



## REPORT FOR ACTION

# 2025 Tax and Rate Supported Interim Operating and Capital Spending Authorities

**Date:** November 25, 2024

**To:** Executive Committee

**From:** Chief Financial Officer and Treasurer

**Wards:** All

## SUMMARY

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The purpose of this report is to establish interim spending authorities in 2025 for City Programs and Agencies before the final adoption of the 2025 Tax and Rate Supported Operating and Capital Budget and Plan. The interim spending authority will allow Programs and Agencies to continue to deliver current services, meet existing contractual commitments, and continue work on previously approved capital projects until such time as the 2025 budgets are adopted. The 2025 Tax and Rate Supported Operating and Capital Budgets are expected to be adopted in February of 2025.

It should be noted that no funding for new or enhanced services or new capital projects, which are subject to budget adoption, are included in the recommended 2025 Interim Spending Authorities contained in this report.

The 2025 Tax and Rate Supported Interim Operating Spending Authorities total \$7.352 billion. The 2025 Tax and Rate Supported Interim Capital Spending Authorities total \$3.280 billion, including previously approved debenture financing of \$0.645 billion.

## RECOMMENDATIONS

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The Chief Financial Officer and Treasurer recommends that:

1. City Council approve the 2025 Tax and Rate Supported Interim Operating Spending Authorities totalling \$7.352 billion as detailed by City Program and Agency in Appendix 1 attached.

## FINANCIAL IMPACT

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Approving the recommendation in this report will ensure adequate spending authority is in place for all Programs and Agencies until the 2025 operating and capital budgets are adopted.

### Operating:

As shown in Table 1 below, the 2025 Tax and Rate Supported Interim Operating Spending Authorities total \$7.352 billion. The funding requirements for each City Program and Agency are outlined in Appendix 1 of this report. Agencies are partially funded by the City and are able to cover a portion of expenditures through other revenue sources.

Table 1: 2025 Tax and Rate Supported Interim Operating Spending Authorities

Service Areas (\$M)	2025 Interim Spending Authorities
Community and Social Services	2,590
Infrastructure Services	345
Development and Growth Services	472
Corporate Services	276
Finance and Treasury Services	65
City Manager	42
Other City Programs	78
Accountability Offices	7
<b>Total - City Operations</b>	<b>3,876</b>
Agencies	1,474
Corporate Accounts	1,015
<b>Total - Tax Supported Programs</b>	<b>6,366</b>
Rate Supported Programs	986
<b>TOTAL CITY</b>	<b>7,352</b>

### Capital:

The 2025 Interim Capital Spending Authorities recognize spending authority to continue work on previously approved capital projects. Cash flow fundings for 2025 commitments and funding carried forward from 2024 to 2025 are required to complete capital work total \$3.280 billion including \$0.645 billion in debt funding, which are summarized in Table 2 below and detailed in Appendix 2.

Table 2: 2025 Tax and Rate Supported Interim Capital Spending Authorities

Service Areas (\$M)	2025 Interim Spending Authorities Gross	2025 Interim Spending Authorities Debt
Community and Social Services	356	145
Infrastructure Services	539	190
Development and Growth Services	366	46
Finance and Treasury Services	45	42
Corporate Services	291	100
Other City Programs	2	1
<b>Total - City Operation</b>	<b>1,599</b>	<b>524</b>
Agencies	940	122
<b>Total Tax Supported Programs</b>	<b>2,539</b>	<b>645</b>
Rate Programs	741	
<b>TOTAL CITY</b>	<b>3,280</b>	<b>645</b>

## DECISION HISTORY

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The City of Toronto Act, 2006 requires that the City annually adopt a budget including estimates of all sums required during the year for the purpose of continuing its business. The City's Financial Control By-Law specifies that the Council must adopt an interim operating budget prior to the 1st day of January of the year in which the operating budget will be adopted.

## COMMENTS

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### 2025 Tax and Rate Supported Interim Operating Spending Authorities

The Interim Spending Authorities grant funding to maintain ongoing, existing operations and do not include funds for any new or enhanced services. The interim spending authorities are based on a portion of the 2024 Operating Budget including year-to-date in-year adjustments at the time of this report.

The Interim Spending Authorities is approximately fifty (50) percent of the 2024 annual gross expenditure budget for City Operations and Corporate Expenditures overall and represent approximately fifty (50) percent of the annual net budget for Agencies, adjusted for seasonality, to provide the necessary cash flow to these entities.

