

2025 Budget Notes

City Manager's Office

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Description

The City Manager's Office leads the municipal administration and ensures accountability through effective governance, public service, public engagement, public, private sector and philanthropic partnerships and intergovernmental relations that support strategic investments to advance City policies and programs that achieve Council's priorities. 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 and Corporate Strategy; Intergovernmental and Agency Relations; Strategic Partnerships)
- Strategic Public and Employee Communications
- People and Equity
- Indigenous Affairs Office
- FIFA World Cup 2026 Secretariat

Why We Do It

The City Manager's Office provides leadership to deliver services that advance prosperity for all Toronto residents, and public and private sector groups, achieving Council and Corporate priorities through effective, transparent, accountable government. To advance prosperity for all, the City Manager's Office supports the Mayor, City Council and senior leadership to ensure fair and equitable services and outcomes for all residents, public and private sector groups including First Nations, Inuit and Métis. As a result, Toronto's residents, public and private sector groups and elected officials have trust and confidence in the administration of their municipal government.

The divisions in the City Manager's Office are focused on achieving the following outcomes:

- Corporate strategies, policies, programs and priorities that are aligned with Council's decisions 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.
- Secure timely funding from the provincial and federal governments and advance effective partnerships with other governments to achieve our shared goals.
- 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.
- Toronto residents, businesses, 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, mentally and culturally safe environment and are provided high quality, accessible learning resources.
- City programs address barriers faced by Indigenous, Black and equity-deserving people.

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 the City Manager's Office, please visit: www.toronto.ca/city-government/accountability-operations-customer-service/city-administration/city-managers-office

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What Service We Provide

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

Who We Serve: Mayor, City Council, City Manager and Deputy City Managers, City divisions, agencies and corporations, other orders of government, non-government organizations, charitable organizations, philanthropists, business, and the public.

What We Deliver: Corporate strategic planning, governance oversight, government leadership, corporate performance management reporting, and corporate civic engagement; City's intergovernmental funding, policy and legislative priorities, relationships, and oversight; City agency and corporation governance and oversight; strategic partnerships with public and private sector groups and institutions; strategic management of Council and Committee agendas; Corporate issues management.

How Much Resources (gross 2025 operating budget): \$12.7 million

(Executive Administration - \$7.4 million, Governance and Corporate Strategy/Intergovernmental and Agency Relations - \$4.2 million, Strategic Partnerships - \$1.1 million)

Strategic Public and Employee Communications (SPEC)

Who We Serve: Mayor, City Council, City Manager and Deputy City Managers, Media, the public, City divisions, and agencies and corporations 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 and reputation 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 2025 operating budget): \$12.4 million

People and Equity (P&E)

Who We Serve: Mayor, City Council, City Manager and Deputy City Managers, City divisions, agencies and corporations, the public, and Unions and Associations.

What We Deliver: Provide corporate leadership and strategic Human Resources 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 human resources 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 and 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 2025 operating budget): \$60.9 million

Indigenous Affairs Office (IAO)

Who We Serve: Mayor, City Council, City Manager and Deputy City Managers, City divisions, Urban Indigenous (First Nations, Inuit and Métis) communities in Toronto, as well as Indigenous treaty and territorial partners.

What We Deliver: Advocacy, guidance, 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 Indigenous Affairs Office:

- Advocate for Indigenous Peoples within the City of Toronto;
- Increase Indigenous community engagement;
- Enhance communication between Indigenous communities and City divisions;
- Support capacity within the Toronto Public Service;
- Implement accountability processes.

How Much Resources (gross 2025 operating budget): \$2.8 million

FIFA World Cup 2026 Toronto Secretariat (FIFA)

Who We Serve: Mayor, City Council, City Manager and Deputy City Managers, City divisions, agencies and corporations, community groups, taxpayers, other orders of government, FIFA.

What We Deliver: Convening of expertise and support across City of Toronto divisions, agencies, boards and corporations, as well as community partners and external stakeholders to deliver FIFA World Cup 2026 in Toronto; hosting six games locally.

