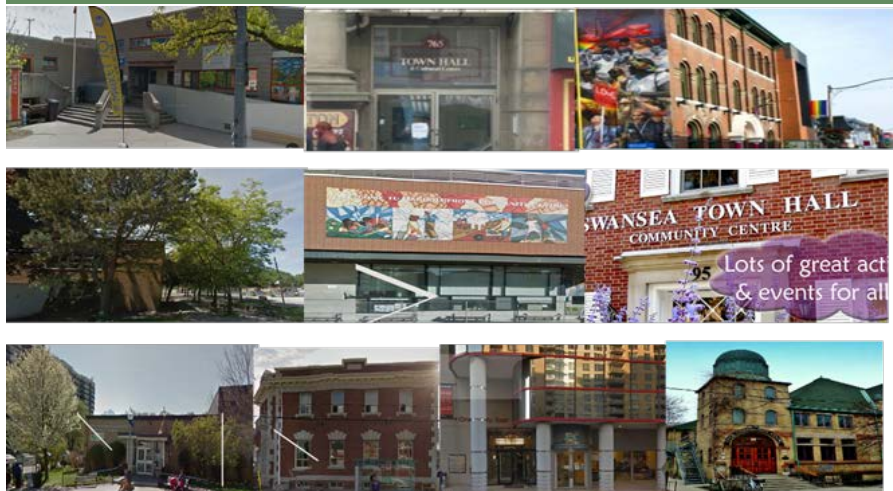


Toronto 2018 BUDGET



OPERATING BUDGET NOTES



Association of Community Centres

2018 OPERATING BUDGET OVERVIEW

The Association of Community Centres (AOCCs) consist of 10 volunteer board-run multi-purpose facilities providing a broad range of community, recreation and social service programs to residents in the local community.

2018 Budget Summary

The total cost to deliver these services to Toronto residents is \$8.172 million gross and \$7.869 million net as shown below:

(in \$000's)	2017 Budget	2018 Preliminary Budget	Change	
			\$	%
Gross Expenditures	8,136.3	8,171.9	35.6	0.4%
Revenues	326.3	302.7	(23.6)	(7.2%)
Net Expenditures	7,810.0	7,869.2	59.3	0.8%

The 2018 opening net budget pressure of \$0.059 million, or 0.8% is due to known salary and benefit costs and inflationary increases for non-payroll costs. Due to the Centres' current lean operations, no further reductions are included in the 2018 Preliminary Operating Budget in order to maintain the same service levels for 2018.

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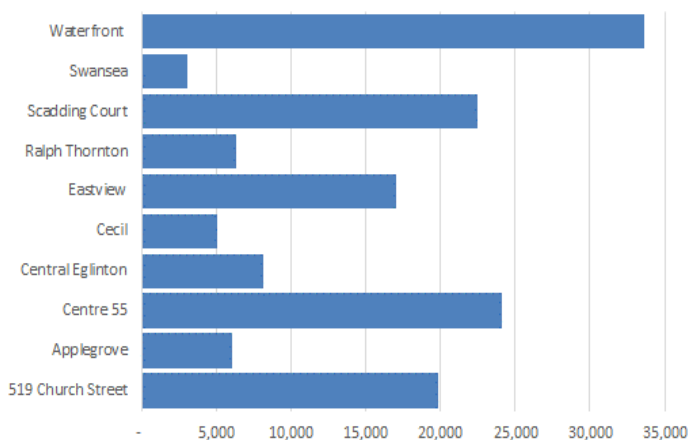
FAST FACTS

- The City has 10 AOCCs that provide a broad range of community, recreation and social service programs to meet the diverse and changing needs of communities with oversight provided by a Board of Management.
- AOCCs' governance represents a hybrid between a City Agency and an independent, not-for-profit, community based organization.
- A Relationship Framework defines the relationship between the City of Toronto and the Boards of Management of each Association of Community Centre.

TRENDS

- AOCCs continue to leverage third party funding enabling them to develop programs and services to meet emerging needs in their local community or catchment area or both, in addition to receiving core funding from the City of Toronto.
- AOCCs continue to build community capacity, enhance civic engagement and encourage community participation by providing programming and support through services and special events.
- AOCCs will receive in-kind contributions from volunteers, substantial in some cases, totaling 145,503 hours for the 10 AOCCs in 2018.

2018 Volunteer Hours



	519 Church Street	Applegrove	Centre 55	Central Eglinton	Cecil	Eastview	Ralph Thornton	Scadding Court	Swansea	Waterfront
Volunteer Hours	19,800	6,000	24,076	8,150	5,000	17,000	6,300	22,500	3,000	33,677

KEY SERVICE DELIVERABLES FOR 2018

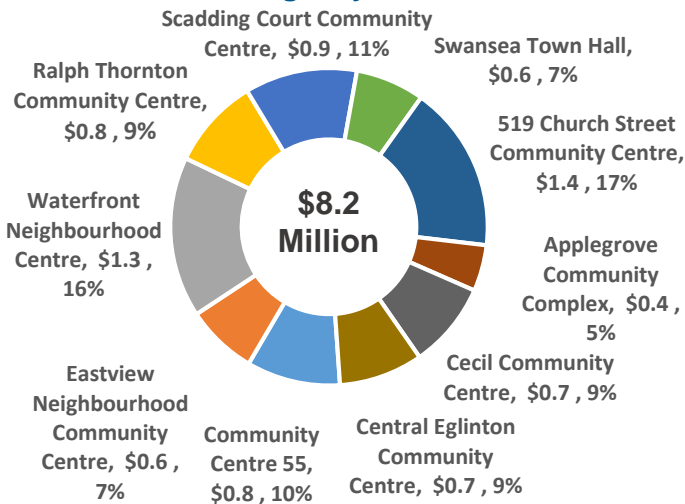
The Association of Community Centres offers programs and services that respond to community requests and local needs.

The 2018 Operating Budget will enable AOCCs to continue to:

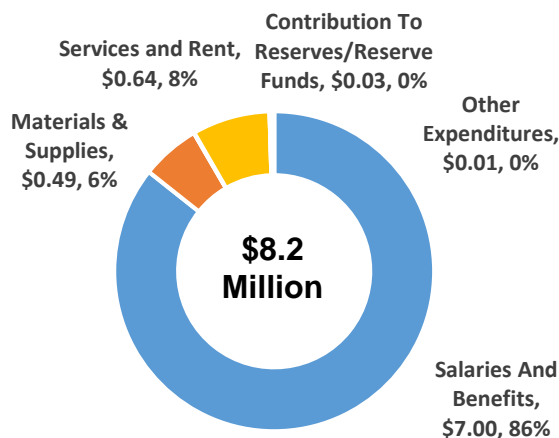
- Lead the feasibility study for the Moss Park Redevelopment in partnership with the City of Toronto and private philanthropic partner for the creation of a new transformational, multi-dimensional facility at the 519 Church Street Community Centre.
- Provide high quality services across the age range to the neighbourhood including pre-natal, early years, school age, teen, adult and older adult activities through 39,200 service contacts with over 2300 individuals at the Applegrove Community Complex.
- Provide programming and support to 28,412 individuals through 77,593 service encounters, leverage the assistance of 400 volunteers, contributing 23,724 hours of time at the Cecil Community Centre.
- Enhance programming in 2018 and future years by maximizing fundraising revenue from special events through new event features and seeking community feedback for potential new events at the Central Eglinton Community Centre.
- Collaborate with University of Toronto students to develop a two-phase comprehensive energy retrofit plan for the Waterfront Neighbourhood Centre, which will save the City energy costs and reduce the centre's environmental footprint.
- Provide accessible space for community groups and organizations, leverage alternative funding to deliver valuable services for children, seniors, low income and vulnerable people in the community through peer support, new comer mentorship, and public access to computer resources at the Ralph Thornton Community Centre.
- Explore opportunities to further expand initiatives including "Business out of the Box", Aquaponics 707, and community kitchen programs at the Scadding Court Community Centre.

