

# 2022 City of Toronto Budget Summary

BUDGET 



 **TORONTO**

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# **A Message from the City**



# Mayor's Message



*Mayor John Tory*

After two very difficult years, managing both the ongoing COVID-19 pandemic and the challenges it brought forward, this year's City of Toronto budget is a responsible budget. Through this budget we are committed to responding to the ongoing COVID-19 pandemic while protecting the City services people rely on, and at the same time building up our city through key investments in capital projects such as housing, climate action and mobility. We are doing all of this while also continuing to keep property taxes affordable.

This is the third year that the City continues to experience significant financial impacts – in the form of both added costs and revenue losses – as a direct result of the COVID-19 pandemic. But we know that Toronto's strong economic recovery is critical to the region, province and country and requires continued funding from our partners in other orders of government to ensure our response to the ongoing COVID-19 pandemic continues to be successful.

The 2022 operating budget includes \$1.4 billion in funding through continued partnerships with the Government of Canada and the Government of Ontario to address the impacts of the COVID-19 pandemic. I continue to work non-stop, just as I successfully did in 2020 and 2021, to confirm these ongoing federal and provincial partnerships, which are required to protect front-line services and to ensure we can continue to invest in our capital infrastructure, which helps create jobs, economic activity, and further development of higher-density, transit-oriented communities.

To ensure that funding provided by the other orders of government, along with the investments made by our city are being used effectively and efficiently, the City has done its part by implementing a range of spending restraints and measures to offset the significant financial impacts of the pandemic and sustain critical operations. Since the onset of the pandemic, the City has identified mitigation measures and spending restraints equal to \$1.6 billion to support the continuance of service delivery, and to reduce the financial pressures we are facing.

To keep property taxes in line with inflation, Toronto City Council overwhelmingly approved a 2.9 per cent property tax increase for residential properties, a 1.45 per cent increase for commercial properties, a 0.97 per cent increase for industrial properties, and no increase for multi-residential or apartment buildings, as per provincial legislation.

In line with the past two years, the budget also includes an incremental 1.5 per cent increase to the City Building Levy to fund major transit and housing investments. We know that transit and housing will play a big role in our city's economic recovery – this funding will help us continue to make much-needed investments that address the growth we are experiencing in the city.

To bolster our recovery efforts and support a vibrant economy, the 2022 budget also includes a 15 per cent property tax rate reduction for small businesses, which will help approximately 29,000 small businesses across Toronto this year alone.

In response to the feedback that we heard from residents and businesses during the budget process, we made amendments and approved several initiatives to build a more equitable and prosperous Toronto. This budget ensures that the City will continue to respond to the pandemic, address its financial pressures and set the foundation for long-term recovery. We will continue to deliver a world class vaccine strategy, maintain critical and responsive City services, advance public health, transit, social and economic recovery, invest in shelters and affordable, supportive housing, as we expand and modernizing digital services.

I want to thank residents for their feedback throughout this year's budget process. As the pandemic continues to shape our budget, this is a fiscally responsible plan that takes the necessary steps to ensure that Toronto will come back stronger than ever by protecting services and prioritizing investments where they are needed the most and that address the needs of our growing city.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Tory".

*Mayor John Tory*  
City of Toronto

# Chief Financial Officer and Treasurer's Message



I am pleased to present the City of Toronto's 2022 Budget Summary Book. For 2022, City Council has approved a tax and rate combined operating budget of \$14.99 billion and a 10-year capital budget and plan of \$46.61 billion.

*Heather Taylor*

While the ongoing COVID-19 pandemic continues to place unprecedented financial pressures on the City, this budget lays the foundation for recovery, sustains critical services, makes environmentally and socially responsible investments, all with a focus on prudent financial management.

The pandemic has emphasised the need to continue investments in prosperity, and has exacerbated the social and health inequities that exist amongst Torontonians. This pandemic experience has also demonstrated the power of engaging with partners to identify and address challenges, renewing the City's commitment to a whole-of-government and community approach to support a successful, equitable and sustainable long-term recovery. The City is focused on delivering services with fair and equitable outcomes for all residents and businesses.

In 2022, City Council approved property tax increases of an inflationary 2.9 per cent for residential properties, 1.45 per cent for commercial properties and 0.97 per cent for industrial properties. There is no increase for multi-residential or apartment buildings, as per provincial legislation. The budget also includes a 15 per cent property tax rate reduction for small businesses, helping approximately 29,000 small businesses across Toronto.

In addition, the budget includes an incremental 1.5 per cent increase to the City Building Levy consistent with the City's planned and approved capital funding strategy. This dedicated levy, approved by Council in 2017, funds major transit and housing investments.

The Toronto Parking Authority, Toronto Water, and Solid Waste Management Services 2022 rate-supported operating and capital budgets maintain current service levels for Toronto residents and businesses and make significant infrastructure investments, including the largest Toronto Water capital investment ever for the third consecutive year.

Pandemic-related financial impacts have continued into 2022, adding significant costs and revenue losses. This year's expected total impact is \$1.4 billion. To offset the financial impacts of the pandemic and sustain critical operations, the City has implemented a range of spending restraints and measures. City-led mitigation strategies have resulted in significant offsets of \$494 million in 2022, and Mayor John Tory and Toronto City Council will continue to advocate for the required funding from our provincial and federal partners, as was successfully done in 2020 and 2021.

Through the tireless team work of staff, elected officials, residents and businesses, the 2022 budget ensures that the City will surmount the unprecedented financial challenges of the ongoing pandemic, continue to deliver the City services that people rely on and build a strong foundation for Toronto's recovery. I would like to thank everyone for their dedication and commitment to the development of this year's budget.

Sincerely,

*Heather Taylor*  
*Chief Financial Officer and Treasurer*  
*City of Toronto*

# **2022 Budget Overview**

## 2022 OPERATING AND CAPITAL BUDGET SUMMARY

The 2022 Operating Budget and the 2022 – 2031 Capital Budget and Plan are COVID budgets that continue to address the pandemic impacts and the financial challenges it has created for Toronto. The City has been able to adapt to these financial pressures by implementing a series of mitigation strategies, spending controls and enhanced reporting, while also ensuring a strong collaboration with intergovernmental partners. 2022 Budget decisions and actions are guided by social, climate and economic outcomes to achieve prosperity for all and enable the City of Toronto to provide over 150 distinct services that are supported by capital assets and infrastructure to meet the needs of a diverse population of more than 2.9 million people.

The City employs a financial planning and budgeting process that is transparent, accessible and focused on service outcomes and accountability. It accounts for the public's needs as translated by Council in its approved strategies and priorities and ensures that value is achieved through the efficient use of resources for the most effective delivery of City services and stewardship of City assets. Grounded in good governance, the City's financial planning and budgeting practices are aimed to garner the public's trust and confidence in the management of public resources.

The development of the 2022 Budget was guided by four key principles:

- Manage COVID-19 impact and recovery;
- Preserve existing services (consistent with health guidelines & legislative requirements);
- Keeping property taxes affordable; and
- Building a prosperous Toronto with a focus on equity & reconciliation; climate action; and health & well-being.

### 2022 OPERATING BUDGET

The 2022 Council Approved Rate Supported Operating Budget is \$1.96 billion which is comprised of Toronto Water, Solid Waste Management Services and Toronto Parking Authority. The 2022 Council Approved Tax Supported Operating Budget is \$13.03 billion gross and \$4.65 billion net. In total, the City of Toronto's Council approved a balanced 2022 Tax and Rate Supported Operating Budget of \$14.99 billion with service spending plans, associated service levels and staffing.

*Figure 1: 2022 City Council Approved Gross Operating Budget*

(In \$000's)	2021		2022 Budget	2022 Base Budget	2022 New / Enh. Budget	Change from 2021 Approved Budget	
	Budget	Projection				\$ Incr./ (Dcr.)	%
Tax Supported Programs	12,182,645	11,882,879	13,027,561	12,890,944	136,617	844,916	6.9%
Rate Supported Programs	1,888,138	1,872,163	1,958,288	1,958,288	0	70,150	3.7%
City of Toronto Total	14,070,783	13,755,042	14,985,849	14,849,232	136,617	915,066	6.5%

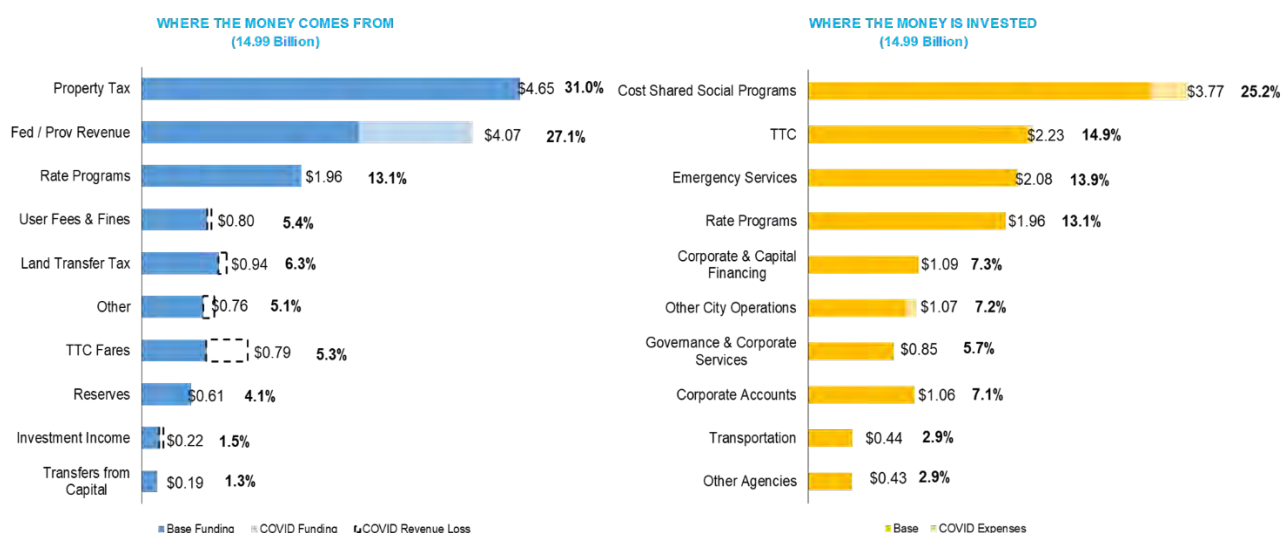
The 2022 Budget keeps the costs of City services affordable with a residential tax rate increase of 2.9%. The budget preserves existing services, addresses regional pressures, maintains an inflationary residential tax rate increase for City Operations, and includes just a 1.9% increase over 2021. The 2022 Council Approved Tax Supported Operating Budget represents an increase of \$844.92 million or 6.9% in gross expenditures, and an increase of \$70.1 million or 3.7% increase in gross expenditures for Rate Supported Budget over 2021.



On the revenue side, TTC fares, user fees, charges, fines and other revenues included in the 2022 Council Approved Budget total \$10.34 billion. Lockdown measures due to the Covid-19 pandemic have substantially reduced user fee revenues. The largest component is TTC passenger fares which is budgeted in 2022 to be \$793 million, an increase of \$247 million over 2021 budgeted revenues, but \$470 million less than 2019 actual passenger fare revenues. Municipal Land Transfer Tax (MLTT) revenue totals \$947.69 million and represents 9.0% of the City's revenues. Given MLTT volatility, staff developed a strategy to redirect some portion of the MLTT to fund capital costs and reduce the City's reliance on the MLTT to fund ongoing operating costs.

In addition to maintaining current programs and services, the 2022 Operating Budget also provides funding of \$136.62 million gross for new and enhanced service investments. Investments in new and enhanced services are based largely on service priorities that were referred to or directed by City Council to be considered with the 2022 Budget to begin, advance and/or complete Council-adopted plans and strategies.

Figure 2: 2022 Approved Tax and Rate Operating Budget by Revenue and Expenditure



When translated into an average tax bill of \$3,339 for the average value of a home assessed at \$0.697 million the chart below shows how 2022 property taxes will be spent based on the approved 2.9% residential property tax rate increase and 1.5% incremental increase of City Building Fund. In 2022, the average Toronto household will pay an additional \$93 on their municipal property tax bill.

Figure 2: How Your Tax Dollar Works for You in 2022



## Outlook for 2023 and Future Years

As we look beyond 2022, there is significant financial pressures surrounding City's COVID response requirements, public health measures and service resumptions. All this makes it challenging to provide accurate budget outlooks for the years beyond 2022. Sustained multi-year funding commitments from other orders of government is critical for pandemic response and recovery.

The potential pressure on the City's 2023 Operating budget is estimated to be between \$1.23 billion and \$1.73 billion as shown in the slide below:

Figure 3: 2023 Outlook

In \$ Millions	Estimates	
	Low	High
<b>Base Pressures</b>		
Transit	126	
Salaries and Benefits	130	
Inflation & Growth	310	
<b>Sub-Total</b>	<b>566</b>	
<b>Federal / Provincial Responsibilities</b>		
Refugees	61	
Supportive Housing Costs	48	
<b>Sub-Total</b>	<b>109</b>	
<b>COVID-19</b>		
Transit	250	461
Public Health	-	50
Shelters	140	276
Corporate Revenues	119	185
Other Costs	44	87
<b>Sub-Total</b>	<b>553</b>	<b>1,059</b>
<b>Total</b>	<b>1,228</b>	<b>1,734</b>

City will continue to monitor COVID-19 impacts and funding supports throughout 2022 and update the assumptions accordingly. City will also continue to work with the Government of Canada and the Province Ontario to determine the necessary funding supports to address the unprecedented pressures the City faces.

## PHYSICAL INFRASTRUCTURE

The City has a stewardship over a vast asset inventory to support service delivery:- roads, expressways, bridges, traffic signal controls, water and wastewater treatment facilities, distribution and collection pipes, reservoirs, pumping stations, subways, streetcars, buses, civic centres, recreation facilities, social housing buildings, parkland and other lands. This infrastructure, excluding land, is currently estimated to be worth in excess of \$158.3 billion, based on replacement cost estimates.

Figure 4: City Physical Infrastructure



## 2022 – 2031 CAPITAL BUDGET AND PLAN

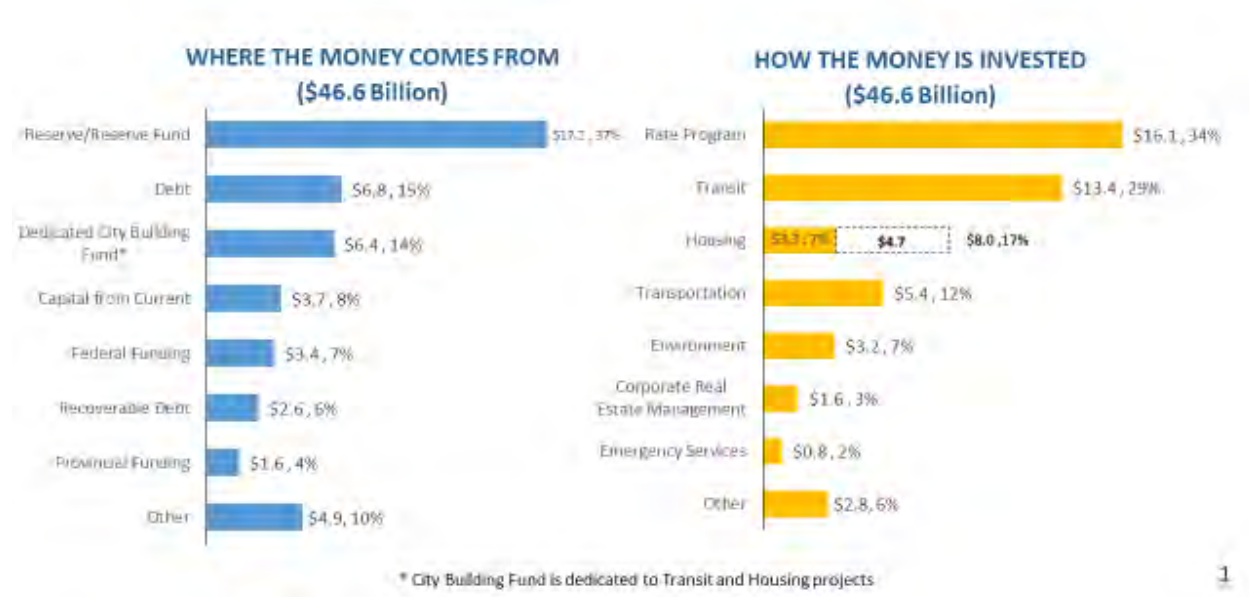
The City of Toronto's Council Approved 2022 - 2031 Tax and Rate Supported Capital Budget and Plan totals \$46.62 billion. The Tax Supported Programs comprise 66% or \$30.56 billion over the 10 years with the remaining funding of \$16.05 billion allocated to the Rate Supported Programs.

Figure 6: 2022-2031 Council Approved Capital Budget and Plan

	2021		2022 Budget		Total 10 Year 2022-2031	
(In \$000's)	Budget	Projection	Gross	Debt	Gross	Debt
<b>Tax Supported Programs</b>	3,802,298	2,795,635	3,098,594	1,074,276	30,562,896	10,583,726
<b>Rate Supported Programs</b>	1,464,568	1,280,059	1,444,170		16,054,096	
<b>City of Toronto Total</b>	5,266,866	4,075,694	4,542,764	1,074,276	46,616,992	10,583,726

City Council Approved 2022 Tax and Rate Supported Capital Budgets of \$4.54 billion and a 10-year capital plan totaling \$46.62 billion. Council approved the 2022 - 2031 future years plan of \$42.08 billion which will form the basis for developing future capital budgets, in accordance with the City's multi-year financial planning and budgeting policies and practices.

Figure 7: 10-year Capital Budget and Plan \$ 46.62 Billion add alt text



As part of the 2022 Capital review process, steps were taken to create investment capacity to address Council directed key priorities and critical unmet needs. Significant portion of new capital funding was prioritized to undertake major capital projects to expand City transit and to reduce the SOGR backlog for major roads such as, the Gardiner Expressway Revitalization and to reflect partnerships with the Federal Government for TCHC building repair. For 2022, any additional debt capacity was directed to critical mobility, housing, modernization, environment and SOGR.

As a part of the Budget modernization initiative, a systematic review of every Program and Agency Capital Plan was undertaken to more realistically match cash flow spending to project activities and timing, especially in the first 5 years of the Capital Plan's timeframe. In addition, leveraging City Building Fund as a recoverable debt and implementation of stage-gating for capital projects where cash flow estimates were aligned with each stage gate provided additional debt capacity.

2022 - 2031 Council Approved Tax and Rate Supported Capital Budget and Plan invests a total of \$13.4 billion in transit, \$5.4 billion in transportation and it is developed using Climate Lens that helps City achieve desired environmental outcomes. The City Building Fund will provide \$6.4 billion dedicated to Transit initiatives and Housing. The Council Approved 10-Year Capital Budget and Plan also near eliminate the state-of-good-repair backlog in Toronto Water, F.G Gardiner project, and other key areas, however, the state-of-good repair backlog is growing in other key programs areas. The Plan continues to fund the City's two largest transit investments – SmartTrack and the Scarborough Subway Extension, as well as rehabilitation work on the



Gardiner Expressway, road resurfacing and reconstruction, and key capital projects to address traffic congestion.

Despite added investment, critical state of good repair, service improvement initiatives, and transit expansion projects remain unfunded over a 15 year planning period. Looking ahead, alternative revenue tools will be required in order to fund these critical projects and unmet needs. City staff will revisit long-term capital reallocations and establish various funding strategies.

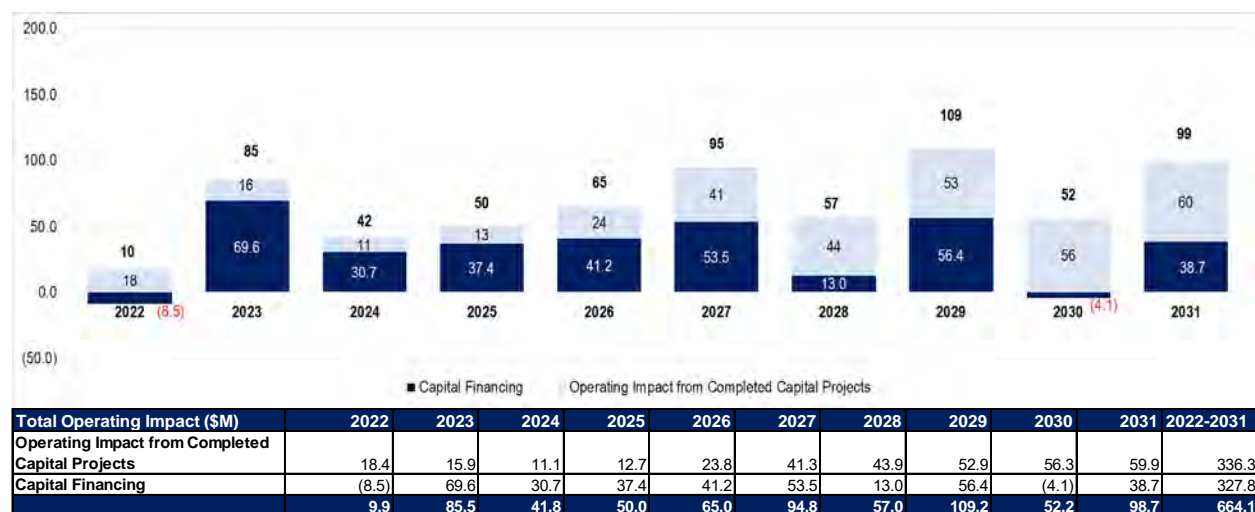
## Capital Budget Impact on the Operating Budget

Every year, the operating impact from capital work is one of the key driver of the annual operating budget pressure. The approval of capital projects will impact the annual Operating Budget in the following ways:

- Over the 10-year period, principal and interest payments on issued debt to finance the capital plan (debt service costs) and direct contribution from the operating budget to finance pay-as-you-go capital projects will increase by \$327.82 million by year 2031, should the 2022 -2031 capital plan be implemented.
- Increased operating costs including on-going maintenance and program costs for new infrastructure and rehabilitated or expanded facilities; cost to sustain new technology; and / or partially offset by efficiency savings from capital investments that reduce operating costs. In 2022, incremental operating impact of completed capital projects is \$18.44 million. By year 2031, the incremental operating impact is expected to total \$336.27 million.

The annual operating impact from approval and implementation of the 2022 – 2031 Council Approved Capital Budget and Plan is illustrated below:

Figure 8: Incremental Impact on Operating Budget –Tax & Rate Programs (\$M)



As the need for capital investment grows, the cost of servicing the debt and operating costs from completed capital work will continue to grow and compete for funding of City services.

## Total City State of Good Repair (SOGR) Backlog

The City has an expansive asset inventory and its infrastructure is aging. The City's capital program is driven largely by the cost of maintaining these physical assets in a state of good repair. Managing the accumulated SOGR backlog is a key capital strategic objective and priority for the City in order to ensure that current assets are able to support the delivery of City services and meet service outcomes.

As City Programs and Agencies continue to mature its asset management best practices, SOGR backlog funding pressures continue to rise as better information is received about the condition of City infrastructure. Further funding strategies will be required to reduce the backlog in future years.

The 2022–2031 Council Approved Capital Budget & Plan (Tax & Rate) is allocating \$23.49 billion or 49.3% of funding to capital works to address City infrastructure required to deliver services to the citizens of Toronto are maintained in a state of good repair. Despite the investment in SOGR, the total accumulated SOGR backlog estimate will increase from \$8.95 billion at the end of 2021 to \$16.73 billion by 2031. The backlog as a percentage of asset value will increase from 5.8% to 9.8% over the 10-year period.

Figure 9: 2022 SOGR Funding & Backlog (Tax and Rate Supported)



As summarized in table 1, the accumulated balance for Tax Supported Programs will increase by \$8.92 billion which will be offset by \$1.14 billion decrease in the Rate Supported Programs, consequently, the overall accumulated backlog balance will increase by \$7.78 billion over the 10 year period;

Table 1: SOGR Backlog by Program – Summary

SOGR Backlog (\$M)	2022 (beg. bal.)	2022 (1 Year)	2026 (5 Year)	2031 (10 Year)	2021-2031 Change
Tax Supported	7,426	7,943	10,488	16,346	8,921 ▲
Rate Supported	1,527	1,501	757	387	(1,141) ▼
<b>Total SOGR Backlog</b>	<b>8,953</b>	<b>9,444</b>	<b>11,245</b>	<b>16,733</b>	<b>7,780 ▲</b>
Total Asset Value	155,625	158,259	164,539	171,437	15,812
SOGR as % Asset Value	5.8%	6.0%	6.8%	9.8%	

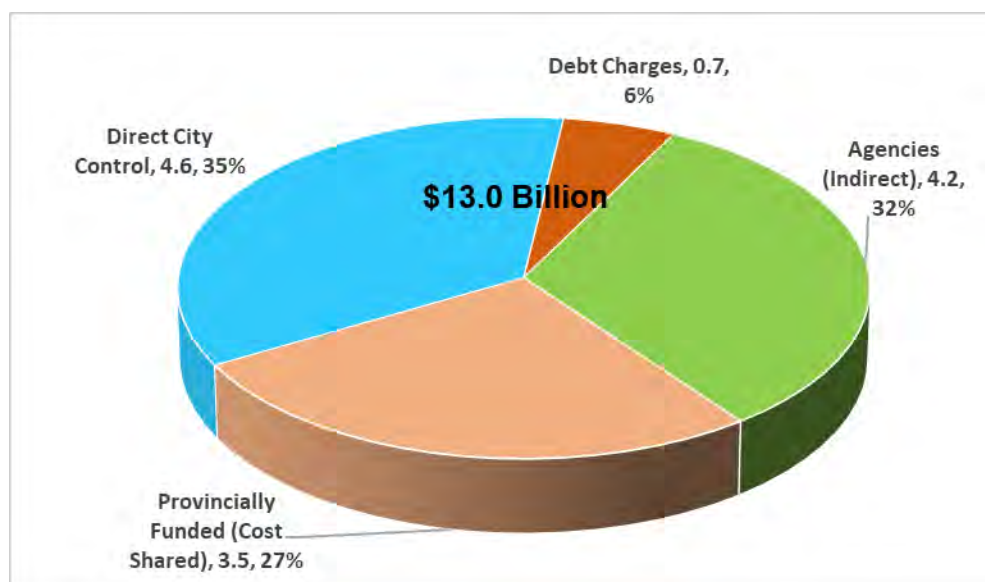
In addition, capital requirements resulting from population growth and demographic changes will add additional financial pressures. According to the Ontario Population Projections Update, the projected population growth of more than a million people in the City of Toronto, raising the population to 3.9 million people by 2041. Intense construction activity across the City and in particular the downtown core confirm these population projections.

More buses, social housing, recreation centres, etc. are required, which will put pressure on the City's capital and operating budgets to provide additional services, and build and operate new facilities. As a result, the City's unfunded capital projects continue to grow. The City is responding to the need to fully integrate City planning, service planning, and financial planning in order to provide sustainable strategies to address these service demands.

# Funding Summary

**City Council has direct control of 35% of the Tax Supported Budget (\$M):**

*Figure 1: City Council Control of the Budget*



## Direct City Control

- 311 Toronto
- Auditor General's Office
- City Clerk's Office
- City Manager's Office
- Court Services
- Engineering & Construction Services
- Environment & Energy
- Office of Emergency Management
- Technology Services
- Integrity Commissioner's Office
- Mayor's Office
- Non-Program Expenditures
- Office of the CFO and Treasurer
- Office of the Lobbyist Registrar
- Parks, Forestry & Recreation
- Social Development, Finance & Administration
- Toronto Paramedic Services
- Housing Secretariat
- Capital & Corporate Financing
- City Council
- City Planning
- Economic Development & Culture
- Corporate Real Estate Management
- Fire Services
- Fleet Services
- Office of the Chief Information Security Officer
- Legal Services
- Municipal Licensing & Standards
- Non-Program Revenues
- Office of the Controller
- Office of the Ombudsman
- Policy, Planning, Finance & Administration
- Toronto Building
- Transit Expansion
- Transportation Services



## Agencies (Indirect Control)

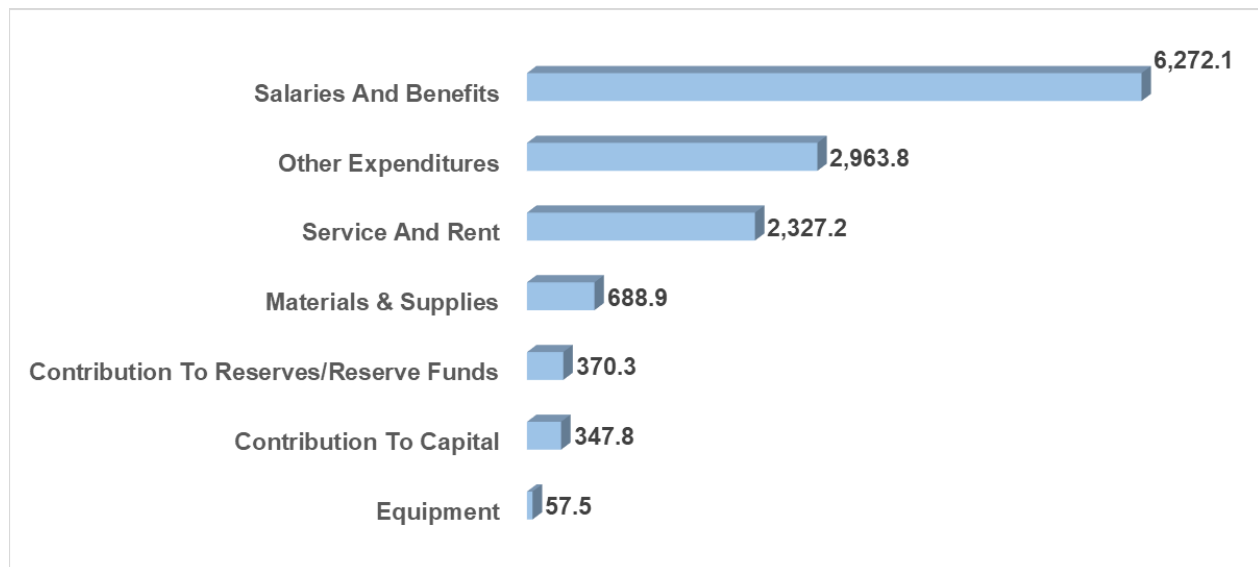
- Arena Boards of Management
- Association of Community Centres
- Exhibition Place
- Heritage Toronto
- TOLive
- Toronto & Region Conservation Authority
- Toronto Police Service (Inc. Board)
- Toronto Public Library
- Toronto Transit Commission (Inc. Wheel Trans)
- Toronto Zoo
- Yonge-Dundas Square
- Create TO

## Provincially Funded

- Children's Services
- Seniors Services and Long-Term Care
- Shelter, Support & Housing Administration
- Toronto Employment & Social Services
- Toronto Public Health

## Summary of Expenditures by Category – Tax Supported 2022 Operating Budget (\$13.03 Billion):

Figure 2: Summary of Expenditures by Category – 2022 Tax Supported Operating Budget \$13.03B



## Aligning the City's Budget to the Province of Ontario's Reporting Regulation and Accrual Accounting

On an annual basis, the City publishes its budget as part of the [Budget Book](#), to set its priorities and funding requirements for the year. At the end of the fiscal year, the City publishes its [consolidated financial statements](#), based on full accrual accounting following Public Sector Accounting Standards (PSAS) to demonstrate the organization's ongoing fiscal responsibility to Torontonians.

The Budget Book is a "forward-looking" document that states the City's planned operating and capital expenditures for the upcoming fiscal year. The City prepares the budget information in this document using the cash basis of accounting and in accordance with section 228 of the City of Toronto Act, 2006 (Act). Due to legislative requirements, the Budget Book provides a balanced budget, which does not result in a surplus or deficit, but allows the City to finance its planned operating and capital expenditures through use of revenue sources, such as property taxes, utility charges, grants from other orders of government, and other user fees.

In contrast to the Budget Book, the City's consolidated financial statements is responsible for disclosing how the organization used its approved budget to finance its actual expenditures during the year, as well as what long-term obligations and commitments the City will or will likely settle in future fiscal periods. The City's consolidated financial statements are prepared in accordance with PSAS, where revenues and expenditures are recognized using the full accrual basis of accounting based on recognition criteria outlined in the accounting standards. The budget values presented in the City's Consolidated Statement of Operations and Accumulated Surplus are presented on the same basis.

Recognizing that the City's budget is intended to allow the City to raise funds required for operating and capital expenditures, Ontario Regulation 286/09 (Regulation) allows the City to exclude the following accrual accounting based adjustments:

- Amortization of tangible capital assets: costs associated with the declining value of an asset resulting from the passage of time (the asset useful life during which benefits are derived);
- Post-employment benefit expenses: benefits earned by the City's employees in the current year, but not paid for until at, or beyond, retirement; and
- Solid waste landfill closure and post-closure expenses: costs associated with anticipated closure and post-closure activities that increase in proportion to the actual usage of the landfill sites.

The below table provides an overview of the City's budget for 2022 and reflects management's best estimate of adjustments that the Regulation requires from both reporting and City Council's approval purposes. Not all PSAS differences between the cash-based budget and full accrual accounting-based financial statements are incorporated into the Ontario Regulation Report approved by City Council. For example, the City budgets for and charges capital expenditures against its capital budget but a significant portion of those expenditures are capitalized as part of the City's Tangible Capital Asset balances on the Statement of Financial Position. When the adjustments from the Ontario Regulation Report are factored in, the City's approved budget will result in a net deficit of \$1.6B:

	<b>\$000's</b>
City Council approved tax and rate supported expenditure budget (Note 1)	14,985,849
Add:	
Amortization of tangible capital assets	1,392,000
Estimated increase in post-employment liabilities	143,000
Estimated increase in solid waste landfill closure and post-closure costs	20,000
<b>Tax and rate supported expenditure budget, net of adjustments per Ontario Regulation 286/09</b>	<b>16,540,849</b>
<b>City Council approved tax and rate supported revenue budget (Note 1)</b>	<b>14,985,849</b>
<b>Annual deficit, net of adjustments per Ontario Regulation 286/09 – December 31, 2022</b>	<b>1,555,000</b>

Because the City's balanced budget process outlines anticipated sources of, and uses for funds in the current year, the exclusion of the above expenses does not immediately impact the City's ability to generating sufficient funding to finance its annual operating and capital expenditures.

The excluded expenses meet financial reporting requirements, based on public sector accounting standards; as a result, the value impacts the accumulated surplus reported in the City's audited financial statements. The accumulated surplus for the City represents its cumulative net investment in tangible capital assets.

Note 1: The budget includes the City's tax and rate-supported programs, as well as over 100 agencies, boards, and corporations, which are consolidated as part of the City's annual financial statements.

# About Toronto



## Profile on Toronto

### City of Toronto, GTA and CMA

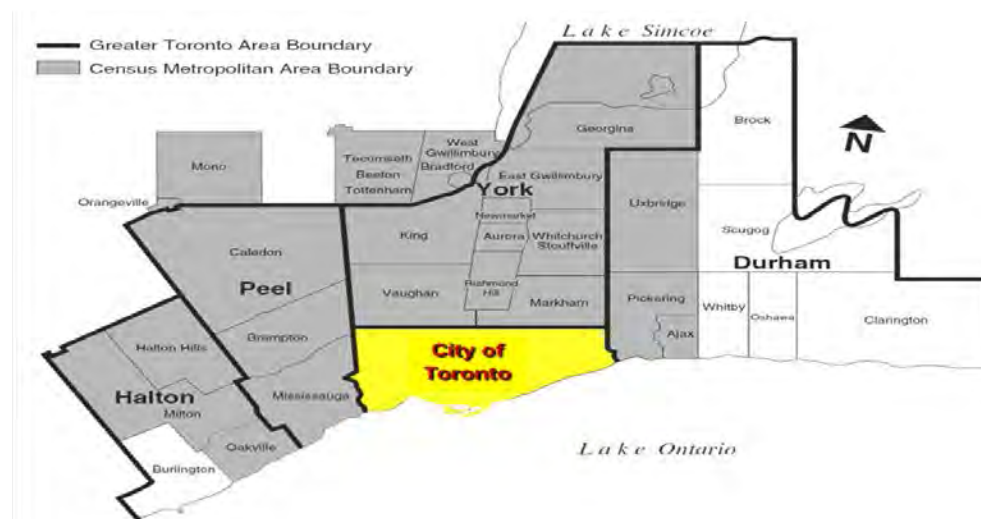
The City of Toronto is Canada's largest city with a population of 3.0 million residents. It is the heart of a large urban agglomeration of 7.1 million called the Greater Toronto Area (GTA)<sup>1</sup>. The City has one of the most ethnically diverse populations in North America. According to 2016 Census data, more than half (51.5%) of the population belongs to a visible minority group.

The City of Toronto is the major economic engine of the country. The City is both the political capital of the Province of Ontario and the corporate capital of Canada. As well, it is the major centre for culture, entertainment and finance in the country. The City is the home to more national and internationally ranked companies than any other city in Canada.

The GTA is one of the largest regional economies in North America, characterized by concentrated and fast-growing finance-related industries and highly specialized knowledge-based jobs. An estimated \$348 billion of goods and services (2020 – in chained \$2012 dollars) are produced in the Toronto Census Metropolitan Area (CMA<sup>2</sup>). The City of Toronto accounts for just under 1/2 of this total, \$162 billion (2020 - in chained 2012 dollars). As well, the City accounts for 23% of Ontario's GDP and about 9% of the country's economic output. Toronto CMA is also the location of 705 Canadian Head Offices, the most in Canada.

### City of Toronto, GTA and CMA

Figure 1: Map of City of Toronto GTA and CMA



In addition to the modern network of highways and transcontinental railway lines that traverse the City of Toronto, local businesses are also well served by two airports: Pearson International Airport, the largest in Canada and Billy Bishop Toronto City Airport which is located near the

<sup>1</sup> Greater Toronto Area (GTA) refers to the City of Toronto plus the surrounding regions of Durham, York, Peel and Halton which include four upper tier and 24 lower tier municipalities.

<sup>2</sup> Toronto CMA (Census Metropolitan Area) refers to the municipalities assigned by Statistics Canada on the basis of labour market and commuting criteria. It comprises the City of Toronto and 23 other municipalities.

downtown core. Union Station, the City's central, multimodal transportation hub is the busiest, multimodal, passenger transportation hub in Canada, serving over approximately 250,000 travellers daily. It is connected to numerous methods of travel, including subway, commuter rail, commuter bus, passenger rail and bicycle. A major revitalization has recently been completed to improve the quality and capacity of pedestrian movement, restore heritage elements and to transform Union Station into a major destination for shopping, dining and visiting.

### **Key Employment Sectors**

Toronto has one of the most diverse economies in North America and provides companies with an equally rich mix of partners, suppliers and talented professionals to meet the demands of business today.

The Financial Services sector is emerging as the one of Toronto's highest growth industries with a large and highly concentrated workforce. The Toronto region is home to the functional head offices of the five major banks in Canada and the majority of foreign banks/subsidiaries/branches in Canada. Toronto was ranked 19<sup>th</sup> of 116 cities in the 2021 Global Financial Centres Index. According to a May 2021 Conference Board of Canada report entitled "Toronto's Global Financial Centre – Driving Economic Growth", Toronto's financial and insurance sector ranked second in North America and eighth globally in 2019 based on total employment. Also, according to the report, Toronto's financial sector had the largest employment growth in North America and fifth largest employment growth globally. Toronto was also the largest contributor to total GDP in Toronto and second largest in Ontario. Canada's largest five banks – RBC, TD, Scotiabank, BMO and CIBC – are among the largest banks in the world based on market capitalization.

Toronto Region is home to one of the most vibrant biotechnology clusters in the world. The Discovery District is a downtown research park with 7 million square feet of facilities — Canada's largest concentration of research institutes, business incubators and business support services. The Medical and Related Sciences (MaRS) project, the Faculty of Pharmacy building at the University of Toronto, and the Centre for Cellular and Biomolecular Research (CCBR) help give the Discovery District its name.

Continued investment in the Arts, Entertainment and Recreation sector is vitally important for the attraction of tourists and film production to the City. Toronto has undergone a 'cultural renaissance' with the unprecedented building and architectural transformation of close to a dozen major arts and cultural institutions, including the Michael Lee-Chin Crystal (an expansion of the Royal Ontario Museum), the Art Gallery of Ontario, the new home of the Toronto International Film Festival, the Four Seasons Centre for the Performing Arts which is the new home of the National Ballet of Canada and the Canadian Opera Company, and the Gardiner Museum of Ceramic Art. In fall 2013, Ripley's Aquarium of Canada opened its doors as a major new tourist attraction in City featuring about 20,000 aquatic animals and over 100 interactive opportunities. The production of domestic and foreign film and television is a major local industry. Some 1,500 projects in film, television, commercial and music videos were logged in 2021, and three major film studio projects were announced in 2021 for the Port Lands Downsview areas. Toronto contains the headquarters of the major English language Canadian television networks such as CBC, CTV, Citytv and Global. Toronto is home to two national daily newspapers (Globe and Mail and National Post), two local daily newspapers (Toronto Star and Toronto Sun), approximately 160 ethnic newspapers/magazines, and many other community papers.

The Toronto-Waterloo Innovation Corridor is one of the large largest technology clusters in North America, employing over 200,000 people at approximately 15,000 technology companies. Shopify Inc. and Uber Technologies Inc. are two technology-related companies that announced

large investments in the City of Toronto in recent years. Toronto has a vibrant web start-up scene and growing mobile application development community. Google Canada has several offices in the Greater Toronto Area but has plans to amalgamate staff in one central location at 65 King Street East. The office is expected to be completed by 2022. Likewise, Microsoft Canada has plans to locate its Canadian headquarters to CIBC Square (81 Bay Street) when construction is completed in 2022. Three of the world's largest social networking sites - LinkedIn, Facebook Canada and Twitter Canada have also established their head offices in Toronto.

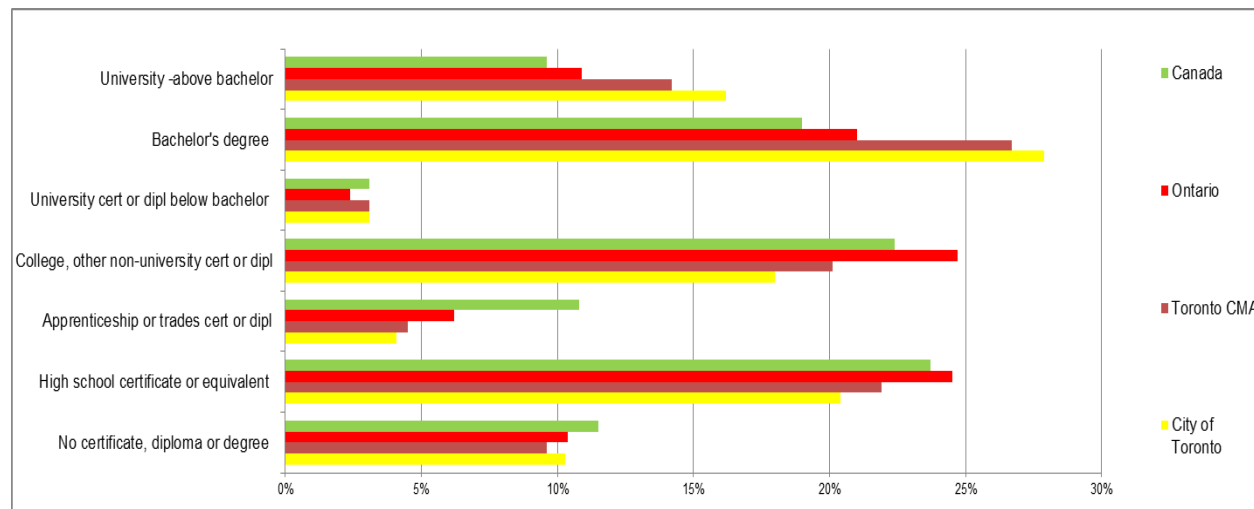
The backbone of the technology sector in the Toronto CMA is its telecommunication infrastructure. Home to two of the three largest telecommunications companies in Canada as well as to smaller service providers, Toronto is connected by sophisticated high speed networks. A critical mass of talent and growing number of experienced developers has also helped Toronto become a successful mobile application development hub. Mobile development camps, incubators for mobile start-ups, and investments in Toronto mobile firm mean that mobile companies continue to thrive here.

### Workforce

Toronto has a large educated, skilled and multilingual workforce. Toronto is the home to four universities (University of Toronto, York University, Ryerson University, and Ontario College of Art and Design), and four community colleges (Centennial, Seneca, Humber and George Brown). According to the 2016 Census and illustrated in figure 2, approximately 69% of Toronto residents aged 25-64 have post-secondary degrees, diplomas or certificates.

### Population Aged 25 – 64 By Education Level Achieved

Figure 2: Population Aged 25 – 64 By Education Level Achieved



With an estimated 1.5 million labour force in the City of Toronto, it continues to be an important hub for employment in the Greater Toronto Area. However the surrounding regions are changing rapidly in that they are experiencing growth in manufacturing and other types of employment and thus transforming themselves from residential suburbs to employment destinations. The rest of the GTA has now also become a net importer of labour from the surrounding regions beyond the GTA. According to the 2016 Census, slightly fewer than half of Toronto residents (46%) commute to work by motor vehicle. Toronto residents are also more than twice as likely to cycle to work as the Canadian average.

**Economic Growth Forecast for Ontario and Toronto**

According to a September 2021 provincial forecast report issued by the Conference Board of Canada, The Province of Ontario is expected to achieve strong real GDP growth of 6.7% in 2021, followed by continued robust growth of 4.1% growth in 2022. The high economic activity is led by high levels of household spending, spurred by high savings rates during the Pandemic. On the other hand, a shortage in microchips is having a negative impact on automobile production in the Province.

According to the Conference Board of Canada, in its March 22, 2022 publication "Major City Insights – Toronto", after rebounding in 2021 in real GDP by 4.7%, strong growth of 4.1% is expected to continue in 2022 with an expectation of 4.1% growth in real GDP, followed by a weaker growth expectation of 1.6% in 2023. For the forecast period from 2022-2026, the Conference Board is forecasting an average of 2.5% real GDP growth. As the proportion of Toronto's workforce that has been able to work from home is high, the City's economy has remained in better shape than the long periods of restrictions would imply. The City's financial sector will continue to serve as a key economic engine. The City's arts and entertainment industry is expected to rebound strongly with most public health restrictions to be lifted by end of the first quarter of 2022. Labour shortages and high consumer prices pose strong growth risks for 2023.

Housing demand has remained strong with 42,300 housing starts in 2021 representing the highest annual total since 2015. Low interest rates, high savings rates, and strong house owner desire for more space due to the rise in remote working, have fueled housing activity. While rising mortgage rates will serve as a drag, recovering immigration levels is expected to be an offsetting factor. Overall construction output is expected to grow by 3.0% in 2022.

**Social Assistance Caseload**

The number of cases and people on social assistance are largely associated with the unemployment rate, and to a certain extent, population and participation rate. The City's Social Assistance (Ontario Works) caseload has followed a similar historical trend as its unemployment rate (although lagging by anywhere from 6 to 12 months). Since 2008, the average monthly caseload has risen from approximately 76,000 average monthly cases to a peak of approximately 104,000 average monthly cases in 2012, before dropping back as a result of improved employment conditions to approximately 83,000-84,000 average monthly cases from 2016 to 2020. Caseload levels remained well below the budgeted level of 91,000 average monthly cases in 2021 as government income support programs were extended to October. These programs alleviated pressure on the OW program as City residents who might have otherwise required social assistance were able to access the federal income supports for most of the year. With the federal income support programs ending, and consistent with provincial projections, TESS is anticipating a substantial caseload increase in 2022. The 2022 budgeted caseload has been set at 91,000, unchanged from the 2021 budget, however 23,000 cases higher than the 2021 experienced average monthly caseload of 68,000.

**Transit Ridership Projections and Covid-19 Financial Impacts**

Based on anticipated ridership levels, ridership revenue is budgeted at \$851.9 million. Ridership is anticipated to gradually recover throughout 2022 based on projections that most offices will adopt a hybrid working model, the continued return to in-person class settings for post-secondary institutions and resumption of pre-pandemic levels of events and social gatherings. Ridership is projected to start 2022 at 54% of pre-COVID levels and end the year at 81%, averaging 69% of pre-COVID levels. In order to support the accessibility of transit for all riders and promote ridership recovery, TTC fares will be frozen for the second year in a row.

To-date, the TTC has received \$1.3 billion in funding relief from other orders of government which recognizes the importance of public transit as an essential service and as the foundation for the City's vitality and recovery. The City and TTC continue to hold discussions with other orders of government to address 2022 COVID impacts and secure stable and long-term funding. The COVID-19 financial impact is estimated to be \$461.2 million in 2022, based in part on projected 2022 ridership of 369.4 million rides as well as lower revenues projections for parking, advertising and subway concessions. In addition, incremental Covid-19 expenditure impacts are budgeted to be \$51.3 million in 2022.





**Mayor**  
**John Tory**  
416-397-CITY (2489)



**Ward 1**  
**Etobicoke North**  
**Michael Ford**  
416-397-9255  
Suite C 40



**Ward 2**  
**Etobicoke Centre**  
**Stephen Holyday**  
416-392-4002  
Suite B 26



**Ward 3**  
**Etobicoke-Lakeshore**  
**Mark Grimes**  
416-397-9273  
Suite C 48



**Ward 4**  
**Parkdale-High Park**  
**Gord Perks**  
416-392-7919  
Suite A 14



**Ward 5**  
**York South-Weston**  
**Frances Nunziata**  
416-392-4091  
Suite C 49



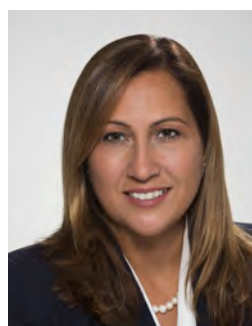
**Ward 6**  
**York Centre**  
**James Pasternak**  
416-392-1371



**Ward 7**  
**Humber River-Black Creek**  
**Anthony Perruzza**  
416-338-5335  
Suite C 41



**Ward 8**  
**Eglinton-Lawrence**  
**Mike Colle**  
416-338-2500  
Suite A 20



**Ward 9**  
**Davenport**  
**Ana Bailão**  
416-392-7012  
Suite C 42



**Ward 10**  
**Spadina-Fort York**  
**Joe Cressy**  
416-392-4044  
Suite C 53



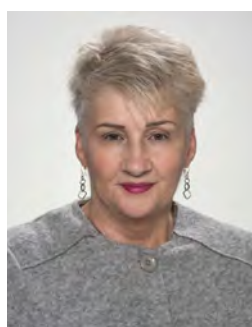
**Ward 11**  
**University-Rosedale**  
**Mike Layton**  
416-392-4009  
Suite C 47



**Ward 12**  
**Toronto-St. Paul's**  
**Josh Matlow**  
416-392-7906  
Suite A 17



**Ward 13**  
**Toronto Centre**  
**Kristyn Wong-Tam**  
416-392-7903  
Suite A 5



**Ward 14**  
**Toronto-Danforth**  
**Paula Fletcher**  
416-392-4060  
Suite C 44



**Ward 15**  
**Don Valley West**  
**Jaye Robinson**  
416-395-6408  
Suite A 12



**Ward 16**  
**Don Valley East**  
**Denzil Minnan-Wong**  
416-397-9256  
Suite B 33



**Ward 17**  
**Don Valley North**  
**Shelley Carroll**  
416-338-2650  
Suite A 3



**Ward 18**  
**Willowdale**  
**John Filion**  
416-395-6411  
Suite B 36



**Ward 19**  
**Beaches-East York**  
**Brad Bradford**  
416-338-2755  
Suite B 28



**Ward 20**  
**Scarborough Southwest**  
**Gary Crawford**  
416-392-4052  
Suite A 11



**Ward 21**  
**Scarborough Centre**  
**Michael Thompson**  
416-397-9274  
Suite B 31



**Ward 22**  
**Scarborough-Agincourt**  
**Nick Mantas**  
416-392-1374  
Suite A 1



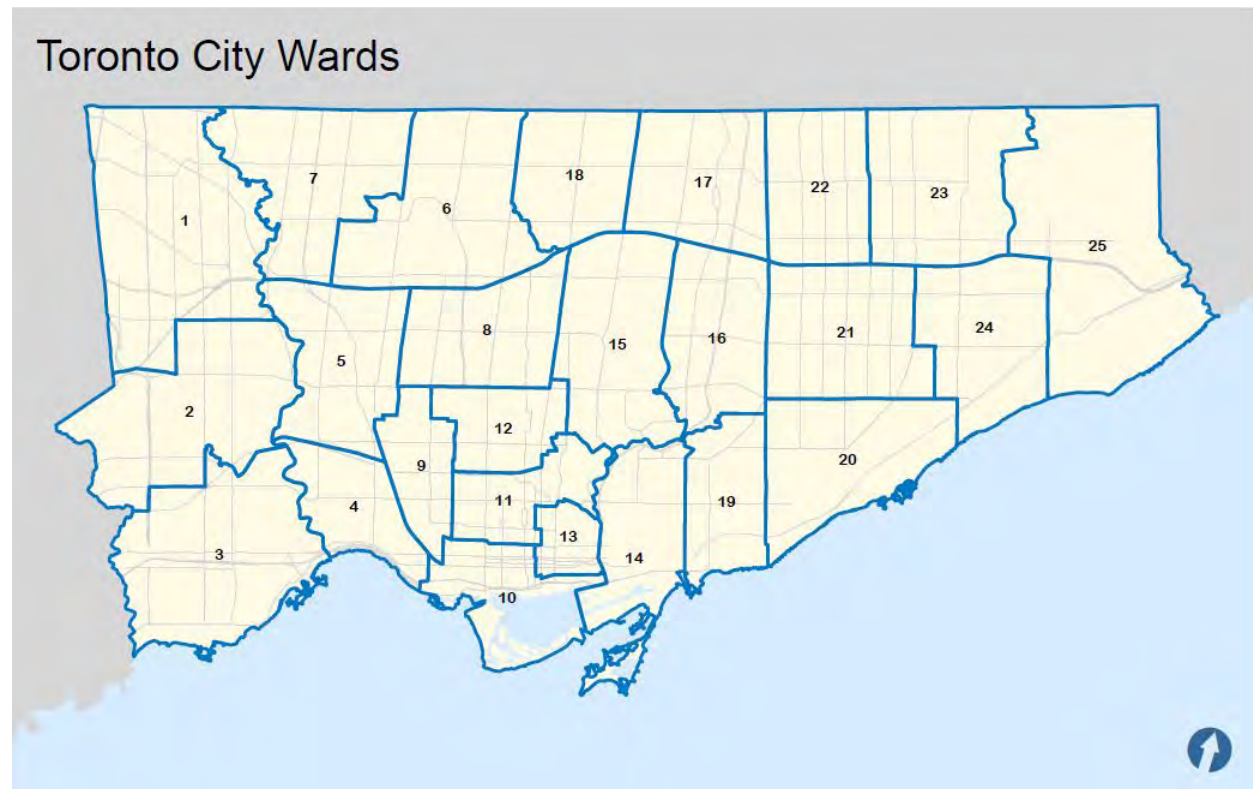
**Ward 23**  
**Scarborough North**  
**Cynthia Lai**  
416-338-2858  
Suite A 8



**Ward 24**  
**Scarborough-Guildwood**  
**Paul Ainslie**  
416-392-4008  
Suite C 52



**Ward 25**  
**Scarborough-Rouge Park**  
**Jennifer McKelvie**  
416-338-3771  
Suite B 25



Ward Number	Ward Name	Councillor
1	Etobicoke North	Councillor Michael Ford
2	Etobicoke Centre	Councillor Stephen Holyday
3	Etobicoke-Lakeshore	Councillor Mark Grimes
4	Parkdale-High Park	Councillor Gord Perks
5	York South-Weston	Councillor Frances Nunziata
6	York Centre	Councillor James Pasternak
7	Humber River-Black Creek	Councillor Anthony Perruzza
8	Eglinton-Lawrence	Councillor Mike Colle
9	Davenport	Councillor Ana Bailão

Ward Number	Ward Name	Councillor
10	Spadina-Fort York	<a href="#">Councillor Joe Cressy</a>
11	University-Rosedale	<a href="#">Councillor Mike Layton</a>
12	Toronto-St. Paul's	<a href="#">Councillor Josh Matlow</a>
13	Toronto Centre	<a href="#">Councillor Kristyn Wong-Tam</a>
14	Toronto-Danforth	<a href="#">Councillor Paula Fletcher</a>
15	Don Valley West	<a href="#">Councillor Jaye Robinson</a>
16	Don Valley East	<a href="#">Councillor Denzil Minnan-Wong</a>
17	Don Valley North	<a href="#">Councillor Shelley Carroll</a>
18	Willowdale	<a href="#">Councillor John Filion</a>
19	Beaches-East York	<a href="#">Councillor Brad Bradford</a>
20	Scarborough Southwest	<a href="#">Councillor Gary Crawford</a>
21	Scarborough Centre	<a href="#">Councillor Michael Thompson</a>
22	Scarborough-Agincourt	<a href="#">Councillor Nick Mantas</a>
23	Scarborough North	<a href="#">Councillor Cynthia Lai</a>
24	Scarborough-Guildwood	<a href="#">Councillor Paul Ainslie</a>
25	Scarborough-Rouge Park	<a href="#">Councillor Jennifer McKelvie</a>



## City Governance Structure



*Table 1: Council and Organization Governance*

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>▪ Council Governance               <ul style="list-style-type: none"> <li>➤ Executive Committee</li> <li>➤ 9 Standing Committees</li> <li>➤ 112 Boards of Management</li> <li>➤ 6 City Corporations</li> <li>➤ 2 Partnered Corporations</li> <li>➤ 10 Quasi – Judicial &amp; Adjudicative Boards</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>▪ Organization Governance               <ul style="list-style-type: none"> <li>➤ City Operations                   <ul style="list-style-type: none"> <li>❖ 34 Division</li> <li>❖ 4 Accountability Offices</li> <li>❖ 25,197 Employees</li> </ul> </li> <li>➤ Agencies:                   <ul style="list-style-type: none"> <li>❖ 14 Agencies</li> <li>❖ 28,996 Employees</li> </ul> </li> </ul> </li> </ul> |
|--|---|





**Toronto City Council**[City Council](#)**Committees Reporting to City Council**[Audit Committee](#)[Board of Health](#)[Civic Appointments Committee](#)[Economic and Community Development Committee](#)[Executive Committee](#)[General Government and Licensing Committee](#)[Infrastructure and Environment Committee](#)[Planning and Housing Committee](#)[Special Committee on Governance](#)[Striking Committee](#)**Community Councils**[Etobicoke York Community Council](#)[North York Community Council](#)

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[Scarborough Community Council](#)

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[Toronto and East York Community Council](#)

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### Other Boards and Committees

[Bid Award Panel](#)

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[Board of Directors of TO Live](#) (Formerly named Board of Directors of Civic Theatres Toronto)

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[Board of Directors of the Toronto Atmospheric Fund](#)

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[Board of Governors of Exhibition Place](#)

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[Board of Health - Performance Appraisal of the Medical Officer of Health](#)

---

[Board of Health Budget Committee](#)

---

[Board of Health Toronto Urban Health Fund Review Panel](#)

---

[Board of Management of the Toronto Zoo](#)

---

[Budget Committee](#)

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[Budget Subcommittee - Scarborough and Etobicoke Consultations](#)

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[Budget Subcommittee - City Hall and North York Consultations](#)

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[Compliance Audit Committee](#)

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[CreateTO \(formerly named Toronto Realty Agency\)](#)

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[Dangerous Dog Review Tribunal](#)

---

[Debenture Committee](#)

---

[Graffiti Panel](#)

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[Members of the Toronto Atmospheric Fund](#)

---

[Nominating Panel - Committee of Adjustment](#)

---

[Nominating Panel - Compliance Audit Committee](#)

---

[Nominating Panel - Corporations](#)

---

[Nominating Panel - Toronto Licensing Tribunal](#)

---

[Nominating Panel - Toronto Local Appeal Body](#)

---

[Nominating Panel – Administrative Penalty Tribunal](#)

---

[Nominating Panel – Dangerous Dog Review Tribunal](#)

---

[Nominating Panel – Property Standards Committee](#)

---

[Nominating Panel – Rooming House Licensing Commissioner and Deputy Commissioner](#)

---

[Nominating Panel – Sign Variance Committee](#)

---

[Property Standards - Etobicoke York Panel](#)

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[Property Standards - North York Panel](#)

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[Property Standards - Scarborough Panel](#)

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[Property Standards - Toronto and East York Panel](#)

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[Property Standards Committee](#)

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[Sign Variance Committee](#)

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[Subcommittee on Ontario Place](#)

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[Toronto Accessibility Advisory Committee](#) (Formerly named Disability, Access and Inclusion Advisory Committee)

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[Toronto Investment Board](#)

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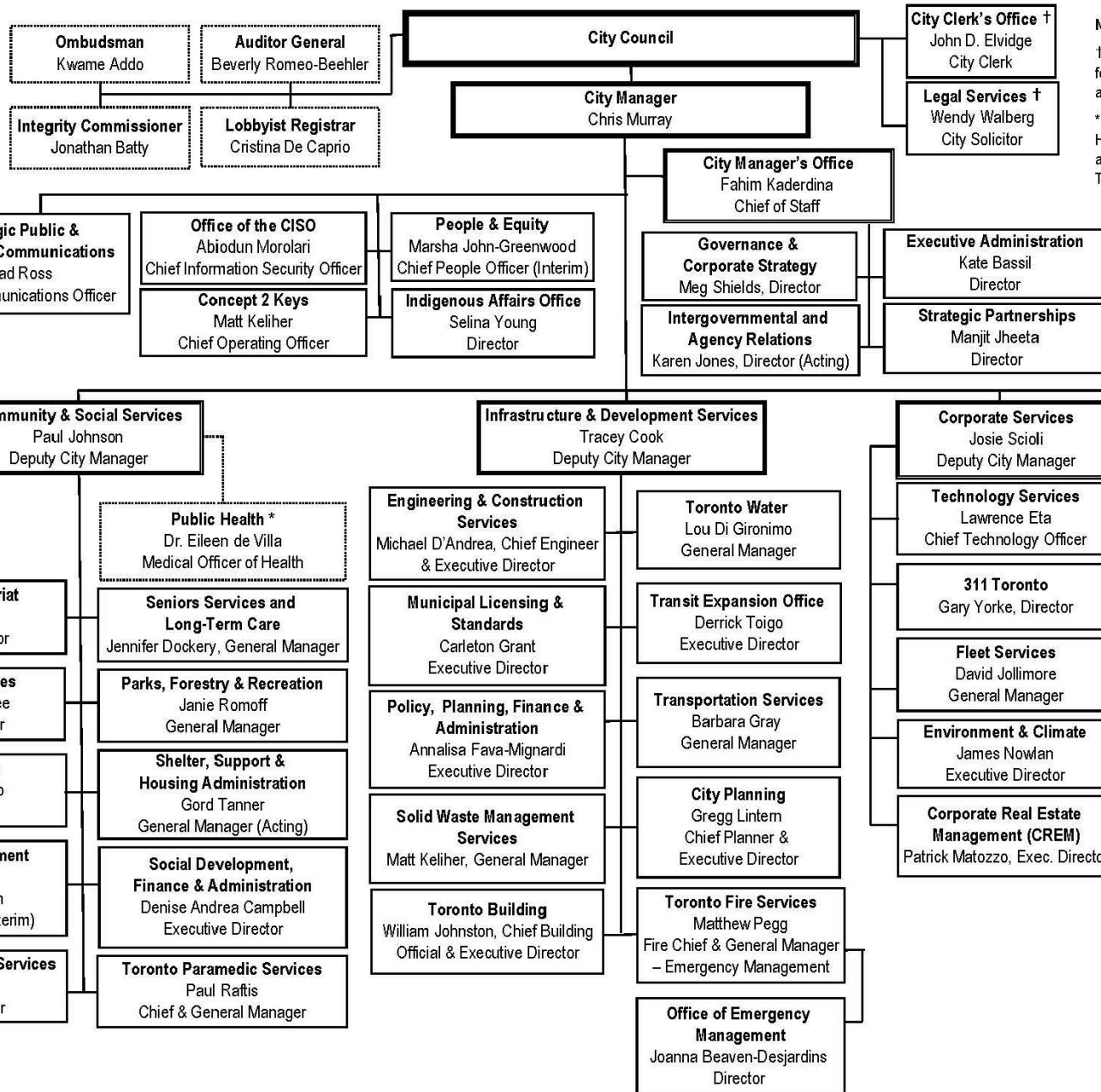
[Toronto Parking Authority](#)

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[Toronto Preservation Board](#)

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[Tribunals Nominating Panel](#)



**Notes:**

† The City Clerk and City Solicitor report to City Council for statutory purposes and to the City Manager for administrative purposes.

\* The Medical Officer of Health reports to the Board of Health and coordinates with the Deputy City Manager on administrative matters affecting City employees within Toronto Public Health.



# AGENCIES AND CORPORATIONS

## Agencies

### Service Agencies

- CreateTO
- Exhibition Place Board of Governors
- Heritage Toronto
- TO Live
- Toronto Atmospheric Fund
- Toronto Board of Health and Toronto Public Health
- Toronto Investment Board
- Toronto Parking Authority
- Toronto Police Services Board and Toronto Police Service
- Toronto Public Library Board
- Toronto Transit Commission
- Toronto Zoo Board of Management
- Yonge-Dundas Square Board of Management

### Partnered Agency

- Toronto and Region Conservation Authority

### *Community-Based Boards:*

#### ➤ **83 Business Improvement Area (BIA) Boards of Management**

#### ➤ **Arena Boards of Management:**

- George Bell Arena
- Larry Grossman Forest Hill Memorial Arena
- Leaside Memorial Community Gardens Arena
- McCormick Playground Arena
- Moss Park Arena
- North Toronto Memorial Arena
- Ted Reeve Community Arena
- William H. Bolton Arena

#### ➤ **Community Centre Boards of Management (AOCCs):**

- 519 Church Street Community Centre
- Applegrove Community Complex
- Cecil Community Centre
- Central Eglinton Community Centre
- Community Centre 55
- Eastview Neighbourhood Community Centre
- Ralph Thornton Community Centre
- Scadding Court Community Centre
- Swansea Town Hall Community Centre
- Waterfront Neighbourhood Centre

## Corporations

### City Corporations

- Build Toronto Inc.
- Casa Loma Corporation
- Lakeshore Arena Corporation
- Toronto Community Housing Corporation
- Toronto Hydro Corporation
- Toronto Port Lands Company (Toronto Economic Development Corporation)
- Toronto Seniors Housing Corporation

### Partnered Corporations

- Toronto Pan Am Sports Centre Inc.
- Waterfront Toronto (Toronto Waterfront Revitalization Corporation)

## Adjudicative Bodies

### Quasi-Judicial & Adjudicative Boards

- Administrative Penalty Tribunal
- Committee of Adjustment
- Committee of Revision
- Compliance Audit Committee
- Dangerous Dog Review Tribunal
- Property Standards Committee
- Rooming House Licensing Commissioner<sup>1</sup>
- Sign Variance Committee
- Toronto Licensing Tribunal
- Toronto Local Appeal Body

### Notes:

1. Rooming House Licensing Commissioner and Deputy are Officers, rather than an agency of the City, but in all other respects function as a quasi-judicial and adjudicative board.

Updated: **November 2020**

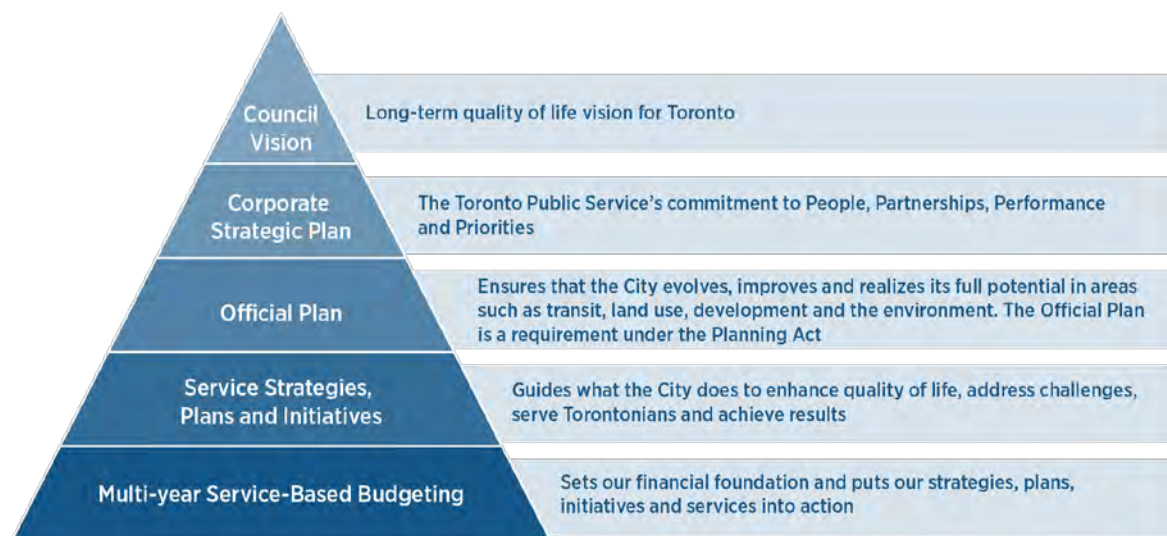
# **An Integrated Framework For Planning and Performance**

## Overview

The City of Toronto strategic planning framework integrates City Council's vision, the Official Plan, service-focused strategies, plans, initiatives, and multi-year budgeting. It aligns planning, budgeting and performance management activities, simplifies the way the City delivers, monitors and reports on priorities and outcomes.

The framework incorporates leading practices used by other municipalities around the world and comprises approaches and methods that support strategic decision-making by Council and the Toronto Public Service. It improves transparency and accountability, and aligns operations to strategic directions and long-term financial sustainability goals.

*Figure 1: Strategic Planning Framework*



## Corporate Strategic Plan

Toronto Public Service's Corporate Strategic Plan sets out our highest priorities and creates a common understanding of the work the City will focus on to be successful, to deliver a high quality of life for residents, businesses and visitors, and to earn the trust and confidence of Torontonians, City Council and staff.

The plan is guided by City Council's vision, Toronto's motto and the Toronto Public Service's mission. It identifies our organization's strategic areas of focus and is grounded in our commitment to our people, partnerships, and performance. The Plan identifies six key priorities for the Toronto Public Service, expected results and strategies, plans and initiatives that we will deliver on to meet Council's directives. Combined, these elements focus the City's leadership and guide staff on how their work fits into the City's overall long-term goals.

## Corporate Priorities

Our corporate priorities are what we will focus on to improve the performance of our organization. Success in these priorities will result in a more resilient, effective and efficient organization, able to face challenges and seize opportunities.

Corporate Priorities include 'Performance Results,' which are aspirations for how we will perform as an organization. These results are managed by the City.

## Financial sustainability

We will work and partner to ensure value and affordability for taxpayers, adequately fund municipal services and infrastructure, make needed investments in the city, and improve our financial health. We will make informed financial decisions and effectively manage resources for Toronto's future.

### Performance Results:

- Residents and businesses will see value from their municipal taxes, rates and user fees
- The City's budget will be a more efficient and effective tool to help support strategic, multi-year decision-making and manage Toronto's priorities
- Enhanced public trust and confidence through financial information and systems that provide a consistent, accurate and transparent view of City finances
- Improved asset management, and efficient use of City assets, will result in reduced costs and better service delivery
- A financially agile and resilient organization that is responsive to change
- Improved overall financial health and effectively managed finances
- Partnerships with other orders of government and the private sector that address and fund shared outcomes

## A well-run City

We will have a committed, engaged and diverse workforce. We will improve the lives of residents, businesses and visitors by providing simple, reliable and connected services that anticipate changing customer needs and improve the lives of residents, businesses and visitors. We will build trust and confidence in local government.

### Performance Results:

- Employees are proud, passionate and committed to their work
- A public service that is both reflective of the population we serve and is inclusive, accessible and welcoming to everyone
- Employees who support continuous improvement and embrace new approaches to their work
- Simple, reliable, efficient and equitable services that anticipate changing customer needs
- Services designed from the customer's perspective that allow residents, businesses and visitors to interact with the City where, when and how they choose
- Shared services across City divisions and agencies that reduce costs, create economies of scale, increase service efficiency and effectiveness, and improve customer service
- An open, responsive, accountable and transparent municipal government, where residents have an opportunity to be heard and participate in the City's decision-making
- The City's decision-making processes prioritize the needs of equity-seeking groups

## Strategic Priorities

Our strategic priorities are what we will focus on to improve quality of life for Torontonians. Success in these priorities will result in a more livable, healthy, safe, prosperous, affordable and resilient Toronto.

Strategic Priorities include 'Quality of Life Results,' which are aspirations for the wellbeing of our residents, businesses, communities or city. Achieving these results requires the joint effort of many partners – including governments, community groups, organizations, schools, private sector groups and individuals – as we address local and global challenges.

### Maintain and create housing that's affordable

We are committed to a city where families and individuals live in safe, stable and affordable housing with respect and dignity.

#### Quality of Life Results:

- People live in stable housing that is safe, suitable to their needs and have the individualized support they need to help them maintain housing
- There are more affordable housing options in all parts of Toronto to help meet the need and demand of low- and moderate-income people
- Those without housing have access to a full range of shelter and housing options

### Keep Toronto moving

We are committed to a city with safe, affordable and accessible transportation choices for people and goods.

#### Quality of Life Results:

- An inclusive and equitable city-wide transportation network that provides reliable and affordable travel choices, connects people to places and activities they value, and supports the delivery of goods
- Safer streets by design, where people can be active and healthy, and where fatalities and injuries are eliminated
- A greener and more resilient city, with transportation options that reduce environmental impacts and are adaptable to future challenges and smart city innovations

### Invest in people and neighbourhoods

We are committed to a city that protects and improves quality of life for all including safety, health, and social and economic wellbeing and inclusion.

#### Quality of Life Results:

- The impacts of poverty on Toronto's residents are mitigated
- There are opportunities for all, including Toronto's diverse Indigenous and equity-seeking communities
- All residents have a sense of belonging, and live in healthy, diverse, culturally rich, and cohesive communities
- Individuals and communities feel safe and secure



- A vibrant and growing economy that helps businesses thrive and more fully employs an expanding workforce
- The City continuously invests in and delivers safe and sustainable infrastructure that enhances the quality of life of the people of Toronto

### **Tackle climate change and build resilience**

We are committed to fighting climate change and preparing our city government, our economy, our ecosystems, and our communities, especially the most vulnerable communities, for a changing climate.

#### **Quality of Life Results:**

- Toronto survives, adapts and thrives in the face of climate change
- Reduced local greenhouse gas emissions fight climate change, improve our health, grow our economy, and improve social equity
- The City protects and invests in its ecosystems, natural spaces, land, air and water
- Public and private assets, infrastructure, and buildings are responsibly managed in light of the risks posed by our changing climate, and are built and maintained to reduce greenhouse gas emissions
- Residents and businesses take action to tackle climate change and build resilience in their neighbourhoods
- A more circular economy diverts waste from landfill, reduces greenhouse gas emissions and is resilient to future challenges

### **Corporate Performance Management System**

The Toronto Public Service uses a corporate performance management methods and tools to help manage our programs and services in a consistent, effective and efficient way. The Corporate Performance Management System considers five main areas:

1. Service Review and Improvement
2. Service-based Budgets
3. Performance Measurement and Accountability
4. Leadership Performance and Staff Development
5. Enterprise Risk Management

*Figure 2: Corporate Performance Management System*

**Service Review and Improvement** - The City undertakes service reviews to ensure we are delivering services that are valued and best align with current and future needs of Toronto's communities. Service reviews provide a mechanism to ensure effective and efficient service delivery, while building a culture that strives for continuous improvement, innovation, flexibility and integration to better serve the public. Service reviews focus on both what we do and how we do it. They involve evaluating program costs, benefits and outcomes to achieve the best value for money.

Excellence Toronto is our corporate-wide continuous improvement initiative. It provides a roadmap for continuous improvement efforts, a recognition system for excellence within the City, and helps us tell our story as a public service. In addition to Excellence Toronto, the City undertakes targeted service review and improvement initiatives as needed.

**Service-Based Budgets** - The City is moving from division-based plans and budgets to service-based plans and budgets. Service-based budgets shift away from a traditional, departmental view of government, to one that focuses on the services delivered to the public. Service-based budgets look at each service by what is being delivered and not who delivers it. Clear information about City services increases public awareness of the costs of providing these services and supports robust discussions

on their continued value. Moving to service-based budgets will allow staff to provide improved information and advice to Council on each service's value to enable strategic decision-making and informed investment decisions.

**Performance Measurement and Accountability** - The City uses Results Based Accountability (RBA) as a performance management and accountability framework. RBA is a data-driven, decision-making process to help take action to solve problems. It gets from talk to action quickly. It helps identify barriers to innovation, builds collaboration and consensus, and uses data and transparency to ensure accountability for both the wellbeing of people and the performance of programs. Measuring our performance helps us understand the value we are delivering to Torontonians, determines whether we are achieving results, and informs us how to take action accordingly.

**Leadership Performance and Staff Development** - Leadership performance and staff development are about improving staff engagement and productivity to build a high-performing organization. It is about helping to improve skills and talent within the organization, from front-line staff to executive leadership. The performance and development of our people – the Toronto Public Service – is critical to how well we work as an organization and how we deliver value to residents, businesses and visitors, and how we serve City Council. To effectively deliver services, our workforce must be resilient, adaptable to change, continuously improve and innovate. The organization will cultivate these capabilities through continuous learning and development, creating a culture of leadership performance and accountability.

**Enterprise Risk Management** - The methods and processes used to manage and mitigate risks are critical to the performance of our organization. Enterprise Risk Management is a structured, continuous process for identifying and assessing risks, choosing responses, taking action, and monitoring progress. It is about better enabling the City to deal effectively with uncertainty and respond to risk in a manner that increases the likelihood of positive outcomes. A Risk Management Policy and Framework will create a consistent approach to risk management across the organization. It will support more effective and integrated risk management by ensuring risk management processes, responsibilities, and accountabilities are understood and the necessary arrangements for managing risk are in place. The framework will serve as a guide for City staff to incorporate risk management practices into daily decision-making.

### **Corporate Strategic Plan Implementation**

Implementation of the Corporate Strategic Plan is led by the Senior Leadership Team, the City Manager, Deputy City Managers, and the Chief Financial Officer and Treasurer with support from across the organization. Divisional service and work plans, and the implementation of strategies and initiatives, are used by the Corporate Leadership Team which is composed of all division heads, to manage their divisions' work to align and advance the Corporate Strategic Plan. A City Strategy Map is used to support implementation of the Corporate Strategic Plan. It provides a summary of the City's major strategies, their main components and relationship to other strategies.

In summary, the Corporate Strategic Planning Framework, and the Corporate Performance Management System clarify and strengthen accountability between Council, staff and the public, and focus the City's leadership and staff on results that improve the quality of life for residents and businesses, and the performance of the organization.

## Council's Vision for the City of Toronto

*Toronto is a caring and friendly city.*

We have opportunities to sustain and enrich our lives and reach our highest potential. Our diversity is valued and celebrated and our communities are a source of pride. We are actively involved in the social, cultural and political life of the city.

*Toronto is a clean, green and sustainable city.*

We integrate environmental stewardship into our daily activities. We maintain and improve the health of the environment for present and future generations.

*Toronto is a dynamic city.*

As the nation's leading economic engine, we are a centre of innovation and growth with a strong international presence. Our dynamic city is well positioned to succeed in the world economy.

*Toronto invests in quality of life.*

We invest in quality of life – socially, economically, culturally and environmentally – to make Toronto a desirable place to live, prosper and visit.

## Mission

To serve a great city and its people.

## Motto

*Diversity Our Strength*

Toronto is one of the most diverse cities in the world. We value the contributions made by everyone and believe that the diversity among our people has strengthened Toronto.

## LONG-TERM FINANCIAL PLAN

The Long-Term Financial Plan: The City of Toronto's Roadmap to Financial Sustainability was approved by Executive Committee on March 19, 2018.

The Long-Term Financial Plan provides a framework for longer-term financial decision-making, including strategies and key actions to facilitate multi-year, integrated, strategic decision-making. It does not provide a detailed implementation plan to respect the role of the City Council and the political decision-making processes for determining the way forward for Toronto. It offers a series of practical steps which, if assessed and implemented, will help the City Council realize the positive vision it has established.

The key actions and strategies contained in the Long-Term Financial Plan are intended to improve the long-term financial stability of the City. Implementation of the actions and directions will shift how the City approaches financial decision-making through its annual budget, service and financial planning, key expenditure, revenue and asset strategies, and intergovernmental fiscal frameworks.

### Key Challenges

There are four key challenges to delivering on Council's directions:

#### Moderate but growing risk, notably revenue volatility

- *Municipal Land Transfer Tax*
- *Impact on current service levels*

#### Gap between service commitments and revenue

- *Growing gap between spending and Council directions for increased service levels*

#### Modernization and transformation

- *Needed to achieve efficiencies and savings*

#### Intergovernmental transfers

- *City still pays disproportionate share of costs for services that provide regional and province-wide benefit*
- *Uncertain intergovernmental relationships going forward*

## Key Principles

This report also outlines five principles to support Council's priorities. Within each principle there are a number of key actions. How Council uses each principle and key action will depend on its desired strategic direction.

1. Better information to support strategic decision-making	2. Improve value for money	3. Secure adequate and fair revenue	4. Improve focus on financial balance sheet & financial health	5. Better integration with provincial & federal policies & fiscal direction
Better use of existing Council decision making processes, structures & tools	Set more strategic labour relations objectives	Adopt property tax policies to link tax increases with multi-year expenditures	Establish goals & report on financial health measures annually	Continue to pursue share policy outcomes with senior orders of Gov't
Align policy & financial direction	Rebuild back-office functions & front-line operations	Reduce cyclical risk of MLTT by allocating portion of revenue to capital reserves	Review debt service ratio and increase limit, as appropriate	Development a strategic intergovernmental approach based on Council's priorities
Implement operating & capital budget changes to support decision-making	Modernize & transform how the City does business	Ensure property development levies pay for cost of growth	Review reserve & reserve fund adequacy	Augment provincial & federal investments in Toronto in a fair & equitable manner
Improve risk analysis & reporting	Adopt new models of procurement	Identify all costs & report annually on tax & fee discounts, rebates, exemptions	Explore revenue performance of Toronto Hydro & TPA	
		Develop a user fees pricing strategy	Optimize investment returns through Investment Board	

## Additional Actions 2021- 2022:

Specific actions the City addressed during the 2021 and 2022 Budget processes included preserving existing services within public health guidelines while managing the impacts of COVID-19 and continuing to invest in key capital projects.



The challenges created with the onset and ongoing nature of the COVID-19 pandemic required the city to focus on addressing inequities amongst our residents. The 2021 and 2022 tax-supported operating budgets focused on keeping property taxes affordable, preserving service levels and augmenting where COVID-19 support and response was required. The tax-supported 10-year capital plans continue to invest in key areas such as mobility, housing, modernization and the environment. The re-shifting of City's priorities to respond to the pandemic created added costs and expenses and a significant loss in municipal revenues, while also balancing added pressures from inflation, cost escalations while ensuring continued prudent financial management and investments. These unprecedented COVID-19 ongoing financial pressures required the City to strengthen collaborations with the Federal and Provincial counterparts in securing COVID-19 support funding for municipalities. There continues to be a focus on recovery that will need to be incorporated as part of long term financial planning and ensure a sustainable financial future.

**Next steps:**

At the [Special Council](#) meeting on February 17, 2022, during agenda item [EX30.1](#), Item 12, City Council requested that the City Manager and the Chief Financial Officer and Treasurer provide an updated Long Term Fiscal Plan during the 2023 budget that includes recommendations to address the backlog of state of good repair, unfunded capital projects and other City Council plans and strategies.

## Budget Modernization

Budget Modernization is a new approach to planning and budgeting that responds to citizens' demand for greater accountability and transparency for their tax dollars. The plans and budgets are built from the customers' point of view (service based), adopt a longer term view (multi-year), and focus on performance. The ultimate goal of multi-year service-based budget is to invest tax dollars in services with the highest value and to demonstrate this value to Torontonians.

The benefits of this approach are:

- Performance focused organization – The focus on performance and service value lead to greater collaboration and integrated of service delivery across the organization.
- Alignment of longer-term objectives with longer-term funding plans – Greater certainty is provided to the public about the future direction of taxes and other revenue sources.
- Improved accountability and transparency over spending plans and the timing of implementation of strategic priorities.
- Strategic Council conversations – Council is equipped with the information on making service investments with the highest value.
- Clear public communication – Greater trust and confidence in the public sector when residents and businesses experience and understand the value received for their tax dollars.

To support this approach, the City has also adopted a new measurement framework called Result Based Accountability (RBA) as part of Corporate Performance Management System outlined in the Corporate Strategic plan. RBA enables a data-driven, decision-making process to help take action to solve problems. It also helps us understand the value we are delivering to Torontonians, determines whether we are achieving results, and informs us how to take action accordingly.

## Multi-Year Service-Based Planning and Budgeting Process

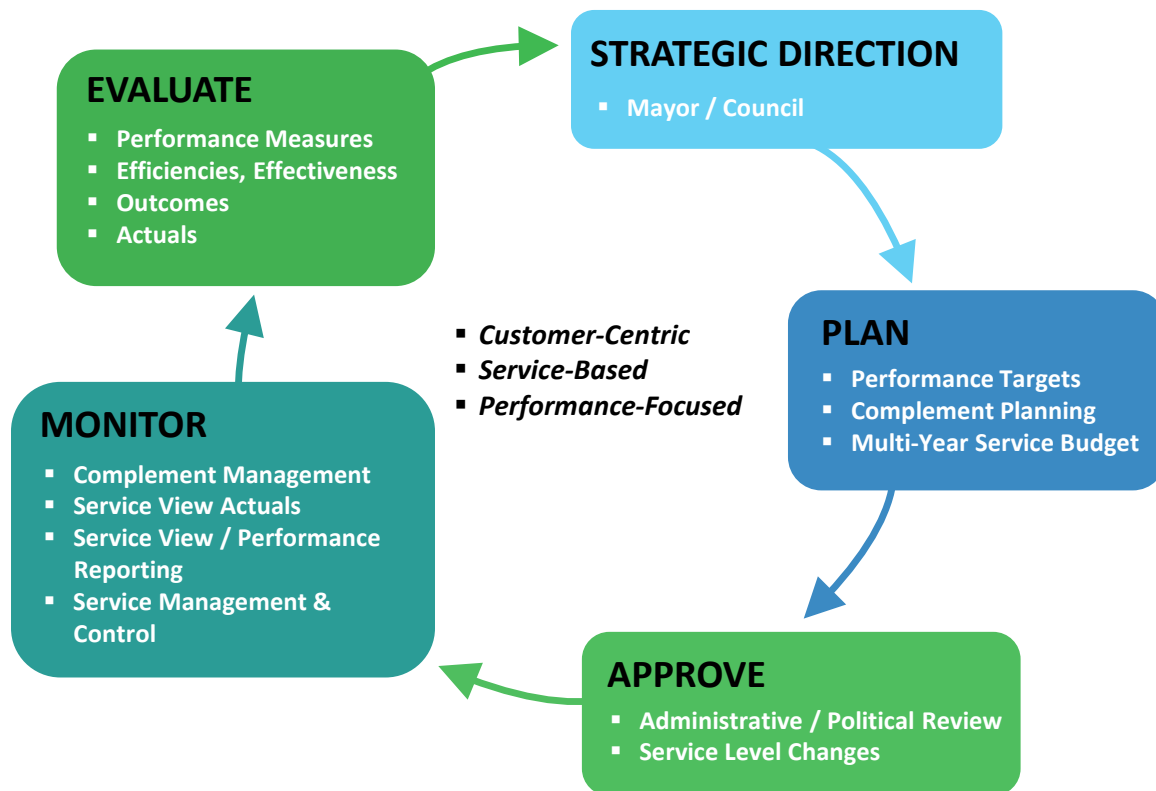
The City's planning and budgeting process establishes a longer-term focus regarding the allocation of resources required to deliver the services, service levels and capital infrastructure needed by the community, and to accomplish Council's goals and priorities for its term of office.

City Council has adopted a number of critical strategies and plans to address current challenges and implement initiatives that will create economic stability, social equity, long-term environmental sustainability and a healthy city. These high-level overarching documents have been developed to guide decision-making and assist in long term budget planning, and are taken into consideration during the budget process.

The financial planning cycle incorporates key elements of management accountability that begins with the strategic directions established by the Mayor and Council.

Figure 1: Toronto Planning and Budgeting Cycle

## Toronto's Planning and Budgeting Cycle



The strategic direction ensures a strong alignment between Council priorities and our planning and budgeting processes. The budget cycle incorporates ongoing monitoring and regular reporting and assessment of service performance and strategic initiatives. Regular budget variance and progress reports help Council and the management team focus resources and effort toward underperforming activities, as well as help to identify continuous improvement opportunities at the City.

The City's financial planning and budgeting process is designed to ensure the management of public resources are done in the most effective manner while ensuring the City's short-term goals and long-term financial health are sustainable. The Financial Planning and Budgeting process has the following key elements:

- Engages stakeholders in priority-setting through public consultation;

- Has a long-term perspective for planning and budgeting that promotes service and fiscal sustainability;
- Is service-based and performance-focused: it focuses budget decisions on service objectives, service levels, results and outcomes using performance targets and metrics
- Emphasizes the evaluation of service performance so that planned results are achieved;
- Establishes roles and responsibilities for Standing Committees, the Budget Committee and Executive Committee.

This approach establishes and reinforces the relationship between Council priorities and strategic actions with program-level plans and strategies; and enables Programs and Agencies to set achievable objectives with realistic timeframes and provides a more efficient, systematic and consistent methodology to allocate resources across all services and capital investment initiatives.

### **Multi-Year Budgeting**

Multi-year budgeting strengthens the link between budgeting and strategic priorities and enables Council to assess the long-term financial implications of current and proposed operating and capital budgets, budget policies, tax policies and assumptions.

The multi-year service based budgeting approach also enables Programs and Agencies to set achievable objectives with realistic timeframes and provides a more efficient, systematic and consistent approach to allocate resources across all services and capital projects.

Based on Council's strategic priorities and budget forecasts, the 10-Year Capital Budget and Plan and the 3-Year Operating Budget and Plan are established and reaffirmed each year. The 10-year Capital Budget and Plan present the City's long-term vision with regard to strategic capital investments in critical infrastructure and amenities. The 3-Year Operating Budget and Plan outline service priorities for the upcoming budget year and provide an outlook for the next two years.

The annual Capital and Operating Budgets set out Council-approved funding and spending for the year and provides the authority to Programs and Agencies to proceed with expenditure for specific capital projects and service delivery.

The annual budget process incorporates the following key elements:

- The 10-Year Capital Budget and Plan and the 3-Year Operating Budget and Plan are reaffirmed each year in order to appropriate funds for a 1-year operating and capital budgets.
- The City Manager and the Chief Financial Officer and Treasurer review all Program and Agency Budgets to ensure compliance with budget directions and guidelines and that resources are allocated to Council's approved strategies and program priorities for the most effective delivery of services.
- The Budget Committee members conduct team member reviews of staff recommended budgets prior to Budget Launch whether services are delivered efficiently and effectively

and resource requests are aligned to service priorities and meet budgetary directions and guidelines.

- Public budget hearings and deputations are held as part of the Budget Committee review process.
- The Tax-Supported Operating and Capital Budgets are approved no later than mid-February (in a non-election year).
- The Rate-Supported Operating and Capital Budgets are approved by December of the previous year (in a non-election year).

## **Reporting and Monitoring**

The City has established a common approach to the monitoring and reporting of financial and non-financial information, including staff complement and performance measures. The principles, protocols and practices that guide the monitoring and reporting of budget and performance information ensure consistency; enhance the financial management of the City's affairs; and support fiscally responsible decision-making.

Monitoring of the approved Operating and Capital Budgets occurs on an ongoing basis to assess outcome against budget, assess performance, guide decision-making and provide transparency and accountability for how resources are managed. Budget monitoring identifies variances from plans; changing patterns or circumstances that need corrective actions; and assess the extent to which resources are being used efficiently and effectively in contributing to strategic goals, service outcomes and Council's priorities.

Pursuant to prudent financial management practices and budgetary control, the quarterly and year-end operating and capital variance reports are submitted to Committee and Council to provide information on how approved operating and capital funds are spent, and on an exception basis, identify issues that require direction and/or decisions of City Council.

## ENHANCING PERFORMANCE MEASUREMENT AND MANAGEMENT

The City of Toronto continues to enhance performance measurement and management capability. Work continues on applying Results Based Accountability (RBA) as a performance management and accountability framework. City Council has approved the establishment of a new Coordinated Data and Research Strategy to increase data availability and research collaboration across the municipal government to support performance measurement and decision-making.

## TORONTO'S DASHBOARD

The City continues to promote a culture of continuous improvement to provide residents and businesses with services that are efficient and effective. To support transparency, the City of Toronto provides information on key social and economic indicators on the [Toronto Dashboard](#). The Dashboard is an online interactive website with over 65 social and economic indicators and a high-level overview of key topics related to the City as a whole and its services.

In addition to the Dashboard, the City provides resources and data sets on the City and its operations on several sites including:

- [COVID-19 Monitoring Dashboard](#): Toronto Public Health's Monitoring Dashboard of COVID-19.
- [CityInSight Visualization Tool](#): Provides users with data from the City's TransformTO Climate Action Strategy to develop data visualizations, including projected emissions for Toronto.
- [HousingNow Projects](#): Users can access information about how the City is creating mixed-income communities on public lands including new projects.
- [Population Health Status Indicator \(PHSI\) Dashboard](#): The PHSI dashboard, developed by Toronto Public Health, is an interactive data visualization tool that provides highlights and key information on population health status indicators for the City of Toronto.
- [Public Safety Data Portal](#): Provides users with access to information on major crime indicators, traffic, and shooting and firearm discharges provided by the Toronto Police Service.
- [Raising the Village](#): Allows users to explore over 100 indicators on how children and families are doing in Toronto.
- [Shelter System Flow Dashboard](#): Allows users to access information about people experiencing homelessness who are entering and leaving the City of Toronto shelter system.
- [Toronto's Dashboard](#): Interactive Dashboard with over 65 social and economic indicators that provides trends and directions on key topics related to the City as a whole and the services that the City provides.
- [Vision Zero Dashboard](#): Allows users to track progress the City is making on a variety of different safety initiatives to accomplish Toronto's Vision Zero goals.



- **Wellbeing Toronto:** Allows users to select a number of datasets at the neighbourhood level and have the results appear instantly as a map, tables and graphs, all downloadable. Users can also view services and facilities such as schools, community centres, and libraries.

More information is available from [www.toronto.ca/DashboardTO](http://www.toronto.ca/DashboardTO)

## Performance Measurement and Benchmarking Initiatives

The City of Toronto collects performance measures and service level indicators through the Municipal Benchmarking Network Canada (MBNCanada) program. These measures support a number of processes at the City including communications related to performance, policy development and reviews, evaluation of programs, budget development and identification of trends. The methodology used by member municipalities supports city-to-city comparisons regardless of their organizational structure, and allows Toronto's service areas to identify opportunities for possible improvements to operations and performance.

In October 2021 the Municipal Benchmarking Network Canada (MBNCanada) released the Performance Measurement Report (PMR). Highlights from the analysis of the MBNCanada data include:

- In 2020, 58% of all of Toronto's results were ranked above the median in comparison to other municipalities. Results can be further broken down by measure category including Efficiency, Community Impact, Customer Service and Service Level. Toronto performed better in Community Impact measures with 69% of the results above the median in comparison to other municipalities. The results for all the measure categories are:
  - Efficiency - 53%
  - Service Level - 57%
  - Community Impact - 69%
  - Customer Service - 37%
- As shown, Toronto's higher benchmarking results were driven by the measure categories relating to Community Impact, followed by Service Level. A notable improvement in the category relating to Efficiency also contributed to Toronto's favourable overall ranking. Toronto's weakest benchmarking results were in Customer Service category.
- Toronto's results were significantly impacted by the COVID-19 pandemic and additional analysis is needed to assess the specific factors that influenced these results.

The [2020 Performance Measurement Report](#) is available on the City's website. Results are available in a machine-readable format on Toronto's [Open Data catalogue](#).

## TORONTO IN INTERNATIONAL RANKINGS AND REPORTS

Toronto is one of the most diverse and liveable cities in the world as demonstrated by various international rankings and reports issued by external organizations. Toronto continues to offer a

high quality of life for its 2.9 million residents. The methodologies and data sources of these comparative ranking reports should be reviewed, in addition to the public facing documents, to ensure the context, frequency and source of the reports are considered.

### **Safe Cities Index – Economist Intelligence Unit**

In 2021, Toronto ranked second safest city in the world according to the Economist Intelligence Unit (EIU) report titled 2021 Safe Cities Index. The report covers 60 global cities and includes 57 indicators related to urban safety, including personal, health, infrastructure, digital and a new category added this year, environmental security. A Safe Cities Index was also published in 2017 and 2019, with Toronto ranking 4th and 6th respectively.

In the 2021 Safe Cities Index, Toronto's results were boosted by indicators in the infrastructure and environmental sustainability category. The report ranked Copenhagen in first place with Toronto following closely behind it.

