

2021 Program Summary

Legal Services

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Description

We provide the highest quality of legal services to the City of Toronto and function as a strategic resource for Council, City Divisions and Agencies. Our division responds to the increasing demand by the City for legal services, promotes risk management and various mitigation strategies, and applies creative legal analysis while delivering three main services:

- Civil Litigation
- Prosecution
- Solicitor

Why We Do It

Residents, businesses and visitor health and safety are protected, nuisances are managed, and the City's traffic is kept moving by ensuring greater compliance with City by-laws and Provincial legislation through the support of enforcement activities and the prosecution of offences.

City financial and policy interests are protected by representation throughout legal proceedings involving Courts and Tribunals.

City Council is able to achieve its mandate in all service areas within the current legal framework with the support of quality, strategic, sustainable and cost-efficient legal advice.

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.

What Service We Provide

Civil Litigation

Who We Serve: City Council, City Divisions, Agencies & Boards

What We Deliver: Protect the City's interests through legal proceedings involving various levels of Court and Tribunals.

How Much Resources (gross operating budget): \$16.273 million

Prosecution

Who We Serve: City Council, City Divisions, Agencies & Boards and Individuals charged with offences.

What We Deliver: An opportunity to dispute charges and tickets in a manner which ensures that rights are protected and obligations to follow provincial and municipal laws are enforced in accordance with the public interest.

How Much Resources (gross operating budget): \$21.853 million

Solicitor

Who We Serve: City Council, City Divisions, Agencies & Boards

What We Deliver: Provide strategic advice to Council, Staff & Agencies thereby contributing to the achievement of Council's mandate in all service areas.

How Much Resources (gross operating budget): \$27.123 million

Budget at a Glance

2021 OPERATING BUDGET

| \$Million | 2021 | 2022 | 2023 |
|--------------------|--------|--------|--------|
| Revenues | \$27.7 | \$24.9 | \$24.9 |
| Gross Expenditures | \$65.2 | \$67.0 | \$67.3 |
| Net Expenditures | \$37.6 | \$42.1 | \$42.4 |
| Approved Positions | 396.4 | 386.4 | 384.4 |

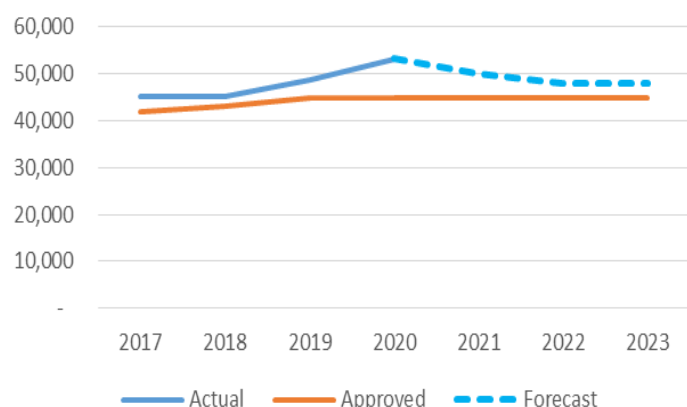
2021 - 2030 10-YEAR CAPITAL PLAN

| \$Million | 2021 | 2022-2030 | Total |
|-----------|------|-----------|-------|
|-----------|------|-----------|-------|

Legal Services does not have a Capital Budget

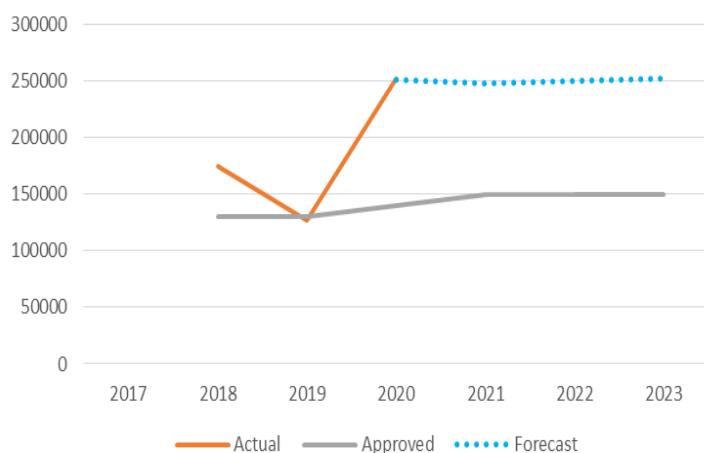
How Well We Are Doing – Behind the Numbers

Hours Spent Providing Advice & Opinions



As compared to previous years, there was a significant increase in hours spent providing legal advice and opinions in 2020. This was due to intense and sustained additional legal support for labour negotiations and a potential labour disruption, as well as pandemic planning, response and enforcement. Legal Services also continued its activities to support ongoing corporate priorities (i.e. Transit, Transportation, Affordable Housing, Social Housing, Shelter & Support).

