

2025 Budget Notes

Customer Experience Division

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Description

The Customer Experience Division (CXD) provides the City of Toronto a one-window brand and customer service system that supports residents, businesses, and visitors. The Customer Experience Division provides access to non-emergency City services, programs, and information 24 hours a day, seven days a week. Information inquiries or requests are received via multiple channels such as phone, online, email, mobile phone applications and X (formerly Twitter).

Why We Do It

Toronto Residents, businesses and visitors have a single point of access to real time, accurate and reliable information on City services anytime and anywhere.

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.

For further information about Customer Experience Division, please visit: <http://insideto.toronto.ca/cxd/index.html>

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What Service We Provide

Customer Experience Front Line Service Delivery which includes 311 Toronto services

Who We Serve:

Toronto residents, businesses, and visitors

What We Deliver:

Timely information and service request creation for integrated service divisions regarding City services through an Omni Channel environment

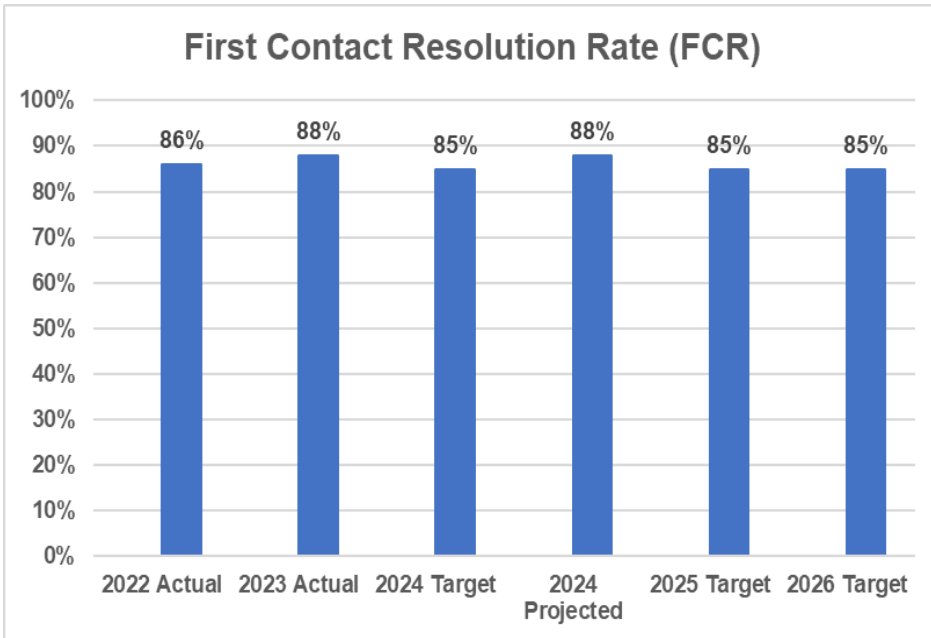
How Much Resources (gross 2025 operating budget): \$25.3 Million

Budget at a Glance

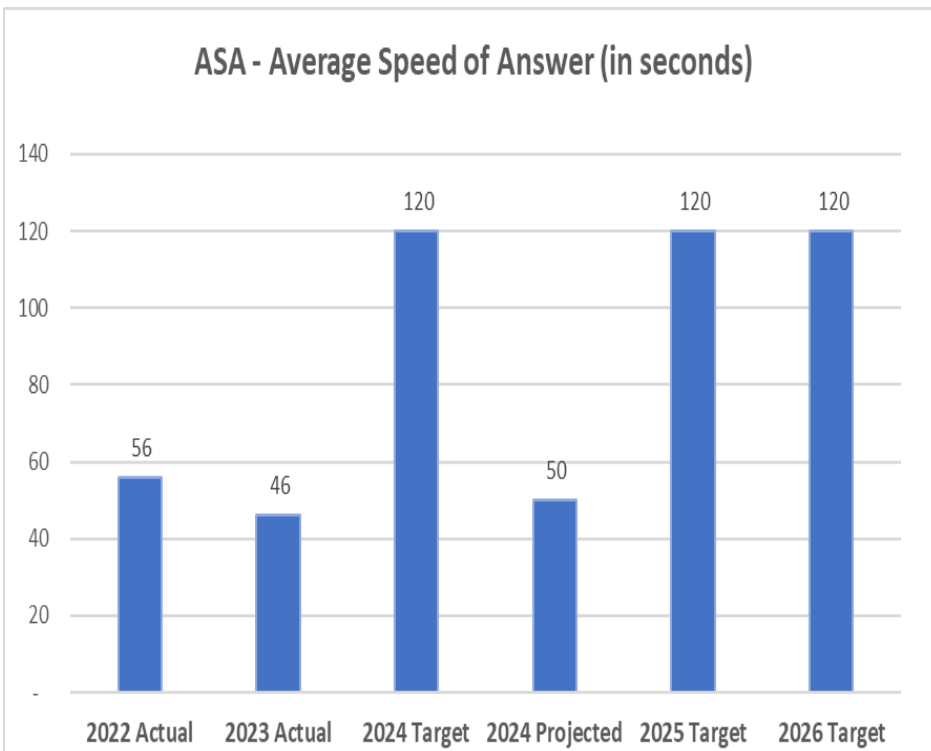
2025 OPERATING BUDGET			
\$Million	2025	2026	2027
Revenues	\$9.7	\$9.7	\$9.8
Gross Expenditures	\$25.3	\$26.2	\$26.3
Net Expenditures	\$15.6	\$16.5	\$16.5
Approved Positions	216.5	216.5	216.5