### **World's Best Cities – Resonance Consultancy**

In 2021, Resonance Consultancy named Toronto 18<sup>th</sup> of 100 global cities in a study titled World's Best Cities Report. The report ranks major cities of metropolitan areas with populations over one million by using a combination of statistical performance and qualitative evaluations in six categories: place, programming, prosperity, product, people and promotion.

### **Global Cities Report – Kearney**

In 2020, The Kearney Global Cities Report, which combines the Global Cities Index and the Global Cities Outlook, placed Toronto 19<sup>th</sup> and 2<sup>nd</sup> respectively, out of 151 global cities. Data for the 2020 Report was captured prior to the global pandemic, and provides an overview of city positions and future prospects.

The Global Cities Index identifies metrics across categories including business activity, human capital, information exchange, culture experiences, and political engagement. Global Cities Outlook, which identifies cities on the rise, includes metrics related to personal well-being, economics, innovation, and governance. Toronto increased by 9 points to capture 2<sup>nd</sup> place in the Global Cities Outlook, the result of an upswing in categories relating to innovation and continued strong governance.

### **Global Financial Centres Index 30**

The Global Financial Centres Index (GFCI 30) report, published by Z/Yen Group, provides information about the future growth of financial centres in the world.

The most recent report from 2021 reviews 126 financial centres, and includes measures provided by third party organizations including the United Nations, World Economic Forum, World Wide Web Foundation, World Bank, Transparency International. Toronto ranks 19<sup>th</sup> of 126 global financial centres, an increase of 10 points in rank from the previous report. Toronto's higher scores can be attributed to its reputation and business environment, particularly in the professional services industry.

More [information about Toronto's rankings](#) is available from the City of Toronto website.

## FINANCIAL POLICIES

### Overview

The City of Toronto's financial policies provide a framework to assist in the decision-making process and are based on principles that will ensure strong financial management, sustainability of resources, and consistent adoption and adherence of practices across the organization. These policies provide City Programs and Agencies with agility to effectively manage service delivery and capital programs for which they are accountable, while ensuring transparency, accountability and financial control.

### Basis of Budgeting

In compliance with the City of Toronto Act, 2006, City Council adopts an operating budget in each year. The City of Toronto develops its budgets on a modified cash requirements basis. Revenues are on a full accrual basis, while expenses are reflected on a modified accrual basis in which capital expenditures, repayments of debt principal (including sinking fund contributions), and funding for agencies and corporations are included. The operating budget excludes the following expenses: actuarial expenses (future employment benefits, landfill closure & post-closure, and insurance claims), environmental costs, and amortization.

The operating budget approved by Council in any given year must be balanced: estimated revenues must be equal to estimated expenditures. Any in-year increase in budgeted operating expenditures or decrease in budgeted revenues that could result in a budget imbalance will require Council approval of appropriate budget revisions to ensure that the budget remains balanced.

The City also has a capital budget, which reflects capital expenditures and does not show items acquired as assets. Capital funding sources include debt issuance, which is a liability, not a revenue for financial statement purposes.

The City has a reserve and reserve fund budget, which reflects amounts set aside by legislation or by Council, to fund operating or capital items in the future. Where legislated, these amounts are treated as deferred revenues for financial reporting purposes, whereas Council-directed amounts are shown as allocations of accumulated surplus.

### Basis of Accounting

For financial reporting purposes, the consolidated financial statements of the City of Toronto are prepared in accordance with Canadian generally accepted accounting principles (GAAP) established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants Canada ("CPAC").

PSAB requires full accrual accounting for all of a government's assets and liabilities. Revenues are recognized in the year the events giving rise to the revenues occur and the revenues are earned. Amounts received which relate to revenues that will be earned in a subsequent year, are deferred and reported as liabilities. Expenses are recognized in the year the events giving rise to the expenses occur and there is a legal or constructive obligation to pay. Since 2009, municipal governments must also record tangible capital assets, which are amortized over their useful lives.

**Bridging the Basis of Budgeting and Accounting:**

Some of the differences between the cash requirements basis of budgeting and full accrual basis of accounting are:

Budget reporting	Financial reporting
Tangible capital assets shown as expenditures as acquired	Tangible capital assets shown as assets, and amortized over their useful lives
Employee benefit expenses shown as expenses as paid	Employee benefit expenses written off as earned using an actuarial calculation
Landfill, insurance and environmental liabilities recorded as paid	Landfill, insurance and environmental expenses written off as incurred using an actuarial calculation
Debt issuances shown as revenues in the capital budget	Debt issuances shown as liabilities
Principal payments on debt shown as debt charges in the operating budget	Principal payments shown as reductions of liabilities
Amounts payable to reserve or reserve funds shown as expenditures and amounts received as revenues	The legislated funds are treated as deferred revenue. For council directed funds, amounts paid to or from funds are eliminated

**Operating Budget Policies****Multi-Year Service Based Budgeting**

Multi-year operating budget is prepared for an approved balanced one-year period plus a two-year outlook for cost estimates during the annual budget process, in order to ensure compliance with the City of Toronto Act 2006. The budget for each year must include a base amount (Base Budget) that projects costs for the multi-year period of maintaining the current year's services and service levels.

**a) Service-Based View**

The Operating Budget shall be presented on a service view basis to provide more relevant financial and non-financial information to the public in order to facilitate the assessment of service performance and guide meaningful discussion on service issues and support decision making.

**b) Budget Adoption**

In compliance with the City of Toronto Act, 2006, City Council will adopt a one-year operating budget each year. The municipal tax rates will also be set by council annually. In the second year, and each subsequent year to which the multi-year budget applies, City Council will review proposed adjustments to the budget.

**c) Balanced Service Budget**

The total operating budget for the City, approved by Council in any given year, must be balanced; which means that estimated revenues must be equal to estimated expenditures. Any change to the operating budget that results in adjustments to gross expenditure; total revenue and/or net expenditure (tax supported funding); staff complement count; and changes to services and/or service levels will require Budget Committee review and Council Approval to ensure that the budget remains balanced.

**d) Estimates of Expenditures and Revenues**

Each year, City Council approves the following components of the Operating Budget, which establishes the spending limit for each Program and Agency:

- i. Total gross expenditures required to fund the cost of providing services at the approved service level;
- ii. Total revenue as summed by the non-tax revenue sources;
- iii. Net expenditure, which represents the level of tax funding required to balance the Operating Budget;
- iv. Service Levels; and
- v. Complement

**e) In-Year Budget Adjustments**

In-year adjustments to the approved operating budget and the impact on the following two years of the multi-year plan will be considered under the following circumstances:

- External factors such as provincial or federal impacts on the City's budget, or changes imposed by legislation.
- Unforeseen changes to forecasting assumptions that affect costs, service demand/volume, or revenue projections.
- Council-directed changes to priorities, services or service levels.
- Response to budget guidelines and directions.

All budget reallocations and transfers are reported to City Council through either a staff report or the Quarterly Variance Reporting process. All in-year adjustments need sign-off by Division Heads before inclusion in a quarterly variance report for Council approval. Below are the current practices:

- Operating budget expenditure reallocations / transfers impacting net expenditures between City programs or services require Council approval.
- Operating budget expenditure reallocations / transfers that are less than \$500K within services for the same program requires the approval of the Chief Financial Officer and Treasurer.
- Capital budget adjustments between projects less than \$250,000 requires the approval of the Chief Financial Officer and Treasurer.

## f) Budget Monitoring and Reporting

Monitoring of the approved operating budget will occur on an ongoing basis to identify variances from plans; changing patterns or circumstances that need corrective actions; and assess the extent to which resources are being used efficiently and effectively in contributing to Council's strategic priorities.

Variance reports will be submitted quarterly to Standing Committees and Council and will include both financial and non-financial information that will assess performance, guide decision-making and provide transparency and accountability in managing resources.

## Salary Cost Planning

As with any service organization, personnel costs are a significant part of the total operating budget of the city.

- The salary and benefit budget will include all known costs for collective agreements, step and progression pay increases, and fringe benefits.
- Salary budgets should be adjusted for vacancies that will not be filled and for staff turnover.

## Revenue Policy

The revenues received by the City of Toronto include property tax, user fees and charges, grants and subsidies, interest income and donations.

- **Diversified Revenue Sources** — Diversified and stable revenue sources will be encouraged in order to improve the city's ability to handle the impact of short term revenue fluctuations and uncertainty, and to better distribute the cost of providing services.
- **One-Time Revenues** — One-time revenues will be used for appropriate purposes such as early debt retirement, and capital expenditures. The use of one-time revenues to fund ongoing expenditures will be restricted to extraordinary situations, which must be approved by council on a case-by-case basis.
- **User Fees and Charges** — Where it is determined that a service provided by a program or agency confers a direct or special benefit to users of the service, the City will establish fees and charges at a level reasonably related to the full cost of providing the services, except where application of the full cost recovery principle conflicts with City Council policy objectives, or other conditions exist that would justify the exception.
- **Surplus Management** — Any operating surplus realized by the City at year-end, will be allocated to the Capital Financing Reserve Fund, and to finance any under-funded liabilities, and any other reserves or reserve funds.

## Capital Budget Policies

Capital Expenditures generally include any expenditure on an asset acquired, constructed or developed with the intention of being used beyond the current budget year. Capital Expenditures also include major improvements, which alter or modernize an asset in order to substantially prolong its useful life or improve its physical output or service capacity.



A 10-Year Capital Plan will be updated annually as part of the budget process. The 10-Year Capital Plan will address capital needs that fulfil City Council's strategic priorities, maintains existing infrastructure in a state of good repair, and invests in new infrastructure to ensure sustained delivery of approved services and service levels. Key principles of the capital budget policies include the following:

- Each year City council will approve a rolling 10-year capital plan including cash flow requirements for the fiscal year, plus future-year cash flow commitments for multi-year projects; and will approve in principle a capital plan for the ensuing 9 years which will form the basis for preparing future years' capital budgets.
- Projects included in the capital budget and plan must be supported by business cases that must demonstrate that acquisition and/or creation of capital assets are properly planned; that capital assets are justified based on cost-benefit analysis; that the most effective financing option is selected; and that risks along with mitigating strategies are identified.
- All projects will be evaluated annually to assess readiness to proceed, including capacity to deliver and spend with a view to adjusting planned cash flow estimates to reflect actual spending experience.
- The use of debt financing will be restricted to fund long-term capital improvements. Other funding sources must be maximized to reduce reliance on debt.
- All capital projects will be prioritized based on urgency and cost-benefit implications. Projects are prioritized within the following categories:
  - Health and Safety — projects that demonstrate health and safety hazards risks
  - Legislated — projects that are required to comply with Provincial or Federal legislation.
  - State of Good Repair — these projects provide for major maintenance of capital assets, and the repair or replacement of existing assets.
  - Service Improvement — projects that support and improve service delivery.
  - Growth-Related — projects that support growth and development across the city.

## 2022 Budget Process

The City employs a financial planning and budgeting process that is transparent, accessible and focused on service outcomes and accountability. It accounts for the public's needs as translated by Council in its approved strategies and priorities and ensures that value is achieved through the efficient use of resources for the most effective delivery of City services and stewardship of City assets. Grounded in good governance, the City's financial planning and budgeting practices are aimed to garner the public's trust and confidence in the management of public resources.

The development of the 2022 Budget was impacted by significant financial pressures including added costs and revenue losses as a direct result of the COVID-19 pandemic. While we continue to work in partnership with the Federal and Provincial governments for financial support, these pressures are expected to continue into 2023 and the foreseeable future.

The 2022 Operating and Capital Budget was prepared with the goal of achieving prosperity for all, with a focus on Equity and Reconciliation; Climate Action and Health and Wellbeing. At the same time it was critical to preserve existing services levels and enhancing equity-based services, while also adhering to public health guidelines, addressing financial challenges that have been created by COVID-19 and providing for initiatives that will continue to support restart and recovery efforts. Guiding principles for the 2022 Operating Budget included: manage COVID-19 response and recovery; preserve existing services consistent with health guidelines and legislative requirements; keep property taxes affordable, and build a prosperous Toronto for all. Guiding principles for the 2022 Capital Budget included: Council to invest in Council-approved projects and priorities including climate and housing; reflect government partnerships; achievability and affordability; and capital modernization and asset management.

Specific efforts included: investing in transit and transportation, emergency services and social services; continued capital investments on city building and mobility; business and economic recovery; people, housing and neighbourhoods; climate action and resilience; a well-run city and city finances; and public health and safe reopening.

The City's budget process is comprised of 3 major phases that incorporates the rate-supported (utility) and tax-supported budgets. Each phase involves a collaborative effort between City Administration, Program and Agency staff, and Council Committees. The 3 major phases of the budget process are:

- 1) Budget submission
- 2) Administrative reviews
- 3) Committee and Council reviews

### Budget Submission

For the 2022 budget process, City Programs and Agencies develop their budgets based on the City Council approved directions and guidelines issued by the City Manager and the Chief Financial Officer, and submit budget requests that provide offsets to expected 2022 incremental pressures, with the exception being any financial pressures that are directly related to the impact of COVID-19.

Each Program and Agency prepares an operating budget submission based on what is required to maintain current service levels. The 10 Year Capital Budget and Plan submission from each Program and Agency is updated and reviewed against overall City-wide capital affordability targets, ensuring the resulting debt impact arising from the capital submissions can be supported while maintaining a 15% debt service ratio in each year of the 10-year planning period. Additionally, each Program and Agency must demonstrate commitment to achieve a balance between maintaining existing assets through investment in state of good repair

projects, while financing service improvements and growth related projects that address service gaps and priorities on a citywide basis and consider future capital modernization efforts.

### Administrative Reviews

In collaboration with City Programs and Agencies, the administrative review process undertaken by City staff provides structure and consistency in establishing predictable capital spending and debt limits through focusing on project readiness and capacity to deliver, as well as assessing projects based on needs and benefits. With respect to operating spending, the administrative reviews focus on the confirmation of compliance with directions and guidelines and the evaluation of service-based budgeting and actual expenditures, revenues and complement, business case cost/benefit justification for funding requests and service level impacts.

This approach incorporates resource allocation, prioritization, outcomes, service performance, evaluation of internal and external factors, and cost analysis, to arrive at a preliminary budget and plan for operating and capital, while ensuring alignment with the budget principles.

### Committee and Council Reviews

Budget Committee undertook a detailed review of City Program and Agency expenses and revenues; explored key issues; considered additional new/enhanced services and capital requests and took into account the public's input through the deputation process. Public participation was also encouraged through virtual town-hall meetings conducted by City Councillors to educate constituents and receive input on the preliminary budgets. These actions encourage public participation in the budget decision making process prior to adoption of the budgets by City Council.

The final stage of the budget review process ends with Council confirming and adopting a budget that will implement the City's priorities in a fiscally sustainable manner.

### 2022 Budget Schedule

#### 2022 Rate and Tax Supported Operating and Capital Budget Schedule

*Figure 1: 2022 Rate and Tax Operating and Capital Budget Schedule*

Activity	Rate Supported	Tax Supported
Budget Launch - Budget Committee	November 3, 2021	January 13, 2022
Public Presentation & Deputation	November 19, 2021	January 24 & 25, 2022
Budget Committee - Interim Review	N/A	January 28, 2022
Budget Committee - Final Review	N/A	February 7, 2022
Executive Committee Review	December 7, 2021	February 11, 2022
City Council Approval of Budget	December 15, 2021	February 17, 2022

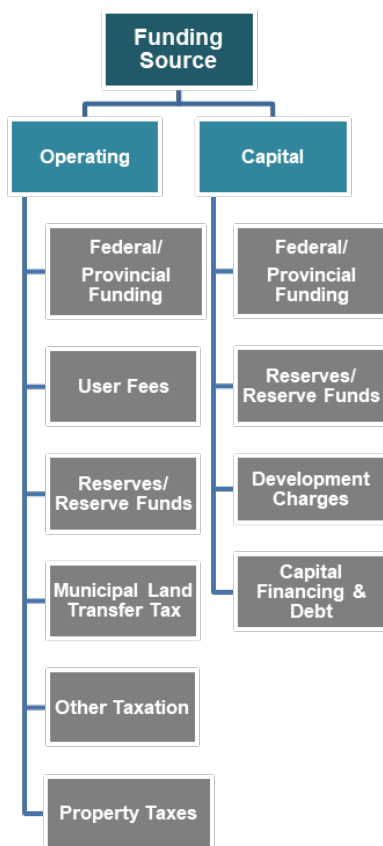
The 2022 Operating Budget and the 2022 – 2031 Capital Budget and Plan enable the City of Toronto to provide over 150 distinct services that are supported by capital assets and infrastructure to meet the needs of a diverse population of more than 3.0 million people.

# City Finance in Context

# Revenues

The City funds both its Operating and Capital Budgets through various sources, the chart below provides a detailed presentation of how our Operating and Capital budget are funded. It also represents the order of funding that the City would consider before ultimately using property taxes as the funding source of last resort as the City makes every effort to maximize all other sources first. We are also mandated by City Council to keep property taxes below or equal to the rate of inflation.

Figure 1: Funding Sources



The City's major funding sources of the 2022 Tax-Supported Operating Budget of \$13.03 billion gross are detailed in Table 1 to follow. The Rate-Supported Operating budget (for Solid Waste Management, Toronto Water and Parking Authority) of \$1.96 billion gross is funded largely from user charges. Combined the 2022 Tax & Rate Supported Operating Budget totals \$14.99 billion gross.

Table 1: Funding Sources (in millions)

Property Tax Levy	4,645.2
Provincial Subsidies	3,778.4
Federal Subsidies	287.6
Transit Fares	793.1
Other User Fees, Permits & Donations	665.5
MLTT	944.0
Fines & Penalties	138.7
Contributions From Reserves/Reserve Funds	608.3
Interest & Investment Income	218.6
Transfers From Capital	191.3
Sundry and Other Revenues	756.8
Sub-Total – Tax Supported Revenues (\$Millions)	13,027.6
Sub-Total Rate-Supported Revenues (\$Millions)	1,958.3
Tax & Rate-Supported Revenues (\$Millions)	14,985.8

## Property Tax Levy

Property tax revenue is the City's single largest source of revenue. The City collects approximately \$4.6 billion from residential and business property owners for municipal purposes, which represents 36% of its total tax-supported Operating Budget.

Each year, the City is required by provincial legislation to establish tax rates that raise property tax revenues in the amount of the City's budgetary requirement. In addition, the City is also required to levy and collect property taxes for school purposes at the education tax rates set by the Province.

The amount of property taxes payable by a property is determined by multiplying the Current Value Assessment (CVA) of a property by the applicable tax rate for that class of property (e.g., residential, commercial, industrial, or multi-residential) subject to any legislative or Council-mandated adjustments. The total tax rate for a class consists of a municipal tax rate necessary to meet the City's budgetary requirement and the education tax rate necessary to raise the amount required by the Province for education funding.

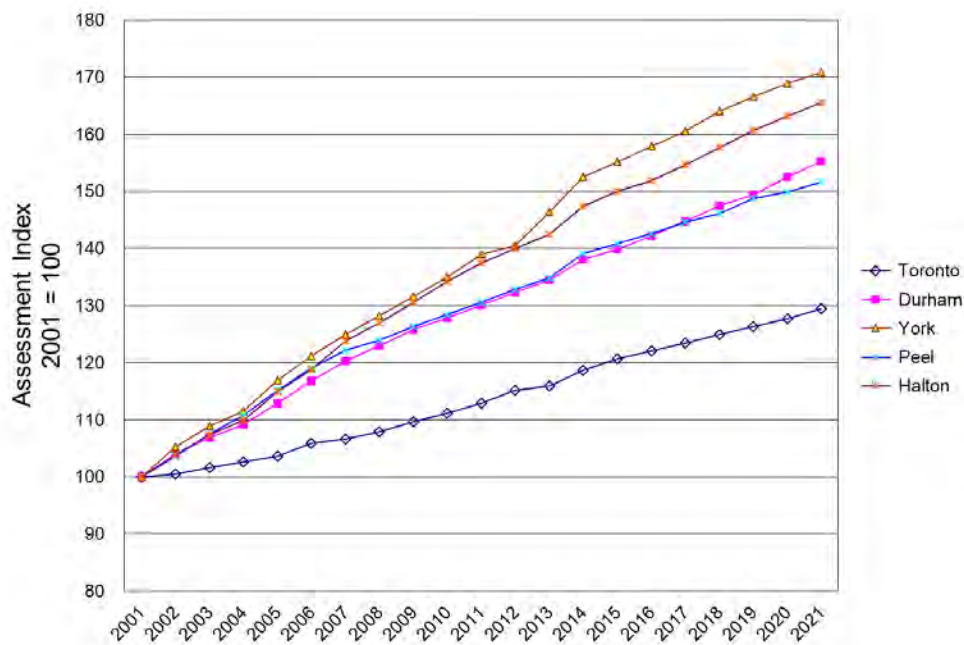
The Municipal Property Assessment Corporation (MPAC), a provincial agency, is responsible for property assessment in Ontario and preparing the assessment rolls for municipalities on a Current Value Assessment (CVA) basis. The CVA of a property represents an estimated market value, or the amount that the property would sell for in an open market, arm's length sale between a willing seller and a willing buyer at a fixed point in time.

Over the last two decades, the GTA experienced quite remarkable economic and population growth following the recession of the early 1990s. The Toronto region (CMA) contains a number of the fastest-growing municipalities in Canada. The bulk of the new construction and the associated assessment increases are located in the surrounding areas in the GTA. For example, from 2001 to 2021 the rest of the GTA had cumulative assessment increases of 50% or higher: York Region: 71%, Halton Region: 66%, Peel Region: 52%, and Durham Region: 55%. By contrast, Toronto's property assessment in 2020 is just 30% above its 2001 level, partly due to the conversion of certain industrial properties into residential properties. This trend is illustrated in Figure 1 to follow:



## Property Tax Assessment Growth 2001 to 2021

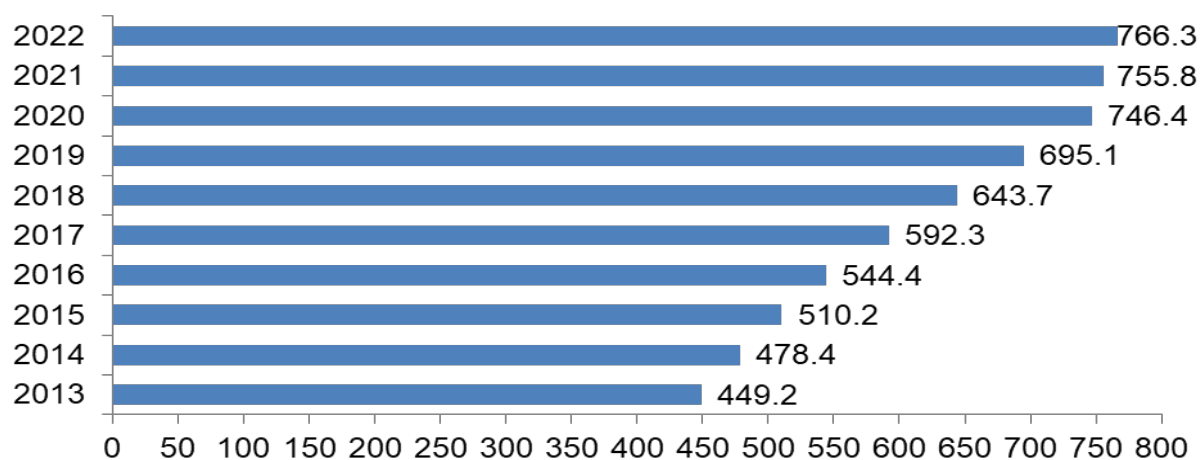
Figure 1: Property Tax Assessment Growth



## Total Property Tax Assessment Values (\$B)

Figure 2: Property Tax Assessments Values

The graph in figure 2 shows total property tax assessment values for the City of Toronto for each year 2013 through 2022.



Note: property tax assessment per annual City of Toronto tax levy bylaw

Figure 3 shows the City of Toronto's tax ratios by property type (multi-residential, commercial and industrial) vs Provincial Threshold ratios from 2013 to 2022. Tax ratios for the multi-

residential, commercial and industrial tax classes exceed the provincial thresholds, as shown in the chart.

Figure 3: City of Toronto's Tax Ratios by Property Type

	2013 Taxation Year	2014 Taxation Year	2015 Taxation Year	2016 Taxation Year	2017 Taxation Year	2018 Taxation Year	2019 Taxation Year	2020 Taxation Year	2021 Taxation Year	2022 Taxation Year	Provincial Threshold Ratios
<b>Multi-residential</b>	3.18	3.07	3.00	2.90	2.66	2.46	2.28	2.10	2.05	1.96	<b>2.00</b>
<b>Commercial</b>	3.12	3.07	3.00	2.90	2.85	2.81	2.74	2.65	2.61	2.58	<b>1.98</b>
<b>Industrial</b>	3.12	3.07	3.00	2.90	2.83	2.76	2.71	2.62	2.59	2.51	<b>2.63</b>

Source: 2022 Budget (after Levy and City Building Fund Levy Increases)

## Toronto's Tax Ratios vs. Provincial Threshold Ratios

Beginning in 1998, Ontario municipalities whose commercial, industrial or multi-residential tax ratios exceeded threshold ratios established by the Province were restricted from passing on municipal property levy increases to those classes. Since 2004, the Ontario Government made adjustments to the municipal rules under the Ontario Property Tax System, which amongst other things, allowed tax rate increases on the non-residential classes to be no more than 50% of the tax rate increase for the residential tax class. Although the relaxing of the restriction on non-residential classes is not permanent, it does provide partial relief from the budgetary levy restrictions imposed by Provincial legislation.

In late 2005, Council approved a comprehensive property tax policy "Enhancing Toronto's Business Climate - It's Everybody's Business" to improve the business climate in the City. In 2006, Council implemented the policy of limiting municipal tax rate increases within the Commercial, Industrial, and Multi-Residential tax classes to one-third of the residential tax rate increase (i.e. a 3% residential tax increase would result in a 1% non-residential tax rate increase). This measure was designed to reduce non-residential tax ratios to 2.5 times the residential rate over 15 years (now to be achieved in all tax classes by 2023). In addition, the policy provided for an accelerated tax rate reduction for neighborhood retail and small businesses that would see their tax ratios fall to 2.5 times residential over a ten year period.

Other City efforts to enhance competitiveness have resulted in a successful agreement with the provincial government to reduce Business Education Tax (BET) rates (for Toronto businesses) closer to the average of surrounding GTA municipalities, creating a new, fair water rate structure for industrial and manufacturing companies and continuing the relief of development charges for the city's commercial industry.

The Municipal Act and the City of Toronto Act mandates limits on re-assessment related tax increases (10% for the 2022 for the commercial, industrial and multi-residential property classes). The tax revenue adjustments as a result of this cap, however, are fully recovered by tax adjustments that claw-back from properties facing tax decreases.

Special provisions to provide tax relief for low-income seniors and disabled persons, as well as charities and similar organizations, are also required. Tax relief policies in effect for 2021 include:

## Residential Property Tax Increase Deferral Program

This program gives low-income seniors and low-income persons with a disability the opportunity to apply for a deferral of property tax increases.

To qualify for a deferral of a property tax increase the applicant must:

- Have a combined household income of \$50,000 or less **and**
- Be 65 years of age or older; **or**
- Be 60-64 years of age and be in receipt of a Guaranteed Income Supplement under the Old Age Security Act; if widowed, be in receipt of the Spouse's Allowance under the Old Age Security Act; **or**
- Be 50 years of age or older and be receiving either a pension or a pension annuity resulting from a pension plan under the Income Tax Act (Canada); **or**
- Be a person with a disability and be in receipt of disability benefits.

## Residential Property Tax Increase Cancellation Program

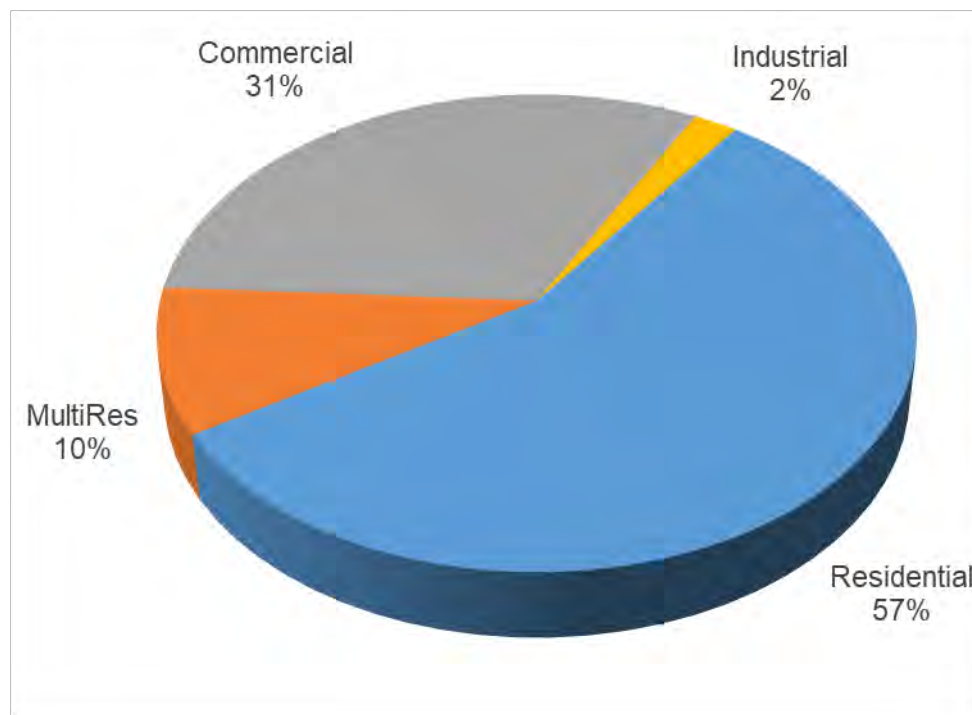
This program gives low-income seniors and low-income persons with a disability the opportunity to apply for a cancellation of property tax increases.

To qualify for a cancellation of a property tax increase for 2021 the applicant must:

- Have a combined household income of \$46,305 or less **and**
- Have a residential assessment of \$975,000 or less for 2022 **and**
- Be 65 years of age or older; **or**
- Be 60-64 years of age and be in receipt of a guaranteed income supplement under old age security act; if widowed, be in receipt of the spouse's allowance under the old age security act; **or**
- Be a person with a disability and be in receipt of disability benefits.

## City of Toronto Property Tax Levy (before Assessment Growth & Tax Increase)

Figure 4: 2021 Municipal Property Tax Levy \$4.645B



The table below illustrates the 2022 taxes payable for the average household in Toronto with an assessed value of \$697,185:

Table 2: 2022 Taxes Payable for the Average Household

	2022 Tax Rate	2022 Property Tax
Municipal Taxes	0.478933	\$3,339

## Municipal Land Transfer Tax and Other Taxation

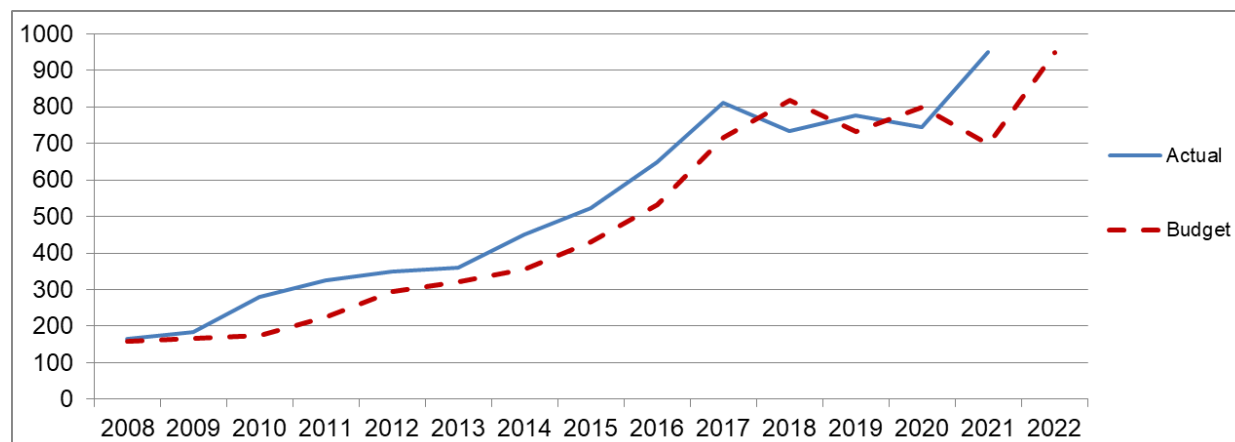
The City of Toronto Act, 2006 provides the City with legislative authority to levy taxes other than property taxes. The Municipal Land Transfer Tax (MLTT) was implemented on February 1, 2008, and Personal Vehicle Tax (PVT) on September 1, 2008. On December 16, 2010, however, City Council approved the termination of the City's Personal Vehicle Tax (PVT) effective January 1, 2011. On January 31, 2018, City Council approved a mandatory 4% Municipal Accommodation Tax for hotels and individuals offering short-term rentals.

In 2022, budgeted gross MLTT revenues were \$948 million (including transaction fees). This represents an increase of \$250 million or 36% when compared to the 2021 budgeted revenues.

The chart that follows (Figure 5) illustrates how actual revenues from 2008-2021 compare with budget revenues for the same period. Budgeted revenues are also included for 2022.

## Municipal Land Transfer Tax

Figure 5: Budget v/s Actual Revenue (\$Million)



Note: 2021 Projected Actual

City Council approved the Third Party Sign Tax in 2009. Implementation of the tax, however, was delayed by a court challenge from the outdoor advertising industry. After a favourable court ruling in 2012, the City retroactive collected sign tax revenues for the period from 2009 to 2012. The Third Party Sign Tax generates approximately \$9 million per year for the City.

## User Fees

User fees are traditionally the City's third largest source of funding for the Operating Budget after Grants and Subsidies from Other Governments. While the City normally collects approximately \$2 Billion in user fee revenues annually through thousands of individual user fees, lockdown measures due to the Covid-19 pandemic have substantially reduced user fee revenues. The largest component is TTC passenger fares which is budgeted in 2022 to be \$793 million, an increase of \$247 million over 2021 budgeted revenues, but \$470 million less than 2019 actual passenger fare revenues.

As a result of a comprehensive User Fee Review in 2011, City Council approved a new corporate policy for establishing the initial and annual price of a user fee and determining the amount that should be recovered.

A new funding system for Solid Waste Management Services, the volume-based rate structure, was implemented on November 1, 2008, to fund the service objective of 70% waste diversion. This funding plan transforms Solid Waste Management (garbage, recycling, green bin, litter prevention, landfill management and other diversion programs) from being property-tax-based to user-fee-based, and its fees are now part of the City's Utility Bill, together with the water charges. The entire Solid Waste Management program is now funded from revenue other than property taxes (representing user fees, funding from Waste Diversion Ontario, and sales proceeds from recyclable materials).

The following link can be used for more detailed information related to the City's User Fee Policy on our website:

<http://www.toronto.ca/legdocs/mmis/2011/ex/bgrd/backgroundfile-40701.pdf>

## Development Charges

Development charges are fees collected from developers at the time a building permit is issued and represent an important source of funding for the Capital Budget. The fees help pay for the cost of growth-related, eligible capital projects (and related operating costs). Most municipalities in Ontario use development charges to ensure that the cost of providing infrastructure to service new development is not imposed on existing residents and businesses in the form of higher property taxes.

The City currently imposes development charges based upon a bylaw that was approved by Council on April 18, 2018. In accordance with the requirements of the Development Charges Act, 1997 and related Regulations, with 50% of the increase implemented on November 1, 2018, 80% on November 2019 and the full rates coming into effect on November 1, 2020.

In December 2019, the Province introduced changes to the legislation that altered how development charges are calculated and collected. The changes, effective January 1, 2020, require development charges to be determined earlier, at planning application, and in the case of rental, institutional and non-profit housing, for the charges to be collected later, in annual instalments over five or 20 years beginning at occupancy. To mitigate the financial impact of these changes on the City, in December 2019 and January 2020, Council adopted interest charges to apply to the development charges "frozen" at planning application and to the new instalment payments, as permitted by Provincial legislation. These changes are intended to bridge City policies until there is an opportunity to undertake a comprehensive review of the bylaw, which is expected to be completed in spring 2022.

The following categories of services are eligible for varying pre-determined portions of development charge revenues:

*Table 3: Categories of Services Eligible for Pre-Determined Portions of Development Charge Revenues*

<ul style="list-style-type: none"> <li>• <u>Spadina</u> Subway Extension -3.1%</li> <li>• Transit (Balance) – 34.9%</li> <li>• Parks and Recreation – 12.8%</li> <li>• Library – 2.3%</li> <li>• Subsidized Housing – 6.8%</li> <li>• Police – 1.3%</li> <li>• Fire – 0.6%</li> <li>• Paramedic Services – 0.6%</li> <li>• Development-related Studies -0.6%</li> </ul>	<ul style="list-style-type: none"> <li>• Civic Improvements – 0.3%</li> <li>• Child Care – 0.9%</li> <li>• Health – 0.1%</li> <li>• Pedestrian Infrastructure 0.1%</li> <li>• Roads &amp; Related 16.0%</li> <li>• Water – 6.0%</li> <li>• Sanitary Sewer – 9.7%</li> <li>• <u>Stormwater</u> Management – 2.8%</li> <li>• Shelter – 1.1%</li> </ul>
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Note: Percentages relate to Percentage of Development Charge for a Two Bedroom and Larger Apartment effective on November 1<sup>st</sup>, 2021.

## Funding Transfers from Other Governments

The City receives grants and subsidies from other orders of government which are mainly for mandated programs such as Social Assistance, Child Care, Public Health, Social Housing, some Transit capital funding and Covid-19 funding. Provincial/Federal grants and subsidies represent about 31% of its Tax-Supported Operating Budget in 2022.



## Reserves and Reserve Funds

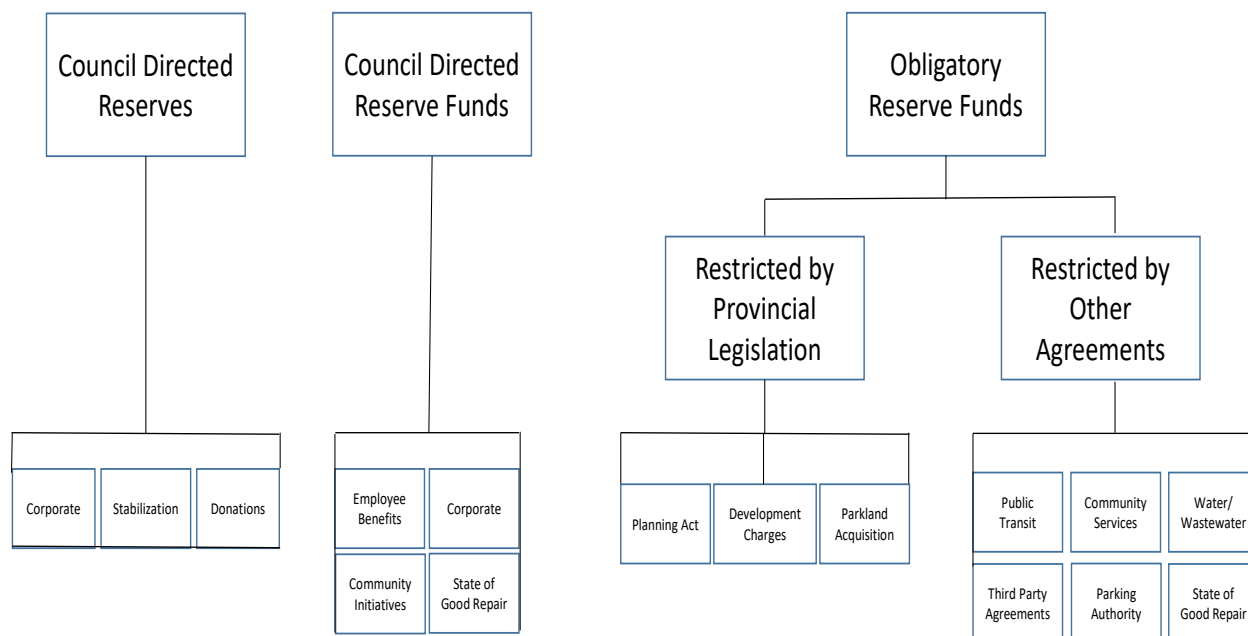
Reserves and Reserve Funds are monies set aside by Council to finance future expenditures for which it has authority to spend money, to defend the City against an unbudgeted or unforeseen event that may result in a budget deficit such as an economic downturn, to smooth out future program expenditures which may fluctuate from one year to the next, or to accumulate funds for future capital requirements or contingent liabilities. While the reserve fund balances would appear to be a large sum, it should be noted that the majority of these funds are committed to special purposes.

Toronto Municipal Code, Chapter 227 - Reserves and Reserve Funds - provides all pertinent information regarding the City's reserves and reserve funds, including definitions, the authority to establish new reserves and reserve funds, closing out inactive reserves and reserve funds, as well as the use and administration of reserves and reserve fund monies.

The City maintains approximately 265 active Reserves and Reserve Funds (including Obligatory Reserve Funds) that are classified into three major categories, namely Council-Direct Reserves, Council-Directed Reserve Funds and Obligatory Reserve Funds, or Deferred Revenues. They are sub-divided into 16 sub-categories according to the nature of their purposes.

The main difference between Reserves and Reserve Funds is that earnings from the investment of Reserve Funds must be allocated to and form part of the reserve fund, while earnings from Reserves flow to the Operating Budget as investment revenue. In addition, Reserve Funds are restricted to fund specific purposes set out by bylaws, legislation or agreements. The Chart below shows our structure:

Figure 1: Reserves & Reserve Funds Structure



## Council-Directed Reserves and Reserve Funds

Council Directed Reserves and Reserve Funds are made up of several major categories: Corporate, Employee Benefits, Stabilization for Operations, Corporate, State of Good Repair (Capital), Community Initiatives and Donations. These funds have been set aside by Council to earmark revenues to finance a future expenditure for which it has authority to spend money, to defend the City against “rainy days”, e.g. economic downturn or other extraneous reasons resulting in a budget deficit, to smooth out future program expenditures which may fluctuate from one year to the next, or to accumulate funds for future capital requirements.

### Deferred Revenues

Funds that are set aside for specific purposes by legislation, regulation or agreement and may only be used in the conduct of certain programs or the completion of specific work are reported as Deferred Revenues (previously Obligatory Reserve Funds). These include funds received from the other orders of government, Development Charges from third parties earmarked for certain purposes, e.g. Transit, Social Housing, Parkland Acquisition, Long Term Care Homes and Services. These amounts are recognized as liabilities in the year the funds are deposited, and received into revenue in the fiscal year the related expenditures are incurred or services performed. These funds are all committed, for uses including funding the City's priority capital needs like transit expansion.

### Reserve Sub-Categories

**Corporate** - Reserves that provide funding for capital and operating items of a corporate nature. The Reserves with the largest balances are: Capital Financing, Working Capital and Vehicle & Equipment Replacement.

**Stabilization** – Reserves that provide funding to stabilize the City's budgets from year to year due to various unanticipated financial pressures. The stabilization reserves with the largest balances are: Water/Wastewater, Assessment Appeal and Tax Rate.

**Donations** – Reserves that provides funding for various projects.

### Council Directed Reserve Fund Sub-Categories

**Employee Benefits** – Reserve Funds for the employee benefit costs of employees and retirees, as directed by Council. The reserve funds with the largest balances are: Employee Retiree Benefits, Sick Leave and Worker's Compensation.

**Corporate** - Reserve Funds for capital and operating items of a corporate nature, as directed by Council. The reserve funds with the largest balances are: Strategic Infrastructure Partnership, Land Acquisition and Transit Infrastructure.

**Community Initiatives** - Reserve Funds that provide funding for a variety of grants programs, as directed by Council. The reserve funds with the largest balances are: Childcare Capital Cost, Child Care Expansion and Capital Revolving – Affordable Housing.

**State of Good Repair** – Reserve Funds for the rehabilitation and major repair of City assets, as directed by Council. The reserve funds with the largest balances are: Waste Management, Solid Waste Perpetual Care and Public Realm.

### Obligatory Reserve Fund Sub-Categories (Also known as Deferred Revenues)

**Development Charges** – Reserve Funds that hold funding received from real estate developers that will be used offset the capital cost of providing growth-related municipal infrastructure that may be required as a result of the new development. The reserve funds with the largest balances are: Parks & Recreation, Transit and Water.

**Community Services** – Reserve Funds for specific community services by legislation, regulation or agreement. The reserve funds with the largest balances are: National Child Benefit, Social Housing Federal and Kids @Computers Scholarship Project.

**Parkland Acquisition/New Development** – Reserve Funds that provide funding for the acquisition of parkland and/or other public recreational purposes, including the erection of buildings and the acquisition of machinery for park or recreational purposes. The reserve funds with the largest balances are: Alternative Parkland Dedication, City-Wide Land Acquisition and South District Local Land.

**Third Party Agreements** - Reserve Funds that provide funds for purposes established in agreements with a third party. The reserve funds with the largest balances are: Section 16, Gardiner West and Public Realm Improvement.

**Public Transit Funds** – Funds received from Other Orders of Government that are specific to public transit expansion. The reserve funds with the largest balances are: MoveOntario 2020, Toronto-York Spadina Subway Extension and Canadian Strategic Infrastructure.

**State of Good Repair** – Reserve Funds that are set aside by reason of legislation, regulation or agreement for the rehabilitation and major repair of City assets. The reserve funds with the largest balances are: Building Code Act Service Improvement and Harbourfront Parkland.

**Water/Wastewater** – Reserve Funds that are set aside by reason of legislation, regulation or agreement for water/wastewater Reserve Funds capital projects. The reserve funds with the largest balances are: Wastewater Capital and Water Capital.

**Parking Authority** - Reserve Funds that are set aside by legislation, regulation or agreement with the Toronto Parking Authority. The reserve funds with the largest balances are: Parking Authority Shopping Mall Rented Properties and Parking Payment In Lieu.

**Planning Act** – Reserve Funds that hold and dispense funds collected under the Provincial Planning Act. The reserve funds with the largest balances are: Section 37, Section 45 and Transportation Cash-in-Lieu.

**Major Reserves & Reserve Funds/Groups With Major Revenue Sources and Services Provided**

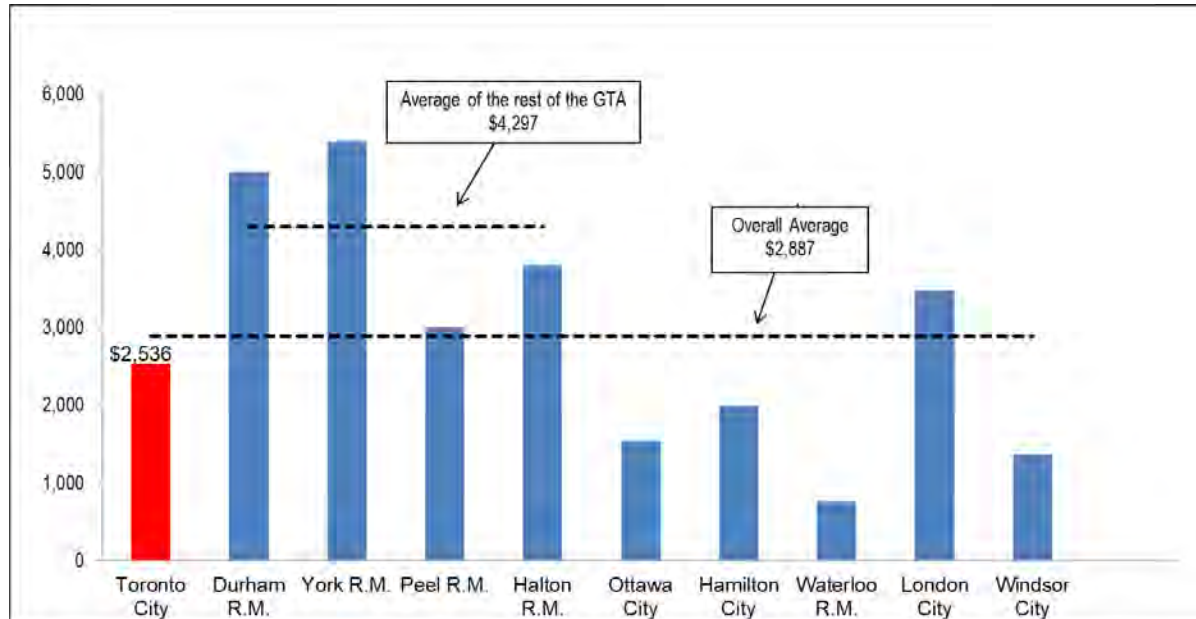
<b>Reserve Type</b>	<b>Major Funding Source(s)</b>	<b>Services Provided</b>
Capital Financing	Prior Year Surplus revenue.	Funding primarily for priority transit and transportation projects and other major city building projects.
Development Charges	Property Developers.	Funding for all growth related municipal infrastructure.
Donations	Citizen and corporate donations.	Funding for a wide variety of projects across all program areas.
Employee Benefits	Non-Program Operating Budget.	Funding for employee benefits costs for employees and retirees.
Land Acquisition	Proceeds from sale of lands.	Multiple accounts used by individual programs or all programs to help fund the acquisition of land.
Parkland Acquisition	Contributions from Property Developers for cash in lieu of parklands.	Funding is used by Parks, Forestry & Recreation Division to acquire property for parklands.
Section 37	Contributions from property owners as set out in a development agreement under Section 37 of the Provincial Planning Act.	Funds are used by the City for a wide variety of community improvements identified in site specific bylaws.
Stabilization	Program operating contributions.	Holds funds to stabilize the City's program budgets from year to year due to various unanticipated financial pressures.
State of Good Repair	Program operating contributions.	A variety of SOGR program/project specific accounts existing to hold funds for the rehabilitation and major repair of major city assets, as directed by Council.

Strategic Infrastructure Partnership	One-time monetization of a corporate hydro bond.	Provides funding for major infrastructure programs (ie. transit and waterfront) in partnership with other orders of government and major environmental capital projects with external funding partners.
Tax Rate Stabilization	Prior Year Surplus revenue.	Provides funding for any future operating deficit.
Transit	Funding from provincial and federal orders of government.	Funding for replacement and new transit vehicles and related infrastructure.
Vehicle & Equipment	Program operating contributions.	Vehicles and equipment for all major programs
Waste Management	Fees charged to households for waste collection. Fees collected at solid waste transfer stations.	Funding for development and operation of city's waste facilities.
Water/Wastewater Capital	Net revenues from water/wastewater operations.	Holds funding for water/wastewater capital projects.
Working Capital	Prior Year Surplus revenue.	Holds funding to stabilize the City's budgets from year to year due to various unanticipated financial pressures.

On a comparative basis, the City's overall reserve fund balance on a per capita basis is much lower than those in other Ontario jurisdictions. Toronto's 2020 reserve per capita of \$2,536 was considerably less than the rest of the GTA (\$4,297) and somewhat lower than average of all of the cities and municipalities shown in the chart below (\$2,887). The City has established long-term reserve strategies for major reserves, e.g. employee benefits reserves, landfill sites and water and wastewater stabilization reserves, and makes sure that adequate funds are in place, by determining needs and establishing contribution policies.

## Comparison of Per Capita Reserves and Reserve Fund Balances as at December 31, 2020

Figure 2: Comparison of Per Capita Reserves and Reserve Fund Balances



Sources: Ontario Ministry of Municipal Affairs & Housing – 2020 FIR  
Regional data consolidated for upper and lower tiers  
Balances include Obligatory Reserve Funds/Deferred Revenues

## Reserves and Reserve Funds Matrix

(by major reserve fund grouping)

Figure 3: Reserves and Reserve Funds Matrix

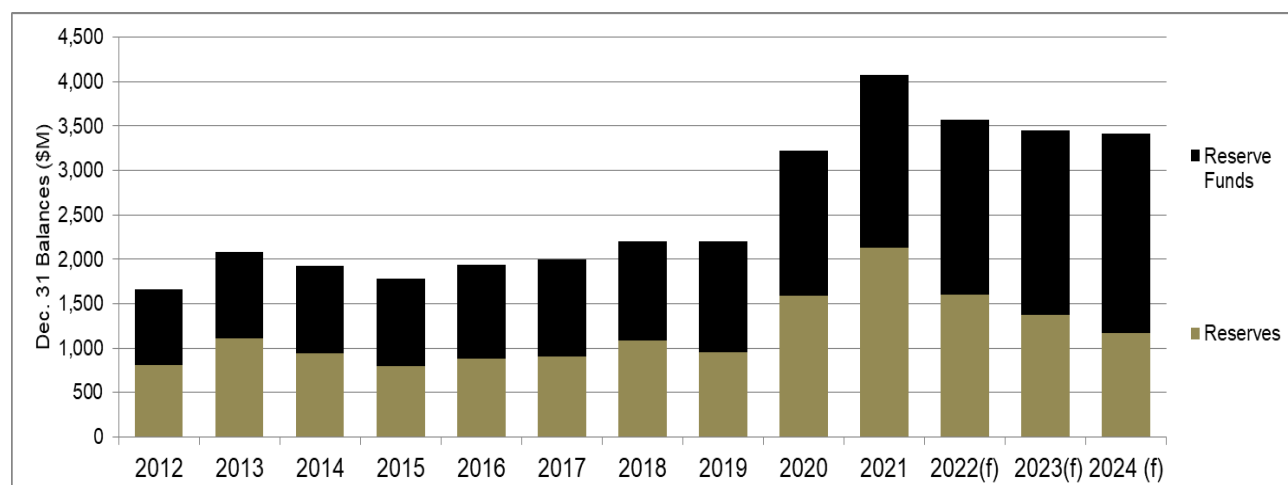
PROGRAM/R&RF CATEGORY	Corporate	Stabilization	Community Services	Donations	Development Charges	Parkland Acquisition	Third Party Agreements	Public Transit	Water/Wastewater	Parking Authority	Planning Act	Employee Benefits	State of Good Repair
Affordable Housing Office	X	X	X		X						X	X	
Children's Services	X		X		X						X	X	X
City Council	X										X	X	
City Planning	X						X				X	X	
Courts Services	X	X										X	
Economic Development & Culture	X	X	X	X			X				X	X	X
Emergency Medical Services	X				X							X	
Facilities Management	X											X	X
Finance	X	X			X		X				X	X	
Fire	X			X	X							X	
Fleet Services	X											X	
Long-Term Care Homes & Services	X		X		X						X	X	X
Municipal Licensing & Standards	X		X									X	
Parks, Forestry & Recreation	X			X	X	X	X				X	X	X
Police	X				X							X	
Public Health	X				X							X	
Shelter, Support & Housing Admin.	X	X			X						X	X	X
Social Development	X	X	X		X							X	
Solid Waste Management Services	X				X							X	X
Technical Services	X											X	
Toronto Building	X											X	
Toronto Parking Authority	X									X		X	
Toronto Water	X	X			X				X			X	
Transit	X	X			X		X	X				X	
Transportation Services	X	X			X			X			X	X	X
Zoo	X											X	X

Figure 4 shows the historical trend of reserve and reserve fund balances since 2012. The chart shows the consolidated balance growing to a level of \$4.1 billion in 2021 after a short period of decline in 2014 and 2015. The large increase to the consolidated balance in the past two years 2021 is attributed in part of several large inflows, the largest being a transfers of \$614 million and \$415 million to the Tax Stabilization Reserve from the 2020 and 2021 Operating Budgets to serve as an alternative source of funding should Covid-19 relief funding anticipated from the senior orders of government not be received. In addition, \$171 million was contributed to the Employee Benefits Reserve Fund in 2020 as a result of the City receiving a one-time share of pension surpluses from the merger of legacy OMERS pension plan. Furthermore, solid growth in the balances of the Insurance Reserve Fund, the City Building Reserve Fund and the Scarborough Transit Reserve Fund over the past two year also positively impacted the consolidated balance over the last two years. The balance is forecasted to be drawn down by approximately \$600 million over the next three years to support the City's Capital Plan.

### City's Reserves and Reserve Funds

(Excluding Obligatory Reserve Funds/Deferred Revenues)

Figure 4: City's Reserves and Reserve Funds



Note: 2022-2024 forecast based on 2022 Operating Budget Briefing Note #7 - Contributions to and Withdrawals from Reserves/Reserve Funds.

## Credit Ratings

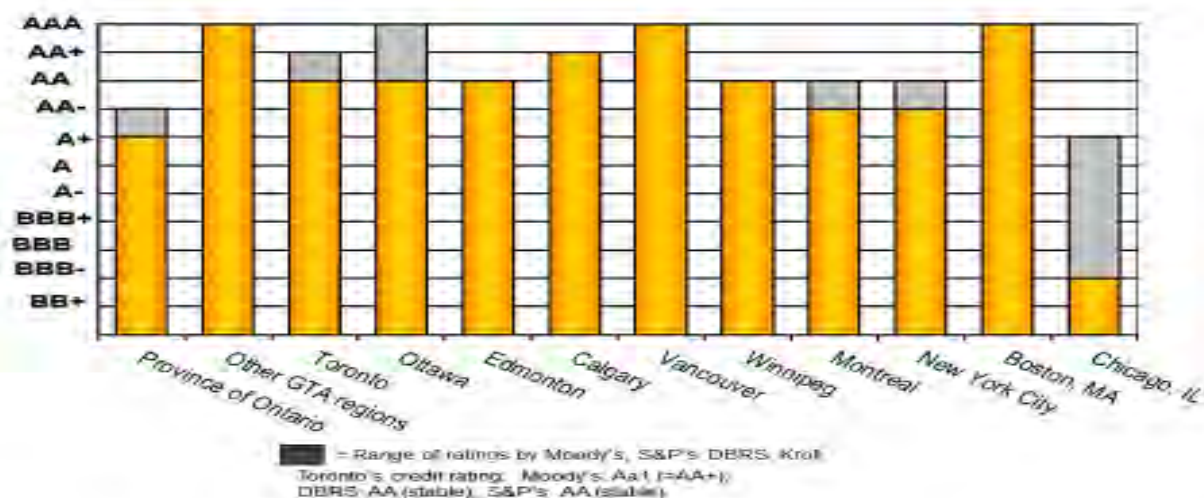
The City of Toronto is an important participant in global financial markets. Maintaining a high quality credit rating ensures the City is able to access capital markets at the most cost-effective interest rates.

Credit rating agencies assess the City's financial position by comparing it with other cities and regions. A number of factors affect the credit rating such as the quality of management, strength of the economy, level of reserves, state of repair of assets, debt levels, etc. For example, if a municipality's current and projected debt levels appear high, it will have a negative impact on its credit rating. On the other hand, if debt levels are low, this will have a positive impact. The credit rating essentially indicates the City's ability to pay its current and future obligations.

Credit ratings affect the City's ability to borrow and its cost of borrowing. A good credit rating translates to a greater investor interest and lower borrowing cost. Many large institutional investors may have policies that prevent them from investing in debt below a certain credit rating. Thus, maintaining a good credit rating has the potential of reaching a larger number and greater quality of investors. Furthermore, a low credit rating often results in having to offer a high interest rate in order to entice investors. A good credit rating will allow the City to borrow at low interest rates while maintaining investor appeal.

The City's credit rating remains comparable to other large North American cities such as New York, Ottawa, Calgary and Edmonton.

Figure 1: City of Toronto Credit Rating in Comparison to Other Jurisdictions



The City of Toronto's current credit ratings are:

- Aa1 with a stable outlook from Moody's Investor Service – August 11, 2021
- AA with a stable trend from DBRS Morningstar - October 7, 2021
- AA with a stable outlook from S&P Global - October 20, 2021



Table 1: History of City of Toronto's Credit Rating

Credit Rating Agency	1997 and Prior	1998-2001	2002-2021
DBRS Morningstar	AAA	AA (High)	AA (Stable)
S&P Global	AA+ / AAA	AA+	AA (Stable)
Moody's Investors Services	Aa2	Aa2	Aa1 (Stable) (Equivalent to AA+)

Credit Rating agencies regularly issue assessment reports regarding industries and individual issuers. Below are some excerpts from those reports that generally explain the strong credit rating held by the City of Toronto:

*"The ratings are supported by the City's large and diversified economy, capacity to raise taxes, and requirement to present balanced budgets. The Stable trends reflect DBRS Morningstar's expectation that the City's fiscal outlook will gradually stabilize as a majority of the population is vaccinated and as global and local economies reopen."*

- DBRS Morningstar

*"The stable outlook reflects S&P Global Ratings' expectation that, in the next two years, economic growth will rebound and continue to support Toronto's revenue and help to contain after-capital deficits to less than 10% of total revenue, on average, despite substantial forecast capital spending that will require additional debt financing such that tax-supported debt will increase to more than 60% of operating revenue.."*

- S&P Global

*"The credit profile of the City of Toronto (Aa1 stable) reflects the city's importance as Canada's largest and most important municipal economy. The city attracts significant immigration which supports diversified sectors, a broad tax base and strong municipal operations. The rating also reflects strong debt affordability and an excellent liquidity profile with significant holdings of reserves and sinking funds. The credit profile benefits from the city's unique taxation powers, including the municipal land transfer tax, which allow Toronto to access additional revenue sources besides property taxes and user charges."*

- Moody's Investors Services

## Capital Financing and Debt

Under the City of Toronto Act, the City is permitted to borrow to fund capital expenditures and is prohibited from borrowing to fund operating expenditures. The goal of capital financing is to optimize funding from all sources, including federal and provincial governments, development charges, donations and reserve funding, before using the City's reserves and debt financing. Toronto's debt level has grown in recent years due to the City's increasing need for capital infrastructure.

The City typically issues debt three to five times a year, depending on several factors, with debt terms of 10, 20, and 30 years. Debt term is guided by the useful life (or amortization) of the underlying infrastructure projects the debt finances. The useful life of the capital asset must be equal to or exceed the debt term. The City's long-term debt maintains strong credit ratings from Moody's, Standard & Poor's and DBRS as follows:

<b>Moody's</b>	<b>Standard &amp; Poor's</b>	<b>DBRS</b>
Aa1/Stable	AA/Stable	AA/Stable

The City's Green Bond program commenced in 2018 and the Social Bond program was established in 2020. During 2021, the City maintained a strong and stable credit rating (see Credit Rating section) and issued \$1 billion worth of bonds, including \$150 million in 10-year Green bonds and \$100 million in 10-year Social bonds. The City's investor relations program is pivotal in accessing debt markets at cost effective interest rates. City Council has approved debt issuance of up to \$1 billion in each of the years from 2019 to 2021 and \$2 billion in 2022. Future City Council will approve debt issuance authority for years 2023 and beyond. Going forward, the City expects to issue \$1.2 billion in 2022.

The City's net long-term outstanding sinking fund debt is \$8.9 billion at the end of 2021. Debt will primarily finance key transportation and housing projects. The City also has \$176 million in outstanding amortizing loans at the end of 2021. The City makes regular interest payments on the outstanding debt and loans. The City also makes annual principal payments on loans and annual sinking fund contributions for sinking fund debt for the purpose of debt retirement upon debt maturity. Figures 1 and 2 present the annual interest and sinking fund contributions for existing sinking fund debt as well as interest and principal payments for outstanding loans.

Figure 1: 2022 to 2031 Interest and Sinking Fund Contributions for existing City of Toronto Sinking Fund Debt

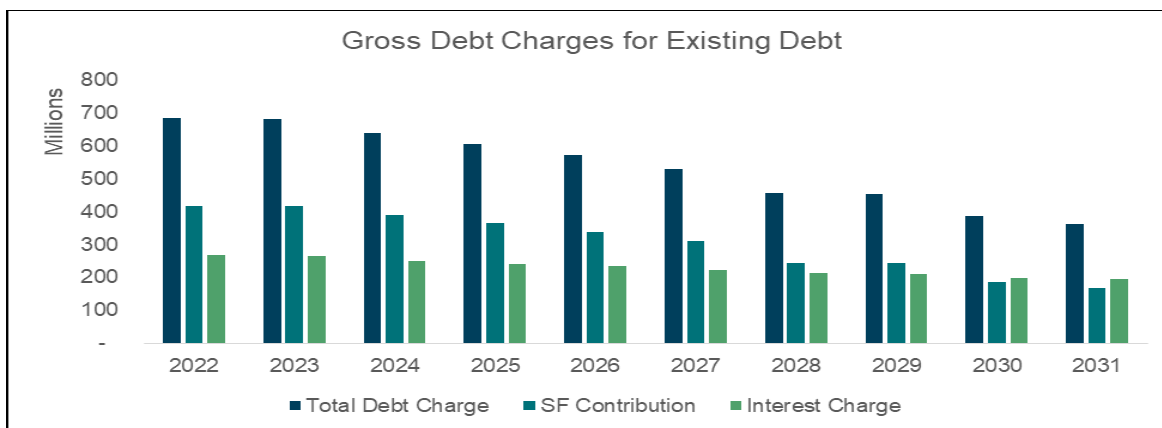
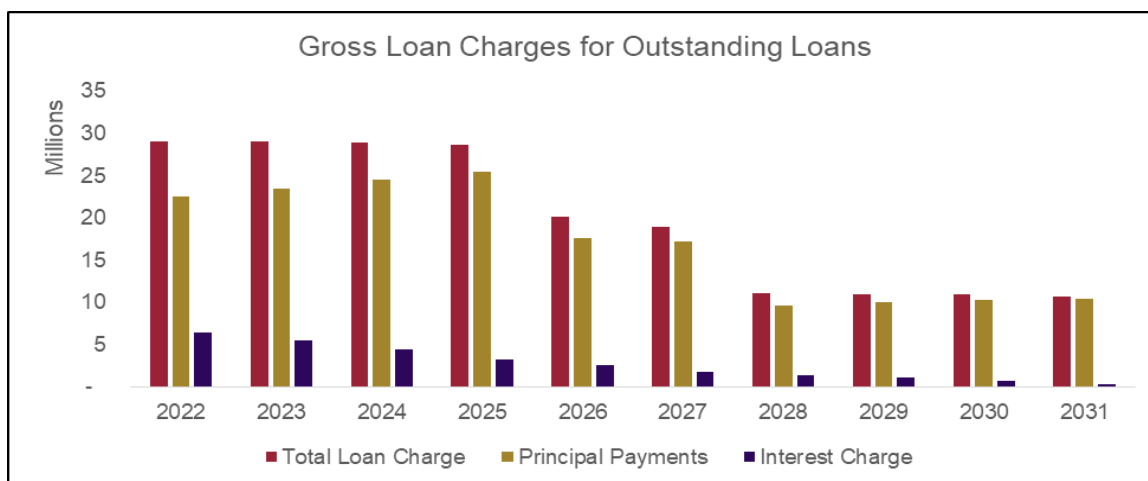


Figure 2: 2022 to 2031 Interest and Principal Payments for outstanding City of Toronto Loans



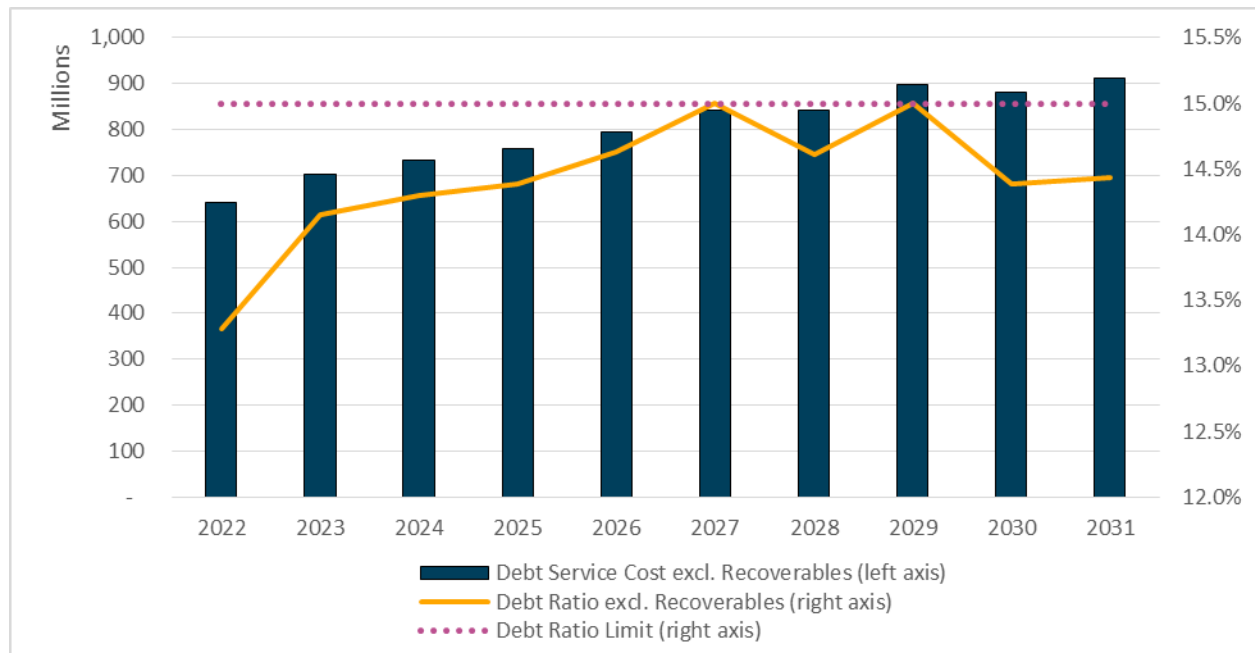
## Debt Service Ceiling

City Council has ultimate authority in setting borrowing restrictions under the City of Toronto act, which exempts the City from the Provincial Municipal Act requirement that generally limits long-term borrowing of other municipalities to 25% of most "own-source" revenues (excl. development charges). City Council approved a debt service limit such that the debt service cost (annual principal and interest payments) would not exceed 15% of property tax revenues. This limit means that at least 85 cents on each tax dollar collected is available for operating purposes.

The City is expected to have a debt service charges to Property Tax Levy ratio of 13.28% in 2022. The ratio is expected to peak in 2029.

To meet its borrowing obligations, the City budgets debt service charges (principal and interest cost) in its Operating Budget. In 2022, the tax supported debt service charge is budgeted to be \$641 million.

Figure 3: 2022 to 2030 Tax-Supported Debt Services as a % of the Property Tax Levy (line graph – right vertical axis) and debt service charges (bar graph – left vertical axis)



## Investment Activities and Capital Markets

The City's Long Term Fund, Sinking Fund, and Short Term Fund each have a different purpose in achieving the City's financial goals and objectives. The Long Term Fund and the Sinking Fund are managed by the Toronto Investment Board whereas the Short Term Fund is managed by City staff. These funds are administered by City staff and governed by the Council-approved Investment Policy. The City also manages and administers other smaller funds where assets are not owned by the City (e.g. Trust Funds).

The Long Term Fund is positioned to fund the City's future reserve and reserve fund requirements and therefore takes a longer view of the market.

The Sinking Fund is used for retiring the City's debt as it becomes due and payable.

The Short Term Fund is primarily focused on ensuring that adequate liquidity is maintained to meet the immediate cash flow requirements of the City's daily operations.

New regulations came into effect in 2018 and provided the City an opportunity to invest in a broader range of investments to earn a higher risk-adjusted returns. The Council-approved Investment Policy now permits the Long Term Fund and Sinking Fund to have a minority allocation in Global Equity and Real Assets. Table 1 shows the previous, current, and the target asset mix of the Long Term Fund and the Sinking Fund. Both funds are currently in transition to the target asset mix.

*Table 1: Previous, Current, and Target Asset Mix*

Asset	Previous Asset Mix	Long Term Fund Asset Mix as at Dec 31, 2021	Sinking Fund Asset Mix as at Dec 31, 2021	Target Asset Mix
Fixed Income (incl. cash)	100%	66%	59%	70%
Global Equity	-	24%	27%	20%
Real Assets	-	-	-	10%
Cash/ Short Term Fund	-	10%*	14%**	0%

\* Pending investment in real assets

\*\* Pending investment in real assets and excess cash was transferred to fixed income in Q1 2022

### Long Term Fund and Short Term Fund

In 2021, investment earnings, which includes the annual earned interest income and realized capital gains and losses on the portfolio of City managed funds, totalled \$107.0 million. These earnings were allocated to the Operating Budget (\$93.7 million) and reserve funds (\$13.3 million) according to the Council-approved interest allocation policy.

The 2021 distribution of investment earnings is summarized in Table 2 to follow:

Table 2: Investment Portfolio Earned Income for the Year 2021 (\$ millions)

Portfolio	Average Fund Balance	Earned Income	Earned Return on Capital**
1. Long Term Fund	\$3,695.7	\$69.3	1.9%
2. Short Term Fund	\$5,238.5	\$37.7	0.7%
<b>Total General Funds</b>	<b>\$8,934.2</b>	<b>\$107.0</b>	<b>1.2%</b>

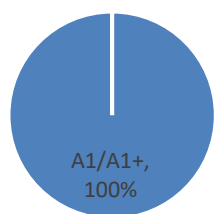
\*\* Earned Return on Capital includes earned interest income and realized capital gain.

The Long Term Fund earned \$69.3 million in gross investment income, which was \$58.4 million lower than budgeted. While both equity and fixed income managers outperformed their respective benchmarks, the overall fixed income market generated negative market returns. On the other hand, the Short Term Fund earned \$37.7 million which was \$18.2 million above budget. The variance was mainly due to higher than forecasted cash balances for the purpose of ensuring increased contingency liquidity during the pandemic. The total earned gross investment income for 2021 was \$107.0 million. Also, Board expenses in 2021 were \$8.5 million (\$0.9 million lower than budgeted). The underspending was mainly due to Board's decision to delay investment in real assets during the pandemic as the underlying conditions for real assets could be changing. However, investment income allocation to reserve funds was \$13.3 million, which was \$1.7 million lower than budgeted due to lower ending reserve fund balances. As a result, total investment income less Board expenses and contribution to eligible reserve funds was \$38.5 million less than budgeted.

The City's Short Term Fund and Long Term Fund continue to exhibit high credit quality. Figures 1 and 2 to follow show as of December 31, 2021 breakdown of the City's Short Term Fund and Long Term Fund by credit ratings for funds' exposure in fixed income securities and short-term holdings (including deposits).

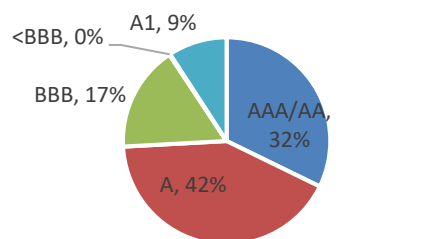
\*Fixed income securities (include short term holdings) and equities represent about 80% and 20% of the total Long Term Fund respectively.

Figure 1: Credit Quality – Short Term Fund



■ A1/A1+

Figure 2: Credit Quality – Long Term Fund\*

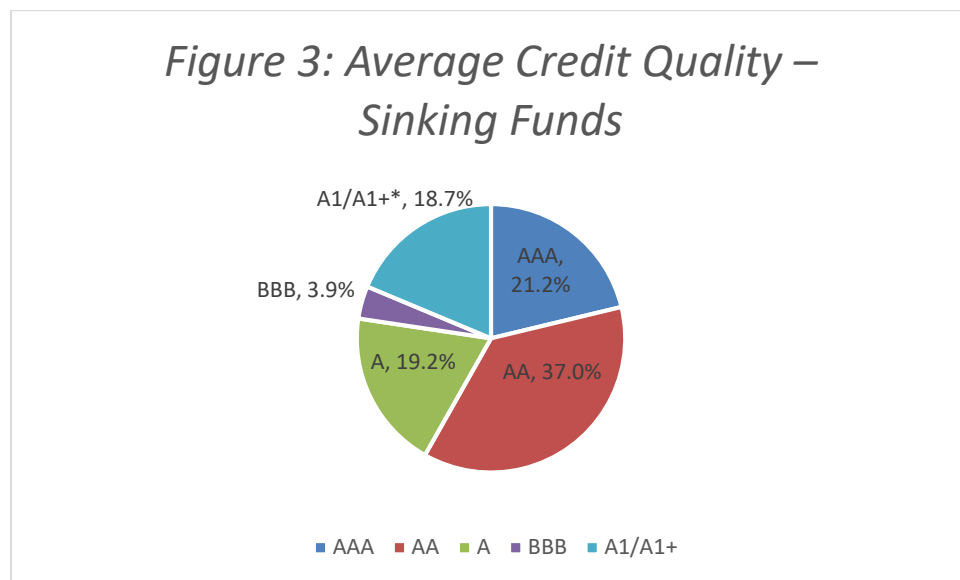


■ AAA/AA ■ A ■ BBB ■ <BBB ■ A1

## Sinking Fund

A Sinking Fund is required by legislation when a municipality issues long-term debt with a fixed maturity. The City is required to make annual contributions to the Sinking Fund and invest those funds in order to earn and accumulate sufficient funds to retire the debt at maturity. The City contributed \$416.3 million to the Sinking Fund in 2021.

Sinking Fund assets as at December 31, 2021 were \$1.7 billion to satisfy debt of \$8.4 billion maturing between 2022 and 2051. These bulk of these assets are invested in high quality fixed income securities as shown in Figure 3 below. In 2021, the market rate of return of the Sinking Fund was 2.0%. Additional contributions from the City to the Sinking Fund will be made annually during the period 2022 to 2051.



\*A1/A1+ rating is the cash deposits pending investment in global equity pooled fund and real assets

# **2022 Operating Budget and 2022-2031 Capital Budget and Plan**



## Tax and Rate Supported 2022 Operating Budget and 2022-2031 Capital Budget and Plan

### SUMMARY

The City of Toronto's Council Approved Tax and Rate Supported 2022 Operating Budget and 2022 – 2031 Capital Budget and Plan, on February 17, 2022, and December 16, 2021, respectfully. This summary presents City Council approval for the 2021 Operating Budget by service, associated service levels, and staffing detailed therein; the 2022 Capital Budget, future year cash flow commitments, and planned estimates over the 2022– 2031 capital planning period.

The 2022 Council Approved Tax and Rate Supported Operating Budget is \$14.99 billion gross and \$4.65 billion net, representing an increase of \$915.07 million or 6.5% in gross expenditures over 2020.

The 2022 Council Approved Tax and Rate Supported Capital Budget is \$4.54 billion and the total 10-year 2021-2030 Council Approved Tax and Rate Supported Capital Budget and Plan is \$46.61 billion.

The 2022 Operating Budget and the 2022 – 2031 Capital Budget and Plan enable the City of Toronto to provide over 150 distinct services that are supported by capital assets and infrastructure to meet the needs of a diverse population of more than 2.9 million people.

The City's many services keep our homes and neighbourhoods safe and vibrant, encourage business growth and investments and make Toronto welcoming to visitors from around the world. Garbage collection, water testing, and public parking are all examples of rate supported services the City provides every day.

**Community and Social Services** are a range of public services provided by the City that aim to build stronger communities and promote equality and opportunity. The City's social safety net covers a broad spectrum of programs and includes the following:

- Children's Services; Court Services; Economic Development & Culture; Housing Secretariat; Long-Term Care Homes & Services; Parks, Forestry & Recreation; Shelter, Support & Housing Administration; Social Development Finance & Administration; Toronto Employment & Social Services; and Toronto Paramedic Services.

**City Building and Infrastructure** refers to the physical networks, associated services and facilities essential to enable, sustain, or enhance societal living conditions and are necessary for the functioning of a modern City. These services include the following:

- City Planning; Fire Services; Municipal Licensing & Standards; Policy, Planning, Finance & Administration; Engineering & Construction Services; Toronto Building; Transportation Services; Waterfront Revitalization Initiative; Toronto Water; and Solid Waste Management Services.

**Internal and Financial Services** are corporate services that are administered to support the needs of City Programs and create more effective organizations. Internal and Financial Services

include only those activities and resources that apply across an organization and not to those provided specifically to a program. These services include the following:

- 311 Toronto; Facilities, Real Estate, Environment and Energy; Fleet Services, Technology Services; Legal Services; Office of the Chief Financial Officer; Office of the Controller; Office of the Chief Information Security Officer; Sustainable Energy Plan; and Financial Services.

**City Governance and Other City Programs** are the foundation of local government in Toronto that manage elections operations, ensure government decision-making, support elected and accountability officials, and deliver provincially delegated services. They ensure open government by managing and storing records, enabling corporate information stewardship, and delivering creative, printing, and distribution services. These services include the following:

- Office of the Mayor; Indigenous Affairs Office; City Council; Accountability Officers (Auditor General, Integrity Commissioner, Lobbyist Registrar and Ombudsman); City Clerk's Office; Legal Services and City Manager's Office.

**Agencies** deliver other important services on behalf of the City and each has its own relationship with the City Council to promote community wellness, health, safety, and cultural and social standards of the City. These services include the following:

- Arena Boards of Management; Association of Community Centres; Exhibition Place; Heritage Toronto; TO Live; Toronto & Region Conservation Authority; Toronto Atmospheric Fund; Parking Tags Enforcement & Operations; Toronto Police Services Board; Toronto Police Service; Toronto Public Health; Toronto Public Library; Toronto Transit Commission; Toronto Zoo; Yonge - Dundas Square; Create TO, and Toronto Parking Authority.

City budgets pre-pandemic identified the need to establish financial sustainability for the City through measures such as cost controls, revenue stabilization, and intergovernmental strategies. The health and economic crisis brought on by the COVID-19 pandemic has magnified these issues. As a result, the City faces unprecedented pressures and increased service needs. The City implemented a range of mitigation measures and spending restraints to offset the financial gap created by the pandemic.

As the pandemic continues and uncertainty persists, the City seeks to balance the increased demand for service with its pre-existing objectives of fiscal responsibility. The development of the 2022 Operating Budget was guided by four key principles, as follows:

- Manage COVID-19 impact and recovery;
- Preserve existing services (consistent with health guidelines & legislative requirements);
- Keeping property taxes affordable; and
- Building a prosperous Toronto with a focus on equity & reconciliation; climate action; and health & well-being.

The development of the 2022-2031 Capital Budget was guided by four further key principles, as follows:

- Continuation to invest in Council approved projects and priorities including climate action and housing;
- Reflect partnerships with other levels of government;
- Achievability and affordability of the Capital Plan; and
- Modernization and business transformation.

The City's fiscal pressures will continue to be significant into 2023 and beyond as the impacts of the pandemic will continue to be experienced as Toronto is an economic driver for the province and country. Toronto's rapid recovery from the economic impacts of COVID-19 is critical. The City delivers essential services to residents and businesses helping them to achieve prosperity. These impacts extend to and benefit the entire Canadian population.

## FINANCIAL IMPACT

The 2022 Council Approved Tax and Rate Supported Operating Budget and the 10-year Capital Budget and Plan are summarized below:

*Figure 1: Council Approved Tax and Rate Supported 2022 Operating Budget and 2022-2031 Capital Budget and Plan*

Total Tax and Rate Supported Budget & Plan (\$M)	Operating Budget		Capital Budget & Plan*			
	2022		2022		2022-2031	
Programs	Gross	Net	Gross	Debt	Gross	Debt
City Operations	6,311	2,716	1,424	877	16,903	8,693
City Agencies	4,566	3,193	1,675	197	13,660	1,891
Corporate & Capital Financing	2,151	-1264				
<b>Total Tax Supported</b>	<b>13,028</b>	<b>4,645</b>	<b>3,099</b>	<b>1,074</b>	<b>30,563</b>	<b>10,584</b>
<b>Total Rate Supported</b>	<b>1,958</b>		<b>1,444</b>		<b>16,054</b>	
<b>Total City Budget</b>	<b>14,986</b>	<b>4,645</b>	<b>4,543</b>	<b>1,074</b>	<b>46,617</b>	<b>10,584</b>

\* Figures exclude carry-forward funding

### 2022 Council Approved Tax Supported Operating Budget Overview

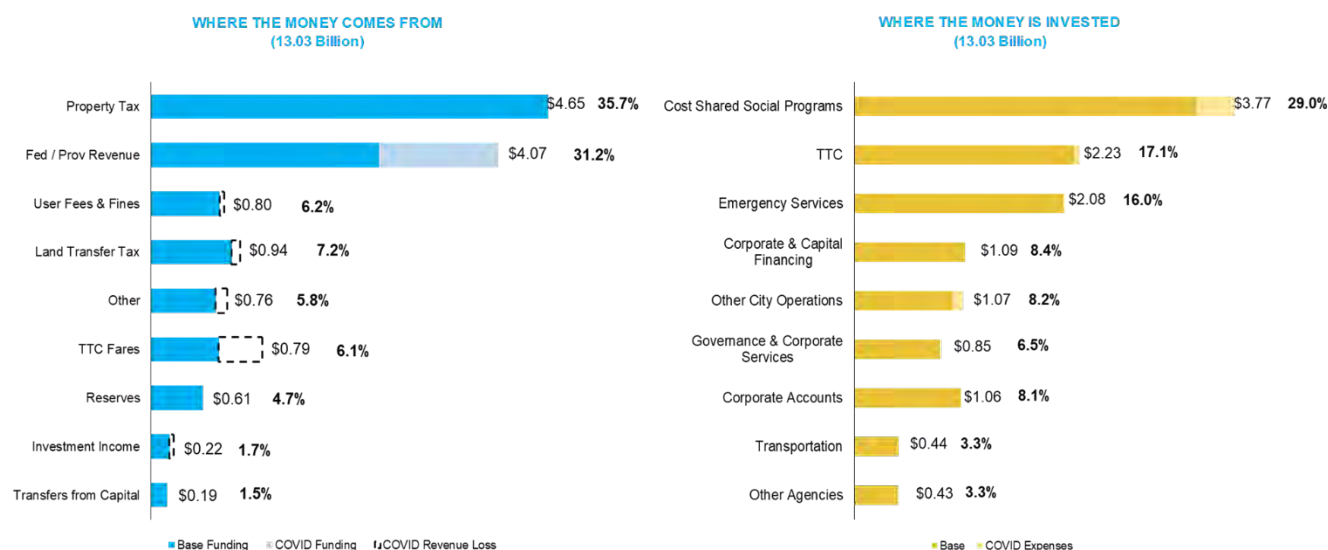
The 2022 Council Approved Tax Supported Operating Budget is \$13.03 billion gross and \$4.65 billion net. The budget preserves existing essential services while adhering to health guidelines; addresses continued COVID-19 pressures; maintains an inflationary residential tax rate increase for City Operations; focuses on equity and prosperity for all; and includes \$136.62 million in new or enhanced investments.

*Please refer to Appendix 1.2.1 for the 2022 Council Approved New and Enhanced Priority details by City Program and Agency.*

Continuous and new investments include a \$1.4 billion request to manage COVID-19 through continued partnerships with the Government of Canada, and \$134.0 million to support building a prosperous Toronto including \$71 million in equity initiatives, \$30 million in a safe a livable city

and \$33 million in modernization. These have been offset with \$494 million in savings through City-led mitigation strategies.

*Figure 2: 2022 Council Approved Tax Supported Operating Budget by Revenue and Expenditure*



The Council Approved Operating budget primarily allocates funds to social programs (29.0%), TTC services (17.1%), and emergency services (16%), with the funding coming from property taxes (35.7%), Federal and Provincial revenues, which includes continued COVID-19 support (31.2%), Land Transfer Tax (7.2%), TTC fares which remain lower than pre-pandemic levels (6.1%) and Fee and Fine revenues (6.2%).

The 2022 Council Approved Tax Supported Budget also provides funding for a staff complement of 59,790.1 to deliver current and new/enhanced services and service levels, as approved by the City Council.

This represents an overall net increase of 1,636.1 positions as a result of:

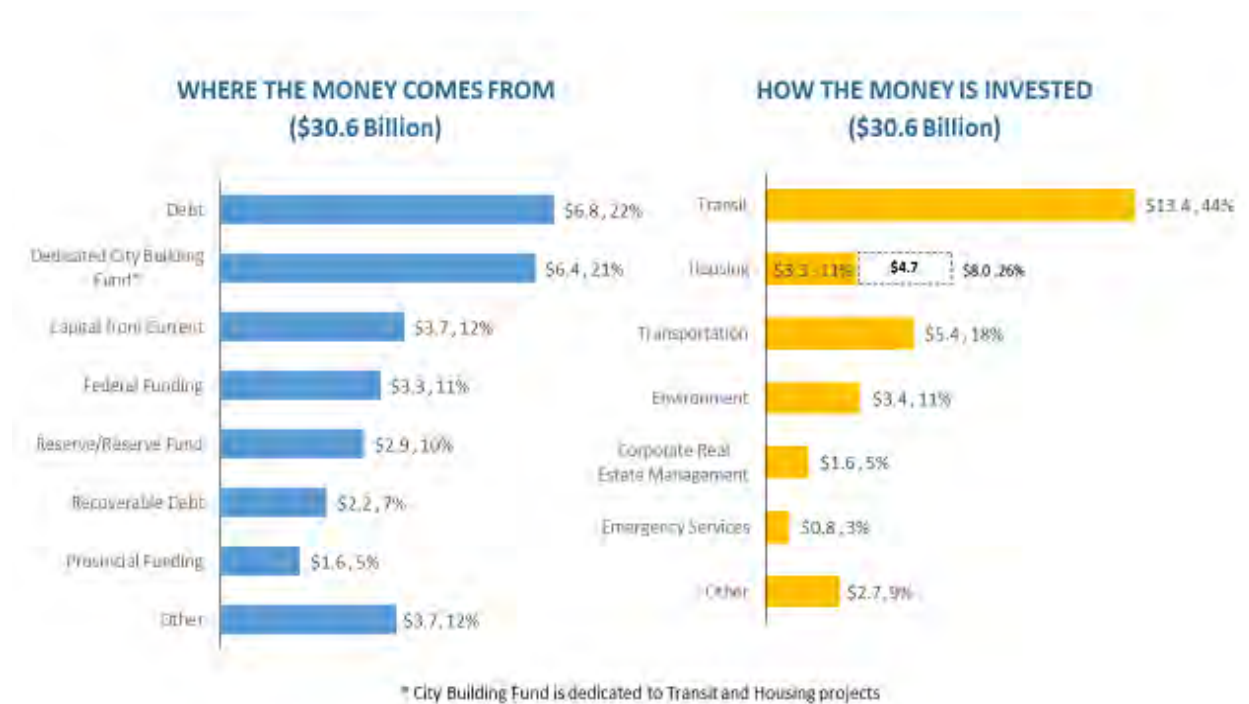
- An addition of 779.2 base positions
- An addition of 856.9 positions to deliver new/enhanced service priorities

*Please refer to Appendices 1.1.1 to 1.1.4 for the 2022 Council Approved Net, Gross, Revenue and Staff Complement details by City Program and Agency.*

### **2022-2031 Council Approved Capital Budget and Plan Overview**

The Council Approved 10 Year Capital Budget and Plan of \$30.563 billion for Tax Supported Programs addresses achievability and affordability, continues to allocate funds generated from the increase to the City Building Fund, addresses recent Council commitments, and reflects government partnerships.

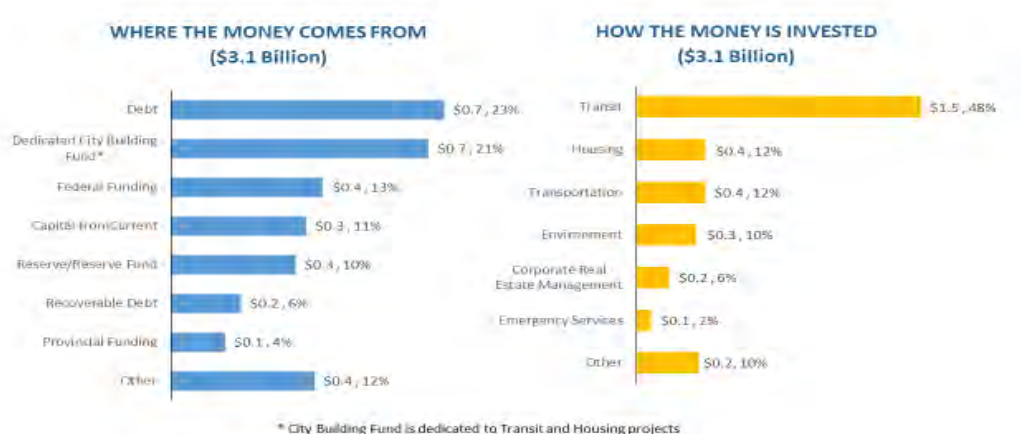
Figure 3: 2022 – 2031 Council Approved Tax Supported Capital Budget and Plan by Revenue and Expenditure



The 2022-2031 Council Approved Capital Plan focuses on investments in transit funding (\$13.4 billion), transportation (\$5.4 billion), environment (\$3.4 billion) and housing (\$3.3 billion and a further \$4.7 billion in incentives); and includes increased investments for new capital projects such as trails & pathways, park development and community centres and special facilities as well as the Toronto Zoo, Children's Service and Exhibition Place. The 10 Year Capital Plan also includes new investments in mobility, housing, modernization, and transformation and has applied a lens that ensures considerations of infrastructure investment involve a climate focus as part of the decision-making process.

The 2022 Council Approved Tax Supported Capital Budget totals \$3.09 billion which requires \$1.07 billion in debt funding. \$1.40 billion or 45% is dedicated to addressing SOGR capital works.

Figure 4: 2022 Council Approved Tax Supported Capital Budget by Revenue and Expenditure



The 2022 Council Approved Tax Supported Capital Budget allocates \$1.5 billion or 48% to transit capital work, \$0.4 billion or 12% to housing initiatives, \$0.4 billion or 12% to transportation and \$0.3 billion or 10% to environment.

Please refer to Appendices 2.1.1 to 2.1.3 for the 2021 - 2030 Council Approved Capital Budget and Plan by City Program/Agency, Category and Funding Source.

## DECISION HISTORY

At its July 28<sup>th</sup> and 29<sup>th</sup>, 2020 Meeting, City Council adopted the City Manager's report on Update on the City's Response to COVID-19 and Financial Impacts. This report provided direction to the City Manager to report in September on any commitments of financial support received from the Federal and Provincial governments to the City.

[Agenda Item History - 2020.CC23.3 \(toronto.ca\)](#)

At its meeting on September 30<sup>th</sup> and October 1<sup>st</sup>, 2020, City Council adopted the report providing details on COVID-19 related financial impacts experienced as of August 20<sup>th</sup>, 2020, the estimated impacts to year-end based on the trends experienced since the declaration of a pandemic in mid-March, and mitigations strategies initiated by the City to offset COVID-19 related financial impacts while acknowledging the initial funding received under the Safe Restart Agreement. This report recommended the City Manager report to City Council in Fall 2020 with an update on further funding received from the Safe Restart Agreement that would offset the remaining 2020 budget pressure and any further mitigation options required to address COVID-19 financial impacts.

[Agenda Item History - 2020.CC24.2 \(toronto.ca\)](#)

At its meeting on April 7<sup>th</sup>, 2021, City Council adopted the COVID-19 Recovery and Rebuild Update. This report was the eighth COVID-19 response and recovery update from the City Manager since April 2020. The report provided information and updates from the first quarter of 2021 on public health and emergency response actions, recovery actions, renewed intergovernmental strategy, recovery communication strategy, and how to coordinate all

recovery actions in order to build a better City.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX22.1>

At its meeting on July 14<sup>th</sup>, 2021, City Council adopted the COVID-19 July 2021 update. This report was the ninth COVID-19 response and recovery update from the City Manager since April 2020. The report outlined the City's priorities on both short-term response and sustainable recovery.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX25.2>

At its meeting on November 9<sup>th</sup>, 2021, City Council adopted the City Manager's October 2021 COVID-19 Recovery and Rebuild update and authorized the City Manager and/or any other relevant City Official, in consultation with the Chief Financial Officer and Treasurer, to apply for and receive funding, and negotiate, enter into and execute any agreements required in respect of receiving such funding, including any amendments and extensions thereto, with the Government of Canada, the Province of Ontario, their respective agencies/partners, or other funding partners until the February 2<sup>nd</sup> and 3<sup>rd</sup>, 2022 meeting of City Council.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX27.1>

At its meeting on December 15<sup>th</sup>, 2021, City Council adopted the report requesting the Government of Canada and the Ontario Government to provide funding commitments to address the City's COVID-19 related financial impacts in 2022 and 2023; to allocate COVID-19 related support to municipal governments on a needs basis, including recently announced provincial operating funding for public transit systems; and to request the Ontario Government to confirm that \$28 million in provincial emergency funding that has been previously committed to the City for public transit as part of Phase 2 funding can be rolled over past the end of the provincial fiscal year (March 31, 2021).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.CC38.1>

At its meeting on February 17<sup>th</sup>, 2022, City Council adopted the report authorizing the amendment of the Municipal Code Chapter 30, Debenture and other Borrowing authorizing the Mayor (or as an alternate to the Mayor, either the Deputy Mayor or the Chair of the Budget Committee) and the Chief Financial Officer and Treasurer, during 2022, to enter into agreements for the sale, or the issuance and sale, of debentures, and revenue bonds and for entering into bank loan agreements, upon such terms and conditions, including price, as they deem expedient, for the purposes of borrowing money to obtain or provide long-term financing of any capital work, in an annual amount not to exceed \$2.0 billion per year provided that such debt issue is in compliance with the Council approved existing debt guidelines.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX30.2>

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## COMMENTS

### ***COVID-19 Financial Impacts***

Since March 2020, the City of Toronto, consistent with other major Canadian and Greater Toronto and Hamilton Area (GTHA) municipalities has been experiencing significant financial impacts, both in the form of added costs and revenue losses as a direct result of the COVID-19 pandemic.