Where the money goes:

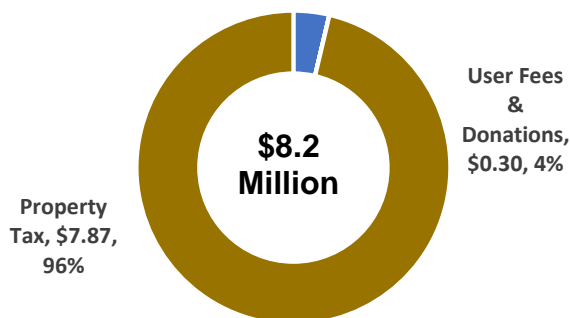
2018 Budget by Service



2018 Budget by Expenditure Category



Where the money comes from:



OUR KEY ISSUES & PRIORITY ACTIONS

- **Maintain adequate, stable core City funding** to ensure that Centres remain open and accessible and that programs and services are responsive and accessible to communities.
 - ✓ The 2018 Preliminary Operating Budget provides adequate funding for inflationary cost increases to maintain service levels.
- **Meet Local Community Needs through leveraging third party funding** for programs that address the needs of more disadvantaged residents while responding to requests of new residents as gentrification and rising real estate prices change community composition.
 - ✓ The Centres will continue to leverage third party Program funding to fund new initiatives in response to the community requests and local needs.

2018 OPERATING BUDGET HIGHLIGHTS

- The 2018 Preliminary Operating Budget for AOCCs is \$8.172 million gross and \$7.869 million net, representing an increase of 0.8% to the 2017 Approved Operating Budget attributed to the salary and benefit increases and inflationary increases for utilities, office maintenance, and contracted service expenditures.
- Staff complement will remain unchanged from the 2017 level at 77.9 positions.
- The 2018 Preliminary Operating Budget provides funding for 10 AOCCs to achieve the following services in local communities:
 - ✓ Build community capacity by establishing and leveraging partnership with corporations, volunteers and others,
 - ✓ Provide programing support services and special events to provide community engagement,
 - ✓ Provide affordable and accessible community space.

Actions for Consideration

Approval of the 2018 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2018 Preliminary Operating Budget for Association of Community Centre of \$8.172 million gross, \$7.869 million net for the following services:

<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
519 Church Street Community Centre:	1,389.7	1,389.7
Applegrove Community Complex:	385.2	385.2
Cecil Community Centre:	715.5	715.5
Central Eglinton Community Centre	699.2	699.2
Community Centre 55:	781.2	781.2
Eastview Neighbourhood Community Centre:	594.3	594.3
Ralph Thornton Community Centre:	758.0	718.6
Scadding Court Community Centre:	936.7	936.7
Swansea Town Hall:	574.1	310.8
Waterfront Neighbourhood Centre:	1,338.1	1,338.1
Total Program Budget	<u>8,171.9</u>	<u>7,869.2</u>

2. City Council approve the 2018 service levels for Association of Community Centres as outlined on page 14 of this report, and associated staff complement of 77.9 operating service delivery positions.
3. City Council approve the 2018 market rate user fee changes for Association of Community Centres identified in Appendix 7, for inclusion in the Municipal Code Chapter 441 "Fees and Charges".
4. City Council direct the Boards of Management of Community Centres to continue to explore all available funding or fundraising opportunities to increase their program funding revenues, while leveraging volunteer contributions for the 2019 Budget process to ensure they continue to meet their mandate of providing valuable programming and other services in their local communities.



Part 1:

2018-2020 Service Overview and Plan

Program Map



Purpose:

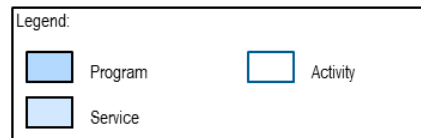
To build community capacity by establishing / leveraging partnerships with corporations, local businesses, grant providers, community groups and community centre volunteers as well as operating productive enterprises to provide both financial and in-kind resources to support the delivery of high-quality programming and community activities in the centres.

Purpose:

To promote civic engagement, cultural awareness and encourage community participation by providing programming, support services, special events and membership services in the centres.

Purpose:

To provide affordable accessible community public space where people can find or learn about community resources and meet, gather and participate in community and neighbourhood activities / services that are important to them.



Service Customer

Community Centre Strategic Partnership & Resources Development

- Local Residents
- Community Centre Members / Potential Members
- Local BIAs

City Building & Policy Development

- Property Owner(s)
- Community
- Interest Groups
- Applicants
- Business Community
- Residents
- Visitors
- Corporation