2025 - 2034 10-YEAR CAPITAL PLAN			
\$Million	2025	2026-2034	Total
Gross Expenditures	\$3.4	\$2.4	\$5.8
Debt	\$1.2	\$2.4	\$3.6
Note: Includes 2024 carry forward funding			

How Well We Are Doing – Behind the Numbers



- First Contact Resolution Rate indicates CXD's ability to resolve a customer issue the first time they call 311. The purpose of this measure is to ensure that our customers do not have to call multiple times to resolve an issue.



- Average speed of answer is the average time it takes (in seconds) before a call is answered excluding the up-front recording / Interactive voice response (IVR).

How Well We Are Doing

Service	Measure	2022 Actual	2023 Actual	2024 Target	2024 Projection	Status	2025 Target	2026 Target
Outcome Measures								
311 Service Delivery	ASA - Average Speed of Answer (in seconds)	56	46	120	50	●	120	120
	% of customer contacts resolved at first point of contact	86%	88%	85%	88%	●	85%	85%
Service Level Measures								
311 Service Delivery	% of calls that have been answered within approved service standards	76%	81%	80%	81%	●	80%	80%
	AHT - Average Handle Time (in seconds)	312	293	270	307	●	270	270

2024 Projection to 2024 Target Comparison

- 80%-100% (MET TARGET)
- 70 - 79% (LOW RISK)
- 69% and Under (REQUIRES ATTENTION)

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Expected to achieve a service level of 81% for 311 calls answered within 75 seconds for the year 2024.
- Successfully pushed an additional 6% of service requests to the online self-serve channel.
- Improved navigational and category sections for self-serve bike inquiries to make it easier for customers to report service requests.
- Refined winter service request messaging to ensure accurate and personalized updates are provided to customers.
- Launched Complaints & Compliments process for six participating divisions (Customer Experience (311), Municipal Licensing and Standards – Animal Services, Solid Waste Management Services, Toronto Water, Transportation Services – Operations and Maintenance and the City Manager’s Office). The new business processes will better manage the complaints lifecycle and centralize communications handling with customers.
- Continued to work with the Enterprise Work Management Solution project on the case notes transferred from the Maximo Work Order Management system to the Salesforce Customer Relationship Management system to ensure all required information is being exchanged. Insights have been shared with Technology Services Division and Transportation Services Division.
- Improved the visitor experience at Scarborough Civic Center and made it easier for the public to access services and navigate the building efficiently.
- Refreshed the City Service Promise, which acts as a guideline for all City staff interactions with the public.
- Provided insights about usage, awareness, and preferences regarding 311 services from residents, businesses and visitors who have and have not used 311 services through the 311 Toronto Awareness & Usage Survey which ran in late 2024.
- Updated the 311 Business Intelligence reporting portal to further provide dashboard information to Councillors and their offices.

Key Challenges and Risks

- Challenges in fully leveraging the capabilities of the upgraded Enterprise-wide Customer Relationship Management (eCRM) Salesforce platform to enable more advanced digital options.
- Availability of relevant data and case notes for closing the loop for service requests.
- Maintenance of service levels as City population grows, call volumes and complexities increase i.e., Vacant Home Tax, Water Meter Replacement.
- Continued development of a technology roadmap that lays out Contact Centre Consolidations / Integrations.