Screening Reviews Completed (Online)



Through screening reviews for parking, Legal Services saw a significant increase in completed online reviews in 2020. This increase was managed by pivoting the screening offices exclusively to work remotely, rather than through a combination of in-person and remote reviews. Generally, a review conducted by a screening officer in-person takes more time than a screening review conducted through the submission of documentation online. Additional services are being reviewed for a potential shift to remote operations, such as enquiry lines. The pandemic was an opportunity to successfully explore new ways to conduct our business and increase our efficiency.

How Well We Are Doing

| Service | Service Measure | 2018 Actual | 2019 Actual | 2020 Target | 2020 Projection | 2021 Target | 2022 Target | Status |
|------------------------|--|-------------|-------------|-------------|-----------------|-------------|-------------|--------|
| Outcome Measures | | | | | | | | |
| Civil Litigation | Wins/settlements at Planning Tribunals | 71% | 87% | 80% | 94% | 80% | 80% | ● |
| Prosecution | Online screening reviews of parking violations conducted under Administrative Penalty System (APS) | 174,012 | 126,683 | 150,000 | 251,067 | 150,000 | 150,000 | ● |
| Solicitor | Number of hours spent drafting opinions and providing advice | 45,254 | 47,348 | 45,000 | 53,213 | 45,000 | 45,000 | ● |
| Service Level Measures | | | | | | | | |
| Civil Litigation | Number of Local Planning Appeal Tribunal (LPAT)/ Toronto Local Appeal Body (TLAB) Hearings Heard | 335 | 268 | 340 | 189 | 340 | 340 | ● |
| Civil Litigation | Responses to referrals to arbitration made within 30 days by City Legal Counsel (to avoid statutory referrals) | 100% | 100% | 100% | 100% | 100% | 100% | ● |
| Prosecution | Cases Resolved After Prosecutor Action Through Early Resolution | 87% | 87% | 80% | 57% | 80% | 80% | ● |
| Solicitor | Real estate transactions closed on contracted dates (except due to 3 rd party responsibility) | 100% | 100% | 100% | 100% | 100% | 100% | ● |
| Solicitor | Number of Hours Spent Reviewing Contracts/Agreements and other legal documents | 86,249 | 95,468 | 85,000 | 97,051 | 95,000 | 95,000 | ● |
| Other Measures | | | | | | | | |
| Prosecution | Written complaints responded to within 30 days | 100% | 100% | 100% | 100% | 100% | 100% | ● |
| Solicitor | Property requisitions signed off within 7 days of receipt | 100% | 100% | 100% | 100% | 100% | 100% | ● |

COVID-19 IMPACT AND RECOVERY

| 2020 Impact | 2021 Impact and Recovery |
|--|--|
| Financial Impact (Operating) <ul style="list-style-type: none"> Due to closure of Courts, Tribunals and Hearings for most of 2020, many staff were redeployed to other divisions to assist with other critical duties or placed on Emergency Leave. This resulted in lower-than-budgeted expenditures on salaries & benefits (\$0.8 million) and supplies (\$0.1 million). Above closures also allowed for the delay in hiring vacant positions that would normally be required to attend Courts and Hearings. This resulted in further salaries & benefit net savings of \$0.7 million Revenue impact due to unfulfilled cost recoverable positions | Financial Impact (Operating) <ul style="list-style-type: none"> Legal Services has made temporary reductions to its salary and benefits budget (\$2.8 million), assuming that several services will not return to full capacity until late 2021 or 2022. With redeployed employees on leave returning to their positions to assist with more normal business demands, Legal Services is not projecting any additional financial impacts in 2021 other than those indicated above. |
| Financial Impact (Capital) <ul style="list-style-type: none"> N/A | Financial Impact (Capital) <ul style="list-style-type: none"> N/A |
| Service Level Changes <ul style="list-style-type: none"> There was a significant increase in demand for Solicitor services to assist with advice, by-laws and responses to pandemic issues. The closures listed above resulted in delays in various litigation, prosecution and land use matters but the litigation function continued in a reduced capacity. | Service Level Changes <ul style="list-style-type: none"> As Courts and Tribunals move to a virtual hearing setting that will return to normal levels over time, we anticipate that there will be a shift back to a more traditional litigation/solicitor work split. Depending on waves of the virus this may happen in either Q3 or Q4 of 2021. Service levels will be maintained as Legal Services continues to enhance its ability to have staff work remotely when possible. |

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Legal Services staff has continued to provide advice on a myriad of legal issues relating to COVID-19 supporting both Toronto Public Health and City operations and outreach. In addition, Legal Services has provided advice, drafting, interpretation and enforcement support regarding various regulations put in place to support public health measures. Legal Services staff have also been involved in numerous projects related to the City's pandemic recovery.
- The move to online-only service for our Administrative Penalty System allowed staff to complete more screenings than they had in person. Given the small number of planning hearings that had decisions rendered during 2020, the information on Wins/Settlements and Losses may not be comparable to those of previous and future years.