Table 1
2018 Preliminary Operating Budget and Plan by Service

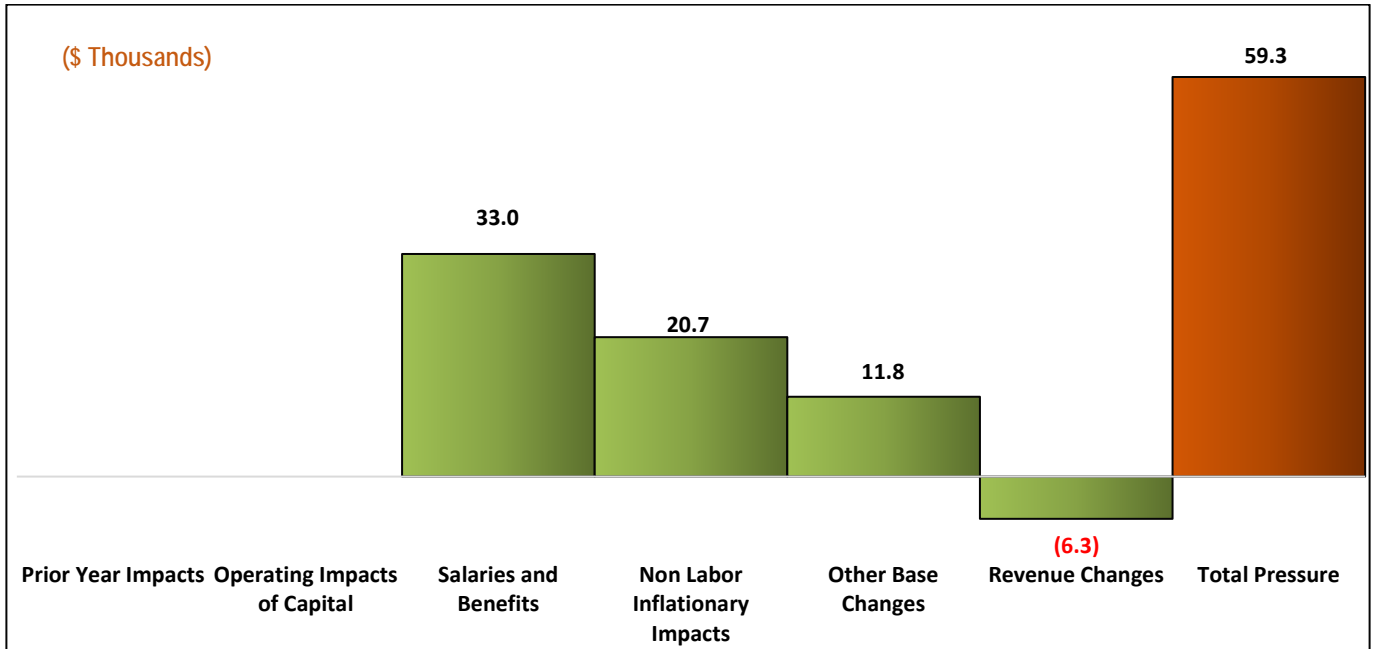
(In \$000s)	2017		2018 Preliminary Operating Budget			2018 Preliminary vs. 2017 Budget Change		Incremental Change			
	Budget	Projected Actual	Base	New/Enhanced	Total Budget			2019 Plan	2020 Plan		
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
519 Church Street Community Centre											
Gross Expenditures	1,389.9	1,389.9	1,389.7		1,389.7	(0.2)	(0.0%)	17.4	1.3%	17.8	1.3%
Revenue							-				
Net Expenditures	1,389.9	1,389.9	1,389.7		1,389.7	(0.2)	(0.0%)	17.4	1.3%	17.8	1.3%
Applegrove Community Complex											
Gross Expenditures	382.4	387.8	385.2		385.2	2.8	0.7%	4.1	1.1%	4.1	1.0%
Revenue							-				
Net Expenditures	382.4	387.8	385.2		385.2	2.8	0.7%	4.1	1.1%	4.1	1.0%
Cecil Community Centre											
Gross Expenditures	705.2	705.2	715.5		715.5	10.3	1.5%	16.9	2.4%	12.8	1.7%
Revenue							-				
Net Expenditures	705.2	705.2	715.5		715.5	10.3	1.5%	16.9	2.4%	12.8	1.7%
Central Eglinton Community Centre											
Gross Expenditures	681.8	681.8	699.2		699.2	17.3	2.5%	5.4	0.8%	19.0	2.6%
Revenue											
Net Expenditures	681.8	681.8	699.2		699.2	17.3	2.5%	5.4	0.8%	19.0	2.7%
Community Centre 55											
Gross Expenditures	775.4	775.4	781.2		781.2	5.8	0.7%	8.4	1.1%	9.0	1.1%
Revenue							-				
Net Expenditures	775.4	775.4	781.2		781.2	5.8	0.7%	8.4	1.1%	9.0	1.1%
Eastview Neighbourhood Community Centre											
Gross Expenditures	584.4	584.4	594.3		594.3	10.0	1.7%	5.0	0.8%	4.8	0.8%
Revenue							-				
Net Expenditures	584.4	584.4	594.3		594.3	10.0	1.7%	5.0	0.8%	4.8	0.8%
Ralph Thornton Community Centre											
Gross Expenditures	748.8	748.8	758.0		758.0	9.1	1.2%	25.2	3.3%	15.3	2.0%
Revenue	39.4	39.4	39.4		39.4						
Net Expenditures	709.4	709.4	718.6		718.6	9.1	1.3%	25.2	3.5%	15.3	2.1%
Scadding Court Community Centre											
Gross Expenditures	967.8	967.8	936.7		936.7	(31.1)	(3.2%)	4.3	0.5%	1.2	0.1%
Revenue	29.9	29.9				(29.9)	(100.0%)				
Net Expenditures	937.9	937.9	936.7		936.7	(1.2)	(0.1%)	4.3	0.5%	1.2	0.1%
Swansea Town Hall											
Gross Expenditures	567.8	567.8	574.1		574.1	6.3	1.1%	9.5	1.6%	2.5	0.4%
Revenue	257.0	257.0	263.3		263.3	6.3	2.4%	13.5	5.1%		
Net Expenditures	310.8	310.8	310.8		310.8	(0.0)	(0.0%)	(4.0)	(1.3%)	2.5	0.8%
Waterfront Neighbourhood Centre											
Gross Expenditures	1,332.7	1,332.7	1,338.1		1,338.1	5.4	0.4%	13.1	1.0%	15.5	1.1%
Revenue							-				
Net Expenditures	1,332.7	1,332.7	1,338.1		1,338.1	5.4	0.4%	13.1	1.0%	15.5	1.1%
Total											
Gross Expenditures	8,136.3	8,141.6	8,171.9		8,171.9	35.6	0.4%	109.4	1.3%	102.0	1.2%
Revenue	326.3	326.3	302.7		302.7	(23.6)	(7.2%)	13.5	4.4%		
Total Net Expenditures	7,810.0	7,815.3	7,869.2		7,869.2	59.3	0.8%	95.9	1.2%	102.0	1.3%
Approved Positions	77.9	77.9	77.9		77.9						

The Association of Community Centres (AOCCs)' 2018 Preliminary Operating Budget is \$8.172 million gross and \$7.869 million net, representing \$0.059 million or 0.8% increase to the 2017 Approved Net Operating Budget and is above the budget target of 0.0% as set out in the 2018 Operating Budget Directions approved by Council.

- Base pressures are mainly attributable to known salary and benefit adjustments and inflationary increases for non-payroll expenditures such as utilities, contracted services and supplies.
- No further reductions are included in the 2018 Preliminary Operating Budget for the AOCCs as these would negatively impact the service levels.
- Approval of the 2018 Preliminary Operating Budget will result in AOCCs maintaining its total staff complement of 77.9 positions.
- The 2019 and 2020 Plan increases are attributable to inflationary increases for salary and benefits and non-payroll expenditures.

The following graphs summarize the operating budget pressures for the Association of Community Centres as well as the actions taken to partially offset these pressures and met the budget reduction target as directed by Council.

Key Cost Drivers



Actions to Achieve Budget Reduction Target

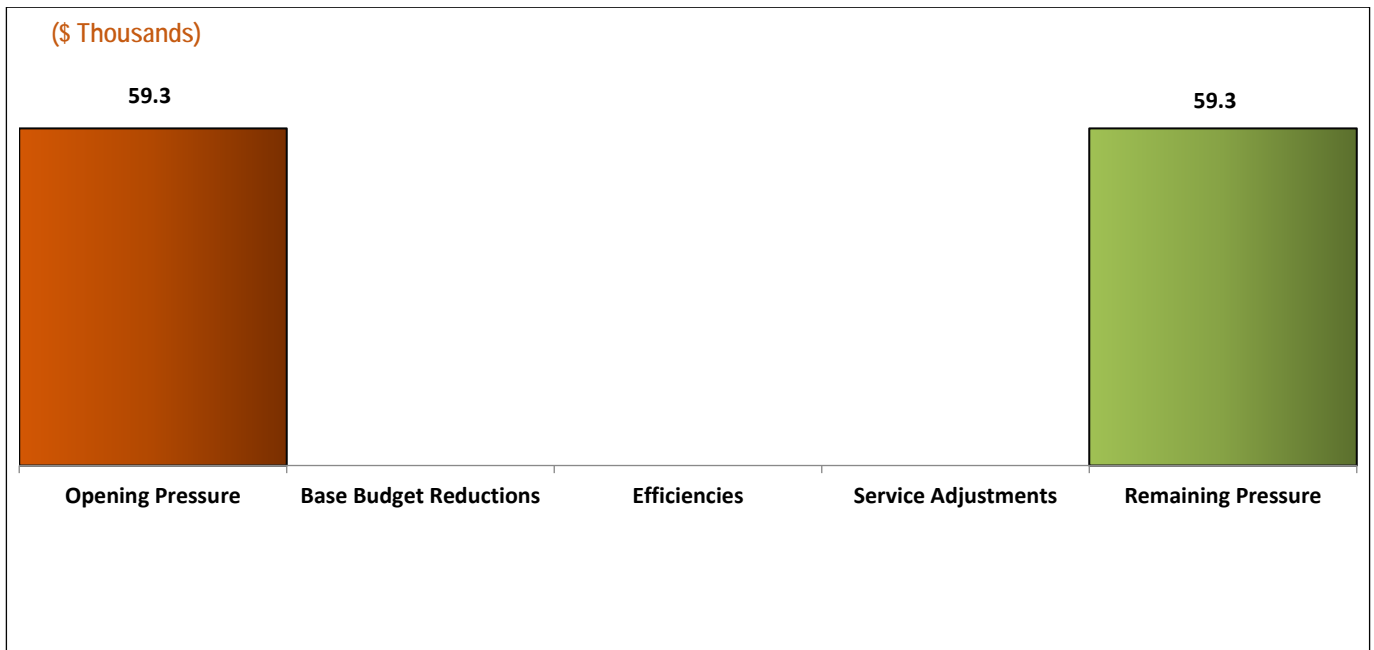


Table 2
Key Cost Drivers

(In \$000s)	2018 Base Operating Budget				
	519 Church Street Community Centre	Applegrove Community Complex	Cecil Community Centre	Central Eglinton Community Centre	Community Centre 55
	\$	\$	\$	\$	\$
Gross Expenditure Changes					
Salaries and Benefits					
Salaries and Benefits Adjustments	(9.3)	2.3	8.7	9.0	4.5
Economic Factors					
Hydro, Natural Gas, Water Inflationary Increases	4.8		0.9	0.1	1.2
Office Maintenance and Supplies Contract Increases	0.4	0.4	(0.4)	8.3	(0.4)
Other Base Expenditure Changes					
IT Maintenance Increase following New Vendor Contract	3.9		1.1		
Audit Fees Increase					0.5
Total Gross Expenditure Changes	(0.2)	2.8	10.3	17.3	5.8
Net Expenditure Changes	(0.2)	2.8	10.3	17.3	5.8