How Much Resources (gross 2025 operating budget): \$55.5 million

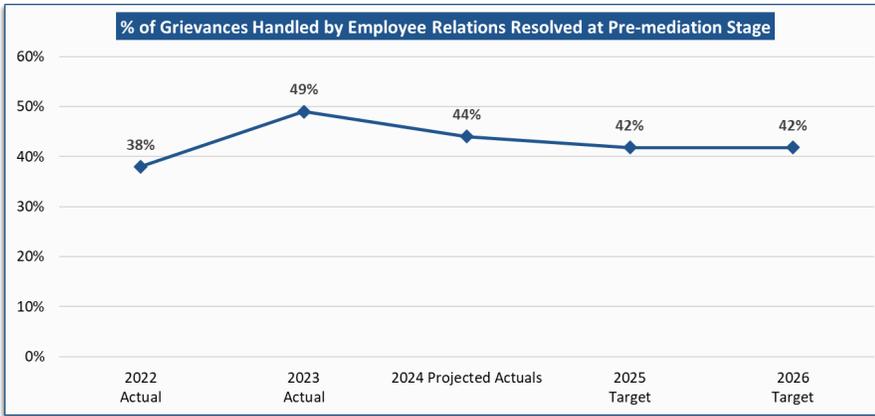
* FIFA World Cup 2026-related expenses are noted in individual City Division budgets. Please refer to the separate FIFA World Cup 2026 Toronto Budget Note for all FIFA World Cup 2026-related expenses and revenues in 2025.

Budget at a Glance

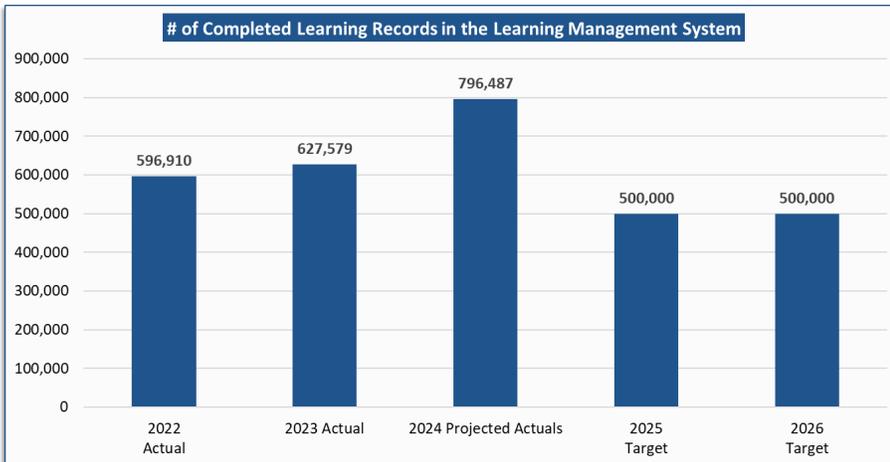
<u>2025 OPERATING BUDGET</u>			
<u>\$Million</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Revenues	\$65.1	\$169.2	\$4.0
Gross Expenditures	\$144.4	\$252.6	\$85.0
Net Expenditures	\$79.3	\$83.4	\$81.0
Approved Positions	547.0	530.0	518.0

<u>2025-2034 10 YEAR CAPITAL PLAN</u>			
<u>\$Million</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
The City Manager’s Office does not have a 10-Year Capital Budget and Plan			

How Well We Are Doing – Behind the Numbers



- For grievances filed by the unions at pre-mediation stage in the grievance procedure and where Employee Relations handles these grievances, the pre-mediation resolution rates have returned to their pre-pandemic levels and are above projected targets.
- The resolution rate at pre-mediation stage refers to grievances being filed and closed prior to progressing to the next stage of the grievance procedure.



- 2023 and 2024 have shown a continued increase in learning content used by all staff. The increase in 2024 is attributed to a greater number of modules required for mandatory training (predominantly Cyber Security training). Many divisions continue to provide custom training for their teams, and frequently upload “tailgate” training records towards the end of the year. As a result, the actuals for 2024 are projected to exceed that of the past few years.

