

# 2024 Budget Notes

## City Manager's Office

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### Description

The City Manager's Office leads the municipal administration to advance Council and City priorities. This is accomplished through providing leadership on intergovernmental and agency relations, providing advice to Council and divisions on strategic matters, promoting accountability through effective governance, and a public service ethics framework including the Toronto Public Service Bylaw. The City Manager's Office plays a leadership role in advancing truth, justice and reconciliation with First Nations, Inuit and Métis.

The City Manager's Office is comprised of the following divisions:

- Office of the Chief of Staff (Executive Administration; Governance & Corporate Strategy; Intergovernmental & Agency Relations; Strategic Partnerships)
- Concept 2 Keys (C2K - moving to Development and Growth Services in 2024)
- FIFA World Cup 2026 (FWC 2026 Secretariat)
- Strategic Public and Employee Communications
- Indigenous Affairs Office
- People and Equity (P&E)

### Why We Do It

The City Manager's Office (CMO) provides leadership to the Toronto Public Service to deliver **fair and equitable services and outcomes** to Toronto residents, organizations, the private sector, and First Nations, Inuit and Métis. The CMO supports the Mayor, City Council and Senior Leadership to achieve Council and City priorities and build **trust and confidence** in the administration of municipal government.

The City Manager's Office outcomes include:

- Corporate strategies, policies, programs and priorities that are aligned with Council's directions and set the strategic direction for City divisions.
- Governance systems and structures that advance effective, accountable service delivery and decision-making.
- Corporate and inter-divisional collaboration that supports modernized services, continuous improvement, innovation, accountability and transparency.
- Intergovernmental relations to secure funding, policy changes and other agreements from the Provincial and Federal governments which advance effective partnerships to achieve our shared goals with other orders of government.
- City agencies and corporations deliver services and operate in compliance with their Council-approved mandates and strategically advance Council's priorities.
- Strategic partnerships with public and private sector groups that address City challenges and opportunities and support the well-being of residents.
- Effective and coordinated development review services by transforming technology, organizational structures, processes and policies.
- Better collaboration between City divisions and between development applicants and City staff.

- Toronto residents, public and private sector groups, visitors and the Toronto Public Service have access to easy-to-understand, timely and accurate information via multiple communications channels on City governance, services, programs and policies.
- City services and facilities are responsive to and supportive of the needs of Indigenous, Black and equity deserving communities in Toronto.
- Truth, justice, reconciliation, decolonization, anti-racism and equity are advanced through collaboration and partnerships between the City and communities.
- City divisions have a qualified, diverse and engaged workforce to meet their service delivery requirements for current and future needs.
- City's employment practices are fair and equitable. Residents see themselves represented at all levels within the Toronto Public Service.
- City employees work in a physically and mentally safe environment and are provided high quality, accessible learning resources.
- City programs that address barriers faced by Indigenous, Black and equity-deserving people.
- Strategic, operational, and administrative support to the City Manager.

*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

### **Office of the Chief of Staff (Executive Administration, Governance & Corporate Strategy, Intergovernmental & Agency Relations, Strategic Partnerships) (OCOS)**

**Who We Serve:** City Manager & Deputy City Managers (DCMs), Mayor, City Council, City Divisions, Agencies, Corporations, Toronto's Accountability Officers, City partners, other orders of government, organizations, business sector, and the public.

**What We Deliver:** Corporate strategic planning, governance and ethics oversight, Government leadership and strategic advice, Corporate performance management, policy advice, and public engagement; City's intergovernmental relations, policy and legislative priorities, relationships, and oversight; City agency and corporation governance and oversight; Council transition coordination, Strategic partnerships with public and private sector groups and institutions; Strategic agenda management for Council and Committee agendas; Corporate issues management.

**How Much Resources (gross 2024 operating budget):** \$7.5 million

### **Concept 2 Keys (C2K - moving to Development and Growth Services in 2024)**

**Who We Serve:** City Manager & DCMs, Mayor, City Council, City Divisions, Agency and Corporation staff, applicants, property owners, communities, interest groups, and the public.

**What We Deliver:** Strategic planning, governance oversight, business process improvements, technology solutions, development review application coordination, stakeholder engagement and issues management.

**How Much Resources (gross 2024 operating budget):** \$10.6 million

### **FIFA World Cup 2026 Secretariat (FWC 2026 Secretariat)**

**Who We Serve:** City Manager & DCMs, Mayor, City Council, City Divisions, Agency and Corporation staff, community groups, other orders of government (Provincial/Federal), International Association Football Federation (FIFA).

**What We Deliver:** As one of the 16 Host Cities across North America, responsible for the planning and delivery of the FIFA World Cup 2026 (FWC 2026) in Toronto. Convening of expertise and support across City of Toronto Divisions, Agencies, Boards and Corporations, as well as community partners and external stakeholders.