Toronto has been a world leader in responding to and addressing the impacts from the COVID-19 pandemic, which has demanded a significant City response that has disproportionately impacted municipalities with large transit systems, shelter services and Public Health services. In 2022, it is expected that the City will continue to incur \$1.4 billion in COVID-19 related financial impacts based on data available today. The three major areas that continue to be impacted are the TTC (\$561 million); Shelters (\$288 million) and various Corporate Revenues (\$266 million) such as Parking Authority revenues, the Municipal Accommodation Tax and the Toronto Hydro dividend. The City will also continue its commitment to:

- Delivering critical and responsive City services during the pandemic, including the significant investments noted in transit to keep our city moving and support equity; and to Shelter Services to provide additional spaces for physical distancing;
- Investing in public health, including the largest and most successful vaccination campaign in the country and in Toronto's history;
- Accelerating transformational work to deliver affordable and supportive housing;
- Supporting Toronto's economic recovery with an emphasis on small businesses;
- Transforming how and when we interact with residents and businesses through expanded digital services and modernization to deliver services 24/7 (e.g. 311, Concept to Keys (C2K) development application intake); and
- Managing the City's long-term financial sustainability (e.g. City Building Fund, sustainability framework for debt and borrowing).

As the City continues to respond to the COVID-19 pandemic, there are also investments aimed to support Toronto's recovery:

- Unprecedented and continued support for small businesses (small business property tax subclass, ShowLoveTO shop local campaign, Commercial Space Rehabilitation Grant Program, CafeTO and more); and
- Continuing the City's ongoing COVID-19 vaccination campaign, the largest in Toronto's history and one of the most successful in a major global urban centre.

Achieving success and prosperity for the City will require:

- Hiring critical staff positions to deliver the programs and services necessary to respond to the pandemic and recruiting, retraining and retaining skilled staff to deliver recovery strategies;
- Investments in Equity and Indigenous Reconciliation; and
- Climate action to build climate resilience and reduce GHG emissions.

These recovery programs are being developed and delivered with an equity and Indigenous reconciliation focus to support Toronto communities hardest hit by the pandemic.

### ***Intergovernmental Strategies and Support***

Investments from the Government of Canada and the Province of Ontario remain critical to support public health efforts and limit the spread of the pandemic; sustain vital services such as Transit and Shelters, and support for equity-deserving groups; and keep much-needed capital



projects on track, including those funded in partnership with other governments, which will sustain and create jobs and support our local, regional, and national economic recoveries. The economy as a whole cannot fully recover from this pandemic until Toronto's economy recovers. When prosperity is the shared goal of all governments, recovery can be successfully planned, implemented and realized. A collective response, with aligned federal, provincial, and City approaches, will be critical in leading Toronto on a sustained path as the City continues to respond to, and recover from, COVID-19.

To ensure the continued COVID-19 response and facilitate recovery efforts, the 2022 Council Approved Operating Budget for Non-Program Revenues includes \$1.4 billion in continued COVID-19 funding from the Government of Canada and the Province of Ontario.

- Through partnerships with the federal and provincial governments, the City secured approximately \$2.8 billion in pandemic response funding to address COVID-19 impacts experienced in 2020 and 2021.
- Of the \$2.8 billion in intergovernmental funding, approximately \$1.8 billion was received from the Ontario Government and almost \$1.0 billion from the Government of Canada, based on assumed federal and provincial allocations to Safe Restart Agreement funding.
- Continued support from the Government of Canada and the Province of Ontario is critical to offset the anticipated remaining 2022 COVID-19 financial impacts.
- The City is optimistic that continued 2022 funding is forthcoming from the Provincial and Federal governments. If provincial and federal government funding is not fully received, the City will be required to redirect available and eligible capital funding to maintain a balanced budget, which will result in a significant impact on the City's ability to proceed with capital & infrastructure projects; depending on total 2022 COVID-19 impacts the level of provincial and federal government funding received, there may also be a required in-year adjustment to City services.

## **Corporate Recommendations**

### ***Toronto Community Housing One-Time Funding***

The 2022 Council Approved Operating Budget includes one-time funding from Non-Program Expenditures towards Toronto Community Housing (TCHC) for 2022 expected COVID-19 impacts (\$26.8 million) and further costs that are not expected to occur in future years (\$6.8 million); in addition to the annual TCHC subsidy that is reflected in the Shelter, Support and Housing Administration 2022 Operating Budget.

### ***Approval of 2022 Sinking Fund Levies***

The City of Toronto Act, 2006 (COTA), sub-section 255 (4) states that, "If in any year an amount is or will be required by law to be raised for a sinking fund or retirement fund of the City, the City Treasurer shall prepare for City Council, before the budget for the year is adopted, a statement of the amount."

Council Approved the 2022 sinking fund levies of \$416,278,518 in respect of the City's capital financing requirements.

### ***Cost of Living Adjustment***

Cost of Living Adjustment (COLA) and pay for performance increases were suspended over the past 2 years for non-union and management staff as a cost mitigation measure while the City responded to and managed the impacts arising from the pandemic. Most other Ontario municipalities did not take similar measures.

While this action has achieved cost savings to help address financial pressures resulting from COVID-19, the sustained suspension of COLA would result in challenges and risks as it relates to resourcing and supporting delivery of services and COVID-19 response.

The 2022 Council Approved Operating Budget reflects a 1% COLA increase for all City staff, consistent with the rate included in Local 79 and Local 416 COLA adjustments.

### ***Reserve / Capital Contributions***

Ongoing investment in the City's Capital Program is necessary to support the state of good repair needs, while also ensuring investments to build or acquire assets to meet health and safety, legislative and growth requirements are achieved.

In an effort to expand capital funding capacity, it is recommended that any annual debt service cost underspending be contributed to the Debt Servicing Stabilization Reserve to mitigate any future debt service cost pressure; and any annual MLTT specific surplus be directed to the City's Capital Program in the form of either a contribution to the Capital Financing Reserve or to replace existing or planned debt funding, resulting in increased capital funding capacity for use as part of future year capital budgeting processes.

### ***Debt Charges and Borrowing Authority***

The debt charges associated with previous and new borrowings are contained in the Capital and Corporate Financing/Non-Program section of the Operating Budget. Debt charges are affected by past levels of borrowing, interest rates on new debt issuance, the amount of debt issued, and the term of the debt.

With the continued growth of the City's Capital Program and utilization, City Council approved an increase to the upper limit of the annual borrowing authority for the year 2022 from \$1.0 billion to \$2.0 billion.

This authority will not impact adherence to the existing Council approved debt guidelines that are maintained in each year of the 10-Year Capital Plan, and is consistent with annual debt and recoverable debt funding amounts included in the Approved 2022 – 2031 Capital Budget and Plan.

The recommended amendment to the current borrowing authority for long-term debt financing from \$1.0 billion to \$2.0 billion for 2022 will maintain financial flexibility and support approved capital priorities that utilize recoverable debt. This authority will be reviewed again in 2023 as part of the recommendations to the Incoming Council.

**CITY OF TORONTO**  
**2022 CITY COUNCIL APPROVED OPERATING BUDGET**  
**NET EXPENDITURES**

(In \$000's)	2021		2022 Budget	Outlooks	
	Budget	Projection		2023 Plan	2024 Plan
<b>Community and Social Services</b>					
Housing Secretariat	1,681	1,681	2,848	2,940	2,726
Children's Services	91,413	89,466	92,293	98,397	100,266
Court Services	(44,081)	(37,830)	(36,328)	(47,691)	(48,422)
Economic Development & Culture	79,138	76,982	81,240	83,150	82,383
Toronto Paramedic Services	101,987	87,476	100,129	110,343	113,541
Seniors Services and Long-Term Care	68,537	63,769	73,315	64,478	69,460
Parks, Forestry & Recreation	335,994	328,701	344,175	340,645	350,827
Shelter, Support & Housing Administration	526,178	550,090	584,027	405,798	433,768
Social Development, Finance & Administration	67,903	58,983	79,605	83,238	83,514
Toronto Employment & Social Services	80,791	66,408	81,431	86,781	98,028
<b>Sub-Total Community and Social Services</b>	<b>1,309,541</b>	<b>1,285,725</b>	<b>1,402,734</b>	<b>1,228,081</b>	<b>1,286,091</b>
<b>Infrastructure and Development Services</b>					
City Planning	13,338	(4,555)	13,338	13,759	14,314
Fire Services	487,002	492,578	502,698	514,630	527,072
Office of Emergency Management	3,252	2,476	3,006	3,017	3,039
Municipal Licensing & Standards	16,951	19,868	22,335	24,238	25,335
Policy, Planning, Finance & Administration	5,010	4,893	4,860	5,038	5,028
Engineering & Construction Services	749	(798)	567	773	1,040
Toronto Building	(16,147)	(49,294)	(16,147)	(16,147)	(16,147)
Transportation Services	225,053	220,331	234,109	255,430	259,437
Transit Expansion	2,475	356	2,337	2,336	2,336
<b>Sub-Total Infrastructure and Development Services</b>	<b>737,684</b>	<b>685,855</b>	<b>767,104</b>	<b>803,073</b>	<b>821,454</b>
<b>Internal Corporate Services</b>					
Corporate Real Estate Management	103,888	103,804	112,451	117,325	118,787
Environment & Energy	11,818	10,574	13,723	15,291	15,440
Fleet Services	24,075	25,023	29,203	27,009	27,059
Office of the Chief Information Security Officer	28,055	17,139	39,662	50,786	53,241
Technology Services	104,848	102,823	109,316	123,388	124,291
311 Toronto	10,515	10,505	10,661	10,928	11,250
<b>Sub-Total Internal Corporate Services</b>	<b>283,199</b>	<b>269,867</b>	<b>315,017</b>	<b>344,727</b>	<b>350,069</b>
<b>Finance and Treasury Services</b>					
Office of the Chief Financial Officer and Treasurer	12,647	11,502	12,944	13,512	13,619
Office of the Controller	39,361	35,940	43,319	44,779	46,586
<b>Sub-Total Finance and Treasury Services</b>	<b>52,008</b>	<b>47,443</b>	<b>56,263</b>	<b>58,290</b>	<b>60,205</b>
<b>City Manager</b>					
City Manager's Office	61,899	62,946	65,631	66,108	66,224
<b>Sub-Total City Manager</b>	<b>61,899</b>	<b>62,946</b>	<b>65,631</b>	<b>66,108</b>	<b>66,224</b>
<b>Other City Programs</b>					
City Clerk's Office	37,402	34,602	37,877	38,975	39,641
Legal Services	32,206	29,240	34,725	35,229	35,969
Mayor's Office	2,567	2,567	2,567	2,595	2,618
City Council	21,696	20,196	21,862	22,206	22,502
<b>Sub-Total Other City Programs</b>	<b>93,870</b>	<b>86,605</b>	<b>97,031</b>	<b>99,005</b>	<b>100,731</b>
<b>Accountability Offices</b>					
Auditor General's Office	6,641	6,641	7,658	7,358	7,414
Integrity Commissioner's Office	640	640	662	650	657
Office of the Lobbyist Registrar	1,234	1,234	1,257	1,238	1,248
Office of the Ombudsman	2,258	2,258	2,688	2,628	2,649
<b>Sub-Total Accountability Offices</b>	<b>10,772</b>	<b>10,772</b>	<b>12,264</b>	<b>11,874</b>	<b>11,968</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,548,972</b>	<b>2,449,212</b>	<b>2,716,044</b>	<b>2,611,158</b>	<b>2,696,741</b>
<b>Agencies</b>					
Toronto Public Health	124,391	124,391	128,346	95,058	99,221
Toronto Public Library	203,048	198,048	209,785	220,505	227,657
Association of Community Centres	8,926	8,762	9,426	9,253	9,393
Exhibition Place	7,577	10,900	3,300	(900)	(900)
Heritage Toronto	450	451	511	518	518
To Live	10,795	10,902	8,059	8,059	8,059
Toronto Zoo	19,444	18,422	17,419	16,975	17,399
Arena Boards of Management	490	3,463	1,488	(202)	(361)
Yonge-Dundas Square	1,314	1,683	1,165	146	
CreateTO	0		(0)	0	(0)
Toronto & Region Conservation Authority	4,865	4,865	5,459	5,682	5,927
Toronto Transit Commission - Conventional	1,471,938	1,488,876	1,285,315	1,090,624	1,073,324
Toronto Transit Commission - Wheel Trans	114,290	97,352	127,156	136,499	139,545
Toronto Police Service	1,075,793	1,077,093	1,118,219	1,179,595	1,209,590
Toronto Police Services Board	1,931	2,008	1,970	1,989	1,989
Toronto Community Housing Corporation Subsidy	250,960	250,960	275,268	250,960	250,960
<b>TOTAL - AGENCIES</b>	<b>3,296,213</b>	<b>3,298,178</b>	<b>3,192,885</b>	<b>3,014,761</b>	<b>3,042,322</b>
<b>TOTAL - CITY OPERATIONS AND AGENCIES</b>	<b>5,845,185</b>	<b>5,747,389</b>	<b>5,908,929</b>	<b>5,625,920</b>	<b>5,739,064</b>

**CITY OF TORONTO**  
**2022 CITY COUNCIL APPROVED OPERATING BUDGET**  
**NET EXPENDITURES**

(In \$000's)	2021		2022 Budget	Outlooks	
	Budget	Projection		2023 Plan	2024 Plan
<b>Corporate Accounts</b>					
<u>Capital &amp; Corporate Financing</u>					
Capital from Current	336,178	336,178	192,882	199,720	206,694
Technology Sustainment	20,530	20,530	21,297	21,297	21,297
Debt Charges	649,218	649,218	647,213	706,514	719,371
<b>Capital &amp; Corporate Financing</b>	<b>1,005,926</b>	<b>1,005,926</b>	<b>861,392</b>	<b>927,530</b>	<b>947,362</b>
<u>Non Program Expenditures</u>					
Tax Deficiencies/Write offs	54,304	54,204	42,736	68,603	63,284
Tax Increment Equivalent Grants (TIEG)	45,596	46,598	50,570	54,796	50,151
Assessment Function (MPAC)	46,490	46,283	46,515	47,817	49,156
Funding of Employee Related Liabilities	70,794	82,488	70,782	70,814	70,847
Programs Funded from Reserve Funds			(0)	(0)	(0)
Other Corporate Expenditures	4,656	87,602	196,150	77,623	97,158
Insurance Contributions	46,913	74,941	48,317	49,765	51,273
Tax Increment Funding (TIF)	2,725	2,725	4,992	4,992	4,992
Parking Tag Enforcement & Operations Exp	58,859	57,250	61,317	61,317	61,317
Heritage Property Taxes Rebate	1,983	1,797	2,012	2,525	3,038
Solid Waste Management Services Rebate	75,371	75,371	75,371	75,371	75,371
<b>Non-Program Expenditures</b>	<b>407,690</b>	<b>529,259</b>	<b>598,761</b>	<b>513,623</b>	<b>526,586</b>
<u>Non Program Revenues</u>					
Payments in Lieu of Taxes	(93,209)	(95,559)	(95,379)	(96,097)	(97,107)
Supplementary Taxes	(38,353)	(39,269)	(40,353)	(40,353)	(40,353)
Tax Penalty Revenue	(32,000)	(36,900)	(36,900)	(36,900)	(36,900)
Municipal Land Transfer Tax	(625,358)	(725,358)	(725,023)	(725,023)	(725,023)
Municipal Accommodation Tax (MAT)					
Third Party Sign Tax	(9,531)	(9,637)	(9,517)	(9,517)	(9,517)
Interest/Investment Earnings	(124,402)	(82,663)	(94,646)	(63,083)	(28,491)
Other Corporate Revenues	(11,785)	(7,075)	(7,358)	(7,358)	(7,358)
Dividend Income	(88,000)	(70,260)	(79,000)	(94,000)	(98,000)
Provincial Gas Tax	(91,600)	(91,600)	(91,600)	(91,600)	(91,600)
Parking Authority Revenues	(12,000)	(12,000)	(7,080)	(39,358)	(74,061)
Administrative Support Recoveries - Water	(18,973)	(18,973)	(18,973)	(18,973)	(18,973)
Administrative Support Recoveries - Health & EMS	(10,427)	(10,427)	(11,821)	(11,821)	(11,821)
Parking Tag Enforcement & Operations Rev	(80,656)	(70,956)	(89,433)	(89,433)	(89,433)
Other Tax Revenues	(10,313)	(10,474)	(10,462)	(10,462)	(10,462)
Casino Woodbine Revenues	(4,035)	(2,060)	(7,254)	(7,254)	(7,254)
COVID-19 Recoveries	(1,518,975)	(1,462,669)	(1,399,071)		
<b>Non-Program Revenues</b>	<b>(2,769,618)</b>	<b>(2,745,879)</b>	<b>(2,723,871)</b>	<b>(1,341,233)</b>	<b>(1,346,354)</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(1,356,002)</b>	<b>(1,210,694)</b>	<b>(1,263,718)</b>	<b>99,921</b>	<b>127,595</b>
<b>TOTAL LEVY OPERATING BUDGET BEFORE ASSESSMENT GROWTH AND TAX INCREASE</b>	<b>4,489,183</b>	<b>4,536,696</b>	<b>4,645,212</b>	<b>5,725,840</b>	<b>5,866,658</b>
Special Levy for Scarborough Subway	40,699	40,699	40,699	40,699	40,699
City Building Fund (CBF)	141,290	141,290	192,889	192,889	192,889
<b>TOTAL LEVY INCLUDING SCARBOROUGH SUBWAY EXTENSION LEVY AND CITY BUILDING FUND</b>	<b>4,671,171</b>	<b>4,718,684</b>	<b>4,878,800</b>	<b>5,959,428</b>	<b>6,100,246</b>
<b>NON LEVY OPERATION</b>					
Solid Waste Management Services	(17,052)	(31,104)	(13,157)		
Toronto Parking Authority	2,237	(3,325)	(14,401)		
Toronto Water	(946,512)	(964,276)	(975,793)		
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>(961,327)</b>	<b>(998,705)</b>	<b>(1,003,352)</b>		
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>3,527,855</b>	<b>3,537,990</b>	<b>3,641,860</b>	<b>5,725,840</b>	<b>5,866,658</b>

Note: Total levy and non-levy operation figures above are excluding Special Levy for Scarborough Subway and City Building Fund.



**CITY OF TORONTO  
2022 CITY COUNCIL APPROVED OPERATING BUDGET  
GROSS EXPENDITURES**

(In \$000's)	2021		2022 Budget	Outlooks	
	Budget	Projection		2023 Plan	2024 Plan
<b>Community and Social Services</b>					
Housing Secretariat	76,846	47,064	72,312	26,277	19,787
Children's Services	648,666	613,369	671,877	671,507	665,713
Court Services	32,937	27,765	32,826	34,052	33,321
Economic Development & Culture	98,042	90,202	98,177	102,131	93,375
Toronto Paramedic Services	280,674	271,807	292,143	297,609	303,399
Seniors Services and Long-Term Care	294,690	316,414	327,475	330,420	350,313
Parks, Forestry & Recreation	446,921	409,354	481,964	492,057	495,387
Shelter, Support & Housing Administration	935,710	898,304	977,485	746,174	765,851
Social Development, Finance & Administration	84,767	75,919	93,301	96,622	95,505
Toronto Employment & Social Services	1,156,356	875,604	1,157,836	1,160,152	1,163,762
<b>Sub-Total Community and Social Services</b>	<b>4,055,610</b>	<b>3,625,801</b>	<b>4,205,396</b>	<b>3,957,001</b>	<b>3,986,413</b>
<b>Infrastructure and Development Services</b>					
City Planning	53,419	48,479	56,109	57,365	57,328
Fire Services	507,771	514,026	523,467	535,399	547,841
Office of Emergency Management	3,912	3,126	3,656	3,667	3,689
Municipal Licensing & Standards	60,993	55,576	64,638	69,501	70,771
Policy, Planning, Finance & Administration	16,562	15,686	16,730	17,057	17,180
Engineering & Construction Services	72,960	67,572	74,613	75,643	76,871
Toronto Building	62,810	50,075	68,046	69,114	70,342
Transportation Services	421,597	387,019	436,355	425,052	430,626
Transit Expansion	9,169	6,152	9,671	9,694	9,748
<b>Sub-Total Infrastructure and Development Services</b>	<b>1,209,192</b>	<b>1,147,711</b>	<b>1,253,285</b>	<b>1,262,492</b>	<b>1,284,396</b>
<b>Internal Corporate Services</b>					
Corporate Real Estate Management	198,674	194,296	209,255	204,111	205,574
Environment & Energy	16,473	12,660	17,486	19,441	19,589
Fleet Services	58,324	56,653	63,087	61,196	61,549
Office of the Chief Information Security Officer	28,438	17,139	44,662	50,786	53,241
Technology Services	140,109	127,552	141,266	158,469	159,508
311 Toronto	19,326	19,040	19,280	19,119	19,452
<b>Sub-Total Internal Corporate Services</b>	<b>461,343</b>	<b>427,339</b>	<b>495,035</b>	<b>513,122</b>	<b>518,914</b>
<b>Finance and Treasury Services</b>					
Office of the Chief Financial Officer and Treasurer	16,493	14,788	16,569	17,257	17,395
Office of the Controller	82,366	73,669	88,428	87,929	82,800
<b>Sub-Total Finance and Treasury Services</b>	<b>98,859</b>	<b>88,457</b>	<b>104,997</b>	<b>105,186</b>	<b>100,195</b>
<b>City Manager</b>					
City Manager's Office	75,024	74,325	85,406	82,520	81,359
<b>Sub-Total City Manager</b>	<b>75,024</b>	<b>74,325</b>	<b>85,406</b>	<b>82,520</b>	<b>81,359</b>
<b>Other City Programs</b>					
City Clerk's Office	50,089	46,789	66,053	51,239	52,030
Legal Services	57,819	54,520	61,202	60,893	61,554
Mayor's Office	2,567	2,567	2,567	2,595	2,618
City Council	21,752	20,252	24,202	22,276	22,542
<b>Sub-Total Other City Programs</b>	<b>132,227</b>	<b>124,127</b>	<b>154,024</b>	<b>137,003</b>	<b>138,745</b>
<b>Accountability Offices</b>					
Auditor General's Office	6,641	6,641	7,729	7,358	7,414
Integrity Commissioner's Office	740	740	762	750	757
Office of the Lobbyist Registrar	1,234	1,234	1,257	1,238	1,248
Office of the Ombudsman	2,458	2,458	2,688	2,628	2,649
<b>Sub-Total Accountability Offices</b>	<b>11,072</b>	<b>11,072</b>	<b>12,435</b>	<b>11,974</b>	<b>12,068</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>6,043,326</b>	<b>5,498,833</b>	<b>6,310,578</b>	<b>6,069,298</b>	<b>6,122,089</b>
<b>Agencies</b>					
Toronto Public Health	353,264	413,533	361,684	300,943	304,818
Toronto Public Library	220,508	214,008	228,305	239,022	246,287
Association of Community Centres	9,500	8,872	9,565	9,393	9,572
Exhibition Place	43,386	36,517	59,885	64,460	65,766
Heritage Toronto	1,026	1,060	1,250	1,188	1,126
To Live	13,378	15,310	38,673	38,673	38,673
Toronto Zoo	46,400	40,979	55,260	56,368	57,413
Arena Boards of Management	9,885	7,477	9,783	10,630	10,759
Yonge-Dundas Square	2,977	2,253	3,480	3,675	3,928
CreateTO	14,599	14,345	16,331	16,545	16,833
Toronto & Region Conservation Authority	10,198	10,198	10,925	11,148	11,394
Toronto Transit Commission - Conventional	2,034,438	1,988,672	2,096,541	2,194,696	2,253,096
Toronto Transit Commission - Wheel Trans	118,566	101,014	133,151	143,669	146,887
Toronto Police Service	1,220,002	1,233,902	1,262,428	1,327,875	1,358,709
Toronto Police Services Board	3,907	3,947	3,045	3,064	3,064
Toronto Community Housing Corporation Subsidy	250,960	250,960	275,268	250,960	250,960
<b>TOTAL - AGENCIES</b>	<b>4,352,994</b>	<b>4,343,046</b>	<b>4,565,574</b>	<b>4,672,310</b>	<b>4,779,285</b>
<b>TOTAL - CITY OPERATIONS AND AGENCIES</b>	<b>10,396,320</b>	<b>9,841,879</b>	<b>10,876,152</b>	<b>10,741,608</b>	<b>10,901,374</b>

**CITY OF TORONTO**  
**2022 CITY COUNCIL APPROVED OPERATING BUDGET**  
**GROSS EXPENDITURES**

(In \$000's)	2021		2022 Budget	Outlooks	
	Budget	Projection		2023 Plan	2024 Plan
<b>Corporate Accounts</b>					
<u>Capital &amp; Corporate Financing</u>					
Capital from Current	344,856	344,856	342,882	349,720	356,694
Technology Sustainment	20,530	20,530	21,297	21,297	21,297
Debt Charges	733,486	733,486	730,121	786,234	799,137
<b>Capital &amp; Corporate Financing</b>	<b>1,098,872</b>	<b>1,098,872</b>	<b>1,094,300</b>	<b>1,157,251</b>	<b>1,177,127</b>
<u>Non Program Expenditures</u>					
Tax Deficiencies/Write offs	54,304	54,204	42,736	93,603	88,284
Tax Increment Equivalent Grants (TIEG)	45,596	46,598	50,570	54,796	50,151
Assessment Function (MPAC)	46,490	46,283	46,515	47,817	49,156
Funding of Employee Related Liabilities	70,794	82,488	70,782	70,814	70,847
Programs Funded from Reserve Funds	152,837	150,847	155,442	156,460	157,983
Other Corporate Expenditures	33,689	107,561	248,624	108,318	127,853
Insurance Contributions	46,913	74,941	48,317	49,765	51,273
Tax Increment Funding (TIF)	2,725	2,725	4,992	4,992	4,992
Parking Tag Enforcement & Operations Exp	58,859	57,250	61,317	61,317	61,317
Heritage Property Taxes Rebate	1,983	1,797	2,012	2,525	3,038
Solid Waste Management Services Rebate	75,371	75,371	75,371	75,371	75,371
<b>Non-Program Expenditures</b>	<b>589,561</b>	<b>700,065</b>	<b>806,678</b>	<b>725,777</b>	<b>740,264</b>
<u>Non Program Revenues</u>					
Payments in Lieu of Taxes					
Supplementary Taxes					
Tax Penalty Revenue					
Municipal Land Transfer Tax	72,333	224,642	222,667	222,667	222,667
Municipal Accommodation Tax (MAT)	14,478	8,163	16,875	22,500	28,125
Third Party Sign Tax					
Interest/Investment Earnings	9,912	8,552	9,857	14,181	16,232
Other Corporate Revenues	948	605	835	835	835
Dividend Income					
Provincial Revenue					
Parking Authority Revenues					
Administrative Support Recoveries - Water					
Administrative Support Recoveries - Health & EMS					
Parking Tag Enforcement & Operations Rev					
Other Tax Revenues	221	100	197	197	197
Casino Woodbine Revenues					
COVID-19 Recoveries					
<b>Non-Program Revenues</b>	<b>97,892</b>	<b>242,062</b>	<b>250,432</b>	<b>260,380</b>	<b>268,056</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,786,325</b>	<b>2,041,000</b>	<b>2,151,409</b>	<b>2,143,408</b>	<b>2,185,448</b>
<b>TOTAL LEVY OPERATING BUDGET BEFORE ASSESSMENT GROWTH AND TAX INCREASE</b>	<b>12,182,645</b>	<b>11,882,879</b>	<b>13,027,561</b>	<b>12,885,016</b>	<b>13,086,821</b>
Special Levy for Scarborough Subway	40,699	40,699	40,699	40,699	40,699
City Building Fund (CBF)	141,290	141,290	192,889	192,889	192,889
<b>TOTAL LEVY INCLUDING SCARBOROUGH SUBWAY EXTENSION LEVY AND CITY BUILDING FUND</b>	<b>12,364,634</b>	<b>12,064,868</b>	<b>13,261,149</b>	<b>13,118,604</b>	<b>13,320,409</b>
<b>NON LEVY OPERATION</b>					
Solid Waste Management Services	362,263	349,343	377,809	401,676	422,098
Toronto Parking Authority	95,724	88,794	105,900	164,290	170,459
Toronto Water	468,824	435,321	471,228	1,477,956	1,522,104
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>926,811</b>	<b>873,458</b>	<b>954,936</b>	<b>2,043,922</b>	<b>2,114,661</b>
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>13,109,456</b>	<b>12,756,337</b>	<b>13,982,497</b>	<b>14,928,939</b>	<b>15,201,483</b>

Note: Total levy and non-levy operation figures above are excluding Special Levy for Scarborough Subway and City Building Fund.

**CITY OF TORONTO**  
**2022 CITY COUNCIL APPROVED OPERATING BUDGET**  
**REVENUES**

(In \$000's)	2021		2022 Budget	Outlooks	
	Budget	Projection		2023 Plan	2024 Plan
<b>Community and Social Services</b>					
Housing Secretariat	75,165	45,383	69,464	23,337	17,061
Children's Services	557,253	523,903	579,584	573,110	565,446
Court Services	77,018	65,595	69,154	81,743	81,743
Economic Development & Culture	18,904	13,220	16,937	18,981	10,993
Toronto Paramedic Services	178,687	184,331	192,014	187,266	189,858
Seniors Services and Long-Term Care	226,153	252,645	254,161	265,942	280,853
Parks, Forestry & Recreation	110,927	80,653	137,790	151,411	144,560
Shelter, Support & Housing Administration	409,532	348,214	393,459	340,376	332,083
Social Development, Finance & Administration	16,865	16,936	13,696	13,384	11,991
Toronto Employment & Social Services	1,075,565	809,196	1,076,405	1,073,371	1,065,733
<b>Sub-Total Community and Social Services</b>	<b>2,746,069</b>	<b>2,340,076</b>	<b>2,802,662</b>	<b>2,728,921</b>	<b>2,700,322</b>
<b>Infrastructure and Development Services</b>					
City Planning	40,081	53,034	42,770	43,606	43,013
Fire Services	20,769	21,447	20,769	20,769	20,769
Office of Emergency Management	660	650	650	650	650
Municipal Licensing & Standards	44,041	35,708	42,303	45,263	45,436
Policy, Planning, Finance & Administration	11,552	10,794	11,870	12,020	12,152
Engineering & Construction Services	72,211	68,369	74,045	74,871	75,831
Toronto Building	78,957	99,369	84,193	85,261	86,489
Transportation Services	196,544	166,688	202,245	169,623	171,189
Transit Expansion	6,693	5,796	7,334	7,357	7,412
<b>Sub-Total Infrastructure and Development Services</b>	<b>471,509</b>	<b>461,856</b>	<b>486,180</b>	<b>459,419</b>	<b>462,942</b>
<b>Internal Corporate Services</b>					
Corporate Real Estate Management	94,786	90,492	96,804	86,787	86,787
Environment & Energy	4,654	2,087	3,763	4,149	4,149
Fleet Services	34,249	31,630	33,884	34,187	34,490
Office of the Chief Information Security Officer	383		5,000		
Technology Services	35,262	24,729	31,949	35,081	35,217
311 Toronto	8,811	8,535	8,618	8,190	8,202
<b>Sub-Total Internal Corporate Services</b>	<b>178,144</b>	<b>157,473</b>	<b>180,019</b>	<b>168,394</b>	<b>168,845</b>
<b>Finance and Treasury Services</b>					
Office of the Chief Financial Officer and Treasurer	3,846	3,286	3,624	3,746	3,776
Office of the Controller	43,005	37,729	45,109	43,151	36,214
<b>Sub-Total Finance and Treasury Services</b>	<b>46,851</b>	<b>41,015</b>	<b>48,734</b>	<b>46,896</b>	<b>39,989</b>
<b>City Manager</b>					
City Manager's Office	13,125	11,379	19,775	16,411	15,135
<b>Sub-Total City Manager</b>	<b>13,125</b>	<b>11,379</b>	<b>19,775</b>	<b>16,411</b>	<b>15,135</b>
<b>Other City Programs</b>					
City Clerk's Office	12,687	12,187	28,176	12,263	12,389
Legal Services	25,613	25,279	26,477	25,665	25,585
Mayor's Office					
City Council	56	56	2,340	70	40
<b>Sub-Total Other City Programs</b>	<b>38,356</b>	<b>37,523</b>	<b>56,993</b>	<b>37,998</b>	<b>38,014</b>
<b>Accountability Offices</b>					
Auditor General's Office			71		
Integrity Commissioner's Office	100	100	100	100	100
Office of the Lobbyist Registrar					
Office of the Ombudsman	200	200			
<b>Sub-Total Accountability Offices</b>	<b>300</b>	<b>300</b>	<b>171</b>	<b>100</b>	<b>100</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>3,494,354</b>	<b>3,049,621</b>	<b>3,594,534</b>	<b>3,458,139</b>	<b>3,425,348</b>
<b>Agencies</b>					
Toronto Public Health	228,872	289,141	233,338	205,885	205,597
Toronto Public Library	17,460	15,960	18,520	18,517	18,629
Association of Community Centres	574	109	139	139	179
Exhibition Place	35,809	25,617	56,585	65,360	66,666
Heritage Toronto	576	610	738	671	608
To Live	2,583	4,408	30,614	30,614	30,614
Toronto Zoo	26,956	22,557	37,841	39,394	40,014
Arena Boards of Management	9,395	4,014	8,295	10,832	11,119
Yonge-Dundas Square	1,663	569	2,314	3,529	3,928
CreateTO	14,599	14,345	16,331	16,545	16,833
Toronto & Region Conservation Authority	5,333	5,333	5,466	5,466	5,466
Toronto Transit Commission - Conventional	562,500	499,796	811,227	1,104,072	1,179,772
Toronto Transit Commission - Wheel Trans	4,276	3,662	5,995	7,170	7,342
Toronto Police Service	144,209	156,809	144,210	148,281	149,119
Toronto Police Services Board	1,976	1,939	1,076	1,076	1,076
Toronto Community Housing Corporation Subsidy					
<b>TOTAL - AGENCIES</b>	<b>1,056,781</b>	<b>1,044,868</b>	<b>1,372,689</b>	<b>1,657,549</b>	<b>1,736,963</b>
<b>TOTAL - CITY OPERATIONS AND AGENCIES</b>	<b>4,551,135</b>	<b>4,094,490</b>	<b>4,967,223</b>	<b>5,115,688</b>	<b>5,162,310</b>



**CITY OF TORONTO**  
**2022 CITY COUNCIL APPROVED OPERATING BUDGET**  
**REVENUES**

(In \$000's)	2021		2022 Budget	Outlooks	
	Budget	Projection		2023 Plan	2024 Plan
<b>Corporate Accounts</b>					
<u>Capital &amp; Corporate Financing</u>					
Capital from Current	8,678	8,678	150,000	150,000	150,000
Technology Sustainment					
Debt Charges	84,269	84,269	82,908	79,720	79,766
<b>Capital &amp; Corporate Financing</b>	<b>92,946</b>	<b>92,946</b>	<b>232,908</b>	<b>229,720</b>	<b>229,766</b>
<u>Non Program Expenditures</u>					
Tax Deficiencies/Write offs				25,000	25,000
Tax Increment Equivalent Grants (TIEG)					
Assessment Function (MPAC)					
Funding of Employee Related Liabilities					
Programs Funded from Reserve Funds	152,837	150,847	155,442	156,460	157,983
Other Corporate Expenditures	29,033	19,959	52,474	30,694	30,694
Insurance Contributions					
Tax Increment Funding (TIF)					
Parking Tag Enforcement & Operations Exp					
Heritage Property Taxes Rebate					
Solid Waste Management Services Rebate					
<b>Non-Program Expenditures</b>	<b>181,870</b>	<b>170,806</b>	<b>207,916</b>	<b>212,154</b>	<b>213,677</b>
<u>Non Program Revenues</u>					
Payments in Lieu of Taxes	93,209	95,559	95,379	96,097	97,107
Supplementary Taxes	38,353	39,269	40,353	40,353	40,353
Tax Penalty Revenue	32,000	36,900	36,900	36,900	36,900
Municipal Land Transfer Tax	697,691	950,000	947,691	947,691	947,691
Municipal Accommodation Tax (MAT)	14,478	8,163	16,875	22,500	28,125
Third Party Sign Tax	9,531	9,637	9,517	9,517	9,517
Interest/Investment Earnings	134,314	91,215	104,503	77,264	44,724
Other Corporate Revenues	12,733	7,681	8,193	8,193	8,193
Dividend Income	88,000	70,260	79,000	94,000	98,000
Provincial Revenue	91,600	91,600	91,600	91,600	91,600
Parking Authority Revenues	12,000	12,000	7,080	39,358	74,061
Administrative Support Recoveries - Water	18,973	18,973	18,973	18,973	18,973
Administrative Support Recoveries - Health & EMS	10,427	10,427	11,821	11,821	11,821
Parking Tag Enforcement & Operations Rev	80,656	70,956	89,433	89,433	89,433
Other Tax Revenues	10,534	10,574	10,659	10,659	10,659
Casino Woodbine Revenues	4,035	2,060	7,254	7,254	7,254
COVID-19 Recoveries	1,518,975	1,462,669	1,399,071		
<b>Non-Program Revenues</b>	<b>2,867,510</b>	<b>2,987,941</b>	<b>2,974,302</b>	<b>1,601,613</b>	<b>1,614,410</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>3,142,327</b>	<b>3,251,694</b>	<b>3,415,126</b>	<b>2,043,488</b>	<b>2,057,853</b>
<b>TOTAL LEVY OPERATING BUDGET BEFORE ASSESSMENT GROWTH AND TAX INCREASE</b>	<b>7,693,462</b>	<b>7,346,183</b>	<b>8,382,349</b>	<b>7,159,176</b>	<b>7,220,163</b>
Special Levy for Scarborough Subway					
City Building Fund (CBF)					
<b>TOTAL LEVY INCLUDING SCARBOROUGH SUBWAY EXTENSION LEVY AND CITY BUILDING FUND</b>	<b>7,693,462</b>	<b>7,346,183</b>	<b>8,382,349</b>	<b>7,159,176</b>	<b>7,220,163</b>
<b>NON LEVY OPERATION</b>					
Solid Waste Management Services	379,315	380,447	390,966	401,676	422,098
Toronto Parking Authority	93,487	92,119	120,301	164,290	170,459
Toronto Water	1,415,336	1,399,597	1,447,021	1,477,956	1,522,104
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>1,888,138</b>	<b>1,872,163</b>	<b>1,958,288</b>	<b>2,043,922</b>	<b>2,114,661</b>
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>9,581,600</b>	<b>9,218,347</b>	<b>10,340,637</b>	<b>9,203,098</b>	<b>9,334,825</b>

Note: Total levy and non-levy operation figures above are excluding Special Levy for Scarborough Subway and City Building Fund.



**CITY OF TORONTO**  
**2022 CITY COUNCIL APPROVED OPERATING BUDGET**  
**POSITIONS**

	2021	2022 Base	Change from 2021 Approved Budget		2022 New / Enh. Budget	2022 CN App'd Op Budget	Change from 2021 Approved Budget	
			Incr / (Dcr)	%			Incr / (Dcr)	%
<b>Community and Social Services</b>								
Housing Secretariat	33.0	33.0			21.0	54.0	21.0	63.6%
Children's Services	1,000.7	1,028.8	28.1	2.8%	22.4	1,051.2	50.5	5.0%
Court Services	251.2	251.2				251.2		
Economic Development & Culture	318.9	322.9	4.0	1.3%	1.0	323.9	5.0	1.6%
Toronto Paramedic Services	1,733.3	1,733.3	(0.0)	(0.0%)	63.0	1,796.3	63.0	3.6%
Seniors Services and Long-Term Care	2,746.9	2,742.9	(4.0)	(0.1%)	296.2	3,039.0	292.2	10.6%
Parks, Forestry & Recreation	4,567.8	4,757.0	189.2	4.1%	4.0	4,761.0	193.2	4.2%
Shelter, Support & Housing Administration	1,120.2	1,009.4	(110.8)	(9.9%)	117.6	1,127.0	6.8	0.6%
Social Development, Finance & Administration	275.0	279.0	4.0	1.5%	23.0	302.0	27.0	9.8%
Toronto Employment & Social Services	1,806.5	1,774.5	(32.0)	(1.8%)		1,774.5	(32.0)	(1.8%)
<b>Sub-Total Community and Social Services</b>	<b>13,853.5</b>	<b>13,932.0</b>	<b>78.4</b>	<b>0.6%</b>	<b>548.3</b>	<b>14,480.2</b>	<b>626.7</b>	<b>4.5%</b>
<b>Infrastructure and Development Services</b>								
City Planning	452.0	452.0			18.0	470.0	18.0	4.0%
Fire Services	3,192.3	3,193.3	1.0	0.0%	13.0	3,206.3	14.0	0.4%
Office of Emergency Management	21.0	21.0				21.0		
Municipal Licensing & Standards	538.5	545.5	7.0	1.3%	9.0	554.5	16.0	3.0%
Policy, Planning, Finance & Administration	167.1	167.1				167.1		
Engineering & Construction Services	624.1	642.1	18.0	2.9%	3.0	645.1	21.0	3.4%
Toronto Building	534.0	534.0	(0.0)	(0.0%)		534.0	(0.0)	(0.0%)
Transportation Services	1,350.3	1,381.3	31.0	2.3%	71.7	1,453.0	102.6	7.6%
Transit Expansion	61.0	61.0			2.0	63.0	2.0	3.3%
<b>Sub-Total Infrastructure and Development Services</b>	<b>6,940.3</b>	<b>6,997.3</b>	<b>57.0</b>	<b>0.8%</b>	<b>116.7</b>	<b>7,114.0</b>	<b>173.6</b>	<b>2.5%</b>
<b>Internal Corporate Services</b>								
Corporate Real Estate Management	1,042.4	1,042.4				1,042.4		
Environment & Energy	101.6	103.6	2.0	2.0%		103.6	2.0	2.0%
Fleet Services	207.0	206.0	(1.0)	(0.5%)		206.0	(1.0)	(0.5%)
Office of the Chief Information Security Officer	65.0	65.0			15.0	80.0	15.0	23.1%
Technology Services	770.0	770.0				770.0		
311 Toronto	182.0	178.0	(4.0)	(2.2%)		178.0	(4.0)	(2.2%)
<b>Sub-Total Internal Corporate Services</b>	<b>2,368.0</b>	<b>2,365.0</b>	<b>(3.0)</b>	<b>(0.1%)</b>	<b>15.0</b>	<b>2,380.0</b>	<b>12.0</b>	<b>0.5%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer and Treasurer	113.0	114.0	1.0	0.9%		114.0	1.0	0.9%
Office of the Controller	726.0	730.0	4.0	0.5%	3.0	733.0	7.0	1.0%
<b>Sub-Total Finance and Treasury Services</b>	<b>839.0</b>	<b>844.0</b>	<b>5.0</b>	<b>0.6%</b>	<b>3.0</b>	<b>847.0</b>	<b>8.0</b>	<b>1.0%</b>
<b>City Manager</b>								
City Manager's Office	494.0	527.0	33.0	6.7%	15.0	542.0	48.0	9.7%
<b>Sub-Total City Manager</b>	<b>494.0</b>	<b>527.0</b>	<b>33.0</b>	<b>6.7%</b>	<b>15.0</b>	<b>542.0</b>	<b>48.0</b>	<b>9.7%</b>
<b>Other City Programs</b>								
City Clerk's Office	368.3	423.9	55.6	15.1%		423.9	55.6	15.1%
Legal Services	396.4	391.4	(5.0)	(1.3%)	14.0	405.4	9.0	2.3%
Mayor's Office	1.0	1.0				1.0		
City Council	25.0	25.0				25.0		
<b>Sub-Total Other City Programs</b>	<b>790.7</b>	<b>841.3</b>	<b>50.6</b>	<b>6.4%</b>	<b>14.0</b>	<b>855.3</b>	<b>64.6</b>	<b>8.2%</b>
<b>Accountability Offices</b>								
Auditor General's Office	41.0	41.0			3.0	44.0	3.0	7.3%
Integrity Commissioner's Office	3.0	3.0				3.0		
Office of the Lobbyist Registrar	8.3	8.3				8.3		
Office of the Ombudsman	14.0	15.0	1.0	7.1%	3.0	18.0	4.0	28.6%
<b>Sub-Total Accountability Offices</b>	<b>66.2</b>	<b>67.2</b>	<b>1.0</b>	<b>1.5%</b>	<b>6.0</b>	<b>73.2</b>	<b>7.0</b>	<b>10.6%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>25,351.8</b>	<b>25,573.8</b>	<b>222.0</b>	<b>0.9%</b>	<b>717.9</b>	<b>26,291.7</b>	<b>939.9</b>	<b>3.7%</b>

CITY OF TORONTO  
2022 CITY COUNCIL APPROVED OPERATING BUDGET  
POSITIONS

	2021	2022 Base	Change from 2021 Approved Budget		2022 New / Enh. Budget	2022 CN App'd Op Budget	Change from 2021 Approved Budget	
			Incr / (Dcr)	%			Incr / (Dcr)	%
<b>Agencies</b>								
Toronto Public Health	2,524.6	2,585.8	61.1	2.4%	49.0	2,634.8	110.1	4.4%
Toronto Public Library	1,787.8	1,806.8	19.0	1.1%	2.0	1,808.8	21.0	1.2%
Association of Community Centres	86.4	86.0	(0.4)	(0.5%)		86.0	(0.4)	(0.5%)
Exhibition Place	254.0	346.0	92.0	36.2%		346.0	92.0	36.2%
Heritage Toronto	8.6	10.5	2.0	22.8%		10.5	2.0	22.8%
To Live	57.0	216.8	159.8	280.4%		216.8	159.8	280.4%
Toronto Zoo	404.2	423.2	19.0	4.7%		423.2	19.0	4.7%
Arena Boards of Management	64.1	65.7	1.7	2.6%		65.7	1.7	2.6%
Yonge-Dundas Square	8.0	8.0				8.0		
CreateTO	69.0	77.0	8.0	11.6%		77.0	8.0	11.6%
Toronto Transit Commission - Conventional	15,722.0	15,867.1	145.1	0.9%	8.0	15,875.1	153.1	1.0%
Toronto Transit Commission - Wheel Trans	591.0	592.0	1.0	0.2%		592.0	1.0	0.2%
Toronto Police Service	7,524.0	7,524.0			80.0	7,604.0	80.0	1.1%
Toronto Police Services Board	7.5	7.5				7.5		
Toronto Community Housing Corporation Subsidy								
<b>TOTAL - AGENCIES</b>	<b>29,108.1</b>	<b>29,616.3</b>	<b>508.3</b>	<b>1.7%</b>	<b>139.0</b>	<b>29,755.3</b>	<b>647.3</b>	<b>2.2%</b>
<b>Corporate Accounts (Parking Tags)</b>	394.0	394.0				394.0		
<b>TOTAL LEVY PPOSITIONS</b>	<b>54,853.9</b>	<b>55,584.1</b>	<b>730.2</b>	<b>1.3%</b>	<b>856.9</b>	<b>56,441.0</b>	<b>1,587.1</b>	<b>2.9%</b>
<b>NON LEVY OPERATION</b>								
Solid Waste Management Services	1,132.3	1,139.3	7.0	0.6%		1,139.3	7.0	0.6%
Toronto Parking Authority	326.5	326.5				326.5		
Toronto Water	1,841.3	1,883.3	42.0	2.3%		1,883.3	42.0	2.3%
<b>TOTAL NON LEVY OPERATING BUDGET</b>	<b>3,300.1</b>	<b>3,349.1</b>	<b>49.0</b>	<b>1.5%</b>		<b>3,349.1</b>	<b>49.0</b>	<b>1.5%</b>
<b>TOTAL LEVY AND NON-LEVY OPERATION BUDGET</b>	<b>58,154.0</b>	<b>58,933.2</b>	<b>779.2</b>	<b>1.3%</b>	<b>856.9</b>	<b>59,790.1</b>	<b>1,636.1</b>	<b>2.8%</b>

**CITY OF TORONTO**  
**2022 COUNCIL APPROVED OPERATING BUDGET**  
**SUMMARY BY COMMITMENT ITEM GROUP**

<b>(In \$000's)</b>	<b>2021 Budget</b>	<b>2022 Budget</b>	<b>2023 Plan</b>	<b>2024 Plan</b>
<b>Gross Expenditures</b>				
Salaries And Benefits	5,938,447	6,272,091	6,392,616	6,544,697
Materials & Supplies	694,161	688,896	673,540	684,890
Equipment	51,875	57,536	54,772	54,747
Service And Rent	2,051,893	2,327,246	2,071,202	2,090,203
Contribution To Capital	347,060	347,759	354,597	361,571
Contribution To Reserves/Reserve Funds	356,780	370,281	385,996	397,223
Other Expenditures (inc Inter-Divisional Charges)	2,742,428	2,963,752	2,952,292	2,953,491
Rate Programs	1,888,138	1,958,288	2,043,922	2,114,661
<b>Sub-Total Gross Expenditures</b>	<b>14,070,783</b>	<b>14,985,849</b>	<b>14,928,939</b>	<b>15,201,483</b>
<b>Revenues</b>				
Provincial Subsidies	3,834,532	3,778,385	2,326,415	2,334,488
Federal Subsidies	293,379	287,582	264,174	245,072
Other Subsidies	18,219	17,987	18,590	18,190
User Fees & Donations	1,019,443	1,331,872	1,657,354	1,737,860
Licences & Permits Revenue	125,832	126,771	131,038	132,950
Contribution From Reserves/Reserve Funds	562,825	608,252	510,694	497,305
Transfers From Capital	182,197	191,320	189,283	176,672
Sundry and Other Revenues (inc. Inter-Divisional Recoveries)	1,657,034	2,040,181	2,061,627	2,077,625
Rate Programs	1,888,138	1,958,288	2,043,922	2,114,661
<b>Sub-Total Revenues</b>	<b>9,581,600</b>	<b>10,340,637</b>	<b>9,203,098</b>	<b>9,334,825</b>
<b>Net Expenditures</b>	<b>4,489,183</b>	<b>4,645,212</b>	<b>5,725,840</b>	<b>5,866,658</b>

Note, figures above are excluding Special Levy for Scarborough Subway and City Building Fund.

City of Toronto  
2022 Operating Budget  
CITY COUNCIL APPROVED PRIORITIES (New & Enhanced) Tax Programs

(In \$000s)	2022 (Council Approved)			2023 (Change from 2022)		2024 (Change from 2023)	
	Gross	Net	Positions	Net	Positions	Net	Positions
<b>Association of Community Centres</b>							
Barbara Hall Park animation 2022	250.0	250.0		(250.0)			
<b>Association of Community Centres Total</b>	<b>250.0</b>	<b>250.0</b>		<b>(250.0)</b>			
<b>Auditor General's Office</b>							
Refer to AG's OB Report considered by Audit Comm Nov 2/2021	1,000.0	1,000.0	3.0	(325.0)			
<b>Auditor General's Office Total</b>	<b>1,000.0</b>	<b>1,000.0</b>	<b>3.0</b>	<b>(325.0)</b>			
<b>Children's Services</b>							
Divisional CABR and Indigenous Strategies	217.7		1.0				
Federal Child Care and Early Years Workforce Funding	30,653.6						
TELCCS - Expanding Summer Service	1,587.2		21.4	25.0		28.7	
<b>Children's Services Total</b>	<b>32,458.6</b>		<b>22.4</b>	<b>25.0</b>		<b>28.7</b>	
<b>City Manager's Office</b>							
Modernization of Employee Communications	82.3		1.0				
C2K - Application Coordinator Team to Support Phase 3	423.7		3.0	1.3	(0.0)		
C2K - Development Application Review and File Circulation So	1,500.0						
FCM Conference	174.7		1.0				(1.0)
Indigenous Education	578.5	578.5	7.0	403.8			
Reconciliation Action Plan	1,424.8	1,424.8	3.0	(388.5)	1.0	(40.6)	
<b>City Manager's Office Total</b>	<b>4,184.0</b>	<b>2,003.3</b>	<b>15.0</b>	<b>16.6</b>	<b>1.0</b>	<b>(40.6)</b>	<b>(1.0)</b>
<b>City Planning</b>							
Community Benefits Charges - staff resources	130.2		1.0				
Development Review C2K - Community Planning staff resources	577.3		5.0				
Development Review C2K - Urban Design staff resources	242.5		2.0				
Employment Areas Conversion - staff resources	607.4	0.0	6.0	(0.0)			(6.0)
Golden Mile Secondary Plan - staff resources	483.0		4.0				
<b>City Planning Total</b>	<b>2,040.4</b>	<b>0.0</b>	<b>18.0</b>	<b>(0.0)</b>			<b>(6.0)</b>
<b>Corporate Real Estate Management</b>							
Return to Office Requirements	663.5	663.5		(663.5)			
<b>Corporate Real Estate Management Total</b>	<b>663.5</b>	<b>663.5</b>		<b>(663.5)</b>			
<b>Economic Development &amp; Culture</b>							
Base Funding for Canada Day Programming	20.0	20.0					
Black Food Sovereignty Report and Plan - EDC Initiatives	250.0	250.0		230.0			
Increase to TAC Grants	500.0	500.0		500.0			
Little Jamaica Cultural District Master Plan and Designation	180.0	180.0		(138.0)		(42.0)	
Nuit Blanche Program Expansion	100.0	100.0					
One-time Cultural Organization Funding-Outside City Core	400.0	400.0		(400.0)			
Start-up and On-going Funding for ICIE	700.0	700.0		965.2		(566.4)	
Youth Services Review	83.3	83.3	1.0	33.6		5.3	
<b>Economic Development &amp; Culture Total</b>	<b>2,233.3</b>	<b>2,233.3</b>	<b>1.0</b>	<b>1,190.8</b>		<b>(603.2)</b>	
<b>Engineering &amp; Construction Services</b>							
ECS TTC projects (Bloor-Yonge Cap. Improv./Waterfront LRT)	394.6		3.0				1.0
<b>Engineering &amp; Construction Services Total</b>	<b>394.6</b>		<b>3.0</b>				<b>1.0</b>
<b>Fire Services</b>							
TFS- Diversity Recruitment-Staffing	158.9	158.9	3.0	340.7			
Mechanical Division – Inventory Control Technicians	170.2	170.2	3.0	179.4	(0.0)	21.9	
Post Traumatic Stress Injury and Suicide Prevention Program	137.6	137.6	1.0	65.5			
Quality Assurance/Quality Improvement (QA/QI) Manager	37.4	37.4	1.0	115.7			
Staff Services Coordinator	274.4	274.4	4.0	200.5	(0.0)		
Staffing increase -New regulatory framework for multi-tenant				1,361.9	16.0	661.3	
TFS- Operational Service Level Enhancement				3,393.9	52.0	6,131.2	52.0
TFS- Operational Technology Specialist	87.6	87.6	1.0	65.5			
<b>Fire Services Total</b>	<b>866.1</b>	<b>866.1</b>	<b>13.0</b>	<b>5,723.1</b>	<b>68.0</b>	<b>6,814.3</b>	<b>52.0</b>
<b>Housing Secretariat</b>							
Black Food Sovereignty Plan	150.0	150.0		(150.0)			
Housing Secretariat Transformation	3,122.4	998.2	21.0	240.4	4.0	(214.7)	
<b>Housing Secretariat Total</b>	<b>3,272.4</b>	<b>1,148.2</b>	<b>21.0</b>	<b>90.4</b>	<b>4.0</b>	<b>(214.7)</b>	
<b>Legal Services</b>							
Additional Support COCHI, Tenant's First	145.5	2.8	1.0				
Additional support for CREM Capital Projects	175.8		1.0				
Additional support for ECS Capital Infrastructure Projects	132.7		1.0				
Additional support for TPS Capital Contracts	168.2		1.0		(0.0)		
House N Cap Municipal & RE Lawyers	764.5		4.0				
Legal Support TTC Capital Projects	732.5		4.0		(4.0)		
LS increased support for Bldgs Compliance with Orders	75.3		1.0	0.0	(0.0)	(0.0)	(1.0)
Proj Mgr Vision Zero 2.0 - RLC, ASE for Transportation	142.7		1.0		(1.0)		
<b>Legal Services Total</b>	<b>2,337.2</b>	<b>2.8</b>	<b>14.0</b>	<b>0.0</b>	<b>(5.0)</b>	<b>(0.0)</b>	<b>(1.0)</b>



City of Toronto  
2022 Operating Budget  
CITY COUNCIL APPROVED PRIORITIES (New & Enhanced) Tax Programs

(In \$000s)	2022 (Council Approved)			2023 (Change from 2022)		2024 (Change from 2023)	
	Gross	Net	Positions	Net	Positions	Net	Positions
<b>Municipal Licensing &amp; Standards</b>							
MLS - CafeTO (Temp Staff - 1 SAB, 1 SAC)	153.9	153.9	2.0	7.5		6.7	
MLS - Motion 1 Moved by Mayor John Tory	500.0	500.0	7.0	319.1		26.8	
<b>Municipal Licensing &amp; Standards Total</b>	<b>653.9</b>	<b>653.9</b>	<b>9.0</b>	<b>326.6</b>		<b>33.5</b>	
<b>Office of the Chief Information Security Officer</b>							
Business Resilience (Centralization)	1,343.6	1,343.6		(580.3)		(290.6)	
Cyber Foundation (Table Stakes)	8,250.0	3,250.0		7,214.5		480.0	
Cyber Practice Development (Additional complement)	3,394.6	3,394.6	15.0	1,195.2			
Digitization Support Services	4,942.2	4,942.2		3,270.8		2,190.5	
<b>Office of the Chief Information Security Officer Total</b>	<b>17,930.5</b>	<b>12,930.5</b>	<b>15.0</b>	<b>11,100.2</b>		<b>2,379.9</b>	
<b>Office of the Controller</b>							
FCPI - Additional resources for audit plan	268.2		3.0		(0.0)		
<b>Office of the Controller Total</b>	<b>268.2</b>		<b>3.0</b>		<b>(0.0)</b>		
<b>Office of the Ombudsman</b>							
To Support Council Directive Enhanc. Policing Accountability	365.6	365.6	3.0	1.1		2.6	
<b>Office of the Ombudsman Total</b>	<b>365.6</b>	<b>365.6</b>	<b>3.0</b>	<b>1.1</b>		<b>2.6</b>	
<b>Parks, Forestry &amp; Recreation</b>							
"Swim to Survive" Recreation Program - Phase 6						173.5	4.1
Beach Public Safety Enhancement				644.0	12.6	9.8	
Growth Plan & Waitlist Mngmt - Phase 4						614.6	14.3
Reconciliation and Indigenous Placemaking Work Program	419.9	358.1	4.0	(28.0)		4.4	
<b>Parks, Forestry &amp; Recreation Total</b>	<b>419.9</b>	<b>358.1</b>	<b>4.0</b>	<b>616.0</b>	<b>12.6</b>	<b>802.2</b>	<b>18.4</b>
<b>Seniors Services and Long-Term Care</b>							
Expand Seniors Services Unit	421.3	421.3	4.0	127.1			
LTC Reform - Director Redevelopment	116.7	116.7	1.0	86.3			
LTC Reform - Emotion-Centred Care	16,116.4	4,101.3	271.6	2,863.6	163.9	148.6	188.5
LTC Reform - Food and Nutrition	132.0	132.0	9.6	11.4		18.6	
LTC Reform - Project Manager	76.1	76.1	1.0	57.0			
LTC Reform - Workforce Services	1,728.1	1,728.1	9.0	587.6		5.6	
<b>Seniors Services and Long-Term Care Total</b>	<b>18,590.6</b>	<b>6,575.4</b>	<b>296.2</b>	<b>3,733.0</b>	<b>163.9</b>	<b>172.7</b>	<b>188.5</b>
<b>Shelter, Support &amp; Housing Administration</b>							
Central Intake Call Centre Workforce Stabilization	720.2		7.0	749.8		28.1	
COCHI Program Delivery Team Enhancement	974.1		7.0				
Confronting Anti-Black Racism and Indigenous Prog Teams	289.9		3.0	349.1	(1.0)	(108.6)	
Eviction Prevention in the Community(EPIC) Program Expansion	1,055.2		4.0	1,071.5	(3.0)	(158.2)	
Homelessness Prevention Workforce Stabilization	1,367.4		14.0	1,422.2		51.4	
IPAC Standards for Purchase of Service Shelters & Respite	2,604.0			2,604.0			
IPAC Team for Directly Operated Shelters (DOS)	132.0		3.0	273.6		12.1	
Respite Services Team			30.0		(30.0)		
SHARC Workforce Stabilization	485.2		5.0	508.9		22.6	
SHARC Foreperson	35.3		1.0	97.9		4.4	
Shelter Ops. and Support Functions - Workforce Stabilization	2,322.4		21.0	(0.0)		(0.0)	
Social Housing management transition	553.6		7.0	917.6		11.8	
SSHA Administration	687.6		6.0		(6.0)		
Street Outreach, Shelter & Respite New Shelter Service Model	402.8		9.6	116.0	(8.6)		
<b>Shelter, Support &amp; Housing Administration Total</b>	<b>11,629.8</b>		<b>117.6</b>	<b>8,110.6</b>	<b>(48.6)</b>	<b>(136.3)</b>	
<b>Social Development, Finance &amp; Administration</b>							
Alexandra Park Community Centre	220.0	220.0					
Community Crisis Support Services Pilots	8,568.4	8,568.4	3.0	1,213.0		88.2	
Enhanced Community Crisis Response Program	2,060.6	2,060.6	6.0	1,121.9	8.0	(22.2)	
Enhanced Support to Confronting Anti-Black Racism	445.5	445.5	4.0	29.5		4.0	
Grants to Black Organizations	509.0	509.0					
Implementation of SafeTO	1,423.3	1,423.3	9.0	543.6		5.3	
Oakwood Vaughan Youth Resource Centre	250.0	250.0					
Support for Inclusive Economic Development	142.7	41.7	1.0	1.4			
Taking Action on Tower Renewal	180.0						
Toronto Strong Neighbourhoods Strategy council approved incr	150.0	150.0		70.1		(220.1)	
Hospital-Based Violence Intervention	300.0	300.0		(300.0)			
<b>Social Development, Finance &amp; Administration Total</b>	<b>14,249.5</b>	<b>13,968.5</b>	<b>23.0</b>	<b>2,679.5</b>	<b>8.0</b>	<b>(144.8)</b>	
<b>Toronto Employment &amp; Social Services</b>							
Investing In Families Tuition Benefit	2,000.0						
<b>Toronto Employment &amp; Social Services Total</b>	<b>2,000.0</b>						
<b>Toronto Paramedic Services</b>							
Staffing Plan	4,299.7	2,149.9	63.0	3,846.9		(1,667.6)	
<b>Toronto Paramedic Services Total</b>	<b>4,299.7</b>	<b>2,149.9</b>	<b>63.0</b>	<b>3,846.9</b>		<b>(1,667.6)</b>	

City of Toronto  
2022 Operating Budget  
CITY COUNCIL APPROVED PRIORITIES (New & Enhanced) Tax Programs

(In \$000s)	2022 (Council Approved)			2023 (Change from 2022)		2024 (Change from 2023)	
	Gross	Net	Positions	Net	Positions	Net	Positions
<b>Toronto Police Service</b>							
Major Case Management	2,275.0	2,275.0	80.0	6,825.0			
<b>Toronto Police Service Total</b>	<b>2,275.0</b>	<b>2,275.0</b>	<b>80.0</b>	<b>6,825.0</b>			
<b>Toronto Public Health</b>							
Enhance Programing for the Works	202.2		2.0				
Enhanced Data Collection and Communication	378.4		4.0				
Enhanced Resources for Toronto Drug Strategy Secretariat	959.1	287.7	10.0	271.2			
Expand Injectable Opiod Agonist Treatment (iOAT) program	538.4		5.0				
Expand Overdose Outreach Team	762.6	44.6	12.0	44.6			
Mobile Supervised Consumption Service	526.3		9.0				
Public Health Data and Analytics	462.6	138.8	7.0	114.0	(0.0)	5.7	
<b>Toronto Public Health Total</b>	<b>3,829.5</b>	<b>471.1</b>	<b>49.0</b>	<b>429.8</b>	<b>(0.0)</b>	<b>5.7</b>	
<b>Toronto Public Library</b>							
Digital Literacy for Seniors	115.0	115.0	2.0	554.0	2.0		
Fines Elimination - Adults & Teens		1,100.0		300.0			
<b>Toronto Public Library Total</b>	<b>115.0</b>	<b>1,215.0</b>	<b>2.0</b>	<b>854.0</b>	<b>2.0</b>		
<b>Toronto Transit Commission - Conventional</b>							
Anti-Racism & Diversity	668.0	668.0	2.0				
City Initiative - Dundas Name Change				1,600.0		(1,600.0)	
City Initiative - ModernTO	1,075.0	1,075.0	6.0				
Fare Collection Strategy	590.0						
Innovation & Sustainability	375.0	375.0					
Service Plan Reset/Ridership Reacquisition Strategy	500.0						
<b>Toronto Transit Commission - Conventional Total</b>	<b>3,208.0</b>	<b>2,118.0</b>	<b>8.0</b>	<b>1,600.0</b>		<b>(1,600.0)</b>	
<b>Transit Expansion</b>							
TEO TTC projects (Bloor-Yonge Cap. Improv./Waterfront LRT)	258.3		2.0				
<b>Transit Expansion Total</b>	<b>258.3</b>		<b>2.0</b>				
<b>Transportation Services</b>							
TTC projects (Bloor-Yonge Cap. Improv./Waterfront LRT)	192.3		3.0				
Cycling Network Plan Update (2021 IE26.9)	398.2	(0.0)	6.0	58.0			
Installation and Decommission of Monitoring Wells		(33.5)		(0.8)		(0.8)	
MoveTO-Smart Signals	371.7		6.0	246.3		2.2	
School Crossing Guards - 31 New Locations - 2021 IE24.10	698.3	698.3		433.0		33.9	
Street Lighting - Pedestrian Scale Lighting (2021 IE26.15)	1,015.3		3.0	1,273.6		50.0	
Wint. Maint.-Expan. of Mech. Sidewalk Clearing -2021 IE22.13	4,147.1	4,147.1	53.7	456.0		68.5	
<b>Transportation Services Total</b>	<b>6,822.9</b>	<b>4,811.9</b>	<b>71.7</b>	<b>2,466.1</b>		<b>153.9</b>	
<b>Grand Total</b>	<b>136,616.6</b>	<b>56,060.2</b>	<b>856.9</b>	<b>48,396.3</b>	<b>205.9</b>	<b>5,986.4</b>	<b>251.9</b>

CITY OF TORONTO  
2022 CAPITAL BUDGET  
-By Category and Funding Source

Appendix 2.1.1

	2021		Budget and Commitments	Categories					Funding Source						2021 Carry Forward Funding
	Budget	Projection	2022	Health and Safety	Legislated	State of Good Repair	Service Improvement	Growth Related	Debt / Capital From Current	Recoverable Debt	Reserves / Reserve Funds	Provincial Grants & Subsidies	Federal Subsidy	Other Funding (incl. DC)	
<b>Community and Social Services</b>															
Children's Services	17,923	12,550	7,617	-	-	3,090	4,027	500	1,540	-	5,185	-	-	892	4,843
Court Services	-	-	308	-	-	-	308	-	-	-	308	-	-	-	-
Economic Development and Culture	25,619	15,511	19,138	-	550	11,793	6,291	504	11,750	-	-	-	-	7,389	8,732
Seniors Services and Long-Term Care	24,233	6,210	9,473	3,096	-	6,377	-	-	-	8,026	-	1,447	-	-	7,978
Parks, Forestry & Recreation	251,868	153,202	162,693	-	30	72,217	46,916	43,530	86,138	-	26,873	-	2,183	47,499	81,612
Shelter, Support & Housing Administration	248,973	207,669	23,106	1,500	1,865	5,751	13,990	-	22,106	-	-	-	-	1,000	22,961
Housing Secretariat	334,383	238,985	166,997	-	-	-	3,039	163,958	117,760	3,039	12,500	-	778	32,920	231,277
Toronto Employment & Social Services	10,857	9,246	2,636	-	-	-	2,636	-	2,636	-	-	-	-	-	1,612
Toronto Housing Corporation	-	-	160,000	-	-	160,000	-	-	109,000	51,000	-	-	-	-	-
Toronto Paramedic Services	7,689	3,027	9,218	-	-	1,050	450	7,718	7,642	-	500	676	-	400	4,511
<b>Total Community and Social Services</b>	<b>921,544</b>	<b>646,399</b>	<b>561,186</b>	<b>4,596</b>	<b>2,445</b>	<b>260,278</b>	<b>77,657</b>	<b>216,210</b>	<b>358,572</b>	<b>62,065</b>	<b>45,366</b>	<b>2,123</b>	<b>2,961</b>	<b>90,100</b>	<b>363,526</b>
<b>Infrastructure and Development Services</b>															
City Planning	7,574	4,779	5,136	-	440	-	-	4,696	2,615	-	-	-	-	2,521	1,030
Fire Services	19,120	9,645	6,051	1,031	50	3,435	-	1,535	3,785	-	731	-	767	768	6,079
Transportation Services	458,728	368,552	361,096	52,442	-	243,602	37,762	27,290	278,211	-	45,485	-	980	36,420	9,310
IDS Transit Expansion	47,388	17,519	-	-	-	-	-	-	-	-	-	-	-	-	29,870
Waterfront Revitalization Initiative	109,698	80,655	98,078	-	-	-	-	98,078	4,010	85,223	-	-	-	8,845	14,369
<b>Total Infrastructure and Development Services</b>	<b>642,508</b>	<b>481,150</b>	<b>470,361</b>	<b>53,473</b>	<b>490</b>	<b>247,037</b>	<b>37,762</b>	<b>131,599</b>	<b>288,621</b>	<b>85,223</b>	<b>46,216</b>	<b>-</b>	<b>1,747</b>	<b>48,554</b>	<b>60,658</b>
<b>Corporate Services</b>															
311 Toronto	794	655	671	-	-	671	-	-	671	-	-	-	-	-	144
Corporate Real Estate Management	282,580	162,688	170,901	3,040	55,177	67,784	43,015	1,885	143,247	9,601	11,230	1,296	-	5,527	113,416
Environment and Energy	70,816	29,867	27,190	-	-	-	27,190	-	-	26,890	300	-	-	-	15,546
Fleet Services	70,516	48,886	84,348	105	3,050	81,193	-	-	-	-	84,078	-	270	-	19,573
Chief Information Security Office	4,021	2,017	5,966	-	-	-	5,966	-	6,886	-	-	-	-	(920)	2,004
Technology Services	71,378	48,197	40,964	-	-	22,180	17,143	1,641	20,066	-	20,898	-	-	-	18,315
<b>Total Corporate Services</b>	<b>500,105</b>	<b>292,311</b>	<b>330,040</b>	<b>3,145</b>	<b>58,227</b>	<b>171,828</b>	<b>93,314</b>	<b>3,526</b>	<b>170,870</b>	<b>36,491</b>	<b>116,506</b>	<b>1,296</b>	<b>270</b>	<b>4,607</b>	<b>168,998</b>
<b>Finance and Treasury Services</b>															
Office of the CFO and Treasurer	2,494	247	-	-	-	-	-	-	-	-	-	-	-	-	1,781
Office of the Controller	76,741	9,492	56,383	-	-	3,137	53,246	-	54,988	-	1,395	-	-	-	41,089
<b>Total Finance and Treasury Services</b>	<b>79,235</b>	<b>9,740</b>	<b>56,383</b>	<b>-</b>	<b>-</b>	<b>3,137</b>	<b>53,246</b>	<b>-</b>	<b>54,988</b>	<b>-</b>	<b>1,395</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,870</b>
<b>Other City Programs</b>															
Accountability Offices	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City Clerk's Office	15,013	7,572	4,750	-	4,325	425	-	-	3,765	-	985	-	-	-	5,140
Corporate Initiatives	3,361	1,507	960	-	-	-	-	960	400	-	560	-	-	-	1,835
<b>Total Other City Programs</b>	<b>18,375</b>	<b>9,079</b>	<b>5,710</b>	<b>-</b>	<b>4,325</b>	<b>425</b>	<b>-</b>	<b>960</b>	<b>4,165</b>	<b>-</b>	<b>1,545</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,975</b>
<b>TOTAL CITY OPERATIONS</b>	<b>2,161,766</b>	<b>1,438,679</b>	<b>1,423,680</b>	<b>61,214</b>	<b>65,487</b>	<b>682,705</b>	<b>261,979</b>	<b>352,295</b>	<b>877,215</b>	<b>183,779</b>	<b>211,028</b>	<b>3,419</b>	<b>4,978</b>	<b>143,261</b>	<b>643,027</b>
<b>Agencies</b>															
Exhibition Place	12,312	11,162	20,005	100	-	14,905	5,000	-	15,455	-	-	-	-	4,550	1,150
GO Transit	60,000	60,000	-	-	-	-	-	-	-	-	-	-	-	-	-
TO Live	30,550	21,375	20,998	245	8,205	9,548	-	3,000	20,998	-	-	-	-	-	9,175
Toronto & Region Conservation Authority	18,197	18,197	25,860	5,231	-	18,407	1,242	980	9,478	-	17	-	-	16,365	-
Toronto Police Service	72,846	45,019	60,527	-	2,692	32,585	25,250	-	30,679	-	26,955	-	-	2,893	24,612
Toronto Public Health	5,032	2,116	4,111	-	-	2,427	1,684	-	3,912	-	-	300	-	(101)	2,380
Toronto Public Library	45,296	32,117	38,448	-	1,500	15,296	6,243	15,409	27,757	-	1,100	-	-	9,591	12,177
Toronto Zoo	20,259	12,269	13,450	-	-	13,450	-	-	13,450	-	-	-	-	-	7,990
Yonge-Dundas Square	-	-	100	-	100	-	-	-	100	-	-	-	-	-	-
<b>Total Agencies</b>	<b>264,492</b>	<b>202,255</b>	<b>183,499</b>	<b>5,576</b>	<b>12,497</b>	<b>106,618</b>	<b>39,419</b>	<b>19,389</b>	<b>121,829</b>	<b>-</b>	<b>28,072</b>	<b>300</b>	<b>-</b>	<b>33,298</b>	<b>57,484</b>
<b>TOTAL TAX SUPPORTED PROGRAM (Excl.TTC)</b>	<b>2,426,258</b>	<b>1,640,934</b>	<b>1,607,179</b>	<b>66,790</b>	<b>77,984</b>	<b>789,323</b>	<b>301,398</b>	<b>371,684</b>	<b>999,044</b>	<b>183,779</b>	<b>239,100</b>	<b>3,719</b>	<b>4,978</b>	<b>176,559</b>	<b>700,511</b>
<b>Toronto Transit Commission (TTC)</b>															
Toronto Transit Commission	1,280,727	1,076,365	1,415,053	25,795	130,960	873,792	158,437	226,069	48,226	636,499	33,000	132,086	379,371	185,871	189,765
Scarborough Subway Extension	26,136	9,261	5,302	-	-	-	-	5,302	5,302	-	-	-	-	-	17,193
Spadina Subway Extension	59,900	59,900	63,967	-	-	-	-	63,967	21,704	-	42,263	-	-	-	-
Transit Studies	9,277	9,175	7,093	-	-	-	-	7,093	-	7,093	-	-	-	-	-
<b>Total Toronto Transit Commission</b>	<b>1,376,040</b>	<b>1,154,701</b>	<b>1,491,415</b>	<b>25,795</b>	<b>130,960</b>	<b>873,792</b>	<b>158,437</b>	<b>302,431</b>	<b>75,232</b>	<b>643,592</b>	<b>75,263</b>	<b>132,086</b>	<b>379,371</b>	<b>185,871</b>	<b>206,958</b>
<b>TOTAL TAX SUPPORTED PROGRAM</b>	<b>3,802,298</b>	<b>2,795,635</b>	<b>3,098,594</b>	<b>92,585</b>	<b>208,944</b>	<b>1,663,115</b>	<b>459,835</b>	<b>674,115</b>	<b>1,074,276</b>	<b>827,371</b>	<b>314,363</b>	<b>135,805</b>	<b>384,349</b>	<b>362,430</b>	<b>907,469</b>
<b>Rate Supported</b>															
Solid Waste Management	81,455	59,963	63,668	-	25,762	18,464	17,602	1,840	-	28,654	35,014	-	-	-	6,061
Toronto Parking Authority	52,476	14,004	34,040	3,970	-	7,245	20,043	2,782	-	-	-	-	280	33,760	1,160
Toronto Water	1,330,638	1,206,092	1,346,462	5,409	163,747	639,496	421,813	115,997	-	-	1,210,206	-	14,082	122,174	62,202
<b>TOTAL RATE SUPPORTED PROGRAM</b>	<b>1,464,568</b>	<b>1,280,059</b>	<b>1,444,170</b>	<b>9,379</b>	<b>189,509</b>	<b>665,205</b>	<b>459,458</b>	<b>120,619</b>	<b>-</b>	<b>28,654</b>	<b>1,245,220</b>	<b>-</b>	<b>14,362</b>	<b>155,934</b>	<b>69,423</b>
<b>TOTAL CAPITAL PROGRAM</b>	<b>5,266,867</b>	<b>4,075,694</b>	<b>4,542,764</b>	<b>101,964</b>	<b>398,453</b>	<b>2,328,320</b>	<b>919,293</b>	<b>794,734</b>	<b>1,074,276</b>	<b>856,025</b>	<b>1,559,583</b>	<b>135,805</b>	<b>398,711</b>	<b>518,364</b>	<b>976,892</b>



CITY OF TORONTO  
10-YEAR CAPITAL BUDGET AND PLAN  
-By Category

Appendix 2.1.2

	2021		Total 10 Year 2022-2031 Plan	Budget and Commitments						
	Budget	Projection		2022	2023	2024	2025	2026	2027-2031	
<b>Community and Social Services</b>										
Children's Services	17,923	12,550	99,308	7,617	26,111	30,307	9,623	7,321	18,329	91,691
Court Services	-	-	308	308	-	-	-	-	-	-
Economic Development and Culture	25,619	15,511	178,047	19,138	24,058	17,849	15,123	20,134	81,745	158,909
Seniors Services and Long-Term Care	24,233	6,210	262,334	9,473	23,764	49,556	75,369	63,922	40,250	252,861
Parks, Forestry & Recreation	251,868	153,202	2,644,918	162,693	438,199	420,698	326,482	293,038	1,003,808	2,482,225
Shelter, Support & Housing Administration	248,973	207,669	702,511	23,106	23,365	20,451	36,509	546,043	53,037	679,405
Housing Secretariat	334,383	238,985	739,530	166,997	139,414	88,657	115,072	135,400	93,990	572,533
Toronto Employment & Social Services	10,857	9,246	2,636	2,636	-	-	-	-	-	-
Toronto Housing Corporation	-	-	1,600,000	160,000	160,000	160,000	160,000	160,000	800,000	1,440,000
Toronto Paramedic Services	7,689	3,027	146,933	9,218	37,920	39,120	29,135	2,850	28,690	137,715
<b>Total Community and Social Services</b>	<b>921,544</b>	<b>646,399</b>	<b>6,376,525</b>	<b>561,186</b>	<b>872,831</b>	<b>826,638</b>	<b>767,313</b>	<b>1,228,708</b>	<b>2,119,849</b>	<b>5,815,339</b>
<b>Infrastructure and Development Services</b>										
City Planning	7,574	4,779	60,385	5,136	6,750	6,770	5,986	6,068	29,675	55,249
Fire Services	19,120	9,645	53,643	6,051	14,340	6,489	3,363	3,100	20,300	47,592
Transportation Services	458,728	368,552	5,373,797	361,096	736,360	687,986	786,919	716,909	2,084,527	5,012,701
IDS Transit Expansion	47,388	17,519	1,525,000	-	-	-	1,525,000	-	-	1,525,000
Waterfront Revitalization Initiative	109,698	80,655	196,509	98,078	45,974	29,282	23,175	-	-	98,431
<b>Total Infrastructure and Development Services</b>	<b>642,508</b>	<b>481,150</b>	<b>7,209,334</b>	<b>470,361</b>	<b>803,424</b>	<b>730,527</b>	<b>2,344,443</b>	<b>726,077</b>	<b>2,134,502</b>	<b>6,738,973</b>
<b>Corporate Services</b>										
311 Toronto	794	655	1,879	671	408	100	100	100	500	1,208
Corporate Real Estate Management	282,580	162,688	1,562,067	170,901	424,088	293,460	262,886	99,484	311,249	1,391,166
Environment and Energy	70,816	29,867	334,673	27,190	43,932	50,051	30,500	30,500	152,500	307,483
Fleet Services	70,516	48,886	935,906	84,348	148,306	82,364	86,978	79,947	453,963	851,558
Chief Information Security Office	4,021	2,017	30,266	5,966	2,840	10,875	10,585	-	-	24,300
Technology Services	71,378	48,197	311,512	40,964	47,525	27,723	43,430	34,967	116,903	270,548
<b>Total Corporate Services</b>	<b>500,105</b>	<b>292,311</b>	<b>3,176,303</b>	<b>330,040</b>	<b>667,099</b>	<b>464,573</b>	<b>434,479</b>	<b>244,998</b>	<b>1,035,115</b>	<b>2,846,263</b>
<b>Finance and Treasury Services</b>										
Office of the CFO and Treasurer	2,494	247	4,634	-	459	-	-	600	3,575	4,634
Office of the Controller	76,741	9,492	101,884	56,383	34,551	-	-	500	10,450	45,501
<b>Total Finance and Treasury Services</b>	<b>79,235</b>	<b>9,740</b>	<b>106,518</b>	<b>56,383</b>	<b>35,010</b>	<b>-</b>	<b>-</b>	<b>1,100</b>	<b>14,025</b>	<b>50,135</b>
<b>Other City Programs</b>										
Accountability Offices	-	-	2,450	-	-	700	700	250	800	2,450
City Clerk's Office	15,013	7,572	30,135	4,750	4,040	2,475	3,600	2,465	12,805	25,385
Corporate Initiatives	3,361	1,507	1,520	960	560	-	-	-	-	560
<b>Total Other City Programs</b>	<b>18,375</b>	<b>9,079</b>	<b>34,105</b>	<b>5,710</b>	<b>4,600</b>	<b>3,175</b>	<b>4,300</b>	<b>2,715</b>	<b>13,605</b>	<b>28,395</b>
<b>TOTAL CITY OPERATIONS</b>	<b>2,161,766</b>	<b>1,438,679</b>	<b>16,902,785</b>	<b>1,423,680</b>	<b>2,382,964</b>	<b>2,024,913</b>	<b>3,550,535</b>	<b>2,203,598</b>	<b>5,317,096</b>	<b>15,479,105</b>
<b>Agencies</b>										
Exhibition Place	12,312	11,162	164,131	20,005	22,756	22,575	22,820	17,875	58,100	144,126
GO Transit	60,000	60,000	-	-	-	-	-	-	-	-
TO Live	30,550	21,375	107,546	20,998	19,336	20,585	15,406	4,693	26,528	86,548
Toronto & Region Conservation Authority	18,197	18,197	228,184	25,860	30,958	21,747	17,742	21,575	110,302	202,324
Toronto Police Service	72,846	45,019	646,806	60,527	66,687	75,646	75,674	62,446	305,826	586,279
Toronto Public Health	5,032	2,116	28,875	4,111	5,339	3,513	4,292	2,411	9,209	24,764
Toronto Public Library	45,296	32,117	499,956	38,448	49,994	55,074	54,985	57,973	243,482	461,508
Toronto Zoo	20,259	12,269	140,083	13,450	25,844	24,288	12,688	11,419	52,394	126,633
Yonge-Dundas Square	-	-	100	100	-	-	-	-	-	-
<b>Total Agencies</b>	<b>264,492</b>	<b>202,255</b>	<b>1,815,681</b>	<b>183,499</b>	<b>220,914</b>	<b>223,428</b>	<b>203,607</b>	<b>178,392</b>	<b>805,841</b>	<b>1,632,182</b>
<b>TOTAL TAX SUPPORTED PROGRAM (Excl.TTC)</b>	<b>2,426,258</b>	<b>1,640,934</b>	<b>18,718,466</b>	<b>1,607,179</b>	<b>2,603,878</b>	<b>2,248,341</b>	<b>3,754,142</b>	<b>2,381,990</b>	<b>6,122,937</b>	<b>17,111,288</b>
<b>Toronto Transit Commission (TTC)</b>										
Toronto Transit Commission	1,280,727	1,076,365	11,712,092	1,415,053	1,654,355	1,630,755	1,347,518	1,206,700	4,457,711	10,297,039
Scarborough Subway Extension	26,136	9,261	26,671	5,302	12,994	8,375	-	-	-	21,369
Spadina Subway Extension	59,900	59,900	64,794	63,967	827	-	-	-	-	827
Transit Studies	9,277	9,175	40,873	7,093	33,292	373	115	-	-	33,780
<b>Total Toronto Transit Commission</b>	<b>1,376,040</b>	<b>1,154,701</b>	<b>11,844,430</b>	<b>1,491,415</b>	<b>1,701,468</b>	<b>1,639,503</b>	<b>1,347,633</b>	<b>1,206,700</b>	<b>4,457,711</b>	<b>10,353,015</b>
<b>TOTAL TAX SUPPORTED PROGRAM</b>	<b>3,802,298</b>	<b>2,795,635</b>	<b>30,562,896</b>	<b>3,098,594</b>	<b>4,305,346</b>	<b>3,887,844</b>	<b>5,101,775</b>	<b>3,588,690</b>	<b>10,580,648</b>	<b>27,464,303</b>
<b>Rate Supported</b>										
Solid Waste Management	81,455	59,963	833,637	63,668	69,679	104,374	117,575	114,892	363,449	769,969
Toronto Parking Authority	52,476	14,004	200,316	34,040	19,543	27,261	23,309	27,029	69,134	166,276
Toronto Water	1,330,638	1,206,092	15,020,143	1,346,462	1,712,799	1,650,529	1,633,180	1,508,062	7,169,111	13,673,681
<b>TOTAL RATE SUPPORTED PROGRAM</b>	<b>1,464,568</b>	<b>1,280,059</b>	<b>16,054,096</b>	<b>1,444,170</b>	<b>1,802,021</b>	<b>1,782,164</b>	<b>1,774,064</b>	<b>1,649,983</b>	<b>7,601,694</b>	<b>14,609,926</b>
<b>TOTAL CAPITAL PROGRAM</b>	<b>5,266,867</b>	<b>4,075,694</b>	<b>46,616,992</b>	<b>4,542,764</b>	<b>6,107,367</b>	<b>5,670,008</b>	<b>6,875,839</b>	<b>5,238,673</b>	<b>18,182,342</b>	<b>42,074,229</b>

Categories				
Health and Safety	Legislated	State of Good Repair	Service Improvement	Growth Related
-	-	18,124	79,726	1,458
-	-	-	308	-
-	5,029	134,923	37,363	732
18,741	-	78,498	-	165,095
-	947	664,088	725,121	1,254,762
7,500	5,491	89,332	600,188	-
-	-	-	13,408	726,122
-	-	-	2,636	-
-	-	1,600,000	-	-
25,340	-	10,990	4,500	106,103
<b>51,581</b>	<b>11,467</b>	<b>2,595,955</b>	<b>1,463,250</b>	<b>2,254,272</b>
-	3,365	-	-	57,020
34,834	500	13,389	-	4,920
240,141	-	4,068,863	420,644	644,149
-	-	-	62,000	1,463,000
-	-	-	-	196,509
<b>274,975</b>	<b>3,865</b>	<b>4,082,252</b>	<b>482,644</b>	<b>2,365,598</b>
-	-	1,879	-	-
35,560	147,136	573,203	772,546	33,622
-	-	-	334,673	-
945	26,838	908,124	-	-
-	-	-	30,266	-
-	-	245,746	63,624	2,142
<b>36,505</b>	<b>173,973</b>	<b>1,728,952</b>	<b>1,201,109</b>	<b>35,764</b>
-	-	4,634	-	-
-	-	17,223	84,661	-
<b>-</b>	<b>-</b>	<b>21,857</b>	<b>84,661</b>	<b>-</b>
-	-	2,450	-	-
480	25,970	3,685	-	-
-	-	-	-	1,520
<b>480</b>	<b>25,970</b>	<b>6,135</b>	<b>-</b>	<b>1,520</b>
<b>363,541</b>	<b>215,275</b>	<b>8,435,151</b>	<b>3,231,664</b>	<b>4,657,154</b>
1,900	-	152,921	9,310	-
-	-	-	-	-
2,667	39,590	59,289	-	6,000
10,461	-	197,055	10,970	9,698
-	2,906	416,218	227,682	-
-	-	8,344	20,531	-
-	15,000	218,836	27,291	238,829
-	-	110,908	22,704	6,471
-	100	-	-	-
<b>15,028</b>	<b>57,596</b>	<b>1,163,571</b>	<b>318,488</b>	<b>260,998</b>
<b>378,569</b>	<b>272,871</b>	<b>9,598,722</b>	<b>3,550,152</b>	<b>4,918,153</b>
301,527	823,628	6,061,702	3,640,310	884,925
-	-	-	-	26,671
-	-	-	-	64,794
-	-	-	-	40,873
<b>301,527</b>	<b>823,628</b>	<b>6,061,702</b>	<b>3,640,310</b>	<b>1,017,263</b>
<b>680,096</b>	<b>1,096,499</b>	<b>15,660,424</b>	<b>7,190,462</b>	<b>5,935,416</b>
-	318,663	230,682	153,213	131,079
4,500	-	86,445	39,604	69,767
13,785	921,002	7,219,994	5,135,394	1,729,968
<b>18,285</b>	<b>1,239,665</b>	<b>7,537,121</b>	<b>5,328,211</b>	<b>1,930,814</b>
<b>698,381</b>	<b>2,336,164</b>	<b>23,197,545</b>	<b>12,518,673</b>	<b>7,866,230</b>



CITY OF TORONTO  
10-YEAR CAPITAL BUDGET AND PLAN -By Funding Source  
and Total Carry Froward Funding by Program

Appendix 2.1.2 (Cont'd)

	Funding Source						Total Carry Forward Funding
	Debt / Capital From Current	Recoverable Debt	Reserves / Reserve Funds	Provincial Grants & Subsidies	Federal Subsidy	Other Funding (incl. DC)	
<b>Community and Social Services</b>							
Children's Services	15,004	-	54,926	-	-	29,378	8,123
Court Services	-	-	308	-	-	-	-
Economic Development and Culture	114,179	-	15,900	-	-	47,969	8,882
Seniors Services and Long-Term Care	-	248,032	-	14,302	-	-	18,023
Parks, Forestry & Recreation	815,430	-	618,300	-	2,843	1,208,345	92,592
Shelter, Support & Housing Administration	690,164	-	-	-	-	12,347	37,349
Housing Secretariat	627,060	13,408	18,344	-	778	79,940	231,277
Toronto Employment & Social Services	2,636	-	-	-	-	-	1,612
Toronto Housing Corporation	909,000	691,000	-	-	-	-	-
Toronto Paramedic Services	91,572	-	30,340	676	-	24,345	4,511
<b>Total Community and Social Services</b>	<b>3,265,045</b>	<b>952,440</b>	<b>738,118</b>	<b>14,978</b>	<b>3,621</b>	<b>1,402,324</b>	<b>402,369</b>
<b>Infrastructure and Development Services</b>							
City Planning	29,380	-	-	-	-	31,005	1,030
Fire Services	28,527	-	20,460	-	2,447	2,209	9,079
Transportation Services	4,253,860	-	480,044	-	20,014	619,879	26,310
IDS Transit Expansion	62,000	878,000	-	-	585,000	-	29,870
Waterfront Revitalization Initiative	15,199	114,223	-	-	-	67,087	14,369
<b>Total Infrastructure and Development Services</b>	<b>4,388,966</b>	<b>992,223</b>	<b>500,504</b>	<b>-</b>	<b>607,461</b>	<b>720,180</b>	<b>80,658</b>
<b>Corporate Services</b>							
311 Toronto	1,879	-	-	-	-	-	144
Corporate Real Estate Management	819,040	260,957	66,860	11,165	15,000	389,045	118,675
Environment and Energy	-	333,773	900	-	-	-	15,546
Fleet Services	-	-	935,636	-	270	-	19,881
Chief Information Security Office	31,186	-	-	-	-	(920)	2,004
Technology Services	68,418	-	243,094	-	-	-	20,615
<b>Total Corporate Services</b>	<b>920,523</b>	<b>594,730</b>	<b>1,246,490</b>	<b>11,165</b>	<b>15,270</b>	<b>388,125</b>	<b>176,865</b>
<b>Finance and Treasury Services</b>							
Office of the CFO and Treasurer	3,434	-	1,200	-	-	-	2,247
Office of the Controller	95,119	-	6,765	-	-	-	67,249
<b>Total Finance and Treasury Services</b>	<b>98,553</b>	<b>-</b>	<b>7,965</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,496</b>
<b>Other City Programs</b>							
Accountability Offices	2,450	-	-	-	-	-	-
City Clerk's Office	16,825	-	13,310	-	-	-	5,140
Corporate Initiatives	400	-	1,120	-	-	-	1,835
<b>Total Other City Programs</b>	<b>19,675</b>	<b>-</b>	<b>14,430</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,975</b>
<b>TOTAL CITY OPERATIONS</b>	<b>8,692,762</b>	<b>2,539,393</b>	<b>2,507,507</b>	<b>26,143</b>	<b>626,352</b>	<b>2,510,629</b>	<b>736,363</b>
<b>Agencies</b>							
Exhibition Place	155,258	-	1,100	-	-	7,773	1,150
GO Transit	-	-	-	-	-	-	-
TO Live	107,546	-	-	-	-	-	9,175
Toronto & Region Conservation Authority	63,440	-	66	-	-	164,678	-
Toronto Police Service	219,590	-	345,841	-	-	81,375	24,612
Toronto Public Health	28,575	-	-	300	-	-	2,885
Toronto Public Library	346,127	-	1,100	-	-	152,729	16,828
Toronto Zoo	128,083	-	-	-	-	12,000	7,990
Yonge-Dundas Square	100	-	-	-	-	-	-
<b>Total Agencies</b>	<b>1,048,719</b>	<b>-</b>	<b>348,107</b>	<b>300</b>	<b>-</b>	<b>418,555</b>	<b>62,640</b>
<b>TOTAL TAX SUPPORTED PROGRAM (Excl.TTC)</b>	<b>9,741,481</b>	<b>2,539,393</b>	<b>2,855,615</b>	<b>26,443</b>	<b>626,352</b>	<b>2,929,184</b>	<b>799,003</b>
<b>Toronto Transit Commission (TTC)</b>							
Toronto Transit Commission	793,043	6,001,782	33,000	1,589,450	2,630,353	664,464	189,765
Scarborough Subway Extension	26,671	-	-	-	-	-	17,193
Spadina Subway Extension	22,531	-	42,263	-	-	-	-
Transit Studies	-	40,873	-	-	-	-	-
<b>Total Toronto Transit Commission</b>	<b>842,245</b>	<b>6,042,655</b>	<b>75,263</b>	<b>1,589,450</b>	<b>2,630,353</b>	<b>664,464</b>	<b>206,958</b>
<b>TOTAL TAX SUPPORTED PROGRAM</b>	<b>10,583,726</b>	<b>8,582,048</b>	<b>2,930,878</b>	<b>1,615,893</b>	<b>3,256,705</b>	<b>3,593,648</b>	<b>1,005,961</b>
<b>Rate Supported</b>							
Solid Waste Management	-	447,799	385,838	-	-	-	15,483
Toronto Parking Authority	-	-	-	-	9,645	190,671	1,160
Toronto Water	-	-	13,845,754	26,567	131,729	1,016,093	62,202
<b>TOTAL RATE SUPPORTED PROGRAM</b>	<b>-</b>	<b>447,799</b>	<b>14,231,592</b>	<b>26,567</b>	<b>141,374</b>	<b>1,206,764</b>	<b>78,845</b>
<b>TOTAL CAPITAL PROGRAM</b>	<b>10,583,726</b>	<b>9,029,847</b>	<b>17,162,470</b>	<b>1,642,460</b>	<b>3,398,079</b>	<b>4,800,412</b>	<b>1,084,806</b>

**CITY OF TORONTO**  
**10-YEAR CAPITAL BUDGET AND PLAN**  
**-By Category and Funding Source**

Appendix 2.1.3

	Total Carry Forward	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Health and Safety	16,143	101,964	147,350	157,714	78,610	58,610	50,166	30,708	25,010	18,251	29,998	<b>714,524</b>
Legislated	38,710	398,453	454,792	372,558	277,338	221,062	98,199	100,482	119,771	163,319	130,191	<b>2,374,874</b>
State of Good Repair	296,494	2,328,320	2,875,082	2,623,793	2,542,872	2,621,122	2,392,829	2,299,706	2,033,949	1,823,846	1,656,025	<b>23,494,039</b>
Service Improvement	383,540	919,293	1,579,302	1,577,587	1,436,644	1,625,466	1,014,527	1,033,226	1,197,988	1,112,618	1,022,024	<b>12,902,213</b>
Growth Related	349,919	794,734	1,050,841	938,357	2,540,375	712,413	557,904	482,718	339,236	242,799	206,852	<b>8,216,148</b>
<b>Total Expenditure</b>	<b>1,084,806</b>	<b>4,542,764</b>	<b>6,107,367</b>	<b>5,670,008</b>	<b>6,875,839</b>	<b>5,238,673</b>	<b>4,113,625</b>	<b>3,946,840</b>	<b>3,715,954</b>	<b>3,360,833</b>	<b>3,045,090</b>	<b>47,701,798</b>
Provincial Grants & Subsidies	7,106	135,805	135,158	227,923	185,452	168,814	166,431	165,982	165,814	158,981	132,100	<b>1,649,565</b>
Federal Subsidy	168,126	398,711	255,962	349,390	892,310	278,083	255,322	253,404	251,547	244,965	218,385	<b>3,566,205</b>
Reserves	33,112	197,425	323,691	349,058	220,264	200,422	166,238	150,168	154,980	182,903	147,557	<b>2,125,818</b>
Reserve Funds	106,943	1,362,158	1,759,112	1,642,848	1,598,281	1,509,155	1,441,918	1,475,791	1,479,831	1,488,720	1,311,951	<b>15,176,707</b>
Development Charges	115,065	375,547	588,235	521,916	552,616	307,720	299,577	259,906	207,213	153,548	130,572	<b>3,511,915</b>
Recoverable Debt	225,246	856,025	1,511,985	1,389,521	2,109,454	1,076,323	663,033	592,665	646,332	112,157	72,352	<b>9,255,093</b>
Other	98,753	142,817	322,257	281,308	290,126	125,727	63,115	65,066	40,756	37,834	34,556	<b>1,502,314</b>
Capital from Current	-	41,795	345,982	352,902	359,960	367,159	374,502	381,992	389,632	397,425	405,373	<b>3,416,722</b>
Debt	330,455	1,032,481	864,985	555,142	667,376	1,205,271	683,489	601,866	379,849	584,300	592,243	<b>7,497,458</b>
<b>Total Funding</b>	<b>1,084,806</b>	<b>4,542,764</b>	<b>6,107,367</b>	<b>5,670,008</b>	<b>6,875,839</b>	<b>5,238,673</b>	<b>4,113,625</b>	<b>3,946,840</b>	<b>3,715,954</b>	<b>3,360,833</b>	<b>3,045,090</b>	<b>47,701,798</b>

# **Operating & Capital Budget Summaries for City Programs And Agencies**

# **Operating & Capital Budget Summaries for City Programs And Agencies**

## *Community and Social Services*

# 2022 Program Summary

## Children's Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We promote access to high quality early learning, and provide child care and supports for families through a well-planned and managed system.