Key Challenges and Risks

- Balancing the allocation of resources required to support urgent pandemic response measures with those required for other ongoing City projects
- Maintaining a high level of service and staff morale while working remotely
- Developing a Succession Plan despite hiring restrictions, retirements, parental leaves and high work volumes
- Ensuring that litigation files are handled in a timely manner and that lawyers are able to effectively conduct hearings, all while working remotely
- Moving to a more paperless practise by updating software systems
- Addressing a backlog of matters (including arbitrations, trials, land use planning hearings) created by the closure of Courts and Tribunals, and in a timely fashion in accordance with various statutory requirements

Priority Actions

- Providing legal advice and services on development projects to support economic recovery from the pandemic
- Continuing support for Toronto Public Health and Emergency Operations
- Providing Legal advice and services to support:
 - Transit Projects (GO Expansion, Subway Program, Union Station Enhancement)
 - Affordable Housing/Shelter Programs
 - COVID-related measures involving employees of the City
- Continuing to respond to pandemic-related litigation (e.g. Shelter litigation, mask by-law challenges, parks encampments)
- Completing the City's appeal of Bill 5 legislation regarding the number of wards, with a Supreme Court of Canada hearing likely in early 2021
- Expediting property acquisitions to respond to the acceleration of infrastructure construction post COVID

RECOMMENDATIONS

City Council approved the following recommendations:

1. City Council approve the 2021 Operating Budget for Legal Services of \$65.248 million gross, \$27.659 million revenue and \$37.590 million net for the following services:

Service:

| | Gross Expenditures (\$000s) | Revenue (\$000s) | Net Expenditures (\$000s) |
|-----------------------------|--|-----------------------------|--|
| Civil Litigation | 16,272.5 | 7,756.5 | 8,516.0 |
| Prosecution | 21,853.0 | 2,045.6 | 19,807.4 |
| Solicitor | 27,122.8 | 17,856.7 | 9,266.1 |
| Total Program Budget | 65,248.3 | 27,658.7 | 37,589.5 |

2. City Council approve the 2021 staff complement for Legal Services of 396.4 positions comprised of 11.5 capital positions and 384.9 operating positions.

2021 OPERATING BUDGET

2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget by Service

| (In \$000s) | 2019 Actual | 2020 Budget | 2020 Projection* | 2021 Base Budget | 2021 New / Enhanced Requests | 2021 Budget | Change v. 2020 Projection | |
|---------------------------------|-----------------|-----------------|------------------|------------------|------------------------------|-----------------|---------------------------|---------------|
| By Service | \$ | \$ | \$ | \$ | \$ | \$ | \$ | % |
| Revenues | | | | | | | | |
| Civil Litigation | 5,366.0 | 7,644.3 | 4,308.3 | 7,548.1 | 208.4 | 7,756.5 | 3,448.1 | 80.0% |
| Prosecutions | 2,045.6 | 2,045.6 | | 2,045.6 | | 2,045.6 | 2,045.6 | N/A |
| Solicitor | 16,419.0 | 16,377.3 | 17,113.9 | 17,143.5 | 713.2 | 17,856.7 | 742.8 | 4.3% |
| Total Revenues | 23,830.6 | 26,067.3 | 21,422.2 | 26,737.1 | 921.6 | 27,658.7 | 6,236.5 | 29.1% |
| Expenditures | | | | | | | | |
| Civil Litigation | 14,603.5 | 16,583.4 | 15,114.0 | 16,064.1 | 208.4 | 16,272.5 | 1,158.5 | 7.7% |
| Prosecutions | 15,989.3 | 22,372.7 | 18,517.4 | 21,853.0 | | 21,853.0 | 3,335.6 | 18.0% |
| Solicitor | 25,413.1 | 28,760.2 | 25,111.0 | 26,409.6 | 713.2 | 27,122.8 | 2,011.8 | 8.0% |
| Total Gross Expenditures | 56,005.9 | 67,716.3 | 58,742.4 | 64,326.7 | 921.6 | 65,248.3 | 6,505.9 | 11.1% |
| Net Expenditures | 32,175.3 | 41,649.0 | 37,320.2 | 37,589.5 | | 37,589.5 | 269.3 | 0.7% |
| Approved Positions | 388.9 | 405.4 | 405.4 | 391.4 | 5.0 | 396.4 | (9.0) | (2.2%) |

*2020 Projection based on Q3 Variance Report

COSTS TO MAINTAIN EXISTING SERVICES

Total 2021 Base Budget expenditures of \$64.327 million gross reflecting an increase of \$5.584 million in spending above 2020 projected year-end actuals (prior to enhancements), predominantly arising from:

- An increase in salary & benefits similar to 2020 budgeted levels as positions are filled to staff Courts, Hearings and Tribunals that were closed in 2020.
- An increase in salary & benefits similar to 2020 budgeted levels as staff are recalled from redeployment and Employment Insurance.

Given the financial impacts of COVID-19 on 2020 actuals, a further comparison of the 2021 Budget to the 2020 Council approved Budget is provided below:

- **2021 Base Budget totalling \$37.590 million in net expenditures reflects a \$4.060 million net decrease below the 2020 Council approved Budget.**

COSTS TO ENHANCE SERVICES

New and Enhanced Service expenditures of \$0.922 million gross, enabling:

- Additional 5 positions to assist with the Housing Now Small Sites Pre-development and Pre-acquisition program.