**How Much Resources (gross 2024 operating budget):** \$3.4 million

\*Additional FIFA costs appear in the respective City Division's Budget Notes

### **Strategic Public and Employee Communications (SPEC)**

**Who We Serve:** City Manager & DCMs, Mayor, Media, City Council, the public, City, Agency and Corporation staff.

**What We Deliver:** Strategy and execution of public and employee communications, social media, digital communications, including toronto.ca, and advertising and media buying; Media relations, issues management, and communications advice and counsel; Informed decision making via research and data analytics; Design and creative services; Corporate identity management and accountability.

**How Much Resources (gross 2024 operating budget):** \$11.8 million

### **Indigenous Affairs Office (IAO)**

**Who We Serve:** City Manager & DCMs, Mayor, City Council, City Divisions, Agency and Corporation staff, Urban Indigenous (First Nations, Inuit and Métis) communities in Toronto, as well as Indigenous treaty and territorial partners.

**What We Deliver:** Advice, policies, initiatives that help to fulfill the City's commitments to Indigenous peoples, advancing truth, justice and reconciliation and decolonization.

The City’s Reconciliation Action Plan identifies Actions for the IAO:

- Advocates for Indigenous Peoples within the City of Toronto
- Increases Indigenous community engagement
- Enhances communication between Indigenous communities and City divisions
- Supports capacity within the Toronto Public Service
- Implements accountability processes

**How Much Resources (gross 2024 operating budget):** \$2.8 million

**People and Equity (P&E)**

**Who We Serve:** City Manager & DCMs, Mayor, City Council, Agency and Corporation staff, the public, and Unions & Associations.

**What We Deliver:** Provide corporate leadership and strategic Human Resources (HR) advisory services and customized solutions to complex workforce priorities and challenges; manage the employee relations environment; support divisions in embedding equity and reconciliation into all policies, programs and services in spaces and a work environment that is equitable, legislatively compliant and free of discrimination and harassment; provide managers and employees with single point of contact for timely HR support and information; manage people process-related technology, data, information, training and support; attract and retain a highly skilled diverse workforce; ensure compliance with health & safety legislation; reduce the impact of injuries, illnesses and absences; build capacity and a positive workplace culture through learning and leadership development and initiatives that support an ethical, inclusive, and effective Toronto Public Service that builds trust and confidence with the public and staff.

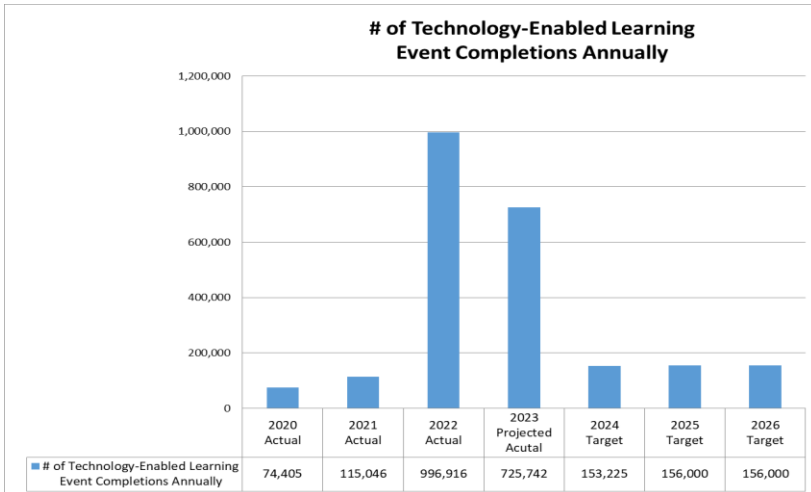
**How Much Resources (gross 2024 operating budget):** \$55.4 million

**Budget at a Glance**

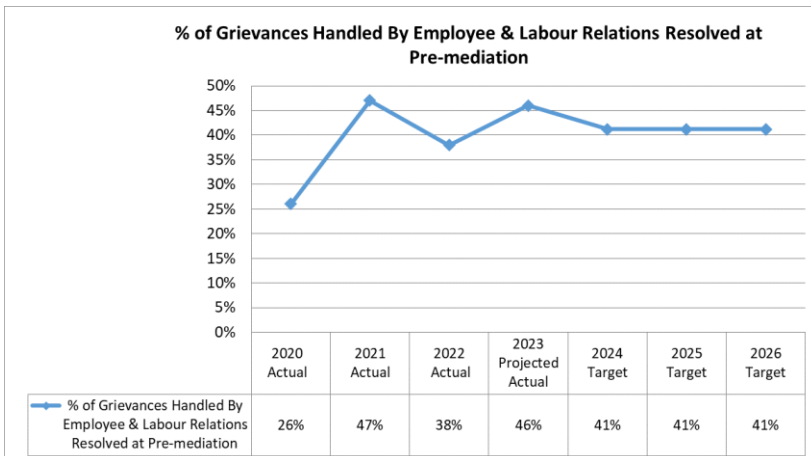
2024 OPERATING BUDGET			
\$Million	2024	2025	2026
Revenues	\$26.3	\$54.7	\$124.5
Gross Expenditures	\$91.5	\$126.4	\$197.2
Net Expenditures	\$65.2	\$71.7	\$72.7
Approved Positions	553.0	551.0	551.0