How Well We Are Doing

Service	Measure	2022 Actual	2023 Actual	2024 Target	2024 Projection	Status	2025 Target	2026 Target
Outcome Measures								
Strategic Public and Employee Communications	Growth in user visits/sessions on toronto.ca	-6%	3%	1%	3%	●	1%	1%
Strategic Public and Employee Communications	Growth in engagement rate across corporate social media platforms (X, Facebook, Instagram)	22%	6%	3%	15%	●	3%	2%
People and Equity	% of grievances resolved at pre-mediation stage	38%	49%	42%	44%	●	42%	42%
Service Level Measures								
Strategic Public and Employee Communications	% response to media inquiries by the end of business day	99%	99%	96%	97%	●	96%	96%
Strategic Public and Employee Communications	Communications tactics created and distributed within planning time (news releases, advertising and social media content)	98%	96%	92%	98%	●	96%	96%
Strategic Public and Employee Communications	Communications tactics created and distributed within planning time (employee content - newsletters, intranet, employee learning portal and staff messages)	100%	99%	95%	99%	●	96%	96%
Other Measures								
People and Equity	# of completed learning records in the Learning Management System (includes eLearning, in-person training, and virtual instructor-led training)	596,910	627,579	153,225	796,487	●	500,000	500,000

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

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Advanced Council and corporate priorities including: Ongoing negotiation and implementation of the New Deal between the City and the Province; 2025 budget consultations; Guidance for Council and program advisory bodies; Updated Toronto Dashboard and support to divisions on performance measurement; Strategic partnerships that advance City priorities, such as coordinating donations to support refugee claimants and asylum seekers; Led the City's United Way Employee Campaign; and providing strategic, operational, and administrative support to the City Manager. (OCOS)
- Led internal and external communications on all City priorities including the 2024 Budget, major infrastructure construction projects including the Gardiner Phase 2, winter response, City-led events such as Nuit Blanche and Summerlicious, FIFA World Cup 2026 announcements and the service improvements campaign. 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)
- Continued to provide support for the implementation of the Development and Growth Service Area in collaboration with partners in Payroll, Pension and Employee Benefits. (P&E)
- The Internal Investigations Unit demonstrated ongoing expansion, bolstered by favorable client feedback regarding the quality of service rendered. (P&E)
- Recruitment volume has stabilized at approximately 60% higher than pre-pandemic levels, with the queue now reduced to a 1-3 week wait for a recruiter, compared to 8 weeks or more in 2021 and 2022. (P&E)
- Equity and Human Rights has modernized City leadership reporting, providing a comprehensive assessment of diversity, equity, and inclusion process, including Count Yourself In survey data, and employee experiences. The City continues to explore opportunities to advance the integration of data application to inform strategic planning and decision making. (P&E)
- Advancing reconciliation with First Nations, Inuit and Métis by advocating with and for Indigenous organizations and communities (e.g. advocating for land, water, real estate/property needs) and supporting divisions in their work with First Nations, Inuit and Métis (e.g. naming the new island and parkland in the Portlands – Ookwemin Minising and Biidaasige Park, Indigenous Centre for Innovation and Entrepreneurship, training/education). (IAO)
- Established Program Advisory Bodies to inform and guide legacy plans and initiatives (Sport, Arts and Culture, Human Rights and Diversity, Equity and Inclusion, Tourism and Economic Development, Environmental Sustainability, Community Benefits). (FIFA)
- Engaged a transportation consultant and developed initial Mobility Concept. (FIFA)
- Submitted a draft environmental plan to FIFA designed to align with and advance City Council approved strategies such as TransformTO. (FIFA)
- Completed design and procurement and commenced Phase I construction of the stadium capital project and completed Phase I training site construction at Centennial Park. (FIFA)
- Developed and activated a revenue strategy to contribute towards funding of the FIFA World Cup 2026 in Toronto. (FIFA)

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. (OCOS)
- Strategic Public and Employee Communications moved into its new centralized operating model with a centres of excellence approach by deploying change management best practices while ensuring continued best-in-class communications leadership. The volume of communications work remains high, given existing resources and staff complement. (SPEC)
- The existing data infrastructure lacks the capability to seamlessly integrate and merge various human resources datasets and lacks the provision of historical data. (P&E)
- Ensuring capacity for internal service delivery, while navigating fiscal challenges. (P&E)

