

2026 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: <https://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

Resources (gross 2026 operating budget): \$24.4 Million

Budget at a Glance

2026 OPERATING BUDGET

In \$ Millions	2026	2027	2028
Revenues	\$7.9	\$7.9	\$8.0
Gross Expenditures	\$24.4	\$25.2	\$25.8
Net Expenditures	\$16.5	\$17.3	\$17.8
Approved Positions	223.5	223.5	223.5

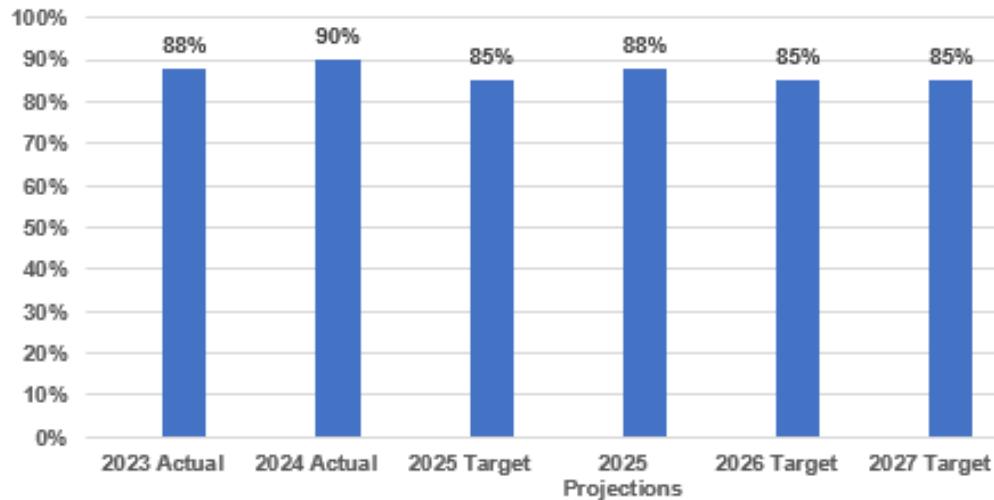
2026-2035 10-YEAR CAPITAL PLAN

In \$ Millions	2026	2027-2035	Total
Customer Experience does not have a 10-Year Capital Plan and Budget			

Customer Experience does not have a 10-Year Capital Plan and Budget

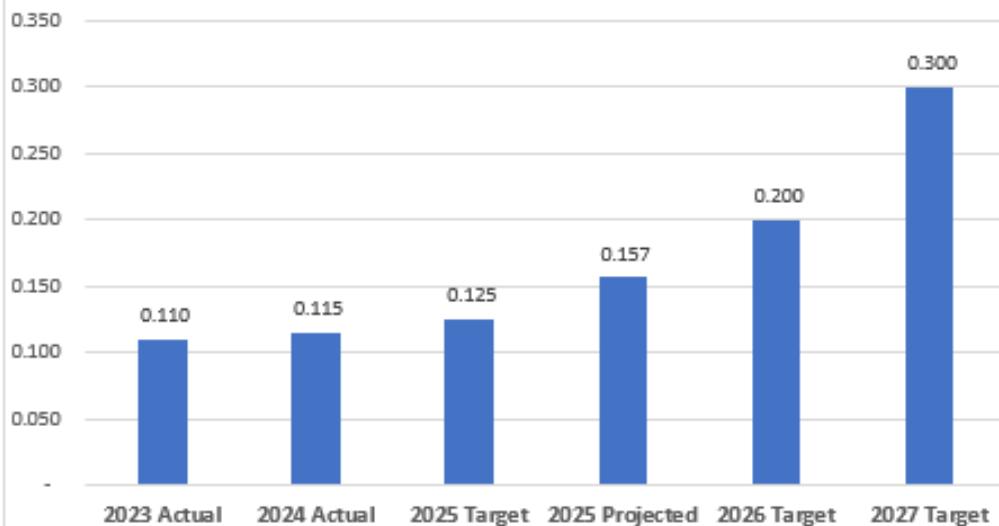
How Well We Are Doing – Behind the Numbers

First Contact Resolution Rate (FCR)



- 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.

Service Request Creation - Self Serve (in million)



- Service Request Creation - Self Serve is the volume of service requests created by customers online and mobile app.

