

# 2026 Budget Notes

## Office of the Mayor

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### Description

The Office of the Mayor provides support to the Mayor as the Head of Council and the Chief Executive Officer of the City, as prescribed in the City of Toronto Act, 2006, s. 133 and s. 134.

### Why We Do It

In accordance with the City of Toronto Act, 2006 (s. 133), it is the role of the Mayor, as Head of City Council:

- To act as the Chief Executive Officer of the City;
- To preside over Council meetings so that City business can be carried out efficiently and effectively;
- To provide leadership to Council;
- To represent the City at official functions; and
- To carry out duties as Head of Council under the Act and under any other legislation.

The Mayor's role also includes providing information and making recommendations to Council with respect to Council's role under section 131 clauses (d) and (e) of the City of Toronto Act, 2006. These include:

(d) to ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decision of Council.

(e) to ensure the accountability and transparency of the operations of the City, including the activities of the senior management of the City.

In addition, as Chief Executive Officer of the City (s. 134), the Mayor shall:

- (a) uphold and promote the purposes of the City;
- (b) promote public involvement in the City's activities;
- (c) act as the representative of the City both within and outside the City, and promote the City locally, nationally, and internationally; and
- (d) participate in and foster activities that enhance the economic, social and environmental well-being of the City, and its residents.

*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 Office of the Mayor, please visit: <https://www.toronto.ca/city-government/council/office-of-the-mayor/>

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## Budget at a Glance

2026 OPERATING BUDGET				2026-2035 10-YEAR CAPITAL PLAN			
In \$ Millions	2026	2027	2028	In \$ Millions	2026	2027-2035	Total
Revenues	\$0.0	\$0.0	\$0.0				
Gross Expenditures	\$3.2	\$3.3	\$3.3				
Net Expenditures	\$3.2	\$3.3	\$3.3	The Office of the Mayor does not have a 10-Year Capital Budget and Plan.			
Approved Positions	1.0	1.0	1.0				

### CITY STAFF PREPARED BUDGET

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

1. The 2026 Operating Budget for the Office of the Mayor of \$3.194 million gross and net for the following services:

Service:	Gross Expenditures (\$000s)	Revenues (\$000s)	Net Expenditures (\$000s)
<b>Total Office Budget</b>	<b>3,194.0</b>	<b>0.0</b>	<b>3,194.0</b>

# **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
<b>By Service</b>	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>							
Office of the Mayor							
<b>Total Revenues</b>							<b>N/A</b>
<b>Gross Expenditures</b>							
Office of the Mayor	2,914.0	3,129.1	3,079.1	3,194.0		3,194.0	64.9 2.1%
<b>Total Gross Expenditures</b>	<b>2,914.0</b>	<b>3,129.1</b>	<b>3,079.1</b>	<b>3,194.0</b>		<b>3,194.0</b>	<b>64.9 2.1%</b>
<b>Net Expenditures</b>	<b>2,914.0</b>	<b>3,129.1</b>	<b>3,079.1</b>	<b>3,194.0</b>		<b>3,194.0</b>	<b>64.9 2.1%</b>
<b>Approved Positions**</b>	<b>1.0</b>	<b>1.0</b>	<b>N/A</b>	<b>1.0</b>		<b>1.0</b>	<b>0.0%</b>

\*2025 Projection based on 9-Month Variance

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

## KEY DRIVERS

**Total 2026 Budget** expenditures of \$3.194 million gross reflect an increase of \$0.065 million in spending above the 2025 Budget, predominantly arising from:

- Increase in salaries and benefits to reflect the below:
  - Consumer Price Index (CPI) adjustment of 2.5% or \$0.007 million towards salary and related benefits for the Mayor to comply with the Municipal Code Chapter 223 -Remuneration for Council Members.
  - Cost of Living Adjustment (COLA) of \$0.056 million for non-union staff in the Office

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Mayor's Office 2026 Operating Budget do not have any significant equity impacts.