EQUITY IMPACTS OF BUDGET CHANGES

Medium-positive equity impacts: The budget proposal for the Housing Now Small Sites Pre-development and Pre-acquisition Work Fund has an overall equity impact of medium positive. Low income residents will be particularly impacted by this proposal as it will allow the City to add a range of affordable housing options. It will increase the opportunity for low-and-moderate-income residents to access safe, secure, and adequate housing. An intersectional analysis shows that in Toronto, affordable housing is particularly required for women, seniors, Indigenous, Black, or racialized communities.

2021 OPERATING BUDGET KEY DRIVERS

The 2021 Operating Base Budget for Legal Services is \$64.327 million gross or 9.5% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes Balancing Actions.

Table 2a: 2021 Key Drivers – Base Budget

| Key Cost Drivers | 2019 Actuals | 2020 Budget | 2020 Projection* | 2021 Base Budget | Change Vs. 2020 Projection | |
|------------------------------------|--------------|-------------|------------------|------------------|----------------------------|---------|
| | | | | | \$ | % |
| Expenditures | | | | | | |
| 1 Salaries and Benefits | 48,190.4 | 56,870.6 | 49,049.2 | 56,563.0 | 7,513.7 | 15.3% |
| 2 COVID-19 Impact | | | (2,577.5) | (2,839.6) | (262.1) | 10.2% |
| 3 Materials & Equipment | 441.8 | 739.7 | 440.2 | 537.2 | 96.9 | 22.0% |
| 4 Service and Rent | 2,956.2 | 2,741.2 | 4,465.6 | 2,696.0 | (1,769.6) | -39.6% |
| 5 Contribution To Reserves | 115.0 | 115.0 | 115.0 | 120.3 | 5.3 | 4.6% |
| 6 Other Expenditures | 4,302.5 | 7,249.8 | 7,249.8 | 7,249.8 | | |
| Total Expenditures | 56,005.9 | 67,716.3 | 58,742.4 | 64,326.7 | 5,584.3 | 9.5% |
| Revenues | | | | | | |
| 1 User Fees & Donations | 6,841.7 | 5,363.4 | 5,846.1 | 5,463.1 | (382.9) | -6.6% |
| 2 COVID-19 Impact | | | (1,010.8) | | 1,010.8 | -100.0% |
| 2 Other Revenues (Inc. IDR's) | 14,075.7 | 16,789.9 | 9,744.0 | 11,902.9 | 2,159.0 | 22.2% |
| 3 Contributions from Reserve Funds | 1,445.3 | 1,575.0 | 4,901.6 | 7,621.8 | 2,720.2 | 55.5% |
| 4 Transfers From Capital | 1,467.9 | 2,339.0 | 1,941.4 | 1,749.3 | (192.1) | -9.9% |
| Total Revenues | 23,830.6 | 26,067.3 | 21,422.2 | 26,737.1 | 5,314.9 | 24.8% |
| Net Expenditures | 32,175.3 | 41,649.0 | 37,320.2 | 37,589.5 | 269.3 | 0.7% |
| Approved Positions | 388.9 | 405.4 | 405.4 | 391.4 | (14.0) | -3.5% |

*2020 Projection based on Q3 Variance Report

Salaries & Benefits:

- Salaries & benefits adjustments such as step increases for union staff
- Increase in salary and benefits due to lower vacancy rate in 2021 that will result from anticipated return to normal operations of Courts, Tribunals and Hearings in later quarters

Materials and Supplies:

- A reduction from 2020 budgeted levels, but increase from 2020 expenditures as a result of several functions returning to pre-pandemic levels

Other Revenue Changes:

- Current vacant positions that will be filled will result in higher recoveries from rate programs, boards and agencies
- Increase in recoveries for projects funded by reserve accounts

Table 2b: 2021 Balancing Actions

| (\$000s) | | | | | | | | |
|--|------------------------------|-------------|----------------|----------------|-----------|----------------|----------------|-----------|
| Recommendation | Savings Type | 2021 | | | | 2022 | | |
| | | Revenue | Gross | Net | Positions | Gross | Net | Positions |
| Reduce expenditure categories to match actuals | Match to Actuals | | (247.7) | (247.7) | | (247.7) | (247.7) | |
| Voluntary Separation Program | Other | | (234.3) | (234.3) | | | | |
| Changes to expected intake of User Fees and DARP | Revenue Increase (User Fees) | 99.8 | | (99.8) | | | (99.8) | |
| Total Balancing Actions | | 99.8 | (482.0) | (581.8) | - | (247.7) | (347.5) | - |

2021 Balancing Actions

- A move towards more digital business processes and a line by line review of expenditures resulted in Legal Services reducing budgeted expenditures by \$0.248M. The new amounts are more in line with recent spending.
- Legal will realize a savings of \$0.234M as a result of staff participation in the Voluntary Separation Program.
- Legal Services is projecting additional revenues from the intake of User Fees and the Development Application Process of \$0.100M in 2021 as a result of inflation.