Priority Actions

- Focus on the "Closing the Loop" which ensures improved focus on customer service, satisfaction and trust including improving handling of inter-divisional service request transfers and using the customer satisfaction survey for benchmarking and feedback.
- Continue to assess the intake of Complaints and Compliments through 311 with single intake, more intuitive navigation and adding escalation processes.
- Provide customers with a modern, integrated digital payment experience.
- Assess Lines of Business including Tier 1 Contact Center / Counter Consolidation and Integration with Parks.
- Optimize the eCRM Salesforce platform to maximize its full capabilities by streamlining customer interactions, enhancing agent workflows, improving staff productivity, and delivering an exceptional customer experience through advanced digital tools. These tools, including internet-based solutions, social media integration, and data tagging, enable businesses to automate processes and leverage modern technology for continuous improvement.
- Focus on future roadmaps for customer service initiatives and incorporate in the 10-year capital plan for 2026.
- To enhance the email channel and ensure response within 24 hours on at least 80% of all email inquiries including service requests, Councillor escalations and general inquiries.

CITY STAFF PREPARED BUDGET

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

1. The 2025 Operating Budget for Customer Experience of \$25.352 million gross, \$9.727 million revenue and \$15.625 million net for the following services:

Service:	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
CXD Development	5,636.0	2,521.8	3,114.2
CXD Service Delivery	19,716.1	7,205.0	12,511.1
Total Program Budget	25,352.1	9,726.8	15,625.3

- The 2025 staff complement for Customer Experience of 216.5 positions comprised of 19.0 capital positions and 197.5 operating positions.
2. The 2025 Capital Budget for Customer Experience with cash flows and future year commitments totaling \$5.675 million as detailed by project in [Appendix 5a](#).
 3. The 2026-2034 Capital Plan for Customer Experience totalling \$0.165 million in project estimates as detailed by project in [Appendix 5b](#).

2025 OPERATING BUDGET

2025 OPERATING BUDGET OVERVIEW

Table 1: 2025 Operating Budget by Service

(In \$000s)	2023 Actual	2024 Budget	2024 Projection*	2025 Base Budget	2025 New / Enhanced	2025 Budget	Change v. 2024 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
CX Development	2,157.1	2,893.0	2,501.9	2,521.8		2,521.8	(371.2)	(12.8%)
CX Service Delivery	6,969.2	7,092.0	7,092.0	7,205.0		7,205.0	113.1	1.6%
Total Revenues	9,126.2	9,985.0	9,593.8	9,726.8		9,726.8	(258.1)	(2.6%)
Expenditures								
CX Development	5,148.3	5,975.5	5,448.4	5,636.0		5,636.0	(339.5)	(5.7%)
CX Service Delivery	17,834.0	18,898.8	18,943.3	18,980.1	736.0	19,716.1	817.4	4.3%
Total Gross Expenditures	22,982.3	24,874.2	24,391.7	24,616.1	736.0	25,352.1	477.9	1.9%
Net Expenditures	13,856.1	14,889.3	14,797.9	14,889.3	736.0	15,625.3	736.0	4.9%
Approved Positions**	202.0	201.0	N/A	200.0	16.5	216.5	N/A	N/A

* 2024 Projection based on 9 Month Variance

**YoY comparison based on approved positions

KEY DRIVERS

Total 2025 Budget expenditures of \$25.352 million gross reflect an increase of \$0.478 million in spending above 2024 budget, predominantly arising from:

- New and enhanced request for 16.5 operating positions effective July 1, 2025, to enhance the email channel and ensure response time of within 24 hours for at least 80% of all email inquiries including service requests, Councillor escalations and general inquiries (\$0.736 million).
- Reduction of 1 permanent vacant position (\$0.161 million).
- Savings through line-by-line reviews to align with spending trend (\$0.090 million).

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: Customer Experience Division (CXD) provides services to the public through multiple channels such as phone, online, email, mobile phone applications and Twitter. Within CXD, inclusion and equity are fundamental to our human-centred design approach that engages residents (customers) throughout the service lifecycle, from concept to design, delivery, implementation and continuous improvement.