(In \$000s)	2018 Base Operating Budget						
	Eastview Neighbourhood Community Centre	Ralph Thornton Community Centre	Scadding Court Community Centre	Swansea Town Hall	Waterfront Neighbourhood Centre	Total	Position
	\$	\$	\$	\$	\$	\$	
Gross Expenditure Changes							
Prior Year Impacts							
1 Reversal of One-Time Funding for Floating Garden Project			(29.9)			(29.9)	
Salaries and Benefits							
Salaries and Benefits Adjustments	9.7	8.2	(7.4)	4.7	2.7	33.0	
Economic Factors							
Hydro, Natural Gas, Water Inflationary Increases		1.8		1.6		10.4	
Office Maintenance and Supplies Contract Increases	0.2	(0.9)			2.7	10.3	
Other Base Expenditure Changes							
Telephone System Costs			6.2			6.2	
Audit Fees Increase	0.1					0.6	
Total Gross Expenditure Changes	10.0	9.1	(31.1)	6.3	5.4	35.6	
Revenue Changes							
Prior Year Impacts							
1 Reversal of One-Time Funding for Floating Garden Project			(29.9)			(29.9)	
Base Revenue Changes							
Swansea User Fees for Facility Rentals				6.3		6.3	
Total Revenue Changes			(29.9)	6.3		(23.6)	
Net Expenditure Changes	10.0	9.1	(1.2)	(0.0)	5.4	59.3	

Key cost drivers for Association of Community Centres are discussed below:

Gross Expenditure Changes

Prior Year Impacts:

- The reversal of the one-time expenditure of \$0.030 million for the Floating Garden project at Scadding Court, approved by Council in 2017 (MM31.27) for the installation of a log-based floating garden in the Peter Street Basin. The reversal is offset by the Section 37 contribution, with no net impact on the 2018's Operating Budget.

Salaries and Benefits

- Known and standard salary increases associated with the cost of living allowance, step increases for union staff and progression pay for non-union staff and benefit adjustments will add a cumulative pressure of \$0.033 million.

Economic Factors:

- An increase for utility changes and inflationary costs for office maintenance and supplies requires an additional \$0.021 million.

Other Base Changes

- The information technology maintenance contract with a new vendor will require an additional \$0.005 million, creating a pressure for the 519 Church Street Community Centre.
- Scadding Court Community Centre is expected to incur additional telephone system costs of \$0.006 million net, as a result of the city-wide initiative for new telephone system installation.

Base Revenue Changes

- Swansea Town Hall's revenues for facility rentals will increase by \$0.006 million based on user fee market rates as detailed in Appendix 7a.

Approval of the 2018 Preliminary Operating Budget for AOCCs will result in a 2019 incremental net cost of \$0.109 million and a 2020 incremental net cost of \$0.102 million to maintain 2018 service levels, as discussed in the following section.

Table 5
2019 and 2020 Plan by Program

Description (\$000s)	2019 - Incremental Increase					2020 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	Position	Gross Expense	Revenue	Net Expense	% Change	Position
Known Impacts:										
Salaries and Benefits										
Progression Pay	2.8		2.8			5.9		5.9		
Salaries & Step Increases	78.1		78.1			74.6		74.6		
COLA	(8.4)		(8.4)			(5.8)		(5.8)		
Benefits	34.5		34.5			18.9		18.9		
Sub-Total	107.0		107.0			93.6		93.6		
Anticipated Impacts:										
Other (specify)										
Inflationary Increases for Utilities and Contracts	2.3		2.3			8.4		8.4		
Swansea User Fees for Facility Rental		13.5	(13.5)							
Sub-Total	2.3	13.5	(11.1)			8.4		8.4		
Total	109.4	13.5	95.9			102.0		102.0		

Future year incremental costs are primarily attributable to the following:

Known Impacts:

- Known cost of living allowance (COLA), progression pay, and step and associated benefit increases are estimated to increase by \$0.107 million in 2019 and \$0.094 million in 2020.

Anticipated Impacts:

- Economic factors provide an inflationary increase for utilities, materials and contracted service expenses.
- User fees for Swansea Town Hall will increase on the basis of facility rental fees that are based on projected market rates as detailed in Appendix 7a.



Part 2:

2018 Preliminary Operating Budget by Service

Association of Community Centres



What We Do

- The Association of Community Centres (AOCCs) which is made up of 10 community centres, provides programs and services to meet the diverse and changing needs of communities.
- The AOCCs are committed to fostering a sense of community, promoting civic engagement, and enhancing the quality of life through the development, provision, and support of activities, services and programs responsive to local needs.
- Building community capacity by establishing/leveraging partnerships with corporations, local businesses, grant providers, community groups and Community Centre volunteers as well as operating productive enterprises to provide both financial and in-kind resources to support the delivery of high quality programming and community activities in the Centres.
- Provide civic engagement, cultural awareness and encourage community participation by providing programming, support services, special events, and membership services in the Centres.
- Provide affordable accessible community public space where people can find or learn about community resources and meet, gather, and participate in community and neighbourhood activities/services that are important to them.

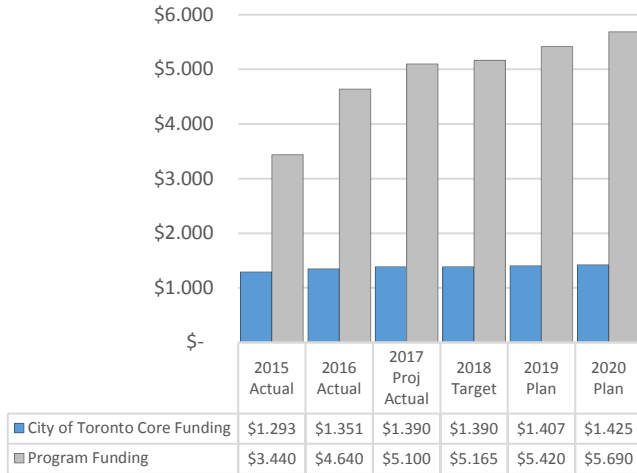
2018 Service Levels

Activity	Type	Service Level Description	Status	2015	2016	2017	2018
Community Centre Strategic Partnerships & Resource Development	Membership Management	% of increase in membership year-over-year	Approved	5%	5%	5%	5%
		Total number of active members	Approved	20,600	20,600	20,600	20,600
	Program Funds	Total \$ of Community Centre funding generated from Fundraising/Donations, Productive Enterprises & Grants	Approved	8,800,000	8,800,000	8,800,000	8,800,000
	Partnerships	Total estimated value of in-kind programs, services and product from partnerships	Approved	1,400,000	1,400,000	1,400,000	1,400,000
Social, Economic, Neighbourhood Development	Volunteer Development	# of volunteer hours	Approved	158,000	158,000	158,000	158,000
		# of volunteers	Approved	6,738	6,738	6,738	6,738
	Programming	# of programming encounters/visits	Approved	1,500,000	1,500,000	1,500,000	1,500,000
		# of people served through programming	Approved	150,510	150,510	150,510	150,510
	Community Supports	# of encounters of individual who received personal supports including food, training, counselling, clothes, and other services	Approved	106,000	106,000	106,000	106,000
	Community Special Events	# of community special events held	Approved	4,502	4,502	4,502	4,502
# of participants for the community special events		Approved	235,000	235,000	235,000	235,000	
Public Space-Community Access	Welcome Services and General Information	# of information and referrals provided for community programs, city services and neighbourhood initiatives	Approved	389,782	389,782	389,782	389,782
	Program and Community Meeting Space	# of hours of operation	Approved	43,134	43,134	43,134	43,134
		# of visits	Approved	1,500,000	1,500,000	1,500,000	1,500,000
	Community Meetings/Space Use	# of community meetings, forums, workshops, public space held	Approved	1,200	1,200	1,200	1,200
# of people attending community meetings, forums, workshops, and utilizing public space		Approved	50,000	50,000	50,000	50,000	

Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for Association of Community Centres.