Table 2c: 2021 New / Enhanced

| New / Enhanced Request | | 2021 | | | | 2022 Annualized Gross | Equity Impact | Supports Key Issue / Challenge |
|------------------------|--|---------|-------|-----|-----------|-----------------------|---------------|--|
| | | Revenue | Gross | Net | Positions | | | |
| In \$ Thousands | | | | | | | | |
| 1 | Support Small Sites Pre-Development & Pre-Acquisition Plan | 921.6 | 921.6 | | 5.0 | | Medium | Safe and secure housing for priority and at risk groups. |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| Total New / Enhanced | | 921.6 | 921.6 | | 5.0 | | | |

Supporting affordable housing: Legal Services' 2021 Operating Budget includes an investment to support the Small Sites Pre-Development and Pre-Acquisition Plan to support the Housing Now Action Plan, which will support the creation of affordable housing units. This will have a positive impact on low-and-moderate income residents in Toronto.

Note:

- For additional information on 2021 key cost drivers refer to [Appendix 2](#) as well as [Appendix 4](#) for the 2021 New and Enhanced Service Priorities, respectively.

2022 & 2023 OUTLOOKS**Table 3: 2022 and 2023 Outlooks**

| (\$000s) | 2020 Projection | 2021 Budget | 2022 Outlook | 2023 Outlook |
|---------------------------|-----------------|-----------------|-----------------|-----------------|
| Revenues | 21,422.2 | 27,658.7 | 24,909.3 | 24,928.0 |
| Gross Expenditures | 58,742.4 | 65,248.3 | 66,966.3 | 67,288.8 |
| Net Expenditures | 37,320.2 | 37,589.5 | 42,056.9 | 42,360.8 |
| Approved Positions | 405.4 | 396.4 | 386.4 | 384.4 |

Key drivers

The 2022 Outlook with total gross expenditures of \$66.966 million reflects an anticipated \$1.718 million or 2.63 per cent increase in gross expenditures above the 2021 Operating Budget; The 2023 Outlooks expects a further increase of \$0.323 million or 0.48 per cent above 2022 gross expenditures.

These changes arise from the following:

- Expectation that there is a return to full complement and funding levels in 2022 as Courts, Tribunals and Hearings return to pre-COVID-19 capacity
- Salary increase for union staff in 2022 and 2023

APPENDICES

Appendix 1

COVID-19 Financial Impact - Operating

| COVID-19 Impacts | (\$000s) | | | | | |
|--|------------------|------------------|------------------|----------|------------------|------------------|
| | 2020 | | | 2021 | | |
| | Revenues | Gross | Net | Revenues | Gross | Net |
| Revenue Loss | | | | | | |
| Unfilled Cost Recoverable Positions | (1,010.8) | | 1,010.8 | | | |
| Sub-Total | (1,010.8) | | 1,010.8 | | | |
| Expenditure Increase | | | | | | |
| Sub-Total | | | | | | |
| Savings due to Underspending | | | | | | |
| Salary & Benefits of Redeployed/Emergency Leave Staff | | (753.9) | (753.9) | | | |
| Reduction of Other Expenses | | (143.0) | (143.0) | | | |
| Sub-Total | | (896.9) | (896.9) | | | |
| Savings due to Management Actions | | | | | | |
| Corporate Hiring Slowdown | | (1,680.6) | (1,680.6) | | | |
| Delay In Filling Positions Due To Court/Hearing/Tribunal Slowdowns | | | | | (2,839.6) | (2,839.6) |
| Sub-Total | | (1,680.6) | (1,680.6) | | (2,839.6) | (2,839.6) |
| Support from Other Levels of Gov't | | | | | | |
| Sub-Total | | | | | | |
| Total COVID-19 Impact | (1,010.8) | (2,577.5) | (1,566.7) | | (2,839.6) | (2,839.6) |