It is ensured that equity is maintained while delivering services for all sections of the public especially Indigenous, Black and equity-deserving groups. Customer Experience Division engaged seniors in the Digital Citizen Advisory Committee for Parks, Forestry & Recreation projects. This included testing sessions on the ActiveNet registration and booking system. Customer Experience Division worked in collaboration with the Housing Secretariat on research work that included representation from newcomer and/or immigrant, indigenous, racial minority, precariously housed, and diverse gender communities.

Customer Experience Division works with the City's equity groups such as Indigenous Affairs Office, – Accessibility Unit, Equity & Data for Equity Unit, Toronto Newcomer Office, Poverty Reduction Strategy, Confronting Anti-Black Racism, and Youth Equity Strategy to re-imagine more accessible, equitable and omnichannel customer service processes for the City, supported by common processes and tools across divisions.

2025 OPERATING BUDGET KEY COST DRIVERS

The 2025 Net Operating Budget for Customer Experience Division of \$15.625 million is \$0.736 million higher than 2024 Net Budget. Table 2 below summarizes the key cost drivers for the 2025 Budget.

Table 2: 2025 Key Cost Drivers

(In \$000s)	2025				2026 Annualized impact (Net)
	Revenues	Gross	Net	Positions**	
2024 Projection*	9,593.8	24,391.7	14,797.9	201.0	N/A
2024 Budget	9,985.0	24,874.2	14,889.3	201.0	N/A
Key Cost Drivers:					
Salary & Benefits					
Salaries & Benefits Increases		179.0	179.0		107.9
Other Changes					
Lower Recovery from Capital Projects offset by Lower Costs	(134.6)	(134.6)			(15.0)
Transfers Licensing Costs to Client Programs		(87.4)	(87.4)		
Licenses for Social Media Applications		36.0	36.0		
Sub Total Key Cost Drivers	(134.6)	(7.0)	127.6		92.9
Affordability Measures	(123.5)	(251.1)	(127.6)	(1.0)	
Sub-Total Base Budget	9,726.8	24,616.1	14,889.3	200.0	92.9
2025 New / Enhanced		736.0	736.0	16.5	737.5
2025 Budget	9,726.8	25,352.1	15,625.3	216.5	830.4
Change from 2024 Budget (\$)	(258.1)	477.9	736.0	N/A	N/A
Change from 2024 Budget (%)	(2.6%)	1.9%	4.9%	N/A	N/A

*Based on 9 Month Variance

**YoY comparison based on approved positions

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

- Salaries and benefits including step, progression and benefits adjustments.

Other Changes:

- Lower recovery from capital projects offset by lower associated costs for temporary capital project delivery positions.
- Transfer of licensing costs to client programs.
- New licenses for social media applications.

Affordability Measures:**Table 3: Offsets and Efficiencies**

(In \$000s)									
Recommendation	Savings Type	Equity Impact	2025				2026 (Incremental)		
			Revenue	Gross	Net	Positions	Gross	Net	Positions
Line by Line Review - Contract Savings	Base Savings	No Impact		(89.6)	(89.6)				
Service Rationalization	Efficiency Savings	No Impact	(123.5)	(161.5)	(38.0)	(1.0)			
Total Affordability Measures			(123.5)	(251.1)	(127.6)	(1.0)			

- **Line by Line Review:** Base savings realized through line-by-line reviews to align with spending trend for contract expenses. No impact to current service level.
- **Service Rationalization:** Elimination of 1 permanent vacant position with no significant impact to the current service level.

New and Enhanced Service Priorities:**Table 4: New / Enhanced Requests**

New / Enhanced Request	2025				2026 Annualized Gross	Equity Impact	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1 To Enhance Email Channel Response Time		736.0	736.0	16.5	1,473.5	No Impact	To enhance the email channel and ensure response time of within 24 hours for at least 80% of all email inquiries including service requests, Councillor escalations and general inquiries
Total New / Enhanced		736.0	736.0	16.5	1,473.5		

Note:

For additional information, please refer to [Appendix 3](#) for the 2025 New and Enhanced Service Priorities.