- Enhanced technology upgrades are vital to optimize resources for service delivery. Without investing in upgrades, the organization risks lagging behind industry standards in critical areas that support the organization, such as recruitment and relationship management. (P&E)
- Balancing important and distinct needs of First Nations, Indigenous, and Métis communities while supporting a large number of divisions in their work with First Nations, Inuit, and Métis. (IAO)
- Validation of FIFA World Cup 2026 planning assumptions is on-going. A key component of this is determining the capacity of City divisions and Agencies, Boards and Corporations to provide expertise and support in order to meet planning and delivery requirements. (FIFA)
- Complex coordination with numerous partners to deliver elements of the overall project poses an integration and delivery risk. (FIFA)

Priority Actions

- Provide strategic 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; Good governance within the corporation, Council Advisory Bodies and Program Advisory Bodies; Support to the Accountability Offices on corporate policies, processes and the City's decision-making processes; City-wide engagement initiatives including pre-budget consultations; and, Strategic coordination to support the Senior Leadership Team and Corporate Leadership Team. (OCOS)
- Continue to focus communications efforts to align with the City's six key priorities, divisional and Council priorities in the new centralized, centres of excellence operating model. Continue to use data- and equity-informed decision-making and insights to guide communications strategy, approaches, tactics and messages. (SPEC)
- Implement the Human Resources Analytics strategy in collaboration with technology services partners. (P&E)
- Advance collective bargaining negotiations with CUPE Local 79 and 416. (P&E)
- Continuously offer strategic counsel and assistance regarding pivotal corporate and divisional transformations, as well as workforce initiatives, such as workforce stabilization and reorganizations. (P&E)
- Enhance the Talent Acquisition service delivery model to furnish clients with tailored and prompt support, aligning with their distinct requirements, while upholding uniform customer service standards, fostering strategic collaboration, and implementing innovative methodologies. (P&E)
- Fulfilling City commitments regarding reconciliation, diversity, equity, and inclusion, notably through the implementation of initiatives such as the Data for Equity Strategy and the Employment Equity policy. (P&E)
- 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, Indigenous place-making, Indigenous Funding Framework/grants and the Indigenous Centre for Innovation and Entrepreneurship). (IAO)
- 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. (FIFA)
- With the support of the Program Advisory Bodies identify and advance legacy plans. (FIFA)
- Finalize the Mobility Plan including initiating procurements and finalizing Memoranda of Understanding with partners to support implementation. (FIFA)
- Complete FIFA Fan Festival concepts, plans and key procurements. (FIFA)
- Complete design and procurement and commence Phase II construction at the stadium and complete Phase II training site construction at Centennial Park. (FIFA)
- Complete detailed security planning and begin testing of key venues and features that will support the tournament in 2026. (FIFA)

CITY STAFF PREPARED BUDGET

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

1. The 2025 Operating Budget for the City Manager's Office of \$144.408 million gross, \$65.142 million revenue and \$79.267 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Executive Administration	7,394.5	0.0	7,394.5
Governance and Corporate Strategy/Intergovernmental and Agency Relations	4,188.6	0.0	4,188.6
Strategic Partnerships	1,069.3	300.0	769.3
Strategic Public and Employee Communications	12,425.5	1,510.1	10,915.4
People and Equity	60,949.1	7,784.8	53,164.3
Indigenous Affairs Office	2,834.4	0.0	2,834.4
FIFA World Cup 2026 Toronto Secretariat	55,546.6	55,546.6	0.0
Total Program Budget	144,408.0	65,141.5	79,266.5

- The 2025 staff complement for the City Manager's Office of 547.0 positions comprised of 17.0 capital positions and 530.0 operating positions.
2. That all third-party funding included in the 2025 Budget be subject to the execution of an agreement or receipt of funding. If such agreement or funding is not in place by 2025 or forthcoming, the approval to spend must be reassessed by City Council relative to other City-funded priorities and needs in future budget processes.