How Well We Are Doing

Service	Measure	2024 Actual	2025 Target	2025 Projection	2026 Target	2027 Target
Outcome Measures						
311 Service Delivery	ASA - Average Speed of Answer (in seconds)	47	120	43	120	120
311 Service Delivery	% of customer contacts resolved at first point of contact	90%	85%	88%	85%	85%
Key Service Level Measures						
311 Service Delivery	% of calls that have been answered within approved service standards	82%	80%	82%	80%	80%
311 Service Delivery	AHT - Average Handle Time (in seconds)	312	270	314	330	330
Other Measures						
311 Service Delivery	Public Online Knowledge Base Views (in millions)	0.37	0.45	0.53	0.54	0.55

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Expected to achieve a service level of 82% for 311 calls answered within 75 seconds for the year 2025.
- Successfully launched the new 311 Service Standards static dashboard, available on the 311 Toronto Webpage. This facilitates greater transparency and allows the public to see service trends on key performance metrics.
- Successfully integrated the Parks branch of the Parks and Recreation Division into the 311 integrated workflow alongside Transportation Services, Urban Forestry, Toronto Water, Solid Waste Management and Municipal Licensing and Standards. This expansion strengthens our city-wide approach to citizen service delivery.
- In July 2025, 311 launched enhanced services to support the email channel. These enhancements included accepting Service Requests in addition to General Inquiries. A new service standard of 80% of emails responded to in 24 hours was implemented. As of October 2025, the service standard achieved was 89% of the emails responded to in 24 hours.
- Improved navigational and category sections for wildlife and coyote inquiries while making it easier to report sightings through service requests.
- In partnership with Municipal Licensing and Standards, CXD launched a dedicated service request category for Vital services, making it faster and easier for residents to report urgent, critical issues like no heat, water or power. CXD also implemented proactive monitoring to ensure these critical requests receive timely action and resolution by the appropriate division.

Key Challenges and Risks

- Major City events such as FIFA, Winter Operations and Elections are expected to increase 311 volumes.
- Not providing customers with enhanced user-friendly options when engaging with 311.
- Availability of relevant data from integrated service divisions for Closing the Loop on service requests.
- Balancing divisional requests / priorities with 311 planned improvements and priorities.
- Ensure alignment on additional 311 Integrations and consolidations that need to take place.

Priority Actions

- Focus on the Closing the Loop project to improve customer service, satisfaction and trust, including improving handling of inter-divisional service request transfers and using customer satisfaction surveys for benchmarking and feedback.
- Optimize the CRM 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. This includes upgrading the front-end web and 311app with which citizens/customers engage with the City.
- Create and publish intuitive and dynamic public dashboards with relevant data to increase transparency and accountability by all City divisions.
- Integrate with the Recreation Branch of the Parks and Recreation Division to enable the intake of operational service requests via 311.
- Enhancement of the 311 Quality Monitoring program with a revised focus on evaluation framework, development of KPI's, review processes and increased number of calls reviewed. This includes sharing data and insights with divisional partners to proactively identify opportunities for improvement.

CITY STAFF PREPARED BUDGET

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

1. The 2026 Operating Budget for Customer Experience of \$24.423 million gross, \$7.879 million revenue and \$16.544 million net for the following services:

Service:	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
CX Development	2,876.4		2,876.4
CX Service Delivery	21,546.3	7,878.5	13,667.8
Total Program Budget	24,422.8	7,878.5	16,544.3

- The 2026 staff complement for Customer Experience of 223.5 positions comprised of 19.0 capital positions and 204.5 operating positions.

2026 OPERATING BUDGET

2026 OPERATING BUDGET OVERVIEW

Table 1: 2026 Operating Budget by Service

(In \$000s)	2024 Actual	2025 Budget	2025 Projection*	2026 Base Budget	2026 New/Enhanced	2026 Budget	Change vs. 2025 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
CX Development	487.5	440.8	440.8				(440.8)	(100.0%)
CX Service Delivery	7,074.0	7,092.0	7,943.5	7,878.5		7,878.5	786.5	11.1%
Total Revenues	7,561.4	7,532.8	8,384.3	7,878.5		7,878.5	345.8	4.6%
Gross Expenditures								
CX Development	3,522.0	3,528.7	3,228.7	2,876.4		2,876.4	(652.2)	(18.5%)
CX Service Delivery	18,314.6	19,235.3	20,283.4	21,546.3		21,546.3	2,311.0	12.0%
Total Gross Expenditures	21,836.6	22,764.0	23,512.0	24,422.8		24,422.8	1,658.8	7.3%
Net Expenditures	14,275.2	15,231.2	15,127.7	16,544.3		16,544.3	1,313.0	8.6%
Approved Positions**	201.0	216.5	N/A	223.5		223.5	N/A	N/A

*2025 Projection based on 9-Month Variance

**Year-over-year comparison based on approved positions

KEY DRIVERS

Total 2026 Budget expenditures of \$24.423 million gross reflect an increase of \$1.659 million in spending above the 2025 Budget, predominantly arising from:

- Annualization impact of new resources approved in 2025 for enhancement of email channel.
- Increased staffing complement to support handling and responding to Vacant Home Tax (VHT) calls – no net impact
- Increase in salaries and benefits primarily related to contractual obligations.
- Transfer of one approved position to Communications Division (formerly Strategic Public and Employee Communications) to align with the City's new coordinated communications approach.

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 X (formerly 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.

2026 OPERATING BUDGET KEY COST DRIVERS

The 2026 Net Operating Budget for Customer Experience Division of \$16.544 million is \$1.313 million, 8.62% greater than the 2025 Net Budget. Table 2 below summarizes the key cost drivers for the 2026 Budget.