2026 AND 2027 OUTLOOKS**Table 5: 2026 and 2027 Outlooks**

(In \$000s)	2025 Budget	2026 Incremental Outlook	2027 Incremental Outlook
Revenues			
Recovery from Capital Projects		15.0	12.3
Total Revenues	9,726.9	15.0	12.3
Gross Expenditures			
Salaries and Benefits		107.9	107.4
Annualization of Email Channel Services		737.5	
Total Gross Expenditures	25,352.1	845.4	107.4
Net Expenditures	15,625.2	830.4	95.0
Approved Positions	216.5		

**YoY comparison based on approved positions

Key Outlook Drivers

The 2026 Outlook with total gross expenditures of \$26.197 million reflects an anticipated \$0.845 million or 3.33% increase in gross expenditures above the 2025 Operating Budget. The 2027 Outlook expects a further increase of \$0.107 million or 0.41% above 2026 gross expenditures.

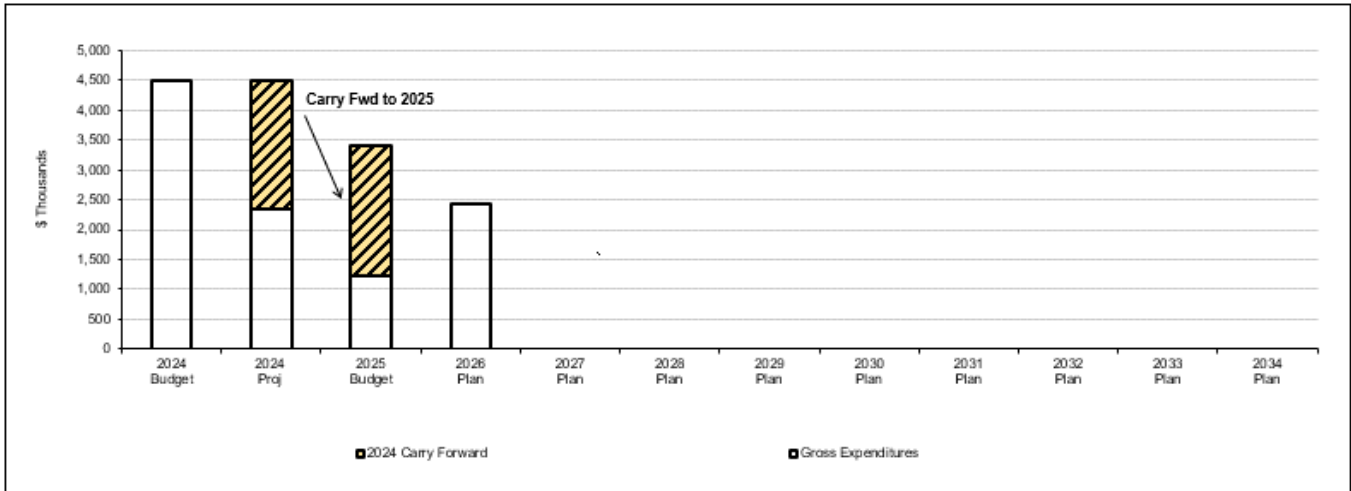
These changes arise from the following:

- The annualization of the 16.5 positions that started in July 2025, for enhancing the email channel service and response within 24 hours for at least 80% emails received through 311 Toronto.

2025 – 2034 CAPITAL BUDGET AND PLAN

2025 – 2034 CAPITAL BUDGET AND PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview



2025 Capital Budget and 2026 - 2034 Capital Plan													
(In \$000s)	2024		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total 10 Year Plan
	Budget	Projection											
Gross Expenditures by Project Category:													
Health & Safety & Legislated													
SOGR	181	181	610	165									775
Service Improvement & Growth	4,315	2,150	2,790	2,275									5,065
Total by Project Category	4,496	2,331	3,400	2,440									5,840
Financing:													
Debt			1,235	2,440									3,675
Reserves/Reserve Funds													
Development Charges													
Provincial													
Federal													
Debt Recoverable													
Other Revenue			2,165										2,165
Total Financing			3,400	2,440									5,840

Project Updates
(\$0.0 Million)



The 2025-2034 Capital Budget and Plan reflects no net change in the total project costs for the common nine years; however, the cashflow for SOGR Projects has been accelerated from 2027-2028 to 2026.

Note:

For additional information, please refer to [Appendix 5](#) for a more detailed listing of the 2025-2034 Capital Budget and Plan by project and [Appendix 7](#) for Capacity to Spend Review respectively.