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								
Executive Administration	10,012.3							N/A
FIFA World Cup 2026 Toronto Secretariat	1,583.2	6,915.4	6,915.4	55,546.6		55,546.6	48,631.2	703.2%
Indigenous Affairs Office	79.8		134.1					N/A
People and Equity	4,971.6	7,581.4	8,177.3	7,784.8		7,784.8	203.5	2.7%
Governance and Corporate Strategy/Intergovernmental and Agency Relations	696.4		(9.3)					N/A
Strategic Partnership	364.2	1,000.0		300.0		300.0	(700.0)	(70.0%)
Strategic Public and Employee Communications	1,824.5	1,591.7	1,659.5	1,510.1		1,510.1	(81.7)	(5.1%)
Total Revenues	19,531.9	17,088.5	16,877.1	65,141.5		65,141.5	48,053.0	281.2%
Expenditures								
Executive Administration	10,372.3	2,313.1	2,322.7	2,394.5	5,000.0	7,394.5	5,081.4	219.7%
FIFA World Cup 2026 Toronto Secretariat	1,654.2	6,915.4	6,915.4	55,546.6		55,546.6	48,631.2	703.2%
Indigenous Affairs Office	2,274.1	2,846.1	2,902.7	2,834.5		2,834.5	(11.6)	(0.4%)
People and Equity	51,952.4	57,475.4	57,188.3	60,949.1		60,949.1	3,473.7	6.0%
Governance and Corporate Strategy/Intergovernmental and Agency Relations	3,830.4	4,132.0	3,402.4	4,188.6		4,188.6	56.6	1.4%
Strategic Partnership	1,353.3	1,852.5	849.8	1,069.3		1,069.3	(783.2)	(42.3%)
Strategic Public and Employee Communications	10,520.7	12,512.1	12,335.5	12,425.5		12,425.5	(86.7)	(0.7%)
Total Gross Expenditures	81,957.4	88,046.6	85,916.8	139,408.0	5,000.0	144,408.0	56,361.4	64.0%
Net Expenditures	62,425.5	70,958.1	69,039.7	74,266.5	5,000.0	79,266.5	8,308.4	11.7%
Approved Positions**	560.0	509.0	N/A	547.0		547.0	N/A	N/A

* 2024 Projection based on 9 Month Variance

**YoY comparison based on approved positions

KEY DRIVERS

Total 2025 Budget expenditures of \$144.408 million gross reflect an increase of \$56.361 million in spending above 2024 budget, predominantly arising from:

- Funding to support Host City planning requirements and hosting obligations for FIFA World Cup 2025 included in the 2025 budget is consistent with the FIFA World Cup 2026 overall budget of \$380 million approved by City Council.
- Salary and benefits adjustment for existing positions and hiring positions in 2025 (\$3.4 million).
- Funding for Youth Violence Prevention Program (\$5.0 million).

EQUITY IMPACTS OF BUDGET CHANGES

High-Positive Impact

- Investments in youth violence prevention help address systemic inequities, as youth violence rates are highest in priority neighbourhoods, low-income households, and Indigenous, Black, and equity-deserving residents. These investments support youth in marginalized communities to have equitable access to resource and opportunities.
- Specifically, reduction in youth violence is correlated with increases to education, employment, and economic and social wellbeing. Reduced rates of violence and incarceration can help break cycles of poverty by increasing economic opportunities while reducing reliance on social supports. By engaging youth constructively, these investments have the potential to lower the likelihood of incarceration, contributing to a more equitable and just society.

2025 OPERATING BUDGET KEY COST DRIVERS

The 2025 Net Operating Budget for the City Manager's Office of \$79.267 million is \$8.308 million or 11.7% greater than the 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*	16,877.1	85,916.8	69,039.7	N/A	N/A
2024 Budget	17,088.5	88,046.6	70,958.1	509.0	N/A
Key Cost Drivers:					
Prior Year Impacts:					
Annualization of Concept 2 Keys		(264.5)	(264.5)		(17.7)
Phased reduction of one-time reserve funding for People and Equity temporary recruitment resources	(2,500.0)	(2,500.0)			2,500.0
Capital Project Delivery Positions:					
Delivery of capital projects (<i>ModernTO, Talent Management Systems, Central Relationship Management</i>)	2,244.9	2,244.9		16.0	
Salary and Benefits:					
Salary and Benefits Adjustments	(35.3)	965.6	1,000.9	(1.0)	1,594.8
People and Equity permanent recruitment resources to ensure business continuity		2,564.5	2,564.5	19.0	10.4
People and Equity temporary resources to support Toronto Shelter and Support Services in 2025	412.2	412.2		4.0	
Other Changes:					
FIFA World Cup 2026 incremental costs	43,356.7	43,356.7			
Funding for other FIFA-related expenses	5,274.5	5,274.5			
Reduced budget allocated to the Climate Action and Resilience Research Fund	(700.0)	(700.0)			
Cost alignment to expected actuals		7.5	7.5		
Sub-Total - Key Cost Drivers	48,053.0	51,361.4	3,308.4	38.0	4,087.6
Affordability Measures					
Total 2025 Base Budget	65,141.5	139,408.0	74,266.5	547.0	4,087.6
2025 New / Enhanced		5,000.0	5,000.0		
2025 Budget	65,141.5	144,408.0	79,266.5	547.0	4,087.6
Change from 2024 Budget (\$)	48,053.0	56,361.4	8,308.4	38.0	N/A
Change from 2024 Budget (%)	281.2%	64.0%	11.7%	7.5%	N/A

