

2023 Budget Notes

TO Live

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Description

TO Live is one of Canada's largest multi-arts organizations, operating three iconic venues: Meridian Hall, the St. Lawrence Centre for the Arts and Meridian Arts Centre. In addition, TO Live presents a full range of performing arts, theatrical and concert events at these venues in both downtown and uptown Toronto. With these two hubs of creativity and content creation, TO Live has a unique place and perspective to activate creative spaces by inspiring local and international artists, connect audiences and to be the nexus for new ideas, elevate artistic potential, and be the catalyst for creative expression that is reflective of Toronto's diversity.

Why We Do It

To lead cultural innovation in the City of Toronto by redefining the role of performance spaces as a force for social engagement, cultural exchange and creative innovation.

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

Creative Community Hubs

Who We Serve:

TO Live is dedicated to amplifying under-represented voices by being open for residents throughout the day and through support for local community members, performing arts patrons, artists, and arts organizations. We serve our local community members, performing arts and community programming attendees, performing arts resident companies, not-for-profit arts companies, commercial producers, corporate and private event rental clients, event attendees, educational institutions and students, corporate sponsors and donors. In a typical year, TO Live's venues are visited by over 500,000 people.

What We Deliver:

TO Live is one of Canada's largest multi-arts organizations, operating three iconic venues: Meridian Hall, St. Lawrence Centre for the Arts, and Meridian Arts Centre. TO Live presents a full range of performing arts, theatrical, and concert events at these venues in both downtown and uptown Toronto. With these two creative community hubs, TO Live has a unique place and perspective to activate creative spaces by inspiring local and international artists, connecting audiences with new ideas, elevating artistic potential, and becoming a catalyst for creative expression that is reflective of Toronto's diversity.

Gross 2023 operating budget: \$43.2 Million

Budget at a Glance*

2023 OPERATING BUDGET

\$Million	2023	2024	2025
Revenues	\$37.0	\$33.8	\$28.1
Gross Expenditures	\$43.2	\$40.2	\$34.1
Net Expenditures	\$ 6.2	\$ 6.4	\$ 6.0
Approved Positions	227.0	227.0	227.0

2023 - 2032 10-YEAR CAPITAL PLAN

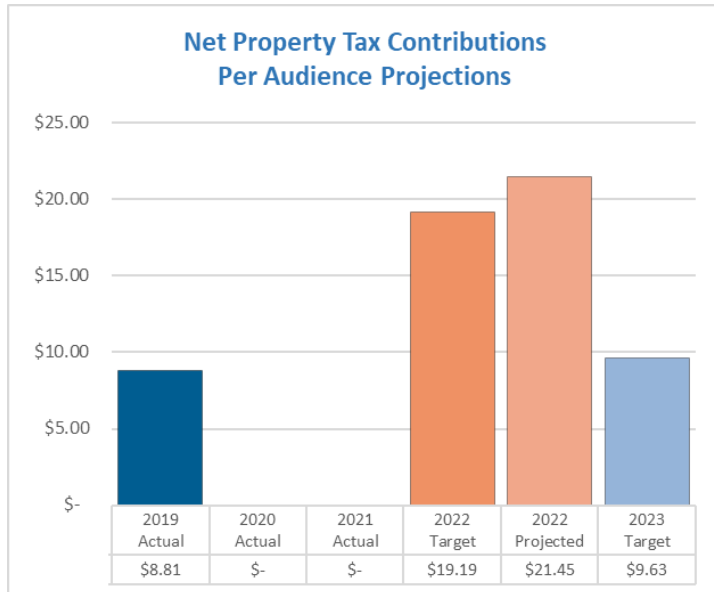
\$Million	2023	2024-2032 Total	
Gross Expenditures	\$21.9	\$84.1	\$106.0
Debt	\$18.2	\$84.1	\$102.3

Note: Includes 2022 carry forward funding

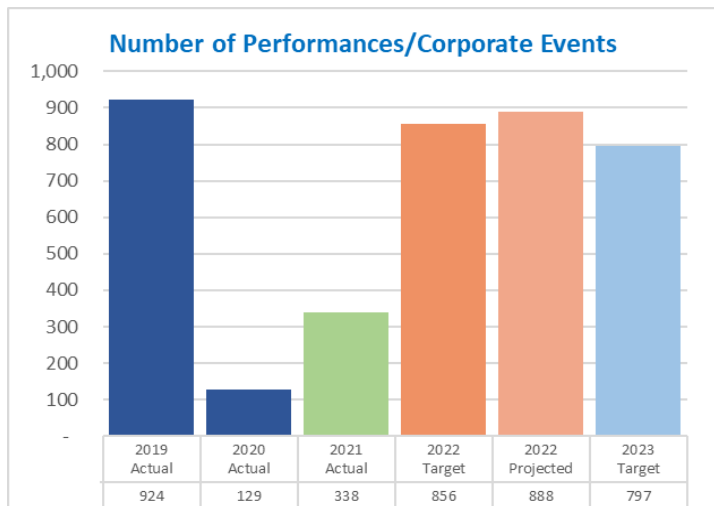
*This document reflects the 2023 Operating Budget and 2023-2032 Capital Budget and Plan as tabled by the City's City Manager and the Chief Financial Officer and Treasurer, which differs from the budget approved by the TO Live Board of Directors. TO Live will provide an update on its final 2023 Budgets for Board review at the earliest opportunity upon City Council approval. Please refer to [Appendix 12](#) for details.