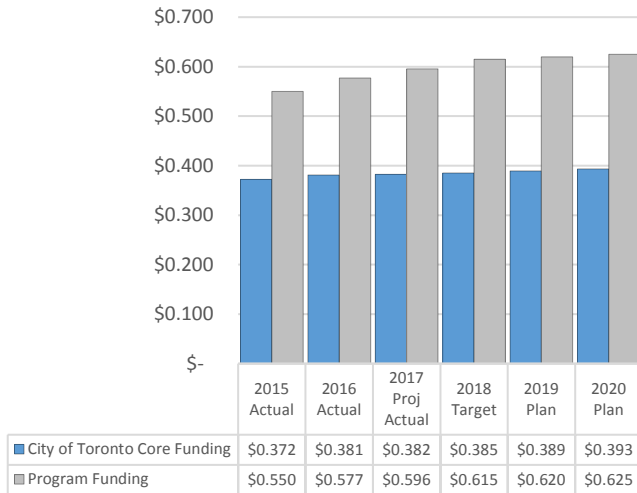
Service Performance Measures

Leveraging City Funding - 519 Community Centres (Millions)



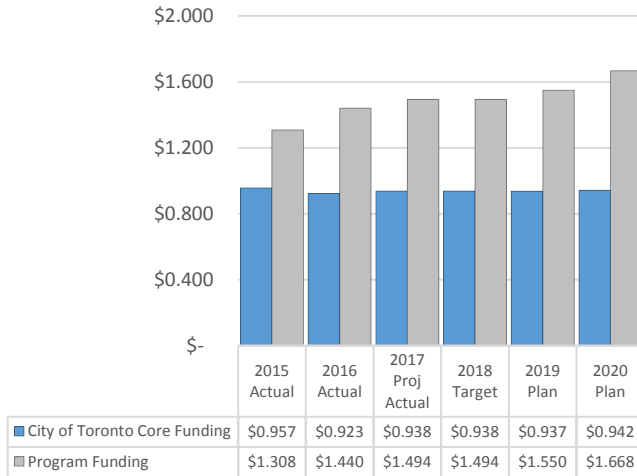
- Since 2015 the program funding leveraged by the 519 Church Street Community Centre from alternate funding sources has increased gradually, with 2018 projected at \$5.165 million, 2019 projected at \$5.420 million, and 2020 projected at \$5.690.

Leveraging City Funding - Applegrove Community Complex (\$ Millions)



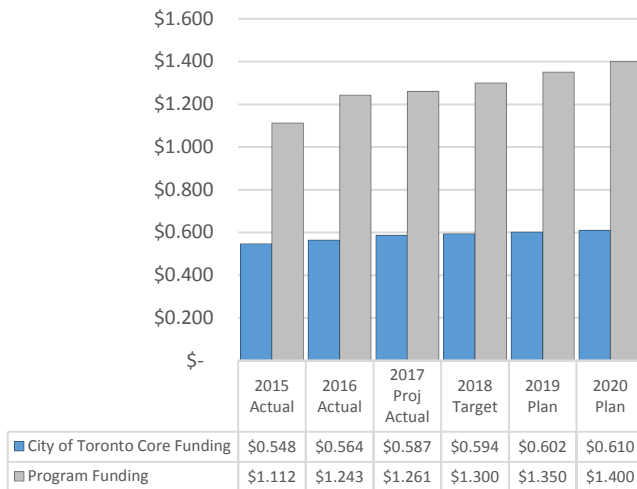
- Applegrove Community Complex projects a slight increase in Program funding from \$0.596 million in 2017 to \$0.615 million in 2018.
- The Centre is projecting \$0.005 million incremental increase in 2019 and 2020.

Leveraging City Funding - Scadding Court Community Centre (\$ Millions)



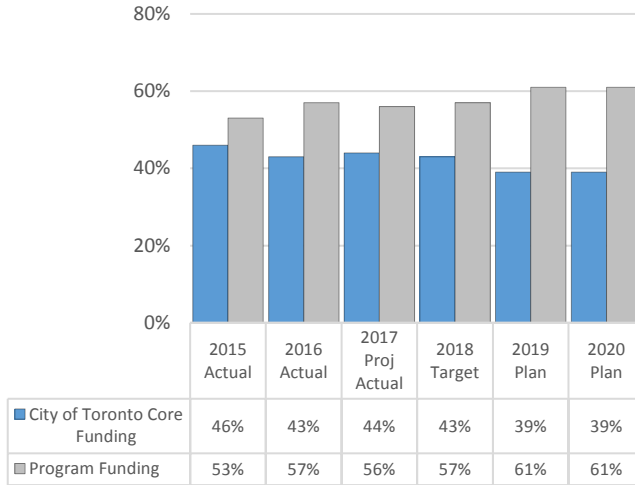
- Program funding leveraged by Scadding Court is expected to remain flat as the Centre is experiencing expiring grants from the other orders of government.
- The Centre is projecting increases in 2019 and 2020 as it continues to explore other funding opportunities.

Leveraging City Funding - Eastview Neighbourhood (\$ Millions)



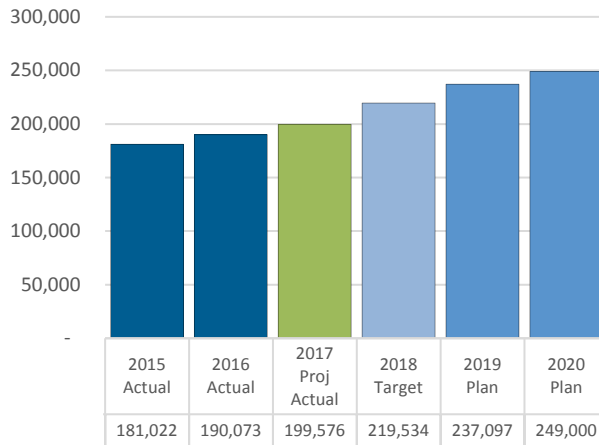
- In 2018, funding leveraged by Eastview Neighbourhood Community Centre is expected to increase slightly from 2017, with a marginal increase in 2019 and 2020.

Leveraging City Funding - Community Centre 55



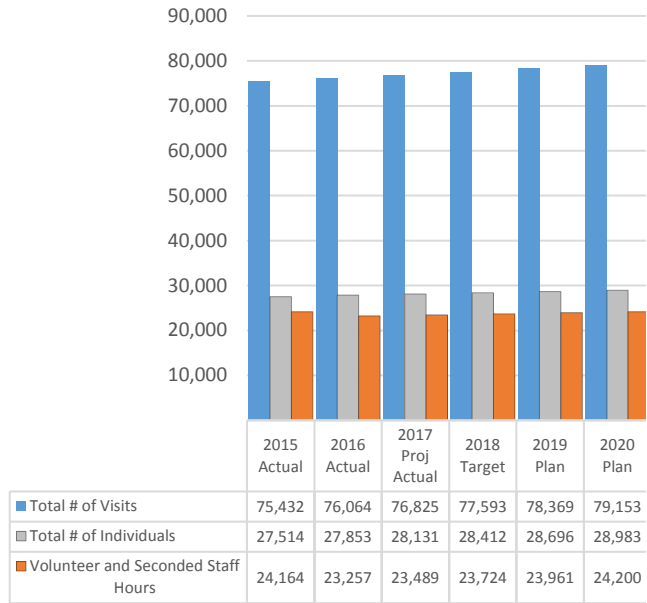
- In 2018, the Program funding for Community Centre 55 is expected to remain flat with 56% of overall budget funded by Program funding.
- The Centre will continue leveraging fundraising contribution at a rate of 61% in 2019 and 2020.