2025 – 2034 CAPITAL BUDGET AND PLAN

\$5.840 Million 10-Year Gross Capital Program

	
Aging Infrastructure	Service Improvement & Growth
\$0.775 M 13.3%	\$5.065 M 86.7%
<ul style="list-style-type: none"> • Technology Maintenance and Upgrade 	<ul style="list-style-type: none"> • Service Optimization and Channel Deflection • Service Consolidation and Enhanced Digital Services

How the Capital Program is Funded

City of Toronto		Provincial Funding	Federal Funding
\$5.840 M 100%		\$0 M 0%	\$0 M 0%
Debt	\$3.675 M		
Other	\$2.165 M		

APPENDICES

Appendix 1

2025 Operating Budget by Category

Category (In \$000s)	2022 Actual	2023 Actual	2024 Budget	2024 Projection*	2025 Budget	2025 Change from 2024 Budget	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	1,686.3	1,626.4	2,053.5	1,946.5	2,194.1	140.6	6.8%
Contribution From Reserves/Reserve Funds		145.2					
Sundry and Other Revenues	0.0	(0.0)	498.1	18.0	18.0	(480.1)	(96.4%)
Inter-Divisional Recoveries	6,574.0	7,354.6	7,433.3	7,629.3	7,514.8	81.5	1.1%
Total Revenues	8,260.3	9,126.2	9,985.0	9,593.8	9,726.9	(258.1)	(2.6%)
Salaries and Benefits	17,564.8	21,593.7	23,101.4	22,709.0	23,731.8	630.4	2.7%
Materials & Supplies	12.4	2.1	8.2	8.2	8.2		
Equipment	59.7	49.1	62.4	62.4	62.4		
Service and Rent	1,229.4	1,336.5	1,702.2	1,612.2	1,549.8	(152.5)	(9.0%)
Inter-Divisional Charges		0.9					
Total Gross Expenditures	18,866.2	22,982.3	24,874.2	24,391.7	25,352.1	477.9	1.9%
Net Expenditures	10,605.9	13,856.1	14,889.3	14,797.9	15,625.3	736.0	4.9%

*Projection based on 9 Month Variance

Appendix 2

Summary of 2025 Service Changes

N/A

Appendix 3

Summary of 2025 New / Enhanced Service Priorities Included in Budget



2025 Operating Budget - New and Enhanced Service Priorities Summary by Service (\$000's)

Form ID		Corporate Services Program - Customer Experience	Adjustments			Approved Positions	2026 Plan Net Change	2027 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net			
34112		To Enhance Email Channel Response Time						
74	No Impact	Description: Funding of \$0.736 million gross and net for 16.5 operating positions effective July 1, 2025, to enhance the email channel and ensure response within 24 hours on at least 80% of all email inquiries including service requests, Councillor escalations and general inquiries. Service Level Impact: Currently email channel is not used to handle the service requests (SRs). The proposed new service will enhance the email channel and ensure response time of within 24 hours for at least 80% of all email inquiries including SRs, Councillor escalations and general inquiries. Equity Statement: There is no significant equity impact from the proposed enhancement of the email channel. Service: CX Service Delivery						
Total Staff Prepared Budget Changes:			736.0	0.0	736.0	16.50	737.5	(0.0)
Staff Prepared New/Enhanced Service Priorities:			736.0	0.0	736.0	16.50	737.5	(0.0)
Summary:								
Staff Prepared New/Enhanced Service Priorities:			736.0	0.0	736.0	16.50	737.5	(0.0)

Appendix 4

Operating Program Provincial/Federal Funding Streams by Program

N/A

Appendix 5

2025 Capital Budget; 2026 - 2034 Capital Plan Including Carry Forward Funding

Projects (In \$000s)	2025 Budget	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2034 Plan	2025 - 2034 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
Customer Service Initiative	625	2,275									2,900			2,900
SOGR - various	610	165									775		775	
Channel And Counter Strategies	2,165										2,165			2,165
Total Expenditures (including carry forward from 2024)	3,400	2,440									5,840		775	5,065



Appendix 5a

2025 Cash Flow and Future Year Commitments Including Carry Forward Funding

Projects (In \$000s)	2025 Budget	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2034 Plan	Total 2025 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
Customer Service Initiative	625	2,275									2,900			2,900
SOGR - Various	610										610	560		50
Channel And Counter Strategies	2,165										2,165	2,165		
Total Expenditures (including carry forward from 2024)	3,400	2,275									5,675	2,725		2,950

Appendix 5b

2026 - 2034 Capital Plan

Projects (In \$000s)	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2034 Plan	2026 - 2034 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
SOGR - various	165									165		165	
Total Expenditures	165									165		165	