Please note that the TO Live Board has not approved the 2023 Tabled Budget adjustments in City Investment.

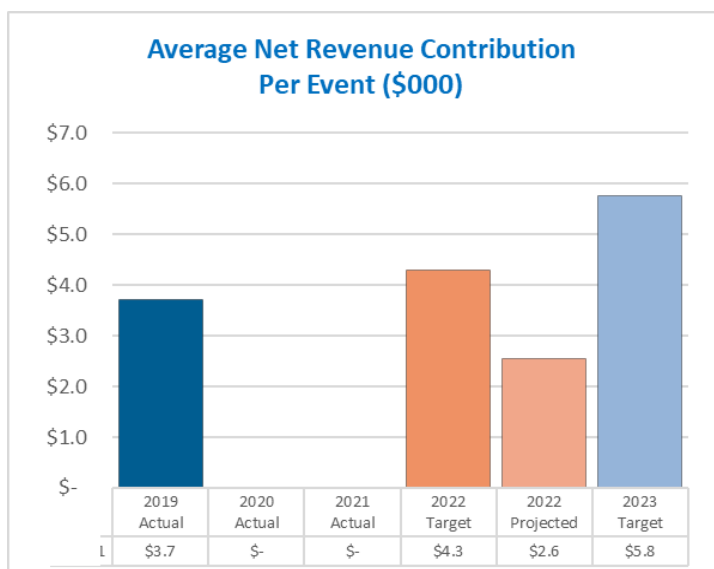
How Well We Are Doing – Behind the Numbers



- Due to the suspension of regular operations in 2020 and 2021 related to the COVID-19 pandemic, the net property tax contribution per audience does not yield the result that is comparable to prior years during regular theatre operations.
- The City investment for the 2023 budget assumes a return to pre pandemic levels of activity and earned revenue sources.



- Due to the suspension of regular operations in 2020 and 2021 related to the COVID-19 pandemic, the number of performances and corporate events has been significantly reduced.
- As public health measures and gathering restrictions are lifted, performance and corporate event levels are anticipated to gradually return to pre-pandemic levels.
- 2023 Board Approved Target is subject to change as a result of the adjusted City of Toronto investment to address the significant financial challenges facing the City.



- Due to the suspension of regular operations in 2020 and 2021 related to the COVID-19 pandemic, the average net revenue contribution per event yields an unrealistic result.
- The net revenue contribution reflects an additional 37 rental events in 2023 as compared to 2019 actual.
- 2023 Board Approved Target is subject to change as a result of the adjusted City of Toronto investment to address the significant financial challenges facing the City.

How Well We Are Doing

Service	Measure	2020 Actual	2021 Actual	2022 Target	2022 Projection*	Status	2023 Target**
Service Level Measures							
Corporate Events	# of usage days	37	26	149	117	●	216
Stage Shows & Other Events	# of usage days	179	579	815	749	●	852
Community Classes	# of events	38	0	90	28	●	60
Arts & Wellness, Xenia Concerts	# of events	2	13	17	21	●	29
Discover Series	# of events	2	5	20	19	●	19
Masterclasses, Professional & Artist Development	# of events	11	2	30	9	●	20
Pre/Post-show events and Other E&E Activities	# of events	7	8	138	35	●	83

*TO Live was closed for regular operations during Q1 2022, due to the COVID-19 pandemic

**2023 Target has not be adjusted for changes reflected in Appendix 12

2022 Projection to 2022 Target Comparison
 ● 80% - 100% ● 64 - 79% ● 63% and Under

COVID 19 IMPACT AND RECOVERY

2023 Impact and Recovery

Operating Budget Impact

- A shortfall of \$1.0 million in TO Live revenues due to the continuing effects of COVID-19, as compared to pre-pandemic levels.
- Fewer large-scale events are budgeted affecting not only base rent and recoverables, but also ancillary revenues such as concession sales and ticket rebates, as compared to pre-pandemic levels. It is likely that the COVID-19 pandemic will have a long-lasting impact.
- To mitigate the revenue loss, TO Live implements cost mitigation measures by absorbing inflationary pressures in the base budget and by reducing administration and departmental overhead.

Service Level Changes

- Programming activities are expected to gradually return to pre-pandemic levels over a significant period of time.
 - TO Live will continue to support local artists through the TO Live Presents program and to work proactively with rental clients returning to live performances.
 - TO Live is working to minimize the impact of an adjusted City of Toronto investment while responding to the significant financial challenges facing the City.
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EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Launch of recovery program with safety measures in place
- Continuation of Meridian Credit Union partnership which started in 2019
- Investment in fundraising and sponsorship opportunities

Key Challenges and Risks

- Post pandemic rebuilding of audiences – consumer confidence
- Uncertainty of economic health
- New competitive market pressures
- Loss of stage rental engagements and corporate event business
- Remote working environment
- Capital State of Good Repair backlog
- Inflationary pressures

Priority Actions

- Rebuilding TO Live culture
- Events and activities that create impact and visibility for TO Live venues
- Black, Indigenous, and People of Colour (BIPOC) artists and companies catering for diverse audiences
- Partnerships and collaborations
- Support for artists, arts workers and companies through the affordable provision of space, production and technical support
- Digital Transformation Initiatives
- Accessibility as reflected in the ticket pricing policy and the number of free performances
- Initiatives of the Inclusion, Diversity, Equity & Access (IDEA) Staff Committee
- Health & safety protocols
- Changes in base rents