2024 - 2033 10-YEAR CAPITAL PLAN			
\$Million	2024	2025-2033	Total
City Manager’s Office has no 10-Year Capital Budget and Plan			

## How Well We Are Doing – Behind the Numbers



- Our 2022 actuals and 2023 projected actuals have increased by over 100% due to the introduction of several series of new courses (many of them required or mandatory) in areas such as fire safety and cybersecurity.



- Employee Relations has shifted focus back to pre-pandemic work. While litigation on key files that arose during the pandemic continues (e.g. mandatory vaccination), we are seeing labour relations normalize, with both the union and the employer adapting to the new way of doing business in a virtual/hybrid setting for meetings and mediations/arbitrations.

## How Well We Are Doing

Service	Measure	2021 Actual	2022 Actual	2023 Target	2023 Projection	Status	2024 Target	2025 Target
<b>Outcome Measures</b>								
Strategic Public & Employee Communications	Growth in User Visits/Sessions on toronto.ca	15%	(6)%	1%	5%	●	1%	1%
Strategic Public & Employee Communications	Growth in engagement rate across Corporate Social Media Platforms (Twitter, Facebook, Instagram)	NA	22%	1%	20%	●	3%	3%
People & Equity	% of Grievances Resolved at Mediation	96%	85%	79%	70%	●	78%	78%
People & Equity	% change in the number of workplace injuries	22%	15%	0%	(25)%	●	0%	0%

Service	Measure	2021 Actual	2022 Actual	2023 Target	2023 Projection	Status	2024 Target	2025 Target
<b>Service Level Measures</b>								
Strategic Public & Employee Communications	% Respond to Media Inquiries by the End of Business Day	99%	99%	96%	99%	●	96%	96%
Strategic Public & Employee Communications	Communications Tactics Created and Distributed Within Planned Timing (New releases, advertising, social media content)	97%	98%	92%	98%	●	92%	92%
Strategic Public & Employee Communications	Communications Tactics Created and Distributed Within Planned Timing (Employee content - intranet, ELI, staff messages)	100%	100%	95%	99%	●	95%	95%
People & Equity	Annual # of health and safety training hours	22,213	30,995	23,775	35,893	●	32,600	32,600

<b>Other Measures</b>								
People & Equity	# of Technology-Enabled Learning Event Completions Annually	115,046	996,916	139,224	725,742	●	153,225	156,000

### 2023 Projection to 2023 Target Comparison

● 100% (MET TARGET) ● 70 - 99% (LOW RISK) ● 69% and Under (REQUIRES ATTENTION)

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Advanced Council and corporate priorities including: Leading negotiations between the province and the City as part of the New Deal Working Group to secure multi-year capital and operating funding that will lead to generational change and greatly improve Toronto's long-term financial stability and sustainability; Post-election transition; 2024 budget consultations; Engagement review consultations; Guidance for Council and program advisory bodies; Updated Toronto Dashboard and performance measurement advice; Strategic partnerships that advance City priorities, such as coordinating donations to support refugee claimants and asylum seekers; The City's United Way Employee Campaign which raised over \$2.3 million in 2023 and providing strategic, operational, and administrative support to the City Manager. (OCOS).
- Led internal and external communications on all City priorities including the 2023 municipal by-election, housing and homelessness initiatives including refugee response, major infrastructure construction projects, winter response, transition to new Mayor and the Long-Term Financial Plan. Strategic Public and Employee Communications was able to inform both mainstream and hard-to-reach audiences by ensuring timely, accurate and essential information was shared in innovative, creative and culturally appropriate ways. (SPEC)
- Supported several Divisional reorganizations (e.g., Development & Growth Services, Strategic Public & Employee Communications, etc.) as well as recruitment for key leadership positions across the organization; launching the third Employee Engagement Survey; negotiating and receiving Council approval for market-based adjustments to compensation for key positions; launching an online Attendance Management Program Training for City of Toronto Management on ELI. (P&E)  
Established the FIFA World Cup 2026 Toronto Secretariat to oversee the planning and delivery of Toronto's hosting of this global event. (FWC 2026 Secretariat)