Number of Client Contacts - Central Eglinton Community Centre



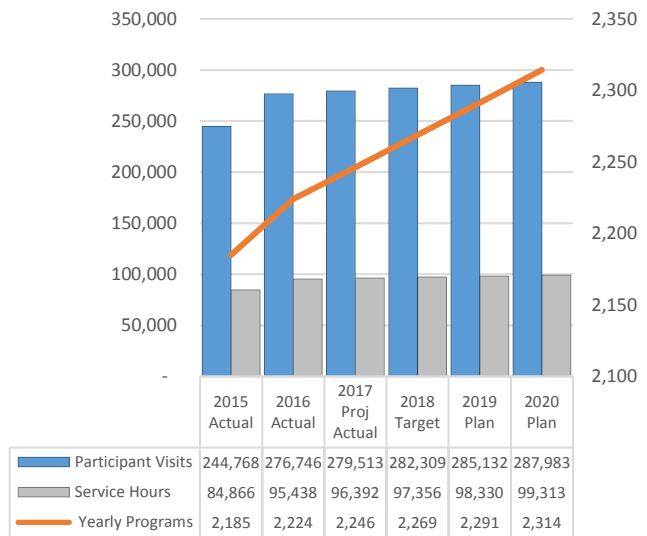
- Central Eglinton Community Centre is forecasting steady increase in its number of client contacts.
- The number of client contacts has increased from 181,022 in 2015 and is expected to reach 249,000 by 2020.

Program Participation - Cecil Community Centre



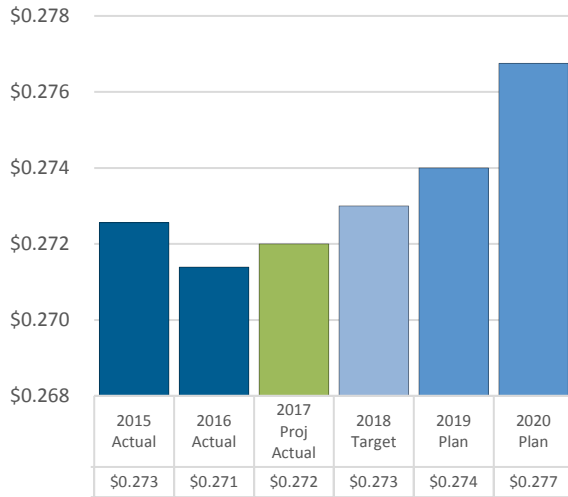
- Since 2015, the number of visits to Cecil Community Centre has increased due to higher demand in the community, and this trend is expected to continue in the future years.
- The number of individuals served as well as the volunteer and seconded staff hours are experiencing a similar trend.

Program Participation - Waterfront Neighbourhood Centre



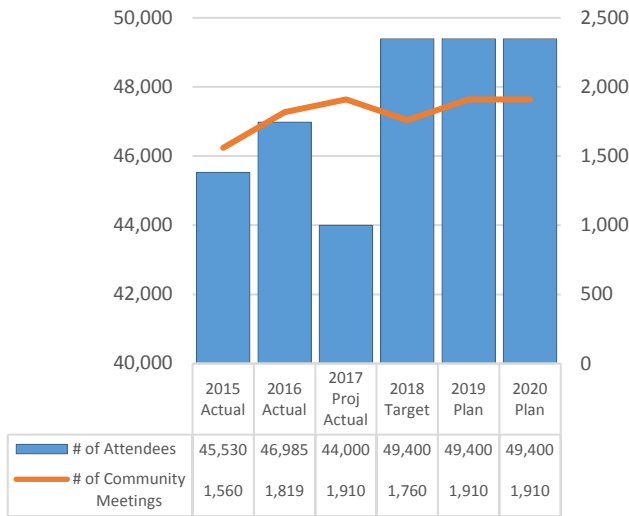
- Service demand at the Waterfront Neighbourhood Centre will remain relatively stable for 2018-2020 period. Consequently, participant visits, service hours, and yearly programs will see modest increase over the next few years.

Swansea Town Hall Revenue Growth (\$ Millions)



- To offset the annual increase in administrative costs, Swansea Town Hall has been able to generate sufficient revenue from renting facility space.
- The revenues from 2016-2017, have been lower due to the closure of the Swansea Nursery School facility.
- The Centre will continue to seek other measures to mitigate the lost revenue in 2018 and future years.

Space Utilization - Ralph Thornton



- Ralph Thornton Community Centre is anticipating a slight increase in number of community meetings held in 2017 and consequently an increase in number of attendees.
- The Centre is anticipating a drop in events and attendance in 2018 due to elevator reconstruction work scheduled for early 2018.
- The Centre continues to work towards maximizing utilization rates, while making allowance for event program logistics, maintenance, and late cancellations.



Part 3:

Issues for Discussion

Issues Impacting the 2018 Budget

Budget Target

- At its meeting on May 24, 2017, the "2018 Budget Process - Budget Directions and Schedule" staff report (EX25.18) was submitted for consideration and adopted by City Council regarding the establishment of the 2018 Budget Process and the scheduling of the review and approval of the Tax and Rate Supported 2018 Operating Budget and 2018 – 2027 Capital Budget and Plan for the City of Toronto.
(<http://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-103826.pdf>)
- City Council directed all City Programs and Agencies to prepare their 2018 net operating budget equal to the 2017 Approved Net Operating Budget, representing 0.0% increase, utilizing strategies including but not limited to controlling expenditures through cost saving measures, and exploring all services for efficiency savings including opportunities from business process reengineering, streamlining, transformation and innovation to service delivery.
- The Association of Community Centres' 2018 Preliminary Operating Budget is \$8.172 million gross and \$7.869 million net, representing a 0.8% increase over the 2017 Approved Net Operating Budget of \$7.810 million.
- In order to meet City Council's budget target of 0.0%, the AOCCs suggested additional service adjustments which are not included in the 2018 Preliminary Operating Budget as the service level impact would significantly affect the Centres' ability to meet their accountabilities.