TABLED BUDGET

The City Manager and Chief Financial Officer and Treasurer have tabled:

1. The 2023 Operating Budget for TO Live of \$43.208 million gross, \$37.036 million revenue and \$6.172 million net for the following service:

Service:	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Theatrical & Other Cultural Events	\$43,208.2	\$37,036.2	\$6,172.0
Total Program Budget	\$43,208.2	\$37,036.2	\$6,172.0

- The above includes a 2023 budgeted staff complement for TO Live of 227.0 positions comprised of 14.0 capital positions and 213.0 operating positions.
2. The 2023 Capital Budget for TO Live with cash flows and future year commitments totaling \$34.155 million as detailed by project in [Appendix 6a](#).
 3. The 2024-2032 Capital Plan for TO Live totalling \$71.850 million in project estimates as detailed by project in [Appendix 6b](#).
 4. That all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2023 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs

2023 OPERATING BUDGET

2023 OPERATING BUDGET OVERVIEW

Table 1: 2023 Operating Budget by Service

(In \$000s)	2021 Actual	2022 Budget	2022 Projection*	2023 Base Budget	2023 New / Enhanced	2023 Budget	Change v. 2022 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Theatrical & Other Cultural Events	5,610.8	30,613.5	24,419.1	37,036.2		37,036.2	12,617.1	51.7%
Total Revenues	5,610.8	30,613.5	24,419.1	37,036.2		37,036.2	12,617.1	51.7%
Expenditures								
Theatrical & Other Cultural Events	15,170.6	38,672.6	32,537.1	43,208.2		43,208.2	10,671.1	32.8%
Total Gross Expenditures	15,170.6	38,672.6	32,537.1	43,208.2		43,208.2	10,671.1	32.8%
Net Expenditures (including COVID-19)	9,559.8	8,059.1	8,118.0	6,172.0		6,172.0	(1,946.0)	(24.0%)
Required COVID-19 Support	2,111.8	2,892.6	2,892.6	1,005.5		1,005.5	(1,887.1)	(65.2%)
Net Budget (excluding COVID-19 supports)	7,448.0	5,166.5	5,225.4	5,166.5		5,166.5	(58.9)	(1.1%)
Approved Positions**	96.7	216.8	N/A	227.0		227.0	N/A	N/A

* 2022 Projection based on 9 Month Variance

**YoY comparison based on approved positions

The 2023 Budget of \$6.172 million in net expenditure reflects a \$1.946 million or 24.0% decrease from the 2022 projections comprised of:

- \$1.887 million or 65.2% decrease in COVID-19 impacts expected in 2023 compared to 2022 projections; and
- \$0.059 million or 1.1% decrease in the 2023 Net Budget (excluding COVID-19) compared to 2022 projections.

KEY COST DRIVERS – FUNDING PRIORITIES

Total 2023 Budget expenditures of \$43.208 million gross reflecting an increase of \$10.671 million in spending above 2022 projected year-end actuals, predominantly arising from:

- Salaries and benefits adjustments, as staffing level has been adjusted to reflect the gradual return to pre-pandemic activity levels, and to ensure adequate staffing capacity for all programs across the 3 venues.
- Non-labour economic factors, inflationary increases on commitments and costs associated with programs and events.

EQUITY IMPACTS OF BUDGET CHANGES

TO Live continues to focus on providing quality performances and event facilities and promoting its contribution to the artistic, cultural, and social vitality of Toronto and its communities. TO Live is working to minimize the impact of an adjusted City of Toronto investment while responding to the significant financial challenges facing the City.

2023 OPERATING BUDGET KEY DRIVERS

The 2023 Operating Budget for TO Live of \$43.208 million in gross expenditures is \$10.671 million or 32.8% higher than the 2022 Projected Actuals. Table 2 below summarizes the key cost drivers for the 2023 Budget.

Table 2: 2023 Operating Budget by Revenue / Expenditure Category

Category (In \$'000s)	2020	2021	2022	2022	2023	2023 Change from	
	Actual	Actual	Budget	Projection*	Budget	2022 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Grants	13.0	34.4	794.9	110.1	175.0	64.9	58.9%
Federal Grants	48.0	388.6	897.3	236.3	250.0	13.8	5.8%
Other Grants	5.0	30.0	75.0	33.7	100.0	66.3	197.0%
User Fees & Donations	3,816.5	1,339.2	20,047.1	18,447.5	24,103.7	5,656.2	30.7%
Licences & Permits Revenue							
Transfers From Capital	523.2	1,654.7	4,175.8	2,326.7	4,314.1	1,987.3	85.4%
Contribution From Reserves/Reserve Funds	19.0		2,048.0	240.0	3,938.0	3,698.0	1540.8%
Sundry and Other Revenues	2,942.4	2,163.9	2,575.3	3,024.8	4,155.4	1,130.6	37.4%
Inter-Divisional Recoveries							
Total Revenues	7,367.1	5,610.8	30,613.5	24,419.1	37,036.2	12,617.1	51.7%
Salaries and Benefits	8,929.3	8,658.0	17,807.5	20,650.5	19,999.7	(650.8)	(3.2%)
Materials & Supplies	1,284.6	1,264.3	3,206.1	2,687.9	3,689.4	1,001.5	37.3%
Equipment	57.5	92.0	376.6	283.5	187.0	(96.5)	(34.0%)
Service and Rent	2,395.0	3,409.5	12,784.5	6,273.3	15,394.0	9,120.7	145.4%
Contribution To Capital		164.8	1,308.9				
Contribution To Reserves/Reserve Funds	2,340.8	597.3	2,223.2	1,809.1	3,234.4	1,425.4	78.8%
Other Expenditures	1,112.5	984.7	965.7	832.8	703.8	(129.1)	(15.5%)
Inter-Divisional Charges							
Total Gross Expenditures	16,119.8	15,170.6	38,672.6	32,537.1	43,208.2	10,671.1	32.8%
Net Expenditures	8,752.6	9,559.8	8,059.1	8,118.0	6,172.0	(1,946.0)	(24.0%)