### Key Challenges and Risks

- Securing timely and appropriate funding from the provincial and federal governments and advancing effective partnerships with other governments to achieve our shared goals. Responding to external, unforeseen legislative, governance or policy changes that impact the CMO's ability to advance Council and City priorities. (OCOS)
- Validation of FIFA World Cup 2026 planning assumptions is on-going. A key component of this is determining the extent to which City Divisions, Agencies, and Corporations can provide expertise and support in order to meet planning and delivery requirements. (FWC 2026 Secretariat)
- Challenges in shifting SPEC's operating model to a centralized and centres of excellence approach were mitigated by deploying change management best practices while ensuring continued best-in-class communications leadership. (SPEC)
- Resource limitations impact progress on implementing the Reconciliation Action Plan, including granting to Indigenous organizations, training & development, engagement, building relationships and trust with Indigenous organizations and communities. (IAO)  
Capacity to deliver on increasingly complex services while also implementing new programs within existing complement. (P&E)

### Priority Actions

- Provide strategic oversight, leadership and expertise to effectively advance Council and corporate priorities focused on: Intergovernmental affairs and advocacy for funding, policy and legislative priorities; Alignment of agency and corporation initiatives with City priorities; Strategic partnerships that advance the City's goals; Governance and policy advice; Accountability and decision-making processes and advice; Report and implement recommendations from the Public Engagement Review; and Strategic coordination to support the Senior Leadership Team and Corporate Leadership Team. (OCOS)
- Support implementation of the new Development and Growth Service Area including the new Development Review Division; Support accelerated development review application decisions to meet legislative timelines and advance housing initiatives. (C2K)

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- Continue FIFA World Cup 2026 Toronto planning and project management by enlisting the support of internal and external expertise, engaging community partners, and maximizing opportunities for economic and cultural impact and legacy benefits. (FWC 2026 Secretariat)
  - Focus communications efforts to align with corporate and Council priorities as the new centralized, centres of excellence operating model continue to be implemented. Use data-informed decision-making and insights to guide communications strategy, approaches, tactics and messages. (SPEC)
  - Lead City's implementation of the Reconciliation Action Plan focusing on establishing processes, relationships and priorities (e.g. relationship building/engagement, policy/guidance, accountability framework) and continued support for key initiatives (e.g. Indigenous housing, Indigenous-led Crisis Service, Spirit Garden and the Indigenous Centre for Innovation and Entrepreneurship). (IAO)
  - Diversity strategy – Continue to embed diversity and inclusion into all hiring practices by working with senior leaders/hiring managers to outline/implement specific goals into the recruitment plan with a focus to hire diverse candidates. (P&E)
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## CITY STAFF PREPARED BUDGET

The City Manager and Chief Financial Officer and Treasurer have prepared the following budget:

- The 2024 Operating Budget for the City Manager's Office of \$91.553 million gross, \$26.329 million revenue and \$65.224 million net for the following services:

**Service:**

	<b>Gross Expenditures (\$000s)</b>	<b>Revenue (\$000s)</b>	<b>Net Expenditures (\$000s)</b>
Executive Administration (includes C2K)	12,736.5	12,873.3	(136.8)
Governance & Corporate Strategy/Intergovernmental & Agency Relations	3,546.9	0.0	3,546.9
Strategic Partnerships	1,820.2	1,000.0	820.2
FWC 2026 Secretariat	3,414.0	3,414.0	0.0
Strategic Public and Employee Communications	11,833.1	1,460.6	10,372.5
Indigenous Affairs Office	2,787.7	0.0	2,787.7
People and Equity	55,414.9	7,581.4	47,833.5
<b>Total City Manager's Office Budget</b>	<b>91,553.4</b>	<b>26,329.3</b>	<b>65,224.1</b>

- The 2024 staff complement for the City Manager's Office of 553.0 positions comprised of 2.0 capital positions and 551.0 operating positions.