Issues Impacting Future Years

Enhancing Non-Core Funding to match City's Core Funding

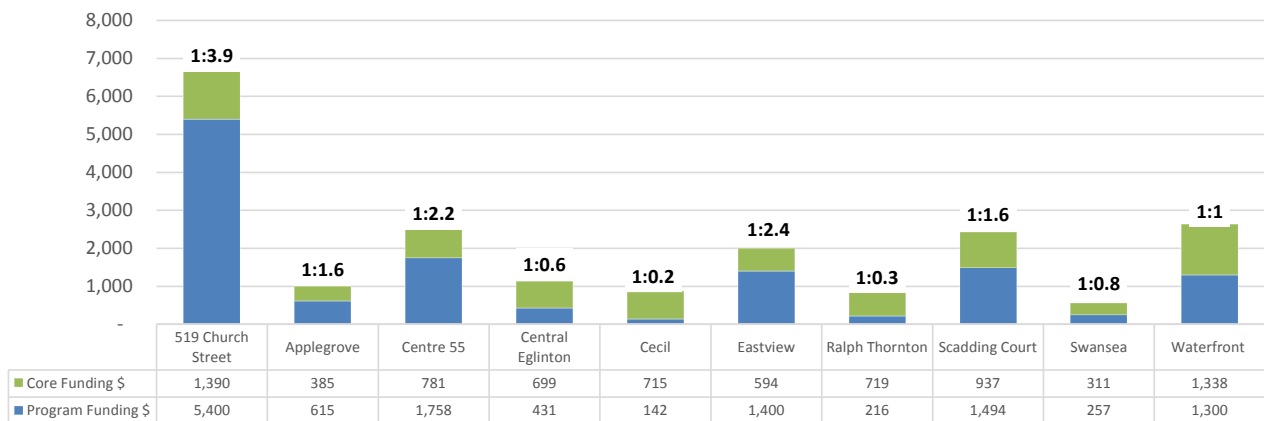
- The AOCC Relationship Framework defines the relationship between the City and the Boards of Management for each community centre and provides delegated authority to each Board to approve and monitor operating and related capital budgets.
- The Operating Budget for each AOCC has two components;
 - Core (or Administrative) budget, provided by the City for the overall management, operation and maintenance of the community centre; and
 - Non-Core or Program Funding budget, established by each AOCC based on its unique needs, mandate and priorities fully funded through alternate funding sources as noted below.
- The AOCCs have a mandate to build community capacity by leveraging partnerships with private corporations, local businesses, grant providers amongst others to provide both financial and in-kind resources to support the delivery of high quality programming and community activities in the centres. Each centre deploys different strategies to generate Program funds from a variety of sources including fundraising, donations, rental fees, United Way, government grants, private and public donations etc.
- The percentage of program funding leveraged for the 2018 Preliminary Operating Budget varies for each centre and ranges from a low of 17% to a high of 80%.
- Recognizing the need to enhance alternative funding sources by each Community Centre to supplement the City's Core funding, City Council, during the 2017 budget process, directed that each Community Centre Board of Management continue to explore all available funding or fundraising opportunities to increase their program funding revenue while leveraging volunteer contributions for the 2018 budget process.
- The table and graph below show the targets and projected funding levels set by each Board for their respective Community Centre for 2018. The total funding for each Centre includes both City Core Funding and Centre Program funding which each Centre raises through various sources: donations, rental fees, special events, government grants, private and public foundations, United Way, social and productive enterprises, etc.

Ratio of Core to Program Funding Summary

Funding Source (\$000s)	519 Church Street	Applegrove	Centre 55	Central Eglinton	Cecil	Eastview	Ralph Thornton	Scadding Court	Swansea	Waterfront	Total AOCCs
Program Funding \$	5,400	615	1,758	431	142	1,400	216	1,494	257	1,300	13,012
Core Funding \$	1,390	385	781	699	715	594	719	937	311	1,338	7,869
Equipment, In-Kind Donations & Other Revenue*	100	81	-	51	13	150	635	-	10	132	1,171
Total Funding \$	6,890	1,081	2,539	1,181	870	2,144	1,570	2,430	578	2,770	22,052
Ratio of Core to Program Funding	1:3.9	1:1.6	1:2.2	1:0.6	1:0.2	1:2.4	1:0.3	1:1.6	1:0.8	1:1	1:1.7
Volunteer Hours	19,800	6,000	24,076	8,150	5,000	17,000	6,300	22,500	3,000	33,677	145,503
In-Kind Program Hours	70,000	908		1,815	18,724	21,000	10,500	5,881	400	13,197	142,425
Overall Program Service Hours	76,000	3,990	4,346	19,580	23,724	14,500	9,270	27,979	10,370	97,356	287,115

* In-kind donation and equipment from the 519 Church Street, Applegrove, Central Eglinton, Eastview, and Waterfront account for \$0.514 million. In addition, the Library Program and the Child-Parent Centre Program uses the facility at Ralph Thornton Community Centre for minimal rental fees. If the two programs were to rent space externally, the opportunity cost for the City will be \$0.620 million.

Ratio of Core to Program Funding



- The table and chart above show the Program Funding leveraged by each community centre in 2018. It should be noted that the in-kind contributions received from volunteers, substantial in some cases, totaling some 145,503 hours for the 10 AOCCs is not reflected in the Program funding dollars in the absence of an objective policy framework that outlines how social capital can be valued.
- It is recommended that City Council reaffirm its direction to the Boards of Management of community centres to continue to explore all available funding or fund raising opportunities to increase their program funding revenues, while leveraging volunteer contributions for the 2019 Budget process to ensure they continue to meet their mandate of providing valuable programming and other services in their local communities.

New & Enhanced Not Included in the 2018 Preliminary Operating Budget

Additional Staff Complement Due to Increased Space

- The following staff initiated new and enhanced service priority requests are not included in the 2018 Preliminary Operating Budget. However, they are detailed here for Budget Committee's consideration in the 2018 budget process.

New / Enhanced Service Description (\$000s)	2018 Impact				Incremental Change			
	Gross	Revenue	Net	Positions	2019 Plan		2020 Plan	
					Net	Positions	Net	Positions
Not Included								
Staff Initiated:								
Central Eglinton Additional Staff due to Increased Space	29.6		29.6	0.8	7.9		0.7	
The 519 Additional Cleaning Staff due to Increased Space	73.4		73.4	2.0	36.7			
Sub-Total Staff Initiated	103.0		103.0	2.8	44.6	-	0.7	-
Total New / Enhanced Services (Not Included)	103.0		103.0	2.8	44.6		0.7	

- The Central Eglinton Community Centre requires additional staff (0.75 position) to manage its expanded office space (2,800 square feet of new space added in 2017) and increase the centre's volunteer recruitment efforts for program expansion to support growing demand.
- The 519 Church Street Community Centre requires additional cleaning staff (2.0 positions) to maintain the expanded facility following the capital expansion that occurred in 2010 and resulted in 59% increased space and 40% increase in the public washroom facilities. The expansion has increased the community service encounters from 256,000 in 2010 to over 536,000 in 2017.



Appendices

Appendix 1

2017 Service Performance

Key Service Accomplishments

In 2017, Association of Community Centres accomplished the following:

- ✓ The 519 Community Centre provided training to 1,365 Long-term care providers to improve access and services for LGBTQ seniors. The Centre served over 9,000 healthy fulsome meals in its weekly drop-in programs for homeless, low-income, LGBTQ adults. In addition, the Centre delivered over 234 workshops on trans-inclusion across service providers, health institutions, and various government ministries, and provided 2,220 hours of free professional counselling services.
- ✓ Applegrove Community Complex expanded programming for 6 to 12 year olds and 12 to 15 year olds and developed the AppleGrowth planning process for its long-term sustainability.
- ✓ Ceil Community Centre's Youth Program increased over 15% in drop-in attendance this year, with growing number of youth who are newcomers. The Cecil Homework Help Program expanded to five days a week offering homework support to children ages 6-12. In addition, the Centre began implementing the Strategic Plan adopted in 2016 which focused on Governance and Leadership, Program Delivery and Impact, Strategic Relationships and Fiscal Sustainability.
- ✓ Central Eglinton Community Centre assisted 939 individuals with their returns through the Income Tax Clinic, and heightened its profile in the community through attendance to various planning groups and committees. Furthermore, the Centre has increased fundraising by 310% from 2016 and received 230% more funding from the federal government.
- ✓ Community Centre 55 provided support to the community including 340 children in Children's Licensed Programs and 785 participants in the Centre's summer camps. This enabled the Centre to hire 60 summer jobs. In addition, the Centre held 30 events and programs annually, including giving food and toys for 1200 in-need families.
- ✓ Eastview Neighbourhood Community Centre increased the impact of its city core funding by finding alternative funding sources to provide mostly no cost and in some instances, low-cost programs and services to low-income families.
- ✓ Waterfront Neighbourhood Centre expanded its corporate sponsorship program which provided the Centre with financial donations, non-financial assets and specialized skills. In addition, the Centre received 84,866 volunteer hours to support its programs, particularly to the Neighbour to Neighbour program that sustains homebound or reclusive seniors through home visits, wellness phone calls and accompaniment to medical appointments.
- ✓ Ralph Thornton Community Centre completed development of a new strategic plan for the five years from 2018 to 2022, and further increased hours of access to the public computers and strengthened and enhanced its children's programming.
- ✓ Scadding Court Community Centre successfully executed its "Business Out of the Box" program, signed agreement with private sector buyer for Aquaponics 707 project that provides employment opportunities for racialized and low-income youth, and successfully launched the Fringe Festival. Additionally, the Centre expanded settlement programming targeting Syrian refugees and Spanish-speaking seniors who arrived in Canada as refugees from dictatorship administrations.
- ✓ Swansea Town Hall further increased its space usage by 2% from 2016.