*Projection based on 9 Month Variance

Key Base Drivers:**Salaries and Benefits:**

The higher performance and corporate events in 2022 projected actuals have resulted in additional salaries and benefits for staff to maintain expected service levels. In addition, the 2023 budget includes known inflationary adjustments for salaries and benefits. TO Live will review the efficiency in operating processes and the number of performances and corporate events, optimize staffing requirements, and adjust level of staffing where necessary to provide services and service levels.

Materials and Supplies:

TO Live is projecting an increase in materials and supplies driven by volume of activities anticipated in 2023, as well as inflationary increases in utilities, staffing and other expenses.

Service and Rent:

Service and rent is also expected to increase in 2023 due to the volume of activities anticipated at all venues.

Contribution to and from Reserve/Reserve Funds:

Contributions to TO Live's Facility Fee Reserve Fund (FFRF) are generated in part by a ticket surcharge on events that are held in the theatres. As TO Live's operations continue to recover, increased ticket sales are anticipated, resulting in increased contributions of ticket surcharge revenue to the FFRF. Contributions are offset by increased withdrawals from the FFRF to pay for small maintenance and state of good repair to the theatres.

User Fees / Sundry & Other Revenues:

As TO Live's operations continue to recover, volume-based increases in revenues are projected. However, large ticketed events, corporate and other private events are expected to take longer to recover due to the pandemic.

Increases in user fee revenue of 30.7% over 2022 projected actuals assume:

- Increased days of use across all three venues to achieve higher utilization rate
- Increased sales of stage, corporate, and private rentals
- Increases in overall user rental rates
- Increases in food pricing for corporate and private events
- Increases in ticketing service & setup fees

For 2023, TO Live is implementing a net rental rate increase across all venues of 5%. It should be mentioned that this is the first such increase in many years, set after studying comparative rental rates at other venues in Toronto and mindful of not undermining TO Live's competitiveness. This is particularly important for Meridian Hall, the primary revenue driver.

Transfers from Capital:

Increase in Transfers from Capital are due to vacant capital project delivery positions that are expected to be filled in 2023 for planned capital SOGR projects.

Offsets and Efficiencies:

TO Live's is working to minimize the impact of an adjusted City of Toronto investment while responding to the significant financial challenges facing the City.

2023 & 2024 OUTLOOKS**Table 3: 2024 and 2025 Outlooks**

(\$000s)	2023 Budget	2024 Incremental Outlook	2025 Incremental Outlook
Revenues			
User Fees		(1,987.7)	(1,767.7)
Sundry/Other		(1,226.5)	(3,913.3)
Total Revenues	37,036.2	(3,214.2)	(5,681.0)
Gross Expenditures			
Salaries and Benefits		(1,060.6)	(1,671.5)
Materials & Supplies		(422.1)	(681.9)
Services & Rents		(1,720.9)	(2,901.3)
Other		182.3	(836.4)
Total Gross Expenditures	43,208.2	(3,021.2)	(6,091.0)
Net Expenditures	6,172.0	193.0	(410.0)
Approved Positions	227.0	227.0	227.0

Key drivers

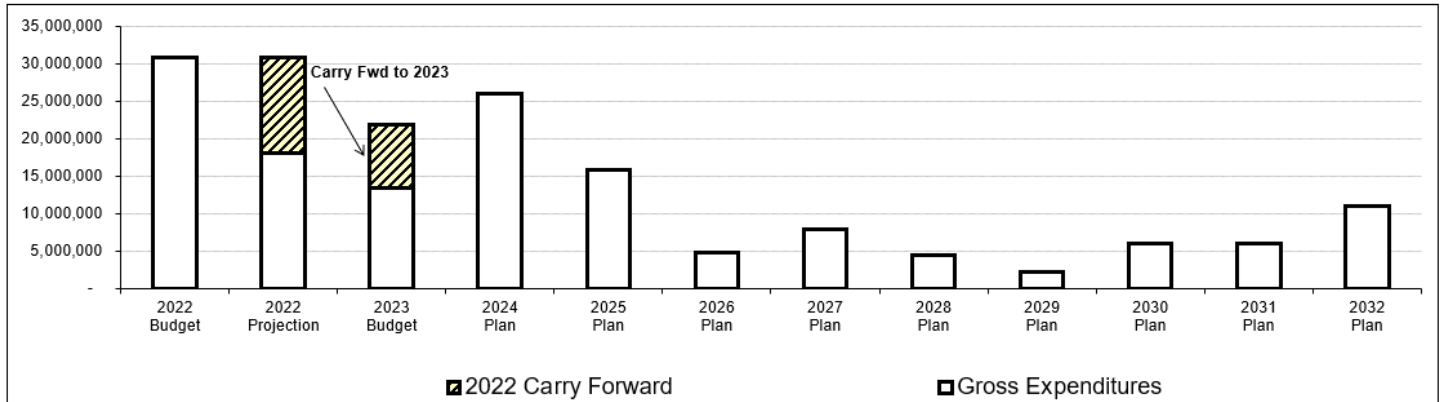
The 2024 Outlook with total gross expenditures of \$40.187 million reflects an anticipated \$3.021 million or 7.0% decrease in gross expenditures over the 2023 Operating Budget. The 2025 Outlook expects a further decrease of \$6.09 million or 15.2% of 2024 gross expenditures.