Many Agencies are only partially funded by the City as are able to cover a portion of their expenditures through other revenue sources.

## **2025 Tax and Rate Supported Interim Capital Spending Authorities**

The 2025 Interim Capital Spending Authorities reflect the cash flow required to continue work on previously approved capital projects until the 2025-2034 Capital Budget and Plan are adopted.

The Interim Capital Spending Authorities permit the following:

- To continue work on previously approved capital projects,
- To fulfill previously established contractual commitments, and
- To provide carry-forward funding from 2024 to 2025 for projects that are underway.

Appendix 2 details capital budget spending authority for previously approved 2025 committed cash flow and preliminary 2024 carry-forward funding estimates for each City Program and Agency.

The 2025 Interim Capital Budget Spending Authorities for City Programs and Agencies represent 52% of the 2024 Approved Capital Budget and gross expenditure for Tax and Rate Supported Programs and Agencies.

## **CONTACT**

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## **SIGNATURE**

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Stephen Conforti  
Chief Financial Officer and Treasurer

## **ATTACHMENTS**

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Appendix 1 - 2025 Tax and Rate Supported Interim Operating Spending Authorities  
Appendix 2 - 2025 Tax and Rate Supported Interim Capital Spending Authorities

## Appendix 1: 2025 Tax and Rate Supported Interim Operating Spending Authorities (\$K)

Programs / Agencies	2024 Council Approved Gross Budget	2024 Council Approved Net Budget	2025 Interim Spending Authorities
<b>Community and Social Services</b>			
Children's Services	1,104,644	94,780	552,322
Court Services	39,734	-62,015	19,867
Economic Development & Culture	101,377	83,546	50,689
Fire Services	541,474	518,629	270,737
Toronto Paramedic Services	350,867	113,108	175,434
Seniors Services and Long-Term Care	389,683	80,753	194,841
Parks, Forestry & Recreation	530,599	345,269	265,300
Social Development, Finance & Administration	130,592	111,146	65,296
Toronto Employment & Social Services	1,199,330	82,196	599,665
Toronto Shelter and Support Services	791,215	241,178	395,608
<b>Sub-Total Community and Social Services</b>	<b>5,179,515</b>	<b>1,608,591</b>	<b>2,589,758</b>
<b>Infrastructure Services</b>			
Engineering & Construction Services	86,566	1,911	43,283
Municipal Licensing & Standards	78,919	27,523	39,460
Toronto Emergency Management	6,653	5,247	3,327
Policy, Planning, Finance & Administration	22,432	5,840	11,216
Transit Expansion	11,882	2,694	5,941
Transportation Services	482,713	255,630	241,357
<b>Sub-Total Infrastructure Services</b>	<b>689,165</b>	<b>298,844</b>	<b>344,582</b>
<b>Development and Growth Services</b>			
City Planning	74,867	10,486	37,433
Toronto Building	82,676	-16,147	41,338
Development Review	11,384	0	5,692
Housing Secretariat	775,767	504,627	387,883
<b>Sub-Total Development and Growth Services</b>	<b>944,694</b>	<b>498,966</b>	<b>472,347</b>
<b>Finance and Treasury Services</b>			
Office of the Chief Financial Officer and Treasurer	55,547	31,996	27,774
Financial Operations and Control	75,383	30,124	37,692
<b>Sub-Total Finance and Treasury Services</b>	<b>130,930</b>	<b>62,120</b>	<b>65,465</b>
<b>Corporate Services</b>			
Corporate Real Estate Management	219,421	123,332	109,711
Customer Experience	24,874	14,889	12,437
Environment & Climate	22,478	15,004	11,239
Fleet Services	74,915	35,371	37,457
Technology Services	177,724	127,368	88,862
Office of the Chief Information Security Officer	33,376	32,811	16,688
<b>Sub-Total Corporate Services</b>	<b>552,788</b>	<b>348,776</b>	<b>276,394</b>
<b>City Manager</b>			
City Manager's Office	84,600	70,958	42,300
<b>Sub-Total City Manager</b>	<b>84,600</b>	<b>70,958</b>	<b>42,300</b>

Appendix 1: 2025 Tax and Rate Supported Interim Operating Spending Authorities  
(Cont'd)

