024 mainly due to 1.75% COLA increase for L79 staff.

2022 – 2031 CAPITAL BUDGET AND PLAN

2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

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



In \$000's	2021		2022 Capital Budget and 2023 - 2031 Capital Plan										Total 10 Year Plan
	Budget	Projected Actual	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
	Gross Expenditures by Project Category:												
Health & Safety & Legislated													-
SOGR	2,494	247	1,781	925			600	1,100	597	1,878			6,881
Service Improvement & Growth													-
Total by Project Category	2,494	247	1,781	925	0	0	600	1,100	597	1,878	0	0	6,881
Financing:													
Debt	1,707	17	1,224	925					500	597	1,878		5,124
City Building Fund													-
Reserves/Reserve Funds	787	230	557				600	600					1,757
Development Charges													-
Provincial													-
Federal													-
Debt Recoverable													-
Other Revenue													-
Total Financing	2,494	247	1,781	925	0	0	600	1,100	597	1,878	0	0	6,881

*2021 Projection based on Q3 Variance Report.



Changes to Existing Projects (-\$0.5 Million)	New Projects (\$0.0 Million)	Capital Needs Constraints (\$0.0 Million)
<p>The 2022-2031 Capital Budget and Plan reflects a decrease of \$0.5 million over the nine common years of the Capital Plan (2022-2030) due to:</p> <ul style="list-style-type: none"> Reduction of \$0.5 million in project estimates for the <i>Investment & Debt Management System Replacement</i> project. Deferral of \$0.6 million in cash flow funding from 2025 to 2026 for the <i>Risk Management Information System Replacement</i> project. 	<p>There are no new projects in the 10 Year Capital Plan.</p>	<p>There are no capital needs constraints in the 10 Year Capital Plan.</p>

Note:

For additional information, refer to [Appendix 6](#) for a more detailed listing of the 2022 Capital Budget and 2023-2031 Capital Plan by project.

2022 – 2031 CAPITAL BUDGET AND PLAN

\$6.9 Million 10-Year Gross Capital Program

	
Asset Planning	Information Technology / Risk Management
\$2.2 M 32%	\$4.7 M 68%
Integrated Asset Planning Management	Risk Management Information System Investment & Debt Management System Capital Migration to New System

How the Capital Program is Funded

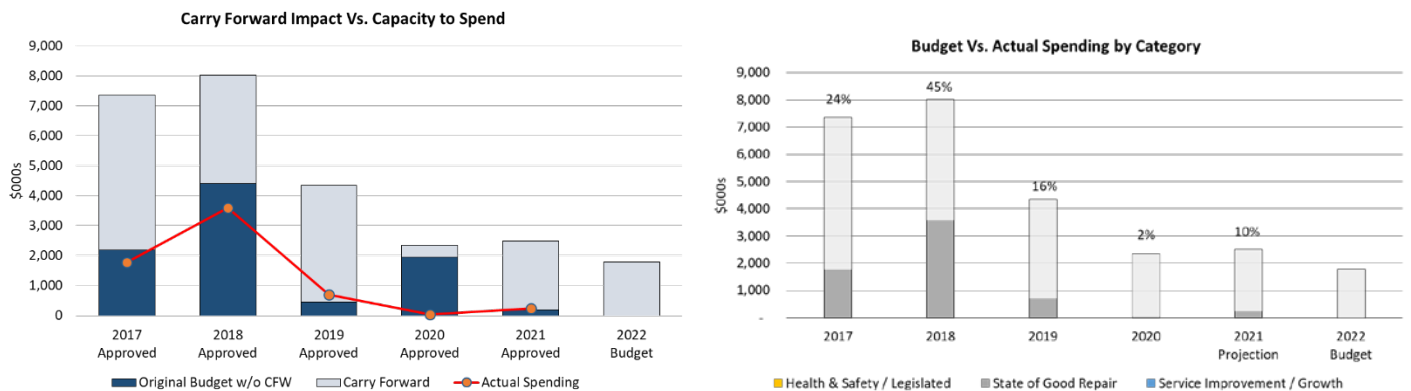
City of Toronto		Provincial Funding	Federal Funding
\$6.9 M 100%		\$0 M 0%	\$0 M 0%
Debt	\$ 5.1 M		
Reserves / Reserve Funds	\$ 1.8 M		

CAPACITY TO SPEND REVIEW

The 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 Office of the Chief Financial Officer & Treasurer’s ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

Chart 2 – Capacity to Spend



*2021 Projection based on Q3 Variance Report.

Capacity to Spend Review Impact on the 10-Year Plan

The 10-Year Capital Plan has been reviewed based on anticipated annual capital spending and cash flow requirements, consistent with project readiness to proceed. For 2021, the projected spending is \$0.247 million, or 10% of the 2021 Capital Budget, due to the delay in spending for two capital projects.

The *Integrated Asset Planning Management (IAPM)* project experienced significant underspending in 2021, as provincially legislated timeframes were revised to require Ontario municipalities to develop and approve asset management plans for all infrastructure assets at the current levels of service by July 1, 2024, a year later than originally required. This work will be completed in alignment with the required timeframes over 2022 and 2023. While there was significant underspending for this project in 2021, City Council approved the Core Asset Management Plan, in advance of the province’s July 1, 2022 deadline.

The *Risk Management Information System Upgrade* project experienced underspending as a result of a delayed RFP and evaluation process. Authority to enter into a contact for the provision of a risk management information system was awarded in September 2021.