The above Outlook estimates are contingent upon the level of City's investment and support in order to achieve intended outcomes guided by the Board Approved TO Live's Five-Year (2023-2027) Strategic Plan. As TO Live is working to minimize the impact of an adjusted City investment while responding to the significant financial challenges facing the City, the Outlook estimates will be revised as part of the 2024 Budget process.

**2022 – 2031
CAPITAL BUDGET AND PLAN**

2023 2032 CAPITAL BUDGET & PLAN OVERVIEW

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



In \$'000's	2022		2023 Capital Budget and 2024 - 2032 Capital Plan										Total 10 Year	
	Budget	Projected Actual	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032		
Gross Expenditures by Project Category:														
Health & Safety & Legislated	16,064	8,259	11,878	16,623	8,284		250	500						37,535
SOGR	11,422	8,070	5,531	9,394	7,475	4,792	7,588	4,000	2,190	6,000	6,000	11,000		63,970
Service Improvement & Growth	3,231	1,731	4,500											4,500
Total by Project Category	30,717	18,060	21,909	26,017	15,759	4,792	7,838	4,500	2,190	6,000	6,000	11,000		106,005
Financing:														
Debt	30,717	18,060	18,169	26,017	15,759	4,792	7,838	4,500	2,190	6,000	6,000	11,000		102,265
Reserves/Reserve Funds														
Development Charges														
Provincial				1,700										1,700
Federal				2,040										2,040
Other Revenue														
Total Financing	30,717	18,060	21,909	26,017	15,759	4,792	7,838	4,500	2,190	6,000	6,000	11,000		106,005






Changes to Existing Projects (\$-2.0 Million)	New Projects (\$2.0 Million)	Capital Needs Constraints (\$174.9 Million)
<p>The 2023-2032 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2023-2031):</p> <ul style="list-style-type: none"> Re-prioritized funding from the Meridian Hall and Meridian Arts Centre AODA projects as well as the Meridian Hall and Meridian Arts Centre Theatrical Improvement projects. 	<p>The 2023-2032 Capital Budget and Plan includes new projects as follows:</p> <ul style="list-style-type: none"> Using re-prioritized funds of \$2.0 million for new projects based on recent Building Condition Audits performed at the Meridian Hall and Meridian Arts Centre, primarily to replace aging rigging systems. 	<p>TO Live has several unmet projects over the 10-year planning horizon:</p> <ul style="list-style-type: none"> Unfunded projects over the 10-year planning horizon include Theatre systems and equipment, Building Envelope projects, and Net Zero Carbon Initiatives.


Note:

For additional information, refer to [Appendix 6](#) for a more detailed listing of the 2023 and 2024-2032 Capital Budget & Plan by project; and [Appendix 8](#) for Capacity to Spend Review; and [Appendix 9](#) for Capital Needs Constraints, respectively.

2023 – 2032 CAPITAL BUDGET AND PLAN

\$106.0 Million 10-Year Gross Capital Program

			
Aging Infrastructure	Accessibility	Equipment	St. Lawrence Centre Redevelopment
\$26.0M 24.5%	\$33.2M 31.4%	\$5.9M 5.5%	\$40.9M 38.6%
Building Envelope, Mechanical & Electrical Systems 	AODA Compliance Projects	Theatrical Systems and Equipment	St. Lawrence Centre Redevelopment

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

*Information above includes full project / sub-project 2023-2032 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

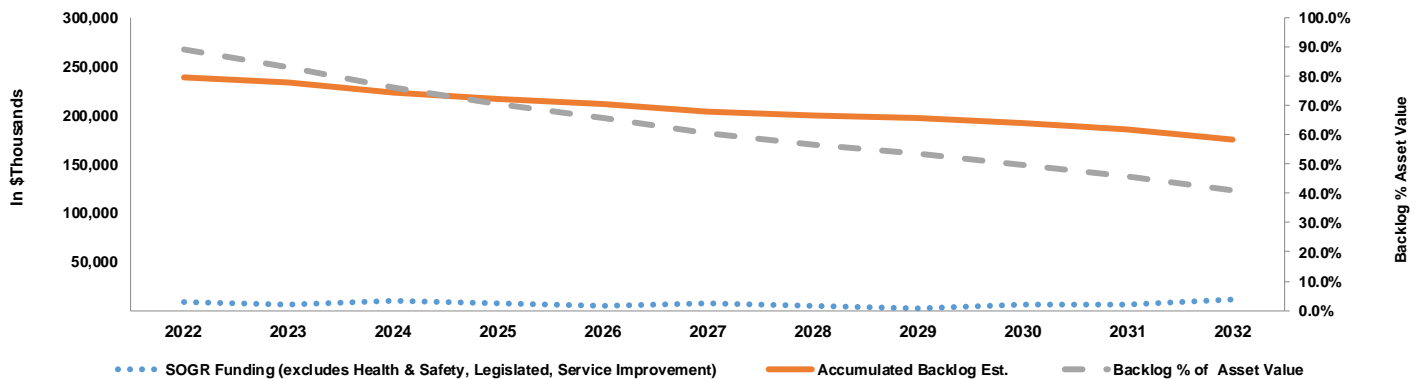
How the Capital Program is Funded

City of Toronto		Provincial Funding		Federal Funding	
\$102.3 M 96.5%		\$1.7 M 1.6%		\$2.0 M 1.9%	
Debt	\$ 102.3M	Investing In Canada Infrastructure Program	\$ 1.7M	Investing In Canada Infrastructure Program	\$ 2.0M

STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

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

Chart 2: Total SOGR Funding & Backlog



\$ Thousands	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
SOGR Funding (excludes Health & Safety, Legislated, Service Improvement)	8,070	5,531	9,394	7,475	4,792	7,588	4,000	2,190	6,000	6,000	11,000
Accumulated Backlog Est.	238,821	233,290	223,896	216,421	211,629	204,041	200,041	197,851	191,851	185,851	174,851
Backlog % of Asset Value	89.2%	83.2%	76.3%	70.4%	65.8%	60.5%	56.7%	53.6%	49.6%	45.9%	41.2%
Total Asset Value	267,838.0	280,426.4	293,606.4	307,405.9	321,854.0	336,981.1	352,819.3	369,401.8	386,763.6	404,941.5	423,973.8

- 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 the building condition audits and building accessibility assessments are taken into consideration in establishing TO Live's 10-Year Capital Plan.
- The Building Condition Assessments (BCA) performed at the Meridian Hall in 2021, and at the Meridian Arts Centre in 2022, as well as the impact of increased construction costs resulting from the COVID-19 pandemic are taken into consideration in establishing TO Live's 10-Year Capital Plan. In addition, the recent BCAs included an energy audit which allows for consideration of capital projects with a climate lens in addition to projects required to address SOGR concerns.
- The 2023-2032 Capital Budget and Plan provides funding for \$64.0 million of SOGR projects within TO Live over the 10-year period, providing an average of \$6.4 million annually. TO Live will utilize this funding to maintain building infrastructure, major theatre equipment and Heritage Agreement obligations for the three theatres. While the backlog is expected to decrease over the 10-Year Plan, this current level of SOGR funding is not sufficient to completely reduce the growing SOGR backlog over the 10-year period. Based on this plan, the accumulated backlog is anticipated to be \$174.9 million in 2032, or approximately 41.2% of asset value.
- An increase of \$135.8 million in estimated SOGR backlog by 2031, when compared to the 2022 approved budget, reflects the outcomes of:
 - recent Building Condition Audits
 - 2020 and 2022 Capital Budget reductions for COVID-19 backstop
 - project cost escalation
 - prioritization of projects in the 10-Year Capital Plan requiring other projects to be placed under Capital Needs Constraints due to affordability concerns
- The "Capital Needs Constraints" 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 debt affordability as well as spending capacity, and therefore are not included in the 10-Year Capital Plan. For further details about these projects, please refer to [Appendix 9](#).

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

In \$ Thousands					
COVID-19 Impacts	2022		2023		
	Budget	Projection*	Revenues	Gross	Net
Revenue Loss					
User Fees & Donations	1,364.2	1,364.2	(1,005.5)		1,005.5
Other	1,325.1	1,325.1			
Sub-Total	2,689.2	2,689.2	(1,005.5)		1,005.5
Expenditure Increase (Decrease)					
Equipment	203.4	203.4			
Sub-Total	203.4	203.4			
Total COVID-19 Impact	2,892.6	2,892.6	(1,005.5)		1,005.5

* 2022 Projection based on 9-month variance.

Reflects negative impacts only

Appendix 2

2023 Affordability Measures

N/A

Appendix 3

Summary of 2023 Service Changes

N/A

Appendix 4

Summary of 2023 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2023 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

2023 Capital Budget; 2024 - 2032 Capital Plan Including Carry Forward Funding

(In \$000s)	2023 Budget	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2023 - 2032 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
MH - AODA Compliance Projects	3,547	2,295	2,604								8,446	8,446		
MH - BCA Recommendations								3,000	3,000	3,000	9,000		9,000	
MH - Building Envelope	863	85					90				1,038	663	375	
MH - Site Work ✔	1,239	1,183									2,422	2,422		
MH - Theatre Systems & Equipment ✔	596	435	84	20	405						1,540	50	1,490	
MAC - AODA Compliance Projects	6,177	4,033	1,000								11,210	11,210		
MAC - BCA Recommendations									3,000	5,000	8,000		8,000	
MAC - Building Envelope ✔	840				90						930		930	
MAC - Future SOGR Projects	2,159	277	341	1,354							4,131		4,131	
MAC - Theatre Systems & Equipment	1,502	700	269	189	1,679						4,339	1,152	3,187	
STLC - AODA Compliance Projects		8,412	4,680					500			13,592	13,592		
STLC - SOGR Projects	486	8,597	6,781	3,139	5,754	4,000	2,100	3,000			36,857		36,857	
STLC - Studies and Redevelopment Planning (2021-23)	4,500										4,500			4,500
Total Expenditures (including carry forward from 2022)	21,909	26,017	15,759	4,792	7,838	4,500	2,190	6,000	6,000	11,000	106,005	37,535	63,970	4,500

✔ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

*Information above includes full project / sub-project 2023-2032 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