# **2024 OPERATING BUDGET**

**2024 OPERATING BUDGET OVERVIEW**

**Table 1: 2024 Operating Budget by Service**

(In \$000s)	2022 Actual	2023 Budget	2023 Projection*	2023 Budget excl COVID	2024 Base Budget	2024 New / Enhanced	2024 Budget	Change v. 2023 Budget excl COVID	
By Service	\$	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>									
Governance & Corporate Strategy/ Intergovernmental & Agency Relations	99.7	1,405.8	696.5	1,405.8				(1,405.8)	(100.0%)
Executive Administration (includes C2K)	6,074.3	12,270.0	9,962.0	12,270.0	12,873.3		12,873.3	603.3	4.9%
Strategic Partnerships	120.1	1,000.0	31.6	1,000.0	1,000.0		1,000.0		
Strategic Public and Employee Communications	1,707.3	1,393.5	1,655.8	1,393.5	1,460.6		1,460.6	67.0	4.8%
People and Equity	3,768.0	7,246.8	6,602.7	7,246.8	7,581.4		7,581.4	334.6	4.6%
Indigenous Affairs Office			63.5						N/A
FWC 2026 Secretariat		2,370.6	2,026.1	2,370.6	3,414.0		3,414.0	1,043.4	44.0%
<b>Total Revenues</b>	<b>11,769.4</b>	<b>25,686.7</b>	<b>21,038.1</b>	<b>25,686.7</b>	<b>26,329.3</b>		<b>26,329.3</b>	<b>642.6</b>	<b>2.5%</b>
<b>Expenditures</b>									
Governance & Corporate Strategy/ Intergovernmental & Agency Relations	3,799.1	5,038.9	3,849.9	5,038.9	3,546.9		3,546.9	(1,492.0)	(29.6%)
Executive Administration (includes C2K)	6,967.7	12,039.7	10,677.4	12,039.7	12,736.5		12,736.5	696.8	5.8%
Strategic Partnerships	1,255.6	1,927.1	1,137.8	1,927.1	1,820.2		1,820.2	(106.9)	(5.5%)
Strategic Public and Employee Communications	8,856.4	11,306.5	11,091.0	11,306.5	11,833.1		11,833.1	526.6	4.7%
People and Equity	48,187.0	54,455.3	53,035.2	51,982.4	55,414.9		55,414.9	3,432.5	6.6%
Indigenous Affairs Office	1,898.4	2,713.8	2,293.8	2,713.8	2,787.7		2,787.7	73.9	2.7%
FWC 2026 Secretariat		2,370.6	2,026.1	2,370.6	3,414.0		3,414.0	1,043.4	44.0%
<b>Total Gross Expenditures</b>	<b>70,964.2</b>	<b>89,851.8</b>	<b>84,111.3</b>	<b>87,379.0</b>	<b>91,553.4</b>		<b>91,553.4</b>	<b>4,174.5</b>	<b>4.8%</b>
<b>Net Expenditures</b>	<b>59,194.8</b>	<b>64,165.1</b>	<b>63,073.1</b>	<b>61,692.2</b>	<b>65,224.1</b>		<b>65,224.1</b>	<b>3,531.9</b>	<b>5.7%</b>
<b>Approved Positions**</b>	<b>565.0</b>	<b>560.0</b>	<b>N/A</b>	<b>560.0</b>	<b>553.0</b>		<b>553.0</b>	<b>N/A</b>	<b>N/A</b>

\* 2023 Projection based on 9 Month Variance  
 \*\*YoY comparison based on approved positions

**KEY DRIVERS**

**Total 2024 Budget** expenditures of \$91.553 million gross reflects an increase of \$4.175 million in spending above 2023 budget, predominantly arising from:

- Inflationary increases to salaries and benefits for existing positions and filled vacancies in 2024 partially offset by anticipated delays in hiring (\$2.9 million).
- Discontinuation of one-time expenditures for 2023 projects/events (Civic Engagement and Federal Canadian Municipalities Conference) (-\$1.4 million).
- Additional funding to support Host City FIFA World Cup 2026 Canada planning requirements (\$0.8 million).
- Deletion of 7.0 vacant People & Equity positions with no service impacts (-\$1.0 million).
- Adjustments to recoveries from reserve fund and user fees to align with expected actuals, impact for the delivery of ModernTO and Intranet Transformation capital projects, and additional funding to support P&E recruitment (\$0.4 million).
- An ongoing requirement for sustainment of TEAM Central since the pandemic (\$2.5 million).

**EQUITY IMPACTS OF BUDGET CHANGES**

**No significant equity impacts:** The changes in the City Manager's Office 2024 Operating Budget do not have any significant equity impacts.

## 2024 OPERATING BUDGET KEY COST DRIVERS

The 2024 Net Operating Budget for the City Manager's Office of \$65.224 million is \$3.532 million or 5.7% greater than the 2023 Net Budget, when reversing 2023 pandemic costs and applying a zero-base budget approach to all prior year COVID-19 related financial impacts. Table 2 below summarizes the key cost drivers for the 2024 Budget.