*Based on 9 Month Variance

**YoY comparison based on approved positions

Key Base Drivers:

Prior Year Impacts:

- Annualization of in-year transfer of Concept 2 Keys (C2K) budget to Development and Growth Service from 2024 for the purpose of streamlining decision-making and enhancing approval process and planning outcomes.
- Phased reduction of reserve funding for recruitment support based on prior year decisions.

Salary and Benefits:

- Salary and benefits adjustment and hiring positions in 2025, partially offset by a reduction to reflect actual experience of hiring plan and staffing re-alignment.
- Ongoing requirement to maintain sustainment of existing recruitment resources to support the organization with an increase of 19 permanent staff complement.
- Addition of four temporary staff to provide dedicated recruitment support to Toronto Shelter and Support Services ending in 2026.

Capital Project Delivery Positions:

- Changes in staff costs resulting from an increase of 16 temporary staff complement to support the delivery of capital projects including ModernTO, Talent Management Systems, and Central Relationship Management, fully recovered from capital budget.

Other Changes:

- Additional funding to support Host City planning requirements for FIFA World Cup 2026, fully funded by the Major Special Event Reserve Fund that was approved through prior year budgets as part of the City’s commitment to match funding from other governments, federal and provincial grants, as well as an anticipated temporary increase to the Municipal Accommodation Tax in 2025.
- Alignment of funding for Climate Action and Resilience Research Fund from Environment Protection Reserve Fund to expected grants to be awarded in 2025.

New/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 Youth Violence Prevention Program		5,000.0	5,000.0		5,000.0	High-positive	Support youth in marginalized communities
Total New / Enhanced		5,000.0	5,000.0		5,000.0		

Note:

1. For additional information, please refer to [Appendix 4](#) for Operating Program Provincial/Federal Funding Streams by Funding Source.

2026 AND 2027 OUTLOOKS

Table 5: 2026 and 2027 Outlooks

(In \$000s)	2025 Budget	2026 Incremental Outlook	2027 Incremental Outlook
Revenues			
Reduced resources required for capital projects		(1,071.2)	(1,332.2)
Discontinuation of one-time funding for People and Equity temporary recruitment resources		(2,500.0)	
FIFA World Cup 2026 funding in 2026 and discontinued in 2027		108,363.2	(163,909.8)
Discontinuation of People and Equity temporary support for Toronto Shelter and Support Services		(412.2)	
Alignment of funding for Climate Action and Resiliency Research Fund to expected grant awards		(300.0)	
Total Revenues	65,141.5	104,079.7	(165,241.9)
Gross Expenditures			
Reduced resources required for capital projects		(1,071.2)	(1,332.2)
Discontinuation of People and Equity sustainment of temporary recruitment resources			(2,500.0)
FIFA World Cup 2026 funding in 2026 and discontinued in 2027		108,363.2	(163,909.8)
Discontinuation of People and Equity temporary support for Toronto Shelter and Support Services		(412.2)	
Alignment of funding for Climate Action and Resiliency Research Fund to expected grant awards		(300.0)	
Salary and benefits pressure		1,587.6	212.5
Total Gross Expenditures	144,408.0	108,167.3	(167,529.4)
Net Expenditures	79,266.5	4,087.6	(2,287.5)
Approved Positions	547.0	(17.0)	(12.0)

**YoY comparison based on approved positions

Key Outlook Drivers

The 2026 Outlook with total gross expenditures of \$252.6 million reflects an anticipated \$108.2 million or 74.9% increase in gross expenditures above the 2025 Operating Budget. The 2027 Outlook expects a decrease of \$167.5 million or 66.3% below the 2026 Outlook.