## 2026 OPERATING BUDGET KEY COST DRIVERS

The 2026 Net Operating Budget for the Office of the Mayor of \$3.194 million is \$0.065 million, 2.1% 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**	
<b>2025 Projection*</b>		<b>3,079.1</b>	<b>3,079.1</b>	<b>N/A</b>	<b>N/A</b>
<b>2025 Budget</b>		<b>3,129.1</b>	<b>3,129.1</b>	<b>1.0</b>	<b>N/A</b>
<b>Key Cost Drivers:</b>					
<b>Salaries and Benefits</b>					
Salaries and Benefits Adjustments		63.0	63.0		64.3
<b>Non-Salary Inflation</b>					
Inflationary Impacts		1.9	1.9		1.1
<b>Sub Total Key Cost Drivers</b>	<b>64.9</b>	<b>64.9</b>			<b>65.4</b>
<b>Total 2026 Base Budget</b>		<b>3,194.0</b>	<b>3,194.0</b>	<b>1.0</b>	<b>65.4</b>
<b>2026 Budget</b>		<b>3,194.0</b>	<b>3,194.0</b>	<b>1.0</b>	
<b>Change from 2025 Budget (\$)</b>		<b>64.9</b>	<b>64.9</b>		<b>N/A</b>
<b>Change from 2025 Budget (%)</b>		<b>2.1%</b>	<b>2.1%</b>	<b>0.0%</b>	<b>N/A</b>

\*Based on 9-Month Variance

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

### Key Base Drivers:

#### Salaries and Benefits:

- Consumer Price Index (CPI) adjustment of 2.5% or \$0.007 million for the Mayor's salary and related benefit changes to comply with the Municipal Code Chapter 223 – Remuneration of Council Members. Actual adjustment will be based on the actual 2025 CPI rate for Toronto as published by Statistics Canada.
- Cost of Living Adjustment (COLA) of \$0.056 million for non-union staff in the Office.

#### Non-Salary Inflation:

- Economic factor adjustments of \$0.002 million for non-payroll expenditure items.

## 2027 AND 2028 OUTLOOK

Table 5: 2027 and 2028 Outlook

(In \$000s)	2026 Budget	2027 Incremental Outlook	2028 Incremental Outlook
<b>Revenues</b>			
<b>Total Revenues</b>			
<b>Gross Expenditures</b>			
Salaries and Benefits Changes		64.3	51.2
Inflationary Impacts		1.1	1.1
<b>Total Gross Expenditures</b>	<b>3,194.0</b>	<b>65.4</b>	<b>52.4</b>
<b>Net Expenditures</b>	<b>3,194.0</b>	<b>65.4</b>	<b>52.4</b>
<b>Approved Positions</b>	<b>1.0</b>		

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## Key Outlook Drivers

The 2027 Outlook with total gross expenditures of \$3.259 million reflects an anticipated \$0.065 million or 2.1% increase in gross expenditures above the 2026 Operating Budget. The 2028 Outlook expects a further increase of \$0.052 million or 1.6% above the 2027 Outlook.

These changes arise from the following:

- **Salaries and Benefits:** Increase of \$0.064 million in 2027 and \$0.051 million in 2028 is due to a CPI adjustment in 2027 and 2028 for the Mayor's salary and related benefits changes, COLA increases for non-union staff in the Office and an adjustment for one less working day in 2028.
- **Inflationary Impacts:** Economic factor adjustments for non-salary expenditure items.

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## **APPENDICES**

## Appendix 1

### 2026 Operating Budget by Category

Category (In \$000s)	2024 Actual	2025 Budget	2025 Projection*	2026 Budget	2026 Change from 2025 Budget	
	\$	\$	\$	\$	\$	%
<b>Total Revenues</b>						N/A
Salaries and Benefits	2,837.3	3,054.1	3,004.1	3,117.1	63.0	2.1%
Materials and Supplies	7.9	4.2	4.2	4.4	0.2	4.2%
Equipment	1.7					N/A
Service And Rent	52.1	63.6	63.6	64.3	0.7	1.1%
Inter-Divisional Charges	15.1	7.3	7.3	8.3	1.0	13.7%
<b>Total Gross Expenditures</b>	<b>2,914.0</b>	<b>3,129.1</b>	<b>3,079.1</b>	<b>3,194.0</b>	<b>64.9</b>	<b>2.1%</b>
<b>Net Expenditures</b>	<b>2,914.0</b>	<b>3,129.1</b>	<b>3,079.1</b>	<b>3,194.0</b>	<b>64.9</b>	<b>2.1%</b>

\*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 4a

### Operating Program Provincial/Federal Funding Streams by Program

N/A

## Appendix 4b

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

N/A

## Appendix 5

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

N/A

## Appendix 5a

### 2026 Cash Flow and Future Year Commitments Including Carry Forward

N/A

## Appendix 5b

### 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).