We help Toronto's families find and access licensed child care and early years programs, help with the cost of programming, and provide support for children with special needs. Funding, resources and professional development are also offered to agencies to help deliver programs that are high quality, accessible and inclusive.

### Why We Do It

Child care is a key lever to children's health and development, child and family well-being, improving the economy, improving education rates, and addressing poverty. We ensure that:

- **Families have access to safe and affordable childcare and early years programs that contribute to healthy child development, family well-being, and increased economic activity by enabling them to go to work and school.**

*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

### Child Care Delivery

**Who We Serve:** Families and children, early years and child care service providers

**What We Deliver:** Provides fee subsidies through the use of contracted child care service delivery and through Toronto Early Learning Child Care Services (TELCCS) centres that help eligible families meet the cost of early learning and care.

**How Much Resources (gross 2022 operating budget):** \$468.3 million

### Child Care System Management

**Who We Serve:** Families and children, early years and child care service providers

**What We Deliver:** Designated to manage the planning and delivery of child care and early year's programs in Toronto. We work with school boards, other human services, and community partners to organize a coordinated system that provide access to services to ensure the best possible outcomes for children and their families.

**How Much Resources (gross 2022 operating budget):** \$203.6 million

## Budget at a Glance

### 2022 OPERATING BUDGET

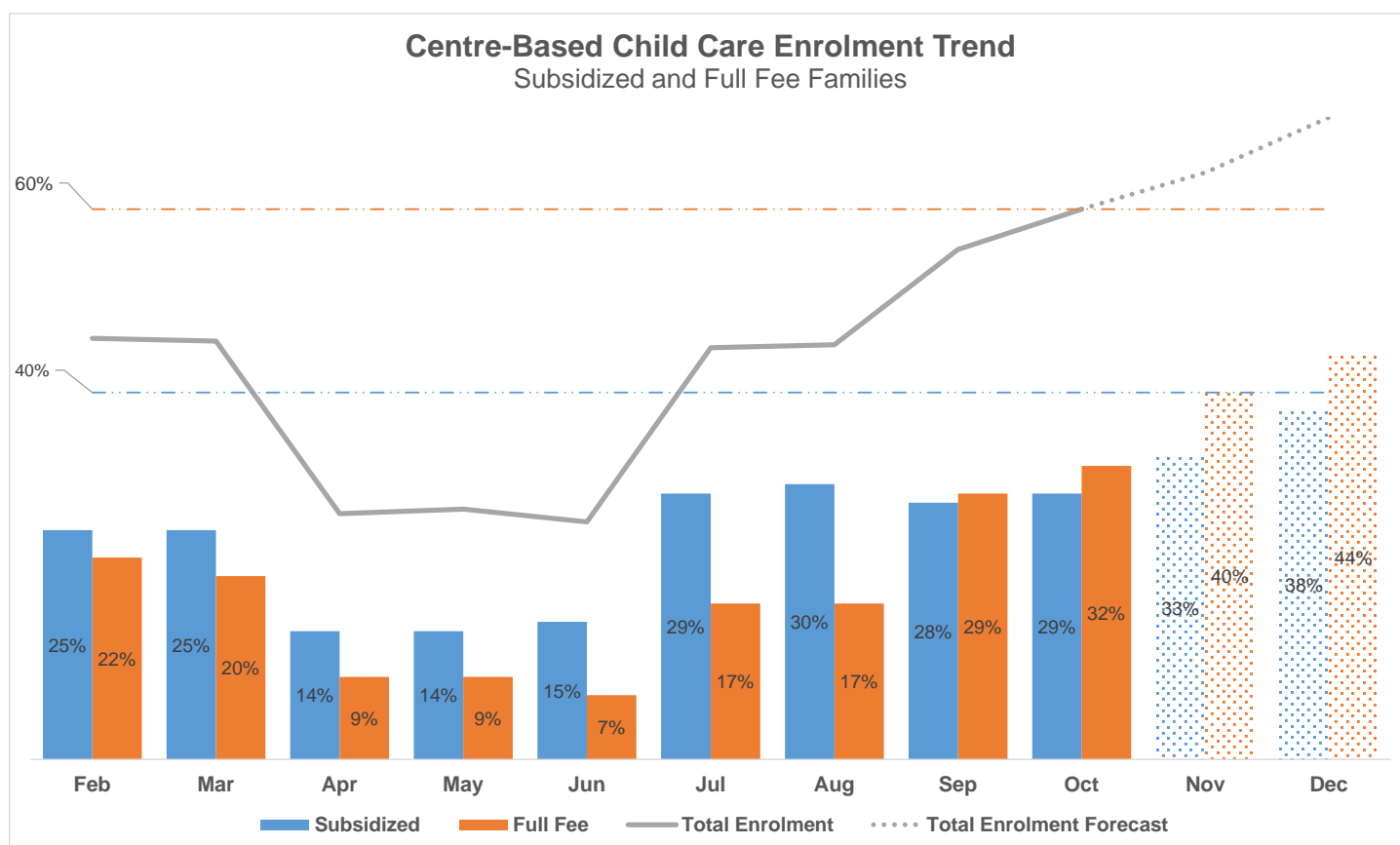
<u>\$Millions</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$579.6	\$573.1	\$565.4
Gross Expenditures	\$671.9	\$671.5	\$665.7
Net Expenditures	\$92.3	\$98.4	\$100.3
Approved Positions	1,051.2	1,055.6	1,055.6

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$12.5	\$91.7	\$104.2
Debt	\$1.6	\$13.6	\$15.2

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers



- Pre-COVID-19, the child care system was characterized by high demand and insufficient spaces. The pandemic has caused a temporary reversal: as of December 2021, total enrolment was at approximately 60% in licensed child care centres sector-wide
- In some cases operators have temporarily reduced their operating capacities to better reflect real demand from parents, or for reasons of health & safety (e.g. physical plant issues). These reductions are expected to be temporary until demand recovers from the pandemic
- A combination of funding programs and supports from all three levels of government have assisted in ensuring the financial stability of the sector, and protected the existing capacity in the system to help ensure that spaces are available as families and children continue to gradually return to care
- In an effort to increase enrolment and reduce vacancies, Children's Services sought feedback from families about returning to care, and heard that many families were concerned about health and safety, and many didn't want to return until more people are vaccinated.
- Children's Services modified employment requirements for families in receipt of fee subsidy by allowing families more job search time, removing the requirement for full-time work to access full-time care, and created accommodations for exceptional circumstances. Some families also expressed concern regarding their eligibility with respect to changes to their employment

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Child Care Delivery	% enrolment in licensed child care (centre-based)	97%	70%	80%	65%	●	85%	97%
Child Care System Management	# of new licensed spaces added (centre-based)	3,358	490	1,000	800	●	1,000	1,100
Child Care System Management	% of families utilizing online services (My Child Care Account)	75%	90%	95%	95%	●	98%	100%
Service Level Measures								
Child Care Delivery	# of child care fee subsidies	30,925	16,970	20,500	22,000	●	30,700	31,400
Child Care Delivery	# of children with extra support needs served	4,195	4,230	4,300	4,250	●	4,500	4,700
Child Care System Management	# of children served at EarlyON Child and Family Centres	95,639	94,418	96,500	95,000	●	97,500	99,500
Child Care System Management	# of licensed child care spaces (centre-based)	80,168	78,619	80,000	79,400	●	81,000	82,100



**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

The ongoing recovery of Toronto's child care system is heavily dependent upon broader socioeconomic factors beyond Children's Services' control. At the same time, affordable, accessible, high quality child care is critical to supporting gender-inclusive economic recovery. Factors impacting the child care system include labour market participation, work and education arrangements of parents and caregivers, children's schooling, and ongoing health and safety concerns related to the pandemic. Although reduced demand through the height of the pandemic resulted in high vacancy rates and financial pressures for child care operators, enrolment has continued to gradually increase and is projected to have substantially recovered in 2022.

- The Division is projecting approximately \$1.9 million in net savings based on forecasted enrolment and demand patterns, impacting the composite age mix of children in care. Additional impacts will be dependent on reoccurrence patterns and the potential shut down of schools, child care, and early years programs
- Funding flexibilities will continue to be maximized in accordance with provincial direction in order to provide eligible supports to operators and families, protecting capacities and investments in affordability during the recovery

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**Service Level Changes**

- While there are no planned changes resulting from the pandemic, further reviews of service levels may be required as direction or changes to operating guidelines are released by the Province, in cooperation with local public health authorities
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Collaborated with the Province and community partners, to manage and deliver two additional rounds of Emergency Child Care (ECC) for kindergarten and school-aged children. From 2020 to 2021, ECC programming was delivered across 50 child care centres and 6 licensed home child care agencies, supporting over 900 children and their families
- Increased virtual outreach and supports for families including online access to fee subsidy services through My Child Care Account, virtual programming and wrap-around supports for families through EarlyON centres, and virtual Every Child Belongs service delivery for child care staff and families of children with extra support needs
- Celebrated the workforce through Child Care Worker and Early Childhood Educator Appreciation Day on October 21. Organized a social media driven campaign to recognize the incredible contribution of dedicated staff throughout Toronto who support the sector, and help ensure that important services are of high quality and are available for children and families #EarlyLearningHeroes #ECEAppreciation
- Continued to provide virtual supports to the early years and child care workforce, including community of practice live group sessions. Collaborated on professional learning sessions, and delivered 10 wellness workshops attended by over 250 early years professionals
- Maximized fee subsidy flexibilities for families and eligibility policies, in accordance with provincial guidelines, to support access to care as families' circumstances continued to shift as a result of the pandemic
- Implemented an enhanced, targeted approach to engage and communicate with families on the child care fee subsidy waitlist, and perform outreach to new families. Included City-wide and community partnerships to support service navigation and placement supports
- Prioritized timely, flexible short-term relief funding, including targeted supports, to child care and early learning programs to ensure a financially viable and stable sector. Leveraged tri-government investments to protect capacities, support workforce retention, and preserve affordability for all families

### Key Challenges and Risks

- The pandemic has not impacted children and families equally; recovery responses must advance equity by addressing the greatest unmet needs of Toronto's diverse families
- Availability of early learning workforce to meet legislated staffing ratios, enhanced provincial operating guidelines, and to provide programming for children and families
- Affordability continues to be a barrier for many families wishing to access child care, increases in unemployment may strain families in receipt of fee subsidies; challenges with vacancies, driven by family choice, changes to parental employment, and children's schooling

### Priority Actions

- Continue to collaborate with the Federal and Provincial governments, Toronto Public Health, and community partners to identify opportunities to support the safe recovery of the sector, ensuring practices are in accordance with the most recent scientific evidence and recommendations
- Provide proportionate support based on the distinct needs of families and providers, applying deliberate intersectional, Indigenous, Confronting Anti-Black Racism and equity-based lenses to achieve fairness in child and family outcomes
- Grow capacity through partnerships and ongoing capital investments to support access to programming, improve affordability for all families through fee subsidies, and provide flexibility to families and operators to support evolving needs and changing demand. Continue outreach efforts to families to understand their needs and facilitate placements
- Continue to implement strategy that recognizes the value of the early years and child care workforce, promotes health and safety requirements, provides information about mental health supports, and supports vaccination mobilization through education and timely communication on vaccination plans and resources
- Through the *Federal Early Childhood Workforce Agreement*, enhance collaboration with sector partners and post-secondary institutions to support the development of workforce strategies that promote the profession of Early Childhood Education, professional development, and the retention and recruitment of a high-quality, diverse, inclusive child care and early years workforce

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Child Care Delivery	337,147.8	421,006.3	389,057.1	405,912.5	1,805.0	407,717.4	18,660.4	4.8%
Child Care System Management	128,899.7	136,246.3	134,846.3	141,212.7	30,653.6	171,866.3	37,020.0	27.5%
<b>Total Revenues</b>	<b>466,047.5</b>	<b>557,252.5</b>	<b>523,903.3</b>	<b>547,125.1</b>	<b>32,458.6</b>	<b>579,583.7</b>	<b>55,680.4</b>	<b>10.6%</b>
<b>Expenditures</b>								
Child Care Delivery	371,532.2	482,549.9	447,541.1	466,673.1	1,587.2	468,260.3	20,719.2	4.6%
Child Care System Management	183,272.7	166,115.7	165,828.0	172,745.0	30,871.3	203,616.3	37,788.3	22.8%
<b>Total Gross Expenditures</b>	<b>554,804.9</b>	<b>648,665.6</b>	<b>613,369.1</b>	<b>639,418.1</b>	<b>32,458.6</b>	<b>671,876.6</b>	<b>58,507.6</b>	<b>9.5%</b>
<b>Net Expenditures</b>	<b>88,757.3</b>	<b>91,413.0</b>	<b>89,465.7</b>	<b>92,292.9</b>		<b>92,292.9</b>	<b>2,827.2</b>	<b>3.2%</b>
<b>Approved Positions**</b>	<b>1,074.8</b>	<b>1,000.7</b>	<b>N/A</b>	<b>1,028.8</b>	<b>22.4</b>	<b>1,051.2</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$639.418 million gross reflecting an increase of \$26.049 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Inflationary increases in funding for child care operators' and agencies' actual operating costs, which will help to offset financial pressures related to staffing and programming costs, as well as provincially enhanced operating guidelines implemented to support ongoing pandemic recovery
- The planned re-opening of two directly operated child care centres which were temporarily closed during the provincially mandated closure of the early years and child care sector
- Offsetting base expenditure savings resulting from a temporary adjustment to expected demand and age mix of children in care, line-by-line review, and ongoing efforts to streamline and digitize business processes

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impacts) is provided below:

- **2022 Base Budget of \$92.293 million in net expenditures reflects a \$1.080 million net decrease from the 2021 Council approved Budget, when excluding \$1.960 million in estimated COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$32.459 million gross, \$0.0 million net enabling:

- Expanded summer service in directly operated child care centres, increasing access and improving continuity of service for low-income families in underserved neighbourhoods, while mitigating vacancies within the system
- Dedicated supports to advance, coordinate, and collaborate on Indigenous focused learning and actions to confront anti-Black racism within the early years and child care sector
- Supports through the *Federal Early Childhood Workforce Agreement* to develop and implement strategies to embed an anti-racist, anti-oppressive lens in early childhood education and to support the retention and recruitment of a high-quality, diverse, inclusive child care and early years workforce, enhancing access to professional development and growing the number of qualified staff

## EQUITY IMPACTS OF BUDGET CHANGES

**Low-positive to high-positive equity impacts:** The benefits of child care on children's learning, health, and development are the most pronounced in equity seeking communities. Child care and early years programs are critical services that redress the impact of inequities, in terms of affordable access for families and parental employment or training/education, as well as developmental outcomes for their children. Equitable access to high quality, affordable early learning and child care is a factor in poverty reduction and workforce participation.

Children's Services' budget continues to make investments to support childcare affordability and access to quality early years programs. This will have a positive impact on low-income families and low-income women, particularly in racialized communities, providing additional resources for families experiencing multiple vulnerabilities. These investments, which are a component of the Growth Strategy, support several of the City's strategic priorities including the Poverty Reduction Strategy, Confronting Anti-Black Racism Strategy, as well as Council's commitment to increasing women's equity.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Children's Services is \$58,508 million gross or 9.5% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	465,623.3	412,327.8	468,612.5	455,612.5	450,757.5	(4,855.0)	(1.1%)
Federal Subsidies	31,538.1	28,671.0	36,318.4	36,318.4	76,392.8	40,074.4	110.3%
User Fees & Donations	44,278.4	20,862.9	39,949.7	21,000.5	40,061.5	19,061.0	90.8%
Transfers From Capital	428.0	1.2	771.9	771.9	771.9		
Contribution From Reserves/Reserve Funds			1,400.0		1,400.0	1,400.0	
Sundry and Other Revenues	24.1	63.9					
Inter-Divisional Recoveries	8,685.8	4,120.8	10,200.0	10,200.0	10,200.0		
<b>Total Revenues</b>	<b>550,577.6</b>	<b>466,047.5</b>	<b>557,252.5</b>	<b>523,903.3</b>	<b>579,583.7</b>	<b>55,680.4</b>	<b>10.6%</b>
Salaries and Benefits	97,727.0	86,210.5	93,568.5	91,264.7	97,333.9	6,069.2	6.7%
Materials & Supplies	2,131.6	2,111.5	4,274.6	3,475.0	3,534.4	59.4	1.7%
Equipment	1,154.2	1,283.3	1,340.8	1,340.8	1,324.2	(16.6)	(1.2%)
Service and Rent	515,307.0	462,358.5	545,417.4	513,224.4	565,764.2	52,539.8	10.2%
Contribution To Capital			1,101.0	1,101.0	1,101.0		
Contribution To Reserves/Reserve Funds	17,257.0	1,472.0	1,448.9	1,448.9	1,470.1	21.3	1.5%
Other Expenditures	(67.1)	(21.6)	16.8	16.8	6.0	(10.8)	(64.3%)
Inter-Divisional Charges	2,767.7	1,390.4	1,497.6	1,497.6	1,342.9	(154.7)	(10.3%)
<b>Total Gross Expenditures</b>	<b>636,277.4</b>	<b>554,804.6</b>	<b>648,665.6</b>	<b>613,369.1</b>	<b>671,876.6</b>	<b>58,507.6</b>	<b>9.5%</b>
<b>Net Expenditures</b>	<b>85,699.8</b>	<b>88,757.1</b>	<b>91,413.0</b>	<b>89,465.7</b>	<b>92,292.9</b>	<b>2,827.2</b>	<b>3.2%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:**

**Salaries & Benefits:** Increase over 2021 forecasted year-end actuals primarily due to the addition of 28.1 positions as a result of the re-opening of two directly operated child care centres, and to support the division's ongoing customer service and digitization projects; in addition, collective agreement pressures on existing positions

**Services and Rents:** A 1% inflationary increase for community-based operators and agencies to provide funding stability and protect ongoing investments in affordability for families, while helping to offset incremental operational costs related to the ongoing pandemic recovery

**Other Revenue Changes:** Increase over 2021 forecasted year-end actuals primarily due to the growing level of enrolment in child care centres as families and children continue to gradually return to care

**Offsets and Efficiencies:**

**The 2022 Operating Budget** includes \$2.060 million in gross expenditure and \$2.127 million in net expenditure reductions attributed to:

**Line-by-Line:** A review of base expenditures resulted in overall savings of \$1.443 million, driven primarily by reductions in office-based expenditures as a result of continued digitization and business process transformation efforts, as well as adjustments based on contractual agreements and actual experience for various goods and services

**Efficiencies:** The Division continues to make investments in ongoing customer service and digitization initiatives, while contributing to savings in contracted services, and aligning to the City's strategic goals and mitigating organizational risk

Table 2b: 2021 New / Enhanced

New / Enhanced Request		2022			2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions	
		Revenue	Gross	Net						Positions
In \$ Thousands										
1	TELCCS - Expanding Summer Service	1,587.2	1,587.2		21.4	1,612.2	High-positive	No	No	Will provide enhanced continuity of service for families enrolled in City-run child care centres, supporting access for all families. Aligns with Council-approved recommendations from the Growth Strategy and the 2021 City Manager's report on directly operated child care.
2	Divisional CABR and Indigenous Strategies	217.7	217.7		1.0	193.1	Low-positive	No	No	Investing in dedicated Indigenous and CABR supports to advance, coordinate and collaborate on actions to confront anti-Black racism within the early years and child care system and provide professional development and training to staff.
3	Federal Child Care and Early Years Workforce Funding	30,653.6	30,653.6			7,663.4	High-positive	No	No	To develop and implement strategies to embed an anti-racist, anti-oppressive lens in early childhood education and to support the retention and recruitment of a high-quality, diverse, inclusive child care and early years workforce, enhancing access to professional development and growing the number of qualified staff
Total New / Enhanced		32,458.6	32,458.6		22.4	9,468.8				

The 2022 Operating Budget includes \$32.459 million in fully funded investments to support priority actions as detailed in the table above.

#### TELCCS - Expanding Summer Service (\$1.587 million gross and \$0.0 net):

- Funding for \$1.587 million gross and \$0.0 net will support additional hours for frontline child care staff as well as incremental operating costs, to expand programming from 50 weeks to 52 weeks a year in the directly operated child care centres in alignment with the recommendations contained within the report, [Review of Toronto Early Learning and Child Care Services](#), commissioned by the City Manager's Office
- Increasing access to child care programming and enhancing continuity of service in the City's directly operated child care centres will provide critical resources in underserved neighbourhoods for low-income families, women, and families experiencing multiple vulnerabilities

#### Divisional CABR and Indigenous Strategies (\$0.218 million gross and \$0.0 net):

- \$0.217 million gross and \$0.0 net will fund one permanent position to advance, coordinate and collaborate on priority actions to support reconciliation and confront anti-Black racism within the early years and child care system. Funding will also support comprehensive training, professional development, and ongoing coaching/support for staff

#### Federal Child Care and Early Years Workforce Funding (\$30.654 million gross and \$0.0 net):

- The *Child Care and Early Years Workforce Funding Agreement* provides federal funding through the Canada-Ontario Early Childhood Workforce Agreement. This agreement provides one-time funding of \$30.654 million in 2022 and \$7.0 million in 2023
- Funding will be flowed to the sector to support the retention and recruitment of a diverse, high-quality child care and early years' workforce and to enhance access to professional learning opportunities to develop anti-racist and anti-oppressive approaches to pedagogy, and to improve the inclusiveness of early years' programs

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	523,903.3	579,583.7	573,109.7	565,446.3
Gross Expenditures	613,369.1	671,876.6	671,506.5	665,712.5
<b>Net Expenditures</b>	<b>89,465.7</b>	<b>92,292.9</b>	<b>98,396.9</b>	<b>100,266.2</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>1,051.2</b>	<b>1,055.6</b>	<b>1,055.6</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$671.507 million reflects an anticipated \$0.370 million decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects a further decrease of \$5.794 million or 1.0 per cent below 2023 gross expenditures.

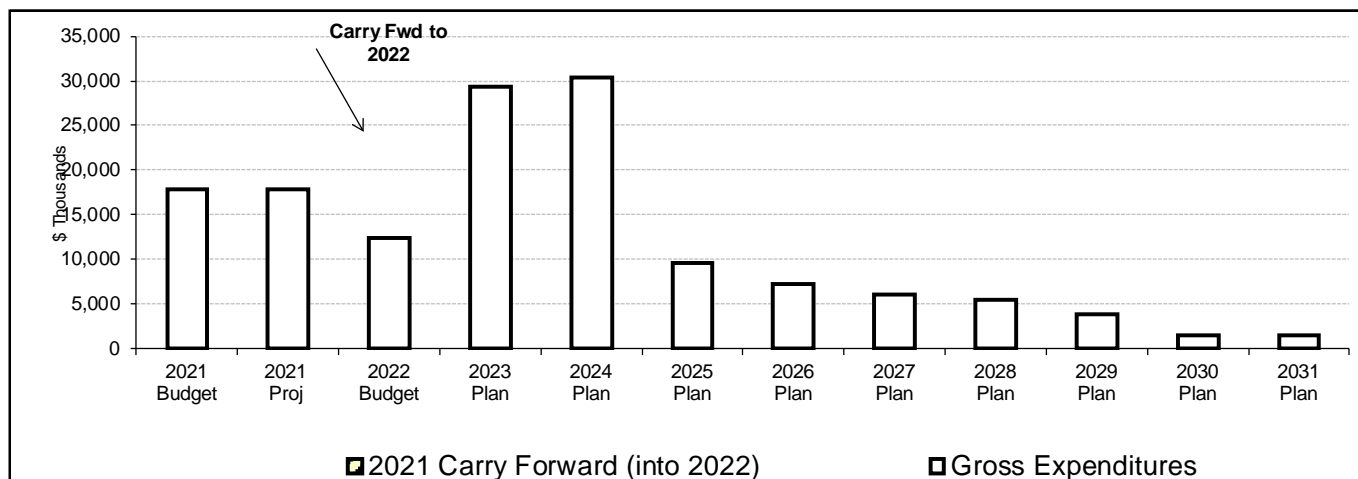
These changes arise from the following:

- The reversal of an adjustment to reflect a temporary reduction in demand for child care services in 2022, offset by provincial subsidies
- Additional resources required due to inflationary increases for salaries and benefits and for funding to support operators' and agencies' actual operating costs
- The reduction in expenditures reflecting the net impact of the one-time federal grant, which includes the second installment of funding through the Federal Early Childhood Workforce Agreement to support the early years and child care workforce

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



In \$000's			2022 Capital Budget and 2023 - 2031 Capital Plan												
			2021		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Year Plan
			Budget	Proje ction											
Gross Expenditures by Project Category:															
Health & Safety & Legislated															
SOG	1,459	592	3,090	2,766	1,796	1,496	1,496	1,496	1,496	1,496	1,496	1,496	18,124		
Service Improvement & Growth	16,464	11,958	9,370	26,625	28,511	8,127	5,825	4,529	4,000	2,320			89,307		
Total by Project Category	17,923	12,550	12,460	29,391	30,307	9,623	7,321	6,025	5,496	3,816	1,496	1,496	107,431		
Financing:															
Debt			1,623	1,662	1,496	1,496	1,496	1,496	1,496	1,496	1,496	1,496	15,253		
City Building Fund															
Reserves/Reserve Funds			8,648	18,435	14,859	5,200	3,000	4,529	4,000	2,320			60,991		
Development Charges			574	5,394	8,489	1,927	2,600						18,984		
Provincial															
Federal															
Debt Recoverable															
Other Revenue			1,615	3,900	5,463	1,000	225						12,203		
Total Financing			12,460	29,391	30,307	9,623	7,321	6,025	5,496	3,816	1,496	1,496	107,431		

### Changes to Existing Projects (\$0.0 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- Re-phasing cash flows for Bridletowne and Mount Dennis child care centres to future years, with no impact to overall project costs

### New Projects (\$27.8 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:




- Four child care centres, including development as part of the Lawrence Heights Revitalization
- EarlyON Child and Family Centre through Housing Now at 150 Queens Wharf Road
- Playground retrofits at City-run child care centres
- Additional funding to support the development of the Wallace

### Capital Needs Constraints (\$0.0 Million)



	Emerson Child Care Centre, a Joint Project with Parks, Forestry & Recreation	
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**2022 – 2031 CAPITAL BUDGET AND PLAN****\$104.2 Million 10-Year Gross Capital Program**

		
New Child Care and EarlyON Child and Family Centres	Aging Infrastructure	Information Technology
\$87.4 M 80.8%	\$18.1 M 17.4%	\$1.9 M 1.8%
<p>New child care centres to increase access to licensed child care, in alignment with the Growth Strategy</p> <p>☑</p> <p>New EarlyON Child and Family Centre to provide increased access to community and wraparound supports for families and children</p>	Legislative requirement to maintain City-run child care centres in a condition that meets strict licensing standards and promotes the health and well-being of children, families, and staff	Growing Child Care for Toronto project supports ongoing digitization of service delivery and business process transformation, leveraging both internal and external-facing platforms

☑ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☑ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

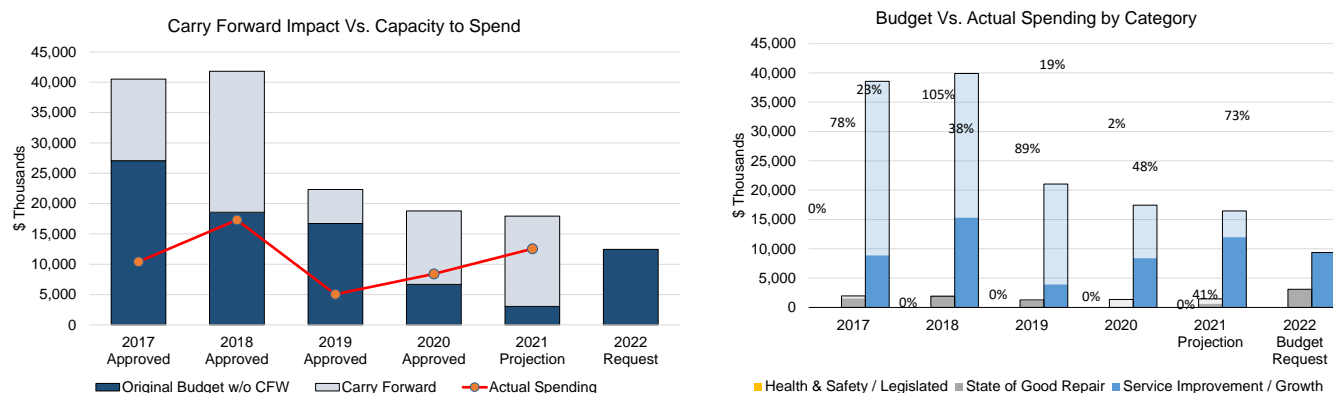
City of Toronto		Provincial Funding	Federal Funding
<b>\$107.4M</b> <b>100%</b>		<b>\$000.0 M</b> <b>0.0%</b>	<b>\$000.0 M</b> <b>0.0%</b>
Debt	\$15.2 M		
Reserves/Reserve Funds	\$61.0 M		
Development Charges	\$19.0 M		
Other	\$12.2 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Children's Services ability to spend and the markets capacity to deliver. As Children's Services relies primarily on third party partners to deliver projects, cash flow requirements are developed in consultation with these partners.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



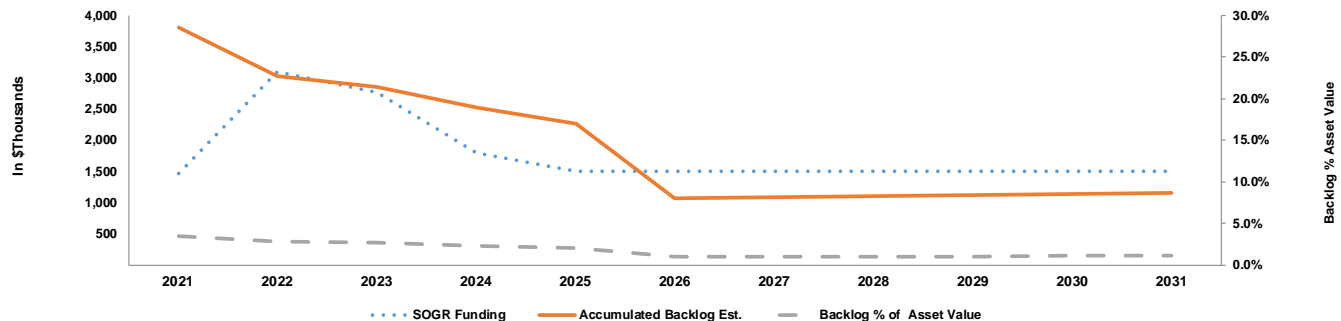
### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$8.090 million in capital spending originally cash flowed in 2022 has been deferred to 2023 – 2026 to better align with current expenditure expectations. Adjustments to the Capital Plan are noted below:

- Bridletowne Child Care Centre - \$2.550 million deferred to future years
- Mount Dennis Child Care Centre - \$6.990 million deferred to future years

**STATE OF GOOD REPAIR (SGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for Children's Services' municipally owned and operated child care centres:

**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	1,459	3,090	2,766	1,796	1,496	1,496	1,496	1,496	1,496	1,496	1,496
Accumulated Backlog Est.	3,808	3,029	2,857	2,526	2,262	1,075	1,092	1,109	1,126	1,143	1,161
Backlog % of Asset Value	3.5%	2.8%	2.6%	2.3%	2.1%	1.0%	1.0%	1.0%	1.0%	1.0%	1.1%
Total Asset Value	109,409	109,409	109,409	109,409	109,409	109,409	109,409	109,409	109,409	109,409	109,409

- Children's Services has a legislative requirement to maintain its directly operated child care centres in a condition that meets strict licensing standards and promotes the health and well-being of children, families, and staff
- Priority continues to be given to supporting infrastructure needs that ensure centres are equipped to operate within enhanced health and safety guidelines developed by the Province and Toronto Public Health, in response to the pandemic
- State of good repair projects account for \$18.1 million or 17.4% of the planned 10-year capital program, with the expectation that the backlog will be reduced to 1.0% of total asset value by 2026

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact the future year Operating Budget by a total of \$0.437 million net over the 2022-2031 period, as shown in Table 4 below:

**Table 4: Net Operating Impact Summary****(In \$000's)**

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
TCS Growing Child Care for Toronto	(267.0)	2.6	51.0		61.0		45.0		29.0		(81.0)	2.6	437.0	2.6
<b>Sub-Total: Previously Approved</b>	<b>(267.0)</b>	<b>2.6</b>	<b>51.0</b>		<b>61.0</b>		<b>45.0</b>		<b>29.0</b>		<b>(81.0)</b>	<b>2.6</b>	<b>437.0</b>	<b>2.6</b>
<b>Total (Net)</b>	<b>(267.0)</b>	<b>2.6</b>	<b>51.0</b>		<b>61.0</b>		<b>45.0</b>		<b>29.0</b>		<b>(81.0)</b>	<b>2.6</b>	<b>437.0</b>	<b>2.6</b>

- The "Growing Child Care for Toronto Project" will support enhanced service system navigation for families by improving access to Fee Subsidy Offices and various caseworker services through online channels, as well as reduce the administrative burden associated with data collection and reporting for child care operators and agencies

# 2022 Program Summary

## Court Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Court Services strives to provide accessible, efficient and effective frontline customer support for case management, courtroom and hearing room services to the public and a wide range of stakeholders that use the Provincial Offences Court and three City Tribunals - Administrative Penalty Tribunal, Toronto Local Appeal Body and Toronto Licensing Tribunal. Court Services is the primary point of contact for the public when they are in need of information, assistance and access to the Provincial Offences Court.

### Why We Do It

Toronto Court Services contributes by:

- Ensuring the public has access to a fair, open, reliable and accessible justice system for Provincial Offences in Toronto.
- Enforcing fines and penalties in a reliable and consistent manner to protect the public interest.
- Ensuring the public has access to timely, open and accessible appeals related to three City Tribunals - Administrative Penalty Tribunal, Toronto Local Appeal Body and Toronto Licensing Tribunal.

*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

### **Provincial Offences and Tribunal Dispute Resolution**

**Who We Serve:** Defendants, Applicants, Parties, Participants, Enforcement Officers, Prosecutors, Paralegal and Legal Representatives, Witnesses

**What We Deliver:** Provide administration and courtroom support for hearings resulting from offences under the Provincial Offences Act and City by-laws, administrative hearings/review of Tribunals.

**How Much Resources (gross 2022 operating budget):** \$10.2 million gross expenditures

### **Default Fine Collection Management**

**Who We Serve:** Persons who are required to pay a court imposed fine

**What We Deliver:** Provide collection management services for the timely collection and processing of outstanding fines ensuring appropriate action is taken on fines in default.

**How Much Resources (gross 2022 operating budget):** \$4.9 million gross expenditures

### **Court Case Management**

**Who We Serve:** Defendants, Applicants, Prosecutors, Paralegal and Legal Representatives, Enforcement Officers, Interpreters, Judiciary, Tribunal Members

**What We Deliver:** Completing court administration processes respecting issued charges, providing information to the public, maintaining court records, scheduling trials and hearings and identifying unpaid fines for enforcement.

**How Much Resources (gross 2022 operating budget):** \$17.8 million gross expenditures

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$69.16	\$81.74	\$81.74
Gross Expenditures	\$32.83	\$34.05	\$33.32
Net Expenditures	-\$36.33	-\$47.69	-\$48.42

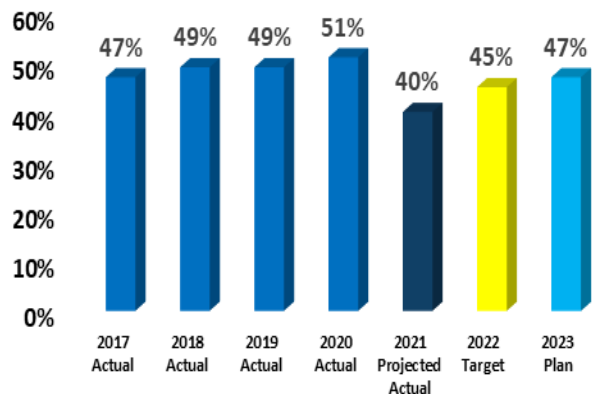
### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$0.31	\$0.00	\$0.31
Debt	\$0.00	\$0.00	\$0.00

Note: Includes 2021 carry forward funding

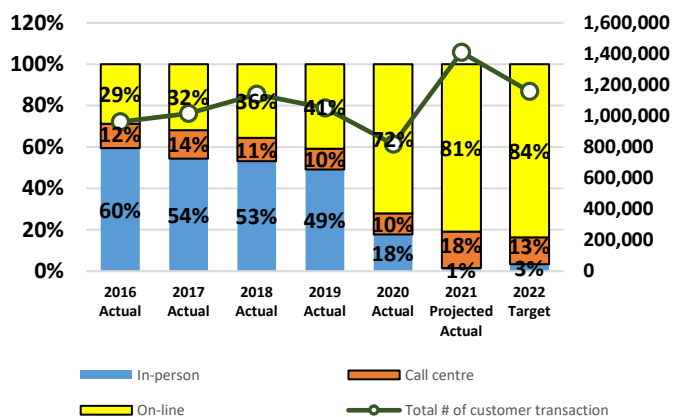
## How Well We Are Doing – Behind the Numbers

### % of Default fine accounts collected within 1st year of default



- Default fine collection rates have increased from 47% in 2017 to 51% in 2020 with improved collection strategies as the division continues to implement its commitments contained in its Management response to the City's Auditor General's report (AU 12.1).
- The decline in 2021 is related to COVID-19, as limitation periods for POA matters were extended and no cases were enforced in the period March 15, 2020 to February 26, 2021. Collection activities which were partially suspended from March 2020 resumed in full through all available channels in April 2021.
- It is anticipated that targets will gradually return to pre-pandemic levels within the next few years as collection activities ramp up to normal levels and economic recovery gathers pace.
- Further, Court Services has developed a formal collection plan which aims to maximize collection rates for defaulted POA fines by outlining strategies for collection, establishing benchmarks, and setting key performance indicators for divisional operations.

### Customers served by channel



- Number of customers served in 2020 declined due to court closures as a result of COVID-19. Majority of customers have used online service channels and this trend is expected to continue.
- With the growth in charges and the backlog experienced in 2020, the number of customers served by the division is projected to reach approximately 1.4 million in 2021.
- Efforts are underway to manage the growth in charge volume by focusing on digital and online service delivery.



## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Provincial Offences/Licensing Tribunal Dispute Resolution	Outcome of court proceedings updated within 3 business days	78%	79%	100%	95%	●	100%	100%
Court Case Management	Accept incoming charges within 7 days of Service date	94%	92%	100%	99%	●	100%	100%
Court Case Management	% of customers served within 45 minutes	98%	99%	100%	100%	●	100%	100%
Default Fine Collection Management	Payments processed within 24 hours of receipt	100%	38%	100%	100%	●	100%	100%
Default Fine Collection Management	% of fines collected within first year of default	49%	51%	52%	40%	●	45%	47%

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

The 2022 COVID-19 impact is projected to be similar to 2021 experience:

Total revenue loss of \$15.7M in fine revenues resulting from the following impacts:

- \$7.3m resulting from 47,330 lower charges expected to be filed due to COVID-19
- \$8.4 million due to expected lower volume of trials to be held.

**Service Level Changes**

Court Services anticipates that services will continue to be delivered on a modified basis in 2022. The 2022 Operating Budget projects court capacity at 56% of pre-pandemic service levels after considering the continuing impact of the COVID-19 pandemic and the availability of judicial resources.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- In partnership with Technology Services, expanded the use of digital channels to support electronic POA court processes.
- Improved access to justice by conducting remote trials for the first time.
- Modernized and streamlined POA court processes to support legislative changes in the Stronger, Fairer, Ontario Act (Bill 177).
- Provided information sessions and guides to the public, participants, and stakeholders to support participation in remote court and tribunal hearings.
- Continued to implement new processes and procedures to support the collection of defaulted Provincial Offences Act fines.

### Key Challenges and Risks

- Growing backlog as courts continue to operate below their pre-pandemic capacity.
- Anticipated continued growth in Provincial Offences charge volumes as the City reaches planned implementation of the Automated Speed Enforcement and Red Light Camera expansion initiatives.
- Backlog in collection of outstanding fines.

### Priority Actions

- The program will support Vision Zero Road Safety and manage the growth in charge volume by focusing on digital and online service delivery towards a future administrative penalty system framework.
- Continue to review and assess impacts of COVID-19 on existing workload and assign resources to manage backlog and improve service delivery by focusing on digital service delivery.
- Reducing the cost to maintain services for trial, hearings and resolution by developing and implementing procedures that support modernization of POA legislation and court scheduling plan.
- Work with appropriate stakeholders including Technology Services Division to undertake a feasibility assessment and to develop an implementation plan for an Adjudicative Information Management System (AIMS) that includes a detailed roadmap, project documentation, full business case and development of RFP. This is in alignment with City Council direction in 2018 as part of the Auditor General's recommendation that Court Services implement an information system that allows it to effectively manage the collection of outstanding Provincial Offences Act (POA) fines. Capital funding of \$0.308 million to support the feasibility phase of this initiative is included in Court Services 2022 - 2031 Capital Budget and Plan. Future requests for funding to continue the implementation of this initiative will be informed by the results of the feasibility phase.

## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Provincial Offences & Tribunal Dispute Resolution	100.1	32,099.1	28,402.3	32,012.0		32,012.0	3,609.7	12.7%
Default Fine Collection Management	67.2	8,193.0	8,243.6	8,214.3		8,214.3	(29.4)	(0.4%)
Court Case Management	45,831.9	36,725.5	28,948.8	28,927.7		28,927.7	(21.1)	(0.1%)
<b>Total Revenues</b>	<b>45,999.1</b>	<b>77,017.5</b>	<b>65,594.8</b>	<b>69,153.9</b>		<b>69,153.9</b>	<b>3,559.2</b>	<b>5.4%</b>
<b>Expenditures</b>								
Provincial Offences & Tribunal Dispute Resolution	6,697.8	10,033.0	7,999.4	10,158.0		10,158.0	2,158.7	27.0%
Default Fine Collection Management	3,160.4	4,813.7	4,009.7	4,890.9		4,890.9	881.2	22.0%
Court Case Management	13,178.0	18,090.2	15,755.6	17,777.3		17,777.3	2,021.7	12.8%
<b>Total Gross Expenditures</b>	<b>23,036.2</b>	<b>32,936.9</b>	<b>27,764.6</b>	<b>32,826.3</b>		<b>32,826.3</b>	<b>5,061.6</b>	<b>18.2%</b>
<b>Net Expenditures</b>	<b>(22,962.9)</b>	<b>(44,080.6)</b>	<b>(37,830.1)</b>	<b>(36,327.7)</b>		<b>(36,327.7)</b>	<b>1,502.4</b>	<b>(4.0%)</b>
<b>Approved Positions**</b>	<b>253.2</b>	<b>251.2</b>	<b>251.2</b>	<b>251.2</b>		<b>251.2</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$32.826 million gross reflecting an increase of \$5.062 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salary & Benefit base budget increases to close hiring gaps. Vacant positions will be filled to manage service delivery backlogs resulting from the COVID-19 pandemic as the delivery of courtroom services gradually increase in 2022.
- Costs for interpreters and provincial payments to reflect higher courtroom capacity in 2022 when compared to 2021.
- Higher costs for collection agencies as collection activities continue to ramp up to pre-pandemic levels in 2022.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- *2022 Base Budget of \$36.328 million in net revenues reflects a \$0.624 million net revenue increase from the 2021 Council approved Budget, when excluding \$15.581 million in estimated COVID-19 financial impacts.*

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Court Services 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget gross expenditures for Court Services is \$5.062 million or 18.2% higher than 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	399.8	445.5	448.0	914.7	660.9	(253.8)	(27.7%)
Contribution From Reserves/Reserve Funds		83.0					
Sundry and Other Revenues	61,797.4	45,470.6	76,569.5	64,680.0	68,493.0	3,813.0	5.9%
Inter-Divisional Recoveries	2,763.1						
<b>Total Revenues</b>	<b>64,960.3</b>	<b>45,999.1</b>	<b>77,017.5</b>	<b>65,594.8</b>	<b>69,153.9</b>	<b>3,559.2</b>	<b>5.4%</b>
Salaries and Benefits	17,762.1	15,974.7	19,536.0	18,222.6	20,457.9	2,235.3	12.3%
Materials & Supplies	100.2	57.6	117.9	76.3	189.2	112.9	148.0%
Equipment	49.1	68.8	163.9	341.3	134.5	(206.7)	(60.6%)
Service and Rent	8,414.5	4,730.5	9,582.8	6,126.8	8,457.6	2,330.8	38.0%
Contribution To Reserves/Reserve Funds	103.8	103.8					
Other Expenditures	3,264.7	2,100.8	3,536.3	2,997.6	3,587.0	589.3	19.7%
Inter-Divisional Charges	16,711.2	0.1					
<b>Total Gross Expenditures</b>	<b>46,405.7</b>	<b>23,036.2</b>	<b>32,936.9</b>	<b>27,764.6</b>	<b>32,826.3</b>	<b>5,061.6</b>	<b>18.2%</b>
<b>Net Expenditures</b>	<b>(18,554.6)</b>	<b>(22,962.9)</b>	<b>(44,080.6)</b>	<b>(37,830.1)</b>	<b>(36,327.7)</b>	<b>1,502.4</b>	<b>(4.0%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Increase in the salary and benefit costs to close gaps due to hiring delays. Resources are required to manage service delivery backlogs as Court Services gradually returns to pre-pandemic service levels in 2022.

**Services and Rents:**

Costs for interpreters and provincial payments as courtrooms are anticipated to operate at increased capacity in 2022.

**Other Expenditures:**

Higher costs for collection agencies as collection activities will continue to ramp up to pre-pandemic levels in 2022.

**User Fee:**

Lower user fees for web payment transactions. Court Services anticipates a gradual shift from online service channels to in-person service channels by the public in 2022 as more in-person service offerings resume.

**Other Revenue Changes:**

Higher fine revenues expected from an increase in charges as economic activities gradually increase to pre-pandemic levels.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	65,594.8	69,153.9	81,742.9	81,742.9
Gross Expenditures	27,764.6	32,826.3	34,052.4	33,321.3
<b>Net Expenditures</b>	<b>(37,830.1)</b>	<b>(36,327.7)</b>	<b>(47,690.5)</b>	<b>(48,421.6)</b>
<b>Approved Positions</b>	<b>251.2</b>	<b>251.2</b>	<b>251.2</b>	<b>251.2</b>

**Key drivers**

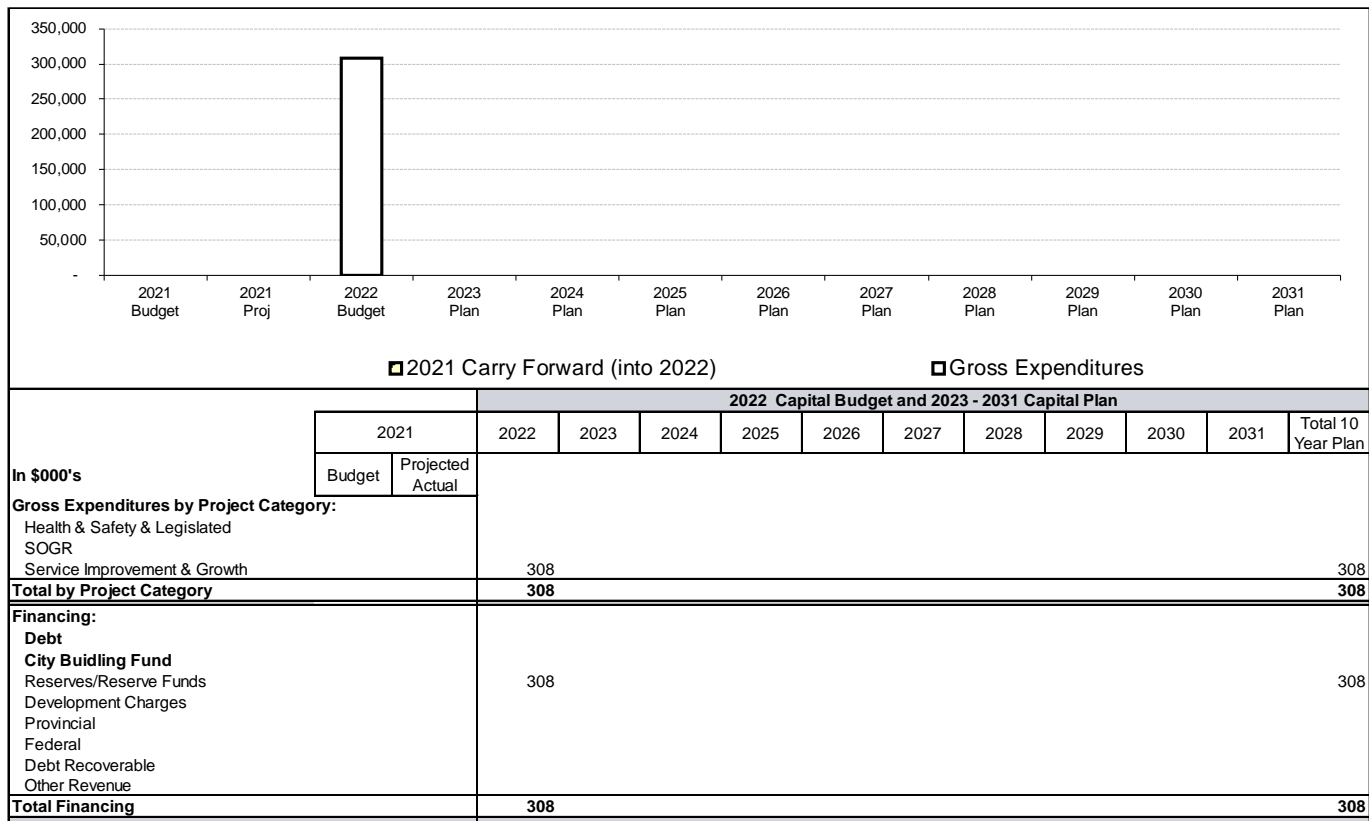
The 2023 Outlook with total gross expenditures of \$34.052 million reflects an anticipated increase of \$1.226 million or 3.74 per cent in gross expenditures above the 2022 Operating Budget; The 2024 Outlook expects a decrease of \$0.731 million or 2.15 per cent below 2023 gross expenditures.

These changes are due to the following:

- Salary and benefit inflationary increases resulting in pressures of \$0.484 million in 2023, and a further increase of \$0.496 million in year 2024.
- Reversal of one-time COVID-19 cost savings in salaries and benefits costs in 2023.
- Reversal of one-time costs for courtroom equipment and laptops in 2023.
- Termination of the lease at 30 Adelaide Street East resulting in savings of \$0.104 million in 2023, and \$1.227 million in 2024.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**  
(\$'000)



### Changes to Existing Projects (\$0.0 Million)

Not applicable

### New Projects (\$0.308 Million)


The 2022-2031 Capital Budget and Plan includes 1 new project:

- \$0.308 million– to support the feasibility phase for a new Adjudicative Information Management System (AIMS)

### Capital Needs Constraints (\$0.0 Million)

Court Services has no unmet projects over the 10-year planning horizon

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$0.308 Million 10-Year Gross Capital Program**


<b>Service Improvement, Enhancement and Growth</b>
\$0.308 M 100%
<p>Adjudicative Information Management System Feasibility Phase</p> <ul style="list-style-type: none"> <li>• Seed funding for the feasibility phase of a new Adjudicative Information Management System fully funded from the Provincial Offences Courts Stabilization Reserve.</li> <li>• This initiative responds to the Auditor General's recommendation in AU 12.1 and City Council direction that Court Services implement an information system that allows it to effectively manage the collection of outstanding Provincial Offences Act (POA) fines.</li> <li>• Future funding requests to support the implementation of this initiative will be informed by the results of the feasibility phase which is expected to conclude in 2022.</li> </ul>

**How the Capital Program is Funded**

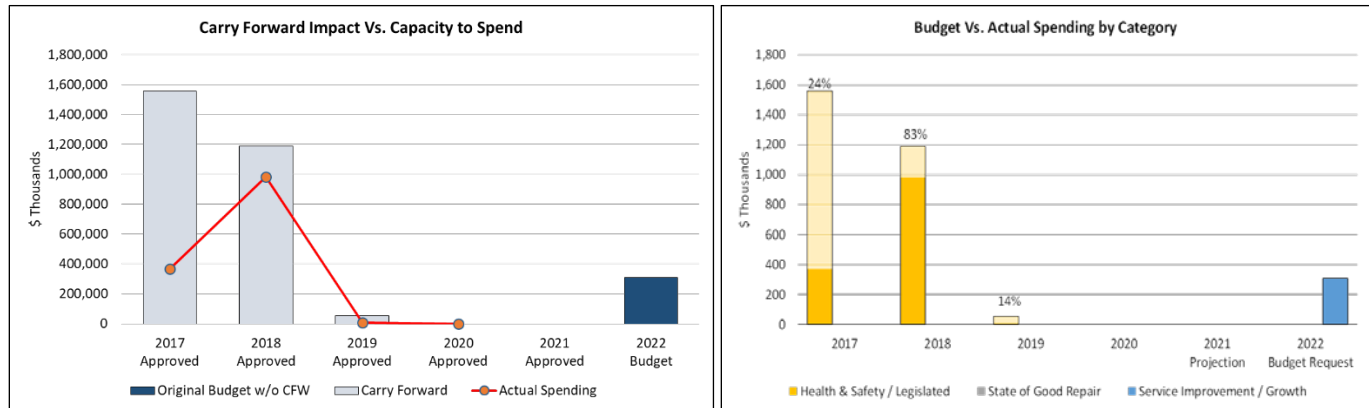
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$0.308 M</b> <b>100%</b>		<b>\$0 M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Reserve / Reserve Fund	\$0.308M		



## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Court Service's ability to spend and the markets capacity to deliver.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

The 2022 Capital Budget includes 1 new project to complete a feasibility study for the new Adjudicative Information Management System. The project is ready to proceed and is expected to be concluded in 2022.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

Approval of the 2022 – 2031 Capital Budget and Plan will result in future year operating impacts which are unknown at this time and will be informed by the results of the feasibility phase of the Adjudicative Information Management System initiative.

# 2022 Program Summary

## Economic Development and Culture

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We advance Toronto's prosperity, opportunity and liveability by fostering employment and investment opportunities, encouraging Toronto's cultural vibrancy through enhanced cultural experiences, and by engaging partners in the planning and development of the City's economic and cultural resources.

Economic Development & Culture (EDC) delivers the following services:

- Arts Services
- Business Services
- Entertainment Industries Services
- Museum & Heritage Services

EDC has stewardship for over 200 public art installations and 100 heritage buildings, including seven community museums, one art gallery and two national historic sites (Fort York National Historic Site and Spadina Museum). EDC is responsible for the collection and conservation of 150,000 artifacts, 3,000 works of fine art, and 1.1 million archeological specimens.

EDC manages \$36.3 million in art grant allocations and supports 85 Business Improvement Areas (BIA)

### Why We Do It

Economic Development and Culture is committed to making Toronto a place where business and culture thrive, providing services to improve the quality of life of its stakeholders by achieving the following outcomes:

Business and cultural entities in Toronto have equitable access to and use economic development supports that start, improve and grow operations, and contribute to increased economic activity.

People in Toronto have equitable access to and use inclusive cultural programs that increase understanding of Toronto's many cultures and histories and contribute to a greater sense of belonging.

*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

### **Business Services**

**Who We Serve:** Business Incubators, Entrepreneurs, New Immigrants, Sector / Industry Associations, Sector Businesses, Youth

**What We Deliver:**

- Business Development & Support (Advice, Advocacy, Consultation, Governance); Networking, Convening power; Issue resolution & Facilitation; Marketing, Promotion; Training, Events; Grants, Financial support)
- Sector Development & Advocacy (Front-line intelligence; Support)
- Provide advice and support to Business Improvement Areas
- Attract trade, investment, develop partnerships, and introduce Toronto's businesses to export markets

**How Much Resources (gross 2022 operating budget): \$24.0 Million**

### **Entertainment Industries Services**

**Who We Serve:** Entertainment Industry Associations, Film and Media Companies, Restaurants and Hotel Industries, Tourism Companies, Visitors and Volunteers

**What We Deliver:**

- Entertainment Industries Development & Support (Advice, Advocacy, Consultation, Governance; Networking, Convening power; Issue resolution and facilitation; Marketing, Promotion; Training)
- Film permitting
- Provide visitor information services
- Provide Entertainment Industries international development

**How Much Resources (gross 2022 operating budget): \$6.5 Million**

### **Art Services**

**Who We Serve:** Arts and Culture Organizations, Event Organizers, Residents, Visitors

**What We Deliver:**

- Arts Services Development & Support (Advice, Advocacy, Consultation, Governance; Networking, Convening power; Issue resolution and facilitation; Marketing, Promotion; Special event facilitation & expediting)
- Create and offer Arts activities and programs, classes, exhibits and events; plan and produce major Festivals and Events
- Assist in the organization of third-party events at Nathan Philips Square and other City-owned locations
- Facilitate, develop and provide access to Arts Venues and Public Art
- Provide funding to arts organizations through the cultural grants service

**How Much Resources (gross 2022 operating budget): \$52.5 Million**

### **Museum & Heritage Services**

**Who We Serve:** Education Sector (Schools and Students), New Immigrants, Public and Private Schools, Residents, Visitors

**What We Deliver:**

- Museum Services Development & Support (Advice, Advocacy, Consultation; Networking, Convening power; Issue resolution and facilitation; Marketing, Promotion)
- Create and offer Museum activities, programs, classes, exhibits and events; provide rental opportunities for art gallery spaces, theaters, rooms for community members
- Develop, manage and conserve artifacts, archeological specimens and fine art collections
- Manage Heritage properties and Museums' operations; Provide advice and collaborates with other City divisions in managing their heritage assets

**How Much Resources (gross 2022 operating budget): \$15.2 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$16.9	\$19.0	\$11.0
Gross Expenditures	\$98.2	\$102.1	\$93.4
Net Expenditures	\$81.2	\$83.2	\$82.4
Approved Positions	323.9	321.9	317.9

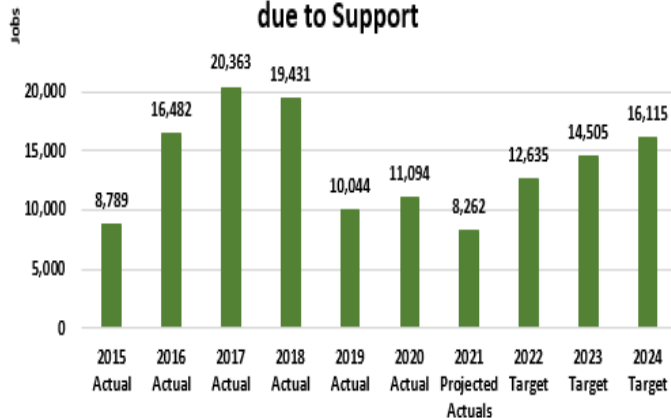
### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$27.9	\$159.0	\$186.9
Debt	\$14.5	\$102.5	\$117.0

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers

**Total Jobs Created and Retained  
due to Support**



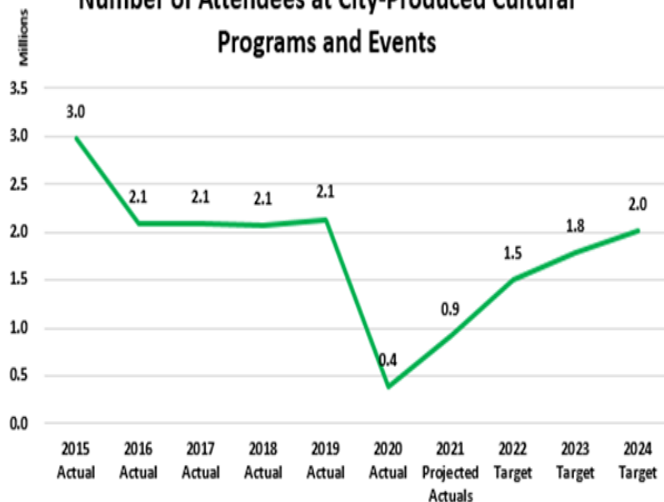
- Two major office developments in the downtown core contributed significantly to a large number of jobs in 2017 and 2018. In 2019, cyclical swings in extensive office developments produced a correction in jobs.
- 2020 was impacted by COVID-19 and only showed a small growth, as companies struggled to adjust with modified work conditions and in some cases, increase workloads which created the need for new jobs. As the pandemic continues into 2021, job creation continues to be impacted negatively. It is expected to start to increase in 2022.
- The market may continue to remain challenged over the next few years. EDC hopes to see greater investment in the industrial market for warehouse and manufacturing space in the city. As the City moves into a recovery and rebuild phase, it is expected that in the next 3-5 years jobs will grow.

**\$ Annual Film Production spend  
in Toronto**



- Annual film production spend for 2020 declined as a result of the four-month shut down of the industry due to COVID-19.
- Production levels recovered to pre-pandemic levels in 2021 with staff forecasting continued growth in 2022 supported by the recovery of market demand and expanded studio footprint in Toronto.

**Number of Attendees at City-Produced Cultural  
Programs and Events**



- 2015 number of attendees included the influx of the Pan Am / ParaPan Am Games attendees.
- The significant drop in attendance in 2020 is the result of the shut down due to the COVID-19 pandemic and the health and safety regulations imposed on large gatherings; resulting in event cancellations, program changes and site closures.
- In the fall of 2021, a number of events resumed with some ongoing restrictions allowing for programs such as ArtworxTO and ShowLoveTO to take place. In 2022 and beyond, regular scheduled events and programs are anticipated to resume with lessened restrictions as we continue to recover from the pandemic.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>Art Services</b>	Number of City Cultural Programs and Events through Arts and Culture Services	934	492	358	424	●	605	767
<b>Business Services</b>	Number of business community projects supported	308	40	65	43	●	50	50
<b>Entertainment Industries Services</b>	Film permits issued in 2 business days	100%	100%	100%	100%	●	100%	100%
<b>Museum &amp; Heritage Services</b>	Number of days of public and educational programs and special events held annually	2,020	944	1,467	1,961	●	1,800	2,200
<b>Business Services and Entertainment Industries Services</b>	Number of people supported with business advice and visitor information	136,503	43,211	89,850	56,517	●	105,000	95,550
<b>Business Services</b>	Total Jobs Created and Retained due to Support	10,044	11,094	9,200	8,262	●	12,635	14,505
● 80% - 100%    ● 64 - 79%    ● 63% and Under								

Service	Measure	2019	2020	2021	2022
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		Actual	Actual	Target	2021 Projection	Status	Target	2023 Target
Outcome Measures								
<b>Entertainment Industries Services</b>	\$ Annual Film Production spend in Toronto	\$2.2B	\$1.54B	\$2.2B	\$2.2B	●	\$2.4B	\$2.4B
<b>Arts Services and Museums &amp; Heritage Services</b>	Number of Attendees at City-Produced Cultural Programs and Events	2,134,968	389,034	2,800,000	923,014	●	1,509,740	1,782,065
Other Measures								
<b>Art Services</b>	Number of arts projects managed annually through Arts and Culture Services	30	27	25	30	●	20	20
<b>Business Services</b>	Number of businesses supported through Business Growth Services	1,920	12,012	3,600	13,089	●	1,371	1,475
<b>Museum &amp; Heritage Services</b>	Number of Programs, Exhibitions and Special Events held annually through Museum and Heritage Services	456	88	275	168	●	621	764

● 80% - 100%

● 64 - 79%

● 63% and Under

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- The 2022 COVID-19 impact is projected to be similar to EDC's 2021 experience, with continuation of recovery efforts:
  - Continued revenue loss of \$1.6M at Museums and Art Centres, reduction in general sponsorship and elimination of restaurant participation fee revenue from the Licious programs.
  - Continuing CaféTO into 2022 and beyond will require \$0.2M for 2 new positions to support the program.
  - Funding from FedDev of \$6.2M, net \$0 (\$18M over 3 years) for Main Street Recovery and Rebuild Initiative (MMRI) programs to support new and existing small (retail) businesses and augment commercial activity in local Toronto neighbourhoods.

**Service Level Changes**

- It is anticipated that EDC programs and services will resume in 2022 as well as new programs that focus on inclusive economic and cultural recovery in light of the impacts of COVID-19 on Toronto's economy.



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Supported the Film Industry to maintain operations throughout the pandemic, achieving record production spends in 2021 while adjusting to COVID-19 health and safety regulations
- Secured \$18M from the Federal Government to support the rollout of the Main Street Rebuild and Recovery initiatives to support small business
- Developed and launched the ShowLoveTO city-wide program and campaign to support reopening local small business and cultural recovery during the gradual reopening of the city
- Launched ArtworxTO, Toronto's Year of Public Art to support local artists and provide the public with more opportunities to engage with art in their everyday lives
- Advanced access to the City of Toronto's 150,000 artifacts and 3,000 works of art through the launch of the Toronto History Museums Artifact and Fine Art Collection online database
- Launched Awakenings at Toronto History Museums to reduce barriers for access to culture and heritage industries

### Key Challenges and Risks

- COVID-19 remains an ongoing risk to Toronto's business and cultural sectors. The city's economic recovery will be impacted by possible resurgences of COVID-19 and ongoing restrictions which could cause further hardship for Toronto's businesses and cultural organizations
- Inequality in Toronto continues to be a key challenge the Division must address through its programs and services
- Pre-existing issues have made space unaffordable for the culture sector with venues lost due to development

### Priority Actions

- Roll out new Main Street Rebuild and Recovery initiatives supported by FedDev Ontario funding
- Implement and expand place-based community economic development projects including Little Jamaica, Mt. Dennis and the Golden Mile
- Support talent and innovation in high-growth sectors and creative industries to help drive economic recovery
- Implement a new Tourism Industry strategic plan to support sector recovery
- Expand equity in culture and heritage sector through targeted programs including the BIPOC fellowship and Awakenings
- Establish priorities for the development of cultural infrastructure and policies to address critical issues of access to space for the culture and creative industries
- Increase public access to inclusive city-wide cultural experiences through city-wide expansion of Nuit Blanche, opening the Clark Centre for the Arts and implementing free admission to all Toronto History Museums
- Strengthen Toronto's public art program through the implementation of the public art strategy and roll-out of ArtworxTO

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Business Services	2,998.7	5,549.5	4,075.0	9,225.4		9,225.4	5,150.4	126.4%
Entertainment Industries Services	873.8	2,258.8	1,920.4	1,822.0		1,822.0	(98.4)	(5.1%)
Art Services	2,143.4	8,008.8	4,171.7	3,808.0		3,808.0	(363.7)	(8.7%)
Museums & Heritage Services	2,635.2	3,087.0	3,052.8	2,081.8		2,081.8	(971.0)	(31.8%)
<b>Total Revenues</b>	<b>8,651.0</b>	<b>18,904.2</b>	<b>13,220.0</b>	<b>16,937.2</b>		<b>16,937.2</b>	<b>3,717.3</b>	<b>28.1%</b>
<b>Expenditures</b>								
Business Services	16,026.8	18,641.8	16,864.4	22,849.5	1,100.8	23,950.3	7,086.0	42.0%
Entertainment Industries Services	5,938.5	6,824.2	7,005.4	6,431.7	20.8	6,452.5	(552.8)	(7.9%)
Art Services	46,507.4	56,769.7	52,624.8	51,503.6	1,040.8	52,544.4	(80.4)	(0.2%)
Museums & Heritage Services	13,496.6	15,806.4	13,707.3	15,158.7	70.8	15,229.5	1,522.3	11.1%
<b>Total Gross Expenditures</b>	<b>81,969.3</b>	<b>98,042.1</b>	<b>90,201.9</b>	<b>95,943.5</b>	<b>2,233.3</b>	<b>98,176.8</b>	<b>7,975.0</b>	<b>8.8%</b>
<b>Net Expenditures</b>	<b>73,318.3</b>	<b>79,138.0</b>	<b>76,981.9</b>	<b>79,006.3</b>	<b>2,233.3</b>	<b>81,239.6</b>	<b>4,257.7</b>	<b>5.5%</b>
<b>Approved Positions**</b>	<b>316.2</b>	<b>318.9</b>	<b>N/A</b>	<b>322.9</b>	<b>1.0</b>	<b>323.9</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$95.944 million gross reflecting an increase of \$5.742 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Salaries and benefits increases due to cost of living adjustments and filled vacancies in 2022
- Non-labour economic factors, inflationary increases on commitments and contracts made in prior years and funding contribution to support hosting of the Collision Technology Conference for the second time since 2019
- Return to normal operations for Museums and Cultural Centres, as well as resuming Info to Go and International programs, operating the new Clark Centre for the Arts in early 2022, and producing City events as per public health guidelines
- Continued support for economic and cultural recovery and rebuild in Toronto including the continuation of Main Street Recovery and Rebuild Initiative (MRRI) programs, CaféTO and ArtworxTO
- 2<sup>nd</sup> year of phasing-in tax base support for the Toronto Significant Events Investment Program (TSEIP) to reduce reliance on reserve

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$79.006 million in net expenditures reflects a \$0.726 million net decrease from the 2021 Council approved Budget, when excluding \$1.811 million in estimated COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.233 million gross and net enabling:

- Expansion of Nuit Blanche outside the downtown core (\$0.100 million gross and net)
- Delivery of an annual Canada Day event (\$0.020 million gross and net)

- Increase to the annual grant provide to the Toronto Arts Council (TAC) to help support the cultural economy (\$0.500 million gross and net)
- Funding for the start-up costs related to the Indigenous Centre for Innovation and Entrepreneurship (ICIE) project which will transition into an operating grant in future years (\$0.700 million gross and net)
- A new Program Evaluator position to support a review of all EDC Youth Programs (\$0.083 million gross and net, 1.0 FTE) and support program adaptation to meet needs of youth facing inequities.
- One-time funding to develop a Cultural District Master Plan and District Program for the Little Jamaica Neighbourhood (\$0.180 million gross and net)
- Funding for Black Food Sovereignty Plan initiatives including the North York Food Hall and accessible infrastructure projects to improve health outcomes and wellbeing for Black residents (\$0.250 million gross and net)
- One-time funding for a small number of critical arts organizations outside the city core who deliver cultural services and programs to area residents (\$0.400 million gross and net)

## EQUITY IMPACTS OF BUDGET CHANGES

**Increasing equity for Indigenous, Black and equity-deserving communities:** Economic Development & Culture's 2022 Operating Budget proposals will enable one initiative that has high equity impact. The investment of \$700,000 will be essential for the Indigenous Centre for Innovation and Entrepreneurship (ICIE) start-up period of 2022. Once it is launched, the ICIE will be an Indigenous-led and operated space for Indigenous peoples, with a focus on entrepreneurial and business skills. The initiative will lead to impactful generational outcomes for Indigenous communities and for Toronto. It represents concrete efforts towards reconciliation, Indigenous place-making and economic empowerment of Indigenous communities.

EDC's 2022 Operating Budget also includes two initiatives with medium-positive equity impacts: enhancing support for the Toronto Arts Council through an investment of \$0.500 million, representing more funding towards its Black Arts program, and \$0.250 million dedicated to Black food sovereignty projects. The former will increase access to arts and culture and positively affect access to training and/or employment, and the latter will positively affect access to food and City space for Black communities. Initiatives with low-positive equity impact, in turn, include a youth outcomes review to better equip City staff to support youth facing inequities, which will advance the City's ability to provide mentorship, training and employment for youth in underserved communities.

In addition to the City's Corporate Strategic Priority to invest in people and neighbourhoods, added investments support the Confronting Anti-Black Racism Action Plan, the Poverty Reduction Strategy and the City's commitments to advance Truth and Reconciliation.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Economic Development and Culture is \$7.975 million gross or 8.8% higher than the 2021 Projected Actuals. Of the \$7.975 million increase, \$2.233 million represents new investments to address priority actions. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget, and Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	1,293.7	1,794.1	3,265.6	2,613.5	1,270.4	(1,343.1)	(51.4%)
Federal Subsidies	742.3	1,730.0	3,324.8	1,300.4	7,727.1	6,426.6	494.2%
User Fees & Donations	3,473.6	1,455.6	2,229.3	2,612.7	2,897.0	284.3	10.9%
Transfers From Capital	1,105.9	848.7	1,322.3	1,002.9	1,322.3	319.4	31.9%
Contribution From Reserves/Reserve Funds	1,378.1	958.7	2,362.5	1,279.2	821.5	(457.8)	(35.8%)
Sundry and Other Revenues	3,430.0	1,864.0	5,999.6	4,011.2	2,899.0	(1,112.2)	(27.7%)
Inter-Divisional Recoveries	5.9		400.0	400.0		(400.0)	(100.0%)
<b>Total Revenues</b>	<b>11,429.4</b>	<b>8,651.0</b>	<b>18,904.2</b>	<b>13,220.0</b>	<b>16,937.2</b>	<b>3,717.3</b>	<b>28.1%</b>
Salaries and Benefits	30,066.4	29,242.1	30,234.4	27,690.4	32,792.6	5,102.3	18.4%
Materials & Supplies	1,085.3	642.3	1,510.9	1,256.0	1,488.6	232.6	18.5%
Equipment	321.1	334.5	684.4	645.6	439.8	(205.8)	(31.9%)
Service and Rent	8,889.3	5,765.8	15,143.9	12,518.6	11,026.4	(1,492.2)	(11.9%)
Grants and Transfers	42,133.2	45,206.3	50,370.4	46,894.5	52,200.8	5,306.3	11.3%
Contribution To Reserves/Reserve Funds	938.0	565.4	46.4	1,046.4	46.4	(1,000.0)	(95.6%)
Other Expenditures	61.5	82.1	51.7	52.7	182.2	129.5	245.4%
Inter-Divisional Charges	1,231.3	130.8		97.7		(97.7)	(100.0%)
<b>Total Gross Expenditures</b>	<b>84,726.0</b>	<b>81,969.3</b>	<b>98,042.1</b>	<b>90,201.9</b>	<b>98,176.8</b>	<b>7,975.0</b>	<b>8.8%</b>
<b>Net Expenditures</b>	<b>73,296.6</b>	<b>73,318.3</b>	<b>79,138.0</b>	<b>76,981.9</b>	<b>81,239.6</b>	<b>4,257.7</b>	<b>5.5%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Salaries and benefit increases due to cost of living adjustments, filling of vacancies, resumption of programs as well as new staffing for the opening of the Clark Centre for the Arts, continuation of the CaféTO program, and support for the new Film Permitting Fees.

**Services and Rents:**

In 2021, EDC launched large scale initiatives, ShowLoveTO, a program in response to the effects of COVID-19, and ArtworxTO. City Events were either cancelled or modified and programming for Museums, Cultural Centres and International was reduced. The reduction in 2022 is due to the conclusion of the ShowLoveTO program and the winding down of ArtworxTO which was partially offset by the reinstatement of the International Program, production and enhanced funding for Nuit Blanche 2022 and programming of other events/activities.

**Grants and Transfers:**

Increase is largely from the ramping up of the Main Street Recovery and Rebuild (MRRI) initiative as well as the Indigenous Centre for Innovation and Entrepreneurship (ICIE) both funded by FedDev. In 2021, grants were low due to the cancellation of the Royal Agricultural Winter Fair, and less uptake to other programs due to continued COVID-19 impacts such as the Toronto Significant Event Investment Program (TSEIP).

**Contributions To Reserves/Reserve Funds:**

A one-time contribution, made available through EDC's underspending, to the under-funded Major Special Events Reserve Fund (MSERF) in 2021 to support the planning and other municipal service delivery as well as enhanced City programming costs associated with major special events is not anticipated to continue in 2022.

**Provincial Subsidies:**

In 2021, one-time COVID-19 funding was received for Museums, and ShowLoveTO and ArtworxTO. In 2022, funding is expected to be lower due to the conclusion of agreements for Enterprise Toronto and Film Workforce Development as well as the conclusion of ShowLoveTO.

**Federal Subsidies:**

Increase in 2022 due to the ramping up of Main Street Recovery and Rebuild (MRRI) initiative and the Indigenous Centre for Innovation and Entrepreneurship (ICIE) which receive FedDev funding.

**Contribution from Reserves/Reserve Funds:**

Reversal of one-time reserve fund draws for special 2021 initiatives offset by an expected increase in draw for the Toronto Special Events Investment Program (TSEIP).

**Sundry and Other Revenues:**

Reduced sponsorship funding targets with conclusion of ShowLoveTO program and the final year for ArtworxTO.

**Offsets and Efficiencies:**

**The 2022 Operating Budget** includes \$0.979 million in gross and net expenditures reductions attributed to:

**One-time Reduction to Travel**

- Due to continued COVID19 impacts and upcoming municipal election, travel is anticipated to be less in 2022.

**One-time Reduction to Info-to-Go program**

- A reduction to the program due to anticipated lower tourism visitation levels in Toronto.

**Line-by-Line Review**

- A reduction in base budget expenditure requirements (includes items such as materials and supplies and services and rents) to reflect actual experience and efficiencies.
- Reduction based on an analysis of EDC's current vacancies and the anticipated time it will take to fill positions; as well as any potential leaves and recruitment delays to align with expected actuals. EDC continues to actively recruit and fill vacant positions.

Table 2b: 2021 New / Enhanced

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	Start-up and On-going Funding for the Indigenous Centre for Innovation and Entrepreneurship (ICIE)		700.0	700.0		1,665.2	High - Positive	No	No	Supports Poverty Reduction Strategy 11.4.2. Provide Indigenous residents and business owners a safe, supportive space to further develop entrepreneurial skills.
2	City-wide Nuit Blanche Toronto Program Expansion		100.0	100.0		100.0	Low - Positive	No	No	Build Back Stronger to advance Cultural Engagement by expanding Nuit Blanche to allow for equitable distribution of resources to neighbourhoods in Toronto with racialized communities, youth, newcomers and attract residents of all demographics to participate.
3	Base Funding for Canada Day Programming		20.0	20.0		20.0	Low - Positive	No	No	Build Back Stronger to advance Cultural Engagement by providing stable funding for Canada Day programming.
4	Increase to Toronto Arts Council (TAC) Funding		500.0	500.0		1,000.0	Medium - Positive	No	No	Invest in people and Neighbourhoods, Poverty Reduction Strategy and Build Back Stronger by increasing funding to cultural engagement.
5	CABR Black Food Sovereignty Report and Plan-EDC Initiatives		250.0	250.0		480.0	Medium - Positive	No	No	Supports Poverty Reduction Strategy, Advancing Equity and Inclusion, CABR, and Build Back Stronger.
6	Youth Services Review		83.3	83.3	1.0	116.9	Low - Positive	No	No	Supports Poverty Reduction Strategy 5.2.3. Improve program access for youth facing structural inequities through a review development process.
7	Cultural District Designation Program & Little Jamaica Cultural District Master Plan		180.0	180.0		42.0	Low - Positive	No	No	MM 24.36. Funding for consultant advisor with experience in engaging with equity-deserving groups, marginalized and diverse communities.
8	Cultural Organization Funding-Outside City Core		400.0	400.0			Low - Positive	No	No	Invest in people and Neighbourhoods and Build Back Stronger to advance Cultural Engagement and improve access to arts and culture outside the city core.
Total New / Enhanced			2,233.3	2,233.3	1.0	3,424.1				

The 2022 Operating Budget includes \$2.233 million gross and net in investments to support priority actions as detailed in the table above.

#### Start-up and On-going Funding for Indigenous Centre for Innovation and Entrepreneurship (ICIE) (\$0.700 million gross and net):

- The ICIE will provide Indigenous residents and business owners of Toronto and beyond a space to further develop entrepreneurial skills, nurture and grow successful Indigenous-led business ventures, and celebrate Indigenous culture and community. The development and start-up of the ICIE is partially funded through a five-year \$5.0 million Contribution Agreement with the Federal Economic Development Agency for Southern Ontario (FedDev Ontario). Under the terms of this agreement, City operating expenses related to the ICIE of up to \$9.87 million are cost-shared on a 49.33% City / 50.67% FedDev Ontario basis.
- Funding of \$0.700 million in 2022 is to cover the City portion of the start-up expenses in 2022. Additional funding will be required in 2023 and in 2024 to provide an ongoing operating grant to the operator of the ICIE.

#### City-wide Nuit Blanche Program Expansion (\$0.100 million gross and net):

- Enhanced funding for Nuit Blanche allows for the expansion of the event outside the downtown core. Nuit Blanche was cancelled in both 2020 and 2021. In 2022 the event will return and expand across the City to help promote inclusive arts recovery as well as help to establish large-scale, City-led programming outside the core. It will also increase investment in underserved communities in the inner suburbs.

**Base Funding for Canada Day Programming (\$0.020 million gross and net):**

- An annual Canada Day event has been produced by EDC funded through sponsorship and grants and a reallocation of any internal savings. By providing base funding, it would allow EDC for a consistent investment to leverage against outside funding and allow for stable program delivery.

**Increase to Toronto Arts Council (TAC) Grants (\$0.500 million gross and net):**

- TAC, in its role as the City's arm's-length arts funding body, will invest in the arts to strengthen the vitality and liveability of Toronto and assist in the city's economic and social recovery. As a strong partner of the City, TAC will work to meet the objectives of the Council-approved Building Back Stronger report. The enhancement will increase the total operating grant to TAC to \$25.555 million.

**CABR Black Food Sovereignty Report and Plan - EDC Initiatives (\$0.250 million gross and net):**

- Funding will support the City's efforts to improve health outcomes for Black residents and realize more equitable outcomes and wellbeing for Black residents. Initiatives will advance workforce development, business training supports and priority access to kitchen space and industrial food production facilities for Black Torontonians, Black entrepreneurs and Black-owned and Black-operated food businesses. Funding will also support the North York Food Hall (Food Incubator Tenancy Program) project, a program that will encourage the establishment and initial growth of small food businesses in the city and will provide below market rent for space in the food hall equipped with commercial grade kitchen appliances. This request is in response to *EC24.9 - Toronto Black Food Sovereignty Plan*.

**Youth Services Review Position (\$0.083 million gross and net):**

- A new permanent program evaluator position to review and implement the youth services framework for all EDC Youth Programs. The position will look at reducing barriers to program access for youth, particularly those at risk as well as look for enhancements to youth components of existing programs.

**Cultural District Designation Program and Little Jamaica Cultural District Master Plan (\$0.180 million gross and net):**

- One-time funding to hire a consultant to help develop a Cultural District Master Plan for the Little Jamaica Neighbourhood. This is in direct response to the *MM24.36 Supporting Black-Owned and Operating Businesses and Preserving the Cultural Heritage of Eglinton Avenue West's "Little Jamaica"*. The Cultural District Designation and Little Jamaica Cultural District Plan will enable changes required to promote economic growth while addressing barriers and improving conditions.

**Cultural Organization Funding – Outside City Core (\$0.400 million gross and net):**

- One-time funding to deliver targeted funding to a small number of critical arts organization outside the city core who deliver cultural services and programs to area residents. Growth in the city's population and residential densification of areas outside the core have created a pressing need to provide support to cultural organizations able to provide accessible, culturally relevant arts programming outside the core.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	13,220.0	16,937.2	18,980.6	10,992.6
Gross Expenditures	90,201.9	98,176.8	102,130.7	93,375.2
<b>Net Expenditures</b>	<b>76,981.9</b>	<b>81,239.6</b>	<b>83,150.1</b>	<b>82,382.6</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>323.9</b>	<b>321.9</b>	<b>317.9</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$102.131 million reflects an anticipated \$3.953 million or 4.02 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlooks expects a decrease of \$8.756 million or 8.57 per cent below the 2023 gross expenditures.

These changes arise from the following:

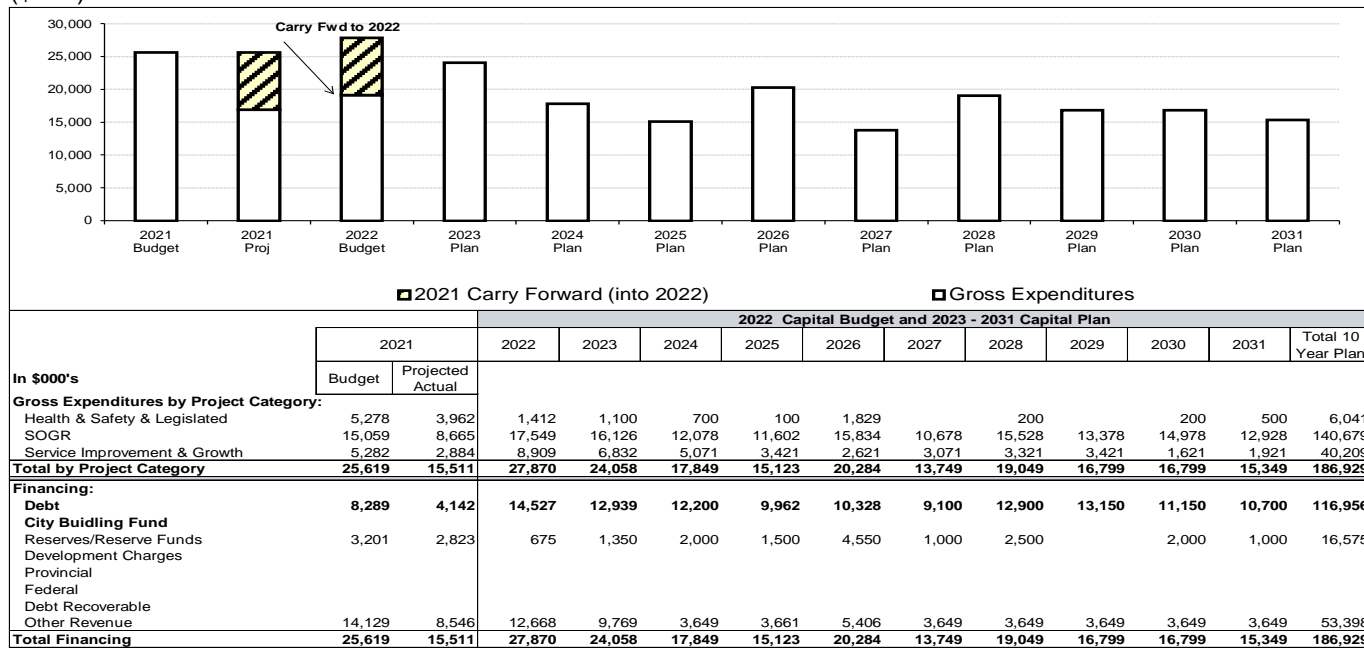
- **Salaries and Benefits:** Reversal of one-time hiring delays and reduction to part-time staffing for Art Centres and Info-To-Go program in 2023 as well as inflationary increase in both 2023 and in 2024. Further, in 2024, 4 temporary positions funded by FedDev will no longer be required due to project conclusion.
- **Impacts of 2022 decision:** Main Street Recovery and Rebuild (MRRI) initiatives funded by FedDev increases by \$2.41 million gross, net \$0 in 2023 and decreases by \$6.572 million gross, \$0 net in 2024 when the project concludes. Start up and on-going funding for ICIE increases in 2023 and decreases in 2024 when the ICIE opens and begins operations. Also includes the 2nd year of phased-in new requests.
- **Revenue Changes:** COVID-19 recovery impacts on user and non-user fees in 2023 and 2024 and federal/provincial funding increase of \$2.409 million in 2023, with a decrease of \$8.431 million in 2024 from federally funded projects.



## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$0.80 Million)

The 2022-2031 Capital Budget and Plan reflects the following key changes to existing projects over the nine common years (2022-2030):

- \$4.50 million – Increase in *Commercial Façade Improvement Program* for expansion of funding to businesses that are not part of a BIA and increasing the range of eligible improvements and grants to cover all building facades
- \$1.35 million – Increase in *Mural Program* to support retail sector to accommodate rising demand for grants and increasing costs to produce murals
- \$(2.40) million – Decrease in *BIA Equal Share Program* to fund increase in *Mural Program*
- \$(2.35) million – Decrease in *BIA Financed Funded Project* due to lower uptake of this program from the BIAs

### New Projects (\$1.65 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:




- \$0.50 million – *Howard Monument Restoration* for phase 2 of conservation
- \$0.50 million – *Digital Services Delivery (Phase 3)* for future digitalization
- \$0.30 million – *Collections Facility* for replacement of distribution system
- \$0.25 million – *Indigenous Artwork Exhibition Place*, funded by Planning Act Revenue
- \$0.10 million – *Monument to the Second Century* restoration

### Capital Needs Constraints (\$68.95 Million)

Economic Development and Culture has three unmet projects over the 10-year planning horizon:

- \$67.00 million – Design and Construction of the *Museum of Toronto* as part of the restoration of Old City Hall
- \$1.25 million – Conservation of the *Guild Public Art and Monument*
- \$0.70 million – Complete *Building Condition Audits* for 42 heritage properties in the EDC portfolio

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$186.9 million 10-Year Gross Capital Program**

		
<b>Aging Infrastructure/SOGR</b>	<b>Health and Safety and Legislated</b>	<b>Service Improvement, Enhancement and Growth</b>
\$140.7 M 75.3%	\$6.0 M 3.2%	\$40.2 M 21.5%
<ul style="list-style-type: none"> <li>• Young People's Theatre <input checked="" type="checkbox"/></li> <li>• Assembly Hall Mechanical</li> <li>• Cedar Ridge Creative Arts Centre Restoration <input checked="" type="checkbox"/></li> <li>• Various Heritage, Public Arts Buildings and Museums Maintenance</li> <li>• Various BIA Projects</li> </ul>	<ul style="list-style-type: none"> <li>• Legislated Mechanical &amp; Electrical <input checked="" type="checkbox"/></li> <li>• AODA</li> <li>• Casa Loma</li> </ul>	<ul style="list-style-type: none"> <li>• Indigenous Centre for Innovation and Entrepreneurship</li> <li>• EDC Digital Service Delivery</li> <li>• Streetscape Master Plan Program</li> <li>• Commercial Façade Improvement Program</li> <li>• Various Projects at Fort York</li> <li>• Museum of Toronto Planning Study</li> <li>• DUKE Height Business Improvement Area Public Art</li> </ul>

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☒ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

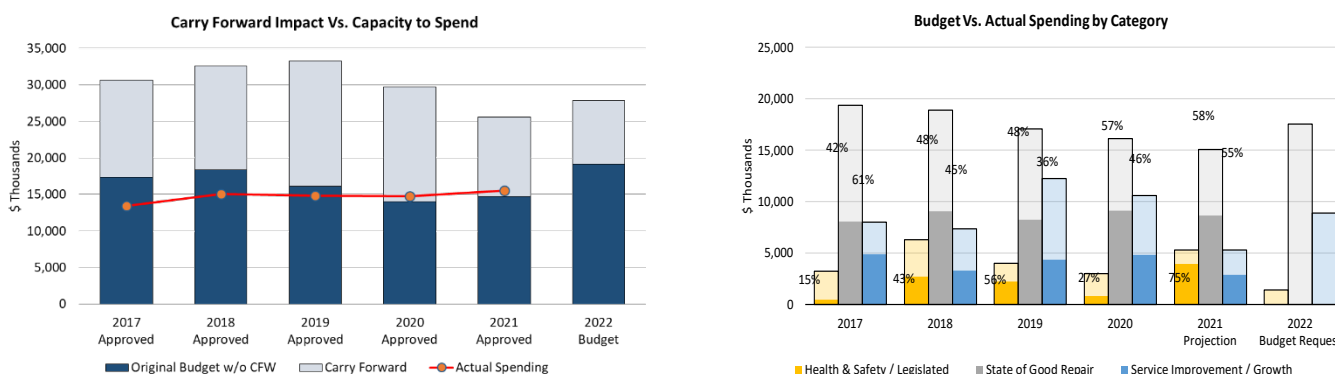
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$186.9 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$117.0 M		
Reserve Draws	\$16.6 M		
Other	\$53.3 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with the Economic Development and Culture Division's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

The 2022 Capital Budget of \$27.87 million (including carry forward funding of \$8.73 million) is lower than the historic 5-year average budget of \$30.4 million.

EDC reviewed its historical capital spending trends and capacity to deliver projects. Approximately \$9.27 million in capital spending originally cash flowed in 2022 has been deferred to future years compared to last year's 10-Year Plan. Key adjustments to the Capital Plan is noted below:

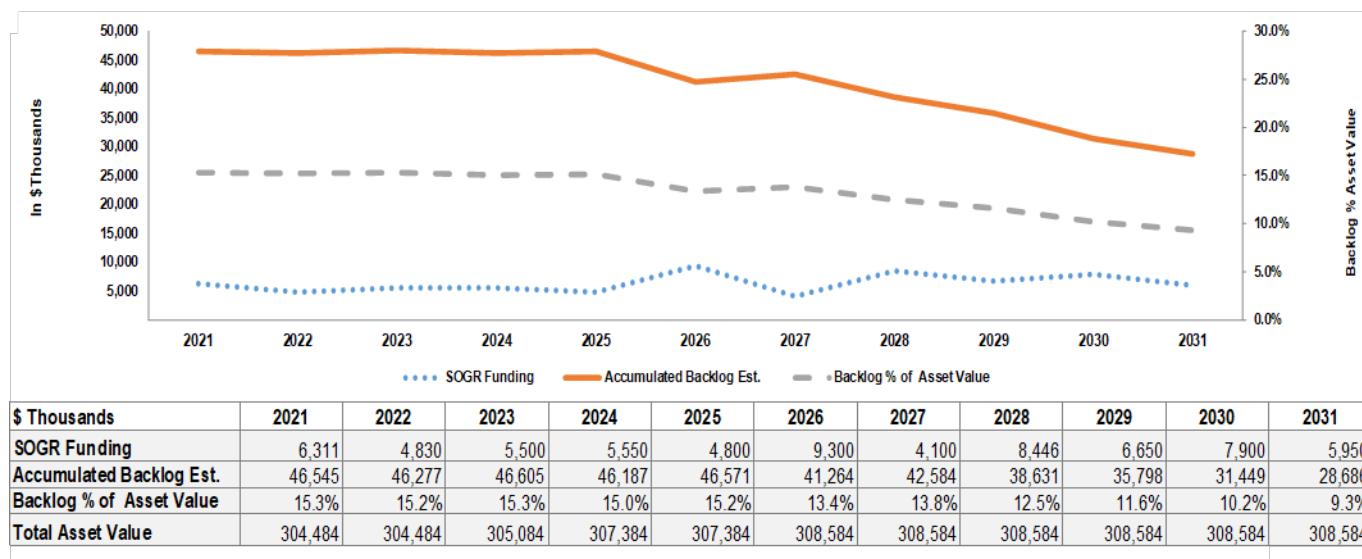
- The *BIA Financed Funded* project and *BIA Equal Share Funding* projects' 2022 cash flow have been deferred to future years by \$4.70 million and \$1.39 million respectively as a result of realignment of cash flow based on historical trend.
- John Street Public Art Project's* 2022 cash flow has been deferred to future years in the amount of \$1.58 million to coordinate with other City Divisions and \$2.0 million from the *Casa Loma* project has been deferred to 2024.