Appendix 6a

2023 Cash Flow and Future Year Commitments Including Carry Forward Funding

(In \$000s)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total 2023 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
MH - AODA Compliance Projects	3,547	2,295	2,604								8,446		1,368	7,078
MH - Building Envelope	863										863	863		
MH - Site Work	1,239	1,183									2,422	2,422		
MH - Theatre Systems & Equipment	596	431									1,027		827	200
MAC - AODA Compliance Projects	6,177	4,033	1,000								11,210		1,597	9,613
MAC - Building Envelope	840										840	690		150
MAC - Future SOGR Projects	2,159										2,159		1,264	895
MAC - Theatre Systems & Equipment	1,502	700									2,202		2,076	126
STLC - SOGR Projects	486										486			486
STLC - Studies and Redevelopment Planning (2021-23)	4,500										4,500	4,500		
Total Expenditure (including carry forward from 2022)	21,909	8,642	3,604								34,155	8,475	7,131	18,548

Appendix 6b

2024 - 2032 Capital Plan

(In \$000s)	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2024 - 2032 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
MH - BCA Recommendations							3,000	3,000	3,000	9,000		9,000	
MH - Building Envelope	85					90				175		175	
MH - Theatre Systems & Equipment	4	84	20	405						513		513	
MAC - BCA Recommendations								3,000	5,000	8,000		8,000	
MAC - Building Envelope			90							90		90	
MAC - Future SOGR Projects	277	341	1,354							1,972		1,972	
MAC - Theatre Systems & Equipment		269	189	1,679						2,137	250	1,887	
STLC - AODA Compliance Projects	8,412	4,680			500					13,592	13,592		
STLC - SOGR Projects	8,597	6,781	3,139	5,754	4,000	2,100	3,000		3,000	36,371		36,371	
Total Expenditures	17,375	12,155	4,792	7,838	4,500	2,190	6,000	6,000	11,000	71,850	13,842	58,008	

Appendix 7

Reporting on Major Capital Projects: Status Update

N/A

Appendix 8

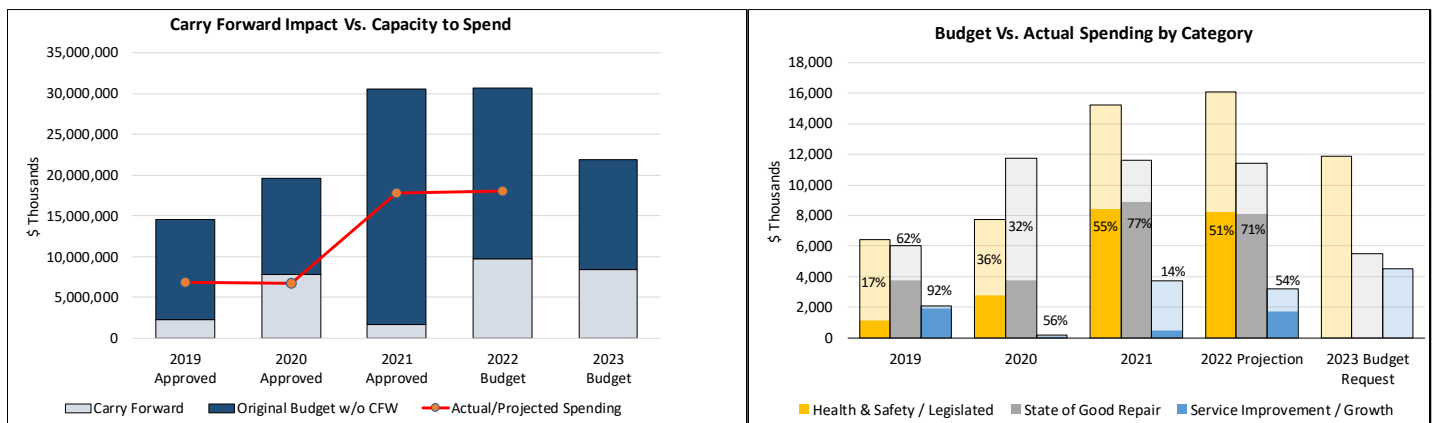
Capacity to Spend Review

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 TO Live’s ability to spend and the market’s capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories, as well as the level of projected 2022 underspending that will be carried forward into 2023 to complete capital work.

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). 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 below.

Chart 3 – Capacity to Spend



Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$5.3 million in capital spending originally cash flowed in 2023 has been deferred to 2024. Adjustments to the Capital Plan are noted below:

- The St. Lawrence Centre for the Arts AODA and SOGR projects' 2023 cash flow have been deferred by \$3.383 million and \$1.614 million respectively in 2023 to 2024 based on affordability concerns and prioritization of other projects.
- The Meridian Hall Program Sound Video and Communication (PSVC) Systems project 2023 cash flow has been deferred by \$0.289 million in 2023 to 2024 based affordability concerns and prioritization of other projects.
- The Meridian Hall and Meridian Arts Centre AODA projects have had a reduction in cash flow of \$0.050 million and \$1.052 million respectively in 2023 and 2024 due to scope changes and prioritization of other projects. These reductions will not impact the provincial regulation for AODA compliance by 2025.
- The Meridian Hall Theatrical Lighting and Meridian Arts Centre Theatre Systems and Equipment projects have had a reduction in cash flow of \$0.238 million and \$0.663 million respectively over the 10-year plan due to scope changes and prioritization of other projects.

The reduction in the AODA Compliance projects budget for Meridian Hall and Meridian Art Centre of \$4.2 million resulted from the COVID-19 backstop measures taken to reduce pressures to the City caused by the COVID-19 pandemic.