Appendix 2

2021 Operating Budget by Revenue / Expenditure Category

| Category (In \$000s) | 2018 Actual** | 2019 Actual** | 2020 Budget | 2020 Projection* | 2021 Total Budget | 2021 Change from 2020 Projected Actual | |
|--|------------------|------------------|-----------------|---------------------|----------------------|---|---------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | % |
| Provincial Subsidies | | | | | | | |
| Federal Subsidies | | | | | | | |
| Other Subsidies | | | | | | | |
| User Fees & Donations | 6,283.0 | 5,234.6 | 5,363.4 | 5,846.1 | 5,463.1 | (383.0) | (6.6%) |
| Licences & Permits Revenue | | | | | | | |
| Transfers From Capital | 588.9 | 1,764.2 | 2,339.0 | 1,941.4 | 2,670.9 | 729.5 | 37.6% |
| Contribution From Reserves/Reserve Funds | 6,865.4 | 7,288.3 | 7,621.8 | 4,901.6 | 7,621.8 | 2,720.2 | 55.5% |
| Sundry and Other Revenues | 9,018.6 | 9,543.5 | 10,743.1 | 8,733.1 | 11,902.9 | 3,169.8 | 36.3% |
| Inter-Divisional Recoveries | | | | | | | |
| Total Revenues | 22,755.9 | 23,830.6 | 26,067.3 | 21,422.2 | 27,658.7 | 6,236.5 | 29.1% |
| Salaries and Benefits | 46,632.9 | 48,190.4 | 56,870.7 | 46,471.8 | 54,645.1 | 8,173.3 | 17.6% |
| Materials & Supplies | 428.1 | 409.7 | 464.7 | 305.3 | 427.2 | 121.9 | 39.9% |
| Equipment | 177.9 | 32.1 | 274.9 | 134.9 | 109.9 | (25.0) | (18.5%) |
| Service and Rent | 2,875.5 | 2,956.2 | 2,741.2 | 4,465.6 | 2,696.0 | (1,769.6) | (39.6%) |
| Contribution To Capital | | | | | | | |
| Contribution To Reserves/Reserve Funds | 75.6 | 115.0 | 115.0 | 115.0 | 120.3 | 5.3 | 4.6% |
| Other Expenditures | 7,655.4 | 4,302.5 | 7,249.8 | 7,249.8 | 7,249.8 | | |
| Inter-Divisional Charges | | | | | | | |
| Total Gross Expenditures | 57,845.4 | 56,005.9 | 67,716.3 | 58,742.4 | 65,248.3 | 6,505.9 | 11.1% |
| Net Expenditures | 35,089.5 | 32,175.3 | 41,649.0 | 37,320.2 | 37,589.5 | 269.4 | 0.7% |
| Approved Positions | 377.9 | 388.9 | 405.4 | 405.4 | 396.4 | (9.0) | (2.2%) |

* Year-End Projection Based on Q3 2020 Variance Report

** Prior Year Actuals adjusted retroactively to remove interdepartmental charges and recoveries

Appendix 3

Summary of 2021 Service Changes

N/A

Appendix 4

Summary of 2021 New / Enhanced Service Priorities Included in Budget

2021 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

| Form ID | | Other City Programs Program - Legal Services | Adjustments | | | | 2022 Plan Net Change | 2023 Plan Net Change |
|----------|------------------|--|----------------------|---------|-----|-----------------------|-------------------------|-------------------------|
| Category | Equity Impact | | Gross Expenditure | Revenue | Net | Approved Positions | | |
| 23620 | | Housing Now- Small Sites Pre-development & Pre-Acquisition | | | | | | |
| 74 | Positive | Description: | | | | | | |

The addition of 4 lawyers and 1 Conveyancing Clerk to assist with the objectives of the HousingTO 2020-2030 Action Plan.

Service Level Impact:

Legal Services' 2021 Staff Recommended Operating Budget includes an investment to support the Small Sites Pre-Development and Pre-Acquisition Plan to support the Housing Now Action Plan, which will support the creation of affordable housing units. This will have a positive impact on low-and-moderate income residents in Toronto.

Equity Statement:

The budget proposal for Small Sites Pre-development and Pre-acquisition Work Fund has an overall equity impact of medium positive. Low income residents will be particularly impacted by this proposal as it will allow the City to add a range of affordable housing options. It will increase the opportunity for low-and-moderate-income residents to access safe, secure, and adequate housing. An intersectional analysis shows that in Toronto, affordable housing is particularly required for women, seniors, Indigenous, Black, or racialized communities.

Service: Civil Litigation

| | | | | | | |
|----------------------------|-------|-------|-------|------|-----|-----|
| Staff Recommended Changes: | 208.4 | 208.4 | (0.0) | 1.00 | 0.0 | 0.0 |
| BC Recommended Changes: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| EC Recommended Changes: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| CC Recommended Changes: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| Total Council Approved: | 208.4 | 208.4 | (0.0) | 1.00 | 0.0 | 0.0 |

Service: Solicitor

| | | | | | | |
|----------------------------|-------|-------|-----|------|-------|-----|
| Staff Recommended Changes: | 713.2 | 713.2 | 0.0 | 4.00 | (0.0) | 0.0 |
| BC Recommended Changes: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| EC Recommended Changes: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| CC Recommended Changes: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| Total Council Approved: | 713.2 | 713.2 | 0.0 | 4.00 | (0.0) | 0.0 |

| | | | | | | |
|---------------------------|--------------|--------------|------------|-------------|------------|------------|
| Staff Recommended: | 921.6 | 921.6 | 0.0 | 5.00 | 0.0 | 0.0 |
|---------------------------|--------------|--------------|------------|-------------|------------|------------|

Category:

| | |
|---|-------------------|
| 71 - Operating Impact of New Capital Projects | 74 - New Services |
| 72 - Enhanced Services-Service Expansion | 75 - New Revenues |