Programs / Agencies	2024 Council Approved Gross Budget	2024 Council Approved Net Budget	2025 Interim Spending Authorities
<b>Other City Programs</b>			
City Clerk's Office	56,124	38,431	28,062
Legal Services	70,699	42,539	35,350
Mayor's Office	3,055	3,055	1,527
City Council	26,071	25,649	13,035
<b>Sub-Total Other City Programs</b>	<b>155,949</b>	<b>109,674</b>	<b>77,975</b>
<b>Other Accountability Offices</b>			
Auditor General's Office	8,291	8,291	4,145
Integrity Commissioner's Office	831	731	415
Office of the Lobbyist Registrar	1,431	1,431	716
Office of the Ombudsman	3,940	3,940	1,970
<b>Sub-Total Other Accountability Offices</b>	<b>14,493</b>	<b>14,393</b>	<b>7,246</b>
<b>TOTAL - CITY OPERATION</b>	<b>7,752,134</b>	<b>3,012,322</b>	<b>3,876,067</b>
<b>Agencies</b>			
Toronto Public Health	282,830	79,705	141,415
Toronto Public Library	252,293	230,714	115,357
Exhibition Place	66,465	800	400
Heritage Toronto	1,374	639	319
TO Live	43,756	5,599	2,799
Toronto Zoo	64,302	12,940	6,470
Sankofa Square	3,685	1,510	755
CreateTO	18,463	0	0
Toronto & Region Conservation Authority	11,594	5,851	2,925
Toronto Transit Commission - Conventional	2,405,285	1,075,600	537,800
Toronto Transit Commission - Wheel Trans	163,567	155,649	77,824
Toronto Police Service	1,361,500	1,173,915	586,957
Toronto Police Service Board	3,421	2,355	1,178
Toronto Atmospheric Fund	11,358	0	0
<b>SUB-TOTAL - AGENCIES</b>	<b>4,689,894</b>	<b>2,745,276</b>	<b>1,474,200</b>
<b>Corporate Accounts</b>			
Capital & Corporate Financing	1,215,034	884,175	607,517
Association of Community Centres	11,592	11,260	5,630
Arena Boards of Management	10,793	762	381
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>2,041,051</b>	<b>1,411,426</b>	<b>1,015,344</b>
<b>TOTAL - TAX SUPPORTED PROGRAMS</b>	<b>14,483,078</b>	<b>7,169,025</b>	<b>6,365,612</b>
<b>Rate Supported Programs</b>			
Solid Waste Management Services	424,579		212,289
Toronto Parking Authority	162,522		0
Toronto Water	1,548,333		774,167
<b>TOTAL - RATE SUPPORTED PROGRAMS</b>	<b>2,135,434</b>		<b>986,456</b>
<b>TOTAL - TAX &amp; RATE SUPPORTED OPERATIONS</b>	<b>16,618,512</b>	<b>7,169,025</b>	<b>7,352,068</b>