As a result of underspending in 2021, a total of \$2.247 million in cash flow funding has been carried forward into 2022 (\$1.781 million) and 2023 (\$0.466 million). In addition, funding estimates in the amount of \$0.5 million has been deferred from 2025 to 2026 to reflect anticipated timing of the *Risk Management Information System Replacement* project.

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

Not Applicable

Appendix 2

2022 Balancing Actions

Not Applicable

Appendix 3

Summary of 2022 Service Changes

Not Applicable

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget

Not Applicable

Appendix 5

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

Not Applicable

Appendix 6

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

Project Code	(In \$000s)	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2022 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
FS001	Integrated Asset Planning Management (IAPM)	1,224	925									2,149		2,149	
FS002	Risk Management Information System Upgrade	557										557		557	
FS003	Risk Management Information System Replacement 2026					600						600		600	
FS004	Investment & Debt Mgmt System Replacement 2027						600					600		600	
FS005	Capital Migration to New System 2027						500	597	1,878			2,975		2,975	
Total Expenditures (including carry forward from 2021)		1,781	925	-	-	600	1,100	597	1,878	-	-	6,881	-	6,881	-

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

Project Code	(In \$000s)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 2022 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
FS001	Integrated Asset Planning Management (IAPM)	1,224	925									2,149	2,149		
FS002	Risk Management Information System Upgrade	557										557	557		
	Total Expenditures (including carry forward from 2021)	1,781	925	-	-	-	-	-	-	-	-	2,706	2,706	-	-

Appendix 6b

2023 - 2031 Capital Plan

Project Code	(In \$000s)	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2023 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
FS003	Risk Management Information System Replacement 2026				600						600		600	
FS004	Investment & Debt Mgmt System Replacement 2027					600					600		600	
FS005	Capital Migration to New System 2027					500	597	1,878			2,975		2,975	
Total Expenditures		-	-	-	600	1,100	597	1,878	-	-	4,175	-	4,175	-

Appendix 7

Reporting on Major Capital Projects: Status Update

Not Applicable

Appendix 8

Summary of Capital Needs Constraints

Not Applicable

Appendix 9

2022 User Fee Changes

Not Applicable

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2022 Operating Budget

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2021 \$	Withdrawals (-) / Contributions (+)		
			2022	2023	2024
			\$	\$	\$
Beginning Balance			37,929	25,639	15,416
Insurance Reserve Fund	XR1010				
<i>Withdrawals (-)</i>			(1,785)	(1,807)	(1,838)
Total Reserve / Reserve Fund Draws / Contributions		-	36,144	23,832	13,578
Other Program / Agency Net Withdrawals & Contributions			(10,505)	(8,416)	(11,989)
Balance at Year-End		37,929	25,639	15,416	1,589

* Based on 9-month 2021 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2021 \$	Withdrawals (-) / Contributions (+)		
			2022	2023	2024
			\$	\$	\$
Beginning Balance			348,658	323,091	279,646
Section 37 Reserve Fund	XR3026				
<i>Withdrawals (-)</i>			(31)	(31)	(31)
Total Reserve / Reserve Fund Draws / Contributions		-	348,627	323,061	279,615
Other Program / Agency Net Withdrawals & Contributions			(25,536)	(43,415)	(23,016)
Balance at Year-End		348,658	323,091	279,646	256,599

* Based on 9-month 2021 Reserve Fund Variance Report

Inflows and Outflows to/from Reserves and Reserve Funds

2022 – 2031 Capital Budget and Plan

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2021 *	Contributions / (Withdrawals)										Total
			2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	
XQ0011	Beginning Balance		359,818	334,695	254,594	73,095	29,744	1,534	3,255	27,907	52,255	73,922	
Capital Financing Reserve	Withdrawals (-)												
	Investment & Debt Management System Replacement								(600)				(600)
	Total Withdrawals		-	-	-	-	-	-	(600)	-	-	-	(600)
	Total Contributions		-	-	-	-	-	-	-	-	-	-	-
Other Program/Agency Net Withdrawals and Contributions			(25,123)	(80,101)	(181,499)	(43,351)	(28,210)	2,321	24,652	24,348	21,667	23,230	
Balance at Year-End			359,818	334,695	254,594	73,095	29,744	1,534	3,255	27,907	52,255	73,922	97,152

* Based on 9-month 2021 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2021 *	Contributions / (Withdrawals)										Total
			2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	
XR1010	Beginning Balance		37,929	25,639	15,416	1,589	(12,308)	(26,805)	(40,701)	(54,598)	(68,495)	(82,392)	
Insurance Reserve Fund	Withdrawals (-)												
	Risk Mgmt Information System Upgrade		(557)										(557)
	Risk Mgmt Information System Replacement							(600)					(600)
	Total Withdrawals		(557)	-	-	-	-	(600)	-	-	-	-	(1,157)
	Total Contributions		-	-	-	-	-	-	-	-	-	-	-
Other Program/Agency Net Withdrawals and Contributions			(11,733)	(10,223)	(13,827)	(13,897)	(13,897)	(13,897)	(13,897)	(13,897)	(13,897)	(13,897)	
Balance at Year-End			37,929	25,639	15,416	1,589	(12,308)	(26,805)	(40,701)	(54,598)	(68,495)	(82,392)	(96,288)

* Based on 9-month 2021 Reserve Fund Variance Report

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).