2021 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

| Form ID | | Other City Programs Program - Legal Services | Adjustments | | | | 2022 Plan Net Change | 2023 Plan Net Change |
|-----------------|------------------|---|----------------------|--------------|------------|-----------------------|-------------------------|-------------------------|
| Category | Equity Impact | | Gross Expenditure | Revenue | Net | Approved Positions | | |
| | | Budget Committee Recommended: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| | | Executive Committee Recommended: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| | | City Council Approved: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| | | Council Approved New/Enhanced Services: | 921.6 | 921.6 | 0.0 | 5.00 | 0.0 | 0.0 |
| Summary: | | | | | | | | |
| | | Staff Recommended: | 921.6 | 921.6 | 0.0 | 5.00 | 0.0 | 0.0 |
| | | Budget Committee Recommended: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| | | Executive Committee Recommended: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| | | City Council Approved: | 0.0 | 0.0 | 0.0 | 0.00 | 0.0 | 0.0 |
| | | Council Approved New/Enhanced Services: | 921.6 | 921.6 | 0.0 | 5.00 | 0.0 | 0.0 |

Appendix 5

Summary of 2021 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

**2021 Capital Budget;
2022 - 2030 Capital Plan Including Carry Forward Funding**

N/A

Appendix 6a

2021 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 6b

2022 - 2030 Capital Plan

N/A

Appendix 7

Reporting on Major Capital Projects: Status Update

N/A

Appendix 8

Summary of Capital Needs Constraints

N/A

Appendix 9

2021 User Fee Changes

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2021 Operating Budget

Program Specific Reserve / Reserve Funds

| Reserve / Reserve Fund Name | 2021 | 2022 | 2023 |
|---|-------|-------|-------|
| XQ1709 | | | |
| Arbitration & Legal Awards | | | |
| Beginning Balance | 1,799 | 1,440 | 1,081 |
| <i>Withdrawals (-)</i> | | | |
| Legal Services Withdrawals - Operating | -300 | -300 | -300 |
| Other Division/Agency Withdrawals - Operating | 0 | 0 | 0 |
| Legal Services Withdrawals - Capital | 0 | 0 | 0 |
| Other Division/Agency Withdrawals - Capital | 0 | 0 | 0 |
| Total Withdrawals | -300 | -300 | -300 |
| <i>Contributions (+)</i> | | | |
| Legal Services Operating Contributions | -59 | -59 | -59 |
| Other Division/Agency Contributions - Operating | 0 | 0 | 0 |
| Contributions - Other | 0 | 0 | 0 |
| Total Contributions | -59 | -59 | -59 |
| Total Reserve / Reserve Fund Draws / Contributions | -359 | -359 | -359 |
| Balance at Year-End | 1,440 | 1,081 | 722 |

Corporate Reserve / Reserve Funds

| Reserve / Reserve Fund Name | 2021 | 2022 | 2023 |
|---|---------|---------|---------|
| XQ1508 | | | |
| Vehicle Reserve - IT Sustainment | | | |
| Beginning Balance | 7,826 | 4,475 | -509 |
| <i>Withdrawals (-)</i> | | | |
| Legal Services Withdrawals - Operating | -224 | -224 | -224 |
| Other Division/Agency Withdrawals - Operating | -4,239 | -4,239 | -4,239 |
| Legal Services Withdrawals - Capital | 0 | 0 | 0 |
| Other Division/Agency Withdrawals - Capital | -20,184 | -21,818 | -29,481 |
| Total Withdrawals | -24,647 | -26,281 | -33,944 |
| <i>Contributions (+)</i> | | | |
| Legal Services Contributions - Operating | 0 | 0 | 0 |
| Other Division/Agency Contributions - Operating | 21,297 | 21,297 | 21,297 |
| Contributions - Other | 0 | 0 | 0 |
| Total Contributions | 21,297 | 21,297 | 21,297 |
| Total Reserve / Reserve Fund Draws / Contributions | -3,350 | -4,984 | -12,647 |
| Balance at Year-End | 4,475 | -509 | -13,156 |

Due to increased lifecycle management costs to support growth and increased remote working due to COVID-19, additional pressures are present on Technology's Services Sustainment Reserve (i.e. replacing desktops with laptops). The program continues to work with Financial Planning to manage the reserve balance while budget funding for commitments will be confirmed prior to any expenses being incurred.

| Reserve / Reserve Fund Name | | 2021 | 2022 | 2023 |
|-----------------------------|---|----------------|----------------|----------------|
| XR1010 | Beginning Balance | 30,142 | 14,678 | 18 |
| Insurance | <i>Withdrawals (-)</i> | | | |
| | Legal Services Withdrawals - Operating | -5,498 | -5,498 | -5,498 |
| | Other Division/Agency Withdrawals - Operating | -72,247 | -74,353 | -76,571 |
| | Legal Services Withdrawals - Capital | 0 | 0 | 0 |
| | Other Division/Agency Withdrawals - Capital | -389 | 0 | 0 |
| | Total Withdrawals | -78,134 | -79,851 | -82,069 |
| | <i>Contributions (+)</i> | | | |
| | Legal Services Operating Contributions | 179 | 179 | 179 |
| | Other Division/Agency Contributions - Operating | 62,444 | 64,995 | 84,441 |
| | Contributions - Other | 0 | 0 | 0 |
| | Total Contributions | 62,623 | 65,174 | 84,620 |
| | Total Reserve / Reserve Fund Draws / Contributions | -15,511 | -14,677 | 2,551 |
| | Interest Income | 47 | 17 | 4 |
| | Balance at Year-End | 14,678 | 18 | 2,573 |