Appendix 2

2018 Preliminary Operating Budget by Expenditure Category Program Summary by Expenditure Category

Category of Expense (\$000's)	2015	2016	2017	2017	2018	2018 Change from		Plan	
	Actual	Actual	Budget	Projected	Preliminary	2017 Approved		2019	2020
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries And Benefits	6,719.3	6,909.2	6,968.1	6,973.4	7,001.1	33.0	0.5%	7,108.1	7,201.7
Materials & Supplies	462.5	472.2	472.3	472.3	486.0	13.7	2.9%	488.2	493.6
Equipment	3.5	3.2	3.7	3.7	4.7	1.1	28.8%	4.3	4.4
Service And Rent	624.4	611.7	654.2	654.2	642.0	(12.1)	(1.9%)	642.6	645.5
Contribution To Reserves/Reserve Funds	26.6	29.2	31.0	31.0	31.0			31.0	31.0
Other Expenditures	7.0	7.0	7.0	7.0	7.0			7.0	7.0
Total Gross Expenditures	7,843.3	8,032.5	8,136.3	8,141.6	8,171.9	35.6	0.4%	8,281.3	8,383.3
User Fees & Donations	335.5	310.8	294.9	294.9	301.2	6.3	2.1%	314.7	314.7
Contribution From Reserves/Reserve Funds			29.9	29.9		(29.9)	(100.0%)		
Sundry and Other Revenues	1.7		1.5	1.5	1.5			1.5	1.5
Total Revenues	337.2	310.8	326.3	326.3	302.7	(23.6)	(7.2%)	316.2	316.2
Total Net Expenditures	7,506.1	7,721.6	7,810.0	7,815.3	7,869.2	59.3	0.8%	7,965.1	8,067.1
Approved Positions	77.9	77.9	77.9	77.9	77.9			77.9	77.9

The AOCC's projected 2017 year-end spending results in a minor unfavourable net variance due to cost-savings not actualized as a result of phone system installation delays.

For additional information regarding the 2017 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2017" to be considered by City Council at its meeting on December 5, 2017.

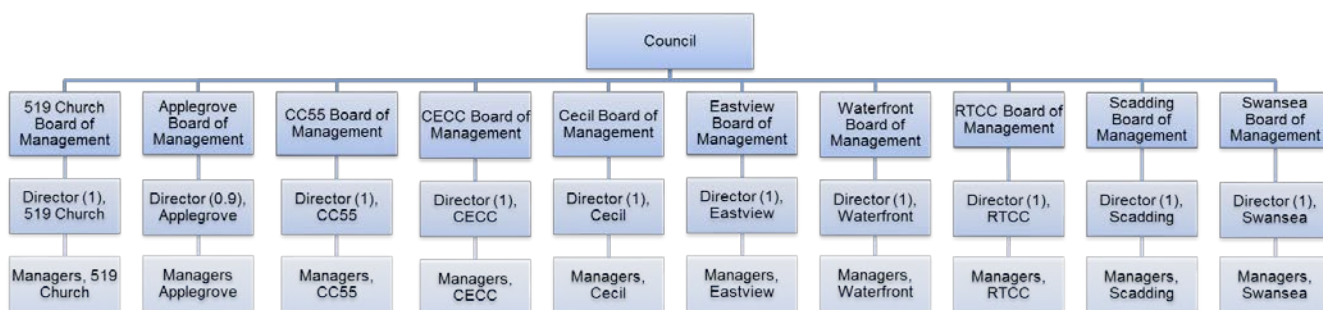
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.2>

Impact of 2017 Operating Variance on the 2018 Preliminary Operating Budget

- The 2017 Operating variance is due to unachieved cost savings planned for 2017 due to delays in telephone installation. The installation has been completed as of Q3, 2017, and will not have any impact on the 2018 Preliminary Operating Budget.

Appendix 3

2018 Organization Chart



2018 Total Complement

	Category	Senior Management	Management with Direct Reports	Management without Direct Reports/Exempt Professional & Clerical	Union	Total
Operating	Permanent Temporary	9.9	27.1	4.0	36.9	77.9
Grand Total		9.9	27.1	4.0	36.9	77.9

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
Projected Beginning Balance		25,981.1	25,981.1	26,012.1	26,043.1
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			31.0	31.0	31.0
Total Reserve / Reserve Fund Draws / Contributions		25,981.1	26,012.1	26,043.1	26,074.1
Balance at Year-End		25,981.1	26,012.1	26,043.1	26,074.1

* Based on 9-month 2017 Reserve Fund Variance Report

Appendix 7a

User Fees Adjusted for Inflation and Other

Rate Description	Service	Fee Category	Fee Basis	2017	2018			2019	2020
				Approved Rate	Inflationary Adjusted Rate	Other Adjustment	Budget Rate	Plan Rate	Plan Rate
Rousseau Room - Community Rate	Swansea Town Hall	Market Based	Per Hour	\$30.30		\$0.76	\$31.06	\$31.83	\$32.65
Rousseau Room - Regular Rate	Swansea Town Hall	Market Based	Per Hour	\$46.50		\$1.16	\$47.66	\$48.84	\$50.07
Rousseau Room - Event Rate	Swansea Town Hall	Market Based	Per Hour	\$480.00		\$12.00	\$492.00	\$502.25	\$512.50
Council Chamber - Community Rate	Swansea Town Hall	Market Based	Per Hour	\$22.70		\$0.57	\$23.27	\$23.83	\$24.45
Council Chamber - Regular Rate	Swansea Town Hall	Market Based	Per Hour	\$34.70		\$0.87	\$35.57	\$36.49	\$37.41
Council Chamber - Event Rate	Swansea Town Hall	Market Based	Per Hour	\$410.00		\$10.25	\$420.25	\$430.50	\$440.75
Teiaiaagon, Founders, Village - Community Rate	Swansea Town Hall	Market Based	Per Hour	\$17.60		\$0.44	\$18.04	\$18.50	\$18.96
Teiaiaagon, Founders, Village - Regular Rate	Swansea Town Hall	Market Based	Per Hour	\$25.75		\$0.64	\$26.39	\$27.06	\$27.73
Gemmell, Harvey - Community Rate	Swansea Town Hall	Market Based	Per Hour	\$15.00		\$0.38	\$15.38	\$15.79	\$16.20
Gemmell, Harvey - Regular Rate	Swansea Town Hall	Market Based	Per Hour	\$22.15		\$0.55	\$22.70	\$23.27	\$23.83
Hague Room - Community Rate	Swansea Town Hall	Market Based	Per Hour	\$11.60		\$0.29	\$11.89	\$12.20	\$12.51
Hague Room Regular Rate	Swansea Town Hall	Market Based	Per Hour	\$17.40		\$0.44	\$17.84	\$18.30	\$18.76
Kitchen	Swansea Town Hall	Market Based	Per Hour	\$39.00		\$0.98	\$39.98	\$41.00	\$42.03
LCD Projector	Swansea Town Hall	Market Based	Per Hour	\$61.00			\$61.00	\$61.00	\$61.00
Lobby	Swansea Town Hall	Market Based	Per Hour	\$16.00		\$0.40	\$16.40	\$16.81	\$17.22
Mail Box	Swansea Town Hall	Market Based	Per Hour	\$9.25		\$0.23	\$9.48	\$9.74	\$9.99
Storage Locker	Swansea Town Hall	Market Based	Per Hour	\$24.50		\$0.61	\$25.11	\$25.73	\$26.39
After Hours (formerly After hours full recoverable)	Swansea Town Hall	Market Based	Per Hour	\$32.00			\$32.00	\$23.58	\$24.19