Appendix 9

Summary of Capital Needs Constraints (In \$ Thousands)

Project Description	Total Project	Non-Debt	Debt Required	Cash Flow (In \$ Millions)									
				2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
NOT INCLUDED													
MH - AODA Projects	5.0		5.0	3.5			1.5						
MH - BCA Recommendations	9.2		9.2						1.5	1.0	0.2	2.5	4.0
MH - Building Envelope	9.4		9.4	0.2	4.4	2.2	1.7				0.0	0.9	
MH - Site Work	1.6		1.6	1.2	0.3	0.0	0.1						
MH - Theatre Systems & Equipment	9.0		9.0	0.1	2.8	4.2	1.5	0.2			0.0	0.2	
MH - Net Zero Carbon Initiative (Assessment)	0.1		0.1	0.1									
MH - Net Zero Carbon Initiative	36.0		36.0		4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
MAC - AODA Projects	2.5		2.5	0.8			1.7						
MAC - BCA Recommendations	15.0		15.0				0.2	2.2	2.2	2.2	2.2	3.0	3.0
MAC - Building Envelope	9.6		9.6	2.0	6.7	0.9							
MAC - Future SOGR Projects	20.7		20.7	3.4	6.0	0.8	1.2	1.6	5.0	2.7			
MAC - Theatre Systems & Equipment	9.6		9.6	1.2	4.9	0.9	0.6	1.9					
MAC - Net Zero Carbon Initiative (Assessment)	0.1		0.1	0.1									
MAC - Net Zero Carbon Initiative	40.0		40.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
STLC - Building Condition Assessment	0.2		0.2			0.1				0.1			
STLC - BCA Recommendations	7.0		7.0									3.0	4.0
Total Needs Constraints (Not Included)	174.9		174.9	16.4	33.1	17.0	16.5	14.0	16.7	14.0	10.5	17.7	19.0

In addition to the 10-Year Capital Plan of \$106.0 million, \$174.9 million in capital needs constraints are identified for the TO Live as reflected in the table above.

- Net Zero Carbon Initiative estimate of \$76.2 for Meridian Hall and Meridian Arts Centre.
- Meridian Hall (MH) requires \$54.9 million for replacement of cooling and chilled water plant, rehabilitation of interior door, upgrades in audio and video systems as well as SOGR requirements arising from the Building Condition Audit.
- Meridian Arts Centre (MAC) requires \$29.2 million for improvements in flooring systems, upgrades in interior spaces, renewal and retrofit of air handling units as well as SOGR requirements arising from the Building Condition Audit.
- \$7.5 million to address AODA requirements in MH and MAC.
- St. Lawrence Centre (STLC) requires \$7.2 million to address future year Building Condition Audit recommendations.

The Capital Needs Constraints are substantial in scope and require significant funding. These projects will be included on the list of "Capital Needs Constraints" for consideration in the future year budget process.

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds 2023 Operating Budget

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2023	2024	2025
		\$	\$	\$
Beginning Balance		4,208.8	3,277.2	3,341.2
TO Live Facility Fee Reserve Fund	XR3030			
<i>Withdrawals (-)</i>		(3,938.0)	(2,599.0)	(2,056.0)
<i>Contributions (+)</i>		2,934.4	2,599.0	2,056.0
Total Reserve / Reserve Fund Draws / Contributions		3,205.2	3,277.2	3,341.2
Interest Income		72.0	64.0	65.0
Balance at Year-End		3,277.2	3,341.2	3,406.2

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2023	2024	2025
		\$	\$	\$
Beginning Balance		391.0	691.0	991.0
TO Live Programming Reserve	XQ2033			
<i>Withdrawals (-)</i>				
<i>Contributions (+)</i>		300.0	300.0	300.0
Total Reserve / Reserve Fund Draws / Contributions		691.0	991.0	1,291.0
Balance at Year-End		691.0	991.0	1,291.0

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 Service Priorities: 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).

Appendix 12

Board Approved Vs. Tabled Budget

2023 Operating Budget – Board Approved Vs. Tabled Budget

\$ Millions	2022 Council	2023 Board	2023 Tabled	Difference	
	Approved	Approved	Budget	\$	%
Revenues	30.6	36.8	37.0	0.2	0.5%
Gross Expenditures	38.7	43.9	43.2	(0.7)	-1.6%
Net Expenditures	8.1	7.1	6.2	(0.9)	-14.6%
Approved Positions	216.8	227.0	227.0		

- At its meeting on May 30, 2022, the Board of Directors of TO Live approved a 2023 Operating Budget Submission of \$43.908 million gross and \$7.072 million net for TO Live. Attached is a link to the report and decision.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.CT33.5>
- As shown in the table above, the 2023 Tabled Operating Budget for TO Live is \$0.7 million gross and \$0.9 million net lower than the 2023 Board Approved Operating Budget of \$43.9 million gross and \$7.1 million net. In an effort to reduce the base pressures to the City given the significant financial impacts from COVID-19, TO Live staff have made a number of adjustments subsequent to the Board approval as follows:
- Net expenditure savings of \$0.9 million which consists of:
 - Additional recovery of \$0.200 million from Transfers from Capital contributions to the TO Live's Operating Budget to fund necessary project management costs associated with the delivery of TO Live's Capital Program during 2023.
 - Additional reduction of expenditures of \$0.700 million from various programming areas upon further line-by-line reviews.