**Table 2: 2024 Key Cost Drivers**

(In \$000s)	2024				2025 Annualized impact (Net)
	Revenues	Gross	Net	Positions**	
<b>2023 Budget</b>	<b>25,686.7</b>	<b>89,851.8</b>	<b>64,165.1</b>	<b>560.0</b>	<b>N/A</b>
<b>2023 Projection*</b>	<b>21,038.1</b>	<b>84,111.3</b>	<b>63,073.1</b>	<b>N/A</b>	<b>N/A</b>
<b>2023 Budget (excl. COVID)</b>	<b>25,686.7</b>	<b>87,379.0</b>	<b>61,692.2</b>	<b>560.0</b>	<b>N/A</b>
<b>Key Cost Drivers:</b>					
<b>Prior Year Impacts</b>					
Annualization of 2023 in-year adjustments	183.9	297.8	113.9	(0.0)	42.5
Discontinuation of one-time funding for 2023 project/event (Civic Engagement, Federal Canadian Municipalities Conference)	(1,405.8)	(1,385.0)	20.8		
<b>Salary &amp; Benefits</b>					
Inflationary salary & benefits	235.0	3,718.5	3,483.5	(1.0)	234.0
P&E sustainment of TEAM Central workload management (previously requiring COVID-19 funding support)		2,472.8	2,472.8		
Additional P&E recruitment support	100.0	100.0			5,000.0
ModernTO and Intranet Transformation projects	227.4	227.4	(0.0)	1.0	
<b>Other Changes</b>					
FIFA incremental operating costs	814.3	814.3			
Adjust recoveries from reserve fund, user fees to align with expected actuals	487.7	190.2	(297.5)		
<b>Sub-Total - Key Cost Drivers</b>	<b>642.6</b>	<b>6,436.1</b>	<b>5,793.5</b>	<b>(0.0)</b>	<b>5,276.6</b>
<b>Affordability Measures:</b>					
One-time reduction in non-payroll budget		(74.4)	(74.4)		74.4
Salary and Benefits Adjustments		(1,157.2)	(1,157.2)		1,157.2
Deletion of 7 P&E positions to reduce budgetary pressures		(1,030.0)	(1,030.0)	(7.0)	(0.6)
<b>Sub-Total - Affordability Measures</b>		<b>(2,261.6)</b>	<b>(2,261.6)</b>	<b>(7.0)</b>	<b>1,231.0</b>
<b>Total 2024 Budget</b>	<b>26,329.3</b>	<b>91,553.4</b>	<b>65,224.1</b>	<b>553.0</b>	<b>6,507.6</b>
<b>Change from 2023 Budget (excl. COVID) (\$)</b>	<b>642.6</b>	<b>4,174.5</b>	<b>3,531.9</b>	<b>N/A</b>	<b>N/A</b>
<b>Change from 2023 Budget (excl. COVID) (%)</b>	<b>2.5%</b>	<b>4.8%</b>	<b>5.7%</b>	<b>N/A</b>	<b>N/A</b>

\*Based on 9 Month Variance

\*\*YoY comparison based on approved positions

### Key Base Drivers:

#### Prior Year Impacts:

- Annualization of 2023 in-year transfers of budgets and positions from various Divisions to Strategic Public and Employee Communications for the centralization of marketing and communications function.
- Discontinuation of one-time expenditures and funding required for Civic Engagement project and Federal of Canadian Municipalities Conference that are completed in 2023.

**Salaries & Benefits:**

- Salary and benefits increase mainly due to cost-of-living adjustments and filling of vacancies in 2024.
- Ongoing requirement to maintain P&E sustainment of TEAM Central workload management, which required COVID-19 funding support in prior years; and additional support for P&E recruitment.
- Staffing costs related to the delivery of ModernTO and Intranet Transformation capital projects led by other Programs, recoverable from these Programs’ capital budgets.

**Other Changes:**

- Additional funding to support Host City Canada planning requirements for FIFA World Cup 2026, fully funded by Major Special Event Reserve Fund.
- Adjustments to recoveries from reserve fund and user fees to align with expected actuals.

**Affordability Measures:**

**Table 3: Offsets and Efficiencies**

			(\$000s)						
Recommendation	Savings Type	Equity Impact	2024				2025 (Incremental)		
			Revenue	Gross	Net	Positions	Gross	Net	Positions
One-time reduction in non-payroll budget	Base Savings	No Impact		(74.4)	(74.4)		74.4	74.4	
Salary and Benefits Adjustments	Base Savings	No Impact		(1,157.2)	(1,157.2)		1,157.2	1,157.2	
P&E vacant position deletions	Base Savings	No Impact		(1,030.0)	(1,030.0)	(7.0)	(0.6)	(0.6)	
<b>Total Affordability Measures</b>				<b>(2,261.6)</b>	<b>(2,261.6)</b>	<b>(7.0)</b>	<b>1,231.0</b>	<b>1,231.0</b>	

- **One-time Reduction in non-payroll budget** – Reduction in non-payroll budget to reflect anticipated actuals and address affordability.
- **Salary and Benefits Adjustment** – A reduction in Salaries and Benefits budget to reflect actual experience and anticipated hiring plans that result in less than full year salaries and benefits budget.
- **Deletion of 7.0 vacant permanent positions** – Reduction in Salaries and Benefits to address affordability by deleting 7 vacant positions in P&E with no service impacts.