These changes arise from the following:

- Additional funding in 2026 is anticipated for planning and hosting FIFA World Cup in 2026, fully funded from the Major Special Event Reserve Fund, federal and provincial grants, and a reversal of funding in 2027 for the unwinding of FWC 2026 without impact on the existing property tax base.
- Approval of the 2025 Operating Budget will result in a number of budget adjustments with zero impact, including the reduction of temporary capital delivery positions upon completion of capital projects, discontinuation of temporary interdivisional charges and recoveries agreement with Toronto Shelter Support Services along with a deletion of 4 temporary positions, and alignment of funding for Climate Action and Resilience Research Fund from Environment Protection Reserve Fund to expected grants to be awarded.
- 2026 Outlook expects the reversal of one-time funding source for temporary recruitment resources in 2025 with operating budget pressures expected to remain in 2026 and end in 2027, as well as base budget pressures due to salary and benefit adjustments and alignment with anticipated hiring plan in future years.

APPENDICES

Appendix 1

2025 Operating Budget by Category

Category (In \$000s)	2022	2023	2024	2024	2025	2025 Change from 2024 Budget	
	Actual	Actual	Budget	Projection*	Budget	\$	%
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies					30,179.9	30,179.9	
Federal Subsidies					11,912.9	11,912.9	
User Fees & Donations	2.0	4,881.8					
Transfers From Capital	589.2	568.2	309.7	777.1	2,554.6	2,244.9	725.0%
Contribution From Reserves/Reserve Funds	6,656.4	9,516.0	13,234.5	11,908.4	16,253.9	3,019.4	22.8%
Sundry and Other Revenues	3.2	198.5		268.0			
Inter-Divisional Recoveries	4,518.6	4,367.4	3,544.4	3,923.5	4,240.3	696.0	19.6%
Total Revenues	11,769.4	19,531.9	17,088.5	16,877.1	65,141.5	48,053.0	281.2%
Salaries and Benefits	65,148.3	73,608.2	74,844.8	73,684.9	78,248.2	3,403.4	4.5%
Materials & Supplies	28.0	43.5	159.3	159.3	1,846.3	1,687.0	1059.2%
Equipment	375.2	1,064.8	555.1	555.1	505.1	(49.9)	(9.0%)
Service and Rent	4,462.7	5,546.5	10,526.4	10,556.5	53,837.8	43,311.3	411.5%
Other Expenditures	950.0	1,412.2	1,961.1	959.4	1,260.9	(700.2)	(35.7%)
Inter-Divisional Charges		282.2		1.7	8,709.7	8,709.7	
Total Gross Expenditures	70,964.2	81,957.4	88,046.6	85,916.8	144,408.0	56,361.4	64.0%
Net Expenditures	59,194.8	62,425.5	70,958.1	69,039.7	79,266.5	8,308.4	11.7%

