REPORT FOR ACTION

TO Live

Updated 2023 Budget

Date: February 1, 2023
To: Finance & Audit Committee and the Board of Directors of TO Live
From: President and Chief Executive Officer

SUMMARY

The purpose of this report is to provide an update on the 2023 budget.

RECOMMENDATIONS

The President and Chief Executive Officer recommends that the Board of Directors of TO Live:

1. Approve the updated 2023 Operating Budget, based on a reduced City investment now totalling $6.172M, as set out in Attachment 1 to this report.

FINANCIAL IMPACT

The City investment was reduced by an additional $900K as part of TO Live's 2023 budget submission. See Attachment 1 for details.

DECISION HISTORY

At its May 30, 2022, meeting the Board of Directors of TO Live approved the 2023 Plan and Budget
https://secure.toronto.ca/council/agenda-item.do?item=2022.CT33.5

COMMENTS

At its May 30, 2022, meeting the Board of Directors of TO Live approved the 2023 Plan and Budget which included a reduced City investment of $7.072M. This investment was based on the Board approved 2023-2027 Strategic Plan which provided a pathway to lower the City investment to pre-pandemic levels over the course of four years (2022 to 2025), while at the same time providing the time to offset the reduction with new sources of development income.

In November 2022, as part of the City's budget review process, TO Live was asked to cut $200K from the City investment budget.

In late December 2022, TO Live was asked to see if we could further reduce the City investment to the 2019 level of $5.599M. This would have meant a further reduction of $1.2M. Management reduced the City investment by an additional $700K bringing the City's 2023 investment to $6.172M, which was accepted by the City Budget Office.

Management reviewed all areas of operations, including programming. Highlights of the changes include:

- TO Live Presents reduced by $146K
- Facility costs reduced by $250K
- Corporate rental revenue increased by $327K
- Allocation of labour costs to SOGR increased by $200K
- Other revenue earned increased by $34K
- Administration costs reduced by $50K
- Program delivery costs decreased by $23K

Offset by related operating revenue reductions

- Ancillary Revenue reduced by $128K

See Attachment 1 for details.

The revised City investment includes a total of $900K which was cut from TO Live's 2023 Plan and Budget since the Board's approval in May 2022. This reflects a total reduction of the City investment of 23% from 2022.

City Investment Summary				
	original plan	**% change**	**revised plan**	**% change**
2018	$5,274		$5,274	
2019	$5,599	6%	$5,599	6%
2020	$5,599	0%	$5,599	0%
2021	$10,977	96%	$10,977	96%
2022	$8,059	-27%	$8,059	-27%
2023	$7,072	-12%	$6,172	-23%
2024	$6,365	-10%	$5,599	-9%
2025	$5,955	-6%	$5,599	0%
2026	$5,737	-4%	$5,599	0%
2027	$5,416	-6%	$5,599	0%

years 2025-2027 per Board approved Strategic Plan (original plan)
in 000's

As a result of the additional reduction in the City's Investment, TO Live's 2023-2027 Strategic Plan will be revised, and the 2024 budget process delayed. Both the new Strategic Plan and the 2024 Budget will be brought back to the Board for adoption in June of 2023.

CONTACT

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SIGNATURE

Clyde Wagner
President and Chief Executive Officer

ATTACHMENTS

Attachment 1 - Updated 2023 Budget