## 2025 &amp; 2026 OUTLOOKS

Table 5: 2025 and 2026 Outlooks

(\$000s)	2024 Budget	2025 Incremental Outlook	2026 Incremental Outlook
<b>Revenues</b>			
FWC 2026 outlook		34,725.1	70,416.8
Discontinuation of P&E's funding for recruitment support		(5,000.0)	
Discontinuation of One-time funding for CARRF		(1,000.0)	
Contribution from Capital		(223.5)	(86.1)
Contribution from Reserves		(116.6)	(556.2)
<b>Total Revenues</b>	<b>26,329.3</b>	<b>28,385.0</b>	<b>69,774.4</b>
<b>Gross Expenditures</b>			
FWC 2026 outlook		34,725.1	70,416.8
Reinstatement of One-time reductions		1,231.6	
Discontinuation of One-time costs for CARRF		(1,000.0)	
Other		(64.1)	294.0
<b>Total Gross Expenditures</b>	<b>91,553.4</b>	<b>34,892.6</b>	<b>70,710.8</b>
<b>Net Expenditures</b>	<b>65,224.1</b>	<b>6,507.6</b>	<b>936.3</b>
<b>Approved Positions</b>	<b>553.0</b>	<b>(2.0)</b>	

### Key Outlook Drivers

The 2025 Outlook with total gross expenditures of \$126.4 million reflects an anticipated \$34.9 million or 38.1% increase in gross expenditures above the 2024 Operating Budget. The 2026 Outlook expects a further increase of \$70.7 million or 55.9% above 2025 gross expenditures.

These changes arise mainly from the following:

- FWC 2026 outlook – Additional funding in 2025 and 2026 for planning Host City requirements for FIFA World Cup 2026, fully funded from the Major Special Event Reserve Fund (net \$0).
- Impacts from prior years' decisions: Elimination of one-time affordability measures, including reductions in salaries and benefits to align the budget with actual experience/anticipated hiring plans and one-time reductions in non-payroll budget; as well as discontinuation of temporary funding for P&E recruitment support, and discontinuation of one-time expenditures and funding for Climate Action & Resiliency Research Fund (CARRF) in 2024 drawn from Environment Protection Reserve Fund to advance City's climate action goals (net \$0).

# APPENDICES

## Appendix 1

### 2024 Operating Budget by Category

Category (In \$000s)	2021 Actual	2022 Actual	2023 Budget	2023 Projection*	2024 Budget	2024 Change from 2023 Budget		2024 Change from 2023 Projection	
	\$	\$	\$	\$	\$	\$	%	\$	%
User Fees & Donations	7.5	2.0	4,757.8	5,140.4	4,955.3	197.4	4.1%	(185.2)	(3.6%)
Transfers From Capital	548.1	589.2	82.3	456.4	309.7	227.4	276.5%	(146.8)	(32.2%)
Contribution From Reserves/Reserve Funds	3,660.5	6,656.4	17,098.3	10,367.0	17,651.1	552.8	3.2%	7,284.1	70.3%
Sundry and Other Revenues	1.6	3.2	400.0	927.9		(400.0)	(100.0%)	(927.9)	(100.0%)
Inter-Divisional Recoveries	3,971.0	4,518.6	3,348.3	4,146.4	3,413.2	64.9	1.9%	(733.2)	(17.7%)
<b>Total Revenues</b>	<b>8,188.7</b>	<b>11,769.4</b>	<b>25,686.7</b>	<b>21,038.1</b>	<b>26,329.3</b>	<b>642.6</b>	<b>2.5%</b>	<b>5,291.2</b>	<b>25.2%</b>
Salaries and Benefits	56,936.8	65,148.3	76,739.2	75,006.4	79,085.9	2,346.7	3.1%	4,079.4	5.4%
Materials & Supplies	30.1	28.0	160.3	51.3	162.3	2.0	1.2%	111.0	216.4%
Equipment	406.0	375.2	1,570.2	1,169.0	1,562.7	(7.5)	(0.5%)	393.7	33.7%
Service and Rent	3,908.9	4,462.7	9,421.1	6,743.7	8,781.5	(639.6)	(6.8%)	2,037.8	30.2%
Contribution To Reserves/Reserve Funds	(0.0)								
Other Expenditures	158.5	950.0	1,961.1	1,140.9	1,961.1			820.2	71.9%
Inter-Divisional Charges	20.1								
<b>Total Gross Expenditures</b>	<b>61,460.4</b>	<b>70,964.2</b>	<b>89,851.8</b>	<b>84,111.3</b>	<b>91,553.4</b>	<b>1,701.6</b>	<b>1.9%</b>	<b>7,442.2</b>	<b>8.8%</b>
<b>Net Expenditures</b>	<b>53,271.7</b>	<b>59,194.8</b>	<b>64,165.1</b>	<b>63,073.1</b>	<b>65,224.1</b>	<b>1,059.1</b>	<b>1.7%</b>	<b>2,151.0</b>	<b>3.4%</b>