Despite the key adjustments noted above, EDC still requires cash flow funding of \$27.87 million in 2022 to continue the capital work. Economic Development and Culture's actual spending over the previous five years, from 2016 to 2020, has averaged \$15.10 million per year. In 2021, EDC is forecasting to spend \$15.51 million or 61% of the 2021 Council Approved Capital Budget. The 2022 cash flow is higher than the historic 5-year average spending and is attributed to the requirements below:

- To complete capital improvements in heritage and cultural properties (including Casa Loma, Spadina Museum) to meet health and safety standards
- To invest in major maintenance in properties and public arts that are needing capital improvements to address SOGR backlog which includes Montgomery's Inn restoration, Fort York restoration and various Heritage and Cultural Buildings
- Construction of the Indigenous Centre for Innovation and Entrepreneurship to provide space and support for Indigenous entrepreneurs looking to build businesses, social enterprises, not-for-profits, collectives or cooperatives

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for Economic Development and Culture:

**Chart 3: Total SOGR Funding & Backlog**

\*Excludes projects to support capital improvements in the BIAs, IT infrastructures and outdoor public arts that are not part of EDC's asset portfolio.

- Economic Development and Culture is responsible for over 200 public art installations, and 100 heritage buildings. Most of the heritage buildings are over 100 years old, making it difficult to estimate their replacement value. Maintenance of these assets requires a specialized understanding of the high conservation and restoration standards set out in nationally and internationally accepted charters such as the "Standards and Guidelines for the Conservation of Historic Places in Canada".
- The 2022-2031 Capital Budget and Plan will fund \$140.70 million of SOGR projects (\$63.03 million excluding BIAs, IT infrastructures and outdoor public arts) for Economic Development and Culture. Based on this plan, the accumulated backlog for assets that are part of the division's portfolio will decrease from \$46.55 million in 2021 to an anticipated \$28.69 million by 2031, while the backlog remains at approximately 9.3% of asset value.
- Economic Development and Culture have completed a Building Condition Audit (BCA) for the Young People's Theatre. This BCA identified approximately \$5.00 million in SOGR work over the next 10 years and \$2.0 million has been added in the SOGR backlog for 2022 to begin addressing aging facility. It is anticipated that Economic Development and Culture's SOGR backlog will continue to increase over the 10-year planning period as new capital needs will be identified as new Building Condition Audits are completed.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact the 2023 Operating Budget by a total of \$0.117 million net arising from completing the *EDC Digital Service Delivery Phase 2* project, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Digital Service Delivery Phase 2			117.0	1.0							117.0	1.0		
<b>Sub-Total: Previously Approved</b>			117.0	1.0							117.0	1.0		
<b>Total (Net)</b>			117.0	1.0							117.0	1.0		

The *Economic Competitiveness Data Management System* project will result in net operating costs of \$0.117 million in 2023 arising from completing the *Digital Service Delivery Phase 2* project. Additional staff is required to administer and conduct maintenance of the *Digital Service Delivery System*.

Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

# 2022 Program Summary

## Housing Secretariat

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Housing Secretariat is responsible for: supporting the delivery of new affordable homes; preserving Toronto's existing affordable housing stock; and helping residents access and maintain safe, secure, adequate, affordable housing.

To help achieve our objectives, the Housing Secretariat:

- Oversees and supports implementation of the City's HousingTO 2020-2030 Action Plan and reports on progress towards the 10-year targets;
- Leads the development of effective systems-level housing policy and programs in collaboration with residents, City divisions and agencies; the non-profit, Indigenous and private sectors; and other orders of government;
- Administers federal, provincial and City investments that help build new affordable homes that support our climate actions and are climate resilient as well as improve the condition and climate resilience of existing affordable homes;
- Using a climate lens, continue, enhance and integrate inspection, repair and energy efficiency programs to reduce greenhouse gas emissions and to maximize impact for residents of aging rental buildings; and
- Provides strategic advice/support on housing issues to the City Manager, Deputy City Managers, Elected Officials, and key Intergovernmental partners.

The division's business functions in 2022 will be focused on the following key priority areas:

- Housing Development, Renewal & Improvement;
- Housing Policy & Strategy;
- Housing Stability Services; and
- Tenant Access & Support.

### Why We Do It

The City's HousingTO 2020-2030 Action Plan envisions a city in which all residents have equal opportunity to develop to their full potential. The Plan is centred on a human rights-based approach to housing which recognizes that housing is essential to the inherent dignity and well-being of a person and to building inclusive, healthy, climate resilient, sustainable and liveable communities. The actions in the Plan also reflect and advance the City's commitment to the progressive realization of the right to adequate housing.

Creating new permanent affordable homes, as well as preserving the existing rental housing stock will increase the opportunity for equity-deserving groups, including Indigenous Peoples, Black people and other racialized groups, seniors, women, and members of the 2SLGBTQ+ community, to access safe, healthy and adequate housing.

Safe, adequate, affordable housing is an important determinant of health and supports improved health, housing and socio-economic outcomes for people. Safe, adequate, affordable housing is also a cornerstone of vibrant, healthy neighbourhoods and supports the climate actions/environmental and economic health of the city, region and country as a whole.

*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

### **New Affordable Housing Development**

**Who We Serve:** Low and moderate income residents, including those from equity-deserving groups

**What We Deliver:** Programs that support the creation of new affordable and supportive housing; assistance for low-and-moderate-income residents to purchase affordable homes through the City's Home Ownership Assistance Program (HOAP); the City's laneway housing program; home renovation programs that help low-income seniors and persons with disabilities complete safety, accessibility and energy efficiency upgrades; and the City's Tower Renewal Program that helps apartment building operators and residents make building improvements and revitalize the surrounding community while reducing greenhouse gas emissions.

**How Much Resources (gross 2022 operating budget):** \$68.0 million

### **Housing Improvement Programs**

**Who We Serve:** Low and moderate income residents, including homeowners and renter households

**What We Deliver:** Assistance to lower-income residents, including seniors, persons with disabilities and rooming house residents; health, essential safety, accessibility and energy efficiency upgrades which reduce greenhouse gas emissions.

**How Much Resources (gross operating budget):** \$1.9 million

### **Housing Policy & Strategy**

**Who We Serve:** Low and moderate income residents, including those from equity-deserving groups

**What We Deliver:** System-level housing policies and programs that help: increase the supply of new affordable homes; preserve and improve existing affordable homes; and improve access to affordable homes. We also monitor and report on delivery of the HousingTO 2020-2030 Action Plan, as well as develop and maintain strategic partnerships with key internal and external stakeholders to support its delivery.

**How Much Resources (gross 2022 operating budget):** \$2.3 million

The following Service will be transferred from Shelter, Support & Housing Administration to the Housing Secretariat in 2022 as part of Housing Secretariat's transformation.

### **Housing Stability Services**

**Who We Serve:** Low and moderate income residents, including those from equity-deserving groups

**What We Deliver:** Service system management including funding and oversight of 250 housing providers, 92,040 social and affordable housing units, including 59,000+Toronto Community Housing Corporation housing units. We also administer over 7,100 Housing Allowances.

**How Much Resources (gross 2022 operating budget):** \$562.8 million

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Millions	2022	2023	2024
Revenues	\$69.464	\$23.337	\$17.061
Gross Expenditures	\$72.312	\$26.277	\$19.787
Net Expenditures	\$2.848	\$2.940	\$2.726
Approved Positions	54.0	58.0	58.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Millions	2022	2023-2031	Total
Gross Expenditures	\$398.274	\$572.533	\$970.807
Debt	\$154.736	\$509.300	\$664.036

Note: Includes 2021 carry forward funding



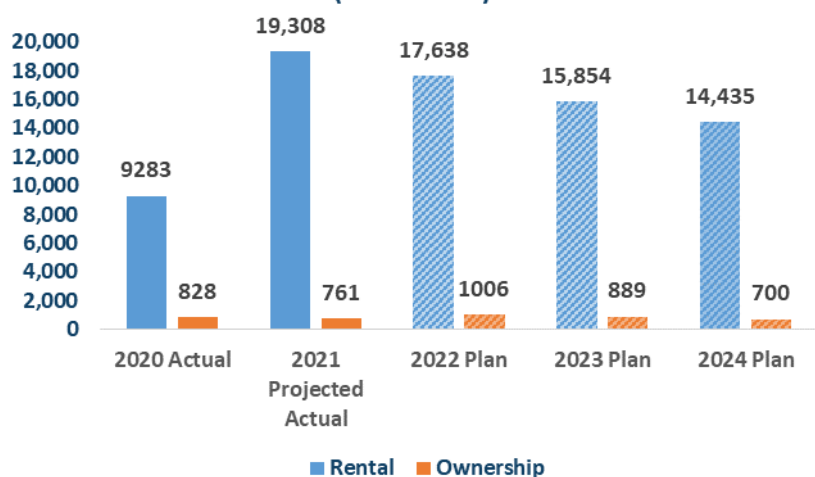
## How Well We Are Doing – Behind the Numbers

### Approaching 40,000 Affordable Rental Home Approvals



- The HousingTO 2020-2030 Action Plan sets an approval target of 40,000 affordable rental homes, including 18,000 supportive homes by 2030.
- Within the first two years, the City has already achieved just over 40% of this 10-year target or over 16,000 units with City's investment of \$2.3 billion. The HousingTO target of an estimated 28,000 affordable rental home approvals (70% of the 10-year target of 40,000 units) is achievable by 2024 with the necessary federal/ provincial funding commitments.

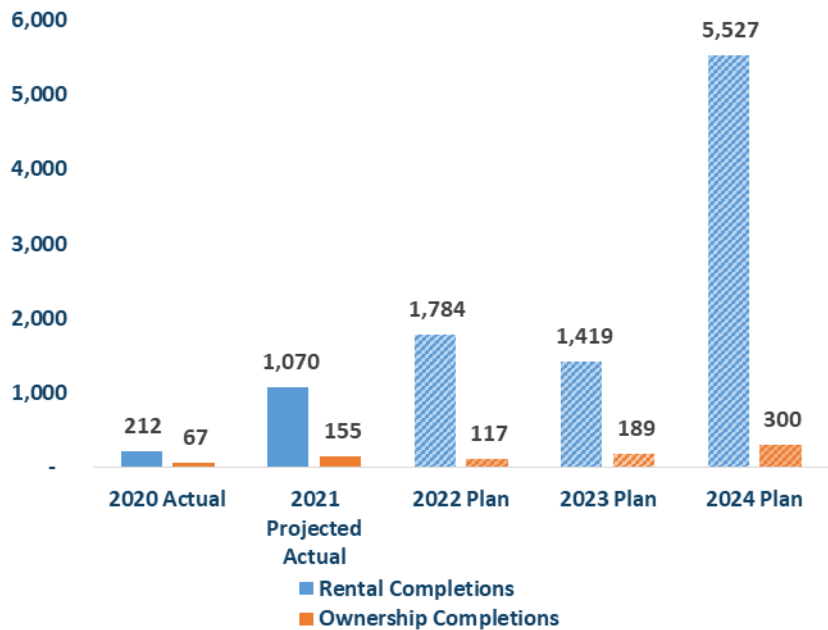
### Number of New Affordable Rental & Ownership Homes Under-Development Year-Over-Year (Cumulative)



- The cumulative new affordable homes under development represent the development pipeline. Projections assume new annual ownership approvals of 400 units in years 2022-2024; and new rental approvals of 9,900 units in 2021; and 4,000 units per year in years 2022-2024.
- New units will be added to the pipeline on an ongoing basis as projects are approved by City Council. Additionally, pipeline fluctuations from 2022 – 2024 are due to projects/ units being completed.
- The increasing number of units under development in years 2020 and 2021 reflects higher federal, provincial and City investments in 3 initiatives: (1) Housing Now, (2) Modular Supportive Housing, and (3) Federal Rapid Housing Initiative.



Number of New Affordable Rental & Ownership  
Homes Completions Year-Over-Year



- The Housing Secretariat has financial stewardship for delivering federal, provincial and City funding that deliver new affordable rental, including supportive homes.
- We allocate funding and support delivery of projects over their typical development lifecycle which is 3 to 5 years for traditional construction and 1 year for modular construction.
- Annual projected completions include Modular Supportive Housing and 'shovel-ready' projects with expedited development cycles.

## How Well We Are Doing

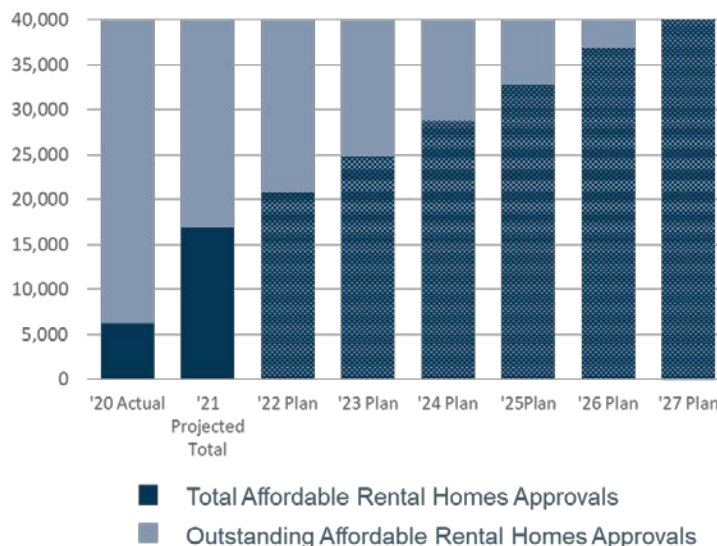
Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Housing Development	Affordable Rental Homes Completed	366	212	1,680	1,070	●	1,784	1,419
Housing Development	Affordable Rental Housing Approved	1,129	6,257	4,000	9,900	●	4,000	4,000
Home Ownership Assistance	Ownership Completions	104	67	110	155	●	117	189
Housing Improvements	Housing Improvement Project Completions	683	194	1,913	1,933	●	2,000	300

## HousingTO 2020-2030 Action Plan



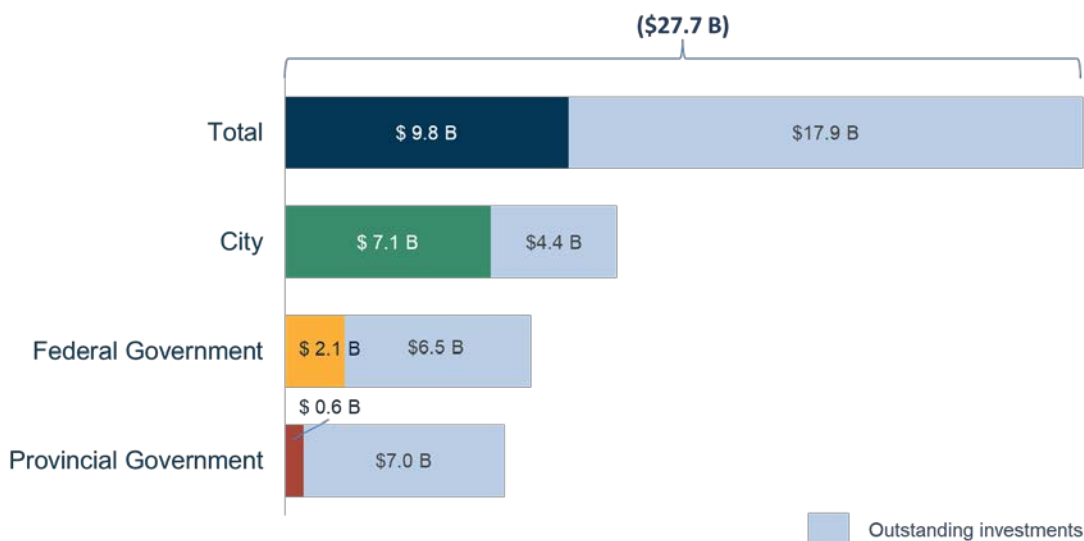
- The HousingTO 2020-2030 Action Plan, Canada's first human rights-based housing plan, was adopted by City Council in December 2019. It is the City's umbrella housing and homelessness plan, and provides a blueprint for actions and investments across the full housing continuum over the next 10 years.
- The Plan aims to assist over 341,000 households in Toronto through a number of actions to increase housing affordability. One key action is approving 40,000 new affordable rental units, including 18,000 supportive housing units.
- Based on current trends and the pace of project approvals, it is estimated that the 40,000 new homes approval target can be achieved by 2027 provided that the federal and provincial governments provide their share of funding to deliver the HousingTO Plan, including:
  - Continued and enhanced investments from the federal government through the National Housing Strategy and other programs; and
  - Continued and enhanced investments from the provincial government including a long-term commitment for ongoing operating funding for supportive housing.

### Approaching 40,000 Affordable Rental Home Approvals



### Cost to deliver the HousingTO Plan

Successful implementation of the HousingTO Plan is expected to cost all three orders of government approximately \$27.7 billion.



The breakdown of required investments and commitments to-date are as follows:

- City investments of approximately \$11.5 billion (approximately \$7.1 billion committed to-date), including
  - \$2.5 billion in fully funded direct capital investments plus
  - \$5.3 billion in direct incentives in the form of land and foregone revenues; and
- Federal investments of approximately \$8.6 billion (approximately \$2.1 billion committed to-date) including
  - \$1.3 billion towards capital repair program of TCHC homes;
  - \$353.7 million in capital funding towards approval of 20,000 affordable and Supportive homes;
  - \$124.4 million in Reaching Home funding (2019-2024); and
- Provincial investments of approximately \$7.6 billion (approximately \$600 million committed to-date) including
  - \$352.9 million through Community Homelessness Prevention Initiative (2020-23);
  - \$92.9 million in funding for the redevelopment of Carefree Lodge, including addition of new beds (approved in 2020);
  - \$73.4 million through Home for Good Program (2020-23); and
  - \$15.4 million in operating funding towards approval of 2,000 supportive home created in 2021/22.

Achieving the overall targets in the HousingTO Plan will require continued contributions in existing programs as well as new and enhanced investments from all orders of government. Contributions and participation from the non-profit and private sectors will also be necessary to achieve the targets.

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- N/A

#### Service Level Changes

- N/A

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

Over the past year, the City, in collaboration with partners across various sectors, has:

- Pivoted from costly emergency responses to homelessness to more sustainable permanent housing solutions aligned with the City's commitment to the progressive realization of the right to adequate housing.
- Opened 120 homes with support services dedicated to women experiencing homelessness at 389 Church Street.
- Opened the first two energy-efficient modular supportive housing buildings within nine months of first approval by the City Council for 100 people experiencing homelessness.
- Made significant progress on delivering the 24-month COVID-19 Housing and Homelessness Response Plan through the federal Rapid Housing Initiative which will help create a minimum of 2,000 new permanent supportive homes for people experiencing homelessness by end of 2022.
- Partnered with Toronto Community Housing Corporation to create 450 supportive housing opportunities for people experiencing homelessness using vacant rent-geared-to-income apartments and layering on support services secured through the province.
- Entered into a partnership with United Property Resource Corporation to unlock the value of their real estate assets and help create 500 affordable homes over the next five to seven years.
- Developed a Memorandum of Understanding with Miziwe Biik Development Corporation to establish them as the main intermediary between the City and Indigenous housing providers to support the creation of 5,200 new affordable rental and supportive homes "for Indigenous by Indigenous" across the city.
- Supported renters by establishing a permanent Tenant Advisory Committee on the Protection of Affordable Rental Housing; launched a new renter hub on the City's website ([www.toronto.ca/renterhelp](http://www.toronto.ca/renterhelp)), and created the City's first Eviction Prevention Handbook.
- Advanced a new affordable housing definition linked to the income of low-and-moderate-income renters which will help to attract and retain key workers in our city.
- Established a new Multi-Unit Residential Acquisition program aimed at protecting the existing supply of rental homes by removing market rental buildings from the speculative market and securing them as permanently affordable housing.
- Advanced the Concept 2 Keys pilot demonstrating success with expediting and prioritizing affordable housing projects.
- Made strong progress on advancing the Housing Now Initiative with development partners selected for the first three sites plus a commitment of over \$1.3 billion in land, financial incentives, and staffing resources making it possible for the City to achieve over 50% of its ten-year 10,000 affordable homes approval target in less than three years.

## Key Challenges and Risks

- Consolidation of several functions from divisions across the City into the Housing Secretariat including Housing Stability Services and Eviction Prevention In the Community (EPIC) Program from Shelter, Support & Housing Administration.
- Need for new and enhanced federal and provincial investments to address current housing challenges which have been exacerbated by the COVID-19 pandemic including: growth in the homeless population; job losses for many of the city's low-and-moderate income earners; an increase in the number of households in arrears and at risk of evictions; and an increasingly unaffordable housing market where cost of housing has grown faster than incomes over the last decade.
- Market conditions and supply chain issues impacting the cost and delivery of new housing development projects, as well as repairs to existing affordable housing.

## Priority Actions

As the City, province and country move towards recovery from the global pandemic, it is more important than ever to acknowledge the importance of affordable housing in driving economic prosperity and addressing climate action while also creating sustainable, inclusive, equitable, and climate resilient communities.

In 2022, the Housing Secretariat will continue to focus on the following key priorities:

- **Supporting the Housing Secretariat's expanded mandate** – adding additional resources to the Housing Secretariat and streamlining housing functions/services will support the division's expanded mandate focused on implementation of the HousingTO 2020-2030 Action Plan.
- **Increase the supply of people-focused supportive housing** – advocate for additional funding from the federal and provincial governments to deliver more supportive homes to move people experiencing homelessness into permanent housing with supports.
- **Scale up the supply of purpose-built affordable rental homes:**
  - Advance 21 Housing Now sites that are expected to deliver approximately 11,200 rental homes including approximately 5,600 affordable rental homes, and creating a pipeline of future sites in early pre-development stages.
  - Continue to incentivize the development of affordable rental homes on land owned by the non-profit and private sectors through the Open Door program.
- **Support equity-deserving groups and climate action:**
  - Continue to prioritize the creation of 5,200 affordable homes for Indigenous by Indigenous by 2030 in partnership with Miziwe Biik Development Corporation.
  - Increase affordable housing opportunities for Black and other racialized people, women, seniors, 2SLGBTQ+ and gender diverse people, people with disabilities, essential workers and students.
  - Continue to leverage City resources and programs to support the climate action including retrofitting of existing residential buildings.
- **Continue to help renters:**
  - Use portable housing benefits through the Canada-Ontario Housing Benefit program to help move people out of homelessness and off the social housing waitlist.
  - Prevent potential loss of existing rental housing such as rooming houses at risk of being lost to the speculative market.
  - Ensure a fair and transparent process for tenancing new affordable rental homes.
  - Bring more buildings to a state of good repair through coordination of repair and retrofit funding programs, along with compliance monitoring and enforcement approaches.
- **Develop the City's first Housing Data Strategy** – the Housing Data Strategy will be developed in multiple stages with the objective of providing data and evidence to guide decision-making and investments, supporting Housing Secretariat division in delivering its mandate, and ultimately, helping improve housing service delivery and outcomes for Toronto residents.
- **Continued Focus on Cross-Sector Partnerships** – Continue to work with a wide range of partners and across various sectors other (orders of government, broader public sector institutions, health care partners, non-profit and Indigenous organizations, business leaders and the academic sector) in the planning and delivery of a range housing solutions. This collaborative, systems-level approach is essential for Toronto to appropriately respond to current and future housing needs, and remain an inclusive, global city where everyone has equal opportunity.

## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
New Affordable Housing Development	43,159.3	73,248.5	44,117.4	66,265.6	708.1	66,973.7	22,856.2	51.8%
Housing Improvement Programs	381.9	826.4	632.7	535.1	708.1	1,243.2	610.5	96.5%
Housing Policy & Partnerships	373.0	830.2	632.7	538.9	708.1	1,246.9	614.3	97.1%
Finance & Business Strategic Support		260.3						N/A
<b>Total Revenues</b>	<b>43,914.2</b>	<b>75,165.4</b>	<b>45,382.8</b>	<b>67,339.6</b>	<b>2,124.2</b>	<b>69,463.8</b>	<b>24,081.0</b>	<b>53.1%</b>
<b>Expenditures</b>								
New Affordable Housing Development	43,711.6	74,503.1	45,550.1	67,012.2	1,023.2	68,035.3	22,485.2	49.4%
Housing Improvement Programs	701.2	989.9	756.6	1,013.2	935.8	1,949.0	1,192.5	157.6%
Housing Policy & Partnerships	688.4	990.4	757.1	1,013.9	1,313.4	2,327.4	1,570.3	207.4%
Finance & Business Strategic Support		363.0						N/A
<b>Total Gross Expenditures</b>	<b>45,101.2</b>	<b>76,846.4</b>	<b>47,063.7</b>	<b>69,039.3</b>	<b>3,272.4</b>	<b>72,311.7</b>	<b>25,248.0</b>	<b>53.6%</b>
<b>Net Expenditures</b>	<b>1,187.0</b>	<b>1,681.0</b>	<b>1,681.0</b>	<b>1,699.7</b>	<b>1,148.2</b>	<b>2,848.0</b>	<b>1,167.0</b>	<b>69.4%</b>
<b>Approved Positions**</b>	<b>28.0</b>	<b>33.0</b>	<b>N/A</b>	<b>33.0</b>	<b>21.0</b>	<b>54.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$69.039 million gross reflecting an increase of \$21.976 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Adjustments to affordable rental development projects expenditures, fully funded by reserves and provincial funding with no net impact; and
- Inflationary increases in Salaries and Benefits fully offset by the recognition of higher federal-provincial grant revenues and reserve funds.
- There are no COVID impacts for 2021/2022 budget for Housing Secretariat.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$3.272 million gross, \$1.148 million net enabling:

- Funding of \$3.1 million gross, \$1.0 million net and 21 full-time permanent positions in 2022 to support the implementation of the expanded mandate of the Housing Secretariat as the City's housing lead and enable effective resourcing and implementation for delivery of the HousingTO 2020-2030 Action Plan.
- Funding of \$0.150 million gross and net to support the delivery of the City's Black Food Sovereignty Plan aimed at addressing chronic food insecurity faced by Black residents by addressing systemic and structural barriers (such as racism and lack of access to affordable housing), while increasing access, opportunity and ownership over their local food systems. Actions to support this Plan will include identifying opportunities for Black residents to grow food (including vegetables, and/or fruit, nut trees), on new affordable housing and supportive housing sites, and helping them to create local food systems.

## EQUITY IMPACTS OF BUDGET CHANGES

**High-Position equity impact:** The changes in Housing Secretariat's 2021 Operating Budget have a high-positive equity impact.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Housing Secretariat of \$25.248 million gross is 53.6% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	23,306.0	31,470.5	30,601.3	17,514.9	28,114.1	10,599.2	60.5%
Transfers From Capital					664.6	664.6	
Contribution From Reserves/Reserve Funds	31,633.5	12,344.5	44,382.4	27,686.2	40,498.8	12,812.6	46.3%
Sundry and Other Revenues			50.0	50.0	50.0		
Inter-Divisional Recoveries	158.4	99.2	131.7	131.7	136.3	4.6	3.5%
<b>Total Revenues</b>	<b>55,098.0</b>	<b>43,914.2</b>	<b>75,165.4</b>	<b>45,382.8</b>	<b>69,463.8</b>	<b>24,081.0</b>	<b>53.1%</b>
Salaries and Benefits	2,746.5	2,576.1	4,234.9	3,334.9	5,650.6	2,315.7	69.4%
Materials & Supplies	10.7	2.4	18.2	18.2	37.0	18.9	103.9%
Equipment	9.7	7.5	8.0	8.0	89.2	81.2	1015.3%
Service and Rent	9,503.2	4,863.7	657.3	657.3	1,737.3	1,080.0	164.3%
Contribution To Reserves/Reserve Funds	16.2	6.2	20.9	20.9	58.2	37.3	179.0%
Other Expenditures	43,302.0	37,566.0	71,866.1	42,983.5	64,686.1	21,702.6	50.5%
Inter-Divisional Charges	689.8	79.4	41.0	41.0	53.3	12.2	29.8%
<b>Total Gross Expenditures</b>	<b>56,278.1</b>	<b>45,101.2</b>	<b>76,846.4</b>	<b>47,063.7</b>	<b>72,311.7</b>	<b>25,248.0</b>	<b>53.6%</b>
<b>Net Expenditures</b>	<b>1,180.1</b>	<b>1,187.0</b>	<b>1,681.0</b>	<b>1,681.0</b>	<b>2,848.0</b>	<b>1,167.0</b>	<b>69.4%</b>

\*2021 Projection based on Q3 Variance Report

**Key Drivers:****Salaries and Benefits:**

2022 budget includes 21 new positions required for the implementation of the Housing Secretariat Transformation initiative.

**Services and Rents:**

Increase reflects higher expenditures for consulting services to support public consultations and help build capacity in the non-profit sector to support new affordable and supportive housing development.

**Other Expenditures:**

Increase reflects adjustments to affordable rental development projects expenditures, fully funded by reserves and federal/provincial funding with no net impact.

**Revenues**

Increase in revenues (to match adjustments to affordable rental development project expenditures), funded through federal and provincial affordable housing programs. Reserve Fund draws include operating funding for affordable rental and homeownership programs.



**Table 2b: 2021 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions	
	Revenue	Gross	Net	Positions						
In \$ Thousands										
1	Housing Secretariat Transformation	2,124.2	3,122.4	998.2	21.0	2,938.9	High-positive	Yes	No	Support the delivery of the HousingTO 2020-2030 Action Plan.
2	Black Food Sovereignty Plan		150.0	150.0			Medium-positive	No	No	Support the delivery of the City's Black Food Sovereignty Plan.
Total New / Enhanced		2,124.2	3,272.4	1,148.2	21.0	2,938.9				

The 2022 Operating Budget includes \$3.272 million in investments to support priority actions as detailed in the table above.

#### **Housing Secretariat Transformation (\$3.122 million gross, \$0.998 million net)**

- Provide the Housing Secretariat with the appropriate resources to deliver on its expanded mandate as the City's housing lead, responsible for overseeing delivery of the HousingTO 2020-2030 Action Plan.
- Changes to the housing policy, planning and delivery functions, including the addition of 21 new positions to fill identified service gaps, will enhance the division's capacity to deliver on its mandate.

#### **Black Food Sovereignty Plan (\$0.150 million gross, \$0.150 million net)**

- Supporting the delivery of the City's Black Food Sovereignty Plan aimed at addressing chronic food insecurity faced by Black residents by addressing systemic and structural barriers (such as racism and lack of access to affordable housing), while increasing access, opportunity and ownership over their local food systems. Actions to support this Plan will include identifying opportunities for Black residents to grow food (including vegetables, and/or fruit, nut trees), on new affordable housing and supportive housing sites, and helping them to create local food systems.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	45,382.8	69,463.8	23,336.5	17,061.4
Gross Expenditures	47,063.7	72,311.7	26,276.9	19,787.1
<b>Net Expenditures</b>	<b>1,681.0</b>	<b>2,848.0</b>	<b>2,940.4</b>	<b>2,725.6</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>54.0</b>	<b>58.0</b>	<b>58.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$26.273 million reflects an anticipated \$46.034 million or 63.66 per cent decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects a further decrease of \$6.490 million or 24.70 per cent below 2023 gross expenditures.

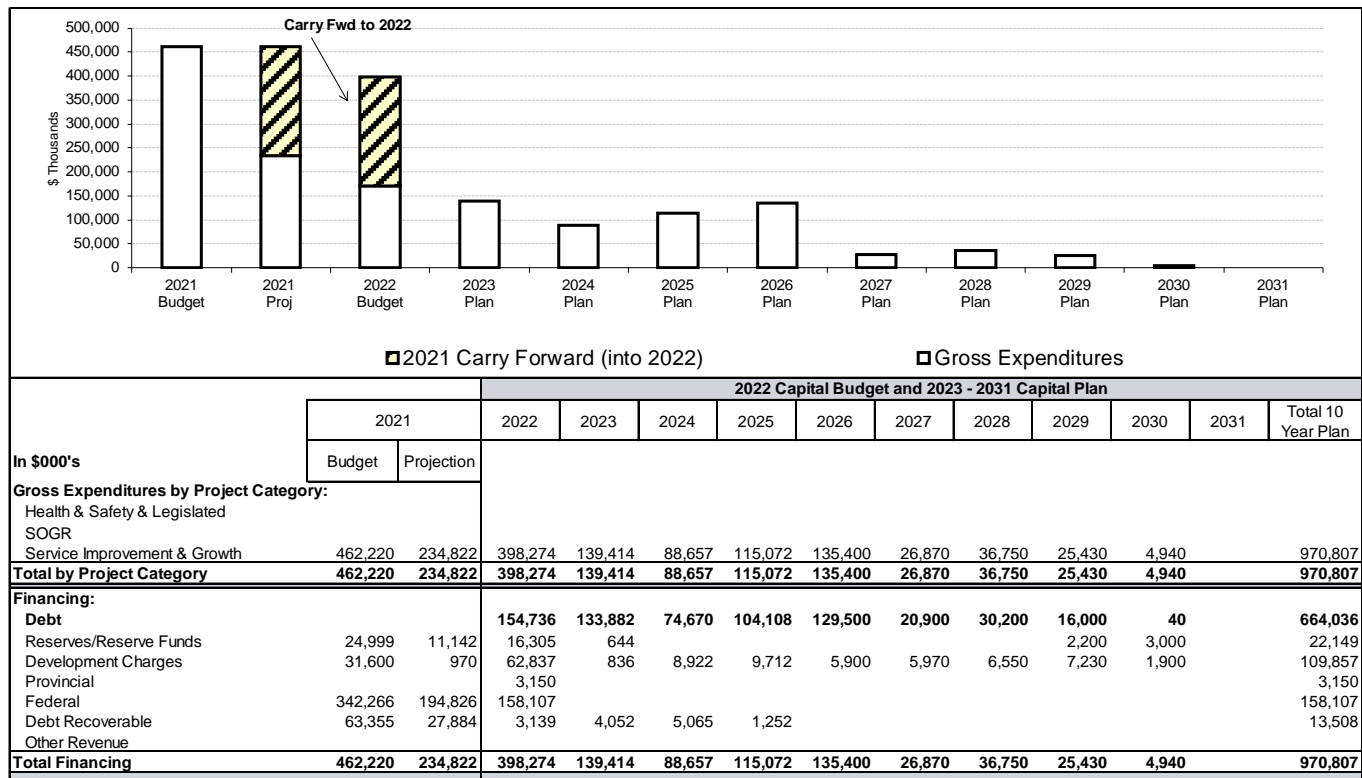
These changes arise from the following:

- Affordable Rental Development Projects**

Lower expenditures and revenues in 2023 and 2024 are reflective of current projects in the pipeline. With future federal/provincial funding being secured, additional units will be added to achieve HousingTO targets, but will require additional funding from all orders of government (please refer to the Chart on Page 8).

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**  
(\$'000)



### Changes to Existing Projects (\$638.1 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$637.26 million – Fully funding the City's commitment to Housing Now
- \$0.98 million – City-led Rental Development

### New Projects (\$12.5 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:






- \$12.50 million – City Strategic Acquisitions

### Capital Needs Constraints (\$621.2 Million)

Housing Secretariat has three unmet projects over the 10-year planning horizon:

- \$247.10 million – Modular Housing
- \$261.34 million – Rental Development
- \$100.00 million – Strategic City Acquisitions

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$970.8 Million 10-Year Gross Capital Program**

				
Housing Now Initiative ✓	Supportive Housing ✓	City-led Rental Development ✓	Strategic City Acquisitions ✓	Tower Renewal ✓
\$677.0 M 69.7%%	\$235.0 M 24.2%	\$32.8 M 3.4%	\$12.5 M 1.3%	\$13.5 M 1.4%
Between 2020 and 2030, the Housing Now Initiative aims to deliver 10,000 new affordable rental homes within transit-oriented, mixed-income, mixed-use, complete communities by leveraging City-owned land.	Between 2020 and 2030, the City aims to approve 18,000 new supportive homes, to be delivered through partnerships with the federal and provincial governments. This target includes 1,000 modular supportive homes.	Between 2020 and 2030, this program aims to support delivery of 1,500 new affordable rental homes using smaller City-owned, underutilized sites.	By 2030, the City aims to acquire 500 market rental homes which are at-risk of being lost, and convert to permanently affordable rental homes.	Support a program to deliver holistic retrofit investments at older apartment buildings in Neighbourhood Improvement Areas, low-income census tracts and areas with low socio-economic indicators across Toronto.

✓ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

**How the Capital Program is Funded**

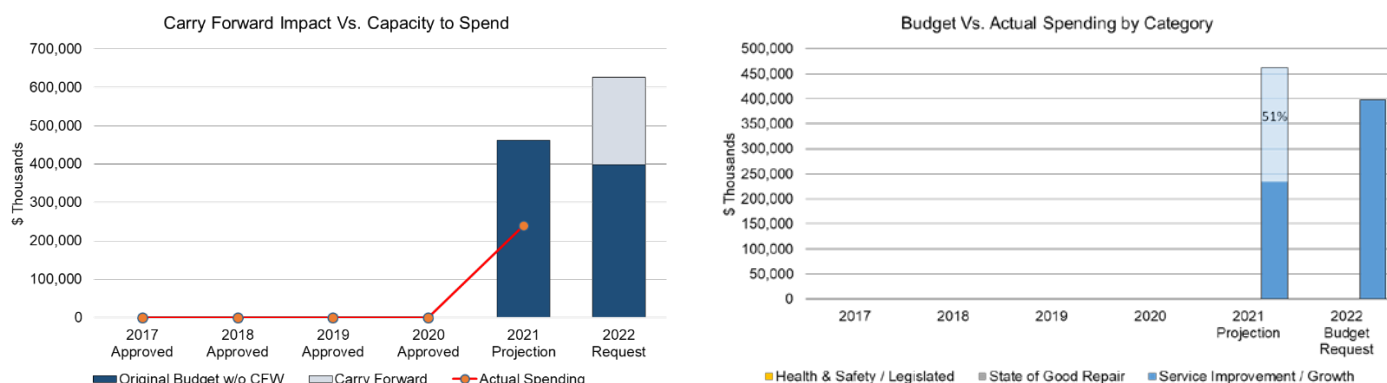
City of Toronto		Provincial Funding		Federal Funding	
<b>\$810 M</b> <b>83.4%</b>		<b>\$3 M</b> <b>0.3%</b>		<b>\$158 M</b> <b>16.3%</b>	
Debt	\$ 664 M	Grants	\$ 3 M	Grants	\$ 158 M
Recoverable Debt	\$ 14 M				
Reserve / Reserve Fund	\$ 22 M				
Development Charges	\$ 110 M				

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Housing Secretariat's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on an analysis of historical capital spending constraints and a capacity to spend review, \$227.398 million in capital spending originally cash flowed in 2021 has been deferred to 2022. Further adjustments to the Capital Plan are noted below:

- \$132 million in Federal Rapid Housing Initiative (RHI) Phase 2 funding was added to Housing Secretariat's Capital Budget and Plan through an in-year budget adjustment. As these funds are to be fully spent by the end of 2022, they are included the 2022 project cash flows for the Rapid Housing Initiative as carry forward funding from 2021.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

To achieve the supportive housing targets identified in the HousingTO 2020-2030 Action Plan, annual ongoing operating funding commitments from the federal and provincial governments will be necessary.

Support funding requirements for 2,000 supportive housing units of \$27.6 million prorated for 2022 and \$48.0 million from 2023 going forward is reflected in SSHA's 2022 Operating Budget. The City continues to request the provincial government to provide a long-term commitment for ongoing operating funding for supportive housing in Toronto.

# 2022 Program Summary

## Parks, Forestry and Recreation

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto's parks, recreation facilities and natural spaces are places where Torontonians come together to build community and play, celebrate and explore. In our role as stewards of these spaces, we contribute to the city's social and environmental resilience by ensuring that our parks, playing fields, recreation centres, ice rinks and pools, along with tree-lined streets, trails, forests, meadows, marshes, and ravines, are beautiful, safe and accessible, that they expand and adapt to meet the needs of a growing city, and are filled with vibrant, active, and engaged communities.

### Why We Do It

Parks, Forestry and Recreation (PFR) are key drivers of social, environmental, and economic capital, contributing to Toronto's sustained livability and overall health during a period of unprecedented growth, and as our city begins to emerge from a long pandemic. A vibrant and accessible system of parks, recreation facilities and programs, healthy and growing natural environments, and a strong and resilient urban forest are essential to maintaining a livable and sustainable Toronto.

What we want for Torontonians:

- Equitable access to affordable and high-quality programs and recreation facilities
- High-quality connected parks and natural spaces
- A healthy and resilient urban forest and ravine system; safe and climate change resilient parks and public spaces; awareness of the benefits of trees, green infrastructure and ravines
- Youth that are engaged through leadership and life skill development, volunteerism and employment

*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

**Who We Serve:** Torontonians of all ages, including equity deserving groups; Indigenous communities and rights-holders; public benefit organizations, including sports and recreation groups, conservation/environmental stakeholders, social service providers and school boards; local businesses and Business Improvement Areas, and visitors.

### Community Recreation

**What We Deliver:** High-quality, affordable and accessible recreation programs are delivered in well-maintained recreation facilities and are planned for future growth and improvement to underserved communities; drop-in and instructional programs, camps and after-school care; safe seniors activities, youth programs and spaces that foster leadership, life skills, and provide youth employment.

**How Much Resources (gross 2022 operating budget): \$236.2 Million**

### Parks

**What We Deliver:** Care and maintenance of Toronto's system of parks and ravines across more than 1,500 parks encompassing 8,000 hectares of land; a park system that can expand and improve through design excellence as the city grows to ensure that parkland is accessible, functional, connected, and climate change resilient.

**How Much Resources (gross 2022 operating budget): \$175.5 Million**

### Urban Forestry

**What We Deliver:** A healthy, growing and resilient urban forest and ravine system that is well-maintained and can retain its ecological integrity as the city's population grows; tree protection and stewardship programs; invasive species control and management.

**How Much Resources (gross 2022 operating budget): \$70.3 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Millions	2022	2023	2024
Revenues	\$137.8	\$151.4	\$144.6
Gross Expenditures	\$482.0	\$492.0	\$495.4
Net Expenditures	\$344.2	\$340.6	\$350.8
Approved Positions	4,761.0	4,859.6	4,843.7

### 2022 - 2031 10-YEAR CAPITAL PLAN

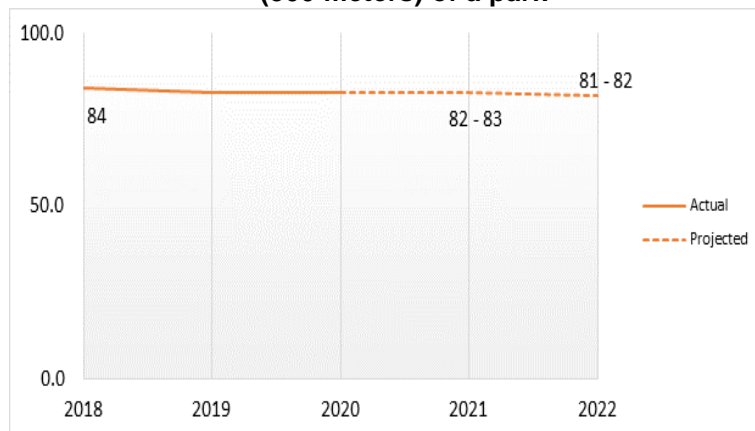
\$Millions	2022	2023-2031	Total
Gross Expenditures	\$244.3	\$2,493.2	\$2,737.5
Debt	\$110.2	\$729.3	\$839.5

Note: Includes 2021 carry forward funding



## How Well We Are Doing – Behind the Numbers

**% population that is within walking distance  
(500 meters) of a park**



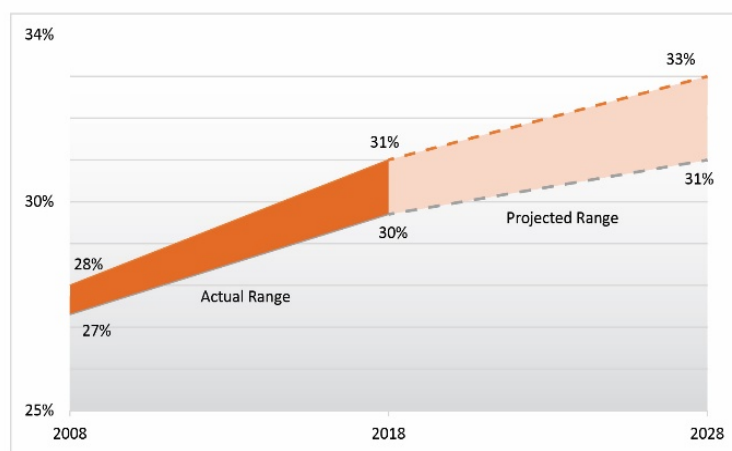
In our second COVID-marked year, Parks continue to play a critical role for the public:

- 92% of people say parks have had a positive impact on their mental health (+8% from 2020)\*
- 80% of respondents expressed an increased appreciation of parks and green spaces (+6% from 2020)\*

While interest in parks continues to grow, Toronto's population growth will make keeping pace with parkland acquisition extremely challenging.

\* Toronto respondents to a 2021 Park People survey

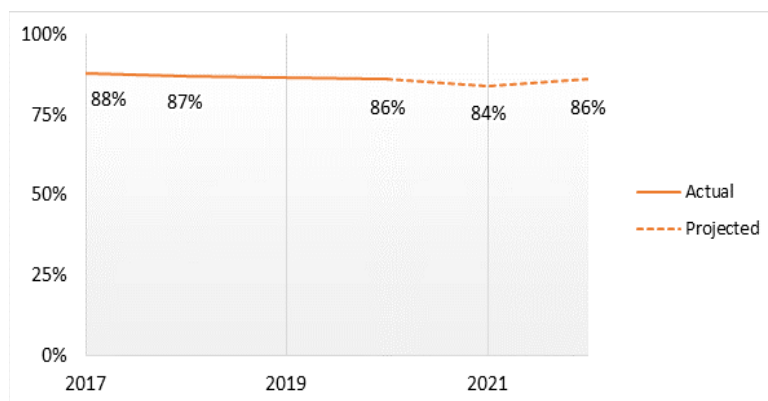
**% of Canopy Cover**



As a division, PFR is a significant contributor to climate resilience in the city. Toronto's ravines and urban forest provide the following ecosystem services and benefits for the public:

- \$8.3 million in energy savings annually
- 35,165 tonnes or \$4 million worth of gross carbon sequestration annually
- 1,900 tonnes or \$37.9 million worth of pollution removal annually
- 2 million m<sup>3</sup> or \$4.8 million worth of avoided runoff annually

**% respondents report recreation programs  
are welcoming and inclusive of  
diverse cultures and communities\***



COVID continued to have a significant impact on our community recreation programs in 2021.

- We continued to adapt by providing modified programming year-round including outdoor skate, summer camp programs including Parks Play TO and Camp TO and park-based fitness and walking programs 58% of which were located in high equity-deserving neighbourhoods.
- 84% of CampTO participants felt the program was respectful of their culture and the cultures of other people in the program\*
- 90% of CampTO participants felt welcome and safe\*







\* 9,000 respondents to the 2021 Recreation Restart Survey

## How Well We Are Doing

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021* Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>The public has equitable access to affordable and high-quality recreation programs and facilities</b>	% respondents report recreation programs promote new learning and skill development for their children	-	82% (n=3,674)	-	- <sup>3</sup>	●	83%	-
	% population lives within the service area of one or more of community recreation centres	-	88% <sup>2</sup>	-	- <sup>3</sup>	●	88 % +/- 1 to 2% <sup>4</sup>	88 % +/- 1 to 2% <sup>4</sup>
<b>The public has equitable access to and uses high-quality and connected parks and natural spaces</b>	% population that is within walking distance (500 metres) of a park	-	-	-	- <sup>1a</sup>	●	81 to 82 % <sup>4</sup>	81 to 82 % <sup>4</sup>
	% population live in an area with a parks provision rate greater than 12 m <sup>2</sup> /person	-	-	-	- <sup>1b</sup>	●	62 to 63% <sup>4</sup>	62 to 63% <sup>4</sup>
<b>A healthy and resilient urban forest and ravines</b>	# tonnes annual gross carbon sequestration from urban forest	-	-	-	- <sup>1c</sup>	●	~ 35,165	~ 35,165
	% of street trees in good/excellent condition	-	76%	75% +/- 1 to 2%	75% +/- 1 to 2% (as of Aug 2021)	●	75% +/- 1 to 2%	75% +/- 1 to 2%

Where updated data is not available for the year, the cell is left blank

1. These indicators were last measured in 2018 and had the following values: (a) 84%, (b) 66%, (c) 35,165
2. Based on 2016 census population data
3. This indicator was last measured in 2020
4. Anticipating population growth

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
	Visits to all PFR webpages	2,804,400	2,142,500	3,200,000	3,206,000 <sup>1</sup>	●	2,800,000	2,800,000
	Visits to the registration webpage	520,963	900,146 <sup>1</sup>	300,000	870,000 <sup>1</sup>	●	700,000	800,000
	# of bookings in parks (for picnics, sports fields, allotment gardens etc.)	151,000	61,000	75,000	73,000 <sup>2</sup>	●	140,000 <sup>2</sup>	150,000 <sup>2</sup>
	Winter washrooms operational	64	148	148	147 <sup>3</sup>	●	TBD	TBD
	# of Forestry work orders completed	634,000	505,000	525,000	490,000	●	525,000	525,000
	Invest in State of Good Repair of parks and facilities to address the backlog	49.4 million (8.9% of backlog)	33.2 million (5.2% of backlog)	67.9 million (10.7% of backlog) *revised	46.3 million (7.3% of backlog)	●	60.6 million (8.1% of backlog)	53.9 million (6.6% of backlog)
	# of visits for instructional and drop-in recreation programs	10.5 million	3.2 million <sup>1</sup>	7.8 million	3.2 million <sup>1</sup>	●	8.4 million	10.5 million

1. Includes reservations

2. Does not include bookings for allotment gardens due to changes in business rules. Changes to be reflected in future year budgets

3. Assuming no supply chain constraints

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- Overall, PFR is anticipating a lower financial impact for 2022 compared to 2021 experience as we move towards a gradual return to pre-pandemic levels with a total COVID-19 impact of \$22.6 million for the year.
- The projected revenue loss for 2022 is \$10.7 million, significantly lower than the revenue loss experienced in 2021. User fee revenue losses are expected to be significantly lower as we anticipate no facility closures and the lifting of capacity limits.
- On the expense side, we experienced more pressures in 2021 than initially budgeted and these are expected to continue into 2022.
- 2022 expenditure increases include cost for additional staff required for enhanced cleaning protocols, health screening and public education / customer service and outdoor rink attendants.
- Expenditure projections also include a continued need to provide accessible portable washrooms and hand washing stations for high-need park locations in 2022.

**Service Level Changes**

- We can see from website visits that public interest in parks and recreation services ramped up during COVID compared to pre-pandemic levels by at least 14%.
- In terms of outdoor bookings in parks, service provision has trended at upwards by 20% compared to 2020.
- We enhanced the winter maintenance of washrooms, park paths and trails, ravines and ensured that community gardens were accessible to community groups.
- We continued to grow and retain the ecological integrity of parkland, forests and ravines in the face of increasing pressure to advance and expedite development in response to impacts on waterfront and destination parks as a result of increased use during the pandemic.
- Implementing Council's Net Zero Strategy direction for major new facilities: North East Scarborough Community Centre, for example, will be the first Net Zero facility constructed for PFR (All other new Community Recreation Centres are being designed to achieve maximum Net Zero potential).
- The State of Good Repair (SOGR) backlog will continue to grow without the much needed investment that is required for park infrastructure and recreation facilities. Investing in state of good repair is required in order to maintain current service levels and accommodate the impacts of growth.
- We continued to adapt by providing modified programming year-round including outdoor skate, summer camp programs including Parks Play TO and Camp TO and park-based fitness and walking programs 58% of which were located in high equity-deserving neighbourhoods.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

The COVID-19 pandemic has continued to emphasize the importance of Toronto's extensive network of parks, ravines, and trails, as well as the playgrounds, pools, community recreation centres, upon which people of all ages and incomes across the city rely.

- Continued to provide PFR facilities to support the COVID-19 response, including 92 unique facilities with 4,214 service days for COVID-19 vaccination clinics, food distribution hubs, flu immunization clinics, and pop-up COVID-19 testing sites. PFR facilities also provided weather respite, sanitation sites for washroom and shower access, and park space and forestry yard lumber for schools to support outdoor learning
- Reopened and restarted divisional programs and services once provincial restrictions allowed, including in-person counter services in Civic Centres, recreation programs, sports facility permits for leagues, previously closed park amenities such as conservatories and animal displays, park permits for picnics, fire pits, and arts and music in parks.
- Engaged 36,000+ people in ravine and forest programming through more than 100 in-person and 50 virtual events delivered in partnership with community groups and organizations.
- Continued to restore and protect the ecological integrity of ravine parkland through invasive species management of 450 hectares, removal of 119 tonnes of garbage and 45 tonnes of metal from 236 hectares; planted 120,000 trees, including 13,000 through private land grants and incentives.
- Secured \$18 million through Federal and Provincial funding programs for Ravine Strategy implementation of capital and operating projects. Anticipate up to \$20 million for capital projects to be approved in 2022 through the Natural Infrastructure Fund.
- Continued and expanded the Welcome TO Winter service delivery and park maintenance program to support outdoor ice rinks, winter activities in parks, and expanded snow clearing and washroom access for winter months.
- More than 1.2 million online reservations for both 60 indoor and 58 outdoor pools for lane and leisure swimming, and at over 50 community centres for fitness classes and workouts, improving functionality from 2020 to allow for online account creation and reservation cancellation, and safely increased capacity for these facilities in line with provincial changes to emergency pandemic regulations.
- Expanded access for four and five year olds to CampTO, which saw more than 35,000 registrations for summer camps in 2021, including CampTO Plus, in-person specialty camps such as French immersion, arts, creative writing, nature and science, and adapted and inclusive CampTO programs for participants with disabilities.
- Expanded lifeguard hours for supervised swimming beaches, adding two hours per day for a total of 2,100 additional service hours annually; launched beach and water safety public education campaign to encourage responsible use and safe swimming; continued free drop-in programs in parks developed in 2020— ParksPlayTO and Summer in the 6IX—for children and youth.
- Continued providing public consultations for new and revitalized parks and recreation facilities in virtual / digital formats and restarted some in-person consultation and engagement.
- Increased capacity to pre-pandemic levels for the ferry service to Toronto Island Park in line with Transport Canada changes to COVID-19 requirements, in consultation with Toronto Public Health and with health and safety protocols in place.
- Advanced Facilities Master Plan implementation, development review, park design, and capital project implementation.
- Capital investments of \$150M+ on 200+ projects in parks and recreation facilities including pathways and seating areas, playgrounds and splash pads, sports fields, dog off-leash areas, arenas, pools and community centres, with approximately \$60M going towards State of Good Repair work.
- Annual plant production in greenhouses increased by 60% over the previous year with 1,170,000 plants produced for spring/summer annuals and conservatory installations.
- Increased food security supports through urban agriculture and plant production with approximately 2,000 kg of produce donated to food banks; 2,000 annuals donated to long-term care homes and community agencies, and 14,000 vegetable seedlings donated to community and children's gardens.

## Key Challenges and Risks

The greatest risk and challenge for PFR in 2022 is COVID-19 and the associated uncertainty for planning, program delivery, and maintaining service levels while following provincial orders and public health guidelines, and mitigating the financial impacts.

- Providing equitable access to affordable and high-quality recreation programs and facilities in the COVID-19 context, taking into consideration related health and safety guidelines and protocols.
- Climate change related shocks (i.e. flooding, extreme weather) will impact operations that will need to adjust in scope and timing (i.e. storm damage to trees, shifting operations in spring/winter, forest health threats, and invasive species).
- If the outcome of planning and policy changes related to funding tools for growth, specifically related to the impacts of the legislative changes on the Development Charges Act and Alternative Parkland Dedication (Planning Act, Section 42) is not revenue neutral, then PFR will not have access to critical sources of funding for parkland acquisition and development.

## Priority Actions

### Council Direction and Foundational Strategies

- Continue the implementation and operationalization of Auditor General recommendations
- Continue the implementation of Council approved strategies such as Ravine Strategy, Facilities Master Plan and Parkland Strategy.

### COVID-19 support

- Support the City's return to post-pandemic operations and/or continuing COVID-19 response with the deployment of operational resources in accordance with public health guidance and legislative requirements, including the return to office for the division's remote workforce.
- Continue to deliver enhanced winter service in parks to support outdoor activities through the colder months.
- Address public health and safety issues, the drug poisoning crisis and COVID-19 related impacts on housing, shelters and social programs in high-need park locations and recreation facilities.
- Activate partnerships and seek opportunities for external funding (e.g. grants, philanthropy) to help with the financial uncertainty caused by COVID-19.

### Climate change resilience

- Grow and retain the ecological integrity of parkland, forests and ravines in the face of increasing pressure to advance and expedite development and impacts of increased use of parks, beaches and natural spaces during the pandemic.
- Continue to plan for and respond to climate-change shocks, adjusting operations as necessary to address impacts, such as storm damage to trees, flooding and extreme weather.
- Enhance the resiliency of parks and recreation facilities and strive to achieve Net Zero Energy and emissions for new buildings.

### Equity

- Advance Truth and Reconciliation through co-development and implementation of a meaningful Indigenous Placemaking Work Program focused on improving Indigenous communities and rights-holders' access to parkland and natural areas.
- Advance the Toronto Action Plan to Confront Anti-Black Racism, including the Toronto Black Food Sovereignty Plan.
- Provide high-quality leadership, volunteer & work experience to youth, particularly those who experience systemic barriers, via targeted recruitment and access to youth-focused programming
- Leverage data and technology to deliver innovations in access to programs, decision-making and public engagement.
- Advance a more inclusive and community centered approach to the naming of parks and facilities, as part of the City's development of a new commemorative framework for property naming and a new name for Dundas Street.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Community Recreation	32,621.0	55,782.5	27,259.5	68,234.7	30.9	68,265.6	41,006.1	150.4%
Parks	20,382.6	31,291.6	28,714.2	41,982.5	21.6	42,004.2	13,290.0	46.3%
Urban Forestry	20,255.5	23,853.0	24,679.3	27,510.8	9.3	27,520.0	2,840.7	11.5%
<b>Total Revenues</b>	<b>73,259.1</b>	<b>110,927.1</b>	<b>80,653.0</b>	<b>137,728.0</b>	<b>61.8</b>	<b>137,789.8</b>	<b>57,136.8</b>	<b>70.8%</b>
<b>Expenditures</b>								
Community Recreation	178,826.7	217,037.0	174,215.4	236,055.7	149.2	236,204.9	61,989.4	35.6%
Parks	143,424.9	166,447.5	171,093.3	175,358.0	159.4	175,517.4	4,424.1	2.6%
Urban Forestry	62,361.7	63,436.2	64,045.3	70,130.7	111.3	70,242.0	6,196.7	9.7%
<b>Total Gross Expenditures</b>	<b>384,613.3</b>	<b>446,920.6</b>	<b>409,354.0</b>	<b>481,544.4</b>	<b>419.9</b>	<b>481,964.3</b>	<b>72,610.3</b>	<b>17.7%</b>
<b>Net Expenditures</b>	<b>311,354.3</b>	<b>335,993.5</b>	<b>328,701.0</b>	<b>343,816.4</b>	<b>358.1</b>	<b>344,174.5</b>	<b>15,473.5</b>	<b>4.7%</b>
<b>Approved Positions**</b>	<b>4,639.1</b>	<b>4,567.6</b>	<b>N/A</b>	<b>4,757.0</b>	<b>4.0</b>	<b>4,761.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$343.816 million in net expenditures reflects a \$15.914 million net increase from the 2021 Council approved Budget, when excluding \$22.561 million in estimated COVID-19 financial impacts.**

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$481.544 million gross reflecting an increase of \$72.190 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Significant underspend in 2021 for salaries and benefits as well as non-labour spend including services and rents, materials and supplies, and the Welcome Policy fee subsidy. Revenue sources were also impacted in 2021 due to mandatory closures and lower program capacity due to public health requirements.
- The 2022 Operating Budget reflects a gradual return to normal operations. The increase for 2022 in comparison to 2021 projected year-end is primarily driven by labour and non-labour economic factors, operating impacts of new recreation facilities and increased maintenance capacity to ensure public access to new parks developed, tree planting and new work management system sustainment.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.420 million gross and \$0.358 million net for Reconciliation and Indigenous Placemaking Work Program.

## EQUITY IMPACTS OF BUDGET CHANGES

**Positive Equity Impact:** Parks, Forestry and Recreation Division's 2022 Council Approved Operating Budget includes a net investment of \$0.358 million to advance the PFR Reconciliation and Indigenous Placemaking Work Program, which will have a positive impact on Indigenous communities, by increasing Indigenous access to and use of land including parks and ravines and by ensuring deeper Indigenous participation in the planning and construction of new parks, trails, and community recreation facilities. This investment, which is a component of the Reconciliation Action Plan, supports SafeTO Plan and PFR's Ravine Strategy.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Parks, Forestry and Recreation is \$72.610 million gross or 17.7% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	835.2	835.2	835.2	854.8	835.2	(19.6)	(2.3%)
Federal Subsidies	339.6	212.9	197.1	314.8	214.4	(100.4)	(31.9%)
User Fees & Donations	75,434.4	33,278.4	53,308.8	35,668.7	65,820.4	30,151.7	84.5%
Licences & Permits Revenue	22,351.0	8,634.2	17,544.0	8,957.3	21,818.6	12,861.3	143.6%
Transfers From Capital	11,729.6	11,962.6	15,446.0	13,632.7	19,546.1	5,913.4	43.4%
Contribution From Reserves/Reserve Funds	14,772.5	11,894.9	15,065.9	14,371.7	19,024.6	4,653.0	32.4%
Sundry and Other Revenues	4,878.5	2,641.2	4,377.1	3,066.4	6,357.3	3,290.9	107.3%
Inter-Divisional Recoveries	5,791.2	3,799.8	4,152.9	3,786.7	4,173.2	386.5	10.2%
<b>Total Revenues</b>	<b>136,132.0</b>	<b>73,259.1</b>	<b>110,927.1</b>	<b>80,653.0</b>	<b>137,789.8</b>	<b>57,136.8</b>	<b>70.8%</b>
Salaries and Benefits	306,354.4	273,725.7	325,326.5	287,648.8	343,036.7	55,387.9	19.3%
Materials & Supplies	38,136.8	32,765.7	40,297.1	35,094.7	42,189.5	7,094.8	20.2%
Equipment	2,936.1	2,722.2	2,656.3	2,771.0	3,649.1	878.0	31.7%
Service and Rent	63,999.1	52,135.0	63,677.8	64,630.5	70,413.9	5,783.4	8.9%
Contribution To Reserves/Reserve Funds	18,915.3	14,152.6	7,023.8	7,019.8	9,123.8	2,104.0	30.0%
Other Expenditures	8,213.2	5,383.7	7,329.3	5,063.1	13,040.1	7,977.0	157.6%
Inter-Divisional Charges	515.9	3,728.5	609.8	7,126.1	511.2	(6,614.9)	(92.8%)
<b>Total Gross Expenditures</b>	<b>439,070.9</b>	<b>384,613.3</b>	<b>446,920.6</b>	<b>409,354.0</b>	<b>481,964.3</b>	<b>72,610.3</b>	<b>17.7%</b>
<b>Net Expenditures</b>	<b>302,938.9</b>	<b>311,354.3</b>	<b>335,993.5</b>	<b>328,701.0</b>	<b>344,174.5</b>	<b>15,473.5</b>	<b>4.7%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries and Benefits:**

The 2022 Operating Budget reflects a gradual return to normal operations. This includes the return of recreation workers to support expected program offerings and utilization, as well as, operating impacts of new recreation facilities and parkland improvements initiated in 2021. In addition to COVID-19 related spending for parks and community recreation operations, labour economic factors including cost of living adjustments and progression pay for union staff and the reversal of the one-time Voluntary Separation Program savings are contributing to the increase.

**Non Labour Increases:**

Significant underspend in 2021 due to mandatory COVID-19 related closures resulting in underspend for utilities, services and rents, materials, and supplies. There is an increase in the 2022 Operating Budget as facilities are expected to be open, unlike experiences in 2021 which saw partial year mandatory closures.

**Revenues:**

The 2022 Operating Budget includes an average inflationary increase of 2.18% to user fees and permits and the revenue changes take into consideration demand and volume changes to reflect the gradual return to normal operations.

**Offsets and Efficiencies:**

The 2022 Operating Budget includes \$0.925 million in offsets and efficiencies including absorbing non-labour inflationary increases, benefit adjustment for pooled positions, and an increase in property rental revenue.



**Table 2b: 2021 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
Reconciliation and Indigenous Placemaking Work Program	61.8	419.9	358.1	4.0	441.0	Medium - Positive	Yes	The public has equitable access to and uses high quality and connected parks and natural spaces
Total New / Enhanced	61.8	419.9	358.1	4.0	441.0			

The 2022 Operating Budget includes \$0.420 million gross and \$0.358 million net in investments to support priority actions as detailed in the table above.

### Reconciliation and Indigenous Placemaking Work Program

- Funding is requested to develop and implement a PFR Reconciliation and Indigenous Placemaking Work Program (Phase 1). This will equip PFR to better serve and work with Indigenous communities and implement Council's directions for Reconciliation. Phase 1 prioritizes Indigenous land access and placemaking. Funds will be invested in Indigenous organizations and communities for: policy development, technical, research, design, construction and related services for parks and natural areas, and to support an Indigenous Advisory group of knowledge keepers and community members to advise on placemaking priorities and projects in PFR. Qualified Indigenous candidates will be hired for four net new positions.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	80,653.0	137,789.8	151,411.2	144,559.9
Gross Expenditures	409,354.0	481,964.3	492,056.6	495,387.2
<b>Net Expenditures</b>	<b>328,701.0</b>	<b>344,174.5</b>	<b>340,645.5</b>	<b>350,827.3</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>4,761.0</b>	<b>4,859.6</b>	<b>4,843.7</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$492.057 million reflects an anticipated \$10.092 million or 2.09 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlook expects a further increase of \$3.331 million or 0.68 per cent above 2023 gross expenditures.

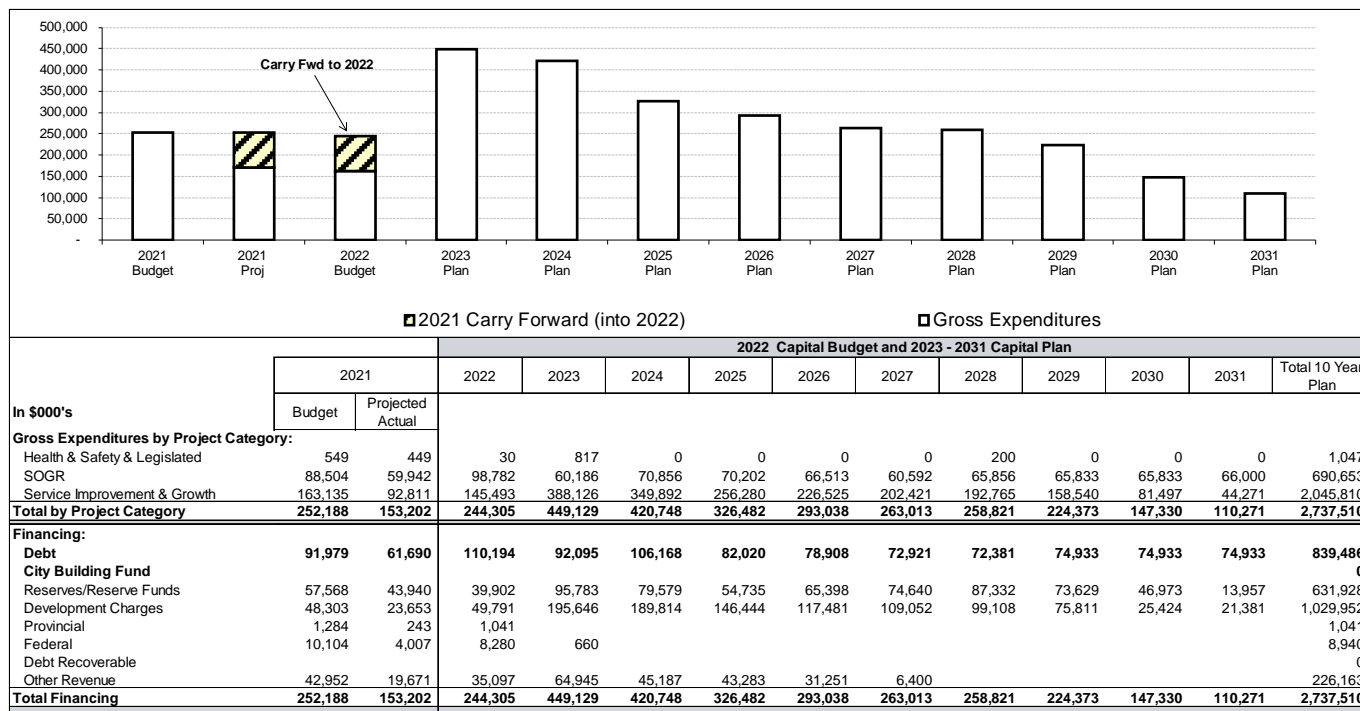
These changes arise from the following:

- **Salaries and Benefits:** Inflationary increases related to step and progression pay, annualization, deferred new and enhanced initiatives (Growth Plan Phase 3 and Swim to Survive Phase 5) that were approved prior to the pandemic, and return to pre-COVID-19 staffing levels including recreation workers.
- **Inflationary Impacts:** Inflationary increases for materials, supplies, equipment and contractual obligations.
- **Other Expenses:** Reversal of one-time incremental COVID-19 impacts.
- **Revenue Changes:** Inflationary increases and return to pre-COVID-19 levels.

The changes for 2024 are primarily driven by inflationary increases and deferred implementation of multi-year new and enhanced initiatives (Growth Plan Phase 4 and Swim to Survive Phase 6). The decrease in revenue is due to completion of capital projects resulting in lower recoveries.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**  
(In \$000's)



### Changes to Existing Projects (\$118.3 Million)

The 2022 10-Year Capital Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$28.9M for the replacement of *Ferry Vessel one (1) and two (2)* and \$11.0M to deliver design modifications for an electric ferry vessel and electric shore-side infrastructure.
- \$78.4M for several projects to reflect updated cost estimates, project scope changes, and project schedules including:
  - \$17.4M for the design and construction of the *Etobicoke Civic Centre Community Centre*
  - \$6.5M for *Davisville Community Pool* to reflect updated cost estimates for the implementation of Net Zero.

### New Projects (\$195.1 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:










- \$10.3M over four years for an *Indigenous Place making Program*.
- \$9.6M for the implementation of Phase 2 Parks over 2028-2029 as part of the *Lawrence Heights Revitalization*.
- Increased costs over the ten-year plan for three new artificial ice rinks for a total of \$3M.
- \$2.0M to winterize washrooms through a *Washroom Enhancement Program*.
- \$0.3M for *Dundas Street Renaming Signage*.
- \$0.2M for technology to support Council-directed youth outcome monitoring.
- \$169.7M for various projects to reflect master plans and Council Approved Strategies, projects funded through growth and updated cost estimates.

### Capital Needs Constraints (\$387.9 Million)

PFR has the following unmet needs over the 10-year planning horizon:

- SOGR funding of \$235M approved by Council in the Facilities Master Plan for in-scope facilities (community centres, arenas, pools, etc.) to be phased in over the 10-Year Plan.
- \$34.9M in debt financing for the State of Good Repair of *Arenas* (\$9.6M) and *Community Centres* (\$25.3M), that was reduced as part of adjustments to the 2020 10-Year Capital Plan.
- A total of \$99.4M for the implementation of *Ravine Strategy Priority Investment Areas*, including \$44.9M for State of Good Repair and \$54.5M for Service improvement.
- \$18.6M for the replacement of *Ferry Vessel #3* as the project cost is estimated at \$32.6M and the 10-Year Plan only includes \$14.0M.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$2.737 Billion 10-Year Gross Capital Program**

				
<b>Aging Infrastructure</b>	<b>Enhanced Resiliency</b>	<b>Addressing Gaps &amp; Serving Growing Communities</b>	<b>Land Acquisition</b>	<b>Improving User Access &amp; Information Technology</b>
\$678.9 Million 24.8%	\$11.8 Million 0.4%	\$1,808.1 Million 66%	\$211.6 Million 7.7%	\$27.1 Million 1.0%
Planning and Rehabilitation of Existing Parks and Facilities through Life Cycle Asset Management	Mitigate and address the impacts of extreme weather events, including High Lake Effect Flooding and Windstorm, on assets and infrastructure	Implement the Parks and Recreation Facilities Master Plan (facilities in North East Scarborough, Western North York and Don Mills); plan for parkland (Eglinton and David Crombie), Ravine Strategy, Indigenous Place making, and the Playground Enhancement Program	Expand Toronto's parks system through acquisition to support implementation of the Facilities Master Plan and the Parkland Strategy	Modernize processes and systems such as Recreation Management Business Transformation (CLASS) and Enterprise Work Management
				

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

**How the Capital Program is Funded**

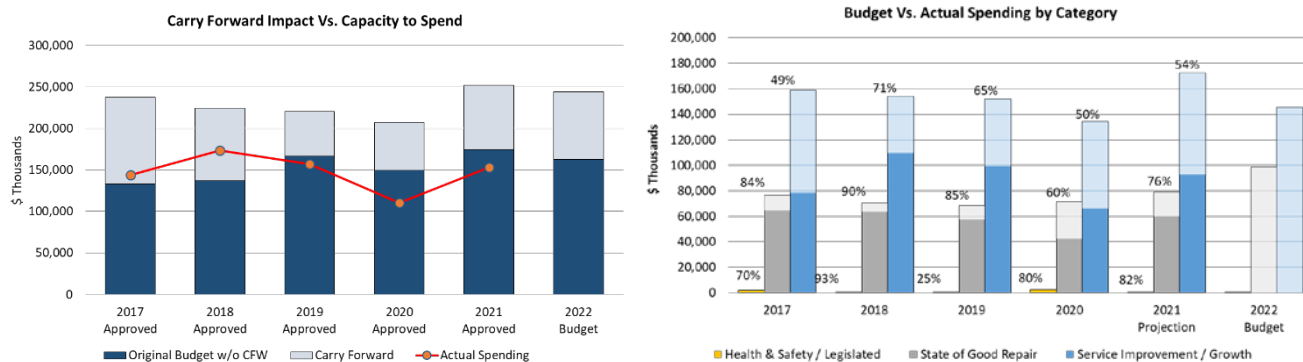
<b>City of Toronto</b>				<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$2,727.6 Million 99.6%</b>				<b>\$1.0 Million 0.1%</b>		<b>\$8.9 Million 0.3%</b>	
Debt	\$839.5 M	Other: Section 37	\$84.3 M	COVID-19 Resilience Program	\$1.0 M	Disaster Mitigation and Adaptation Fund (DMAF)	\$4.7 M
Recoverable Debt	\$0.0 M	Other: Section 45	\$2.4 M			COVID-19 Resilience Program	\$4.2 M
Reserve / Reserve Funds	\$631.9 M	Other: Section 42 Above 5% CIL	\$129.8M				
Development Charges	\$1,030.0 M	Other: Various	\$9.7 M				

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Parks, Forestry and Recreation's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

From 2017 to 2019, PFR was spending on average, approximately \$158 million or 70% of its budget, with over 80% on State of Good Repair. With appropriate staff resources in place, PFR achieved their highest expenditures in 2018 at \$174 million or 77%, including a 90% spend on SOGR and 71% on Service Improvement and Growth related projects.

Through 2020 and 2021, PFR experienced challenges around the capacity to spend due to the cumulative impact of the following:

- Supply chain issues (increased delivery timelines, material shortages, and significant material cost volatility) and construction lags due to site closures/restrictions and protocols for safety on sites faced during COVID-19 created construction delays;
- Delays on projects being led by third parties; and
- Unprecedented staff vacancies due to retirements, maternity leaves, and a backlog in advancing recruitment.

As a result of these challenges, the projected spending for 2021 is:

- \$153 million or 61% of the 2021 Council Approved Capital Budget, including 76% on State of Good Repair and 54% on Service Improvement and Growth.
- PFR anticipates vacancies to be significantly lessened through 2021-2022 which is necessary for increased project delivery capacity.

The 2022-2031 Capital Budget and Plan is the largest to date at \$2.7 billion and reflects PFR's demonstrated ability and capacity to maintain existing assets in a state of good repair while also satisfying the demand for growth and service improvement. The 2022 Capital Budget of \$244.3 million includes:

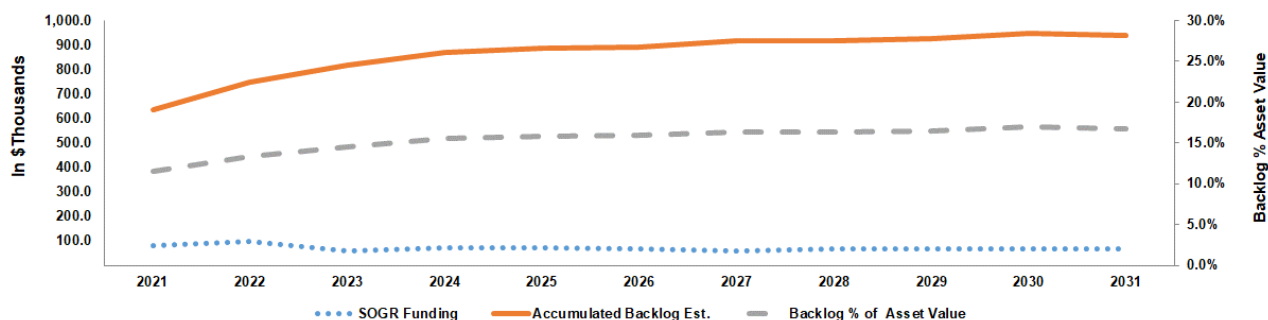
- Carry forward funding of \$81.6 million from 2021, and supports the delivery of ongoing projects and programs, as well as new projects that are anticipated to be awarded in 2021 or meet Council-directed initiatives, including *Reconciliation and Indigenous Place making, Dundas Street Renaming Signage*, and a Washroom Enhancement Program.

Adjustments to the Capital Plan include the deferral of \$117.9 million in capital spending originally cash flowed in 2022 to 2023 or future years as noted below:

- The *Davisville Community Pool Construction* 2022 cash flow has been deferred by \$7.0 million to 2023 to reflect timelines in coordination with the Toronto District School Board.
- \$20.0 million in cash flow has been deferred to future years for two (2) new community centre projects to reflect project timelines:
- \$12.0 million in 2022 has been deferred to 2023 and 2025 for the construction of the *Western North York Community Centre*.
- The *Etobicoke Civic Centre Community Centre* 2022 cash flow has been deferred by \$8.0 million to 2023.
- Planning for implementation of a number of Facilities Master Plan (FMP) projects has required additional time, as such some projects have shifted over the 10-Year Plan: *Central Etobicoke Community Recreation Centre* (one year from 2022-2023), and the *Outdoor Recreation Centre Improvements, Skate Spots & Sports Fields Improvements* identified in the FMP (all shifted one year out).
- The 2022 cash flow of \$3.7 million for the *Development of 10 Ordinance Street* has been deferred to 2024, to reflect timing of the site to be transferred to the City.
- The *Rees Street (318 Queens Quay West) Park Development* cash flow of \$8.8 million has been deferred to 2023-2024 to align with timing of the project which is being done in coordination with Waterfront Toronto.
- \$27.1 million in cash flow for the *Wallace Emerson Galleria Redevelopment* and \$2.4 million for the *Park & Fieldhouse Phase 1*, have shifted from 2022 to 2023 and 2024 to align with the Developers schedule for the project.
- \$1.5 million for *Ferry Vessel #1* and \$7.2 million for *Ferry Vessel #2*, for a combined total of \$8.7 million, has been deferred from 2022 to 2023, to reflect the revised schedule for Ferry Vessel Replacement, that involves design modifications for an electric ferry vessel and electric shore-side infrastructure including charging stations on the docks at the Jack Layton Ferry Terminal.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Parks, Forestry and Recreation.

**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	79.4	98.8	60.2	70.9	70.2	66.5	60.6	65.9	65.8	65.8	66.0
<b>Accumulated Backlog Est.</b>	634.8	748.2	817.5	869.3	886.7	892.6	917.0	919.6	926.1	949.5	940.3
<b>Backlog % of Asset Value</b>	11.6%	13.3%	14.6%	15.5%	15.8%	15.9%	16.3%	16.4%	16.5%	16.9%	16.8%
<b>Total Asset Value</b>	5,490.7	5,610.4	5,610.4	5,610.4	5,610.4	5,610.4	5,610.4	5,610.4	5,610.4	5,610.4	5,610.4

PFR's assets are aging with an estimated accumulated SOGR backlog of \$634.8 million at 2021 year-end. This represents 11.6% of the total replacement value estimated to be \$5.5 billion by the end of 2021, for park infrastructure and recreation facilities.

- Park infrastructure amounts to \$263.4 million or 41.5% of the backlog and includes splash pads and wading pools, parking lots, tennis courts and sports pads, trails and pathways, bridges, seawalls, and marine services.
- Recreation facilities amounts to \$371.4 million of the backlog or 58.5%, and includes community centres, arenas, and pools.

The backlog has increased from the 2021 Plan (\$634.8 million) to the end of 2022 (\$748.2 million) due to updated condition assessments that reflect the ongoing funding shortfalls that make it difficult to invest in SOGR in a timely manner. This is compounded by the addition of assets to PFR's inventory through completed capital projects or new parks secured through development.

The 2022-2031 Capital Budget and Plan includes \$690.7 million for State of Good Repair projects, including \$606.2 million or an average of \$60.6 million annually, for programs to address the backlog. On average, facilities are over 40 years of age, resulting in breakdowns and facility closures which in turn impacts on service for residents across the city.

Investing in state of good repair will assist in reducing the current backlog which is projected to be \$940.3 million by 2031. However, the backlog for recreation facilities and park infrastructure, will increase to \$498.5 million and \$441.8 million, respectively by 2031 if additional resources are not provided. The Provincial legislation requires the City to provide the Province with the Core Infrastructure Asset Management Plans which will include the state of good repair backlog that aligns with current service level standards of assets to provide context as to investment required to maintain City assets as well as inform future funding models and requests for investments by other orders of government.

The 10-Year Capital Plan includes an additional \$80.1 million in SOGR funding for projects and programs that do not directly impact the backlog including repairs associated with the extreme weather events of 2017 and 2018, asset condition assessments, and a golf course rehabilitation program. PFR still requires a total of \$269.9 million in debt funding associated with SOGR that could not be accommodated during the 2022 Budget process. These unfunded capital needs are not included in the 10-Year Capital Plan due to the limitations of debt servicing costs. These projects will be included on the list of "capital needs constraints" and will be considered during future year budget processes.



**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will impact future year Operating Budgets by \$53.337 million net and will require 926.5 full time equivalent (FTE) positions over the 2022-2031 period, as existing assets are improved and new assets are added, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Arena							26.4				26.4		878.2	39.9
Community Centres	3,243.3	48.4	4,218.0	102.9	4,028.4	102.9	2,376.0	57.1	2,273.4	51.6	16,139.1	362.8	20,172.8	451.6
Environmental Initiatives	528.4		650.4								1,178.8		1,178.8	
Information Technology	335.2	4.0	514.1	4.0	1,560.8	11.0	123.2	0.6			2,533.3	19.6	3,277.1	23.1
Outdoor Recreation Centres	193.2	1.8	265.8	2.4	538.4	7.8					997.4	12.0	997.4	12.0
Park Development	519.9	3.3	1,034.7	9.3	1,259.1	10.4	838.7	6.6	247.4	1.9	3,899.8	31.4	4,228.1	33.9
Parking Lots and Tennis Courts					0.6						0.6		0.6	
Special Facilities							765.0	6.0			765.0	6.0	765.0	6.0
Trails & Pathways							3.6	0.0			3.6	0.0	3.6	0.0
<b>Sub-Total: Previously Approved</b>	<b>4,820.0</b>	<b>57.5</b>	<b>6,682.9</b>	<b>118.5</b>	<b>7,387.3</b>	<b>132.1</b>	<b>4,132.9</b>	<b>70.4</b>	<b>2,520.8</b>	<b>53.5</b>	<b>25,543.9</b>	<b>431.9</b>	<b>31,501.6</b>	<b>566.4</b>
<b>New Projects - 2022</b>														
Arena					0.1						0.1		0.1	
Facility Components									308.7	2.4	308.7	2.4	308.7	2.4
Outdoor Recreation Centres							28.2	0.2			28.2	0.2	28.2	0.2
Park Development							449.1	3.5	222.6	1.7	671.7	5.3	696.5	5.4
Playgrounds/Water play							10.4	0.1			10.4	0.1	10.4	0.1
Pool							883.5	14.3			883.5	14.3	883.5	14.3
Special Facilities							328.5	2.6	868.3	6.7	1,196.8	9.3	1,196.8	9.3
<b>Sub-Total: New Projects - 2022</b>					<b>0.1</b>		<b>1,699.7</b>	<b>20.7</b>	<b>1,399.5</b>	<b>10.8</b>	<b>3,099.3</b>	<b>31.5</b>	<b>3,124.1</b>	<b>31.7</b>
<b>New Projects - Future Years</b>														
Arena													344.8	14.8
Community Centres							90.0	2.2	210.0	4.8	300.0	6.9	11,382.8	243.8
Environmental Initiatives					769.3		93.0	0.7	93.0	0.7	955.3	1.4	1,420.3	4.8
Outdoor Recreation Centres							105.2	1.1	177.6	1.8	282.8	3.0	809.5	8.3
Park Development							68.4	0.5	131.3	1.0	199.7	1.5	1,448.4	11.3
Parking Lots and Tennis Courts							9.0	0.2	15.1	0.2	24.1	0.4	39.1	0.6
Playgrounds/Water play							63.0	0.5	21.0	0.2	84.0	0.7	147.0	1.1
Pool													2,700.0	40.6
Special Facilities													420.0	3.1
<b>Sub-Total: New Projects - Future Years</b>					<b>769.3</b>		<b>428.6</b>	<b>5.3</b>	<b>648.0</b>	<b>8.7</b>	<b>1,845.9</b>	<b>13.9</b>	<b>18,711.8</b>	<b>328.4</b>
<b>Total (Net)</b>	<b>4,820.0</b>	<b>57.5</b>	<b>6,682.9</b>	<b>118.5</b>	<b>8,156.7</b>	<b>132.1</b>	<b>6,261.1</b>	<b>96.3</b>	<b>4,568.3</b>	<b>72.9</b>	<b>30,489.0</b>	<b>477.3</b>	<b>53,337.4</b>	<b>926.5</b>

For 2022, PFR will require additional operating funding of \$4.820 million and 57.5 positions to maintain new parks and recreation infrastructure including York Off/Ramp/Love Park, Ethennonhawahstihnen Community Centre, and Lower Yonge Street Community Centre Space.

Over the period of 2023 to 2031, the operating costs of completed capital projects are projected to be \$48.517 million with an increase of 869 positions, which include some of the following:

- \$23.491 million for twenty-two (22) new and revitalized community centres and spaces which includes Western North York, Wallace Emerson, East Bayfront, Lower Yonge, North East Scarborough, 40 Wabash Parkdale, Etobicoke Civic Centre, Lawrence Heights, Masaryk-Cowan, Scarborough Centennial Redevelopment, Downtown, South-West Scarborough, Central Etobicoke, Scarborough Gymnasium Addition, Falstaff, John Innes, North Rexdale, FMP Program Space Addition, Jenner Jean Marie Space Addition, Main Square Redevelopment, Dennis Timbrell Redevelopment, and Newtonbrook.
- \$1.223 million for the Don Mills Community Recreation Facility, one (1) skating trail, one (1) redeveloped arena, and two (2) repurposed arenas, and two (2) artificial ice rinks.
- \$3.584 million for one (1) new pool, two (2) additions, and one (1) pool replacement.
- \$5.853 million for various Park Development projects including Mouth of the Creek/Lower Garrison Creek, Eglinton Park Master Plan Implementation, 318 Queens Quay/Rees Street Park, Toronto Island Master Plan Implementation, Moss Park Redevelopment, Humber Park East New Building, and Lawrence Heights Neighbourhood Parks.



- \$2.942 million for Information Technology projects which will improve user access and increase efficiency and will require Operating Budget support for ongoing software and lifecycle maintenance.

The 2022 operating costs associated with the completion of new parks and recreation infrastructure in 2022, as mentioned above, have been included in the 2022 Operating Budget for Parks, Forestry and Recreation. Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

# 2022 Program Summary

## Seniors Services and Long-Term Care

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Seniors Services and Long-Term Care (SSLTC) is responsible for service planning and strategic coordination of City services for seniors including residents in long-term care. As leaders in high-quality and ground-breaking initiatives, SSLTC provides age friendly, age equitable, age inclusive services and programs for seniors in Toronto including:

- Long-Term Care Homes (LTCHs)
- Community Support Programs: Homemakers & Nurses Services (HMNS), Supportive Housing (SH), Adult Day Programs (ADPs)
- Seniors Services Unit to deliver on the Toronto Seniors Strategy, including improving access to City services for seniors and fostering partnerships with the Seniors Service sector in Toronto

In response to COVID-19 pandemic, the Division implemented extensive legislated changes across programs [including screening and increased infection prevention and control (IPAC) protocols] to ensure the safety of our diverse clients/residents, families and staff. This has driven the entire 2021 overspending for the Division.

### Why We Do It

Eligible adults and seniors have **access** to City operated long-term care and services that **are inclusive, available, diverse** and **resident focused** which contribute to improved quality of life.

Seniors maintain their independence and stay in their homes longer (i.e. age in place) through access to integrated City services that are timely, inclusive and comprehensive.

*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

### Long-Term Care Homes

**Who We Serve:** 2600+ diverse residents requiring 24-hour nursing and personal LTC care (70 countries of origin, 59 languages/dialects, 43% require financial assistance), family caregivers, 2000+ staff members and 2000+ volunteers

**What We Deliver:** Directly operate 10 LTCHs providing 24-hour resident-focused care for permanent, convalescent, and short-stay admissions; care, services and programs to enhance quality of life by responding to individual resident needs

**How Much Resources (gross operating budget):** \$313.2 Million

### Community and Seniors Services

**Who We Serve:** 3000+ clients with limited financial resources requiring assistance with household activities (HMNS); 450+ seniors residing in designated buildings requiring assistance with personal support (SH); ~175 seniors in the community (ADPs)\*, all seniors in Toronto, with a focus on vulnerable seniors, seniors service providers and community partners, and other City divisions supporting seniors.

**What We Deliver:** Directly operate several programs for diverse and vulnerable seniors living independently in the community, including: HMNS, SH and ADP, coordinate 40+ City services for seniors across multiple divisions, and lead the Toronto Seniors Strategy, including facilitating information and resource sharing across the seniors services sector.

**How Much Resources (gross operating budget):** \$14.2 Million

## Budget at a Glance

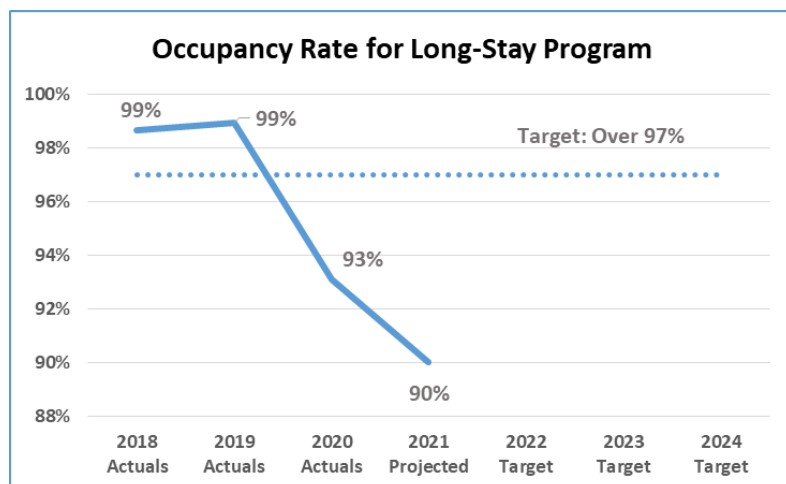
### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$254.2	\$265.9	\$280.9
Gross Expenditures	\$327.5	\$330.4	\$350.3
Net Expenditures	\$73.3	\$64.5	\$69.5
Approved Positions	3,039.0	3,062.3	3,250.7

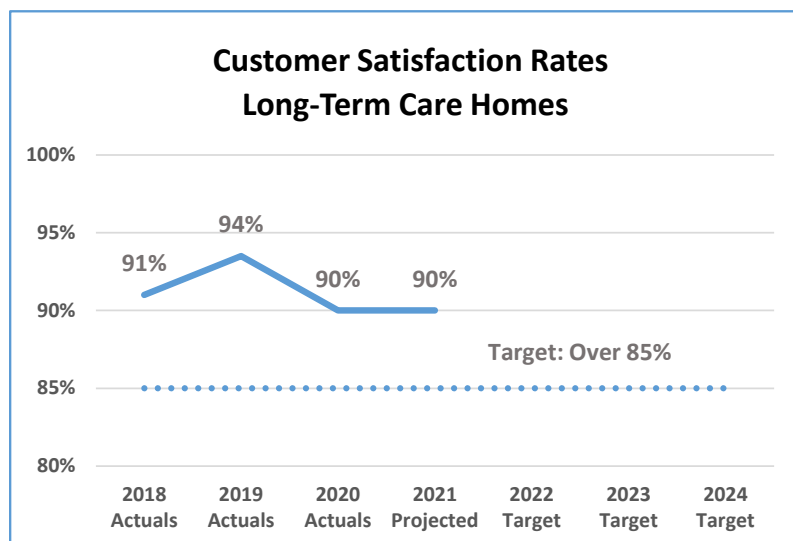
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$17.5	\$262.9	\$280.4
Debt			
City Building Fund	\$13.0	\$157.2	\$170.2
Note: Includes 2021 carry forward funding			

## How Well We Are Doing – Behind the Numbers



- The Provincial target for occupancy in long-term care homes is 97%.
- SSLTC works closely with the Home and Community Care Support Services (HCCSS) to ensure a smooth transition for new residents and has historically been well above the occupancy target.
- COVID-19 restrictions around accepting new residents and physical distancing/isolation requirements are expected to result in lower occupancy rates in 2021 and beyond.
- This trend is expected to continue into 2022 as residents and their families continue to remain hesitant about entering long-term care.



- 10 long-term care homes located city-wide are committed to providing 24-hour nursing and personal care and supportive programming for those who are no longer able to live on their own.
- SSLTC conducts annual surveys to assess client's level of satisfaction with services experienced in all 10 homes.
- The reduction of programs arising from outbreak precautions separated families and created social isolation which resulted in lower levels of customer satisfaction in 2020 and restoring public trust with the LTC Sector will be a big part of the recovery from COVID-19.
- The Division is aiming to maintain the level of resident satisfaction at 85% or higher over the next three years.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
LTC Homes	Customer Satisfaction Rates at LTC Homes	94%	90%	Over 85%	90%	●	Over 85%	Over 85%
Community and Seniors Services	Customer Satisfaction Rates Adult Day Program	100%	n/a*	Over 85%	90%	●	Over 85%	Over 85%
Community and Seniors Services	Customer Satisfaction Rates Supportive Housing Program	93%	96%	Over 85%	93%	●	Over 85%	Over 85%
Community and Seniors Services	Customer Satisfaction Rates Homemakers and Nurses Program	95%	n/a*	Over 85%	90%	●	Over 85%	Over 85%
Service Level Measures								
LTC Homes	Resident Care Index	106.3	106.0	106.5	106.6	●	106.9	106.9
LTC Homes	LTC Homes Occupancy Rate**	99%	93%	Over 97%	90%	●	Over 97%	Over 97%
Community and Seniors Services	Clients Assisted through Community-Based Programs**	3,804	3,124	Over 3,500	2,859	●	Over 3,000	Over 3,000
Other Measures								
LTC Homes	% of staff and visitors screened for COVID-19 upon entering home	n/a	100%	100%	100%	●	100%	100%

\* 2020 measures were not available due to temporary program suspension from the impact of COVID-19.

\*\* 2021 measures are projected to be lower than target due to the impact of COVID-19

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- To safely respond to **COVID-19**, 141 temporary positions are required. These positions are essential to support IPAC measures in order to protect vulnerable seniors in LTC homes.
- Costs will continue to be high as personal protective equipment, visitor screening and enhanced cleaning will be required as long as **COVID-19** is a risk in LTC homes and the community. Additional costs to maintain safe dining practices will also continue.
- Additional Provincial funding to support the full **COVID-19** impacts of \$18.0 million is anticipated. To-date, \$1.5 million or 8% in **COVID-19** funding has been confirmed by the province, which is included in the 2022 Budget.

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#### Service Level Changes

- To ensure a safe response to **COVID-19** and legislative requirements, there have been increased services levels related to resident care, screening, cleaning and infection prevention and control (IPAC).
  - Increased one-to-one resident care to meet physical distancing requirements and loss of community/volunteer programming and support, resulting in higher staff needs.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- When surveyed, 95% of LTC residents and 97% of their family members stated that their City long-term care home's COVID-19 response met their expectations (based on almost 1,400 responses)
- Delivered proactive testing and enhanced screening, including the introduction of rapid testing, and vaccine prioritization for long-term care residents, essential caregivers and staff members
- Reintroduced small groups, resident programs and volunteer supports, then as permitted, larger group activities, following the suspension of many services as a result of COVID-19
- Successfully completed Accreditation Canada's supplemental survey including review of required organizational practices (ROPs), confirming all tests were met for the 22 relevant ROPs and associated priority processes to meet national standards of excellence
- Received the City Manager's Award of Excellence (Innovation) for the electronic Healthcare Record project, modernizing and streamlining operations with efficient use of technology
- Recognized with provincial Innovation and Excellence Supporting Seniors Award for IPAC Innovative Practices and focus on technology, research, best practices, training, innovative practices, and rapid change methodology to prevent and mitigate COVID-19
- Bendale Acres' Pavillon Omer Deslauriers was the first municipal home in Ontario to receive Partial Designation under the *French Language Services Act* for bilingual provision of residents care
- Introduced the IPAC module in the electronic healthcare record replacing manual paper-based daily surveillance and outbreak line lists
- Released a new Directory of Services for Seniors and Caregivers in Toronto with resources on a wide range of City, community and government supports
- Completed and published update on all Toronto Seniors Strategy recommendations
- Conducted staff survey and review of feedback to better understand experiences of anti-Black racism in the workplace; preparing divisional and site-specific work plans.