## Appendix 2: 2025 Tax and Rate Supported Interim Capital Spending Authorities (\$K)

Program / Agency	Carry Forwards Gross*	Carry Forwards Debt	50% Previously Approved 2025 Commit. Gross	50% Previously Approved 2025 Commit. Debt	2025 Interim Spending Authorities Gross	2025 Interim Spending Authorities Debt
<b>Community and Social Services</b>						
Children's Services	200		5,021	650	5,221	650
Economic Development & Culture	14,846	8,325	5,828	4,140	20,674	12,465
Fire Services	7,404	7,009	6,451	3,904	13,855	10,913
Parks, Forestry & Recreation	55,659	32,886	175,443	53,890	231,102	86,776
Seniors Services and Long-Term Care	4,817		6,535		11,352	
Toronto Shelter and Support Services	34,091	20,338	25,402	6,508	59,493	26,846
Toronto Employment & Social Services						
Toronto Paramedic Services	6,650	3,774	8,096	3,950	14,746	7,724
<b>Sub-Total Community and Social Services</b>	<b>123,667</b>	<b>72,333</b>	<b>232,774</b>	<b>73,041</b>	<b>356,441</b>	<b>145,373</b>
<b>Infrastructure Services</b>						
Transit Expansion	67,474	2,490	83,828		151,302	2,490
Transportation Services			387,738	187,477	387,738	187,477
<b>Sub-Total Infrastructure Services</b>	<b>67,474</b>	<b>2,490</b>	<b>471,566</b>	<b>187,477</b>	<b>539,040</b>	<b>189,967</b>
<b>Growth &amp; Development Services</b>						
City Planning	1,800	840	2,400	960	4,200	1,800
Housing Secretariat	146,024	6,160			146,024	6,160
Toronto Housing Corporation			106,527	9,886	106,527	9,886
Waterfront Revitalization Initiative	58,053	14,012	50,752	13,863	108,805	27,875
<b>Sub-Total Growth &amp; Development Services</b>	<b>205,877</b>	<b>21,012</b>	<b>159,679</b>	<b>24,708</b>	<b>365,556</b>	<b>45,720</b>
<b>Finance and Treasury Services</b>						
Office of the Chief Financial Officer and Treasurer	3,663	3,663	618	618	4,281	4,281
Financial Operations and Control	29,752	26,886	10,611	10,544	40,363	37,430
<b>Sub-Total Finance and Treasury Services</b>	<b>33,415</b>	<b>30,549</b>	<b>11,229</b>	<b>11,162</b>	<b>44,644</b>	<b>41,711</b>
<b>Corporate Services</b>						
Customer Experience	1,345		280	280	1,625	280
Office of the Chief Information Security Officer	2,447	2,447	5,701	5,701	8,148	8,148
Corporate Real Estate Management	87,942	30,389	61,830	8,655	149,772	39,044
Environment & Climate	21,681	12,031	3,276	2,000	24,957	14,031
Fleet Services	37,903		32,622	15,556	70,525	15,556
Technology Services			36,283	23,068	36,283	23,068
<b>Sub-Total Corporate Services</b>	<b>151,318</b>	<b>44,867</b>	<b>139,991</b>	<b>55,259</b>	<b>291,309</b>	<b>100,126</b>
<b>Other City Programs</b>						
Accountability Offices	130	130	300	300	430	430
City Clerk's Office	80	80	1,670	235	1,750	315
Corporate Initiatives						
<b>Sub-Total Other City Programs</b>	<b>210</b>	<b>210</b>	<b>1,970</b>	<b>535</b>	<b>2,180</b>	<b>745</b>
<b>TOTAL - CITY OPERATION</b>	<b>581,961</b>	<b>171,461</b>	<b>1,017,209</b>	<b>352,181</b>	<b>1,599,170</b>	<b>523,642</b>
<b>Agencies</b>						
Exhibition Place			30,000	1,088	30,000	1,088
TO Live	4,050	4,050	5,389	5,389	9,439	9,439
Toronto & Region Conservation Authority			371		371	
Toronto Police Service	20,579	12,889	48,483	37,895	69,063	50,784
Toronto Public Health	1,315	1,315	880	880	2,194	2,194
Toronto Public Library	3,545	2,601	21,475	11,683	25,020	14,284
Toronto Zoo	7,969	7,969	14,594	11,594	22,563	19,563
Sankofa Square						
<b>Sub-Total Agencies - no TTC</b>	<b>37,458</b>	<b>28,823</b>	<b>121,190</b>	<b>68,527</b>	<b>158,648</b>	<b>97,350</b>
<b>TTC</b>						
Scarborough Subway Extension			7,758		7,758	
Toronto Transit Commission	19,415	57	736,280	24,281	755,695	24,338
Transit Studies			95		95	
Spadina Subway Extension	12,374		5,743		18,117	
<b>Sub-Total TTC</b>	<b>31,789</b>	<b>57</b>	<b>749,875</b>	<b>24,281</b>	<b>781,664</b>	<b>24,338</b>
<b>SUB-TOTAL - AGENCIES</b>	<b>69,247</b>	<b>28,880</b>	<b>871,065</b>	<b>92,808</b>	<b>940,312</b>	<b>121,688</b>
<b>TOTAL - TAX SUPPORTED PROGRAMS</b>	<b>651,208</b>	<b>200,342</b>	<b>1,888,274</b>	<b>444,989</b>	<b>2,539,482</b>	<b>645,330</b>
<b>RATE PROGRAMS</b>						
Solid Waste Management Services	4		38,429		38,433	
Toronto Parking Authority			34,283		34,283	
Toronto Water	152,664		515,337		668,001	
<b>TOTAL RATE PROGRAMS</b>	<b>152,668</b>		<b>588,049</b>		<b>740,717</b>	
<b>TOTAL CITY</b>	<b>803,876</b>	<b>200,342</b>	<b>2,476,322</b>	<b>444,988</b>	<b>3,280,198</b>	<b>645,330</b>

\*Carry Forward number might be changed during the 2025 Budget Process