| Reserve / Reserve Fund Name | | 2021 | 2022 | 2023 |
|---------------------------------------|---|----------------|----------------|----------------|
| XR1305 | Beginning Balance | 115,346 | 104,012 | 89,894 |
| Building Code Act Serv Improvement RF | <i>Withdrawals (-)</i> | | | |
| | Legal Services Withdrawals - Operating | -400 | -400 | -400 |
| | Other Division/Agency Withdrawals - Operating | -11,768 | -15,029 | -15,108 |
| | Legal Services Withdrawals - Capital | 0 | 0 | 0 |
| | Other Division/Agency Withdrawals - Capital | -485 | 0 | 0 |
| | Total Withdrawals | -12,653 | -15,429 | -15,508 |
| | <i>Contributions (+)</i> | | | |
| | Legal Services Contributions - Operating | 0 | 0 | 0 |
| | Other Division/Agency Contributions - Operating | 1,089 | 1,089 | 1,089 |
| | Contributions - Other | 0 | 0 | 0 |
| | Total Contributions | 1,089 | 1,089 | 1,089 |
| | Total Reserve / Reserve Fund Draws / Contributions | -11,564 | -14,340 | -14,420 |
| | Interest Income | 230 | 223 | 273 |
| | Balance at Year-End | 104,012 | 89,894 | 75,747 |

| Reserve / Reserve Fund Name | | 2021 | 2022 | 2023 |
|--------------------------------|---|---------------|---------------|---------------|
| XR1307 | Beginning Balance | 18,801 | 11,246 | 7,117 |
| Development Application Review | <i>Withdrawals (-)</i> | | | |
| | Legal Services Withdrawals - Operating | -875 | -875 | -875 |
| | Other Division/Agency Withdrawals - Operating | -6,711 | -3,275 | -2,910 |
| | Legal Services Withdrawals - Capital | 0 | 0 | 0 |
| | Other Division/Agency Withdrawals - Capital | 0 | 0 | 0 |
| | Total Withdrawals | -7,586 | -4,150 | -3,785 |
| | <i>Contributions (+)</i> | | | |
| | Legal Services Contributions - Operating | 0 | 0 | 0 |
| | Other Division/Agency Contributions - Operating | 0 | 0 | 0 |
| | Contributions - Other | 0 | 0 | 0 |
| | Total Contributions | 0 | 0 | 0 |
| | Total Reserve / Reserve Fund Draws / Contributions | -7,586 | -4,150 | -3,785 |
| | Interest Income | 32 | 21 | 17 |
| | Balance at Year-End | 11,246 | 7,117 | 3,349 |

| Reserve / Reserve Fund Name | | 2021 | 2022 | 2023 |
|-------------------------------|---|---------------|------------|------------|
| XR3038 | Beginning Balance | 3,171 | 122 | 122 |
| Ontario Cannabis Legalization | | | | |
| | <i>Withdrawals (-)</i> | | | |
| | Legal Services Withdrawals - Operating | -325 | 0 | 0 |
| | Other Division/Agency Withdrawals - Operating | -2,728 | 0 | 0 |
| | Legal Services Withdrawals - Capital | 0 | 0 | 0 |
| | Other Division/Agency Withdrawals - Capital | 0 | 0 | 0 |
| | Total Withdrawals | -3,053 | 0 | 0 |
| | <i>Contributions (+)</i> | | | |
| | Legal Services Contributions - Operating | 0 | 0 | 0 |
| | Other Division/Agency Contributions - Operating | 0 | 0 | 0 |
| | Contributions - Other | 0 | 0 | 0 |
| | Total Contributions | 0 | 0 | 0 |
| | Total Reserve / Reserve Fund Draws / Contributions | -3,053 | 0 | 0 |
| | Interest Income | 3 | 0 | 0 |
| | Balance at Year-End | 122 | 122 | 123 |

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

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 Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs 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: 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 provided services; an example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

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

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

Tax Supported Budget: Budget funded by property taxes.

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

Value Based Outcome Review (VBOR): The City conducted a Value Based Outcome Review in 2019 for all of its operations and agencies to identify specific opportunities and strategies to maximize the use of tax dollars, enhance its financial sustainability while achieving service outcomes. These opportunities will help the City chart its financial course in the next four years.

Voluntary Separation Program – On July 28th, 2020, City Council approved the implementation of a Voluntary Separation Program for staff who are eligible to retire with an unreduced pension providing a lump sum payment of up to three months' salary to eligible employees, subject to the terms of the program guidelines, funded through savings generated from a combination of permanently eliminating vacated positions and/or holding the positions vacant for a minimum of six months.