### Key Challenges and Risks

- Resurgence of COVID-19 and the arrival of new variants of concern requires maintaining critical and essential staffing levels along with enhanced IPAC measures to prevent and mitigate virus spread
- Pressure stemming from the rapid growth of the aging demographic, increased acuity and complexity of LTC resident care needs and the higher demand for specialized services
- All City LTC homes have waitlists, it may take between 1 and 9 years for an offer of admission
- Provincially mandated redevelopment of 5 City operated long-term care homes to modernize and meet new design standards along with IPAC measures
- Securing upfront City funding for redevelopment costs that are then partially offset by MOLTC per diem subsidy over 25 years.

### Priority Actions

- Ensuring the safety of all residents and clients, their families and the well-being of staff members as pandemic restrictions are being adjusted as per Ministry direction
- Advance the redevelopment of Carefree Lodge to meet new provincial design standards
- Advance Council-adopted emotion-centred approach to care pilot and implement new provincial funding that will increase incrementally to 3.55 hours of direct care, per resident, per day in by March 31, 2022 and 3.85 hours by March 31, 2023. The model envisions an increase to 4.6 hours by March 31, 2025, subject to available provincial/city funding
- Workforce planning by attracting and developing talent, organizational capacity and strengthening healthcare and educational partnerships
- Continue to incorporate wider coordination of municipal services for seniors and progress the 27 recommendations within Toronto Seniors Strategy 2.0
- Implement integrated service model, a tri-level partnership with the Seniors Housing Unit (SHU) of TCHC and the Home and Community Care Support Services, Toronto Centre (formerly Toronto Central LHIN) in 83 buildings to better support 15,000+ senior tenants.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Long-Term Care Homes	244,918.7	214,355.8	242,313.3	230,348.1	12,015.1	242,363.2	49.9	0.0%
Community & Seniors Services	8,817.7	11,797.4	10,331.6	11,797.4		11,797.4	1,465.8	14.2%
<b>Total Revenues</b>	<b>253,736.4</b>	<b>226,153.2</b>	<b>252,644.9</b>	<b>242,145.4</b>	<b>12,015.1</b>	<b>254,160.6</b>	<b>1,515.7</b>	<b>0.6%</b>
<b>Expenditures</b>								
Long-Term Care Homes	300,605.0	281,265.0	304,402.5	295,057.4	18,169.3	313,226.7	8,824.3	2.9%
Community & Seniors Services	9,748.8	13,425.0	12,011.0	13,827.2	421.3	14,248.4	2,237.4	18.6%
<b>Total Gross Expenditures</b>	<b>310,353.8</b>	<b>294,690.0</b>	<b>316,413.5</b>	<b>308,884.5</b>	<b>18,590.6</b>	<b>327,475.1</b>	<b>11,061.6</b>	<b>3.5%</b>
<b>Net Expenditures</b>	<b>56,617.4</b>	<b>68,536.8</b>	<b>63,768.6</b>	<b>66,739.1</b>	<b>6,575.4</b>	<b>73,314.5</b>	<b>9,545.9</b>	<b>15.0%</b>
<b>Approved Positions**</b>	<b>2,435.2</b>	<b>2,746.9</b>	<b>N/A</b>	<b>2,742.9</b>	<b>296.2</b>	<b>3,039.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$308.885 million gross reflecting a decrease of \$7.529 million in spending compared to 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Lower salary and benefit costs for responding to COVID-19 assumes the impact of the virus eases through 2022.
- The savings will be partially offset by:
  - 2021 annualized costs, fully funded by the Ministry of Long-Term Care, to increase direct care hours by 3.55 hours (3 hours nursing, 0.55 Allied care) per resident, per day by March 2022.
  - Higher costs are also anticipated from the return of full programming for Community Based programs which resumed in mid-2021, and;
  - Inflationary increases for COLA, utilities (primarily hydro) and food costs.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$66.739 million in net expenditures reflects a \$0.623 million net increase from the 2021 Council approved Budget, when excluding COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$18.591 million gross, \$6.575 million net enabling:

- The advancement of the Emotion-Centred Approach to Care model
- Strengthening of the Workforce Planning Unit
- Increase in staffing for meal planning, preparation and service
- LTC home redevelopment and resources to improve capital project completion
- Expanded scope for the Seniors Services Unit



**EQUITY IMPACTS OF BUDGET CHANGES**

**Increasing equity for vulnerable seniors with low-income and disabilities:** Seniors Services and Long-Term Care's 2022 Council Approved Operating Budget includes a net investment of \$6.6M to implement a number of long-term care reform initiatives and to expand of the Seniors Services Unit. These initiatives will have a positive impact on vulnerable seniors living both, in long-term care and community settings, increasing their access to City services, health services, affordable eldercare, their sense of identity and belonging, safety and security. This investment supports the Toronto Senior Strategy Version 2.0, Poverty Reduction Strategy and the HousingTO 2020-2030 Action Plan as well as Council's commitment to increasing senior's equity.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Seniors Services and Long-Term Care of \$327.475 million gross is 3.5% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	161,348.3	196,170.7	166,796.1	193,287.7	194,801.0	1,513.3	0.8%
User Fees & Donations	59,095.1	55,937.5	58,252.6	58,252.6	58,252.6		
Transfers From Capital	322.7	683.3	386.0	386.0	392.0	6.0	1.6%
Contribution From Reserves/Reserve Funds		466.3					
Sundry and Other Revenues	657.4	343.0	436.5	436.5	436.5		
Inter-Divisional Recoveries	131.0	135.5	282.0	282.0	278.5	(3.5)	(1.3%)
<b>Total Revenues</b>	<b>221,554.5</b>	<b>253,736.4</b>	<b>226,153.2</b>	<b>252,644.9</b>	<b>254,160.6</b>	<b>1,515.7</b>	<b>0.6%</b>
Salaries and Benefits	219,485.0	254,116.6	239,521.4	261,907.2	265,793.3	3,886.0	1.5%
Materials & Supplies	20,138.0	27,530.1	26,014.5	26,312.2	29,715.5	3,403.3	12.9%
Equipment	4,677.7	5,370.8	3,711.7	3,711.7	4,441.8	730.1	19.7%
Service and Rent	21,111.2	21,506.3	23,116.1	22,155.9	25,085.0	2,929.1	13.2%
Contribution To Reserves/Reserve Funds	1,071.7	1,071.7	1,088.7	1,088.7	1,186.4	97.7	9.0%
Other Expenditures	124.8	28.1	192.4	192.4	192.4		
Inter-Divisional Charges	788.4	730.3	1,045.3	1,045.3	1,060.8	15.5	1.5%
<b>Total Gross Expenditures</b>	<b>267,396.8</b>	<b>310,353.8</b>	<b>294,690.0</b>	<b>316,413.5</b>	<b>327,475.1</b>	<b>11,061.6</b>	<b>3.5%</b>
<b>Net Expenditures</b>	<b>45,842.3</b>	<b>56,617.4</b>	<b>68,536.8</b>	<b>63,768.6</b>	<b>73,314.5</b>	<b>9,545.9</b>	<b>15.0%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Annualization of 2021 costs (fully funded by the province) to increase to 3.55 hours of direct care per resident per day by March 2022 combined with inflationary increases are partially offset by a decrease in costs related to COVID-19 containment measures and pandemic pay.

**Materials and Supplies:**

Additional costs for PPE and cleaning supplies to respond to COVID-19.

**Equipment:**

Additional costs related to the Ministries Medication Safety Technology initiative are fully funded by the province.

**Services and Rents:**

Community based programming resumed in 2021, increased costs are primarily from the full year impact of services.

**Offsets and Efficiencies:****Provincial Funding:**

Inflationary increase of Level-of-Care funding envelope is offset by a decrease in Provincial Subsidies related to reimbursement of COVID-19 cost containment expenses. While the 2022 year over year comparison indicates 15% net budget increase (in the rightmost column) in the chart above, it is important to note that gross expenditures include \$18 million for COVID-19 expenditures while the corresponding provincial revenues only reflect confirmed funding of \$1.5 million. Additional funding to offset the remaining COVID-19 cost are anticipated.

Table 2b: 2022 New / Enhanced

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	LTC Reform - Emotion-Centred Care	12,015.1	16,116.4	4,101.3	271.6	31,841.5	Medium-positive	No	No	Maintain and create housing that's affordable, Invest in people and neighbourhoods
2	Expand Seniors Services Unit		421.3	421.3	4.0	548.4	Medium-positive	No	No	Maintain and create housing that's affordable, Invest in people and neighbourhoods
3	LTC Reform - Workforce Services		1,728.1	1,728.1	9.0	2,315.6	Medium-positive	No	No	Maintain and create housing that's affordable, Invest in people and neighbourhoods
4	LTC Reform - Food and Nutrition		132.0	132.0	9.6	143.4	High-positive	No	No	Maintain and create housing that's affordable, Invest in people and neighbourhoods
5	LTC Reform - Director Redevelopment		116.7	116.7	1.0	202.9	Low-positive	No	No	Maintain and create housing that's affordable, Invest in people and neighbourhoods
6	LTC Reform - Project Manager		76.1	76.1	1.0	133.1	Low-positive	No	No	Maintain and create housing that's affordable, Invest in people and neighbourhoods
Total New / Enhanced		12,015.1	18,590.6	6,575.4	296.2	35,185.0				

The 2022 Operating Budget includes \$18.591 million in investments to support priority actions as detailed in the table above.

The impact of the COVID-19 pandemic on long-term care homes provided a devastating example of the consequences of the long-standing understaffing and underfunding of the sector. In addition, it highlighted the vulnerability of our long-term care resident population and the need for expanded supports and resources to support our elders and residents.

The initiatives proposed in the Division's Long-Term Care Reform business cases will ensure that the City can continue to be a leader in the sector by providing the highest quality care to our current and future long-term care residents. This will be achieved by expanding our workforce to meet new Ministry requirements for increased direct care hours. It will also include implementation of an emotion-centred approach to care that will enable a shift from a medical, task-focused approach to care to a social model of living and focuses on relationships and connections to nurture a sense of safety and security, belonging, purpose and meaning. It will require enhanced staff education and training, as well as updates of the physical environment from a traditional institutional environment to one that includes a range of colours and personalization of residents' rooms to make them feel more like home. It has been developed based on learning from the best of many models of care.

These initiatives will be supported by an expanded Workforce Services unit that will enhance labour relations and support hiring, training and scheduling staff. It will also support strategic decision-making, data analytics and performance measurement.

The Expanded Seniors Services Unit will enable older adults to access City services that will allow them to live safely, with comfort and dignity in their home and community of choice for as long as possible.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	252,644.9	254,160.6	265,942.3	280,853.2
Gross Expenditures	316,413.5	327,475.1	330,420.4	350,312.8
<b>Net Expenditures</b>	<b>63,768.6</b>	<b>73,314.5</b>	<b>64,478.0</b>	<b>69,459.6</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>3,039.0</b>	<b>3,062.3</b>	<b>3,250.7</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$330.420 million reflects an anticipated \$2.945 million or 0.90 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$19.892 million or 6.02 per cent above 2023 gross expenditures.

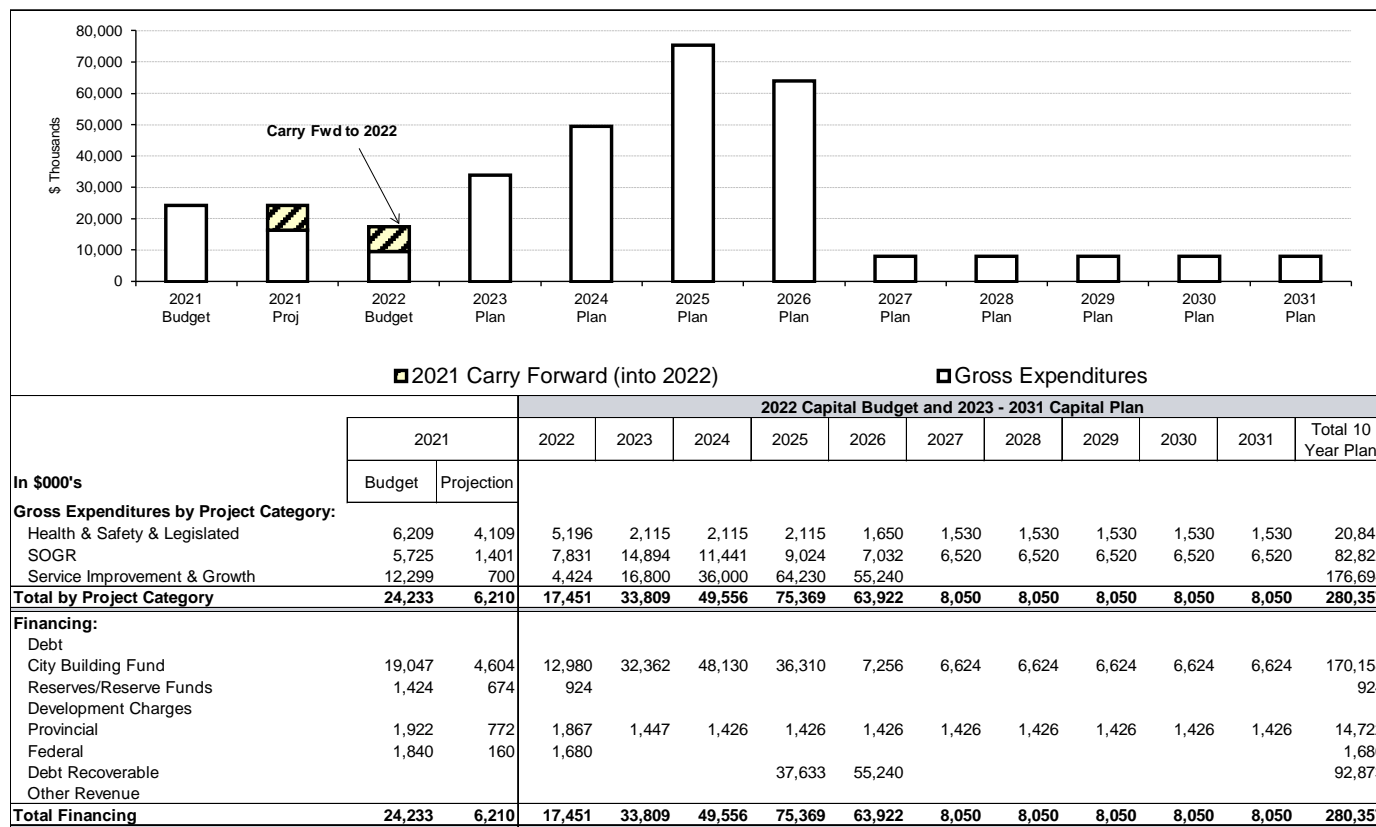
These changes arise from the following:

- Anticipated salaries and benefits increases related to corporate step and cost of living adjustments (COLA) of \$1.420 million above the 2022 Operating Budget in 2023 and anticipated increases of \$2.332 million above the 2023 Outlook in 2024.
- The Emotion-Centred Care model envisions an increase to 4.6 hours by March 31, 2025, subject to available provincial/city funding. The 2023 and 2024 budgets include the increase of direct resident care services incrementally to 3.85 hours and 4.26 hours of direct care, per resident, per day, respectively, to address the rising acuity and complex care needs of long-term care home residents. This will further increase expenditures by \$16.143 million and 163.92 added positions above the 2022 Operating Budget and expenditures will increase by \$15.069 and 188.45 added positions above the 2023 Outlook in 2024. This initiative is partially funded by the province. Seniors Services and Long-Term Care will continue to advocate for increased funding from the Ministry of Long-Term Care to fully implement this initiative in the future.
- COVID-19 financial impact of \$18.030 million with 140.7 temporary positions added in 2022 to protect vulnerable seniors in LTC homes in response to COVID-19 are reversed in the 2023 Outlook.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects

(\$0.0 Million)

- \$23M in 2022 cash flows for the *Carefree Lodge Redevelopment* project have been shifted to future years to better align with project deliverables.

### New Projects

(\$14.1 Million)





- State of Good Repair projects (\$12.0M), such as flooring and kitchen renovations, will continue to make repairs and upgrades to the existing homes to prevent major capital costs through regular maintenance.
- Health and Safety projects (\$2.1M), such as humidifier replacements, will ensure that long-term care homes remain compliant with provincial health and safety standards.

### Capital Needs Constraints

(\$532.1 Million)

- Redevelopment of the remaining four long-term care homes (\$530.1M) to meet provincial legislative requirements.
- Special projects (\$2M) including Information Technology related to Timekeeping and Electronic Healthcare Record System hardware sustainment.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$280.4 Million 10-Year Gross Capital Program**

			
<b>Health and Safety</b>	<b>State of Good Repair</b>	<b>Redevelopment</b>	<b>Information Technology</b>
\$20.8 M 7.4%	\$82.8 M 29.5%	\$175.8M 62.7%	\$0.9 M 0.3%
Fire Alarm Nurse Call Bell Life Safety Systems HVAC	Roofing Windows Exterior Maintenance	Carefree Lodge Redevelopment	Time and Attendance Feasibility Study Electronic Healthcare Records System

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$263.9 M</b> <b>94%</b>		<b>\$14.7 M</b> <b>5%</b>		<b>\$1.7 M</b> <b>1%</b>	
Recoverable Debt - Province*	\$ 92.8 M	Minor Capital Funding	\$ 14.3 M	COVID-19 Infrastructure	\$ 1.7 M
City Building Fund	\$ 170.2M	COVID-19 Infrastructure	\$0.4 M		
Reserve Draws	\$ 0.9 M				

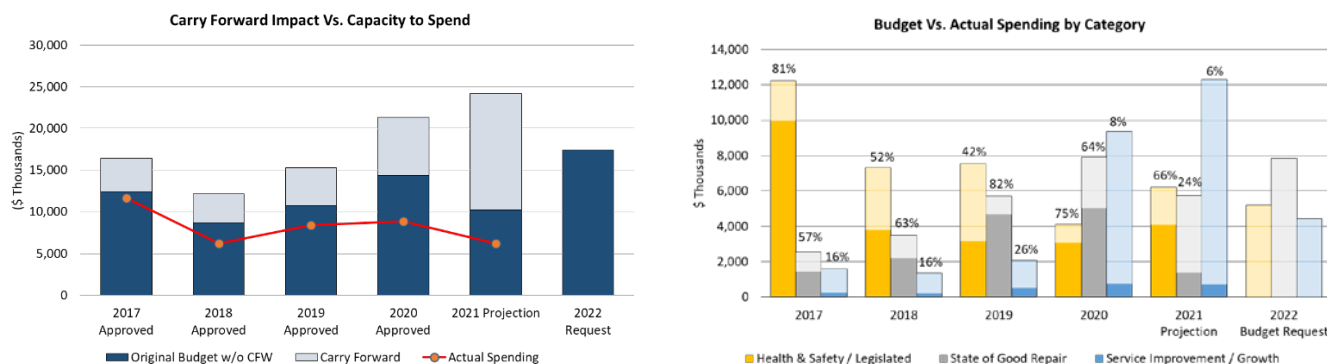
\* For the Province's share of recoverable debt, the City will pay the cost up front and recover it from the Province at a rate of \$23.78 per bed for 428 beds over a 25 year period starting in 2026, after the completion of the *Carefree Lodge Redevelopment* project.

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Seniors Services and Long-Term Care ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$8.0 million in capital spending originally cash flowed in 2021 has been deferred to 2022, with an additional \$10.0 million deferred to 2023. Adjustments to the Capital Plan are noted below:

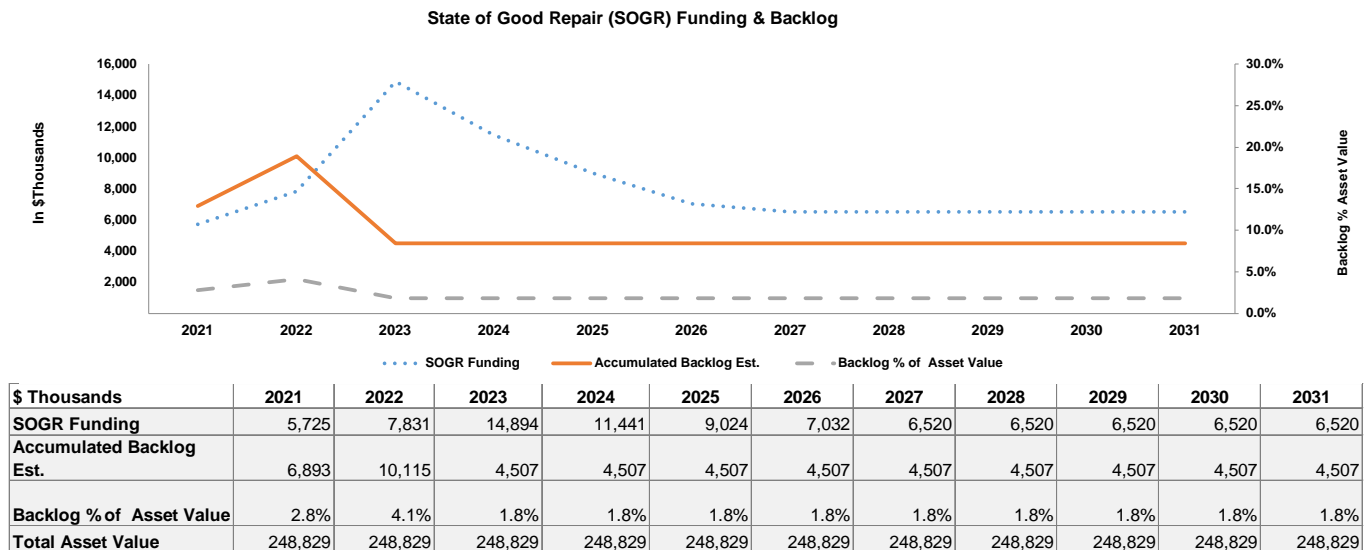
- *Health and Safety* and *State of Good Repair* projects have been prioritized for 2022 with cash flows reflecting the realistic capacity to spend and consideration of increasing critical repairs needed to keep aging homes legislatively compliant and in good repair.
- Cash flows for *Health & Safety* project to respond to COVID-19 through the COVID-19 Resilience Infrastructure funding stream under the Investing in Canada Infrastructure Program (ICIP) has been adjusted based on \$2.1 million work that will be completed by the end of 2022 entirely funded from the Federal and Provincial government.
- Cash flows for the *Carefree Lodge Redevelopment* major project (2022-2026) have been re-aligned based on a review of updated project deliverables and timelines.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Seniors Services and Long-Term Care.

**Chart 3: Total SOGR Funding & Backlog**

Total SOGR Funding &amp; Backlog



- The capital maintenance program ensures that life safety issues are addressed and that all ten long-term care homes are maintained in a state of good repair to avoid future major costs from becoming necessary.
- The 2022-2031 Budget and Capital Plan allocates a total \$82.8 million over 10 years, including \$7.8 million in 2022 to ensure the safety, security and comfort of residents as well as mitigate risks to the City while complying with the Ministry of Long-Term Care (MLTC) requirements.
- Continuous SOGR funding through the 10-year period will ensure the backlog is reduced from \$6.893 million or 2.8% of the asset replacement value of \$248.829 million in 2021 to \$4.507 million or 1.8% of the asset replacement value of \$248.829 million at the end of 2023 through to 2031.



**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact future year Operating Budgets by \$6.287 million net over the 2022-2031 period, arising from completing the *Carefree Lodge Redevelopment* project, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Carefree Lodge Redevelopment									1,233.0	50.0	1,233.0	50.0	6,287.0	258.0
<b>Sub-Total: Previously Approved</b>									<b>1,233.0</b>	<b>50.0</b>	<b>1,233.0</b>	<b>50.0</b>	<b>6,287.0</b>	<b>258.0</b>
<b>Total (Net)</b>									<b>1,233.0</b>	<b>50.0</b>	<b>1,233.0</b>	<b>50.0</b>	<b>6,287.0</b>	<b>258.0</b>

## Previously Approved projects

- The *Carefree Lodge Redevelopment* project, to be completed in 2026, will increase the number of beds to 428 from the existing 127 beds. Additional operating expenses to support this increased capacity are forecasted to be \$6.287 million net with 258 added positions and provincial funding.
  - Operating these additional beds will require additional provincial investment and will be challenging without subsidy from the provincial government. Currently, provincial subsidies and user fees contribute 80 per cent of the division's operating budget with a 20 per cent net City contribution.

# 2022 Program Summary

## Shelter, Support and Housing Administration

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

SSHA is responsible for managing a coordinated and effective system of homelessness and housing services, working from Housing First and human rights approaches and with a focus on the people we serve.

Toronto's homelessness service system provides immediate, housing-focused, person-centred services for people experiencing homelessness, and consists of emergency shelters, 24-hour respite sites, 24-hour drop-ins, temporary COVID-19 response programs, street outreach services, and day-time drop-ins.

SSHA also manages the funding and oversight of 250 housing providers with 92,000 social and affordable housing units, and provision of various housing support programs, including prevention services, housing supports, and housing allowances.

### Why We Do It

SSHA's vision is that Toronto is a city where everyone has a safe and affordable place to call home. We continue to build and strengthen a responsive homelessness service delivery system which uses an integrated and person-centred approach to address homelessness. These priorities will advance our shared goal of ending chronic homelessness in Toronto.

Outcomes:

- People experiencing homelessness in Toronto have access to safe, high quality emergency shelters that offer housing-focused supports
- The experience of homelessness in Toronto is rare, brief and non-recurring
- Low-income households have access to housing benefit programs that provide affordability and stability

*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

### Service 1 Homelessness and Housing First Solutions

**Who We Serve:** People experiencing homelessness

**What We Deliver:**

- Safe and welcoming emergency shelter and overnight services for those in housing crisis
- Street outreach services for people staying outdoors, with a focus on establishing supportive relationships to address immediate health and safety needs and provide supports to move into shelter and housing
- Supports for people experiencing homelessness to develop a housing plan and to access housing and stabilization supports
- Navigation and referrals to appropriate community and health services

**How Much Resources (gross 2022 operating budget): \$689.9M**

### Service 2 Social Housing System Management

**Who We Serve:** Tenants/members and applicants

**What We Deliver:**

- Service system management including funding and oversight of 250 housing providers
- 92,200 social and affordable housing units, including 59,000+ units within Toronto Community Housing Corporation
- Operation of the Centralized Waiting List
- Provision of over 6,600 housing allowances

**How Much Resources (gross 2022 operating budget): \$562.8M**

## Budget at a Glance

### 2022 OPERATING BUDGET

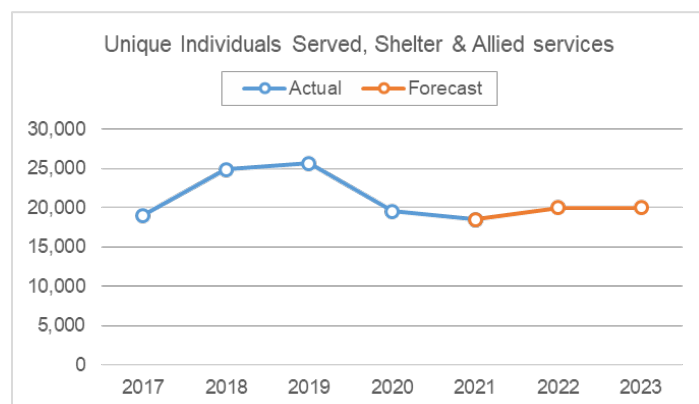
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$393.4	\$340.4	\$332.1
Gross Expenditures	\$1,252.8	\$997.1	\$1,016.8
Net Expenditures	\$859.3	\$656.7	\$684.7

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$206.1	\$2,133.8	\$2,339.9
Debt	\$141.0	\$1,469.4	\$1,610.4

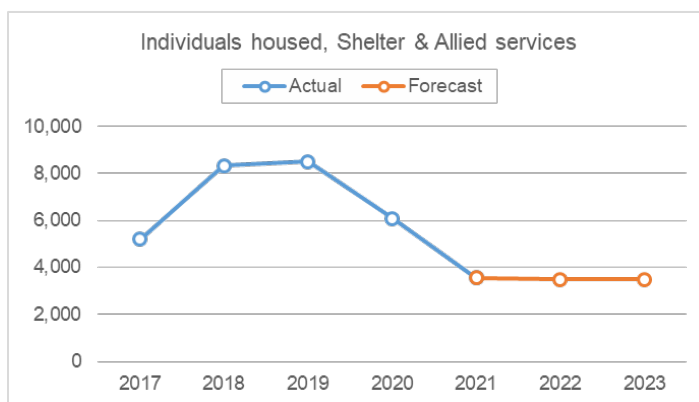
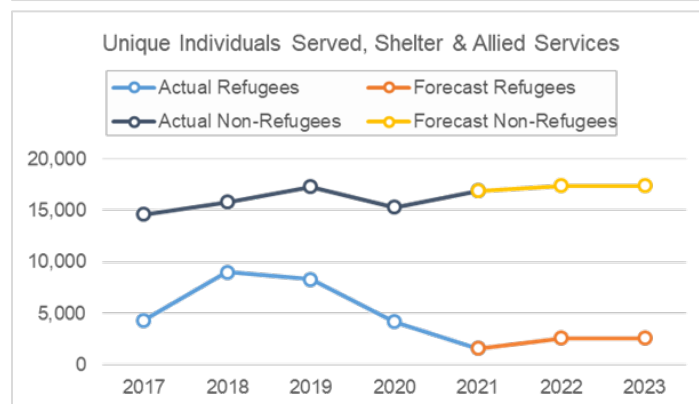
Note: Includes 2021 carry-forward funding

## How Well We Are Doing – Behind the Numbers



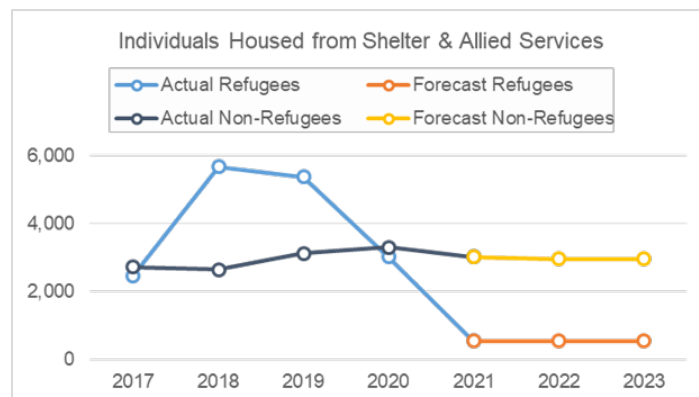
As a result of the COVID-19 pandemic, there have been significant changes in trends for overnight service use. The closure of Canada's borders has reduced new arrivals by refugee claimants dramatically. At the same time, the shelter system was significantly transformed through operation of 26 temporary shelter sites to achieve physical distancing in existing shelters and create space for people to move from encampments. Demand for homelessness services remains high.

In 2021, the continuation of the pandemic has meant trends observed in 2020 have also continued and demand for singles spaces remains very high. In Q3 2021, the number of refugees seeking shelter has started to increase compared to Q1 2021, and this pressure is anticipated to continue to grow in 2022 with the re-opening of the border.

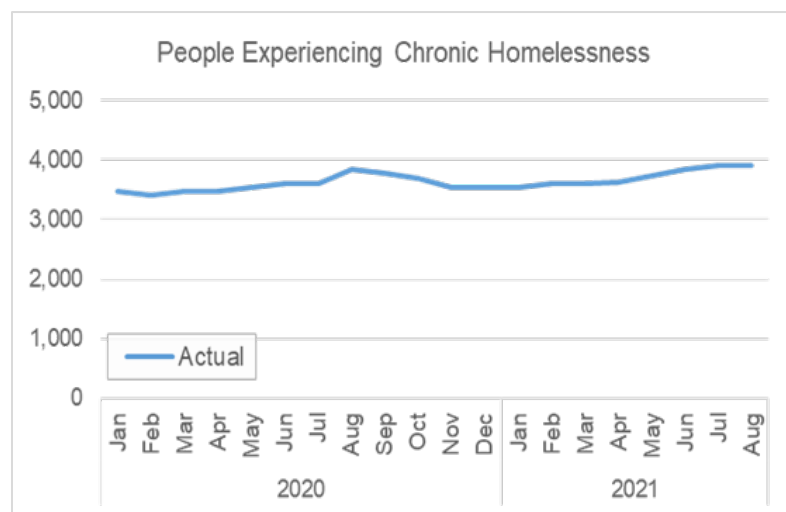


This data shows the number of people recorded as discharged to housing from a shelter program. SSHA continues to make enhancements to its data systems to improve the comprehensiveness of this data going forward.

While the total number of people housed from shelter and allied services has decreased over the last two years, this primarily reflects the reduced number of total people using shelter because of a decrease in the number of families with larger household size. The proportion of non-refugees housed has remained relatively consistent, despite an increasingly challenging housing market, due to implementation of programs and housing benefits to assist people to find housing.

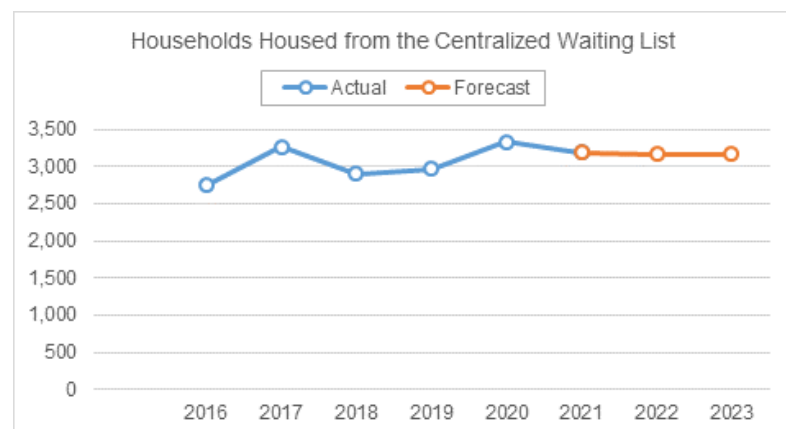


## How Well We Are Doing – Behind the Numbers

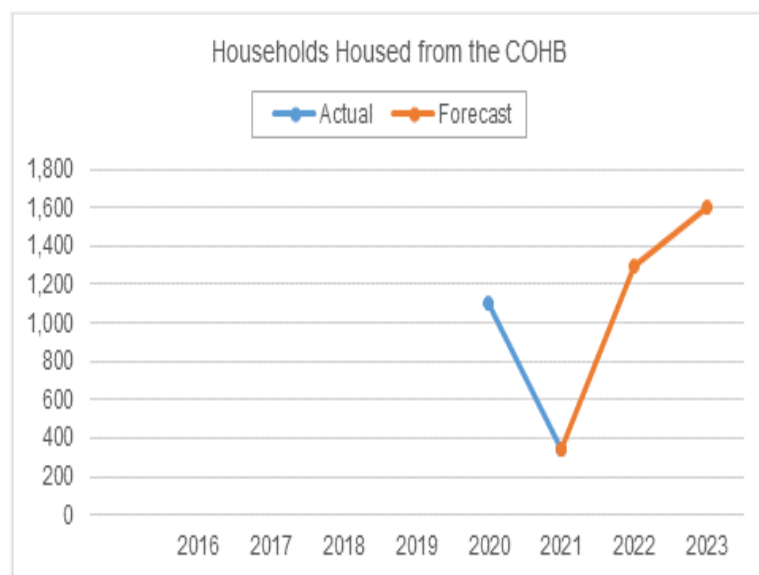


This metric, part of the City's shelter system flow data, identifies the number of people using the City of Toronto shelter system each month who meet the federal government definition of chronic homelessness.

Since the beginning of 2020, the number of people experiencing chronic homelessness in Toronto's shelter system has increased by approximately 500 people. This is because, despite targeted efforts to support chronically homeless individuals to move to housing, the number of people passing the threshold to become chronically homeless each month typically outpaces the number of people who exit chronic homelessness for housing, demonstrating the need for increased affordable housing with support opportunities to reverse this trend.



This measure includes households who have been housed from the Centralized Waiting List (CWL) for Rent-Geared-to-Income (RGI) housing. CWL housing offers have increased from 2020 and are aligned with pre-pandemic housing outcomes. The introduction of the Choice-Based Housing offer process as well as the Single Offer Rule legislation will be monitored for any significant impacts on overall housing outcomes in 2022 and 2023.



This measure includes households who have obtained a Canada-Ontario Housing Benefit (COHB), a housing benefit to help people to exit homelessness and improve housing stability. The introduction of the COHB in 2020 allowed for 1,100 additional households to be housed from the Centralized Waiting List (CWL). COHB funding made available in 2021 assisted a total of 300 households. Based on confirmed funding in 2022 and anticipated funding in 2023, the number of households housed by COHB will increase to 1300 and 1600 respectively.

## How Well We Are Doing - Population Outputs

Service	Measure	2019	2020	2021	2021	2022	2023
		Actual	Actual	Projection	Projected Actuals	Projection	Projection
Homelessness and Housing First Solutions	Unique individuals served with overnight shelter and/or allied services	25,596	19,508	24,000*	18,500	20,000	20,000
Homelessness and Housing First Solutions	Individuals housed from overnight shelter and allied services	8,500	6,094	7,500*	3,560	3,500	3,500
Social Housing System Management	Households housed from the Centralized Waiting List	2,966	3,328	2,500	2,900	2,750	2,750
Social Housing System Management	Households housed with a Housing Allowance	1,291	1,555	1,440	688	1,528	420

Notes:

\*2021 target was set anticipating potential end to border restrictions and reduced pandemic impact

## How Well We Are Doing - Homelessness Outputs

Service	Measure	2019	2020	2021	2021	2022	2023
		Actual	Actual	Projection	Projected Actuals	Projection	Projection
Homeless & Housing First	# of Shelter Beds - DOS	1,787	1,667	1,397	1,376	1,441	1,441
Homeless & Housing First	# of Beds - POS	3,111	3,192	3,169	1,502	2,009	3,168
Homeless & Housing First	Shelter Expansion Initiative - # of Beds	300	30	200	239	-	-
Homeless & Housing First	Refugee Claimant Response - # Beds	2,487	1,782	2,036	588	2,036	2,036
Homeless & Housing First	Winter Respite Services - # of Spaces Provided	640	293	350	213	213	213
Homeless & Housing First	Street Outreach -# Street Outreach clients offered Assistance	1,400	1,829	1,300	1,900	1,500	1,500
Homeless & Housing First	Housing Follow up - # Clients (Streets to Homes Only)	150	150	150	150	170	170
Homeless & Housing First	SHARC Program - # of Beds	334	131	330	85	100	100
Homeless & Housing First	COVID-19 Response - # of Beds	-	2,610	3,000	2,685	3,000	-

## How Well We Are Doing- Social Housing Outputs

Service	Measure	2019	2020	2021	2021	2022	2023
		Actual	Actual	Projection	Projected Actuals	Projection	Projection
Social Housing System Management	Co-op Housing Subsidy- # of Units	7,296	7,296	7,296	7,296	7,296	7,296
Social Housing System Management	Non-Profit Housing Subsidy- # of Units	14,332	13,733	15,001	18,321**	18,933	19,282
Social Housing System Management	Municipal Corporation Housing Subsidy (TCHC) - # of Units	59,291	52,320	53,000	53,000*	53,000*	53,000*
Social Housing System Management	Centralized Waiting List - # of Households	106,654	81,664***	78,713	78,177	78,177	78,177
Social Housing System Management	Rent Supplements - Private Landlords - # of Units	2,448	2,550	2,675	2,711	2,758	3,244
Social Housing System Management	Rent Supplements - Non-Profit Housing - # of Units	961	925	925	929	929	929
Social Housing System Management	Supportive Housing # of Units Provided			1,248	600	2,000	2,000

### Notes:

\*Dependent on Toronto Community Housing Corporation Vacancy Report 2021

\*\* This includes RGI and all Rent Supplement (RS) units (including RS funded from other sources)

\*\*\* Major waiting list review to confirm active applicants done in response to Audit Recommendations and in preparation for technology upgrade



## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- The 2022 gross COVID budget is \$288.34 million which includes both operating costs to support COVID response and wind-down expenses. The ongoing COVID-19 response has an impact on SSHA operations through increased shelter locations to comply with distancing requirements, staffing, and enhanced supports, as well as enhanced infection prevention and control at core shelter programs. The unpredictable nature of the ongoing health and safety needs requires flexibility in resourcing and operational response.
- 2022 COVID-19 related revenues (inter-governmental funding) is included in the City's overall budget and reported corporately with all other COVID-19 related revenues.

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#### Service Level Changes

- There are 26 temporary physical distancing sites, and an additional program outside of SSHA's base shelter system, amounting to up to 3,000 temporary beds secured for physical distancing, isolation and recovery which will continue to operate for part of 2022. This includes enhanced services for mental health, counselling, community safety and security.
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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- SSHA has continued to strengthen its partnerships with Indigenous organizations in the housing and homelessness sector as well as implementing the commitments and actions in the "Meeting in the Middle" Strategy. Advancing reconciliation is the first implementation priority in SSHA's three-year Homelessness Solutions Service Plan.
- SSHA has a continued commitment to advancing Confronting Anti-Black Racism through client-facing and internal initiatives.
- In 2021, SSHA moved over 3,500 people experiencing homelessness from the shelter system into permanent housing. All shelters in Toronto adopt a Housing First model, with a priority to assist clients to secure permanent housing and provide support to help with the transition.
- SSHA has implemented a comprehensive response to COVID-19 to serve people experiencing homelessness, which focused on infection prevention, recovery and housing strategies.
- In 2021, SSHA initiated development of a COVID-19 Shelter Transition and Relocation Plan that considers site-specific needs and focuses on providing supports for service users to transition them to housing, where possible, or other appropriate shelter locations.
- SSHA has a continued focus on permanent housing solutions, which was not only maintained throughout the pandemic response, but also increased to ensure people who are at high risk from COVID-19-related harms were able to access permanent housing as quickly as possible.
- The City worked effectively with healthcare partners to support vaccine uptake in the shelter system. As of December 3, 2021, 71% of people staying in the City's shelter system received at least one dose of the COVID-19 vaccine, and 61% received their second dose.
- As part of an Integrated Prevention and Harm Reduction initiative (iPHARE), SSHA, along with community partners, implemented a range of harm reduction measures in all shelter locations to save lives and reduce the risks of overdoses.
- As part of the larger COVID-19 response, SSHA provided enhanced services for mental health, counselling, harm reduction, primary care services, community safety, and security for shelter clients across the system.

### Key Challenges and Risks

- The COVID-19 emergency response requires continued funding commitments in 2022 from the federal and provincial governments. The forecasted COVID-19 budget for 2022 is \$288.34 million.
- SSHA's refugee claimant program continues to be unfunded from both orders of government. It is estimated that \$61 million is required to sustain the provision of shelter beds for refugee claimants for 2022. With the border re-opening, SSHA anticipates increased number of refugee arrivals which may result in an increase in shelter demand. Urgent leadership from the federal and provincial governments is required. Without continued federal funding support, SSHA would be required to reduce programming for this vulnerable population or rely on limited reserve funding to temporarily continue operating the program.
- The Housing Secretariat is projecting 2,000 supportive housing units will be developed and operational by the end of 2022. The operating costs for these units are forecasted at \$27.6 million in 2022, and remain unfunded by the Province. The full annualized costs of operating 2,000 units is forecasted at \$48 million per year beginning in 2023.
- SSHA continues to be challenged with extremely high demand for emergency shelter services, with a significant number of people becoming homeless each month (non-refugees), and not enough additional affordable and supportive housing opportunities to keep pace with demand. This has resulted in increasing length of homeless and increasing number of people experiencing chronic homelessness. A major contributing factor is the proportionality of housing outcomes that come from refugee clientele, which was significantly reduced during border closures.
- Toronto has seen a substantial increase in non-fatal and fatal opioid overdoses within the overall community, as well as within the shelter system, throughout the COVID-19 pandemic.

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### Priority Actions

- Continue to implement the recommendations of the Meeting in the Middle Engagement Strategy and Action Plan to meaningfully address Indigenous homelessness, including an Indigenous funding stream with a 20% allocation of grant program funding.
- Deliver on commitments under the City's Confronting Anti-Black Racism Action Plan, including applying an Anti-Black racism analysis to program and service delivery, including Toronto's Shelter Standards
- Develop and implement SSHA's 2022 Transition and Relocation plan for COVID-19 temporary response based on availability of temporary sites, shelter demand, access to affordable and supportive housing, and public health guidance.
- Invest in staff and sector capacity through strengthened workforce development approaches and review of the shelter funding model to address disparities between City operated and community providers.
- Increase and enhance outreach services to meet the unique needs of people sleeping outdoors, based on a human-rights approach, meaningful engagement and choice.
- Regularly update the Toronto Shelter Standards and Toronto 24-Hour Respite Site Standards to strengthen health and safety provisions with a focus on equity and inclusion.
- Enhance housing-focussed service delivery, including assessing levels of housing case management supports across the system and an implementation approach to standardized service levels consistent with the New Shelter Service Model approved by Council.
- Implement common assessment and prioritization approaches to expand the Priority Access to Housing and Supports (PATHS) process to match people experiencing chronic homelessness to new housing with support opportunities.
- Develop reporting tools that enable efficient tracking of key indicators on homelessness at both a system and program level.
- Deepen collaboration and coordination with health partners to expand access to health, mental health and harm reduction supports.
- Develop a Capital Strategy for shelters to ensure state of good repair and implement the Best Practice Shelter Design Guidelines.

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### Other Considerations

- SSHA is working closely with the Housing Secretariat to effectively transition housing functions to the Housing Secretariat and develop joint governance, policies and processes.
  - SSHA will work with the Housing Secretariat to ensure that the City is positioned to successfully deliver the HousingTO plan, including using a Coordinated Access approach to assist people to quickly exit homelessness and be matched to affordable housing with support opportunities.
  - SSHA will continue to support the establishment of the Toronto Seniors Housing Corporation.
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## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Homeless and Housing First Solutions	362,797.2	255,782.1	200,610.9	220,880.2	10,002.0	230,882.2	30,271.2	15.1%
Social Housing System Management	196,625.4	153,749.8	147,602.9	160,948.6	1,627.8	162,576.4	14,973.6	10.1%
<b>Total Revenues</b>	<b>559,422.6</b>	<b>409,531.9</b>	<b>348,213.8</b>	<b>381,828.8</b>	<b>11,629.8</b>	<b>393,458.6</b>	<b>45,244.8</b>	<b>13.0%</b>
<b>Expenditures</b>								
Homeless and Housing First Solutions	522,214.3	663,124.1	635,740.5	680,586.7	9,309.2	689,895.9	54,155.4	8.5%
Social Housing System Management	544,371.6	523,546.2	513,523.7	560,536.9	2,320.6	562,857.5	49,333.9	9.6%
<b>Total Gross Expenditures</b>	<b>1,066,585.9</b>	<b>1,186,670.3</b>	<b>1,149,264.1</b>	<b>1,241,123.6</b>	<b>11,629.8</b>	<b>1,252,753.4</b>	<b>103,489.3</b>	<b>9.0%</b>
<b>Net Expenditures</b>	<b>507,163.3</b>	<b>777,138.4</b>	<b>801,050.3</b>	<b>859,294.8</b>	<b>0.0</b>	<b>859,294.8</b>	<b>58,244.5</b>	<b>7.3%</b>
<b>Approved Positions**</b>	<b>968.6</b>	<b>1,120.2</b>	<b>N/A</b>	<b>1,009.4</b>	<b>117.6</b>	<b>1,127.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$1,241.123 million gross reflecting an increase of \$91.860 million in spending above 2021 projected year-end actuals (before enhancements), predominantly arising from:

- The 2022 operating costs of the Refugee Claimant program is \$60.695 million, which is greater than 2021 actuals due to expected increase in demand as a result of the re-opening of Canadian international borders. The funding included in the 2022 budget is yet to be confirmed by the federal government. Without continued federal funding support, SSHA would be required to reduce programming for this vulnerable population or rely on limited reserve funding to temporarily continue operating the program.
- Increase in operating costs of new shelter programs anticipated to be open in 2022 as well as annualized operating impacts of new shelters that commenced operations in 2021;
- Increase in operating costs of new supportive housing units, and the annualized impact of supportive housing, which commenced operations in 2021. The operating funding included in 2022 budget is yet to be confirmed by the provincial government. Without operating funding, the units will operate as affordable housing, though the lack of supports will compromise the City's ability to house households who require ongoing supports, including those who are chronically homeless.
- Increase in Social Housing subsidies due to end of federal operating agreements and legislated cost factor increases under the Housing Services Act;
- The 2022 Operating Subsidy to TCHC is \$275.268 million which reflects an increase of \$24.3 million over the 2021 Operating Subsidy;

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$859.294 million in net expenditures reflects a \$31.046 million net increase from the 2021 Council approved Budget, excluding \$288.335 million in estimated COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$11.630 million gross, \$0.000 million net will enable the addition or conversion of a total of 117.6 temporary positions from across SSHA including directly operated emergency shelters and respites, Central Intake call centre, street outreach and encampment teams, and housing stability services (Gross \$9.026 million, Net \$0.000 million), as well as Infection Prevention and Control support within Purchase of Service shelters and Respite sites (Gross \$2.604 million, Net \$0.000 million).

- These enhancements will support improved housing-focused service delivery to people experiencing homelessness, through the stabilization of the workforce across the shelter system.
- It will also enable improved administration of housing programs, enhanced outreach services to people sleeping outdoors, and support City and divisional commitments to Indigenous partners, and to confronting anti-Black racism.

## EQUITY IMPACTS OF BUDGET CHANGES

### **Supporting ongoing emergency response for people experiencing homelessness, enhancing housing-focused service delivery and stabilizing the shelter system**

SSHA's 2022 Staff Operating Budget includes \$11.63 million in new and enhanced proposals that will have a positive impact on persons experiencing homelessness or who are at risk of homelessness in Toronto. These investments will increase access to shelter and housing support services for many equity deserving groups including Indigenous and Black people, newcomers, people experiencing chronic homelessness, seniors, low-income households, persons with disabilities, youth and members of the 2SLGBTQ+ community. Changes to SSHA's Operating Budget will also convert many temporary SSHA positions to permanent, which will stabilize a workforce where the majority of staff identify as racialized. The 2022 increase supports the Toronto's HousingTO Plan, Poverty Reduction Strategy, Newcomer Strategy, Confronting Anti-Black Racism Action Plan and SafeTO Community Safety and Well-Being Plan.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Shelter, Support and Housing Administration of \$1,252.753 million gross is 9.0% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	177,460.5	301,106.0	164,124.4	174,969.4	201,361.4	26,392.0	15.1%
Federal Subsidies	183,640.9	171,344.6	234,906.3	167,273.4	183,327.7	16,054.3	9.6%
User Fees & Donations	129.4	67.3		103.8		(103.8)	(100.0%)
Transfers From Capital	60,263.8	84,417.6	8,701.5	4,935.2	7,967.8	3,032.6	61.4%
Contribution From Reserves/Reserve Funds	8,938.0	1,437.6	1,036.2	319.5	78.2	(241.3)	(75.5%)
Sundry and Other Revenues	3,456.2	931.0	725.2	601.2	675.2	74.0	12.3%
Inter-Divisional Recoveries	76.3	118.5	38.4	11.3	48.3	37.0	329.0%
<b>Total Revenues</b>	<b>433,965.0</b>	<b>559,422.6</b>	<b>409,531.9</b>	<b>348,213.8</b>	<b>393,458.6</b>	<b>45,244.8</b>	<b>13.0%</b>
Salaries and Benefits	96,154.9	114,171.4	126,465.6	122,112.6	137,797.5	15,684.9	12.8%
Materials & Supplies	6,422.5	12,592.2	51,485.4	18,427.9	19,309.3	881.4	4.8%
Equipment	577.1	1,858.9	987.8	4,148.7	854.7	(3,294.0)	(79.4%)
Service and Rent	144,640.9	260,906.5	314,621.7	325,105.9	361,636.4	36,530.5	11.2%
Contribution To Reserves/Reserve Funds	1,668.0	1,668.0	1,729.9	13,515.8	1,729.9	(11,785.9)	(87.2%)
Other Expenditures	661,069.6	670,969.0	685,797.7	660,401.6	724,967.8	64,566.2	9.8%
Inter-Divisional Charges	3,609.4	4,274.0	5,582.2	5,551.6	6,457.8	906.2	16.3%
<b>Total Gross Expenditures</b>	<b>914,142.3</b>	<b>1,066,440.0</b>	<b>1,186,670.3</b>	<b>1,149,264.1</b>	<b>1,252,753.4</b>	<b>103,489.3</b>	<b>9.0%</b>
<b>Net Expenditures</b>	<b>480,177.3</b>	<b>507,017.5</b>	<b>777,138.4</b>	<b>801,050.3</b>	<b>859,294.8</b>	<b>58,244.5</b>	<b>7.3%</b>

**Key Base Drivers:****Salaries & Benefits:**

Salaries and benefits increase is due to additions to staff complement to stabilize operations, cost of living adjustments, and filling of vacancies in 2021.

**Services and Rents:**

The increase is mainly due to opening of new shelter sites under the Housing and Shelter Infrastructure Development and George Street Revitalization Projects and annualization of costs of the sites opened during 2021, as well as expected increase in 2022 operating costs of the Refugee Claimant Program as a result of the re-opening of the Canadian border.

**Other Expenditures:**

The increase is mainly due to the expected opening of new supportive housing units in 2022, legislated cost factor increase in social housing operating subsidies, and higher costs for the Refugee/Asylum Seeker program in 2022 as US-Canada international borders re-open.

**Contributions to Reserve/Reserve Funds:**

One-time reserve contribution in 2021 to offset non-recurring costs.

**Revenue changes:**

The 2022 budget includes a request of \$60.695 million to the Government of Canada for financial assistance to sustain the Refugee Claimant program, and an operating funding commitment of \$27.600 million anticipated from the provincial government to provide supportive housing for vulnerable and marginalized individuals experiencing homelessness. Provincial and Federal funding requests to support the City's 2022 COVID-19 Response initiative is included and reported corporately.

**Table 2b: 2022 New / Enhanced**

The 2022 Operating Budget includes \$11.630 million in investments to support priority actions as detailed in the table below:

New / Enhanced Request	2022				2023 Annualized	Equity Impact	Supports Climate	AG Recs	Supports Key Challenges/Outcomes/ Priority Actions
	Revenue	Gross	Net	Positions					
In \$ Thousands									
1- IPAC Standards for Purchase of Service Shelters & Respite	2,604.0	2,604.0			2,604.0	High-positive	No	No	To support consistent application of Infection Prevention and Control Protocols, invest in staff and sector capacity at Purchase of Service shelters.
2- Shelter Ops. and Support Functions - Workforce Stabilization	2,322.4	2,322.4		21.0	2,365.0	Medium-positive	No	No	Advancing equity and stabilizing staffing for Directly Operated Shelters to enhance enhance delivery of high-quality services and consistent application of Shelter Standards, including assessing levels of housing case management supports and implementation of a standardized approach to service levels to enhance client outcomes.
3- Confronting Anti-Black Racism and Indigenous Prog Teams	289.9	289.9		3.0	349.1	High-positive	No	No	Continue to implement the recommendations of the Meeting in the Middle Engagement Strategy and Action Plan to meaningfully address Indigenous homelessness, and deliver on commitments under the City's Confronting Anti-Black Racism Action Plan, including applying an Anti-Black racism analysis to program and service delivery, including Toronto's Shelter Standards.
4- COCHI Program Delivery Team Enhancement	974.1	974.1		7.0	987.5	High-positive	No	No	Enhance housing-focussed service delivery by supporting the administration of the Canada-Ontario Community Housing Initiative (COCHI) program. The program aims to stabilize the supply of community housing through repairs, renovations, operating and rent supports to protect tenant's social housing in projects with expiring operating agreements or mortgages.
5- Street Outreach, Shelter & Respite New Shelter Service Model	402.8	402.8		9.6	116.0	High-positive	No	No	Increase and enhance outreach services to meet the unique needs of people sleeping outdoors, based on a human-rights approach, meaningful engagement and choice
6- IPAC Team for Directly Operated Shelters (DOS)	132.0	132.0		3.0	273.6	Low-positive	No	No	Invest in staff capacity to support consistent application of Infection Prevention and Control (IPAC) protocols across City shelter sites.
7- SSHA Administration	687.6	687.6		6.0	119.9	High-positive	No	No	Stabilize workforce by enhancing recruitment and retention of staff to support the administration of housing-focussed programming and enhanced service delivery within the shelter system.
8- Homelessness Prevention Workforce Stabilization	1,367.4	1,367.4		14.0	1,422.2	High-positive	No	No	Stabilization and retention of Coordinated Access team, to enable implementation of common assessment and prioritization approaches to match people experiencing chronic homelessness to housing with support opportunities, and coordinate follow up supports to help people stay housed.
9- SHARC Workforce Stabilization	485.2	485.2		5.0	508.9	High-positive	No	No	Increase and enhance outreach services to meet the unique needs of people sleeping outdoors, based on a human-rights approach, meaningful engagement and choice.
10 - Social Housing Management Transition	553.6	553.6		7.0	917.6	Medium-positive	No	No	To support the creation of a new City Housing Corporation Unit per recommendations in items EX7.1 and PH11.5 adopted by City Council at its meetings in July and December, 2019 respectively.
11- SHARC Foreperson	35.3	35.3		1.0	97.9	Low-positive	No	No	Support consistent service delivery and facility management for outreach services to meet the unique needs of people sleeping outdoors.
12- Eviction Prevention in the Community(EPIC) Program Expansion	1,055.2	1,055.2		4.0	1,071.5	High-positive	No	No	Support the expansion of the Eviction Prevention in the Community Program (EPIC) through the provision of additional resources to manage the increase in referrals, central administration requirements, system oversight and statistical analysis.
13- Central Intake Call Centre Workforce Stabilization	720.2	720.2		7.0	749.8	High-positive	No	No	Support consistent service levels at the Central Intake Call Centre for people looking to access emergency shelter services.
14 -Respite Services Team				30.0		High-positive	No	No	Support consistent service levels at City funded Respite sites for peak demand in 2022.
Total New / Enhanced	11,629.8	11,629.8		117.6	11,582.9				



**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	348,213.8	393,458.6	340,375.7	332,083.3
Gross Expenditures	1,149,264.1	1,252,753.4	997,134.1	1,016,811.0
<b>Net Expenditures</b>	<b>801,050.3</b>	<b>859,294.8</b>	<b>656,758.4</b>	<b>684,727.7</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>1,127.0</b>	<b>1,030.4</b>	<b>1,023.4</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$997.134 million reflects an anticipated \$255.619 million or 20.40 percent decrease in gross expenditures compared to the 2022 Operating Budget; The 2024 Outlook expects an increase of \$19.677 million or 1.97 percent above 2023 gross expenditures.

These changes arise from the following:

- Reversal of COVID-19 response expenses of \$288.335 million. (2023 only, conditional on the removal of current public health guidelines);
- Annualization impacts of 2,000 supportive housing units planned in 2022 under the Supportive Housing program. (2023 only);
- Higher costs of Purchase of Service shelter enhancements. (2023 and 2024);
- Decrease in 100% funded social housing programs. (2023 only);
- Inflationary increases in salaries & benefits. (2023 and 2024);
- Cost factor adjustments in social housing subsidy payments. (2023 & 2024).

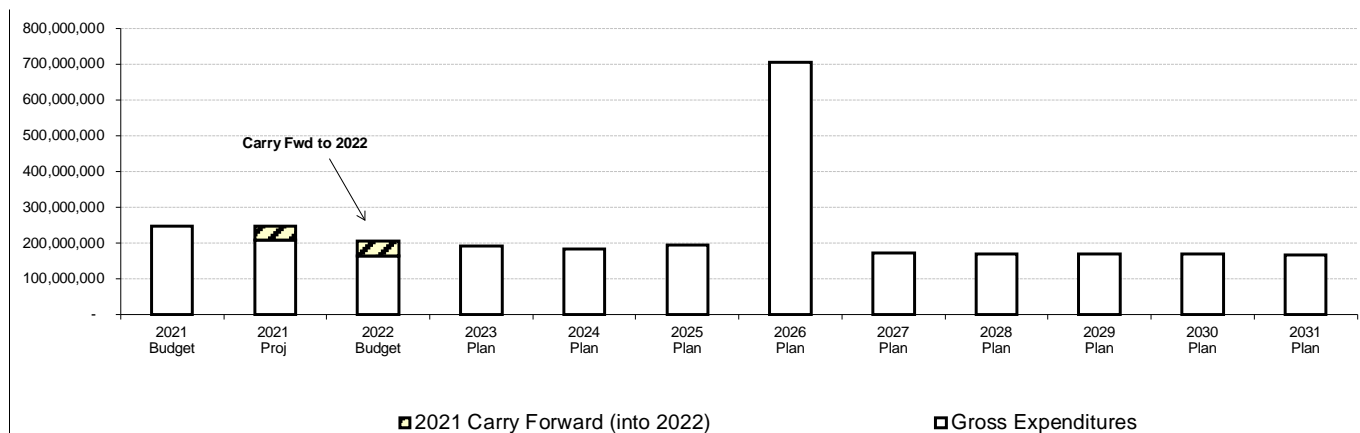
**Revenue Changes**

- Reversal of one-time provincial funding for the Supportive Housing Program. (2023 only)
- The City has requested funding of \$48.000 million from the provincial government to sustain the operating requirements for Supportive Housing program in 2023 and 2024, respectively.
- Decrease in federal and provincial funding for legacy 100% funded social housing programs resulting from the expiry of social housing operating agreements and mortgages. (2023 and 2024).
- Reversal of one-time funding used to offset pressures from new positions added in 2022 to support improved housing-focused service delivery to people experiencing homelessness, through the stabilization of the workforce across the shelter system. (2023 only).

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



			2022 Capital Budget and 2023 - 2031 Capital Plan										
In \$000's	2021		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Year Plan
	Budget	Projected Actual											
Gross Expenditures by Project Category:													
Health & Safety & Legislated	1,579	1,579	3,365	2,428	2,560	4,638							12,991
SOGR **	175,593	168,900	168,856	164,575	163,769	170,331	172,385	171,705	171,092	170,817	170,555	168,352	1,692,437
Service Improvement & Growth	71,800	37,190	33,847	26,207	18,664	21,540	533,658	516					634,432
Total by Project Category	248,973	207,669	206,068	193,210	184,993	196,509	706,043	172,221	171,092	170,817	170,555	168,352	2,339,860
Financing:													
Debt	235,315	198,695	141,029	22,490	11,298	36,509	546,043	172,221	171,092	170,817	170,555	168,352	1,610,405
City Buidling Fund													
Reserves/Reserve Funds	3,840	2,611	1,229										1,229
Development Charges			9,456	10,721	13,695								33,871
Provincial	3,259	2,638	621										621
Federal	6,209	3,725	2,484										2,484
Debt Recoverable	100		51,000	160,000	160,000	160,000	160,000						691,000
Other Revenue	250		250										250
Total Financing	248,973	207,669	206,068	193,210	184,993	196,509	706,043	172,221	171,092	170,817	170,555	168,352	2,339,860
** includes TCHC SOGR and SHAIP Projects	161,707	161,707	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	1,600,000

\*\* includes TCHC SOGR and SHAIP Projects 161,707 161,707 160,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 160,000 1,600,000

### Changes to Existing Projects (\$146.6 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$93.1 million in 2030-31 - George Street Revitalization - footprint redesign to maximize capacity, new cost inflation compared to original estimates done in 2016 and to meet TIER-4 net zero carbon emission requirements
- \$50.0 million in 2023-2031 – State of Good Repair to assist in stabilizing the shelter system's long-term infrastructure
- \$3.5 million in 2022 - Choice Based Housing Access system scope expansion for enhanced provider oversight

### New Projects (\$169.5 Million)

New additions to the 2022-2031 Capital Budget and Plan includes the following:

























- \$160.0 million in 2031 – State of Good Repair funding for TCHC
- \$7.5 million in 2022 - HVAC Upgrades (Sites # 14)
- \$2.0 million in funding to support future redevelopment work at Strachan House, Women's Residence and Eva's Satellite.

### Capital Needs Constraints (\$602.7 Million)

SSHA has identified Capital Needs Constraints for eight projects over the 10-year planning horizon. Key requirements are as follows:

- \$211.3 million for TCHC in-flight development projects
- \$264.4 million for TCHC not-in-flight projects
- \$68.0 million to acquire four interim and vacant land spaces.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$2,339.9 Million 10-Year Gross Capital Program**

				
<b>Ageing Infrastructure</b>	<b>New Shelters/Housing</b>	<b>Information Technology</b>	<b>Modernization</b>	<b>Health &amp; Safety</b>
\$1,692.5 M 72.33%	\$625.9 M 26.75%	\$5.0 M 0.21%	\$3.5 M 0.15%	\$13.0 M 0.56%
SSHA-State of Good Repair   COVID-19 Resilience Response Infrastructure  Women's Residence   TCHC-State of Good Repair  	George Street Revitalization   Housing and Shelter Infrastructure Development   Strachan House Redevelopment  Eva's Satellite  	Choice Based Housing Access  Central Intake Call Centre	Office Modernization 	AODA  HVAC Upgrades (Sites # 14)  

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

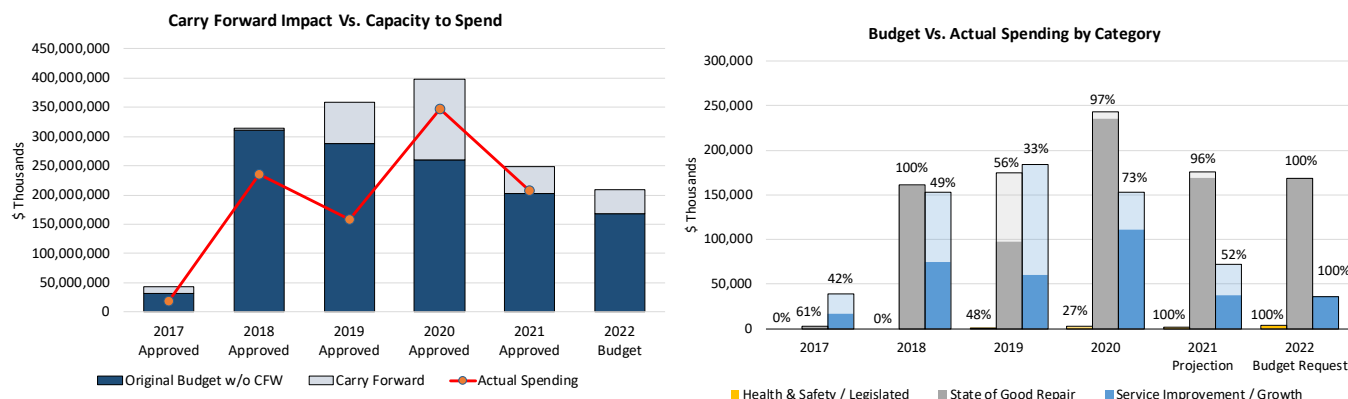
<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$2,336.8 M 99.87%</b>		<b>\$0.6 M 0.03%</b>		<b>\$2.5 M 0.11%</b>	
Debt	\$ 1,610.4 M	Provincial Grants	\$ 0.6 M	Federal Grants	\$ 2.5 M
Reserve Draws	\$ 1.2 M				
Development Charges	\$ 33.9 M				
Debt Recoverable	\$ 691.0 M				
Other	\$ 0.3 M				

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Shelter, Support and Housing Administration's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

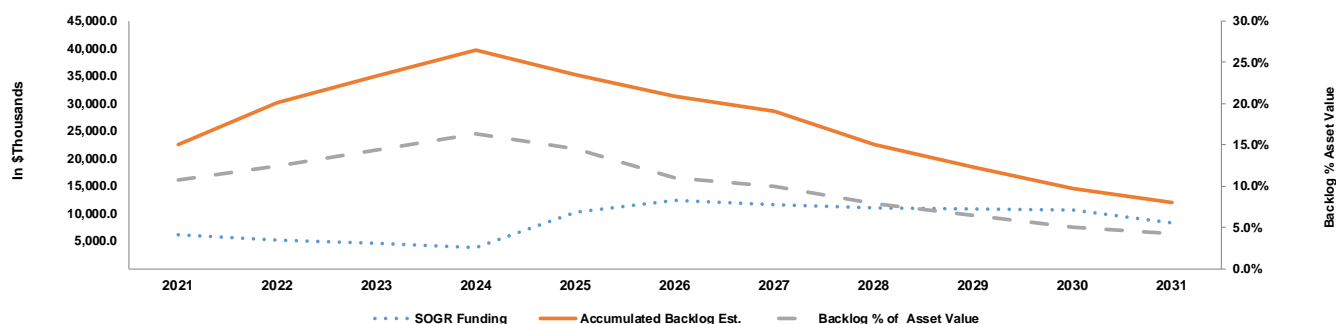
Based on the review of historical capital spending constraints and a capacity to spend review, project cash flows have been aligned with planned project activities in 2022 and future years of the plan. The 2022 Capital Budget of \$206.1 million (including carrying forward funding of \$40.9 million) is \$66.4 million or 24% lower than the historical five-year average capital budget of \$272.5 million.

Based on the above review, the following adjustments to the Capital Plan have been made:

- Housing and Shelter Infrastructure Development – cashflows of \$10.721 million deferred to 2023 and \$13.695 million deferred to 2024; these cashflows were originally planned between 2021 and 2022.
- George Street Revitalization – cashflows of \$2.430 million deferred from 2022 to 2023.
- SSHA's State of Good Repair – cashflows of \$2.000 million deferred from 2022 to 2023. Further, additional recommend budget of \$48.000 million has been cash flowed in the later years from 2025 through 2031.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Shelter, Support and Housing Administration.

**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	6,125.7	5,251.3	4,575.0	3,769.0	10,331.0	12,385.0	11,705.0	11,092.0	10,817.0	10,555.0	8,352.0
Accumulated Backlog Est.	22,505.1	30,189.4	34,990.7	39,660.3	35,194.6	31,341.7	28,577.7	22,525.7	18,369.5	14,481.2	12,000.1
Backlog % of Asset Value	10.7%	12.5%	14.4%	16.4%	14.5%	11.0%	10.0%	7.9%	6.4%	5.1%	4.2%
Total Asset Value	210,172.0	242,308.4	242,308.4	242,308.4	242,308.4	285,814.2	285,814.2	285,814.2	285,814.2	285,814.2	285,814.2

- Additional investment of \$50.000 million will reduce SSHA's accumulated SOGR backlog as a percentage of asset value from 12.5% to 4.2% by 2031. The added funding will help avoid the potential loss of beds in a shelter system already at capacity. As well, in collaboration with CREM, all planned projects will ensure legislative compliance in areas such as accessibility and fire safety.
- State of Good Repair (SOGR) projects worth \$5.251 million reflect immediate work required that is achievable in 2022. Projects at Peter St., Bathurst St., Dundas St., and Sheppard Ave. are being accelerated through the design stage to expedite construction wherever feasible. This work will assist in stabilizing the shelter system's long-term infrastructure.
- During 2022 and 2023, SSHA will complete up-to-date Building Condition Assessments (BCAs) for the entire shelter system to ensure that all SOGR requirements and other required initiatives are captured within the next eight years' budget forecast.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact the 2022 Operating Budget by a total of \$3.564 million net. This includes the operation of George Street Revitalization-Transition sites, Housing and Shelter Infrastructure Development sites, Choice Based Housing Access System and the Central Intake Call Centre, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
George Street Revitalization	1,441.2	2.0	14.2		9.0						1,464.4	2.0		
Housing and Shelter Infrastructure Development	2,122.4										2,122.4			
Choice Based Housing Access System		12.2										12.2		
Central Intake Call Center		2.0										2.0		
<b>Sub-Total: Previously Approved</b>	<b>3,563.6</b>	<b>16.2</b>	<b>14.2</b>		<b>9.0</b>						<b>3,586.8</b>	<b>16.2</b>		
<b>Total (Net)</b>	<b>3,563.6</b>	<b>16.2</b>	<b>14.2</b>		<b>9.0</b>						<b>3,586.8</b>	<b>16.2</b>		

- **George Street Revitalization:** Staffing requirement for one new site opening in early 2022 and per diem costs for clients relocated from Seaton House to Purchase of Service shelter providers.
- **Housing and Shelter Infrastructure Development:** Annualized operating costs for one new site opening at the end of 2021.
- **Choice Based Housing Access System:** Staffing costs to support the delivery of the system, gross \$1.477 million, funded from Social Housing Stabilization Reserve and Development Charges for a net-zero impact.
- **Central Intake Call Centre:** Staffing costs to support project delivery as well as software costs gross \$0.343 million, funded from Social Housing Stabilization Reserve for a net-zero impact.

# 2022 Program Summary

## Social Development, Finance and Administration

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Social Development, Finance and Administration Division (SDFA) drives transformative change to achieve stronger, safer, and more resilient communities and neighbourhoods in Toronto.

SDFA leads the City of Toronto's equity and inclusion, poverty reduction, and community safety strategies. Some of our work includes:

- Providing corporate leadership for the Deputy City Manager and Community and Social Services.
- Conducting social research in partnership with community stakeholders.
- Managing the financial subsidy of \$2 billion from the federal and provincial orders of government for community and social services that are cost-shared.

### Why We Do It

- To fulfill the City of Toronto's goal of being proactively committed to inclusivity.
- To support Indigenous, Black, and equity-deserving communities to receive equitable and responsive access to all City services and facilities.
- To ensure the Community and Social Services Divisions receive timely, reliable, strategic, and transactional financial support that meets their service delivery needs, corporate requirements, and the provincial and federal government guidelines.

*The City of Toronto aims to provide excellent, equitable, and efficient customer service. The City also works to help improve the lives of residents, earn their trust and confidence.*

## What Service We Provide

### **Community & Neighbourhood Development**

#### **Who We Serve:**

- Indigenous, Black, and equity-deserving communities and residents
- Under-resourced neighbourhoods, with a focus on 31 Neighborhood Improvement Areas
- Mayor and City Council
- City Divisions, agencies, boards, and corporations
- Institutional partners (e.g., education/justice/health care)

#### **What We Deliver:**

- Programs and policies promoting safety, well-being, and inclusion of Indigenous, Black, and equity-deserving communities and residents
- Partnerships with community-based organizations advancing youth development, supporting equity-deserving groups to access services, and providing resources and capacity building opportunities for all neighbourhoods, with a focus on 31 Neighbourhood Improvement Areas

**How Much Resources (gross 2022 operating budget): \$36.2 million**

### **Social Policy and Planning**

#### **Who We Serve:**

- Indigenous, Black and equity-deserving communities and residents
- Under-resourced neighbourhoods
- City Manager, Deputy City Managers
- Mayor and City Council
- City Divisions, agencies, boards, and corporations
- Institutional partners (e.g., education/justice/health care)

#### **What We Deliver:**

- City-wide policies, strategies, and action plans on equity, poverty reduction, and anti-racism that work to advance inclusive economic and social development
- Partnerships with community-based organizations
- Geographic Information System Mapping, research, and performance management

**How Much Resources (gross 2022 operating budget): \$15.5 million**

### **Community Partnership Investment Program**

#### **Who We Serve:**

- Indigenous, Black, and equity-deserving communities and residents
- Under-resourced neighbourhoods
- Community non-profit organizations

#### **What We Deliver:**

- Funding for community non-profit organizations and resident-led initiatives
- Partnership development with funders and support for Black-led and Indigenous-led organizations

**How Much Resources (gross 2022 operating budget): \$25.0 million**



## **Human Services Integration**

### **Who We Serve:**

- Low-income residents, Indigenous, Black, and equity-deserving communities and residents
- Under-resourced neighbourhoods

### **What We Deliver:**

- Improved access to provincial and City of Toronto financial supports such as Ontario Works, child care fee subsidies, Rent Geared to Income (RGI), recreation subsidies, hardship funds for medical-related items, energy costs, and funerals

**How Much Resources (gross 2022 operating budget): \$8.8 million**

## **Budget at a Glance**

### **2022 OPERATING BUDGET**

<b>\$Billion</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Revenues	\$ 13.7	\$ 13.4	\$ 12.0
Gross Expenditures	\$ 93.3	\$ 96.6	\$ 95.5
Net Expenditures	\$ 79.6	\$ 83.2	\$ 83.5
Approved Positions	302.0	309.0	311.0

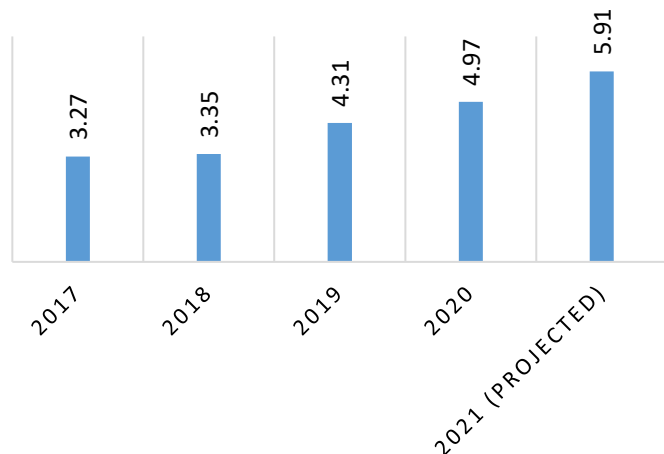
### **2022 - 2031 10-YEAR CAPITAL PLAN**

<b>\$Billion</b>	<b>2022</b>	<b>2023-2031</b>	<b>Total</b>
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SDFA does not have a capital program

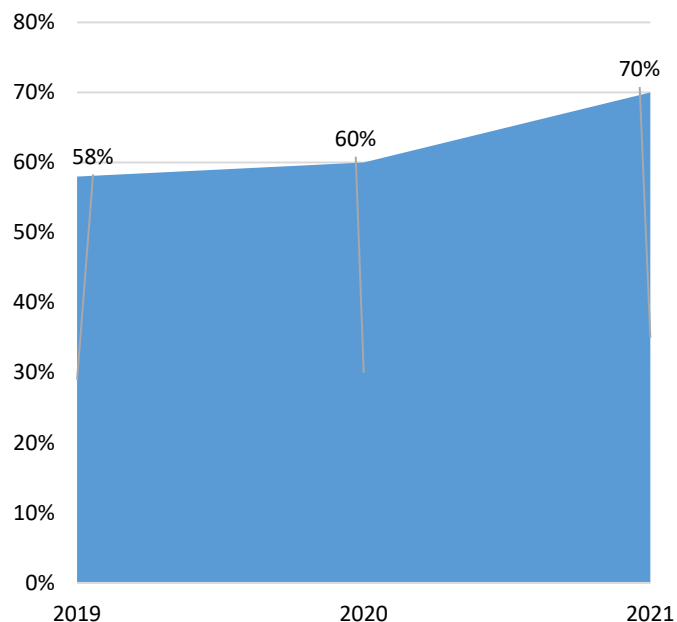
## How Well We Are Doing – Behind the Numbers

CCRP RESPONSE ACTIVITIES PER CRITICAL INCIDENT



- The Community Crisis Response Program (CCRP) continues to provide crisis intervention activities in response to critical incidents, such as shootings, firearm discharges, and stabbings.
- Despite a decrease in the projected number of critical incidents in 2021 compared to 2020, the CCRP team has provided more intensive support for each incident and supported communities/vulnerable populations with a more diversified range of intervention activities. For example, the team coordinated community responses, activated safety networks, and provided referrals to the appropriate service providers.







CONFRONTING ANTI-BLACK RACISM TRAINING IMPACT (Level of Satisfaction)



- The Confronting Anti-Black Racism (CABR) Unit continues to provide education on issues of anti-Black racism through training provided to City Divisions, agencies, boards, and commissions.
- This training program aims to increase awareness of equity issues and how Anti-Black racism negatively impacts the life outcomes of Black Torontonians.
- 74% of participants in the Anti-Black Racism training reported they are more competent in understanding and applying the Anti-Black Racism Analysis tool. The CABR unit conducted 175 training sessions in 2020 and 283 in 2021.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Community & Neighbourhood Development	% of participants in Community Crisis Response Program engagement activities that feel better prepared and more knowledgeable to respond to community safety incidents	78%	85%	90%	90%	●	90%	90%
Community & Neighbourhood Development	% of all Acutely Elevated Risk (AER) Situations de-escalated by FOCUS Toronto	74%	81%	78%	78%	●	78%	78%
Human Services Integration	% of client callers who reported satisfaction with the service they received	98%	No data available	100%	80%	●	98%	98%
Community & Neighbourhood Development	% of participants in confronting Anti-Black racism training who reported the training was impactful and informative	58%	60%	70%	79%	●	80%	85%
Community & Neighbourhood Development	# of youth hired through core programs	1,210	469	800	850	●	1,200	1,200
Social Policy and Planning	Average Annual Savings (\$) per active Fair Pass discount program client	\$122.24	\$99.79	\$124.84	\$109	●	\$124.84	\$124.84
Service Level Measures (How much we do)								
Social Policy and Planning	# of newcomer services referrals made to City programs and services	5,081	791	1,000	800	●	5,000	5,000
Social Policy and Planning	# of Fair Pass transit discount program rides	6,518,180	4,041,420	10,000,000	4,847,700	●	10,000,000	10,000,000

Social Policy and Planning	% of total eligible population using the Fair Pass discount program	26%	22%	30%	16%		18%	30%
Human Services Integration	# of calls answered through the Human Services Integration (HSI) call centre	329,860	No data available	300,000	338,700		320,000	320,000
Community Partnership Investment Program*	Total grants (\$) allocated to Indigenous-led organizations	\$539,070	\$2,458,353*	\$2,398,848*	\$2,469,518		\$1,664,342	\$1,836,518
Community Partnership Investment Program*	Total grants (\$) allocated to Black-mandated organizations	\$4,878,428	\$9,019,424	\$8,145,450	\$8,312,150		\$6,277,612	\$6,346,793
Community & Neighbourhood Development	# of Community Crisis Response Program (CCRP) intervention responses to critical violent incidents in communities	3,428	3,502	3,250	3,570		4,760	6,006
Community & Neighbourhood Development	# of Acutely Elevated Risk situations intervened by FOCUS Toronto	478	652	800	930		930	930
<p>*Total program funding allocated  2019=\$21,910,000  2020=\$33,928,207  2021=\$24,200,519</p> <p>**Increase based on one-time COVID support funding available through other orders of government</p>								

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- In 2022, SDFA will restart local engagement in Neighbourhood Improvement Areas to identify actions for a post-COVID recovery and rebuild as part of the Community Coordination Plan.

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**Service Level Changes**

- Management will closely monitor and review potential COVID impacts and shifting community needs on an ongoing basis to maintain services.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

#### Community Immunization Engagement and Mobilization Plan:

- Since April 2021, Vaccine Engagement Teams have engaged over 800,000 community members. This engagement includes:
  - Older adults who are isolated
  - People experiencing homelessness
  - People living with disabilities
  - People experiencing mental health trauma
  - Newcomer populations
  - Indigenous, Black, and South Asian individuals
  - Other racialized communities that have historically experienced systemic oppression and exploitation by government and medical institutions

#### Community Crisis Response Program (CCRP):

- Since April 2021, 662 individuals have accessed services through the Community Violence, Wellness, and Recovery Pilot. This pilot is a partnership between Community Crisis Response Program (CCRP) and seven community agencies. The aim is to help residents recover from the impact of community violence by facilitating timely access to supports, such as culturally appropriate and trauma-informed counselling.

#### Police Reform:

- From January 3<sup>rd</sup>, 2021 to November 20<sup>th</sup>, 2021 (the latest reporting date), 122,021 people received direct mental health supports from agencies aided by funding through the City's Mental Health Support Strategy. In February 2021, City Council adopted the Community Crisis Support Service (CCSS) pilots. Since then, City staff prepared elements of the CCSS pilots to ensure a successful launch in 2022.

#### SafeTO: Toronto's Community Safety and Well-Being Plan:

- SDFA led a multi-sectoral collaboration with partners, including Toronto Police Services, Toronto Community Housing Corporation, Toronto Transit Commission, Toronto District School Board, and Toronto Catholic District School Board, supported by United Way Greater Toronto, to address community violence through enhanced coordination and communication. This effective pilot successfully supported a collective mitigation of risks through violence prevention and intervention that will be continued with the introduction of SafeTO: Toronto's Community Safety and Wellbeing Plan adopted by City Council in July 2021.

#### Community Partnership Investment Program:

- In 2021, the Community Partnership Investment Program allocated a total of \$17.268 million to community agencies. This program allocated \$3.442 million of the total funds to Black-mandated (\$3 million) and Indigenous-led organizations (\$0.442 million).

#### Community Coordination Plan (CCP):

- In 2021, the Community Development Unit successfully supported 400 non-profit partners through the Community Coordination Plan (CCP) as part of the City's emergency response to COVID-19 to continue to effectively serve residents. This emergency response included provisions of clothing, food, technology, and PPE donations. Moreover, SDFA provided \$5.5 million in Vaccine Engagement Teams Grant supports, and \$8 million in Equity Action Plan supports.

#### Human Services Integration:

- In 2021, Human Services Integration (HSI) provided access, services and support to residents in one or more of the City's income support programs. HSI answered 100,000 calls, prepared 40,000 Fair Pass renewals, and processed 6,000 child care fee subsidy web-applications through the Application and Support Centre.

**Toronto Newcomer Office:**

- As of December 13, 2021, 1600 Afghan refugees have come to Toronto. The Toronto Newcomer Office launched a comprehensive response, mobilizing resources, and coordinating community and government services and supports within days of the federal government's announcement of their plan to resettle tens of thousands of Afghan refugees to Canada.

**Youth Outcomes Framework:**

- The Social Policy team led a cross-corporate initiative to develop and launch the City's first Youth Outcomes Framework to improve program design, delivery, monitoring, and evaluation. The goal is to support programs focused on positive youth development and violence prevention.

**Community Benefits Framework:**

- In 2021, SDFA launched a three-year Community Benefits Framework plan and established the Community Benefits Advisory Group with 33 stakeholder groups across sectors who are collaborating with the City to maximize the use of City levers to advance inclusive economic development.

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**Key Challenges and Risks**

- The City's dependence on other orders of government to fund infrastructure and services that support the mental health and community safety needs of residents.
- Community organizations are unable to adequately recover from the impacts of the COVID-19 pandemic, impacting their ability to effectively partner with the City and work independently to deliver community and social services.

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**Priority Actions**

- **Support community safety and well-being:** SafeTO, Community Crisis Support Service, TOWards Peace, and Community Crisis Response Program
  - **Support inclusive recovery and community development:** Community Coordination Plan, Equity Funding Frameworks, Black Food Sovereignty, Transit Fare Equity, Community Benefits Framework, and Toronto Newcomer Strategy
  - **Expand eligibility of the Fair Pass program** to all Ontario Works (OW) and Rent-Geared-to-Income (RGI) clients within existing resources
-

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Community & Neighbourhood Development	6,607.4	8,015.8	8,212.8	6,209.9	180.0	6,389.9	(1,822.9)	(22.2%)
Community Partnership Investment Program		125.0	850.0				(850.0)	(100.0%)
Social Policy & Planning	1,145.4	2,077.8	2,141.3	1,407.9	101.0	1,508.9	(632.4)	(29.5%)
Financial Management & Program Support	12,067.2	1,590.8	1,651.2	1,457.1		1,457.1	(194.1)	(11.8%)
Human Services Integration	3,807.2	4,968.6	3,983.0	4,261.7		4,261.7	278.7	7.0%
Corporate Leadership (DCM)	73.7	86.8	98.1	78.1		78.1	(19.9)	(20.3%)
<b>Total Revenues</b>	<b>23,700.8</b>	<b>16,864.9</b>	<b>16,936.4</b>	<b>13,414.7</b>	<b>281.0</b>	<b>13,695.7</b>	<b>(3,240.7)</b>	<b>(19.1%)</b>
<b>Expenditures</b>								
Community & Neighbourhood Development	17,292.2	27,528.3	26,474.1	22,561.4	13,597.8	36,159.2	9,685.1	36.6%
Community Partnership Investment Program	23,919.9	26,092.5	26,817.5	24,487.3	509.0	24,996.3	(1,821.2)	(6.8%)
Social Policy & Planning	7,721.9	15,281.3	7,695.0	15,375.9	142.7	15,518.7	7,823.7	101.7%
Financial Management & Program Support	19,978.1	5,635.6	5,979.3	6,422.7		6,422.7	443.4	7.4%
Human Services Integration	7,686.8	9,247.2	7,555.3	8,846.8		8,846.8	1,291.5	17.1%
Corporate Leadership (DCM)	1,632.8	982.5	1,398.1	1,357.3		1,357.3	(40.8)	(2.9%)
<b>Total Gross Expenditures</b>	<b>78,231.8</b>	<b>84,767.4</b>	<b>75,919.3</b>	<b>79,051.4</b>	<b>14,249.5</b>	<b>93,300.9</b>	<b>17,381.6</b>	<b>22.9%</b>
<b>Net Expenditures</b>	<b>54,531.0</b>	<b>67,902.5</b>	<b>58,982.9</b>	<b>65,636.7</b>	<b>13,968.5</b>	<b>79,605.2</b>	<b>20,622.3</b>	<b>35.0%</b>
<b>Approved Positions**</b>	<b>271.0</b>	<b>275.0</b>	<b>275.0</b>	<b>279.0</b>	<b>23.0</b>	<b>302.0</b>	<b>27.0</b>	<b>9.8%</b>

\*Projection based on 9 Month Variance

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget net** expenditures of \$65.637 million reflects an increase of \$6.654 million over the 2021 projected year-end expenditures (prior to enhancements), predominantly arising from:

- Projected net expenditure underspending in 2021 of \$9.3 million is not expected to reoccur in 2022 for:
  - Fare Pass underspending of \$7.1 million in 2021 is not expected to reoccur due to greater uptake from OW/ODSP clients anticipated with a change in eligibility requirements to access the fare pass discount and by implementing the fare pass discount to RGI clients, which did not occur in 2021.
  - Salaries and Benefit underspending of \$2.2 million based on a review of current vacancies and hiring timelines combined with streamlining hiring practices (using bulk hiring practices);
- Reversal of one-time savings from 2021 of \$0.9 million mainly arising from the hiring slowdown included in the 2021 Budget.
- Increased costs of \$0.9 million to maintain resources and invest in Social Development, Finance and Administration capacity to:
  - support community space tenancies, develop community hubs, and to conduct intensive community service planning and programming (\$0.423 million)
  - ongoing work arising from the completion of the Human Services Integration initiative that includes implementing Automated Income Verification (AIV) expansion, the screening tool for the online channel and support to the HSI Applications and Support Centre operations (\$0.485 million).
- These pressures are partially offset by the reversal of one-time funding totalling \$5.0 million for Youth Services Enhancements (\$3.0 million) and TO Supports Investment Funds grant (\$2.0 million) to community agencies to support the COVID-19 response.



## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$14.250 million gross, \$13.969 million net enabling

- **Community Crisis Support Services: (\$8.568 million gross and net)**
  - Launch and implement pilots in four areas of the city through community-led mobile teams that will respond to crisis calls received by two in-take points (211 and 911). Pilots will test a new community-led approach to mental health emergency calls, including those involving persons in crisis and wellness checks. Mobile teams will be staffed by persons with lived experience or professional experience in mental health and non-violent crisis.
- **Enhanced Community Crisis Response Program: (\$2.061 million gross and net)**
  - Increase program staffing and community investment over a 2-year period to enable 7-day a week service delivery that supports communities impacted by traumatic violent incidents and exposure to gun violence. Enhancements will streamline referrals to residents to a range of strengthened mental health and trauma-specialized services, enable more manageable workloads for staff, and provide trauma-based training and support for staff to ensure wellness across the program.
- **Implementation of SafeTO (\$1.423 million gross and net)**
  - Enable the year one implementation of SafeTO, a comprehensive ten-year Community Safety and Well-being Plan. The Plan reimagines core elements of community safety and well-being to shift municipal focus from reliance on a reactive emergency response to a culture of proactive prevention.
- **Grants to Black Organizations: (\$0.509 million gross and net)**
  - Enable greater funding equity through the Black Funding Framework by providing grants to Black-mandated community groups and agencies to respond to priorities identified by Black communities, and strengthen the health and well-being of Black Torontonians.
- **Enhanced Support for Confronting Anti-Black Racism: (\$0.445 million gross and net)**
  - Invest in the Confronting Anti-Black Racism Unit to better support divisions and agencies across the corporation to implement their service and policy commitments to confronting anti-Black racism, and to coordinate and implement the annual, enterprise-wide work plan for the Toronto Action Plan to Confront Anti-Black Racism.
- **Alexandra Park Community Centre: (\$0.220 million gross and net)**
  - Enable the Alexandra Park Community Centre to continue to provide and improve low-barrier services to equity-deserving groups, and to stabilize programming that supports community safety initiatives in the Downtown West area, particularly for youth most vulnerable to violence.
- **Inclusive Economic Development: (\$0.143 million gross and \$0.042 million net)**
  - Support inclusive economic development that will enable greater business opportunities for Indigenous, Black, and equity-deserving Torontonians. Create a public-sector social procurement platform that provides procedural standards and definitions, institutional monitoring and reporting, and community development and engagement support to the AnchorTO Network of public sector institutions. This initiative is partially funded from federal grants and charitable contributions.
- **Taking Action on Tower Renewal: (\$0.180 million gross and \$0.000 million net)**
  - Enable the contracting of technical expertise and engineering analysis on building retrofit projects to improve rental apartment towers in the city to meet climate change and affording housing goals. Resources will further integrate workforce development into retrofit projects to support local economic benefits for residents in tower communities. This initiative is fully funded from the Local Improvement Charge Energy Works Reserve Fund.

- **Oakwood Vaughan Youth Space: (\$0.250 million gross and net)**
  - Enable the needed stability for continuing programming that supports safer and culturally-accessible community spaces, and supportive programs particularly for youth most vulnerable to violence and crime in the Oakwood and Vaughan community. The funds will also enable the Oakwood Vaughan Youth Resource Centre to provide and improve low-barrier services to equity-seeking youth groups, including Newcomers, Black, LGBTQ2S+, and youth populations negatively affected by systemic and geographic barriers, poverty, violence and marginalization.
- **Toronto Strong Neighbourhood Strategy: (\$0.150 million gross and net)**
  - Enable City staff to update the strategy assessment process of the City's social planning neighbourhoods in the identification of Neighbourhood Improvement Areas. Funding will also support the engagement of the community sector to advance the process. The strategy will continue to strengthen the social, economic and physical conditions and deliver local impact for city-wide change.
- **Hospital-based Violence Intervention Program: (\$0.300 million gross and net)**
  - Provide case management support for individuals directly supported by Sunnybrook Health Sciences Centre and St. Michael's Hospital following community violence, including gun and gang violence. The model will support caseloads of 25 – 30 within hospital and support individuals as they transition to community with home visits and referrals to community based support services.

## EQUITY IMPACTS OF BUDGET CHANGES

SDFA's 2022 Operating Budget includes significant investments to improve the safety and well-being of equity-deserving groups in Toronto, particularly Indigenous, Black, low income and persons experiencing homelessness. These investments include the creation of the Community Crisis Support Services pilots, enhancements to the Community Crisis Response Program, and the implementation of SafeTO. SDFA's Operating Budget also dedicates resources to increasing economic development opportunities and food security for Indigenous and Black communities, including those living in the Alexandra Park.