\*Projection based on 9 Month Variance

## Appendix 2

### Summary of 2024 Service Changes

N/A

## Appendix 3

### Summary of 2024 New / Enhanced Service Priorities Included in Budget

N/A

## Appendix 4

### Summary of 2024 New / Enhanced Service Priorities Not Included in Budget

N/A



## **Appendix 5**

**2024 Capital Budget;  
2025 - 2033 Capital Plan Including Carry Forward Funding**

N/A

## **Appendix 5a**

**2024 Cash Flow and Future Year Commitments Including Carry Forward Funding**

N/A

## **Appendix 5b**

**2025 - 2033 Capital Plan**

N/A

## **Appendix 6**

**Reporting on Major Capital Projects: Status Update**

N/A

## **Appendix 7**

**Capacity to Spend Review**

N/A

## **Appendix 8**

**Summary of Capital Needs Constraints**

N/A

## **Appendix 9**

**Capital Program Provincial/Federal Funding Streams by Project**

N/A

## Appendix 10

### Inflows and Outflows to/from Reserves and Reserve Funds

#### 2024 Operating Budget

#### Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024	2025	2026
		\$	\$	\$
<b>Beginning Balance</b>		<b>225,612.5</b>	<b>195,495.3</b>	<b>165,152.2</b>
Building Code Act Service Improvement Reserve Fund	XR1305			
<i>Withdrawals (-)</i>		(1,819.1)	(1,819.1)	(1,819.1)
<i>Contributions (+)</i>				
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>223,793.4</b>	<b>193,676.2</b>	<b>163,333.1</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>		<b>(28,298.1)</b>	<b>(28,524.0)</b>	<b>(28,751.6)</b>
<b>Balance at Year-End</b>		<b>195,495.3</b>	<b>165,152.2</b>	<b>134,581.5</b>

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024	2025	2026
		\$	\$	\$
<b>Beginning Balance</b>		<b>73,857.6</b>	<b>41,766.9</b>	<b>9,525.9</b>
Development Application Review Reserve Fund	XR1307			
<i>Withdrawals (-)</i>		(6,418.1)	(6,293.1)	(5,728.0)
<i>Contributions (+)</i>				
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>67,439.6</b>	<b>35,473.8</b>	<b>3,797.9</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions (*)</b>		<b>(25,672.6)</b>	<b>(25,947.9)</b>	<b>(26,196.3)</b>
<b>Balance at Year-End</b>		<b>41,766.9</b>	<b>9,525.9</b>	<b>(22,398.4)</b>

(\*) City Planning is undertaking a follow-on development application fee review and will report back to Council with recommendations by the fourth quarter of 2024. Once approved by Council, this will move eligible costs funded by this reserve fund to user fees. The table above reflects the current funding sources pending the Council approval.

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024	2025	2026
		\$	\$	\$
<b>Beginning Balance</b>		<b>5,170.0</b>	<b>3,000.1</b>	<b>666.8</b>
Environment Protection Reserve Fund	XR1718			
<i>Withdrawals (-)</i>		(1,000.0)	-	-
<i>Contributions (+)</i>				
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>4,170.0</b>	<b>3,000.1</b>	<b>666.8</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>		<b>(1,169.9)</b>	<b>(2,333.3)</b>	<b>(1,351.7)</b>
<b>Balance at Year-End</b>		<b>3,000.1</b>	<b>666.8</b>	<b>(684.9)</b>

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024	2025	2026
		\$	\$	\$
<b>Beginning Balance</b>		<b>35,416.1</b>	<b>20,705.3</b>	<b>11,270.9</b>
Major Special Event Reserve Fund	XR1218			
<i>Withdrawals (-)</i>		(3,414.0)	(5,547.2)	(5,547.2)
<i>Contributions (+)</i>				
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>32,002.1</b>	<b>15,158.1</b>	<b>5,723.7</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>		<b>(11,296.8)</b>	<b>(3,887.2)</b>	<b>(6,312.3)</b>
<b>Balance at Year-End</b>		<b>20,705.3</b>	<b>11,270.9</b>	<b>(588.6)</b>

The 2024 Operating Budget of the City Manager's Office includes a one-time draw of \$5.000 million (for one-time temporary funding for P&E recruitment support) from funds available and set aside in the Tax Stabilization Reserve (XQ0703).

## 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).