*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

Form ID		City Manager	Adjustments				2026 Plan	2027 Plan
Category	Equity Impact	Program - City Manager's Office	Gross Expenditure	Revenue	Net	Approved Positions	Net Change	Net Change
34141		Youth Violence Prevention Program						
74	Positive	Description:						
		<p><u>Mayoral Request</u></p> <p>The Mayor will be allocating \$5 million to the City Manager's Office Budget ("Office of Chief of Staff" Division) to enable the City Manager's Office to determine effective, targeted investments that will reduce youth violence in Toronto. Targeted, evidence-based investments decisions will be made in partnership with the City's divisions, agencies and corporations leveraging staff's expertise in youth violence prevention.</p> <p><u>Potential Investments</u></p> <p>The City Manager's Office will review the City's existing youth violence prevention programs and initiatives and make modifications, or implement new, programs and initiatives. This may consist of:</p> <ul style="list-style-type: none"> · Enhancements to Youth Violence Prevention and Intervention initiatives, SafeTO and the Youth Equity Strategy, TO Wards Peace Program and related programs: Funding increases to existing programs and initiatives that already demonstrated effectiveness · Community-Based Outreach: Partnering with local organizations to provide mentorship, counseling, and skills training. · Recreation Program: Targeted recreation programs to support youth in high need areas of the City. · Social Housing Programs: Targeted programs in Toronto Community Housing Corporation and other Housing Providers to reduce violence and improve community safety. · Employment Pathways: Creating job training and placement opportunities for at-risk youth. · Family Support Services: Offering resources and programs to strengthen family units. <p>Modifications to existing programs, or the introduction of new programs, will be made within City staff's existing authority or, if needed, City staff will seek Council authority.</p> <p>Service Level Impact:</p> <ul style="list-style-type: none"> · Improvements to youth violence prevention programs and initiatives. · Stronger partnerships between the City, housing providers, schools, and community organizations, and families. · Reduction in youth violence rates and increased opportunities for at-risk youth. <p>Equity Statement:</p> <p>High-Positive Impact</p> <ul style="list-style-type: none"> · Investments in youth violence prevention help address systemic inequities, as youth violence rates are highest in priority neighbourhoods, low-income households, and among Indigenous, Black, and equity-deserving residents. These investments support youth in marginalized communities to have equitable access to resource and opportunities. · Specifically, reductions in youth violence is correlated with increases to education, employment, and economic and social wellbeing. Reduced rates of violence and incarceration can help break cycles of poverty by increasing economic opportunities while reducing reliance on social supports. By engaging youth constructively, these investments have the potential to lower the likelihood of violence, contributing to a more <p>Service: Executive Administration</p>						
Total Staff Prepared Budget Changes:			5,000.0	0.0	5,000.0	0.00	0.0	0.0
Staff Prepared New/Enhanced Service Priorities:			5,000.0	0.0	5,000.0	0.00	0.0	0.0
<hr/>								
Summary:								
Staff Prepared New/Enhanced Service Priorities:			5,000.0	0.0	5,000.0	0.00	0.0	0.0

Appendix 4

Operating Program Provincial/Federal Funding Streams by Program

Program Name	Federal / Provincial	Budget (in 000's)		
		2025	2026	2027
<i>FIFA World Cup 2026</i>	Provincial	30,180	53,340	
Sub-Total - Provincial Funding		30,180	53,340	
<i>FIFA World Cup2026</i>	Federal	11,913	27,734	
Sub-Total - Federal Funding		11,913	27,734	
Total Funding		42,093	81,074	

Appendix 5

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

N/A

Appendix 5a

2025 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 5b

2026 - 2034 Capital Plan

N/A

Appendix 6

Reporting on Major Capital Projects: Status Update

N/A

Appendix 7

Capacity to Deliver Review

N/A

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

2025 Operating Budget

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2025	2026	2027
		\$	\$	\$
Beginning Balance		36,390.8	40,965.2	2,225.9
Major Special Event Reserve Fund	XR1218			
<i>Withdrawals (-)</i>		(13,453.9)	(48,215.8)	-
<i>Contributions (+)</i>				
Total Reserve / Reserve Fund Draws / Contributions		(13,453.9)	(48,215.8)	-
Other Program / Agency Net Withdrawals & Contributions		17,643.4	9,261.5	-
Interest Income		384.9	214.9	22.3
Balance at Year-End		40,965.2	2,225.9	2,248.1

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2025	2026	2027
		\$	\$	\$
Beginning Balance		4,781.6	3,154.1	1,824.7
Environment Protection Reserve Fund	XR1718			
<i>Withdrawals (-)</i>		(300.0)	-	-
<i>Contributions (+)</i>				
Total Reserve / Reserve Fund Draws / Contributions		(300.0)	-	-
Other Program / Agency Net Withdrawals & Contributions		(1,366.9)	(1,354.2)	633.1
Interest Income		39.5	24.8	21.4
Balance at Year-End		3,154.1	1,824.7	2,479.2

The 2025 Operating Budget of the City Manager's Office includes a one-time draw of \$2.500 million (for one-time temporary funding for People and Equity recruitment support) from funds available and set aside in the Budget Bridging and Balancing Reserve Fund (XR1735).

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 Benefits 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).