## 2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Base Budget for Social Development, Finance, and Administration of \$79.051 million gross is 4.1% higher than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	3,117.5	14,932.0	7,076.3	6,851.1	6,905.2	54.1	0.8%
Federal Subsidies	4,230.5	4,608.1	5,173.6	4,731.6	4,777.5	45.9	1.0%
User Fees & Donations	40.0	2,201.0	175.0	1,123.9	50.0	(1,073.9)	(95.6%)
Transfers From Capital	688.1	842.4	1,415.5	974.2	579.8	(394.4)	(40.5%)
Contribution From Reserves/Reserve Funds	2,790.3	335.9	2,218.7	1,500.5	638.2	(862.3)	(57.5%)
Sundry and Other Revenues	250.3	129.5	198.0	683.0	0.0	(683.0)	(100.0%)
Inter-Divisional Recoveries	2,200.0	651.9	607.7	1,072.0	464.1	(607.9)	(56.7%)
<b>Total Revenues</b>	<b>13,316.7</b>	<b>23,700.8</b>	<b>16,864.9</b>	<b>16,936.4</b>	<b>13,414.7</b>	<b>(3,521.7)</b>	<b>(20.8%)</b>
Salaries and Benefits	19,118.7	27,726.9	29,700.2	27,008.1	30,084.3	3,076.2	11.4%
Materials & Supplies	167.2	43.6	160.7	29.6	161.6	132.0	446.2%
Equipment	87.0	39.1	83.3	93.2	101.2	8.0	8.6%
Service and Rent	14,130.6	18,985.8	25,996.3	20,584.1	23,454.3	2,870.1	13.9%
Contribution To Reserves/Reserve Funds	179.4	179.4	181.8	181.8	184.9	3.1	1.7%
Other Expenditures	23,835.9	30,791.7	28,187.5	27,567.5	25,062.3	(2,505.2)	(9.1%)
Inter-Divisional Charges	1,036.0	465.3	457.5	455.0	2.9	(452.1)	(99.4%)
<b>Total Gross Expenditures</b>	<b>58,554.7</b>	<b>78,231.8</b>	<b>84,767.4</b>	<b>75,919.3</b>	<b>79,051.4</b>	<b>3,132.1</b>	<b>4.1%</b>
<b>Net Expenditures</b>	<b>45,238.0</b>	<b>54,531.0</b>	<b>67,902.5</b>	<b>58,982.9</b>	<b>65,636.7</b>	<b>6,653.8</b>	<b>11.3%</b>

\*Projection based on 9 Month Variance

### Key Base Drivers:

#### User Fees & Donations:

- Reversal of one-time funding in 2021 of \$0.942 million in donations from Canadian Medical Association Foundation (CMAF), Toronto Foundation, Intact Insurance and the electronic donations proceeds as well as user fees from education programs on Confronting Anti-Black Racism

#### Contribution from Reserve:

- Lower revenue mainly from the Local Improvement Charge Reserve Fund for High-Rise (Hi-RIS) program (\$0.750 million), which ended in 2021, as well as salary changes affecting reserve revenue

#### Other Revenues:

- Lower sundry revenue from reversing 2021 one-time sources of \$0.642 million from Enbridge, Atkinsons, Artworks, and the Toronto Community Housing Corporation (TCHC) Violence Reduction Program
- Reduction of Capital funding of \$0.394 million for the Human Services Integration Office (HSIO) systems development unit, as funding from capital will end in May 2022
- Reduced interdivisional recoveries, mainly for the Short Term Community Safety Pilot and training provided to other divisions ending in 2021

#### Salaries & Benefits:

- Increase due to salary savings from vacancies of \$2.2 million in 2021 which is not expected to reoccur in 2022, reversal of one-time savings from 2021 of \$0.9 million arising from the hiring slowdown included in the 2021 Budget, and union COLA (\$0.108 million)

**Services & Rents:**

- Savings from the Fair Pass program of \$7.1 million in 2021 which will not recur in 2022
- Partially offset by \$2.9 million in one-time non-payroll costs for Youth Services Enhancement programming and one-time COVID-19 expenses of \$1.3 million (funded from donations) reversed in 2022

**Other Expenditures:**

- Reversal of programs ending in 2021 including TO Supports Investment Fund (\$2.0 million) and non-recurring spending in the Hi-RIS program (\$0.75 million)
- Elimination of Inter-divisional Charge to Toronto Employment and Social Services for temporary staffing previously required to support the Fair Pass manual application process

Table 2b: 2021 New / Enhanced

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	New Positions				
In \$ Thousands								
SafeTO - Community Safety & Wellbeing Plan		12,502.3	12,502.3	18.0	15,150.9			
Community Crisis Support Services		8,568.4	8,568.4	3.0	9,781.5	High-positive	No	Launch and implement pilots in four areas of the city through community-led mobile teams that will respond to crisis calls received by two in-take points (211 and 911).
Implementation of SafeTO		1,423.3	1,423.3	9.0	1,966.9	High-positive	No	Enable the year one implementation of SafeTO, a comprehensive ten-year Community Safety and Wellbeing Plan.
Enhanced Community Crisis Response Program		2,060.6	2,060.6	6.0	3,182.5	Medium-positive	No	Increase program complement over a 2-year period to enable a 7-day per week deployment model that supports communities impacted by traumatic violent incidents and exposure to gun violence.
Toronto Strong Neighbourhood Strategy		150.0	150.0		220.1	Low-positive	No	Enable City staff to update the strategy assessment process of the City's social planning neighbourhoods in the identification of Neighbourhood Improvement Areas.
Hospital-based Violence Intervention Program		300.0	300.0			Medium-positive	No	Provide case management support for individuals directly supported by Sunnybrook Health Sciences Centre and St. Michael's Hospital following community violence, including gun and gang violence.
Poverty Reduction	101.0	142.7	41.7	1.0	143.1			
Inclusive Economic Development	101.0	142.7	41.7	1.0	143.1	Medium-positive	No	Create a public-sector social procurement platform that provides procedural standards and definitions, insitutional monitoring and reporting, and community development and engagement support to the AnchorTO Network of public sector institutions.
Toronto Action Plan to Confront Anti-Black Racism/ Reconciliation Action Plan		954.5	954.5	4.0	984.0			
Grants to Black Organizations		509.0	509.0		509.0	High-positive	No	Enable greater funding equity through the Black Funding Framework by providing grants to Black-mandated community groups and agencies to respond to priorities identified by Black communities, and strengthen the health and wellbeing of Black Torontonians.
Enhanced Support to CABR		445.5	445.5	4.0	475.0	Medium-positive	No	Invest in the Confronting Anti-Black Racism Unit to better support divisions and agencies across the corporation to deepen their work and commitments to confronting anti-Black racism, and to drive and enable coordination and implementation of the annual, enterprise-wide work plan.
Others	180.0	650.0	470.0		650.0			
Alexandra Park Community Centre		220.0	220.0		220.0	Medium-positive	No	Enable the Alexandra Park Community Centre to continue to provide and improve low-barrier services to equity-seeking groups, and to stabilize programming that supports community safety initiatives in the Downtown West area, particularly for youth most vulnerable to violence.
Taking Action on Tower Renewal	180.0	180.0			180.0	Low-positive	Yes	Enable the City to meet the goals of improving and maintaining affordable housing, addressing climate change and resilience. City staff will accomplish these goals by providing technical expertise on building retrofits and driving retrofits in Toronto rental apartment towers.
Oakwood Vaughan Youth Space		250.0	250.0		250.0	Medium-positive	No	Enable the needed stability for continuing programming that supports safer and culturally-accessible community spaces, and supportive programs particularly for youth most vulnerable to violence and crime in the Oakwood and Vaughan community.
Total New / Enhanced	281.0	14,249.5	13,968.5	23.0	16,928.0			

The 2022 Operating Budget includes \$14.250 million in investments to support priority actions as detailed in the table above. Additionally, an administrative change to the Fair Pass Program that amends the eligibility requirements to include all active Ontario Works and Ontario Disability Support Program clients residing in Toronto between the ages of 20 and 64. Any additional costs arising from this amendment will be offset by administrative efficiencies and refined fare pass projections.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	16,936.4	13,695.7	13,384.2	11,991.2
Gross Expenditures	75,919.3	93,300.9	96,622.4	95,505.1
<b>Net Expenditures</b>	<b>58,982.9</b>	<b>79,605.2</b>	<b>83,238.2</b>	<b>83,513.9</b>
<b>Approved Positions</b>	<b>275.0</b>	<b>302.0</b>	<b>309.0</b>	<b>311.0</b>

**2023 Outlook**

The 2023 Outlook with total net expenditures of \$83.238 million reflects an anticipated \$3.633 million or 4.6 per cent increase from the 2022 Operating Budget mainly due to the following:

- Annualization of 2022 new and enhanced services including; Community Crisis Support Services Pilot (\$1.214 million), Enhanced Community Crisis Response Program (\$1.122 million), SafeTO (\$0.544 million)
- COLA to agencies that receive funding from the Community Services Partnership Fund (\$0.182 million)

**2024 Outlook**

The 2024 Outlook includes a net expenditure increase of COLA to agencies who are receiving Community Services Partnership Fund (\$0.183 million).

- Note: the gross expenditure reduction is mainly a result of ending the federally-funded Community Healing program in October 2023 (\$1.404 million gross, zero net)

# 2022 Program Summary

## Toronto Community Housing Corporation

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

TCHC's overall priorities are to provide positive tenant experience, quality homes and vibrant communities. These priorities underscore our continuing focus on delivering clean, well-maintained buildings where tenants have opportunities to engage with their community. We are committed to ensuring that service delivery meets high standards consistently across the organization.

### Why We Do It

**Tenants benefit from quality homes:** Buildings are clean and well maintained, and service calls are resolved quickly to the satisfaction of tenants

**Tenants receive consistent service to meet their needs:** Tenants have reliable access to staff who can solve problems quickly and thoroughly and tenants with complex needs are supported or connected to supports to be able to pay their rent and meet the obligations of their lease

**Tenants feel safe in their communities:** Tenants have access to community spaces where they can feel safe, have confidence in their future safety, and experience less anti-social behaviour from neighbours and guests

*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

### Who We Serve:

TCHC's tenants are from all walks of life, with a primary eligibility being low-income, survivors of domestic violence or human trafficking, shelter residents, and applicants experiencing homelessness.

Notable statistics about TCHC tenants include:

- 43% of households have a member with a disability
- 29% of tenants live alone
- 26% of households are headed by a single parent
- 12% of households self-identify as having at least one member with a mental health concern
- Close to 75% of households rely on government funds as their primary source of income

### What We Deliver:

TCHC provides affordable and subsidized housing to 110,000 tenants, in 58,500 units, across the city. 89% of tenancies are deep-affordable, with a subsidy value sufficient to reduce the cost of housing to one-third of tenant income, or as little as \$85 per month. TCHC manages and maintains an infrastructure portfolio of 2,100 buildings, worth over \$10 billion and invests \$350 million in capital repairs and improvements per year towards restoring this valuable public asset to a full state of good repair.

## Budget at a Glance

2022 OPERATING BUDGET					2022 - 2031 10-YEAR CAPITAL PLAN			
\$Billion	Excluding COVID	COVID Impact	One-Time Costs	Total	\$Billion	2022	2023-2031	Total
Revenues	\$0.663	(\$0.013)	\$0.009	\$0.659	Gross Expenditures – Building Repair	\$0.350	\$2.187	\$2.537
Gross Expenditures	\$0.663	\$0.014	\$0.009	\$0.686	Gross Expenditures – Development	\$0.098	\$0.626	\$0.724
Net Expenditures	\$0	\$0.027	\$0	\$0.027	City Funding – Building Repair *	\$0.160	\$1.440	\$1.600

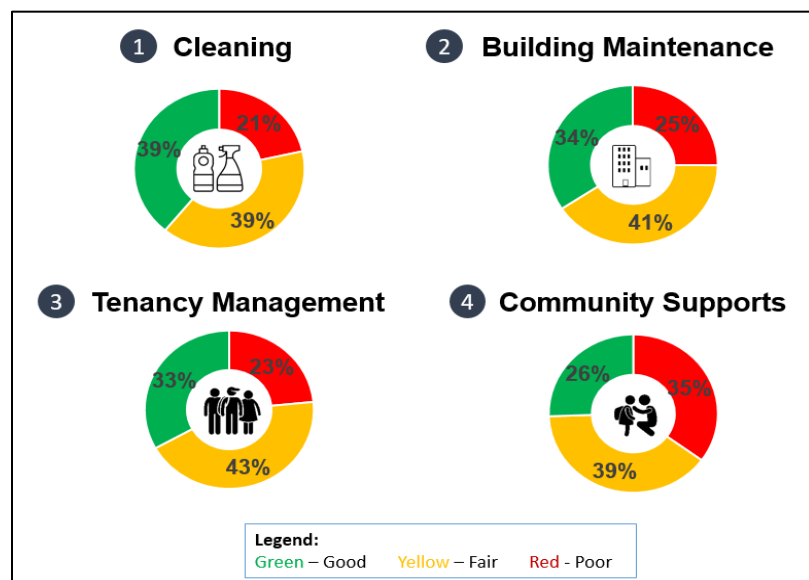
\* TCHC has included \$160M of City funding for capital in both 2030 and 2031 as an estimate of the ongoing amount to maintain a 10% FCI. Building Repair Capital funding requirements will be revisited and confirmed in future years along with ongoing Provincial and Federal funding.

- For 2022, TCHC has budgeted a net zero budget when COVID impacts are excluded, and net operating pressures of \$26.8M when including the impacts of COVID.
- The 2022 operating subsidy provided by the City increased by \$24.3M to \$275.3M to address inflationary pressures and other non-discretionary costs.
- In addition, one-time costs of \$9.5M were identified that will be funded through one-time City funding sources.
- The City is also budgeting a one-time contribution against TCHC COVID impacts of \$26.8M, with Federal/Provincial recoveries reflected in the City's Corporate Revenue along with all other COVID recoveries.
- For 2022, the Federal and Municipal funding in conjunction with TCHC's own reserves funding provides for a fully funded 10 year Building Repair Capital plan.



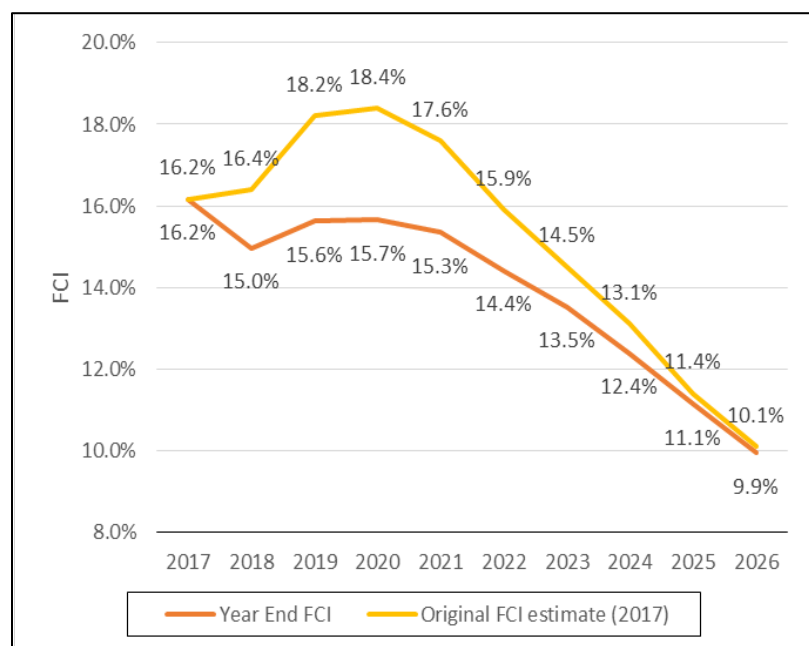
## How Well We Are Doing – Behind the Numbers

### 2021 Service Quality Indicators



- TCHC receives tenant feedback on the quality of service delivery across its 88 service hubs made up of 159 buildings/communities of buildings.
- The feedback is used to inform staff-to-tenant engagement and develop building level improvement plans aimed to improve frontline service quality and delivery.
- The 2021 indicators represent the first year of data collected from TCHC tenants on the Service Quality Indicators. In 2020, COVID restrictions prevented the collection of this data.
- TCHC will establish SQI targets for each of the service pillars and implement the appropriate oversight mechanism to track performance.

### 2021 Building Facilities Condition Index – Actuals and Projection



- The Facility Condition Index represents the number of building components reaching or exceeding the end of their useful life.
- An FCI of 10% or less is the industry standard for a state of good repair.
- With a fully funded capital repair plan, TCHC has reliably improved upon its capital projections and is on-track to reach a sustainable state of good repair in 2026

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- Lost revenues of \$13.1 million due to a \$9.8 million reduction in rent receivable resulting from the carry-over of the Provincial rent cap that was started late 2020, \$2.1 million in bad debts on residential and commercial rents, as well as \$1.2 million in lost parking revenues.
- Expenditures of \$13.7 million, which are lower than the 2021 Projection, including \$6.4 million for PPE, \$4.3 million in staff overtime costs and \$2.3 million in higher utilities usage by tenants and \$0.7 million in IT costs.

**Service Level Changes**

- There are no anticipated service level changes at this time. TCHC will continue to monitor and review potential COVID-19 impacts on an ongoing basis.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Opened 86 HUBs as part of the organizational restructure which will help to improve tenant service levels. The remaining 2 HUBs, bringing the total to 88 HUBs, will be ready to open by February 2022.
- Completed bringing the West region Contract Managed buildings back to Direct Managed; implemented the conversion of Central, East and Senior Contract Managed buildings to Direct Managed.
- Increased efficiencies by implementing an Alternate Response Unit (ARU), a team dedicated to handling service calls remotely or over the telephone when an in person discussion with a special constable is not needed.
- Developed a Summer Safety Strategy program in collaboration with the City of Toronto, TPS and external community stakeholders.
- On track to deliver the 2021 SOGR budget of \$350 million even through the pandemic shut-down
- Phase 2 of the Integrated Service Model (ISM) is currently underway.
- Phase 2A completed for tenancy management and 2B currently on-track to deliver demand maintenance, inspections reporting and performance accountability.

### Key Challenges and Risks

- Non-COVID pressures, such as utilities rate increases, service contract rate increases, collective agreement pay increases, increase in mortgage P&I from the CMHC NHS loan, the Seniors Housing Integrated Service Model, and the transfer of market rental units to RGI, will represent significant pressures against the city subsidy.

### Priority Actions

- TCHC will continue to implement the restructuring of its service delivery model across the city, ensuring that tenants have easier, quicker and more accessible service, delivered safely and consistent with COVID-19 guidelines, through the opening of 88 Tenant Service Hubs across the City.
- Work with City staff to continue the transition of TCHC scattered houses to new permanent management by non-profit housing providers.
- Partnering with the City to establish the Toronto Seniors Housing Corporation to improve outcomes for tenants in the Seniors Portfolio.
- TCHC continues to execute its Capital Plan and remains on schedule to bring its building portfolio into a state of good repair by 2026. In 2021 TCHC staff reprioritized the capital work plan to account for social distancing limits and other COVID-19 impacts to ensure that the Plan remained on schedule. In 2022 TCHC will continue to maintain a flexible approach to its Capital Plan and continue to meet its targets.
- Continue to enhance TCHC's cyber security measures as well as replacing TCHC's end-of-life IT systems with modern applications that support increased business intelligence and reporting (HoMES).

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*			2022 Base Budget			2022 One-Time Costs	2022 Budget	Change v. 2021 Projection	
			Excluding COVID	COVID Impacts	Total Proj.	Excluding COVID	COVID Impacts	Total Base			\$	%
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>												
Residential Rent - RGI	255,575.4	240,197.9	257,201.6	(7,805.4)	249,396.2	259,170.4	(8,416.1)	250,754.4		250,754.4	1,358.2	0.5%
Residential Rent - Market	93,855.9	93,435.1	92,374.8	(1,406.8)	90,967.9	91,870.0	(1,406.8)	90,463.2		90,463.2	(504.8)	(0.6%)
City Subsidy	250,959.6	250,959.6	250,960.0		250,960.0	275,267.9		275,267.9		275,267.9	24,307.9	9.7%
City One-Time Funding									9,509.0	9,509.0	9,509.0	
Other	25,391.3	27,802.2	34,267.2	(2,812.1)	31,455.0	36,275.2	(3,293.6)	32,981.6		32,981.6	1,526.6	4.9%
<b>Total Revenues</b>	<b>625,782.2</b>	<b>612,394.7</b>	<b>634,803.6</b>	<b>(12,024.4)</b>	<b>622,779.2</b>	<b>662,583.6</b>	<b>(13,116.5)</b>	<b>649,467.1</b>	<b>9,509.0</b>	<b>658,976.1</b>	<b>36,196.9</b>	<b>5.8%</b>
<b>Expenditures</b>												
Total Operating Expenses	637,495.7	649,900.4	636,405.4	19,906.4	656,311.8	662,583.6	13,725.4	676,309.0	9,509.0	685,818.0	29,506.2	4.5%
<b>Total Gross Expenditures</b>	<b>637,495.7</b>	<b>649,900.4</b>	<b>636,405.4</b>	<b>19,906.4</b>	<b>656,311.8</b>	<b>662,583.6</b>	<b>13,725.4</b>	<b>676,309.0</b>	<b>9,509.0</b>	<b>685,818.0</b>	<b>29,506.2</b>	<b>4.5%</b>
<b>Net Expenditures</b>	<b>11,713.5</b>	<b>37,505.7</b>	<b>1,601.8</b>	<b>31,930.8</b>	<b>33,532.6</b>	<b>0.0</b>	<b>26,841.9</b>	<b>26,841.9</b>		<b>26,841.9</b>	<b>(6,690.7)</b>	<b>(20.0%)</b>

\*2021 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$685.8 million gross reflecting an increase of \$29.5 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- A \$29.5 million increase in non-discretionary costs, fully offset through balancing actions, including an increase in the City subsidy of \$24.3 million.
- \$9.5 million in one-time costs which will be funded through one-time funding sources from the City.
- Partially offset by a \$5.1 million decrease in COVID impacts. The City will request support from the Provincial and Federal governments to address COVID impacts.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$0 in net expenditures reflects a flat amount compared to the 2021 Council approved Budget, when excluding \$26.8 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**Improving equity for low income households, seniors, persons with disabilities and youth:** TCHC's 2022 Operating Budget will have high positive equity impact on low income households, seniors, persons with disabilities and youth, largely increasing service access, creating employment opportunities and improving safety and well-being.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for TCHC is \$685.8 million gross, \$29.5 million or 4.5% higher than the 2021 Projected Actuals. Table 2 below summarizes the Operating Budget by revenue and expenditure category.

**Table 2: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	%
Residential rent - RGI	256,197.9	257,201.6	259,170.4	1,968.8	0.8%
Residential rent - Market	94,835.1	92,374.8	91,870.0	(504.8)	(0.5%)
City Subsidy	250,959.6	250,960.0	275,267.9	24,307.9	9.7%
City - One-Time Funding			9,509.0	9,509.0	
Other	31,946.2	34,267.2	36,275.2	2,008.0	5.9%
COVID-19 Impact	(21,544.0)	(12,024.4)	(13,116.5)	(1,092.1)	9.1%
<b>Total Revenues</b>	<b>612,394.7</b>	<b>622,779.2</b>	<b>658,976.1</b>	<b>36,196.9</b>	<b>5.8%</b>
Utilities	124,136.2	129,128.3	133,675.1	4,546.8	3.5%
Mortgage	134,829.9	132,672.3	137,030.7	4,358.4	3.3%
Front Line Operations	233,686.9	235,192.9	247,928.0	12,735.0	5.4%
Back Office Support	73,215.3	72,454.4	82,481.4	10,027.1	13.8%
Seniors Housing	29,724.5	28,233.2	32,493.7	4,260.6	15.1%
Other	38,345.8	38,724.3	38,483.6	(240.7)	(0.6%)
COVID-19 Impact	15,961.8	19,906.4	13,725.4	(6,181.0)	(31.1%)
<b>Total Gross Expenditures</b>	<b>649,900.4</b>	<b>656,311.8</b>	<b>685,818.0</b>	<b>29,506.2</b>	<b>4.5%</b>
<b>Net Expenditures</b>	<b>37,505.7</b>	<b>33,532.6</b>	<b>26,841.9</b>	<b>(6,690.7)</b>	<b>(20.0%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Utilities**

Utility rates are expected to increase for all utilities in 2022, with hydro and natural gas rate changes contributing to the largest increases. Hydro expenses will increase as a result of a significant decrease in the Ontario Electricity Rebate received by TCHC, while natural gas rates will rise by over 10%.

**Front Line Operations**

Increase due to planned preventative maintenance programs, bringing contract managed buildings back to direct managed, rate increases for service contracts upon renewal, and impacts from collective bargaining.

**Back Office Support**

Increase due to IT system transition costs and licence fees from the completion of system implementation, cyber security and end of life system replacement costs, increase in insurance premiums, seniors housing transition costs, continue implementation of the Confronting Anti-Black Racism Centre, and impacts from collective bargaining agreements.

**COVID-19 Impact**

Decrease driven by a reduction in PPE and overtime costs compared to full year 2021 experience.

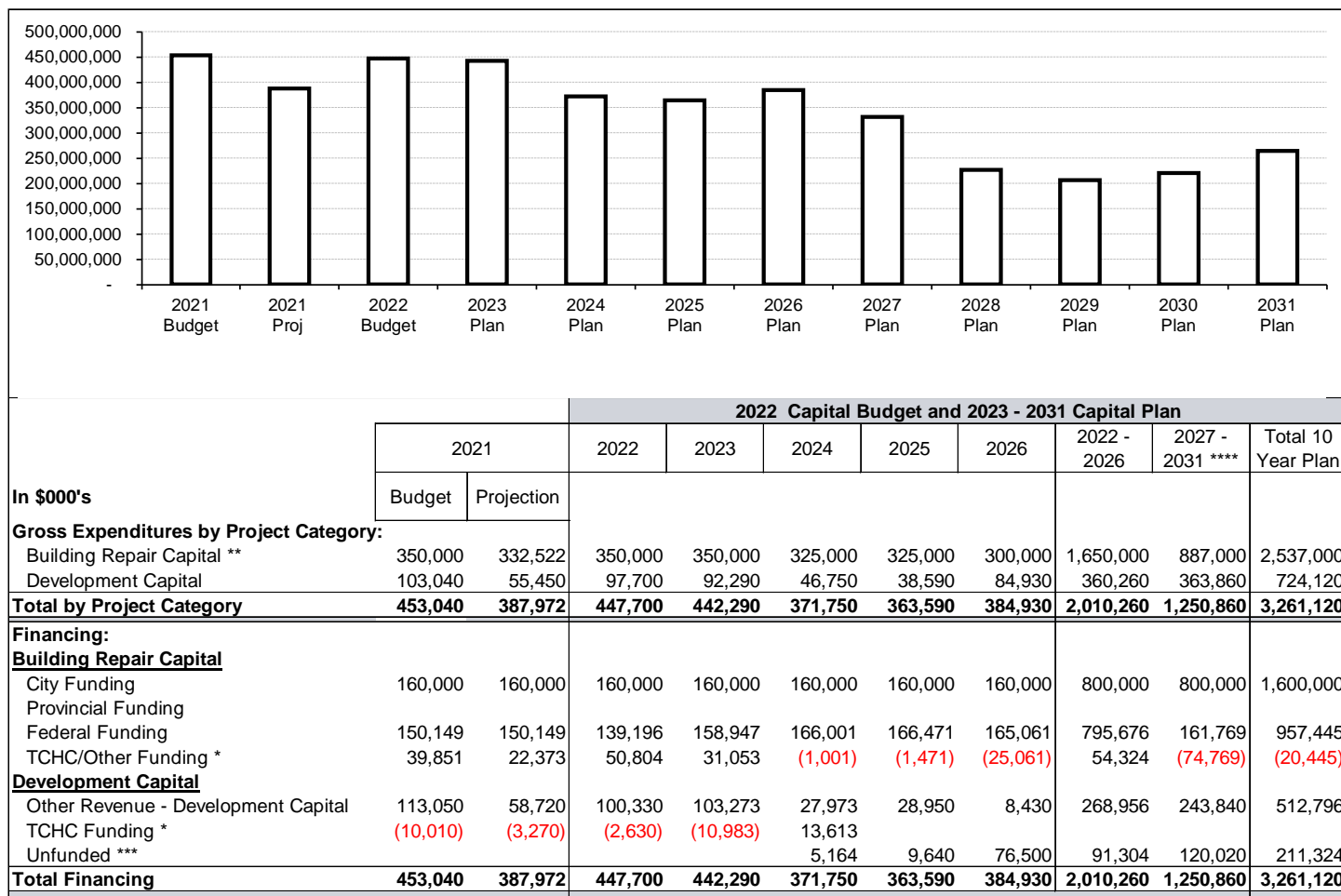
**City Funding**

City subsidy increase of \$24.3 million to address ongoing non-discretionary costs, as well as one-time City funding of \$9.5 million to address one-time cost pressures in 2022.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



\* Negative balances represent the repayment of LOC or mortgages by TCHC. For Building Repair Capital, this includes redirected IO reserve funding.

\*\* The full 2021 Building Capital Repair budget of \$350M will be spent. In 2020, TCHC's Board approved an acceleration of spending in the amount of \$17.5M to use up available Provincial funding by the deadline; a lower spending rate in 2021 is to offset by the accelerated spending in 2020.

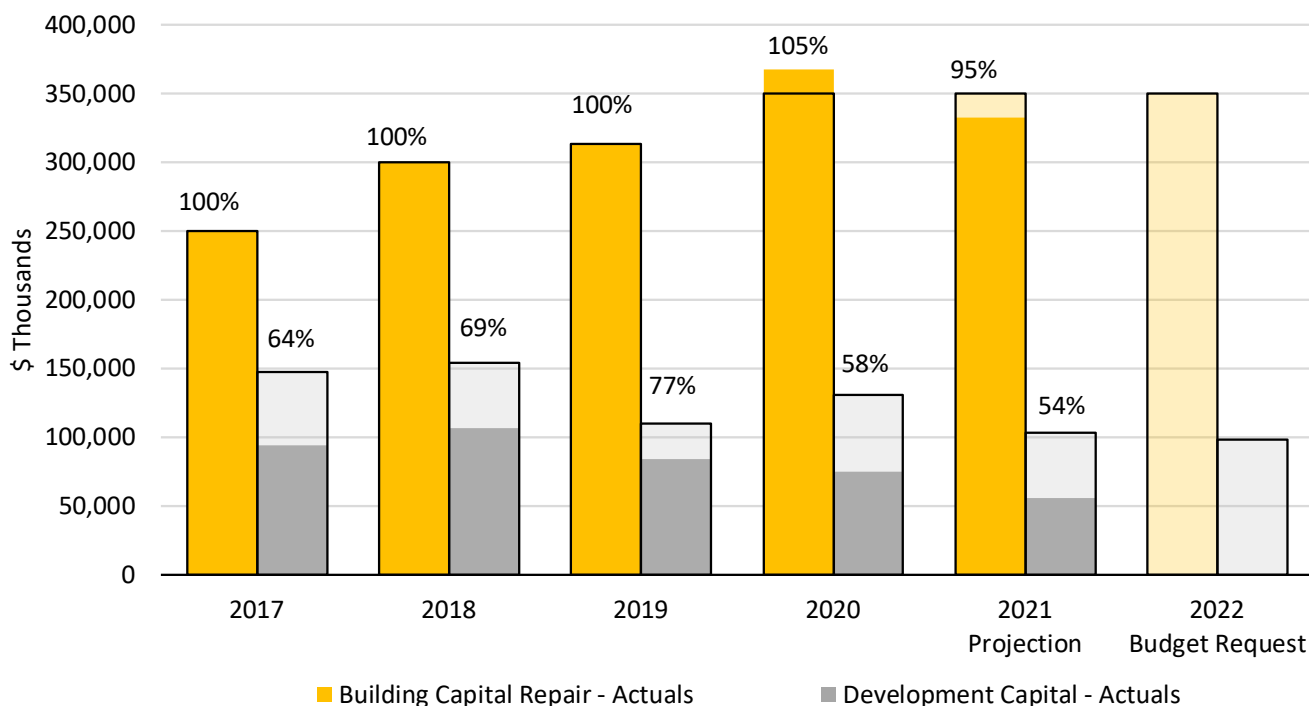
\*\*\* Net unfunded amount is \$91.8M as approximately \$116.2M is anticipated to be received by the end of 2035. The unfunded amount has been included in capital needs constraints.

\*\*\*\* TCHC has included \$160M of City funding for capital in both 2030 and 2031 as an estimate of the ongoing amount to maintain a 10% FCI. Building Repair Capital funding requirements will be revisited and confirmed in future years along with ongoing Provincial and Federal funding.

**2022 – 2031 CAPITAL BUDGET AND PLAN****CAPACITY TO SPEND REVIEW**

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with TCHC's ability to spend and the markets capacity to deliver.

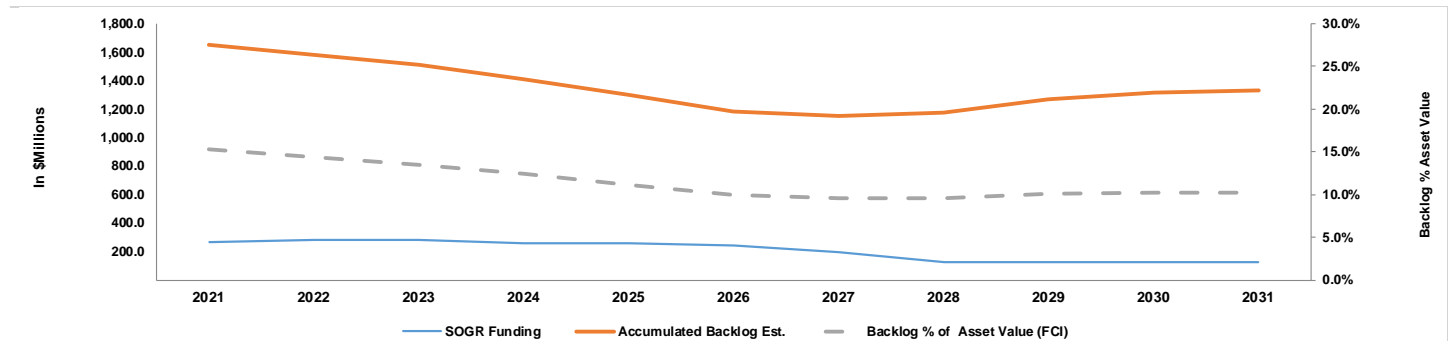
A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend****Budget Vs. Actual Spending by Category**

- 105% spending in 2020 is from a Board approved acceleration of spending to use up available Provincial funding by the deadline; a lower spending rate in 2021 will offset the accelerated spending in 2020.
- Development capital is underspent in 2021 due to delayed construction start in Regent Park phase 3 building.

**STATE OF GOOD REPAIR (SGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Transportation Services: major and local roads, bridge rehabilitation and laneways.

**Chart 3: Total SOGR Funding & Backlog**

\$ Millions	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	265.7	280.0	280.0	260.0	260.0	240.0	197.4	128.0	128.0	128.0	128.0
Accumulated Backlog Est.	1,649.7	1,580.2	1,511.9	1,413.4	1,297.1	1,180.0	1,151.1	1,176.2	1,266.1	1,314.3	1,333.4
Backlog % of Asset Value (FCI)	15.3%	14.4%	13.5%	12.4%	11.1%	9.9%	9.5%	9.5%	10.1%	10.2%	10.2%
Total Asset Value	10,749.3	10,964.2	11,183.5	11,407.2	11,635.3	11,868.0	12,105.4	12,347.5	12,594.5	12,846.4	13,103.3

- TCHC continues to execute its Capital Plan and remains on schedule to bring its building portfolio into a state of good repair by 2026.

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# 2022 Program Summary

## Toronto Employment & Social Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Through a network of 14 full service offices, TESS manages an average monthly caseload of 91,000, the largest municipal administered social assistance delivery system in Canada. Under the authority of the Ontario Works (OW) Act and Regulations, TESS effectively serves over 150,000 Toronto residents in financial need to strengthen their social and economic well-being in their communities. The OW program:

- recognizes individual responsibility and promotes self-reliance through employment;
- provides financial assistance to those most in need while they meet obligations to become and stay employed; and
- is accountable to the taxpayers of both Ontario and Toronto.

### Why We Do It

Toronto residents in financial need receive income supports, health benefits and employment assistance that is timely, accessible and responsive to their needs.

- The Provincial Ontario Works Act lays out eligibility criteria and the type and level of benefits available to clients.
- Income supports are designed to help with the costs of food, clothing and shelter.
- In order to receive financial assistance, clients must be willing to make reasonable efforts to find, prepare for and keep a job.

*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

### Employment Services

**Who We Serve:** Social Assistance Recipients & Adult Dependants, Low Income (Unemployed & Under-Employed) Toronto Residents, and Employers.

**What We Deliver:** A range of employment services and programs to help social assistance clients prepare for, secure and maintain employment, and become financially independent.

**How Much Resources (gross operating budget):** \$62.0 million

### Integrated Case Management and Service Planning

**Who We Serve:** Social Assistance Recipients & Adult Dependants, Low Income Toronto Residents.

**What We Deliver:** An action oriented service plan that addresses urgent needs, and identifies next steps to enhance client employability and life stabilization (i.e. housing, mental health).

**How Much Resources (gross operating budget):** \$125.3 million

### Financial Supports

**Who We Serve:** Social Assistance Recipients & Adult Dependants, Low Income Toronto Residents.

**What We Deliver:** Income supports and health benefits to Toronto residents in financial need.

**How Much Resources (gross operating budget):** \$970.5 million

## Budget at a Glance

### 2022 OPERATING BUDGET

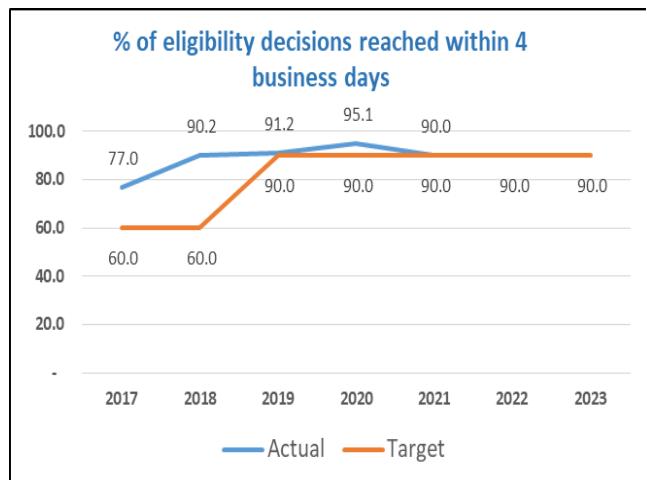
\$Billion	2022	2023	2024
Revenues	\$1,076.4	\$1,073.4	\$1,065.7
Gross Expenditures	\$1,157.8	\$1,160.2	\$1,163.8
Net Expenditures	\$81.4	\$86.8	\$98.0
Approved Positions	1,774.5	1,774.5	1,774.5

### 2022 - 2031 10-YEAR CAPITAL PLAN

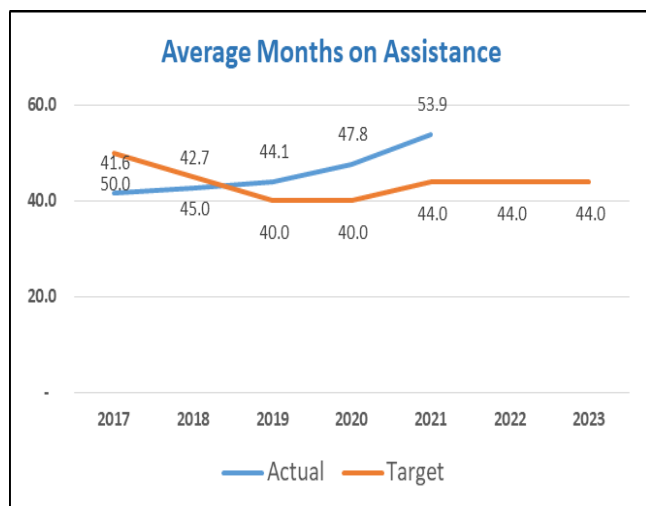
\$Billion	2022	2023-2031	Total
Gross Expenditures	\$4.2	\$0.0	\$4.2
Debt	\$3.3	\$0.0	\$3.3

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers



- Indicates service and accessibility for OW programs by showing how long it takes in days for clients to be informed (response time) if they are eligible to receive social assistance—from the time they request assistance to the time they are informed of their eligibility.
- A number of factors affect response time, including how long it takes for a client to provide the necessary information, the availability of interpreters when English is not the first language and the application process.
- % of eligibility decisions reached within 4 business days increased from 77% in 2017 to over 90% in the past four years due to the successful implementation of the Service Delivery (Access) Model.
- In response to COVID-19, the application process was changed in 2021 to enable Application Service Centre staff to issue the first OW payment at initial contact.
- As caseload levels increased at the end of 2021 staff were reassigned to respond to phone and online applications to maintain service levels.
- Under the province's Social Assistance Recovery and Renewal (SARR) plan, financial assistance applications and eligibility determination will be centralized provincially early in 2022.



- Average months on assistance has increased since the beginning of the pandemic as long-term recipients generally stayed on social assistance while many City residents who might have otherwise required social assistance were able to access federal income support measures such as CRB and EI. With the end of CRB, the demand for social assistance is expected to surge, likely bringing average months on assistance back to pre-pandemic levels in 2022.
- While caseloads have declined over the past few years, the most important trend is the increase in the length of time people remain on OW and the accompanying increases in the complexity of client need.
- A high percentage of clients feel they cannot participate in the work force. The top challenges to finding and/or keeping a job as identified by OW recipients are poor health (temporary), lack of education and/or skills, transportation, lack of "Canadian" work experience and language skills.
- With increasingly challenging labour markets and with clients remaining on OW for longer periods, a wider range of services and supports, plus innovative approaches to designing and delivering services, are required to address needs. Further, given the barriers that many clients face, there may be individuals for whom employment is a longer term prospect.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Integrated Case Management and Service Planning	Average Months on Assistance	44.1	47.8	44.0	53.9	●	44.0	44.0
Employment Services	% of terminations exiting to employment	13.7%	13.7%	13.4%	17.5%	●	13.8%	14.2%
Service Level Measures								
Integrated Case Management and Service Planning	% of eligibility decisions reached within 4 business days	91.2	95.1	90.0	90.0	●	90.0	90.0
Integrated Case Management and Service Planning	% of caseload with employment income	11.6	7.6	7.5	7.5	●	7.8	8.0
Integrated Case Management and Service Planning	% of caseload on assistance more than 2 years	50.7	54.3	50.0	61.1	●	50.0	45.0
Integrated Case Management and Service Planning	% Service Plans that are Current	79.3	82.2	80.0	80.0	●	80.0	90.0
Other Measures								
Financial Supports	\$ benefits paid (in millions)	\$832.3	\$790.9	\$933.2	\$724.2	●	\$934.8	\$934.6
Financial Supports	# of financial and employment benefit payments processed annually	1,137,101	1,084,301	1,300,000	1,000,000	●	1,300,000	1,300,000

Note: Many metrics are below target in 2021 due to COVID-19 as City residents who might have otherwise have required social assistance were able to access federal income support programs. Workforce development programs and activities may not return to pre-COVID levels for some time given the uncertain evolution of the pandemic. .Service levels will be reviewed once operations are normalized.

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- With the federal income support programs ending, and consistent with provincial projections, TESS is anticipating a substantial caseload increase in 2022. The 2022 budgeted caseload has been set at 91,000, unchanged from the 2021 budget, however 23,000 cases higher than the 2021 experienced average monthly caseload.
  - The 8,000 cases between 83,000 and 91,000 are net zero as financial benefits are 100% funded by the Province and the 84 caseload contingent staff, based on a caseload ratio of 10.5 FTE per 1,000 cases, are funded by a draw from the Ontario Works reserve.
- The 2022 budget includes \$0.662 million, unchanged from the 2021 budget, for enhanced cleaning at TESS's 14 offices plus PPE for clients and staff.
- TESS is proposing a one-time investment of \$2.000 million gross and zero net in 2022 to enhance the Investing in Families program. This initiative will provide \$500 in tutoring supports for children aged 14 to 17. This age group has been most affected by the reduction of in-class learning as high school students have significantly less time to regain the learning loss before it will impact their post-secondary learning and access to the labour market. Funding will be provided through the National Child Benefit Supplement (NCBS) reserve fund.

**Service Level Changes**

- Employment benefits for OW recipients are expected to return to normal levels with more clients (many of whom may be "new" to social assistance and have recent labour market experience) requiring access to employment and training services/supports to gain experience and (re)build skills.
- Workforce development programs and activities may not return to pre-COVID levels for some time given the uncertain evolution of the pandemic. Service levels will be reviewed once operations are normalized and Provincial program changes are implemented.
- Operationalizing the hybrid working model and restarting/expanding in-person services at all TESS locations.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- 100% of staff are equipped for mobility and telework to ensure ongoing services to vulnerable residents.
- Re-opened an additional 9 TESS locations to the public In October 2021 to ensure clients have access to in-person services and supports in their communities.
- In collaboration with Technology Services, piloted the virtual caseworker initiative and co-led the development of a Corporate Virtual Services Playbook through the Certified Experience Professionals (CEP) Program.
- Continued to deliver critical employment programs to enhance client access to employment related training and employment opportunities, including:
  - Over 70 OW clients placed into Work-Based learning internships with the City of Toronto
  - Successfully placed 3,270 clients in Purchase of Employment and Wrap Around Services programs
- Developed contingency plan to address the expected surge in Ontario Works applications due to Federal benefits expiring, involving re-assigning 78 staff to respond to phone and online applications.
- In partnership with Economic Development, POV 3rd Street, CEE Centre for Young Professionals and Miziwe Biik, launched Production Assistant training program to connect Black and Indigenous people to careers in the growing TV & Film industry.
- In partnership with the Ministry of Children, Community & Social Services, engaged over 300 staff in the co-design of the OW program, as part of Social Assistance Recovery and Renewal (SARR).
- Developed an Equity, Diversity & Inclusion team, a multi-year Confronting Anti-Black Racism action plan and established a Divisional Indigenous Affairs Committee.

### Key Challenges and Risks

- While the unemployment rate in Toronto is forecast to decline in 2022, a number of challenges are evident. Employment gains remain uneven across different sectors and job types, with lower-paid service sector employment still lagging pre-pandemic levels. Long-term unemployment (continuous unemployment for 27 weeks or more) has grown, accounting for more than a quarter of total unemployment and the number of people unemployed for a year or more account for more than two-thirds of long-term unemployment, the highest on record. There is a risk that unemployment for some Toronto residents could transform into permanent disconnection from the labour market.
- TESS will need to continue to monitor and respond to the pandemic, broader policy directions, evolving client needs, and shifting local labour market conditions. Based on previous recessions and projected unemployment trends, TESS is anticipating a substantial caseload increase into 2022, and potentially lasting a number of years.
- Additional waves of COVID-19 could further impact the economic recovery and limit employment opportunities for clients.
- The percentage of OW clients who report significant and often intersecting barriers to employment – i.e. the complexity of client needs -- continues to grow. More than half of the OW caseload has been in receipt of financial assistance for over two years and greater than 30% have been on OW for over five years. These clients require access to life stabilization supports to address key barriers – health, housing, (digital) literacy, mental health, etc.
- In January 2021, the new employment services model launched in three diverse urban and rural communities. The province has announced a phased implementation of model in the remaining 12 new service areas, beginning with 4 in early 2022 (procurement process is underway). A December 2023 implementation date has been targeted for the new Toronto service area, with the procurement process likely beginning in early 2023.
- Implementing the Province's centralized intake model.

## Priority Actions

- Support Social Assistance Recovery & Renewal (SARR), including the renewed provincial vision for social assistance transformation by:
    - Implementing the Provinces centralized intake model
    - Continuing to collaborate and co-design with the Province on future phases of SARR, including determining the City's role in the planned Employment Services Transformation
    - Focusing on strengthening connections to life stabilization services and supports through expanded and targeted partnerships and service navigation approaches in preparation for the new provincial model
  - Continue to implement Provincial and City modernization efforts
    - Increase access through digitized channels (i.e. MyBenefits portal, virtual caseworker initiative, Electronic Document Management)
  - Support Service Planning Renewal through renewed expectations for working remotely, changes to operational policy, updated staff development processes, and continued assessment of service planning effectiveness
  - Continue to support OW clients with necessary employment and life stabilization supports through the provision of Purchase of Employment Services (POES), Wrap Around Supports, and other critical programs and services
  - Advance the City's re-opening strategy by operationalizing the hybrid working model and restarting and expanding in-person services in all TESS service locations in a post COVID environment
    - In collaboration with CREM, relocate the Consillium Place office to Bridlewood Mall, amalgamate the Metro Hall and High Park / Parkdale offices at Dufferin Mall and open a new office at North York Civic Centre to replace the Lesmill office
  - Advance Equity, Diversity and Inclusion with a focus on confronting anti-Black racism, and the Indigenous community
-

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Employment Services	43,630.4	45,927.8	41,815.8	46,456.1		46,456.1	4,640.2	11.1%
Integrated Case Management and Service Plannin	80,622.7	76,121.9	77,319.7	76,186.1		76,186.1	(1,133.6)	(1.5%)
Financial Supports	809,078.8	953,515.8	690,060.6	951,762.6	2,000.0	953,762.6	263,702.0	38.2%
<b>Total Revenues</b>	<b>933,331.9</b>	<b>1,075,565.4</b>	<b>809,196.1</b>	<b>1,074,404.8</b>	<b>2,000.0</b>	<b>1,076,404.8</b>	<b>267,208.6</b>	<b>33.0%</b>
<b>Expenditures</b>								
Employment Services	57,040.9	61,824.1	53,378.6	61,956.5		61,956.5	8,577.9	16.1%
Integrated Case Management and Service Plannin	123,197.0	126,400.1	115,402.3	125,340.9		125,340.9	9,938.6	8.6%
Financial Supports	822,092.6	968,131.9	706,822.8	968,538.3	2,000.0	970,538.3	263,715.5	37.3%
<b>Total Gross Expenditures</b>	<b>1,002,330.5</b>	<b>1,156,356.1</b>	<b>875,603.6</b>	<b>1,155,835.7</b>	<b>2,000.0</b>	<b>1,157,835.7</b>	<b>282,232.1</b>	<b>32.2%</b>
<b>Net Expenditures</b>	<b>68,998.6</b>	<b>80,790.7</b>	<b>66,407.5</b>	<b>81,430.9</b>		<b>81,430.9</b>	<b>15,023.4</b>	<b>22.6%</b>
<b>Approved Positions**</b>	<b>1,801.5</b>	<b>1,806.5</b>	<b>1,806.5</b>	<b>1,774.5</b>		<b>1,774.5</b>	<b>(32.0)</b>	<b>(1.8%)</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$80.769 million in net expenditures reflects a \$0.640 million net increase from the 2021 Council Approved Budget, when excluding \$0.662 million in estimated COVID-19 financial impacts.**

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$1.156 billion gross reflects an increase of \$280.232 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- \$223.8 million in 100% provincially funded financial and medical benefits
  - Primarily funding for eligible City residents to help cover the costs of basic needs (e.g. food) and housing. The OW caseload budget for 2022 has been set at 91,000, unchanged from the 2021 budgeted average monthly caseload however 23,000 above the current 2021 average monthly cases level.
  - Caseload levels remained below budget in 2021 as government income support programs were extended to October. These programs alleviated pressure on the OW program as City residents who might have otherwise required social assistance were able to access the federal income supports for most of the year. With the end of the programs, and based on previous recessions, projected unemployment trends and provincial forecasts, caseload is expected to increase significantly in 2022 and potentially 2023 and 2024.
- \$27.2 million in 100% provincially funded employment benefits as COVID-19 related restrictions and shutdowns limited the availability of workforce development programs in 2021. Expenditures are expected to return to normal levels in 2022 with more clients requiring access to employment and training services/supports to gain experience and (re)build skills.
- \$10.9 million in 100% provincially funded Housing Stabilization Fund (HSF) benefits. While the suspension of evictions for several months due to COVID-19 and the lower caseload reduced the demand for HSF benefits in 2021, it is expected that the need for homelessness prevention benefits will rise in 2022 in conjunction with the increase in caseload.
- \$15.9 million in salaries and benefits as hiring of front-line staff was deferred in 2021 due to the lower caseload. A job call for up to 250 caseworkers is underway, with onboarding expected to commence in the first quarter of 2022. The staffing budget also includes 84 caseload contingent positions to manage the 8,000 cases between



83,000 and 91,000 based on a caseload ratio of 10.5 FTE per 1,000 cases. The \$7.7 million funding for these positions will be provided from the Ontario Works (OW) reserve fund. This is consistent with the purpose of the reserve, which is to provide the flexibility to manage and mitigate the risks associated with a program delivery funding envelope based on caseload levels.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.000 million gross, \$0.000 million net enabling:

- One-time funding for an enhancement of \$500 per dependant in Education Supports for Investing in Families (IIF) recipients in 2022. This tutoring initiative is aimed at 14 to 17 year olds to address the academic problems posed by the COVID-19 pandemic. The reduction of in-class learning in the 2020/2021 school years negatively impacted student learning. High school students have significantly less time to academically recover before it will impact their post-secondary learning and access to the labour market.
  - Making tutors available to more adolescents – especially those families least able to afford them – will be vital to combating learning losses that resulted when COVID-19 forced schools to shut down and transition to online-only instruction.
  - Funding for the initiative will be provided by a one-time draw from the National Child Benefit Supplement (NCBS) reserve fund.

## EQUITY IMPACTS OF BUDGET CHANGES

**Investing in Families Tuition Benefit will be a High-Positive equity impact:**

To help 14 to 17 year-olds make up for the ground they lost in the 2020/2021 school year when the pandemic forced schools to shut down and transition to online-only instruction, TESS is proposing a one-time investment of \$2.000 million in 2022 to provide \$500 per child in tutoring supports to help address their academic problems. Recipients of social assistance, all of whom are low income persons, particularly single-parent, women-led families, families from racialized and newcomer communities, and families with children with special needs will be positively impacted by this investment. An intersectional analysis reveals that women make up 50% of the entire OW caseload, 24% are from single-parent families, and 25% of those who identified their race indicated that they were black.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Employment & Social Services of \$1.158 billion gross is 32.2% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	958,241.5	924,519.9	1,044,023.8	794,463.1	1,041,047.1	246,584.0	31.0%
Federal Subsidies	22.3	10.8	200.0	18.0	200.0	182.0	1010.3%
User Fees & Donations	0.1						
Transfers From Capital	1,489.8	66.6					
Contribution From Reserves/Reserve Funds			16,305.1		20,973.7	20,973.7	
Sundry and Other Revenues	11,011.4	7,711.5	14,222.4	14,351.1	13,820.1	(531.0)	(3.7%)
Inter-Divisional Recoveries	1,526.5	1,023.1	814.1	363.9	363.9	0.0	0.0%
<b>Total Revenues</b>	<b>972,291.7</b>	<b>933,331.9</b>	<b>1,075,565.4</b>	<b>809,196.1</b>	<b>1,076,404.8</b>	<b>267,208.6</b>	<b>33.0%</b>
Salaries and Benefits	171,157.9	166,543.3	168,819.3	155,072.8	170,965.8	15,893.0	10.2%
Materials & Supplies	10,492.5	7,832.4	15,491.0	9,642.6	15,374.1	5,731.5	59.4%
Equipment	546.7	355.2	298.4	1,726.1	298.4	(1,427.7)	(82.7%)
Service and Rent	71,665.8	57,043.5	79,564.1	55,171.0	74,523.0	19,352.0	35.1%
Contribution To Reserves/Reserve Funds	2,005.7	2,005.7	1,925.2	1,925.2	1,983.9	58.7	3.1%
Other Expenditures	785,950.1	759,087.3	872,573.5	638,879.7	877,090.5	238,210.8	37.3%
Inter-Divisional Charges	17,251.8	9,463.0	17,684.7	13,186.2	17,600.0	4,413.8	33.5%
<b>Total Gross Expenditures</b>	<b>1,059,070.6</b>	<b>1,002,330.5</b>	<b>1,156,356.1</b>	<b>875,603.6</b>	<b>1,157,835.7</b>	<b>282,232.1</b>	<b>32.2%</b>
<b>Net Expenditures</b>	<b>86,778.9</b>	<b>68,998.6</b>	<b>80,790.7</b>	<b>66,407.5</b>	<b>81,430.9</b>	<b>15,023.4</b>	<b>22.6%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

\$3.0 million reversal of the one-time voluntary separation program savings, \$1.2 million related to contractual increases for bargaining unit staff in 2022, and \$11.7 million in caseload related vacancies in 2021.

**Materials and Supplies:**

\$4.6 million impacted by the reset of the 100% funded medical benefits budget to respond to an expected caseload driven increase in demands, \$0.4 million in 100% funded financial benefits, and \$0.4 million in City Hardship Fund benefits.

**Services and Rents:**

\$3.5 million in 100% funded client benefits, \$2.4 million in 100% funded employment benefits and \$11.0 million in 100% CHPI funded Housing Stabilization Fund expenditures.

**Other Expenditures:**

\$213.4 million in 100% funded client benefits due to the higher caseload and \$24.8 million in 100% funded employment benefits

**Inter-Divisional Charges:**

\$5.2 million in 100% funded childcare payments for dependants of Ontario Works clients to Children Services

**Provincial Subsidies:**

Increase due to higher provincially funded expenditures in accordance with the Ontario Works Act

**Contribution from Reserves:**

Includes \$7.7 million from the Ontario Works (OW) reserve to fund the 84 caseload contingent staff, \$10.3 million from the National Child Benefit Supplement (NCBS) reserve to fund Investing in Families benefits, \$1.5 million from the Social Assistance Stabilization (SAS) reserve to fund Housing Stabilization client benefits, and \$1.5 million from the Kids at Computers reserve to fund technology supports for clients.

## Offsets and Efficiencies:

The **2022 Operating Budget** includes \$5.770 million in gross expenditure and \$7.439 million in net expenditure reductions attributed to:

- Reducing the Support Assistant complement by 25 to reflect administrative efficiencies gained during the pandemic, including those achieved from consolidation/centralization and Telework and planning to hire 50 vacant Support Assistant positions in July 2022 will generate savings of \$3.676 million gross and net.
- Reallocating \$1.669 million in provincial program delivery funding from the Investing in Families program to administration and replacing it with a draw from the National Child Benefit Supplement reserve fund.
- Reducing the divisions footprint by relocating Consilium Place to Bridlewood Mall, High Park/Parkdale and Metro Hall to Dufferin Mall and Lesmill to the North York Civic Centre for a savings of \$1.344 million gross and net
- Completing the digitization of Ontario Works files for a savings of \$0.750 million gross and net.

**Table 2b: 2021 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
1 Investing In Families Tuition Benefit	2,000.0	2,000.0				High - Positive	No	Investing in People and Neighborhoods
Total New / Enhanced	2,000.0	2,000.0						

The 2022 Operating Budget includes \$2.000 million in investments to support priority actions as detailed in the table above.

### Investing in Families Tuition Benefit (\$2.000 million gross and \$0.000 million net):

- An enhancement of \$500 per dependent in Education Supports for Investing in Families (IIF) recipients. This tutoring initiative is aimed at 14 to 17 year olds to address the academic problems posed by the COVID-19. The reduction of in-class learning in the 2020/2021 school years due to the pandemic has negatively impacted student learning, with the 14-17 year old age group most affected. High school students have significantly less time to academically recover before it will impact their post-secondary learning and access to the labour market.
- The one year initiative is anticipated to cost \$2.0 million gross and zero net, 100% funded by a draw from the NCBS reserve fund; consistent with the purpose of the reserve which is to fund programs, benefits or services that increase incentives for families with children on social assistance to enter/re-enter the workforce.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	809,196.1	1,076,404.8	1,073,371.0	1,065,733.4
Gross Expenditures	875,603.6	1,157,835.7	1,160,151.8	1,163,761.6
<b>Net Expenditures</b>	<b>66,407.5</b>	<b>81,430.9</b>	<b>86,780.8</b>	<b>98,028.2</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>1,774.5</b>	<b>1,774.5</b>	<b>1,774.5</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$1.160 billion reflects an anticipated \$2.316 million or 0.20 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$3.610 million or 0.31 per cent above 2023 gross expenditures.

These changes arise from the following:

**Impacts of 2022 decisions (annualizations, reversal of one-time measures or revenues)**

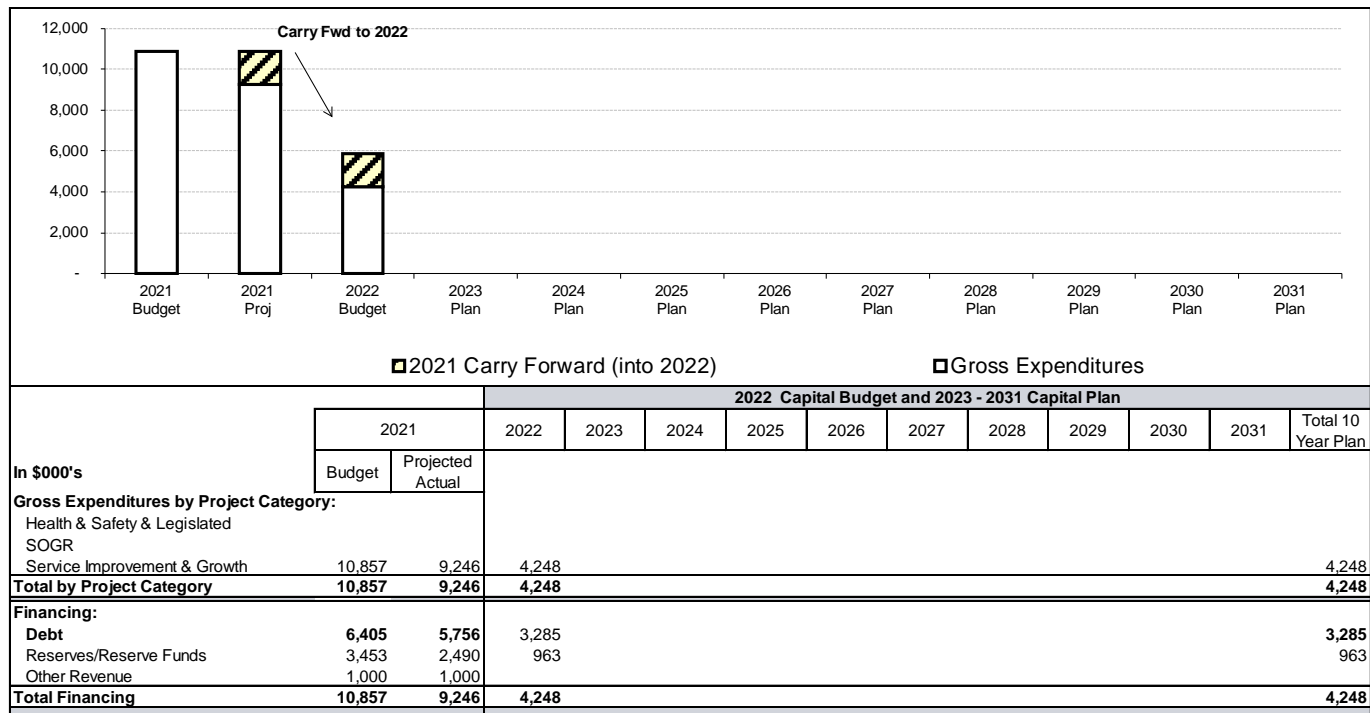
- Annualization of 50 Support Assistant C's positions currently vacant are budgeted for the full year in 2023 and 2024 versus half the year in 2022 at a cost of \$1.838 million per year. **(2023 and 2024)**
- Reversal of the one-time Investing in Families Tuition Benefit of \$2.0. **(2023 and 2024)**

**Salaries and Benefits**

- Salary costs in 2023 and 2024 are mainly impacted by COLA, STEP and benefit increases of \$3.151 million and \$3.611 million respectively. **(2023 and 2024)**

**Revenue Changes**

- In 2022 and 2023, 84 caseload contingent staff are funded by a draw from the OW reserve fund. There is insufficient funds in the reserve to fund the \$7.678 million cost of these positions in 2024. **(2024 Only)**

**2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW****Chart 1: 10-Year Capital Plan Overview**  
(\$000)

**Changes to Existing Projects**  
(\$0.0 Million)



**New Projects**  
(\$0.0 Million)

**Capital Needs Constraints**  
(\$3.75 Million)

Toronto Employment & Social Services has one unmet project over the 10-year planning horizon:

- The Beaches office located on 1631 Queen Street East will need to relocate as ModernTO will be redeveloping the site as part of the "Housing Now" initiative. As an alternative site is yet to be identified TESS has not included the project in the 10 year plan.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$4.248 Million 10-Year Gross Capital Program**

	
<b>Aging Infrastructure</b>	<b>Information Technology</b>
\$3.285 M 77%	\$0.963 M 23%
TESS office renovation / relocation projects	Human Services Integration project

✔ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

✔ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

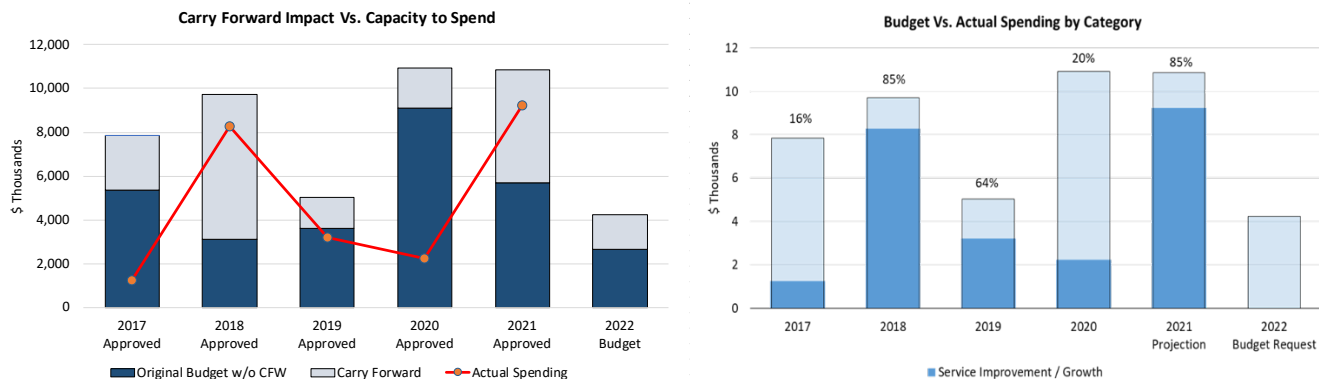
City of Toronto		Provincial Funding	Federal Funding
\$4.248 M		\$0 M	\$0 M
100%		0%	0%
Debt	\$ 3.285 M		
Reserve / Reserve Funds	\$ 0.963 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Employment & Social Services Division's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$1.611 million in capital spending originally cash flowed in 2021 has been deferred to 2022.

In 2021, TESS is forecasting to spend \$9.246 million or 85% of the 2021 Council Approved Capital Budget.

Adjustments to the Capital Plan are noted below:

- Human Services Integration project: \$0.963 million deferred from 2021 to 2022.
- Yonge Street office relocation project: \$0.648 million deferred from 2021 to 2022.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact future year Operating Budgets by a total of \$1.124 million net, primarily due to the reduced footprint in relation to the Bridlewood, and Dufferin Mall office relocation projects.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Bridlewood office relocation project	(669.0)		(44.4)								(713.4)		(713.4)	
Dufferin Mall office relocation project	(281.1)	(4.0)	(127.2)		(2.6)						(411.0)	(4.0)	(411.0)	(4.0)
<b>Sub-Total: Previously Approved</b>	<b>(950.2)</b>	<b>(4.0)</b>	<b>(171.6)</b>		<b>(2.6)</b>						<b>(1,124.4)</b>	<b>(4.0)</b>	<b>(1,124.4)</b>	<b>(4.0)</b>
<b>Total (Net)</b>	<b>(950.2)</b>	<b>(4.0)</b>	<b>(171.6)</b>		<b>(2.6)</b>						<b>(1,124.4)</b>	<b>(4.0)</b>	<b>(1,124.4)</b>	<b>(4.0)</b>

- The reduced office footprint due to relocating Consilium Place to Bridlewood Mall, and High Park/Parkdale and Metro Hall to Dufferin Mall will result in \$1.124 million net operating savings, including a reduction of 4 positions, over the 2022-2031 period.



# 2022 Program Summary

## Toronto Paramedic Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Paramedic Services (PS) provides 24/7 paramedic care in response to life-threatening medical emergencies. PS delivers the following services:

- Emergency Medical Care
- Emergency Medical Dispatch
- Community Paramedicine

PS is responsible for all aspects of land ambulance service for the City of Toronto. PS has stewardship of more than 45 ambulance stations (including a Multi-Function Station), a fleet of 234 transport ambulances, 1,285 Paramedics and 131 Emergency Medical Dispatchers.

### Why We Do It

PS is the sole provider of 24/7 paramedic care as mandated by the *Ambulance Act* of Ontario. We protect and improve the quality of life in Toronto by providing superior and compassionate pre-hospital and out-of-hospital, paramedic-based health care.

*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

### Emergency Medical Care

**Who We Serve:** 911 Callers, Patients, Hospitals

**What We Deliver:** Provide outstanding paramedic-based emergency medical response and treatment, and ensure medically appropriate transport for all patients in the community.

**How Much Resources (gross 2022 operating budget):** \$248.7 million

### Emergency Medical Dispatch & Preliminary Care

**Who We Serve:** 911 Callers, Patients, Hospitals

**What We Deliver:** Provide immediate access to dispatch life support instructions through Toronto's Central Ambulance Communications Centre prior to paramedic arrival.

**How Much Resources (gross 2022 operating budget):** \$31.5 million

### Community Paramedicine & Emergency Call Mitigation

**Who We Serve:** 911 Callers, Patients, Hospitals, Health Care Providers

**What We Deliver:** Provide community-based primary medical care and referrals, at-home medical care to support seniors and vulnerable citizens, and citizen first-response education and awareness within the community.

**How Much Resources (gross 2022 operating budget):** \$11.9 million

## Budget at a Glance

### 2022 OPERATING BUDGET

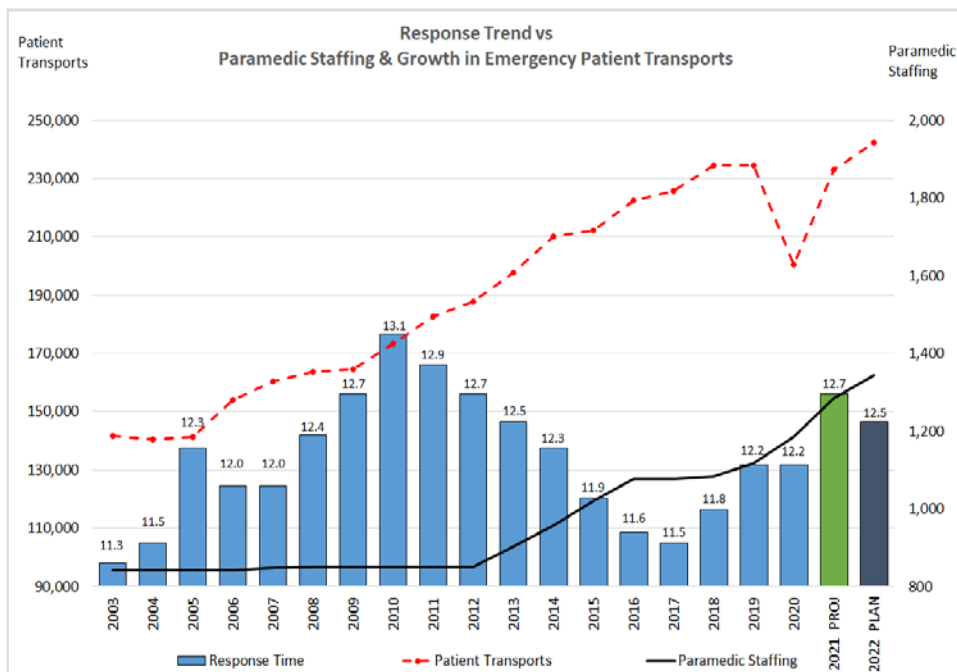
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$192.0	\$187.3	\$189.9
Gross Expenditures	\$292.1	\$297.5	\$303.4
Net Expenditures	\$100.1	\$110.2	\$113.5
Approved Positions	1,796.3	1,764.3	1,764.3

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$13.7	\$137.7	\$151.4
Debt	\$9.8	\$83.9	\$93.8

Note: Includes 2021 carry forward funding to 2022

## How Well We Are Doing – Behind the Numbers

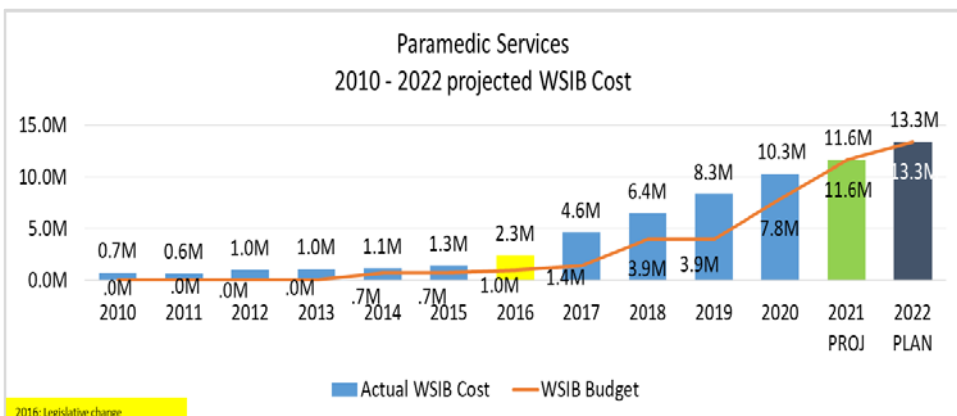


### EMERGENCY VOLUME – NATURE OF DEMAND

- Emergency volume returned to pre-pandemic levels
- Driven by aging, growing, and increasingly vulnerable population
- Polarized socio-economic status results in fragmented support systems / reliance on paramedic and public services

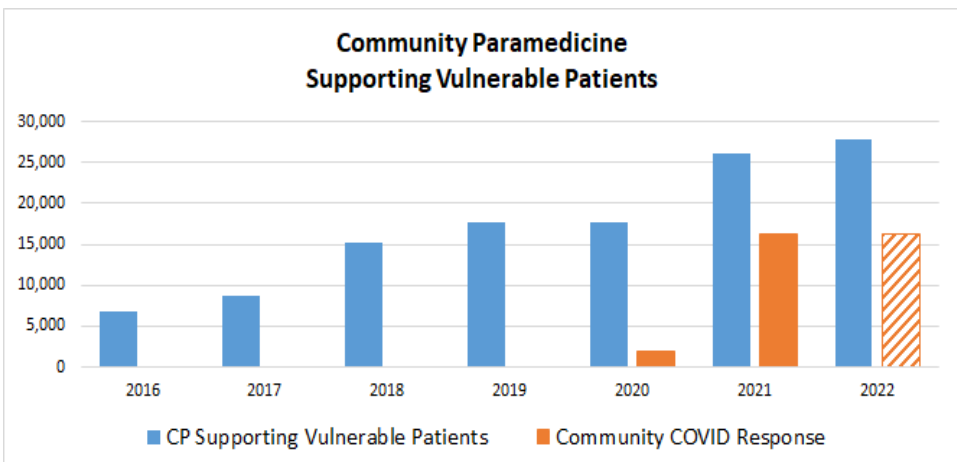
### RESPONSE TIME TO CRITICAL PATIENTS

- Reduced ambulance availability increases response times to critical patients
- Critically ill patients need transport to definitive care facilities (e.g., Stroke Centres, Catheterization Labs, Trauma Centres, etc.)



### INCREASED WSIB COSTS

- 55.6% increase in the number of lost-time incidents of employee injury/illness – due to Post Traumatic Stress Injuries
- New WSIB legislation was enacted in 2016
- Increase in reports of staff exposures to infectious disease and associated WSIB claims related to occupational stress injury



### COMMUNITY PARAMEDICS

Support vulnerable patients through:

- Referrals to community resources by frontline Paramedics
- Home visits
- Wellness Clinics in TCHC buildings
- Homebound Vaccinations
- COVID-19 Tests
- Chronic disease management for seniors awaiting LTC placement

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target
Service Level Measures							
Pre-Hospital Emergency Care	Response Time (minutes)	12.2	12.2	12.4	12.7	●	12.5
Pre-Hospital Emergency Care	Emergency Calls (Unique Incidents)	336,573	307,875	320,190	323,573	●	341,694
Pre-Hospital Emergency Care	Time on Task (minutes) (90th Percentile All Calls)	130.08	127.72	130.67	132.32	●	137.08
Pre-Hospital Emergency Care	WSIB Cost (\$ million)	\$8.3M	\$10.3M	\$11.6M	\$11.6M	●	\$13.3M
Other Measures							
Community Paramedicine Outreach & Referral	Number of Supported Vulnerable Patients	17,744	19,632	26,054	26,054	●	27,877
Emergency Medical Dispatch	Emergency Calls Processed	419,229	375,011	390,011	394,040	●	416,094

### Note:

- - Represents a negative trend or additional pressure to the Division
- - Represents a neutral trend or impact on the Division
- - Represents a positive trend or impact on the Division

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- SSC - Staff Support Centre – (\$0.510M Gross, \$0 Net)
  - A centralized resource to support staff health and wellness, providing employee health monitoring, workplace contact tracing, COVID-19 testing referrals, and responding to staff inquiries.
- Pandemic Response – Community Paramedicine – (\$2.770M, \$0 Net)
  - Paramedic Teams that provide COVID-19 testing and vaccinations to support vulnerable populations.
- Additional PPE – (\$1.664M, \$0 Net)
  - PPE usage has increased significantly in response to the pandemic.
- Additional Ambulance Cleaning – (\$0.439M, \$0 Net)
  - To ensure patient safety and a safe working environment for paramedics, the division has doubled the amount of deep vehicle cleaning compared to pre-pandemic times.
- PPE Re-Processing Facilities – (\$1.293M, \$0 Net)
  - Staff and equipment have been purchased to enable the division to reprocess N95 masks and ensure adequate supplies of PPE to support frontline staff.

All the above 2022 COVID-19 initiatives are expected to be 100% funded by the province.

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**Service Level Changes**

In early 2020, emergency medical call volumes were lower at the start of the COVID-19 pandemic. In 2021, call volumes have returned to pre-pandemic levels and are expected to return to the average annual increase of 4% in future years.

In addition, ambulance availability has been negatively impacted by hospital system capacity pressures resulting in increased patient transfer-of-care times for paramedics, and increased frontline infection control requirements. This has contributed to increased response times to critical patients.

There has also been an increase in WSIB claims related to Post Traumatic Stress Injuries (PTSI) and exposure to infectious diseases (i.e., COVID-19) experienced by Paramedics.

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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Continued long-term strategy of building a Multi-Function Station system to improve operational efficiencies and accommodate growth in emergency call demand. In 2018, the first Multi-Function Station became fully operational.
- Continued improvement in 911 call mitigation from Community Paramedics providing primary medical care and referrals to support aging at home, health promotion, illness and injury prevention.
- PS improved Response Times from 2011 to 2017. However, call volume increased in 2018 and 2019 resulting in a significant increase in Response Times. Beginning in 2020, City Council has supported the implementation of the Staffing and Systems Plan (2019.EC5.3) to improve Service Levels and our Response Times.

### Key Challenges and Risks

- Hospital and healthcare system capacity
- Increased workload on staff/increased WSIB pressure
- Response to critically ill and injured patients/maintaining ambulance availability
- Employee health and safety, e.g., maintaining safe and clean workplace
- Continued emergency medical call mitigation
- Financial sustainability, e.g. Provincial grant

### Priority Actions

- Implement Council approved Staffing Plan
- Continue to optimize staffing and deployment plan, e.g. specialized transport programs, paramedic schedules, business continuity
- Support healthcare reforms as a result of pandemic experience
- Continue Community Paramedicine initiatives, e.g. support for those awaiting long-term care placement; home visits to support living/aging at home; community wellness clinics; COVID-19 testing and vaccinations; integrated care partnerships
- Optimize Staff Support Centre operations, e.g. return-to-work re-integration, vaccination tracking, monitoring employee health
- Maintain adequate supply of PPE and operate PPE Re-Processing Facilities
- Continue enhanced station and vehicle cleaning

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Emergency Medical Care	137,886.6	143,196.3	142,827.0	150,757.2	2,149.9	152,907.1	10,080.1	7.1%
Emergency Medical Dispatch & Preliminary Care	30,153.2	31,104.8	34,424.4	31,556.1		31,556.1	(2,868.4)	(8.3%)
Community Paramedicine & Call Mitigation	1,482.6	4,386.1	7,079.3	7,550.6		7,550.6	471.4	6.7%
<b>Total Revenues</b>	<b>169,522.5</b>	<b>178,687.2</b>	<b>184,330.7</b>	<b>189,863.9</b>	<b>2,149.9</b>	<b>192,013.7</b>	<b>7,683.1</b>	<b>4.2%</b>
<b>Expenditures</b>								
Emergency Medical Care	222,744.8	238,419.5	227,276.4	244,421.0	4,299.7	248,720.8	21,444.3	9.4%
Emergency Medical Dispatch & Preliminary Care	26,790.7	30,993.6	30,827.0	31,542.9		31,542.9	715.9	2.3%
Community Paramedicine & Call Mitigation	2,785.8	11,261.3	13,703.5	11,878.9		11,878.9	(1,824.6)	(13.3%)
<b>Total Gross Expenditures</b>	<b>252,321.3</b>	<b>280,674.4</b>	<b>271,806.9</b>	<b>287,842.8</b>	<b>4,299.7</b>	<b>292,142.5</b>	<b>20,335.6</b>	<b>7.5%</b>
<b>Net Expenditures</b>	<b>82,798.9</b>	<b>101,987.2</b>	<b>87,476.2</b>	<b>97,978.9</b>	<b>2,149.9</b>	<b>100,128.8</b>	<b>12,652.6</b>	<b>14.5%</b>
<b>Approved Positions**</b>	<b>1,606.3</b>	<b>1,733.3</b>	<b>1,733.3</b>	<b>1,733.3</b>	<b>63.0</b>	<b>1,796.3</b>	<b>63.0</b>	<b>3.6%</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$287.843 million gross reflecting an increase of \$16.036 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- \$5.832 million for salaries and benefits savings in 2021 primarily due to higher than expected attrition offset by overtime.
- \$4.394 million for annualization of 2021 staff initiatives, including COVID-19 initiatives and positions added in 2021 as a result of the Staffing & Systems Plan (2019 EC5.3) implemented to address workload pressures due to increasing call demand.
- \$2.936 million for COLA.
- \$1.740 million for WSIB pressures as a result of increases in the approval of PTSI claims and benefit entitlements outlined in Bill 127 & Bill 163.
- \$0.735 million for increases in contributions to vehicle/equipment reserves due to fleet and equipment additions in the Capital Budget.
- \$0.399 million for Economic Factors.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$97.979 million in net expenditures reflects a \$2.164 million net increase from the 2021 Council approved Budget, when excluding \$6.172 million net in estimated COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$4.300 million gross, \$2.150 million net enabling:

- Funding for 63 additional staff, in line with the Staffing & Systems Plan (2019,EC5.3) to address workload pressures due to increasing call volumes.

**EQUITY IMPACTS OF BUDGET CHANGES**

**Increase access to services for vulnerable seniors:** The Staffing Plan budget proposal's overall equity impact is medium positive. This proposal will have a positive impact particularly on vulnerable seniors who are one of the primary groups accessing these services. The proposal will help improve response time reliability and ambulance availability for life-threatening calls which will positively affect the care, treatment and outcomes of these patients.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Paramedic Services is \$20.336 million gross or 7.5% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	146,903.5	168,109.0	172,420.2	182,629.8	187,155.9	4,526.1	2.5%
User Fees & Donations	1,095.2	182.0	1,087.9	151.9	785.6	633.7	417.1%
Transfers From Capital	327.5	162.2	470.0	313.3	470.0	156.7	50.0%
Contribution From Reserves/Reserve Funds			3,253.6		2,149.9	2,149.9	
Sundry and Other Revenues	759.8	478.8	896.6	569.0	896.6	327.5	57.6%
Inter-Divisional Recoveries	978.0	590.4	558.9	666.6	555.8	(110.8)	(16.6%)
<b>Total Revenues</b>	<b>150,064.1</b>	<b>169,522.5</b>	<b>178,687.2</b>	<b>184,330.7</b>	<b>192,013.7</b>	<b>7,683.1</b>	<b>4.2%</b>
Salaries and Benefits	199,407.4	213,772.7	240,266.9	230,754.0	250,999.9	20,246.0	8.8%
Materials & Supplies	7,661.7	8,585.1	9,894.2	10,975.9	10,523.9	(452.1)	(4.1%)
Equipment	990.9	3,510.8	1,442.7	1,872.1	1,413.2	(458.9)	(24.5%)
Service and Rent	10,266.9	10,575.5	11,825.5	10,997.7	11,820.7	823.0	7.5%
Contribution To Capital	1,100.3	1,160.3	831.3	831.3	831.3		
Contribution To Reserves/Reserve Funds	8,810.8	10,067.1	10,656.3	10,506.3	11,205.3	699.0	6.7%
Other Expenditures	6.9	0.9	12.3	5.9	12.3	6.4	109.2%
Inter-Divisional Charges	9,829.2	4,649.0	5,745.2	5,863.6	5,336.0	(527.7)	(9.0%)
<b>Total Gross Expenditures</b>	<b>238,074.0</b>	<b>252,321.3</b>	<b>280,674.4</b>	<b>271,806.9</b>	<b>292,142.5</b>	<b>20,335.6</b>	<b>7.5%</b>
<b>Net Expenditures</b>	<b>88,009.9</b>	<b>82,798.9</b>	<b>101,987.2</b>	<b>87,476.2</b>	<b>100,128.8</b>	<b>12,652.6</b>	<b>14.5%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Includes increases from 2021 savings due to higher than expected attrition (\$5.8M) impacting 2021 actuals, the annualization of 2021 staff initiatives (\$4.4M), New and Enhanced staff additions (\$4.3M), COLA (\$2.9M), WSIB pressures (\$1.7M), and various benefits (\$1.1M).

**Materials & Supplies, Equipment, Other Expenditures:**

Includes increases in contributions to the vehicle and equipment reserves (\$0.8M), 2021 savings from various contracted services (\$1.0M), increases in medical supplies, medical equipment, laptops and software (\$0.9M), and a reduction in the interdivisional charge with Corporate Real Estate Management for station cleaning (\$0.5M).

**User Fees:**

Includes a recovery of 2022 user fees to normal levels; excluding First Aid/CPR training which remains lower to reflect a projected reduction in external training classes.

**Offsets and Efficiencies:**

The 2022 Operating Budget includes \$11.440 million in net expenditures reductions attributed to:

**Provincial Funding:**

- Revenue increases of \$8.092 million in provincial funding due to growth in service demand.

**Adjustments:**

- Reduction of \$0.368 million gross and net in the operating impact of capital as a result of adjusted contributions to the vehicle/equipment reserves to align with anticipated purchasing timelines.

**Event Savings:**

- Savings of \$0.150 million gross and net resulting from changes to the Safe City Training program.

**Line-by-line Review:**

- Includes \$2.830 million in expenditure adjustments to align with actual spending.

**Table 2b: 2022 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
1    Staffing Plan	2,149.9	4,299.7	2,149.9	63.0	8,146.6	Medium - Positive	No	Response to critically ill and injured patients/maintaining ambulance availability
Total New / Enhanced	2,149.9	4,299.7	2,149.9	63.0	8,146.6			

The 2022 Operating Budget includes a \$2.150 million net investment to support priority actions as detailed in the table above.

**Staffing & Systems Plan (\$4.300 million gross and \$2.150 million net):**

- This initiative includes the addition of 62 front line staff and 1 support staff plus associated operating costs to address workload pressures resulting from increasing emergency call demand. This continues the City Council direction in the Staffing Plan (EC5.3) adopted by Council on June 18, 2019.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	184,330.7	192,013.7	187,266.3	189,857.6
Gross Expenditures	271,806.9	292,142.5	297,509.7	303,398.9
<b>Net Expenditures</b>	<b>87,476.2</b>	<b>100,128.8</b>	<b>110,243.4</b>	<b>113,541.3</b>
<b>Approved Positions</b>	<b>1,733.3</b>	<b>1,796.3</b>	<b>1,764.3</b>	<b>1,764.3</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$297.510 million reflects an anticipated \$5.367 million or 1.8 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlook expects a further increase of \$5.889 million or 2.0% above 2023 gross expenditures.

These changes arise from the following:

**Impact of 2022 decisions (Annualizations, reversal of one-time measures or revenues)**

- In 2023, 32 temporary positions created to address COVID-19 initiatives will be reversed along with offsetting funding (net \$0)
- Net impact of \$3.8 million and \$1.7 million for the 2022 Staffing Plan additions in 2023 and 2024, respectively

**Salaries and Benefits**

- COLA increase of \$3.5 million in 2023 and \$3.6 million in 2024

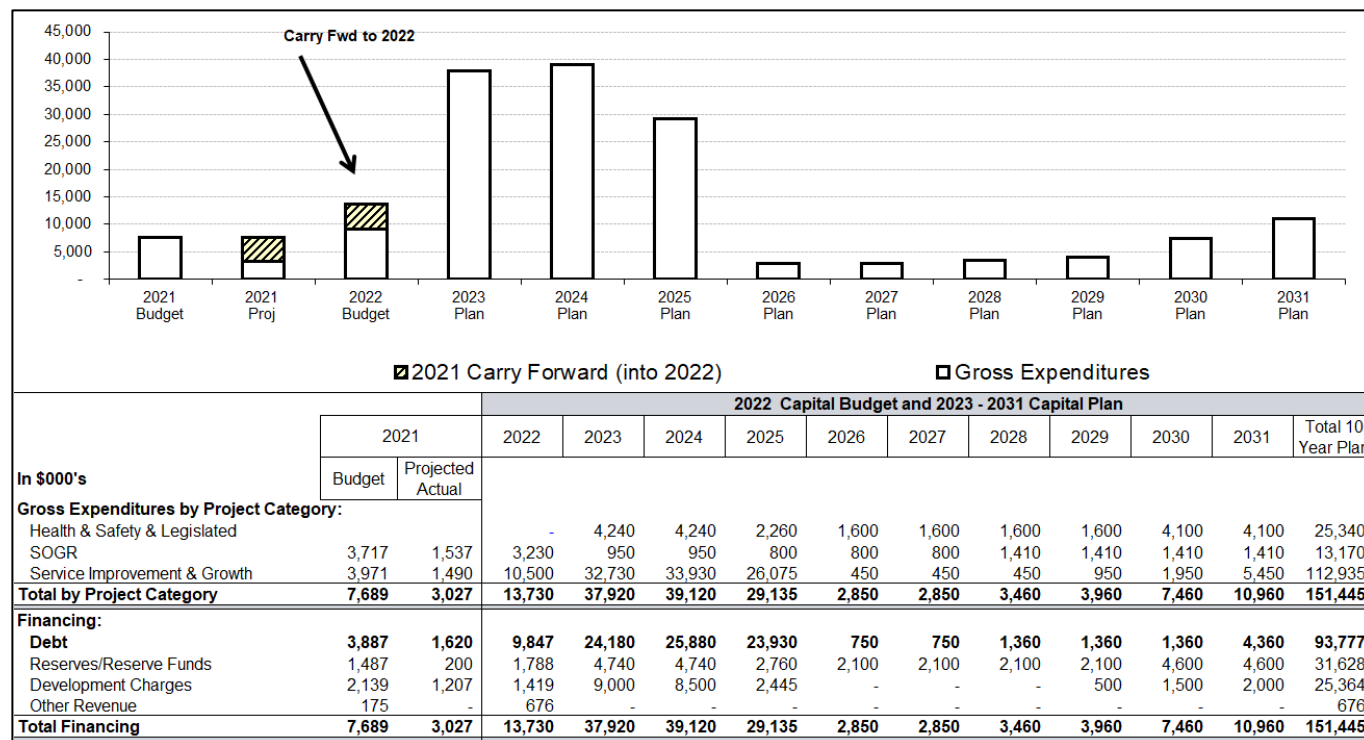
**Growth (volume increases, operating impacts of completed capital projects, future phases of strategic plans)**

- Operating Impact of Capital increase of \$0.9 million in 2023 and \$0.4 million in 2024, primarily due to growth in fleet

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$16.4 Million)

- \$30.0M – Multi-Function Station #2 (Facility) – Construction and COVID Cost Escalations & Net Zero Requirement
- \$0.7M – PPE Re-Processing Facilities
- \$4.2M – Additional Ambulances
- \$1.1M – Additional Emergency Response Vehicles
- (\$17.0M) – Multi-Function Station #3 (Facility) – 610 Bay Street (Phase 1)
- (\$2.6M) – Medical Equipment Replacement











### New Projects (\$10.0 Million)

- \$10.0 - Multi-Function Station #5 (Facility) – 18 Dyas Road (Phase 1)

### Capital Needs Constraints (\$104.5 Million)

- \$19.5M - Multi-Function Station #3 (Facility) – 610 Bay Street (Phase 2)
- \$75.0 - New Communication Centre
- \$2.0M - Ambulance Post #3
- \$2.0M - Ambulance Post #4
- \$2.0M - Ambulance Post #5
- \$2.0M - Ambulance Post #6
- \$2.0M – Emergency Response Driver Training Facility

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$151.4 Million 10-Year Gross Capital Program**

			
Infrastructure	Communication Systems	Vehicles	Equipment
\$97 M 64%	\$7 M 5%	\$15 M 10%	\$32 M 21%
Multi-function Stations  Ambulance Posts  PPE Re-Processing Facilities   	Mobile Data Communications  Ambulance & Portable Radios  NG911  	Ambulances  Emergency Response Vehicles   	Power Stretchers  Defibrillators  AEDs  

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately.

**How the Capital Program is Funded**

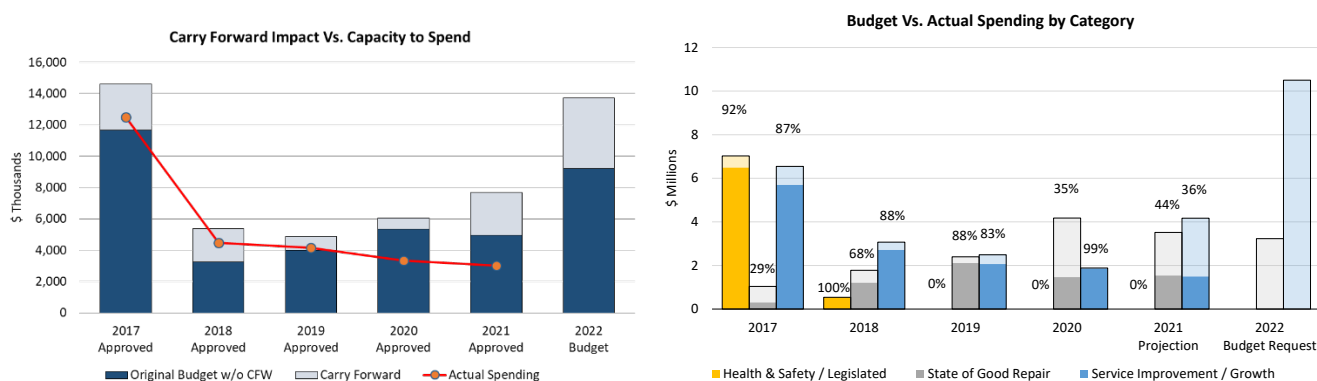
City of Toronto		Provincial Funding	
\$150.7 M 100%		\$0.7 M 0%	
Debt	\$ 93.8 M	Grants	\$ 0.7 M
Reserve / Reserve Fund	\$ 31.6 M		
Development Charges	\$ 25.3 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Paramedic Services' ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, approximately \$4.512 million in capital spending originally cash flowed in 2021 has been deferred to 2022. Adjustments to the Capital Plan are noted below:

#### Deferred to 2022

- \$0.569 million - Multi-Function Station #2 (FACILITY) – Design and Construction
- \$0.125 million - Ambulance Post #1 - 30 Queen's Plate Drive
- \$0.450 million - Ambulance Post #2 - 330 Bering Ave
- \$0.450 million - PPE Re-Processing Facilities Rivalda & HQ
- \$0.100 million - Mobile Data Communications – 2021
- \$0.793 million - Dispatch Console Replacement - 2020-2021
- \$0.136 million - Additional Ambulances (7 per year) – 2020
- \$0.600 million - Additional ERV - 2020 (3 +1 per year)
- \$1.287 million - Medical Equipment Replacement - 2021

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022-2031 Capital Budget will impact the future year Operating Budgets by \$2.885 million net over the 2022-2031 period, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Additional Ambulances	284.6		877.3		142.3		(326.0)				978.1		978.1	
Additional ERV's - Tahoes	207.8		(103.9)								103.9		103.9	
Additional ERV's - Tahoes			249.3		124.7		124.7		(124.7)		374.0		374.0	
Additional ERV's - Equinox	268.0		(134.0)								134.0		134.0	
Ambulance Post #1 - 30 Queen's Plate Dr			10.0		(5.0)						5.0		5.0	
Ambulance Post #2 - 330 Bering Ave	10.0		(5.0)								5.0		5.0	
Multi-Function Stn #2 - 300 Progress Ave							1,281.3	18.0	467.7		1,749.0	18.0	1,194.8	18.0
Multi-Function Stn #3 - 610 Bay Street					14.8		(7.4)				7.4		7.4	
Multi-Function Stn #5 - 18 Dyas Road					151.5		(75.8)				75.8		75.8	
PPE RE-Processing Facility - 160 Rivalda Rd	(35.3)										(35.3)		(35.3)	
Defibrillators Replacement							84.0		(42.0)		42.0		42.0	
<b>Sub-Total: Previously Approved</b>	<b>735.1</b>		<b>893.7</b>		<b>428.2</b>		<b>1,080.8</b>	<b>18.0</b>	<b>301.0</b>		<b>3,438.8</b>	<b>18.0</b>	<b>2,884.6</b>	<b>18.0</b>

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Infrastructure and  
Development Services*



# 2022 Program Summary

## City Planning

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The City Planning Division is helping to build Toronto's future by managing the growth and physical form of the city – how it looks, feels and moves, and the opportunities it provides in terms of jobs and services to its residents.

City Planning delivers the following services:

- City Building & Policy Development
- Development Review, Decision & Implementation

### Why We Do It

**Development applications comply with the Official Plan, other legislation, and principles of good planning. Applicants receive timely and fair recommendations on development applications.**

**The City of Toronto has an Official Plan and Design Guidelines for balanced and socially and environmentally resilient physical growth. Policy and guideline development is integrated and collaborative.**

*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

### City Building & Policy Development

**Who We Serve:** Community Groups, Interest Groups, Property Owners

**What We Deliver:** Improving the built environment, the integration of land use and transportation, the natural environment, the optimization of the City's waterfront assets, the partnership with planning agencies and other orders of government, and achieving revitalization while ensuring the creation of sustainable neighbourhoods.