Appendix 6

Reporting on Major Capital Projects: Status Update

N/A

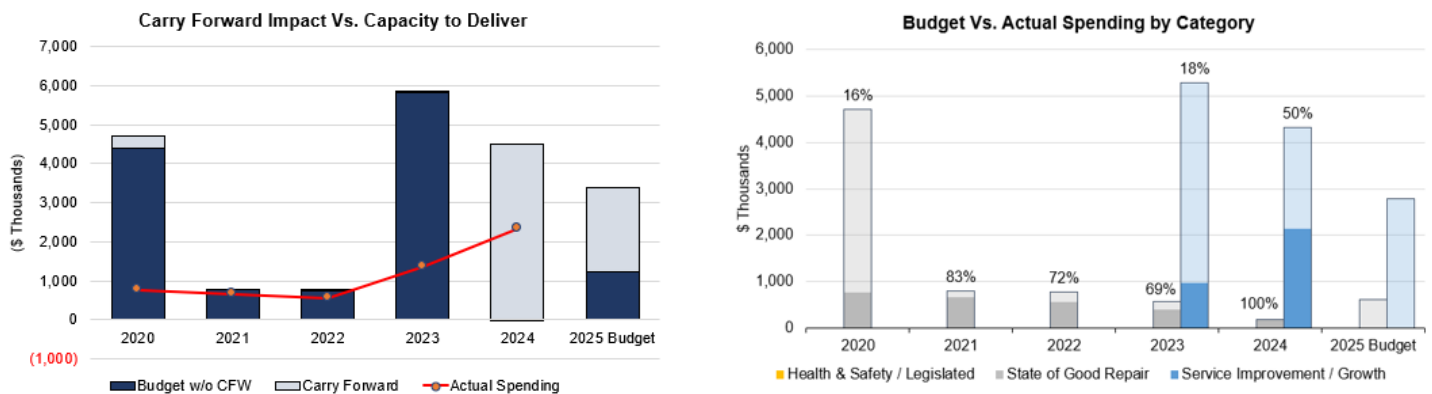
Appendix 7

Capacity to Deliver Review

The 10-year Plan has been developed with consideration of historically demonstrated capacity to deliver within any given year of the 10-year plan. In addition, a review was undertaken to ensure budgets align with the capacity available in the market to deliver on capital projects and assets.

The key component in determining an appropriate level of annual cash flow includes evaluating historical capacity to deliver by project categories (Chart 3 below) and assessing projected 2024 underspending that will be carried forward into the 2025-2034 Capital Budget and Plan.

Chart 3 – Capacity to Deliver



Impact of Capacity to Deliver Review on the 10-Year Plan

Customer Experience’s actual spending over the previous five years, from 2020 to 2024, has averaged \$1.137 million per year, a 49% spend rate.

Based on the review of historical capital spending and an assessment of capacity to deliver, \$2.165 million in capital spending originally cash allocated for 2024 has been deferred to 2025.

The projected spending for 2024 as of the third quarter ending September 30, 2024, is \$2.331 million or 52% of the 2024 Capital Budget of \$4.496 million. Challenges in spending are mainly due to delays in the Channel & Counter Strategy project as the Customer Experience team is reassessing project deliverables, prioritizing them, seeking clarity from all stakeholders, and determining the reallocation of funding.

Appendix 8

Summary of Capital Delivery 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

N/A

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels in annual budget.

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 Deliver: Ability to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget and Plan: A Capital Budget and Plan is the City's 10-year strategy to acquire/build assets or extend the useful lives of existing assets. The Capital Budget is the first year of approved cash flows and future year's commitments and the remaining nine years include project estimates.

Capital Delivery 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 provide services.

Operating Impact of Completed Capital Projects: The Operating Budget Impact of Capital is the change in operating expenditure and/or revenue, which is projected to occur during the implementation of a capital project and/or when a capital project is completed. These changes should be documented on a Business Case Form in the appropriate category.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority.

Salary and Benefit Adjustment: General increases related to contractual obligations, such as cost of living, step increases, performance for pay and progression pay.

State of Good Repair (SOGR): The cost of maintaining assets to ensure that they can support the delivery of City services and meet service outcomes.

Tax Supported Budget: Budget funded by property taxes.

User Fees: Includes all program-generated fees and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).