Table 2: 2026 Key Cost Drivers

(In \$000s)	2026				2027 Annualized Impact (Net)
	Revenues	Gross Expenditures	Net Expenditures	Positions**	
2025 Projection*	8,384.3	23,512.0	15,127.7	N/A	N/A
2025 Budget	7,532.8	22,764.0	15,231.2	216.5	N/A
Key Cost Drivers:					
Prior Year Impacts					
Annualization of the new 2025 initiative		737.5	737.5		
Salaries and Benefits					
Salaries & Benefits Increases (Net)		575.6	575.6	(1.0)	791.5
Payroll adjustments for VHT calls (Net)	786.5	786.5		8.0	
Other Changes					
Revenue realignments	(440.8)	(440.8)			(57.4)
Sub-Total - Key Cost Drivers	345.7	1,658.8	1,313.1	7.0	734.0
Affordability Measures					
Total 2026 Base Budget	7,878.5	24,422.8	16,544.3	223.5	734.0
2026 New/Enhanced					
2026 Budget	7,878.5	24,422.8	16,544.3	223.5	
Change from 2025 Budget (\$)	345.7	1,658.8	1,313.1	7.0	N/A
Change from 2025 Budget (%)	4.6%	7.3%	8.6%	3.2%	N/A

*Based on 9-Month Variance

**Year-over-year comparison based on approved positions

Key Base Drivers:

Prior Year Impacts:

- Annualization of resources added in 2025 to enhance email channel service.

Salaries and Benefits:

- Salaries and benefits including cost of living adjustment (COLA), pay for performance, step increases
- Transfer of one approved position to Communications Division (formerly Strategic Public Employee Communications) to align with the City's new coordinated communications approach.
- Added resources to handle Vacant Home Tax (VHT) calls with recovery from Revenue Services (no net impact).

Other Changes:

- Cost and revenue realignments to reflect reduced interdivisional recovery (no net impact).

2027 AND 2028 OUTLOOK

Table 5: 2027 and 2028 Outlook

(In \$000s)	2026 Budget	2027 Incremental Outlook	2028 Incremental Outlook
Revenues			
Revenue Changes		57.4	49.1
Total Revenues	7,878.5	57.4	49.1
Gross Expenditures			
Salaries and Benefits Changes		791.9	616.3
Total Gross Expenditures	24,422.8	791.9	616.3
Net Expenditures	16,544.3	734.5	567.2
Approved Positions	223.5		

Key Outlook Drivers

The 2027 Outlook with total gross expenditures of \$25.215 million reflects an anticipated \$0.792 million or 3.2% increase in gross expenditures above the 2026 Operating Budget. The 2028 Outlook expects a further increase of \$0.616 million or 2.4% above the 2027 gross expenditures.

These changes arise from the following:

- **Salaries and Benefits:** Increases related to cost-of-living, step adjustments, benefits, and pay for performance.
- **Revenue Changes:** Adjustments to reflect increased interdivisional recoveries.

APPENDICES

Appendix 1

2026 Operating Budget by Category

Category (In \$000s)	2024 Actual	2025 Budget	2025 Projection*	2026 Budget	2026 Change from 2025 Budget	
	\$	\$	\$	\$	\$	%
Sundry and Other Revenue		18.0	18.0	18.0		0.0%
Inter-Divisional Recoveries	7,561.4	7,514.8	8,366.3	7,860.5	345.8	4.6%
Total Revenues	7,561.4	7,532.8	8,384.3	7,878.5	345.8	4.6%
Salaries	15,796.1	16,855.3	17,438.9	17,860.8	1,005.5	6.0%
Benefits	4,437.5	5,208.6	5,373.1	5,859.3	650.7	12.5%
Materials and Supplies	10.3	8.2	8.2	8.2		0.0%
Equipment	85.0	62.4	62.4	62.4		0.0%
Service And Rent	1,507.7	629.6	629.6	632.1	2.5	0.4%
Total Gross Expenditures	21,836.6	22,764.0	23,512.0	24,422.8	1,658.8	7.3%
Net Expenditures	14,275.2	15,231.2	15,127.7	16,544.3	1,313.0	8.6%

*2025 Projection based on 9-Month Variance

Appendix 2

Summary of 2026 Service Changes

N/A

Appendix 3

Summary of 2026 New/Enhanced Requests Included in Budget

N/A

Appendix 4

Operating Program Provincial/Federal Funding Streams by Program

N/A

Appendix 5

2026 Capital Budget; 2027-2035 Capital Plan Including Carry Forward

N/A

Appendix 6

Capacity to Deliver Review

N/A

Appendix 7

Summary of Capital Delivery Constraints

N/A

Appendix 8

Inflows and Outflows to/from Reserves and Reserve Funds

N/A

Appendix 9

Glossary

Approved Position: Permanent or temporary position 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 has 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 Adjustments: General increases related to contractual obligations, such as cost of living, step increases, pay for performance 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).