**How Much Resources (2022 gross operating budget):** \$24.1 million

### Development Review, Decision & Implementation

**Who We Serve:** Applicants, Community Groups, Interest Groups, Property Owners

**What We Deliver:** Review development applications to ensure desirable development through public consultation and timely review process, while ensuring the implementation of Council policies and applying relevant provincial regulations and plans.

**How Much Resources (2022 gross operating budget):** \$32.0 million

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$42.8	\$43.6	\$43.0
Gross Expenditures	\$56.1	\$57.4	\$57.3
Net Expenditures	\$13.3	\$13.8	\$14.3
Approved Positions	470.0	470.0	464.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$6.2	\$55.2	\$61.4
Debt	\$3.1	\$26.8	\$29.9

Note: Includes 2021 carry forward funding

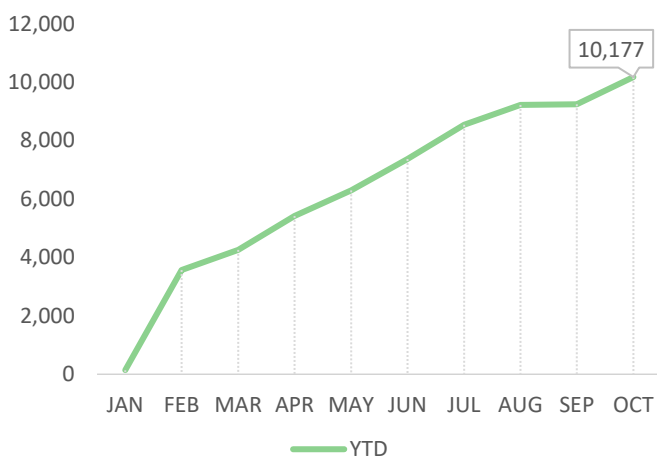
## How Well We Are Doing – Behind the Numbers

### Committee of Adjustment & TLAB

	OCT	YTD
C of A Hearings	10	77
Apps Scheduled for Hearing	398	3500
Consent Certificates Issued	17	214
TLAB Hearings	19	296

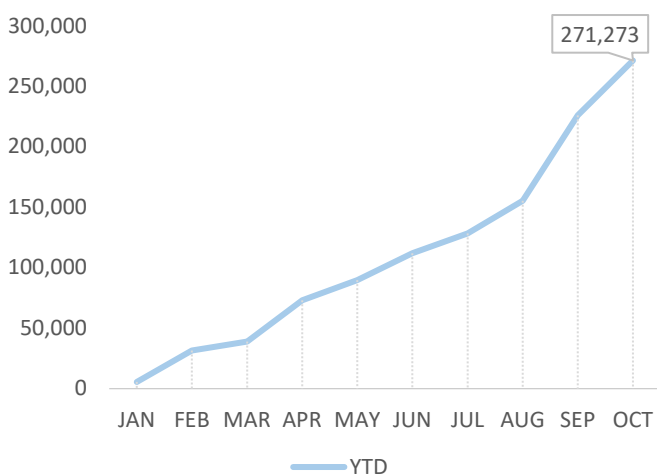
- Total number of Committee of Adjustment and TLAB hearings, from January to the end of October 2021.

### Residential Units Issued Through NOAC



- Total number of residential units issued to the end of October 2021, through Notice of Approval Conditions (NOAC).

### Non-Res GFA (m<sup>2</sup>) Issued Through NOAC



- Total amount (m2) of non-residential gross floor area issued to the end of October 2021, through a Notice of Approval Conditions (NOAC).

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Development Review, Decision & Implementation	Time-frame (weeks) from receipt of Committee of Adjustment application to hearing date, city-wide average	9	12	9	9	●	9	9
City Building & Policy Development	% proposed residential units with 500 metres of higher order transit	60%	60%	60%	60%	●	60%	60%
Development Review, Decision & Implementation	% of complete / incomplete notice sent within 30 days	72%	80%	80%	80%	●	80%	80%
Service Level Measures								
Development Review, Decision & Implementation	% of complex OPA/Rezoning decisions within 18 months	59%	34%	80%	53%	●	80%	80%
City Building & Policy Development	# of City Building studies completed	22	18	18	18	●	18	18

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- There are no anticipated COVID-19 impact to City Planning's 2022 Operating Budget impact.

#### Service Level Changes

- There are no anticipated impacts to service levels as a result of COVID-19 during 2022.
- The Service Levels will be reviewed and adjusted to reflect processes and protocols as required in accordance with prevailing health and safety guidelines and advice from the Medical Officer of Health.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Requests to Convert Employment Areas submission window closed August 3, 2021, with staff reviewing and preparing reports for 2022
- Inclusionary Zoning Official Plan Amendment, Zoning By-law Amendment and Draft Implementation Guidelines adopted by City Council
- New definition of "affordable housing" adopted by City Council
- Rapid Housing Initiative: Guidelines and draft Minister's Zoning Order completed, and creation of reports to multiple sites to permit the development of modular housing proposals
- Housing Now: Three sites through zoning approvals; nine sites through consultation and technical review, and Phase 3 sites launched
- Expanding Housing Options in Neighbourhoods: Reports on Garden Suites, Beaches-East York Pilot Project and Multiplexing
- Laneway Suites monitoring and by-law updates adopted by City Council
- Major Transit Station Areas: Draft OPA for lower targets for 11 MTSA and Draft OPA for the delineation of 16 Downtown PMSTAs was approved by Planning and Housing Committee
- Joint report with Transit Expansion Office on Provincial Transit Orientated Communities Program adopted by Executive Committee
- Our Plan Toronto: Reports for the Major Transit Station Area Delineations adopted by PHC
- The First Parliament Master Plan: Site and Expropriation of City-owned lands by Metrolinx for Eastern Transit Expansion Purposes
- Christie's Secondary Plan and Urban Design Guidelines and Zoning By-law approved by City Council
- Mall Redevelopment Guide published to inform mall site transformation across Toronto
- TOcore: Downtown Parks and Public Realm Implementation Strategy adopted by City Council
- Eglinton Green Line Landscape and Public Realm Standards adopted by City Council
- Processed 747 Community Planning development review applications (as of December 3, 2021).
- Processed 3608 Committee of Adjustment minor variance and consent applications (as of December 3, 2021).
- 1389 Heritage Permits released in 2021 (as of December 3, 2021)
- ArtWorxTO inventory of Percent for Public Art Program online with partner divisions Economic Development and Culture and Transportation Services
- 11 heritage properties were recipients of Toronto Heritage Grant Awards
- Toronto Green Standard Version 4 was adopted by City Council on July 14 and will come into effect in May, 2022:
  - Certification of 25 Tier 2 Projects (as of December 3, 2021)
  - Updated Zoning Bylaw to require 100% parking spaces to be Electric Vehicle ready
  - Partnered with Toronto Atmospheric Fund on two studies to assess buildings materials emissions (embodied emissions) to set future targets in the green standards
- Submitted applications for C40 Urban Nature Declaration and to be certified as a Bird Friendly City by Nature Canada

- Our Plan TO consultation on Environment and Climate Change including youth engagement strategy focused on Climate Change
- OPA to enable expansion of Enwave Deep Lake Water Cooling system intake through City-owned lands approved
- Processing design submissions and approvals for Port Lands Flood Protection
- Concept 2 Keys (C2K) launched Application Submission Tool for ease of application intake process
- 208 virtual Community Consultation meetings held (as of December 3, 2021)

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## Key Challenges and Risks

- Priority for transit, affordable housing and planning frameworks.
- Timely implementation of Concept 2 Keys (C2K) organizational changes and revisions in the Development Review Process.
- Less effectiveness and efficiency of the Committee of Adjustment and Community Planning; harmonizing policies and practices.
- Ensuring staff resources are aligned to current work volume pressures.
- High volume of appeals to the Local Planning Appeal Tribunal and Toronto Local Appeal Body.

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## Priority Actions

Key work plan priorities, and related actions:

- Key work plan priorities, and related actions:
    - Meeting legislative requirements for the Municipal Comprehensive Review.
    - Maintaining and creating housing, including advancing “Expanding Housing Options in Neighbourhoods”.
    - Keeping Toronto moving, like support and coordination for Provincial and City priority transit lines.
    - Investing in people and neighbourhoods, through the creation of new complete communities and Employment Areas.
    - Championing, influencing and leading strategic city building including ongoing Covid-19 Recovery and Rebuild.
    - Tackling climate change and building resilience, such as implementing new green standards and revised zoning standards for parking.
    - Driving policy and practice change, process transformation and future work.
  - Advancing service delivery improvements (C2K, e-Business, Application Information Centre improvements and Council directed external consultant review of Committee of Adjustment services).
  - Adjusting policies and practices to support ongoing legislative changes impacting appeals to the Ontario Land Tribunal.
  - Addressing a loss of employees due to retirements / internal promotions / resignations / 2020 voluntary separation program, and filling vacancies in key areas including application of the City’s Equity, Diversity & Inclusion goals and objectives, such as the development and implementation of an Equity Toolkit.
-

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Development Review, Decision & Implementation	40,063.9	34,489.4	49,709.6	35,350.9	1,910.2	37,261.2	(12,448.4)	(25.0%)
City Building & Policy Development	3,350.7	5,591.2	3,324.3	5,379.0	130.2	5,509.2	2,184.9	65.7%
<b>Total Revenues</b>	<b>43,414.6</b>	<b>40,080.6</b>	<b>53,033.9</b>	<b>40,729.9</b>	<b>2,040.4</b>	<b>42,770.4</b>	<b>(10,263.5)</b>	<b>(19.4%)</b>
<b>Expenditures</b>								
Development Review, Decision & Implementation	26,349.7	30,071.1	27,181.1	30,146.7	1,910.2	32,056.9	4,875.8	17.9%
City Building & Policy Development	22,660.2	23,347.8	21,297.4	23,921.5	130.2	24,051.7	2,754.2	12.9%
<b>Total Gross Expenditures</b>	<b>49,009.9</b>	<b>53,418.9</b>	<b>48,478.5</b>	<b>54,068.2</b>	<b>2,040.4</b>	<b>56,108.6</b>	<b>7,630.1</b>	<b>15.7%</b>
<b>Net Expenditures</b>	<b>5,595.3</b>	<b>13,338.2</b>	<b>(4,555.4)</b>	<b>13,338.2</b>	<b>0.0</b>	<b>13,338.2</b>	<b>17,893.6</b>	<b>(392.8%)</b>
<b>Approved Positions**</b>	<b>450.0</b>	<b>452.0</b>	<b>N/A</b>	<b>452.0</b>	<b>18.0</b>	<b>470.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$54.068 million gross reflecting an increase of \$5.589 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Inflationary increases to salaries and benefits for existing positions and annualization costs of 5 new positions added in 2021 for accelerated affordable housing development approvals in the Housing Now Initiative and for coordination of waterfront projects in the Low Don vicinity. City Planning will continue working with an interdivisional group to support recruitment and retention priorities to reduce vacancies in 2022. Positions related to development have been deemed a priority for City recruitment efforts.
- Continuing support of City Council directed and other initiatives; including Development Review process and service delivery, provincial legislative impacts, waterfront revitalization and transit expansion projects.
- Above pressures are partially offset by base expenditure savings arising from a line by line review and revenues from development application review fees.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$13.338 million in net expenditures reflects a \$0.0 million net change from the 2021 Council approved Budget, when excluding \$0.008 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.040 million gross, \$0 net enabling:

**Development Review C2K Phase 2 – Community Planning (\$0.577 million gross and \$0 net) and Urban Design staff resources (\$0.243 million gross and \$0 net):**

- 5 Community Planning and 2 Urban Design positions, funded by development application fees, to support Phase 2 of the Concept 2 Keys (C2K) initiative, which focuses on applications in Etobicoke York as a pilot.

**Golden Mile Secondary Plan – staff resources (\$0.483 million gross and \$0 net):**

- 4 positions (1 for Community Planning, 1 for Transportation Planning and 1 for Urban Design) in Scarborough District, funded by development application fees, to respond to the Golden Mile area's increasing growth pressures and tight development timelines.

**Community Benefits Charges – staff resources (\$0.130 million gross and \$0 net):**

- 1 position, funded by capital, to support the review, update and management of policies and processes stemming from the implementation of the Community Benefits Charge.

**Employment Areas Conversion – staff resources (\$0.607 million gross and \$0 net):**

- 6 positions, funded by conversion application fees, to process, review and complete requests from applicants to convert lands designated as Core Employment Areas and General Employment Areas under the City's Official Plan Growth Plan Conformity and Municipal Comprehensive Review (MCR).

**EQUITY IMPACTS OF BUDGET CHANGES**

**No significant equity impacts:** The changes in City Planning's 2022 Operating Budget do not have any significant equity impacts.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for City Planning of \$56.109 million gross is 15.7% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	36,033.6	37,671.6	31,409.6	47,484.2	36,022.7	(11,461.5)	(24.1%)
Transfers From Capital	2,441.4	2,037.1	2,727.4	1,868.9	2,921.6	1,052.7	56.3%
Contribution From Reserves/Reserve Funds	3,236.4	3,138.1	3,441.8	2,990.9	1,491.1	(1,499.8)	(50.1%)
Sundry and Other Revenues	1,388.9	567.7	2,501.8	690.0	2,335.1	1,645.1	238.4%
Inter-Divisional Recoveries							
<b>Total Revenues</b>	<b>43,100.2</b>	<b>43,414.6</b>	<b>40,080.6</b>	<b>53,033.9</b>	<b>42,770.4</b>	<b>(10,263.5)</b>	<b>(19.4%)</b>
Salaries and Benefits	46,332.5	45,792.0	49,977.0	45,322.1	52,688.9	7,366.8	16.3%
Materials & Supplies	128.1	43.7	138.0	59.6	120.9	61.3	102.7%
Equipment	486.1	545.0	323.8	398.3	315.0	(83.3)	(20.9%)
Service and Rent	2,051.0	1,126.7	1,610.0	1,351.4	1,688.1	336.8	24.9%
Contribution To Reserves/Reserve Funds	103.2	102.6					
Other Expenditures	1,773.4	1,399.9	1,370.0	1,347.1	1,295.7	(51.4)	(3.8%)
Inter-Divisional Charges							
<b>Total Gross Expenditures</b>	<b>50,874.2</b>	<b>49,009.9</b>	<b>53,418.9</b>	<b>48,478.5</b>	<b>56,108.6</b>	<b>7,630.1</b>	<b>15.7%</b>
<b>Net Expenditures</b>	<b>7,774.0</b>	<b>5,595.3</b>	<b>13,338.2</b>	<b>(4,555.4)</b>	<b>13,338.2</b>	<b>17,893.6</b>	<b>(392.8%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries and Benefits:**

Includes inflationary increases to existing salaries and benefits, and annualization costs of 5 new positions added in 2021 for accelerated affordable housing development approvals in the Housing Now Initiative and for coordination of waterfront projects in the Low Don vicinity. City Planning will continue working with an interdivisional group to support recruitment and retention priorities to reduce vacancies in 2022. Positions related to development have been deemed a priority for City recruitment efforts.

**Services and Rents:**

Includes funding for professional, operational and other services to support City Council directed and other initiatives; including Development Review process and service delivery, provincial legislative impacts, waterfront development and transit expansion projects.

**Other Expenditures:**

Includes funding for The Bentway Conservancy (\$0.750 million) and the Toronto Heritage Grant program (\$0.317 million).

**User Fees & Donations:**

Includes inflationary increases of 2.00% to development application review fees and anticipated volume increases. A development fee review is underway to improve the City's existing fee structure to recover the cost of service.

**Transfers from Capital:**

Includes recoveries for staff working on Secondary Plan implementation, Ontario Place redevelopment, heritage review, waterfront revitalization and the Housing Now Initiative.

**Contribution from Reserve funds:**

Includes recoveries for positions in support of Growth Plan related Zoning projects and issues arising from Provincial Bill 108.

**Other Revenue and Recoveries:**

Include recoveries for positions addressing externally funded projects, primarily emergent activities in transit development and expansion funded by Metrolinx.

**Offsets and Efficiencies:**

The **2022 Operating Budget** includes \$0.044 million in gross expenditure and \$0.661 million in net expenditures reductions attributed to:

**Line-by-Line Review:**

A reduction in base budget expenditure requirements in materials and supplies, equipment and other expenses to reflect actual experience (\$0.040 million).

**Revenue Increase:**

User fees increased to align to projected and inflationary increases (\$0.621 million).

**Table 2b: 2021 New / Enhanced**

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiative	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Position s					
In \$ Thousands										
1	Development Review C2K - Community Planning staff resources	577.3	577.3		5.0	605.5	No Impact	No	No	Service delivery improvements
2	Development Review C2K - Urban Design staff resources	242.5	242.5		2.0	254.2	No Impact	No	No	Service delivery improvements
3	Golden Mile Secondary Plan - staff resources	483.0	483.0		4.0	506.5	No Impact	No	No	Employment Areas, Housing and Transit
4	Community Benefits Charges - staff resources	130.2	130.2		1.0	136.5	No Impact	No	No	Legislative changes
5	Employment Areas Conversion - staff resources	607.4	607.4		6.0	631.8	No Impact	No	No	Employment Areas, Housing and Transit
Total New / Enhanced		2,040.4	2,040.4		18.0	2,134.5				

The 2022 Operating Budget includes \$2.040 million in investments to support priority actions as detailed in the table above.

**Development Review C2K Phase 2 – Community Planning (\$0.577 million gross and \$0 net) and Urban Design staff resources (\$0.243 million gross and \$0 net):**

- 5 Community Planning and 2 Urban Design positions, funded by development application fees, to support Phase 2 of the Concept 2 Keys (C2K) initiative, which focuses on applications in Etobicoke York as a pilot. The intent of Phase 2 is to test the scalability of processes and technology improvements in a typical development review environment.

**Golden Mile Secondary Plan – staff resources (\$0.483 million gross and \$0 net):**

- 4 positions (1 for Community Planning, 1 for Transportation Planning and 1 for Urban Design) in Scarborough District, funded by development application fees, to respond to the Golden Mile area's increasing growth pressures and tight development timelines. This will reflect a processing model adopted by C2K to advance the implementation of the Secondary Plan, resolve existing and anticipated Ontario Land Tribunal (OLT) appeals, and to review existing and anticipated development applications.

**Community Benefits Charges – staff resources (\$0.130 million gross and \$0 net):**

- 1 position, funded by capital, to support the review, update and management of policies and processes stemming from the implementation of the Community Benefits Charge, which is anticipated to generate in excess of \$100 million annually to fund growth related community needs for the City.

**Employment Areas Conversion – staff resources (\$0.607 million gross and \$0 net):**

- 6 positions, funded by conversion application fees, to process, review and complete requests from applicants to convert lands designated as Core Employment Areas and General Employment Areas under the City's Official Plan Growth Plan Conformity and Municipal Comprehensive Review (MCR).

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	53,033.9	42,770.4	43,606.1	43,013.3
Gross Expenditures	48,478.5	56,108.6	57,365.0	57,327.5
<b>Net Expenditures</b>	<b>(4,555.4)</b>	<b>13,338.2</b>	<b>13,758.9</b>	<b>14,314.3</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>470.0</b>	<b>470.0</b>	<b>464.0</b>

**Key drivers**

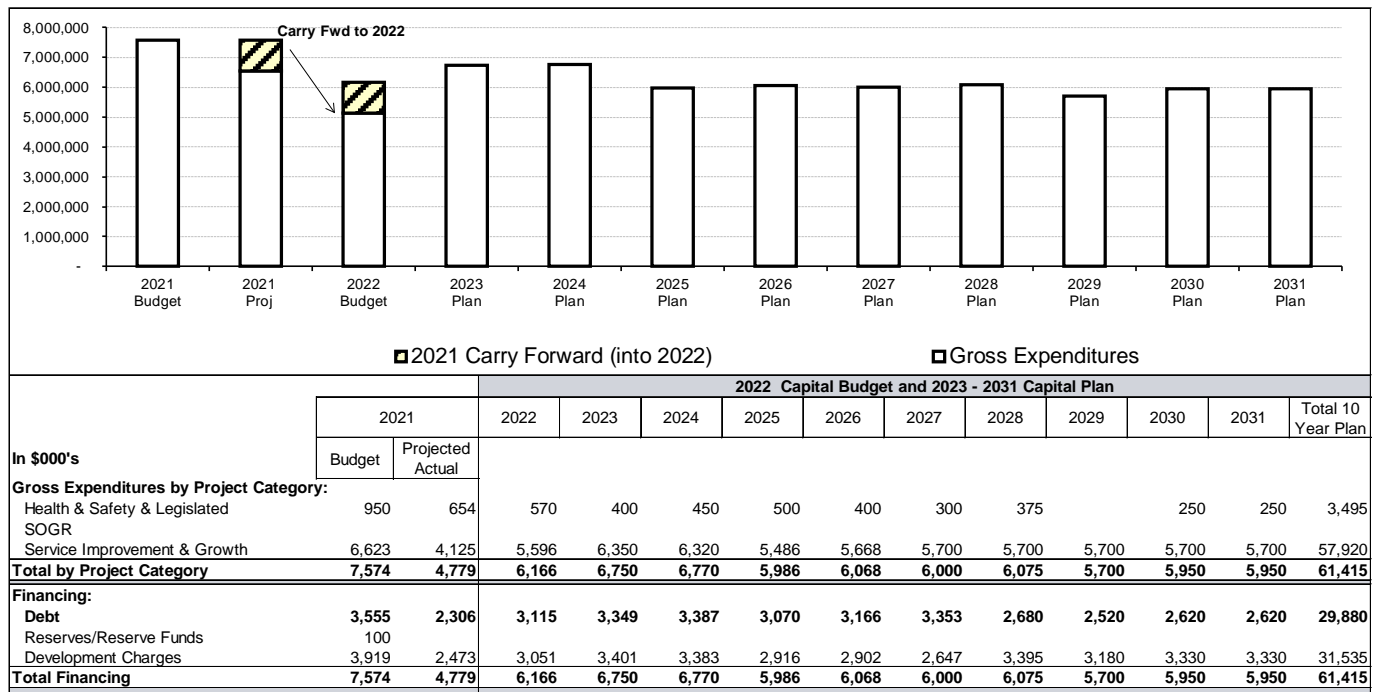
The 2023 Outlook with total gross expenditures of \$57.365 million reflects an anticipated \$1.256 million or 2.2 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlook expects a decrease of \$0.037 million or 0.1 per cent below 2023 gross expenditures.

These changes arise from inflationary increases for salaries and benefits, with 2024 impacted by the anticipated completion of the Employment Area Conversion applications review (reduction of 6 positions).

These increases are partially offset by anticipated inflationary increases for development application review fees.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**  
(\$'000)



### Changes to Existing Projects (\$1.030 Million)

- The 2022-2031 Capital Budget and Plan reflects an increase of \$1.030 million over the nine common years (2022-2030), primarily for preliminary carry forward funding for:
- Growth Studies and Transportation and Transit Studies (\$0.400 million);
- Places – Civic Improvements (\$0.500 million)
- Official Plan and Zoning by-law Compliance Reviews (\$0.130 million)




### New Projects (\$0 Million)

- The 2022-2031 Capital Budget does not include any new projects.

### Capital Needs Constraints (\$0 Million)

- City Planning does not have any unmet needs over the 10-year planning horizon.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$61.4 Million 10-Year Gross Capital Program**

			
<b>Development Studies</b>	<b>Civic Improvements</b>	<b>Legislated</b>	<b>Heritage</b>
<b>\$23.1 M</b> <b>37.6%</b>	<b>\$30.8 M</b> <b>50.2%</b>	<b>\$3.5 M</b> <b>5.7%</b>	<b>\$4.0 M</b> <b>6.5%</b>
<ul style="list-style-type: none"> <li>• Growth</li> <li>• Avenue/ Area</li> <li>• Transportation and Transit</li> <li>• Secondary Plan Implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Places</li> </ul>	<ul style="list-style-type: none"> <li>• Official Plan 5 Year Review</li> <li>• Zoning By-law Conformity Review</li> </ul>	<ul style="list-style-type: none"> <li>• Heritage Conservation District Studies</li> <li>• Cultural Heritage Resource Assessment (CHRA) Studies</li> </ul>

**How the Capital Program is Funded**

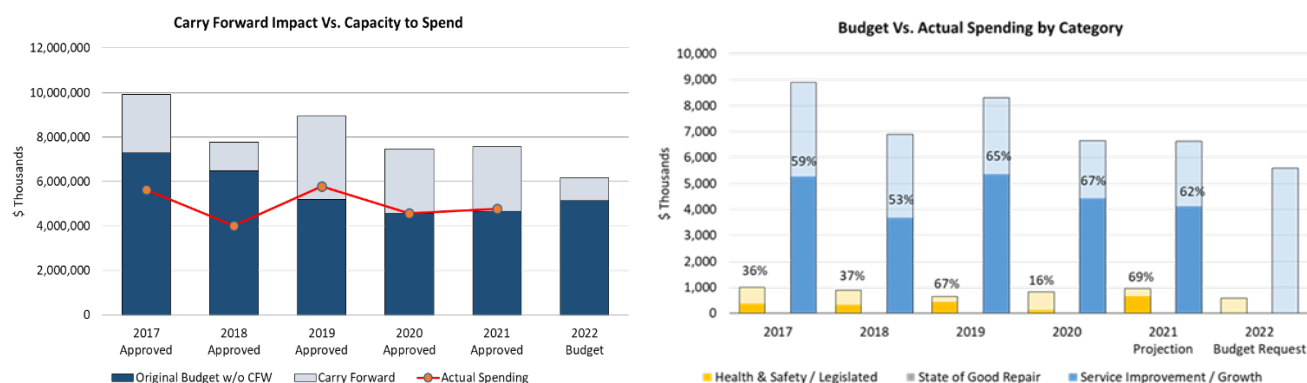
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$61.4 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$29.9 M		
Development Charges	\$31.5 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with the City Planning's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Growth projects such as Civic Improvements – Places and development studies like Growth Studies represent on average about 94% of the annual capital budget. These projects typically have a multi-year delivery schedule and experience project underspending due in part to the timing of construction projects coordinated with partner divisions or the complexity of studies, with the additional challenge of the COVID-19 pandemic in 2021.

City Planning continues to review its capacity to deliver and has adjusted the 10-year capital plan to average \$6.142 million in yearly spending. In addition, as part of this review, \$1.030 million of unspent 2021 funds will be carried forward into 2022.

# 2022 Program Summary

## Engineering and Construction Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Engineering and Construction Services (ECS) provides specialized engineering design and construction services to internal clients (Toronto Water, Transportation Services, Solid Waste Management Services, and other City Programs and Agencies), and external clients (the development industry, utility companies, TTC, Metrolinx and other public agencies) creating safe and sustainable municipal infrastructure.

ECS delivers the following services:

- Municipal Infrastructure Construction
- Engineering Review and Acceptance
- Engineering Information

### Why We Do It

Engineering and Construction Services is committed to building safe and sustainable infrastructure that enhances the quality of life of the people of Toronto, by achieving the following outcomes:

- **Municipal (road, water, wastewater, and solid waste) infrastructure is designed and constructed to ensure that it is safe and sustainable.**

*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

### **Municipal Infrastructure Construction**

**Who We Serve:** Residents, Businesses, City and Agencies, Business Improvement Areas and Visitors

**What We Deliver:** Engineering and project management services for the construction of new and upgraded infrastructure including roads and bridges, TTC streetcar track, sewers and watermain, stormwater management facilities, water & wastewater treatment facilities, and solid waste management facilities

**How Much Resources (2022 gross operating budget): \$49.1 Million**

### **Engineering Review**

**Who We Serve:** Businesses, Residents, Visitors, Utility Companies, City and Agency Staff, Development Industry, Metrolinx, GO Transit, and TTC

**What We Deliver:** Review and acceptance of development, transit, third party, and other public agencies applications

**How Much Resources (2022 gross operating budget): \$14.7 Million**

### **Engineering Information**

**Who We Serve:** City Divisions, Agencies, Boards, and Commissions, Metrolinx, Development Industry, Businesses, Residents, Visitors

**What We Deliver:** Establishing, maintaining, and provision of the technical information, records, and data to support various parties building, managing, or impacted by the City's infrastructure

**How Much Resources (2022 gross operating budget): \$10.8 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$74.0	\$74.9	\$75.8
Gross Expenditures	\$74.6	\$75.6	\$76.9
Net Expenditures	\$0.6	\$0.7	\$1.1
Approved Positions	645.1	645.1	645.1

### 2022 - 2031 10-YEAR CAPITAL PLAN

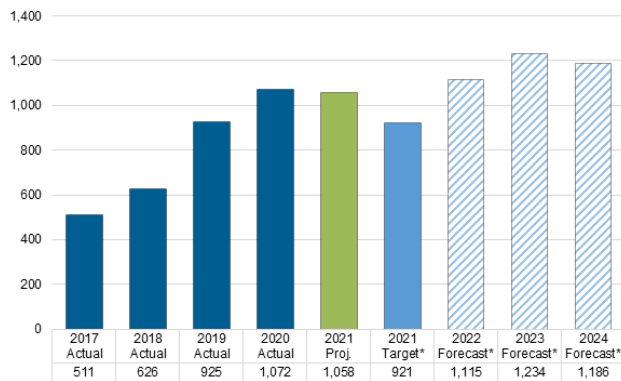
<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
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Note: This program does not have a capital budget



## How Well We Are Doing – Behind the Numbers

Annual Expenditure on Municipal Infrastructure Design & Construction (\$Millions)

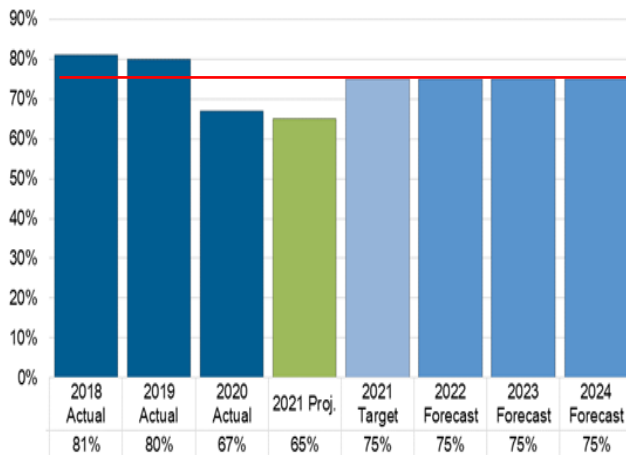


\*80% of the capital program assigned to ECS

### Capital Program Delivery Rate

- Surpassed capital program delivery target of 80%, delivering \$1.058 billion in capital projects on behalf of Client Divisions and Agencies, representing a delivery rate of 91% on an assigned capital program valued at \$1.151 billion.
- The value of the capital program delivered in 2021 is on par with the value delivered in 2021. In 2020 ECS delivered \$1.072 million in capital projects.
- The value of the capital program delivered has increased by over 100% from 2017 (\$511 million) to 2021 (\$1.058 billion) with anticipated further increases in future years.

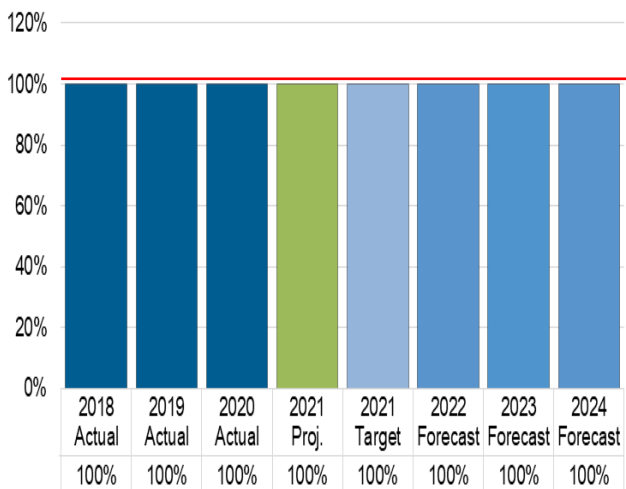
% of Development Applications and Revisions Reviewed within STAR timelines



### % of Development Applications Reviewed Within STAR Timelines

- ECS must comply with the 75% Council approved "Streamlining the Application Review" (STAR) timeline for circulations of development applications and revisions.
- In 2021, ECS completed 65% of development application circulations and revisions within STAR timelines, below the 75% Council approved target compliance rate.
- Compliance rate declined due to insufficient capacity resulting from increased staff turnover, challenges in recruiting new and replacement staff and delays in responses from partner divisions.
- Pending successful retention and recruitment of approved staff, as well as completion of a service delivery model review to optimize service delivery, ECS will target compliance with STAR timelines.

% of Bridge Condition Inspections Completed



### % of Bridge Condition Inspections Completed

- ECS is legislated to complete 100% of the vehicular and pedestrian bridge inspections on a biennial basis (every two years).
- The 322 elevated spans of the Gardiner Expressway are inspected twice a year as part of the "Close-up inspections" requirement.
- In 2021, ECS completed 100% (883) of planned bridge condition inspections. This includes inspection of 272 Parks, Forestry & Recreation (PFR) pedestrian bridges at the PFR request.
- In 2022, ECS is projecting to complete 100% (623) of planned bridge condition inspections.
- ECS is targeting to maintain a 100% completion rate in 2023 and future years for the legislated biennial bridge condition inspection cycle.

## How Well We Are Doing

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	2022 Target	2023 Target	Status
Outcome Measures								
Municipal Infrastructure Construction	Linear meters of road lane constructed/resurfaced	483,082	396,697	350,000	380,000	400,000	365,000	●
	Linear meters of streetcar way track constructed	1,942	3,208	3,457	4,500	6,200	8,000	●
	Linear meters of sidewalk constructed	50,095	71,038	50,000	75,932	60,000	60,000	●
	Linear meters of watermain constructed	48,214	37,096	41,000	45,409	52,000	53,000	●
	Linear meters of sewer constructed	10,051	11,001	7,800	11,551	8,000	8,000	●
	Number of contracts completed	122	208	100	195	150	150	●
Engineering Review	Number of development application submissions reviewed	1,899	1,760	2,300 <sup>2</sup>	2,400	2,300	2,300	●
	Number of engineering drawing submissions reviewed	114	101	75 <sup>2</sup>	75	75	75	●
	Number of transit related submission reviewed <sup>3</sup>	244	782	600 <sup>2</sup>	600	600	600	●
Engineering Information	Number of bridges (vehicular & pedestrian bridge spans) inspected <sup>1</sup>	877 <sup>1</sup>	624	883 <sup>1</sup>	883 <sup>1</sup>	623	883 <sup>1</sup>	●

<sup>1</sup> ECS is legislated to complete 100% of the vehicular and pedestrian bridge inspections on a biennial basis (every two years). Inspection of 272 Parks Forestry and Recreation Bridges was completed in 2019 and 2021.

<sup>2</sup>These are Market Driven Outcomes where ECS is not able to define a Target. ECS is able to project the Target based on year to date activity.

<sup>3</sup>The outcome measure has been updated to reflect new organizational structure for improved service delivery.

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	2022 Target	2023 Target	Status
Service Level Measures								
<b>Municipal Infrastructure Construction</b>	High rate of expenditure on municipal infrastructure design and construction as a % of assigned Capital Program	92%	97%	80%	>80%	80%	80%	●
<b>Engineering Review</b>	Development Applications reviewed and accepted within STAR timelines	81%	67%	75%	65% <sup>1</sup>	75% <sup>2</sup>	75%	●
	Engineering drawing submissions reviewed within STAR timelines	91%	89%	75%	90%	75%	75%	●
	Transit Expansion Applications reviewed within 20 days	94%	98%	90%	98%	90%	90%	●
<b>Engineering Information</b>	Compliance with bridge condition inspection regulatory timelines	100%	100%	100%	100%	100%	100%	●

<sup>1</sup> In 2021, compliance rate was impacted by an increase in development applications, COVID-19, staff turnover and insufficient staffing levels.

<sup>2</sup> Pending successful staff retention and recruitment of approved staff through 2022, as well as completion of a service delivery model review to optimize service delivery, ECS will target compliance with STAR timelines in 2023 and future years.

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- There are no anticipated financial impacts to operating budget as a result of COVID-19.

#### Service Level Changes

- There are no anticipated service level impacts as a result of COVID-19.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Delivered \$1.058 billion in capital projects on behalf of Client Divisions and Agencies, representing a delivery rate of 92% on an assigned capital program valued at \$1.151 billion.
- Maintained 100% completion rate for the Provincially-legislated biennial bridge condition inspection cycle: 883 bridge condition inspections completed, including 323 discrete spans along the elevated portion of the F.G. Gardiner Expressway, 288 individual bridges and culverts along City roads, and 272 bridges in City parks.
- Tendered 14 contracts for bridge and culvert rehabilitation or replacement at 18 locations across the City.
- Reconstructed and resurfaced 380 linear km of deteriorated roadways across the City to help ensure that our road network is maintained in a state of good repair.
- Constructed over 75 km of sidewalk across the City for pedestrian safety.
- Constructed over 45 km of watermain to replace aging infrastructure and ensure safe drinking water.
- Implemented Category Management for the delivery of \$30 million in the standalone Watermain Replacement Program.
- Successfully completed the watermain replacement and sewer installation on Lower Jarvis between Queens Quay and The Esplanade. Delivered ahead of time and under budget.
- Awarded the construction of the Fairbank-Silverthorn Storm Trunk Tunnel (\$202 million) that will protect approximately 4,645 homes from surface flooding and sewer back up during the 100 year storm event, and reduce the average annual discharge of combined sewer overflows to Black Creek and ultimately the Humber River and the City's Lake Ontario waterfront by approximately 39,000 cubic metres.
- Awarded the RFP for Consulting Engineering services for detailed design and contract administration for the Black Creek Sanitary Trunk Sewer (estimated construction cost of \$690 million) to address street and basement flooding due to trunk sewer surcharging in impacted communities of Rockcliffe and Jane-Wilson.
- Achieved 65% compliance (STAR requirement is 75%) on an estimated 2,400 development application circulations within mandated timelines; an increase of 35% of submission circulations reviewed compared to the previous year. Compliance rate was impacted by an increase in development applications, COVID-19, and insufficient staffing levels.
- Achieved 99% compliance with timelines for 600 transit expansion applications reviewed in 2021, comprised of design submissions for Eglinton Crosstown Light Rail Transit, GO Expansion, Scarborough Subway Extension, Ontario Line and the Eglinton Crosstown West Extension.
- Completed 100% (67) of planned environmental certificate of property use (CPU) inspections and reporting on behalf of Parks, Forestry and Recreation, thereby ensuring full compliance with regulatory requirements.
- Processed 269 municipal numbering applications and reported on 24 new street names.

## Key Challenges and Risks

- Uncertainty in achieving 80% expenditure target on ever increasing Capital Program assigned to ECS by all client Divisions presents a challenge to ensure that ECS provides the necessary resources to sustain current capital delivery expenditures and completion rates.
- Increased demand to better service development industry and for delivery of Transit Expansion projects:
  - Provision of adequate staffing to respond to increased volumes and complexity of applications expected to be submitted to the City for review and approval.
  - Additional pressures to meet expectations of the development industry beyond Council mandated timelines;
  - Provision of adequate staffing to support the implementation of the Concept to Keys (C2K) and Housing Now initiatives. C2K Phase 1 pilot demanded expedited review timelines with significant increase in staff engagement and meetings with applicants.
- Uncertainty related to the implementation of Excess Soil Management Regulation associated with price escalation and readiness of the engineering and construction industries.
- Delays in timely delivery of some construction materials affecting projects due to COVID supply chain issues and potential price escalations impacting budgets. Impacts from COVID will continue to affect delivery of the Capital Program assigned to ECS.
- Recognizing the uncertainty related to the impacts of climate change.
- Recruiting and retaining top calibre diverse talent that is needed in key business areas, in a highly competitive engineering and construction project management market.

## Priority Actions

### Effectively manage multi-year construction

- Continue to enhance planning and coordination of multi-year Capital Program with internal and external stakeholders.
- Reiterate the need for asset owning divisions to define and “lock down” multi-year programs in order to ensure successful completion of capital projects.

### Increase delivery capacity to accommodate City’s municipal infrastructure capital program

- Revisit alternative procurement strategies to increase capital construction throughput commensurate with forecasted increase in Capital Program assigned to ECS.
- Pursue “Category Management Strategic Sourcing” by issuing multi-year construction contracts in areas where multi-year programs are defined and are feasible.

### Timely Reviews and Processing of Development, Transit, and Third Party Applications

- Advance and support the implementation of C2K initiatives on Affordable Housing and the end-to-end review of development applications
- Advance and implement recommendations from the Development Engineering service delivery review
- Continue to ensure Transit related applications are processed to meet Council established service level timelines

### Leverage Technology

- Advance the electronic review of development application drawings to improve customer service, maintaining application and drawing security and review timelines.
- Implement an Enterprise Cloud Construction Project Management and Document Management Solution to more effectively, efficiently and securely manage construction and related documents.

### Ensure Regulatory Compliance & Reliance on Best Practices

- Continue to maintain 100% completion rate for the provincially legislated biennial bridge condition inspection cycle.
- Ensure compliance with the new Construction Act including updating of operating procedures.
- Ensure compliance with the new Excess Soil Management Regulation including updating contracts, specifications and processes.
- Continue vigilance and oversight on construction contracts and consultant services to address issues highlighted in Auditor General’s reports on Program operations.

- Ensure compliance with the proposed Climate Lens Table policies and procedures related to building resilience into the design and construction of the City's infrastructure, especially through new regulatory requirements associated with asset management and environmental assessments.

**Manage Human Capital**

- Continue implementing a strategy to address the chronic recruiting and retention of top calibre talent challenges due to reduced competitiveness in the employment market through a comprehensive review of salary compensation.
- Continuously assess human capital requirements and complement composition.
- Promote skills development and undertake succession planning; continue to showcase ECS as an employer of choice by participating and increasing the presence of ECS at targeted events, and with higher education institutions.
- Advance the implementation of the ECS Equity, Diversity and Inclusion (EDI) Plan to promote and support the City's diversity priority to remove barriers for equity deserving groups and to promote a work force that represents the City's population.
- Advance and implement the IDS Confronting Anti-Black Racism (CABR) Framework through active promotion and engagement by the ECS CABR working group.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Municipal Infrastructure Construction	42,350.5	45,906.5	42,903.4	46,912.9		46,912.9	4,009.5	9.3%
Engineering Review & Acceptance	19,063.0	17,691.7	17,970.4	17,039.7	394.6	17,434.2	(536.2)	(3.0%)
Engineering Information	7,564.1	8,612.8	7,495.5	9,698.3		9,698.3	2,202.8	29.4%
<b>Total Revenues</b>	<b>68,977.6</b>	<b>72,211.1</b>	<b>68,369.4</b>	<b>73,650.9</b>	<b>394.6</b>	<b>74,045.4</b>	<b>5,676.0</b>	<b>8.3%</b>
<b>Expenditures</b>								
Municipal Infrastructure Construction	44,138.2	47,805.3	44,755.5	49,045.7		49,045.7	4,290.2	9.6%
Engineering Review & Acceptance	12,257.3	15,613.2	13,774.9	14,347.2	394.6	14,741.7	966.8	7.0%
Engineering Information	9,040.7	9,541.2	9,041.4	10,825.5		10,825.5	1,784.1	19.7%
COVID-19	497.7							
<b>Total Gross Expenditures</b>	<b>65,933.9</b>	<b>72,959.6</b>	<b>67,571.8</b>	<b>74,218.4</b>	<b>394.6</b>	<b>74,612.9</b>	<b>7,041.1</b>	<b>10.4%</b>
<b>Net Expenditures</b>	<b>(3,043.7)</b>	<b>748.5</b>	<b>(797.6)</b>	<b>567.5</b>		<b>567.5</b>	<b>1,365.0</b>	<b>(171.1%)</b>
<b>Approved Positions**</b>	<b>625.1</b>	<b>624.1</b>	<b>N/A</b>	<b>645.1</b>		<b>645.1</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$74.218 million gross reflecting an increase of \$6.647 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Salary and benefit increases, including inflationary increase on existing positions plus the addition of 18.0 positions to sustain and expand the Capital Delivery Program and to support the implementation of the Concepts to Keys (C2K) Initiative.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, and other revenue.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.395 million gross, zero net, enabling:

- Additional three (3) positions required to provide end-to-end engineering support related to the design and construction and provide construction inspection of three (3) TTC projects.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Engineering & Construction Services 2022 Operating Budget do not have any significant equity impacts.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Engineering and Construction Services of \$74.613 million gross is 10.4% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	15,677.9	16,119.3	11,035.1	13,126.7	11,249.1	(1,877.7)	(14.3%)
Transfers From Capital	51,867.8	49,139.6	53,857.4	50,678.9	55,679.8	5,000.9	9.9%
Contribution From Reserves/Reserve Funds			240.0	240.0		(240.0)	(100.0%)
Sundry and Other Revenues	3,297.5	3,718.3	7,078.6	4,323.8	7,116.6	2,792.8	64.6%
Inter-Divisional Recoveries	360.0	0.4					
<b>Total Revenues</b>	<b>71,203.1</b>	<b>68,977.6</b>	<b>72,211.1</b>	<b>68,369.4</b>	<b>74,045.4</b>	<b>5,676.0</b>	<b>8.3%</b>
Salaries and Benefits	61,649.0	63,567.3	67,657.7	64,329.7	69,445.3	5,115.6	8.0%
Materials & Supplies	140.1	123.6	268.8	114.4	241.8	127.4	111.3%
Equipment	477.1	376.8	530.0	273.1	672.5	399.5	146.3%
Service and Rent	2,721.8	1,130.0	3,574.8	1,909.1	3,275.9	1,366.8	71.6%
Contribution To Reserves/Reserve Funds	907.3	906.2	921.3	921.3	970.4	49.1	5.3%
Other Expenditures	208.9	(179.0)	7.0	24.3	7.0	(17.3)	(71.2%)
Inter-Divisional Charges	3,524.9	9.1					
<b>Total Gross Expenditures</b>	<b>69,629.0</b>	<b>65,933.9</b>	<b>72,959.6</b>	<b>67,571.8</b>	<b>74,612.9</b>	<b>7,041.1</b>	<b>10.4%</b>
<b>Net Expenditures</b>	<b>(1,574.1)</b>	<b>(3,043.7)</b>	<b>748.5</b>	<b>(797.6)</b>	<b>567.5</b>	<b>1,365.0</b>	<b>(171.1%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:**

**Salaries & Benefits:** Include inflationary increases on existing salaries and benefits and salaries and benefit costs for additional 18 positions to sustain and expand the Capital Delivery Program, and support the implementation of the Concept to Keys (C2K) Initiative.

As mitigation efforts, these increases have been partially offset by repurposing positions to better align to priorities within Engineering and Construction Services.

**Services and Rents:** Include increases for professional and technical services for the delivery of construction projects.

**Other Revenue Changes:** Include increases for recovery of additional positions fully funded by Metrolinx and anticipated recovery for capital funded positions.



Table 2b: 2022 New / Enhanced

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
1 THREE (3) TTC PROJECTS: BLOOR-YONGE CAPACITY IMPROVEMENT, WATERFRONT TORONTO EAST LRT, EXISTING STATIONS IMPROVEMENTS	394.6	394.6		3.0		None	No	Ensure City compliance under Agreements with Metrolinx and TTC and our obligations under Bill 171: Building Transit Faster Act
Total New / Enhanced	394.6	394.6		3.0				

**TTC Projects:**

- Request two (2) Engineers and one (1) Senior Engineer position to provide end-to-end engineering support related to the design and construction of the City's transit infrastructure. From project planning through preliminary design, detailed design, permitting, approvals, construction, warranty period and final acceptance for the three (3) TTC projects identified above, ensuring City compliance under TTC Agreement and our obligations under Bill 171: Building Transit Faster Act.

**2023 & 2024 OUTLOOKS**

Table 3: 2023 and 2024 Outlooks

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	67,571.8	74,045.4	74,870.5	75,831.4
Gross Expenditures	68,369.4	74,612.9	75,643.3	76,871.0
<b>Net Expenditures</b>	<b>797.6</b>	<b>567.5</b>	<b>772.7</b>	<b>1,039.6</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>645.1</b>	<b>645.1</b>	<b>645.1</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$75.643 million reflects an anticipated \$1.030 million or 1.37 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$1.228 million or 1.61 per cent above 2023 gross expenditures.

These changes arise from the inflationary increases for salaries and benefits.

# 2022 Program Summary

## Municipal Licensing & Standards

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Municipal Licensing and Standards (MLS) provides by-law administration and enforcement services, including strategies to address noise, business inspections, parks regulations, and animal services issues. Services also include business licensing and permitting, property standards, and animal care including control, shelter and adoption services. The division is responsible for the enforcement of more than 30 by-laws and statutes. MLS delivers the following services:

- By-law Compliance & Enforcement
- Licences & Permits
- Animal Services

### Why We Do It

Municipal Licensing and Standards' mission is to contribute to the safety, vibrancy and maintenance of our communities by being a leader in the professional delivery of by-law enforcement, administration and animal care services to the City of Toronto.

- **People in Toronto experience public and private spaces with safe community standards and minimized public nuisances.**
- **Businesses, charities and non-profits operating in Toronto obtain licences and permits conveniently and efficiently.**
- **Animals in Toronto are cared for and protected safely and reliably.**

*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

### **By-Law Compliance & Enforcement**

**Who We Serve:** Vulnerable residents, enforcement agencies, business owners & operators, property owners, community groups, and the public.

**What We Deliver:** Bylaw enforcement for licensing, public spaces, and private properties.

**How Much Resources (2022 gross operating budget): \$35.8 million**

### **Licenses & Permits**

**Who We Serve:** Residents, consumers, business owners & operators, charities and not-for-profit organizations and City/agency staff.

**What We Deliver:** Issuance of business licences and permits, and bylaw exemptions.

**How Much Resources (2022 gross operating budget): \$15.0 million**

### **Animal Services**

**Who We Serve:** Animal/pet owners, domestic/wild animals, and City/agency staff.

**What We Deliver:** Animal shelter and care, pet licence issuance, and mobile response and animal bylaw enforcement.

**How Much Resources (2022 gross operating budget): \$13.9 million**

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Thousands</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$42,304	\$45,263	\$45,436
Gross Expenditures	\$64,638	\$69,501	\$70,771
Net Expenditures	\$22,335	\$24,238	\$25,335
Approved Positions	554.5	554.5	554.5

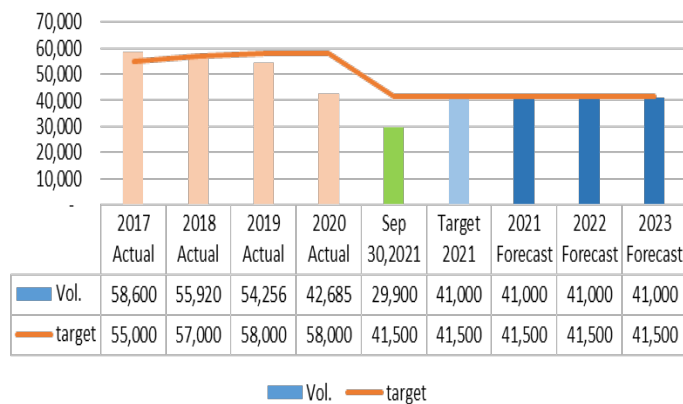
### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Thousands</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
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This program does not have a capital budget.

## How Well We Are Doing – Behind the Numbers

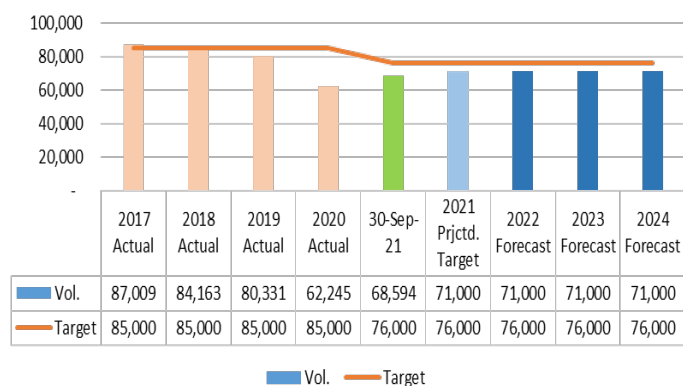
### BLRS Licence Issuance and Renewals Exclude PTC and Permits



#### Business Licensing and Registration

- As of June 30, 2021, BLRS has issued and renewed 20,749 licences. This number excludes permits and private transportation company licences. New and renewed licence volumes are expected to increase gradually through 2021; however, they may still be lower than previous years. Due to the ongoing COVID-19 pandemic, targets remain the same as last year.
- 100% of all licence issuances and renewals were managed digitally through an online portal up to September 2021. Client and staff feedback have been incorporated in ongoing improvements to the portal, and user guides were created to help support users in addition to call centre and email supports. Limited in-person services are being gradually phased in as of September 2021.
- Renewing clients were provided with a further 60 days to pay for an expired licence prior to its cancellation (150 days in total) with no late fees.
- Taxi and limousine fees were reduced by 50%.

### Public and Private Spaces Service Requests Received



#### Public and Private Spaces Service Requests

MLS responds to a wide range of service requests from the public. Investigating complaints and resolving bylaw issues in both public and private spaces helps improve safety in communities and reduce public nuisances. The total number of service requests remained relatively stable between 2017 and 2019. The steep decline in 2020 is due to service level changes resulting from COVID-19.

- Non-emergency by-law enforcement on private properties and licensed establishments were temporarily suspended during Phase 1&2 of the pandemic to allow for dedicated enforcement of provincial emergency orders and the Physical Distancing By-law.
- MLS has received 35,669 Private and Public Spaces (Parks and Waste) complaints from January 1 to June 30, 2021. – Please see link on City portal for coordinated enforcement report <https://www.toronto.ca/wp-content/uploads/2020/10/95c3-covid-19-enforcement-data.pdf>

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>By-law Enforcement</b>	% voluntary compliance for property standards bylaws	93%	92%	100%	93%	●	100%	100%
<b>Business Licensing and Registration</b>	% online transactions and payments	41%	90%	90%	97%***	●	100%	100%
	# of Online transactions and payments	22,470	34,924		37,500			
<b>Toronto Animal Services</b>	Average length of stay (days) or average # of days sheltered	13	13	14	13****	●	14	13
Service Level Measures								
<b>By-law Enforcement</b>	% non-emergency responses conducted within 5 days of reports	64%	80%	70%	70%		70%	TBD
<b>Business Licensing and Registration</b>	% of licences issued within standards (20 days or less)	90%	89%	70%	85%	●	70%	TBD
<b>Toronto Animal Services</b>	% of TAS service requests within standards	68%	62%	75%	70%***	●	75%	TBD

\* ML&S service targets are set for performance/operational purposes and are expected to be reviewed in 2022 following the reopening, once field staff can be fully engaged as in standard practice.

\*\* The status colour is set on a projected variance that is +/- 10% from target.

\*\*\* and renewals online. Animal Services staffing resources to address service request volume including additional protocols in place during COVID-19 were strained. Due to public health guidelines related to COVID-19, the Licensing & Permit Issuance Office was closed to the public. MLS is processing all licensing applications

\*\*\*\* This is the City-wide average number of days sheltered from January 1 to June 30, 2021 which is currently reported as nine days.

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

The 2022 COVID-19 impact is projected to be similar to MLS' 2021 experience:

- Continued revenue loss of \$1.4 million in licenses and permits

#### Service Level Changes

- Phase 1 & 2, entire complement of Bylaw Enforcement Officers were dedicated to enforcing provincial emergency orders and the Physical Distancing By-law, property standards paused their operations and redeployed 92% of their resources to bylaw enforcement while 8% stayed on to address emergency orders. Phase 3 - 95% deployed to IS function 4 days a week and 3 days 95% dedicated to parks. 5% dedicated to businesses which is still in place and continues to be primary responders.
- All Business Licensing and Gaming Services were provided through contactless services, with limited in-person services as of September 2021. Due to COVID impacts, revenues from business licence applications and renewals, gaming, and PTC trip fees were reduced.
- COVID Aid Program – \$167,200 grant from the Scheinburg Relief Fund and \$82,400 donation from Residents to support pet owners directly impacted by COVID-19 to assist with pet supplies.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Issued \$1.44 million in grants to accessible taxicab owners and drivers through the Accessibility Reserve Fund program.
- Continued the implementation of the CafeTO program to provide additional outdoor patios on streets and sidewalks at no cost to restaurants and bars.
- Facilitated digital payment systems for Gaming Services clients.
- Expanded the services available in the online licence and permit application/renewal system to replace in-person only services.
- Implemented additional time and no late fees for license or permit renewals as a response to the financial pressures and challenges being faced by Toronto residents and businesses.
- Re-opened limited counter services for business licence and permit applicants.
- In partnership with Court Services and Legal Services, delivered access to all Toronto Licensing Tribunal settlement conferences and hearings electronically.
- Implemented freeze on issuance of new Vehicle-for-Hire driver licences, taxi and limousine fee reductions, and approved two accredited Accessible Driver Training Refresher programs, and issued call for proposals for Driver Training Accreditation Program.
- Finalized the digitization of over 8M licence records and completed full transition to all licence materials being stored and accessed digitally.
- Implemented the Short-Term Rental digital registration renewal system for operators as part of the City's implementation of the Short-Term Rental bylaw.
- Secured additional data-discovery services in support of Short-Term Rental compliance and revenue recoveries.
- Effectively trained and deployed 200 by-law enforcement officers rapidly and flexibly to respond to and enforce provincial and City orders related to COVID-19.
- Created a dedicated team to enforce bylaws regarding multi-tenant houses and modernized licensing processes.
- Implemented safe work practices to ensure continued services delivered safely for both staff and the public when COVID-19 restrictions began.
- Assisted 2,170 pet owners through the COVID-Aid Program

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## Key Challenges and Risks

- Redirection of resources for enforcement of COVID-19 legislation and by-laws has delayed enforcement modernization efforts, created a backlog of service requests, and presented challenges in maintaining service levels.
- Reduced staffing levels has increased wait times for new and renewing business licence and permit clients.
- The volume and complexity of complaints, specifically related to noise, housing standards and vulnerable populations, has increased as an indirect effect of the COVID-19 pandemic.
- Delays in Bylaw reviews and the implementation of previously completed Bylaw reviews due to changes in work planning (as a result of COVID-19).
- Increased population density and construction that leads to more human-wildlife conflict within the community.

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## Priority Actions

- Developing outcome focused priority- and risk-based enforcement models to respond to service calls, centred on achieving compliance (and to assist in rebalancing resources as COVID-19 enforcement declines).
  - Continued business transformation and digitization of services to enable intelligence-based enforcement activities, modernized service delivery, and to enable continued virtual access to ML&S by residents and clients.
  - Focus on policy report backs that have been delayed as a result of the COVID-19 pandemic, including the Noise Bylaw, Animal Bylaw, Fireworks, Urban Hens, and the licensing of Bars, Restaurants, and Nightclubs.
  - Implementing the Multi-Tenant Housing Bylaw (if adopted by City Council).
  - Implementing changes to the RentSafeTO evaluation tool and stakeholder engagement and outreach to support continued modernization of the program.
  - Dedicated Enforcement of: Noise, RentSafeTO, Multi-Tenant Houses, Vehicles-for-Hire, Short-Term Rentals, and Specialized Enforcement & Resolution.
  - Special Animal Programs, including Spay Neuter Your Pet (SNYP) Truck programs and a children's camp for the Jane-Finch Community.
  - Implementation of updated CafeTO program including resumption of permanent approvals for sidewalk cafes.
  - Implementation of updated VFH bylaw and any proposed changes to fees model, implementation of Accessibility Fund Program online application and review, completion of VFH emissions study.
  - Implementation of Gaming Services online application and renewal portal.
  - Implementation of electronic business licence and permit renewal notifications and licence issuance for client printing.
  - Phased implementation of MLS system modernization and business transformation program.
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## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Bylaw Compliance & Enforcement	6,071.8	6,996.8	8,506.6	6,975.8		6,975.8	(1,530.8)	(18.0%)
Licences & Permits	33,030.3	33,352.1	25,203.5	31,794.9		31,794.9	6,591.4	26.2%
Animal Services	2,359.8	3,692.5	1,998.2	3,532.8		3,532.8	1,534.6	76.8%
<b>Total Revenues</b>	<b>41,461.9</b>	<b>44,041.4</b>	<b>35,708.4</b>	<b>42,303.5</b>		<b>42,303.5</b>	<b>6,595.1</b>	<b>18.5%</b>
<b>Expenditures</b>								
Bylaw Compliance & Enforcement	34,142.0	32,756.5	33,842.9	35,294.2	453.3	35,747.5	1,904.6	5.6%
Licences & Permits	13,671.4	14,739.4	9,703.1	14,841.8	177.3	15,019.1	5,316.0	54.8%
Animal Services	12,025.1	13,497.0	12,030.1	13,848.3	23.4	13,871.6	1,841.5	15.3%
<b>Total Gross Expenditures</b>	<b>59,838.5</b>	<b>60,992.9</b>	<b>55,576.1</b>	<b>63,984.3</b>	<b>653.9</b>	<b>64,638.2</b>	<b>9,062.1</b>	<b>16.3%</b>
<b>Net Expenditures</b>	<b>18,376.6</b>	<b>16,951.5</b>	<b>19,867.7</b>	<b>21,680.8</b>	<b>653.9</b>	<b>22,334.7</b>	<b>2,467.0</b>	<b>12.4%</b>
<b>Approved Positions**</b>	<b>538.5</b>	<b>538.5</b>	<b>N/A</b>	<b>545.5</b>	<b>9.0</b>	<b>554.5</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$64.638 million gross reflecting an increase of \$9.062 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increases in salaries and benefits for existing positions, due to anticipated positions to be filled in 2022 to meet services demands, which were vacant in 2021 due to COVID-19 response.
- Increases in contract services and anticipated uptake in grants for the Accessibility Fund program.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, mitigation efforts to address COVID-19 financial impacts, and recoveries from reserve funds.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget is provided below:

- 2022 Base Budget of \$21.681 million in net expenditures reflects a \$3.284 net increase above the 2021 Council approved Budget, when excluding \$1.445 million in estimated COVID-19 financial impacts.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.654 million gross and net, enabling:

- Addition of two new temporary full-time equivalent (FTE) positions in Business Licensing and Regulatory Services for 2022 in support of an anticipated additional 250 permanent sidewalk cafes. The anticipated increase in volume is due to the continuation of waived fees for CaféTO in 2022.
- An increase of \$500,000 gross and net and 7 operating positions to the 2022 Operating Budget for Municipal Licensing and Standards to support the expansion of RentSafeTO, Multi-Tenant Housing and Noise By-Law enforcement.



## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Municipal Licensing and Standards' 2022 Operating Budget do not have any significant equity impacts.

## 2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Budget for Municipal Licensing & Standards of \$64.638 million gross is 16.3% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	47,241.1	36,304.2	34,572.2	30,432.7	33,644.9	3,212.2	10.6%
Contribution From Reserves/Reserve Funds		3,016.5	7,739.2	3,730.5	6,928.6	3,198.0	85.7%
Sundry and Other Revenues	553.0	571.6	369.0	1,545.1	369.0	(1,176.1)	(76.1%)
Inter-Divisional Recoveries	3,260.2	1,569.6	1,361.0		1,361.0	1,361.0	
<b>Total Revenues</b>	<b>51,054.3</b>	<b>41,461.9</b>	<b>44,041.4</b>	<b>35,708.4</b>	<b>42,303.5</b>	<b>6,595.1</b>	<b>18.5%</b>
Salaries and Benefits	47,379.1	48,895.2	49,816.0	49,177.9	53,269.3	4,091.3	8.3%
Materials & Supplies	1,162.2	915.9	904.7	975.9	972.2	(3.7)	(0.4%)
Equipment	574.8	339.7	247.8	195.7	629.7	434.0	221.8%
Service and Rent	3,193.6	1,495.0	2,877.0	2,117.9	2,639.7	521.7	24.6%
Contribution To Reserves/Reserve Funds	7,261.1	5,832.1	1,820.2	2,813.1	1,820.2	(992.9)	(35.3%)
Other Expenditures	760.4	2,306.5	5,327.3	295.6	5,307.3	5,011.6	1695.1%
Inter-Divisional Charges	3,900.8	54.2					
<b>Total Gross Expenditures</b>	<b>64,231.9</b>	<b>59,838.5</b>	<b>60,992.9</b>	<b>55,576.1</b>	<b>64,638.2</b>	<b>9,062.1</b>	<b>16.3%</b>
<b>Net Expenditures</b>	<b>13,177.6</b>	<b>18,376.6</b>	<b>16,951.5</b>	<b>19,867.7</b>	<b>22,334.7</b>	<b>2,467.0</b>	<b>12.4%</b>

\*2021 Projection based on Q3 Variance Report

### Key Base Drivers:

**Salaries & Benefits:** Include increases in salaries and benefits for existing positions including positions to be filled which were vacant in 2021 due to COVID-19 response and the addition of 14 positions to meet workload demands including enhancing RentSafeTO, Multi-Tenant Housing and Noise By-Law enforcement.

**Services and Rents:** Include expenditures for Toronto Animal Services shelter enhancements and professional services required in 2022 for external regulatory and compliance audit services to ensure compliance with Vehicles-for-Hire and Short-Term Rentals bylaws.

**Contribution to Reserves:** Include anticipated uptake in Grants for the Accessibility Fund program.

**Other Revenue Changes:** Include anticipated reserve draws for the Accessibility Fund program (grants), Cannabis Enforcement, Toronto Wildlife Centre, and TAS shelter enhancements.

Table 2b: 2021 New / Enhanced

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	MLS - CafeTO (Temp Staff - 1 SAB, 1 SAC)		153.9	153.9	2.0	161.4	Low-positive	No	No	
2	MLS - RentSafeTO, Multi-Tenant Housing and Noise By-Law (Perm Staff - 1 Supervisor, 6 MSO)		500.0	500.0	7.0	819.1	Low-positive	No	No	
Total New / Enhanced			653.9	653.9	0.0	980.6				

The 2022 Operating Budget includes \$0.654 million in investments to support priority actions as detailed:

### **CaféTO**

- Addition of two new temporary full-time equivalent (FTE) positions in Business Licensing and Regulatory Services for 2022 in support of an anticipated additional 250 permanent sidewalk cafes.

### **RentSafeTO, Multi-Tenant Housing, Noise By-Law**

- Addition of seven new permanent full-time equivalent (FTE) positions. Consists of 1 Supervisor and 6 Municipal Standards Officers starting in mid-2022 in support of enhanced services and bylaw enforcement for the programs for RentSafeTO, Multi-Tenant Housing and Noise By-Law Enforcement.

## **2023 & 2024 OUTLOOKS**

Table 3: 2023 and 2024 Outlooks

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	35,708.4	42,304.5	45,262.8	45,436.0
Gross Expenditures	55,576.1	64,638.2	69,500.7	70,770.6
<b>Net Expenditures</b>	<b>19,867.7</b>	<b>22,333.7</b>	<b>24,238.0</b>	<b>25,334.6</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>554.5</b>	<b>554.5</b>	<b>554.5</b>

## **Key drivers**

The 2023 Outlook with total gross expenditures of \$69.501 million reflects an anticipated \$4.863 million or 7.5 per cent increase in gross expenditures above the 2022 Operating Budget; the 2024 Outlook expects an increase of \$1.270 million or 1.8 per cent above 2023 gross expenditures.

These net changes arise from the inflationary increases for salaries and benefits as well as timing of hiring.

Revenues are expected to increase as a result of an anticipated 2% annual adjustment in 2023 offset by the loss of funding for Cannabis Enforcement and other one-time recoveries from reserves in 2022. A further 2% inflationary increase is anticipated in 2024.

# 2022 Program Summary

## Office of Emergency Management

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Office of Emergency Management (OEM) maintains, coordinates and drives improvements to Toronto's emergency management program.

Emergency management includes mitigation, preparedness, responses and recovery measures, all of which are distinctive phases of the emergency management cycle.

This work includes coordinating and managing plans and official arrangements to engage and guide the efforts of government, non-government, and private agencies in comprehensive, coordinated ways to respond to a spectrum of emergency needs.

### Why We Do It

The City's Emergency Management Program is governed by the Emergency Management and Civil Protection Act, which provides the legal basis and framework for emergency management programs in Ontario. Primary functional responsibility for emergency management is delegated to local municipalities.

- **The City continues to deliver timely, robust, integrated and coordinated services required to meet the needs of Toronto residents and businesses during emergencies.**
- **Toronto residents and businesses are informed of actions required to respond to and recover from emergencies.**

*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

### **Emergency Management**

**Who We Serve:** The Public, Staff at City Divisions, Agencies, Corporations, Boards & Commissions, Partner agencies in the private sector.

**What We Deliver:** Coordination is a primary function of emergency management. The OEM coordinates emergency resources across the municipality and, as necessary, across municipal and provincial borders (mutual aid) as well as vertically through the Provincial and Federal Governments.

**How Much Resources (gross 2022 operating budget): \$ 3.7 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

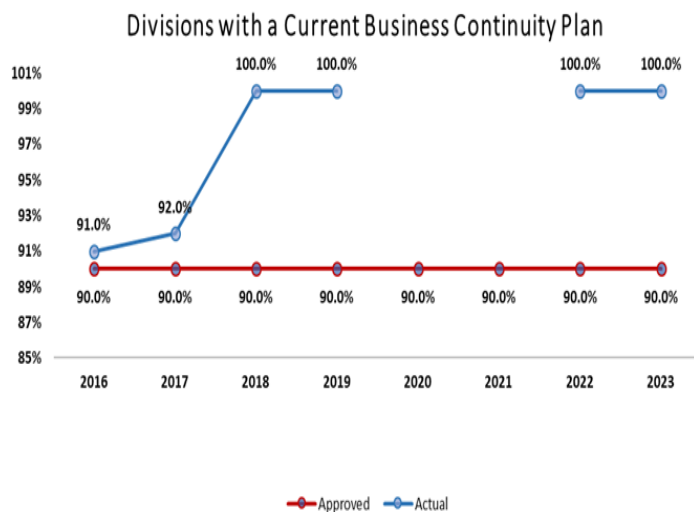
\$Thousands	2022	2023	2024
Revenues	\$650	\$650	\$650
Gross Expenditures	\$3,656	\$3,667	\$3,689
Net Expenditures	\$3,006	\$3,017	\$3,039
Approved Positions	21	21	21

### 2022 - 2031 10-YEAR CAPITAL PLAN

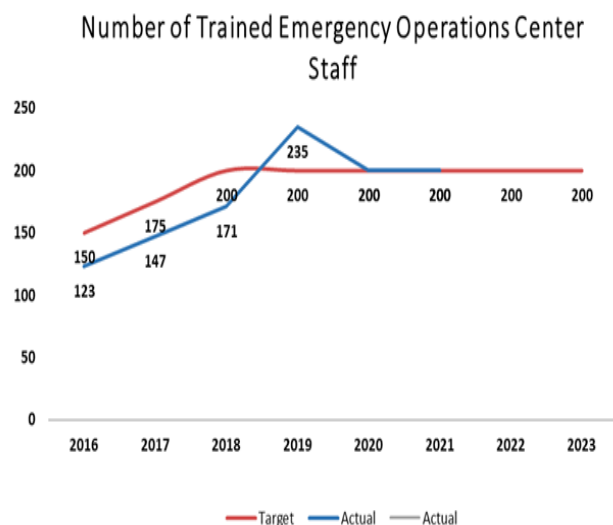
\$Thousands	2022	2023-2031	Total
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This program does not have a capital plan

## How Well We Are Doing – Behind the Numbers



- Normal organizational and operational realignment and staffing changes make it difficult to ensure that all divisions maintain an up-to-date business continuity plan from year to year.
- Ensuring at least 90% of divisions have a current business continuity plan represents an achievable metric from year to year.
- In 2020 and 2021, the tracking of this metric was paused due to COVID-19 response.



- Every effort is made to ensure a target of 200 trained staff is maintained.
- Staff retirements, reassignments and general turnover create challenges in maintaining a constant pool of trained Emergency Operations Centre (EOC) staff.
- Two hundred is an optimal target pool for ensuring EOC readiness, with 2021 projections achieving that target.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Emergency Management	Conduct an exercise for a simulated emergency to evaluate the City's plans and procedures	100%	n/a*	100%	100%	●	100%	100%
Emergency Management	Train staff to work in the City's Emergency Operations Centre and maintain a target of at least 80% of 200 staff trained	118%	100%	80%	100%	●	100%	100%
Service Level Measures								
Emergency Management	% compliance under the Emergency Mgmt. & Civil Protection Act	100%	100%	100%	100%	●	100%	100%
Emergency Management	% of City Divisions with a current business continuity plan	100%	n/a**	n/a	n/a	●	90%	90%

\* Province waived requirement for 2020 and counted COVID response for compliance purposes

\*\* Administrative tracking temporarily halted in 2020 and 2021 due to COVID response.

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- The costs for Cooling Center are projected to be required in a continuing COVID environment only if provincial lockdown orders are put in place preventing the use of indoor spaces for residents.
- Staff overtime costs related to COVID-19 are anticipated to be significantly reduced due to changes in the City's policy and as demonstrated by 2021 actual experience.

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**Service Level Changes**

- OEM will continue to review Service Levels to reflect the necessary changes as required to meeting ongoing community needs.
  - Potential changes will be more in the way services are provided, not in the service levels themselves.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Due to the global COVID pandemic, the City's Emergency Operations Center (EOC) was activated. To date, this has been the longest continuous activation of the EOC in the City's history.
- Over 150 staff and 51 DAC's (Divisions, Agencies and Corporations) have participated in the EOC response with the EOC and OEM leading many response specific task forces and working groups. Less than 10% of this total was OEM staff with the remainder being redeployed to the EOC from various DAC's.
- The OEM initiated multi-stakeholder activities on Nuclear Emergency Preparedness and Response planning in partnership with Ontario Power Generation based on an MOU and funding agreement for OEM staffing.

### Key Challenges and Risks

- Continuing to meet the emergency management needs of a rapidly growing City, including ensuring the City is ready to support an increase in vulnerable individuals during emergencies.
- Supporting the City's readiness and resiliency for emergencies caused by new and/or re-emerging threats, such as a resurgence of COVID-19 or extreme weather events that are more likely to occur due to climate change.
- Ensuring OEM has effective succession planning (staff, experience, skills and qualifications) to enable continual program delivery.
- OEM resources are not adequate for an effective and robust response to an emergency. City Divisions are required to supplement OEM staffing requirements, which demands specific skillsets.
- Over 2020 and 2021, the majority of OEM's planning and preparedness initiatives were put on hold to focus on COVID related priorities. While OEM did meet Provincial legislative responsibilities, OEM was not able to significantly advance the corporate emergency management program as required.

### Priority Actions

- Meeting the legislative requirements of the Emergency Management and Civil Protection Act, and reviewing City of Toronto Emergency Management By-law (Chapter 59) for appropriate revisions as it relates to COVID-19 Impact and Recovery.
- Reviewing and implementing recommendations of the internal and external COVID-19 After Action Reviews/Reports (relates to COVID-19 Impact and Recovery).
- Conducting an internal organizational structure review including complement and skills needed to support the mandate of the emergency management program as well as the structural requirements of the Corporate organizational structure.
- Initiating an Emergency Social Service program review, including policy and partnership agreements (relates to public safety).
- Leveraging effective use of technology to support priority actions.



## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Office of Emergency Management	651.2	660.0	650.0	650.0		650.0		
<b>Total Revenues</b>	<b>651.2</b>	<b>660.0</b>	<b>650.0</b>	<b>650.0</b>		<b>650.0</b>		
<b>Expenditures</b>								
Office of Emergency Management	3,468.7	3,911.6	3,126.5	3,656.2		3,656.2	529.7	16.9%
<b>Total Gross Expenditures</b>	<b>3,468.7</b>	<b>3,911.6</b>	<b>3,126.5</b>	<b>3,656.2</b>		<b>3,656.2</b>	<b>529.7</b>	<b>16.9%</b>
<b>Net Expenditures</b>	<b>2,817.5</b>	<b>3,251.6</b>	<b>2,476.5</b>	<b>3,006.2</b>		<b>3,006.2</b>	<b>529.7</b>	<b>21.4%</b>
<b>Approved Positions**</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>		<b>21.0</b>	<b>0.0</b>	

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$3.656 million gross reflecting an increase of \$0.530 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increases in salaries and benefits for existing positions and positions to be filled in 2022, required to meet service demands, which were vacant in 2021 due to hiring delay.
- Increase in other expenditures as the response to the pandemic is constantly evolving.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$3.006 million in net expenditures reflects a \$0.490 million net reduction from the 2021 Council approved Budget, when excluding \$0.446 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

#### New and Enhanced Service:

The 2022 Recommended Operating Budget for the Office of Emergency Management for does not include New and Enhanced Service priorities.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Office of Emergency Management's 2022 Operating Budget have no equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for the Office of Emergency Management of \$3.656 million gross is 16.9%% higher than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	366.7	650.0	650.0	650.0	650.0		
User Fees & Donations			10.0				
Sundry and Other Revenues	(19.5)	1.2					
<b>Total Revenues</b>	<b>347.2</b>	<b>651.2</b>	<b>660.0</b>	<b>650.0</b>	<b>650.0</b>		
Salaries and Benefits	2,474.8	2,853.0	2,996.5	2,477.4	2,818.3	340.9	13.8%
Materials & Supplies	8.0	24.4	98.7	75.8	98.7	22.9	30.3%
Equipment	35.9	16.3	36.7	16.5	36.7	20.2	122.3%
Service and Rent	114.8	574.7	779.7	556.8	702.5	145.7	26.2%
Contribution To Reserves/Reserve Funds	0.3	0.3					
Other Expenditures	0.5						
Inter-Divisional Charges	285.7						
<b>Total Gross Expenditures</b>	<b>2,920.1</b>	<b>3,468.7</b>	<b>3,911.6</b>	<b>3,126.5</b>	<b>3,656.2</b>	<b>529.7</b>	<b>16.9%</b>
<b>Net Expenditures</b>	<b>2,572.9</b>	<b>2,817.5</b>	<b>3,251.6</b>	<b>2,476.5</b>	<b>3,006.2</b>	<b>529.7</b>	<b>21.4%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Includes increases on existing salaries and benefits due to anticipated positions to be filled in 2022

**Materials and Supplies:**

Includes increases for emergency supplies including Personal Protective Equipment to support COVID-19 response.

**Services and Rents:**

Includes provisions for the cooling centres used in support of COVID-19 response in the event of provincial lockdown that prevents residents from using alternate cool indoor spaces.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	650.0	650.0	650.0	650.0
Gross Expenditures	3,126.5	3,656.2	3,666.7	3,689.3
<b>Net Expenditures</b>	<b>2,476.5</b>	<b>3,006.2</b>	<b>3,016.7</b>	<b>3,039.3</b>
<b>Approved Positions</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>	<b>21.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$3.667 million reflects an additional \$0.011 million or 0.29 per cent increase in gross expenditures above the 2022 Operating Budget, reflecting the impact of inflation on operations.

The 2024 Outlook includes an additional increase of \$0.023 million, or 0.60 per cent above 2023 gross expenditures, reflecting the impact of inflation on operations.

# 2022 Program Summary

## Policy, Planning, Finance & Administration

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### Description

Policy, Planning, Finance & Administration (PPFA) provides centralized financial and administrative support to the Deputy City Manager and Infrastructure and Development Services (IDS) programs which allows them to focus on providing their core services to Toronto's residents and businesses. PPFA delivers the following services:

- Corporate Leadership
- Organizational Effectiveness
- Financial Management
- Program Support

### Why We Do It

PPFA provides centralized financial and administrative support to the Deputy City Manager and IDS programs so they can focus on providing services to Toronto's residents and businesses. In so doing, PPFA fosters the following outcomes:

- Public consultation on IDS infrastructure projects is timely, accessible and convenient, and the input from residents and businesses contributes to informed decision-making.
- IDS Divisions are able to make informed financial decisions and provide services that are financially sustainable through timely and accurate financial management.

*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

### Organizational Effectiveness & Corporate Leadership

**Who We Serve:** Deputy City Manager – IDS, City Staff/Divisions

**What We Deliver:** Provide strategic advice, planning, coordination and reporting to the IDS programs to improve organizational effectiveness, and service delivery.

**How Much Resources (gross 2022 operating budget):** \$1.5 million

### Financial Management

**Who We Serve:** Deputy City Manager – IDS, City Staff/Divisions and IDS Division Suppliers/Service Providers.

**What We Deliver:** Financial planning, reporting, analysis, advice, revenue and purchasing transaction processing and coordination of payables, to IDS divisions to ensure compliance with corporate policies and support service delivery.

**How Much Resources (gross 2022 operating budget):** \$8.4 million

### Program Support

**Who We Serve:** Deputy City Manager – IDS, City Staff/Divisions and residents and businesses.

**What We Deliver:** Administrative, public consultation, complement management and payroll time entry services to IDS divisions to ensure compliance with corporate policies and support service delivery.

**How Much Resources (gross 2022 operating budget):** \$6.8 million

## Budget at a Glance

### 2022 OPERATING BUDGET

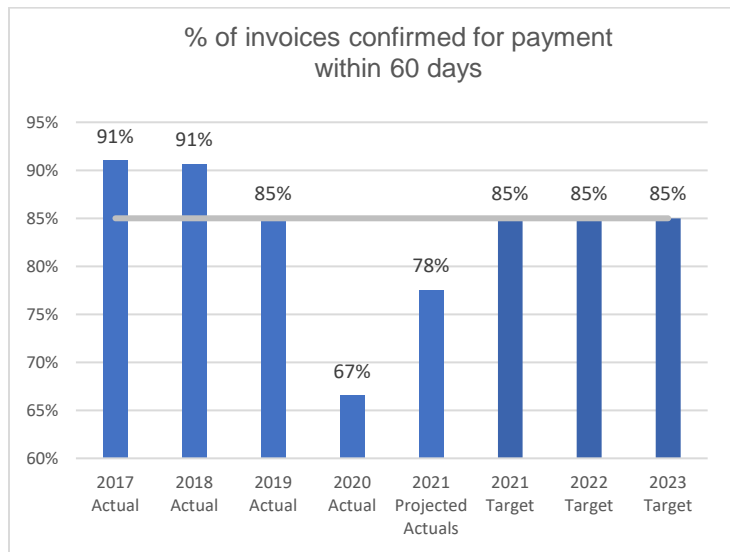
\$Millions	2022	2023	2024
Revenues	\$11.9	\$12.0	\$12.2
Gross Expenditures	\$16.7	\$17.0	\$17.2
Net Expenditures	\$4.9	\$5.0	\$5.0
Approved Positions	167.1	167.1	165.1

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Millions	2022	2023-2031	Total
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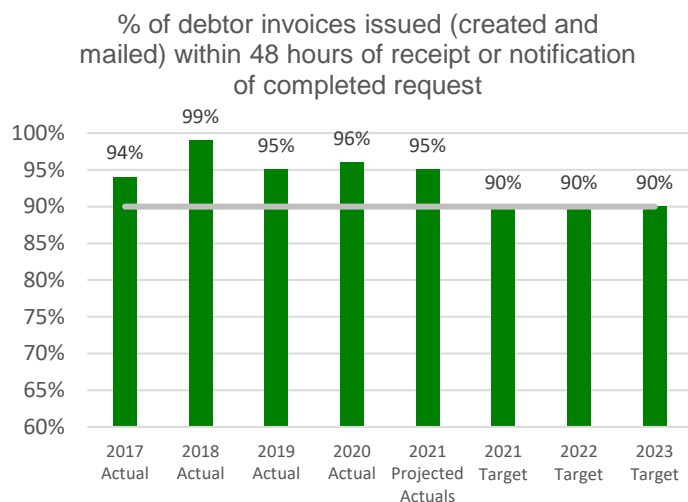
This program does not have a capital budget

## How Well We Are Doing – Behind the Numbers



### Invoices Confirmed for Payment

- Vendor invoices are reviewed to confirm that goods and services have been received before payment. PPF&A has a target of 85% of invoices to be reviewed and confirmed within 60 days of the invoice date.
- PPF&A historically exceeded its target while ensuring IDS division are in compliance with corporate policies and contractual obligations.
- The 2020 actuals and 2021 projections reflect processing delays and changes in operational procedures resulting from the impacts of COVID-19. 2022 service levels are anticipated to be in keeping with previous years' experience.



### Invoices Issued within 48 hours

- PPF&A manages the Accounts Receivable process end-to-end for IDS Divisions, including billing, collections, payment processing, banking, and analysis and reporting.
- PPF&A has a target of issuing 90% of debtor invoices (created and mailed) within 48 hours of receipt of an invoice request.
- Due to efficiencies gained through automation, PPF&A has exceeded its target since 2017. The service target will be reviewed during 2022.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level/Outcome Measures								
Financial Management	% of Infrastructure and Development Services divisional budgets supported and coordinated within deadlines	100%	100%	100%	100%	●	100%	100%
	% of invoices confirmed for payment within 60 days	85%	67%	85%	78%	●	85%	85%
	Total number of invoices paid	53,488	51,809	52,000	51,000		52,000	52,000
	% of debtor invoices issued (created and mailed) within 48 hours of receipt or notification of completed request	95%	96%	90%	95%	●	90%	90%
	Total number of debtor invoices issued	42,592	30,598	42,000	31,000		42,000	42,000
	% of undisputed accounts receivable collected within agreed upon payment terms	75%	62%	70%	64%	●	70%	70%
	Total number of undisputed accounts receivable collected	5,869	5,742	6,000	5,700		6,000	6,000
Program Support	% of time sheets entered	100%	100%	100%	100%	●	100%	100%
	% of compliance to meet notification guidelines, legislated requirements, and client and program needs	100%	100%	100%	100%	●	100%	100%

\*Service targets are set for performance/operational purposes and are anticipated to be reviewed in 2022.

● 80% - 100%    ● 64 - 79%    ● 63% and Under

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- There are no anticipated operating impacts related to COVID-19 reported in PPFA's 2022 budget.

#### Service Level Changes

- There are no anticipated impacts to service levels as a result of COVID-19 during 2022.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Led and supported IDS programs with continued implementation of enterprise-wide corporate initiatives including: Financial System Transformation Project and eTime Payroll Transformation.
- Optimized invoice issuance and payment receipt processing across IDS programs.
- Continued to support city building/capital delivery by hosting virtual public consultation events through the use of WebEx and on-line tools.
- Completed consultation for various cycling projects across the City, and launched consultations for new projects such as RapidTO, Rouge-Little Rouge Transportation Master Plan, as well as several Area Transportation Plans. Consultation also continued for basement flooding studies and large-scale construction projects such as the reconfiguration of the King-Queen-Queensway-Roncesvalles intersection and Port Union Road.
- Ongoing activation of IDS COVID-19 Operations Centre providing support to both IDS Divisions and the Business Continuity Task Force.
- Supported the COVID-19 Financial Implications Working Group with monthly reporting for IDS programs.

### Key Challenges and Risks

- Maintaining current service levels, while simultaneously implementing new enterprise-wide technology improvements and modernization initiatives, including Financial System Transformation Project
- Increased complexity and growing demand for service in support of IDS programs.
- Building a versatile team that is equipped to adjust to the City's changing service delivery models to ensure seamless provision of financial and administrative support services.

### Priority Actions

- Continue to transform service delivery through leveraging automation and realign resources to respond to changing requirements.
- Lead and support IDS divisions with implementing the Financial Sustainability Program including future phases of the Budget Modernization Process and the Financial System Transformation project.
- Provide ongoing IDS support and co-ordination of various payroll and human resource transformation projects.
- Provide reliable and timely financial management reporting to IDS divisions to support data-driven decision-making and promote compliance.
- Continue to lead and support the development and delivery of new online engagement tools for virtual public engagement during COVID-19 and beyond.
- Collaborate with the Indigenous Affairs Office, and other City Divisions, on the development of an approach for engaging First Nations in archaeological assessments for City building/capital delivery projects.
- Continue to focus on staff training and cross-training to build workforce capacity and enhance skill sets.
- Continue to lead and support the development of an IDS Confronting Anti-Black Racism Framework of Action and Employee Engagement Strategy.



## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Organizational Effectiveness	74.0	25.1	22.9	26.0		26.0	3.1	13.6%
Financial Management	4,315.5	6,135.5	5,659.7	6,324.5		6,324.5	664.8	11.7%
Program Support	5,824.8	5,146.1	4,887.7	5,265.1		5,265.1	377.4	7.7%
Corporate Leadership		245.2	223.5	253.9		253.9	30.4	13.6%
<b>Total Revenues</b>	<b>10,214.3</b>	<b>11,552.0</b>	<b>10,793.8</b>	<b>11,869.5</b>		<b>11,869.5</b>	<b>1,075.7</b>	<b>10.0%</b>
<b>Expenditures</b>								
Organizational Effectiveness	313.4	269.0	319.4	257.9		257.9	(61.4)	(19.2%)
Financial Management	7,608.5	8,351.0	7,895.6	8,382.7		8,382.7	487.1	6.2%
Program Support	5,709.4	6,727.8	6,318.3	6,787.1		6,787.1	468.8	7.4%
Corporate Leadership	1,187.0	1,214.6	1,153.1	1,302.2		1,302.2	149.0	12.9%
<b>Total Gross Expenditures</b>	<b>14,818.3</b>	<b>16,562.4</b>	<b>15,686.4</b>	<b>16,729.9</b>		<b>16,729.9</b>	<b>1,043.5</b>	<b>6.7%</b>
<b>Net Expenditures</b>	<b>4,604.0</b>	<b>5,010.4</b>	<b>4,892.6</b>	<b>4,860.4</b>		<b>4,860.4</b>	<b>(32.2)</b>	<b>(0.7%)</b>
<b>Approved Positions**</b>	<b>169.1</b>	<b>167.1</b>	<b>N/A</b>	<b>167.1</b>		<b>167.1</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$16.730 million gross reflecting an increase of \$1.044 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salaries and benefits increases due to cost of living adjustments for existing positions.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, and other revenue.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** Policy, Planning, Finance and Administration does not have New and Enhanced Services requests.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** There are no proposed changes in PPFA's 2022 Operating Budget which would result in any equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Policy, Planning, Finance and Administration is \$1.044 million gross or 6.7% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	2,637.2	2,810.6	2,895.1	2,895.1	2,911.3	16.2	0.6%
Sundry and Other Revenues			100.0	100.0	100.0		
Inter-Divisional Recoveries	7,680.3	7,403.7	8,557.0	7,798.7	8,858.3	1,059.5	13.6%
<b>Total Revenues</b>	<b>10,317.5</b>	<b>10,214.3</b>	<b>11,552.0</b>	<b>10,793.8</b>	<b>11,869.5</b>	<b>1,075.7</b>	<b>10.0%</b>
Salaries and Benefits	14,894.6	14,528.6	16,066.8	15,274.1	16,306.3	1,032.2	6.8%
Materials & Supplies	172.6	39.2	107.5	72.7	47.5	(25.1)	(34.6%)
Equipment	40.6	28.3	56.8	43.8	56.8	13.0	29.7%
Service and Rent	155.0	141.9	331.2	256.9	319.2	62.4	24.3%
Contribution To Reserves/Reserve Funds	49.8	50.6					
Inter-Divisional Charges		29.7		39.0		(39.0)	(100.0%)
<b>Total Gross Expenditures</b>	<b>15,312.5</b>	<b>14,818.3</b>	<b>16,562.4</b>	<b>15,686.4</b>	<b>16,729.9</b>	<b>1,043.5</b>	<b>6.7%</b>
<b>Net Expenditures</b>	<b>4,995.0</b>	<b>4,604.0</b>	<b>5,010.4</b>	<b>4,892.6</b>	<b>4,860.4</b>	<b>(32.2)</b>	<b>(0.7%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Include increases in salaries and benefits for existing positions. These increases have been partially offset by base expenditure savings arising from a line by line review, other operational savings, and other revenue.

**Materials and Supplies:**

Include reductions arising from line by line review to reflect actual spending and other operational savings.

**Services and Rents:**

Include increases reflective of requirement for employee related costs and operational priorities.

**Other Revenue Changes:**

Include increases for recovery of gross expenditures from rate-based programs (Toronto Water and Solid Waste Management Services) and anticipated recovery for capital funded positions.

**Offsets and Efficiencies:**

The 2022 Operating Budget includes \$0.072 million in gross and net expenditure reductions attributed to:

- A net reduction in base budget expenditure requirements (including materials and supplies and services and rents) to reflect actual experience.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	10,793.8	11,869.5	12,019.7	12,152.2
Gross Expenditures	15,686.4	16,729.9	17,057.3	17,179.9
<b>Net Expenditures</b>	<b>4,892.6</b>	<b>4,860.4</b>	<b>5,037.6</b>	<b>5,027.7</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>167.1</b>	<b>167.1</b>	<b>165.1</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$17.057 million reflects an anticipated \$0.327 million or 1.96 per cent increase in gross expenditures above the 2022 Operating Budget based on inflationary increases for salaries and benefits.

The 2024 Outlooks expects a further increase of \$0.123 million or 0.72 per cent above 2023 gross expenditures based on inflationary increases for salaries and benefits.

# 2022 Program Summary

## Solid Waste Management Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Solid Waste Management Services collects, transports, processes, composts and disposes of municipal and some private sector waste, recyclables, organics, electronics waste and household hazardous waste.

SWMS manages three collection yards and one litter collection yard, seven transfer stations, six household hazardous waste depots, two organics processing facilities, Green Lane Landfill and 160 former landfills.

SWMS customers include single-family homes, multi-residential buildings, small businesses, street and parks bins, special events, schools, City divisions agencies and corporations, and private waste is accepted at our Drop-off Depots and landfill.

SWMS also provides city-wide benefits through litter pick-up, parks bin and street litter bin collection, promotion and education, community outreach and Community Environment Days.

### Why We Do It

Solid Waste Management Services ensures that Torontonians live in a city where:

- Waste is collected in a timely, safe, reliable and efficient manner;
- Waste is managed in an innovative, environmentally and fiscally sustainable manner.

*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

### City Beautification

**What We Deliver:** Litter, park bins and street litter bin collection, special event collection

**How Much Resources (gross 2022 operating budget):** \$39.263 million

### Residual Management

**What We Deliver:** Management of Greenlane Landfill site, perpetual care, energy generation

**How Much Resources (gross 2022 operating budget):** \$40.822 million

### Solid Waste Collection & Transfer

**What We Deliver:** Collection of garbage, blue bin recycling, green bin organics, durable goods, yard waste, municipal hazardous and special waste, oversized items, transfer station management

**How Much Resources (gross 2022 operating budget):** \$134.229 million

### Solid Waste Education & Enforcement

**What We Deliver:** Promotion, education, enforcement, community outreach and environment days

**How Much Resources (gross 2022 operating budget):** \$7.062 million

### Solid Waste Processing & Transport

**What we Deliver:** Recyclables, organics, leaf/yard waste and durable goods processing, and haulage

**How Much Resources (gross 2022 operating budget):** \$156.433 million

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Billion	2022	2023	2024
Revenues	\$390.966	\$401.676	\$422.098
Gross Expenditures	\$377.809	\$389.674	\$400.433
Capital Contribution	\$13.157	\$12.002	\$21.665
Approved Positions	1,139.3	1,135.3	1,134.3

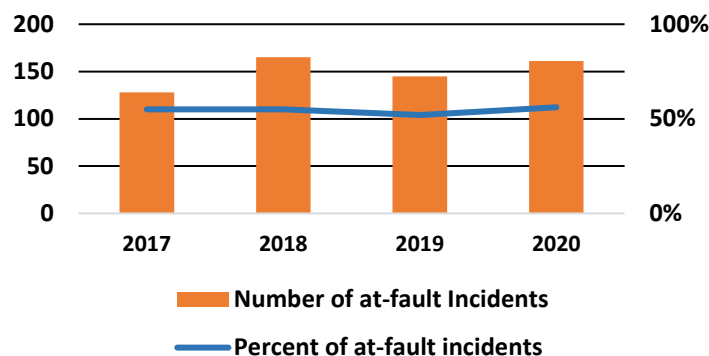
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Billion	2022	2023-2031	Total
Gross Expenditures	\$69.729	\$779.391	\$849.120
Debt	\$32.211	\$424.197	\$456.408

Note: Includes 2021 carry forward funding

## How Well We Are Doing– Behind the Numbers

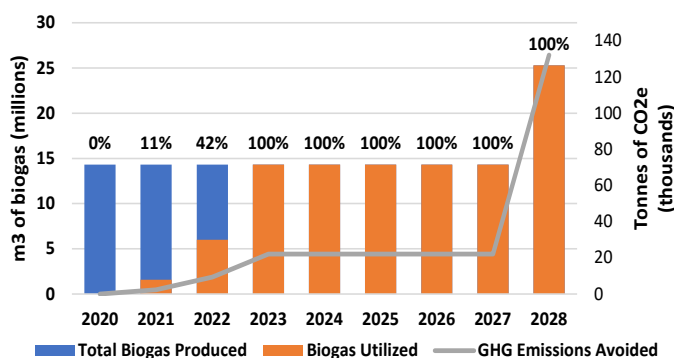
### At-Fault Vehicle-Related Incidents



Solid Waste Management Services is investing in staff, equipment and facilities. To ensure staff and the public are safe on the road. These investments include:

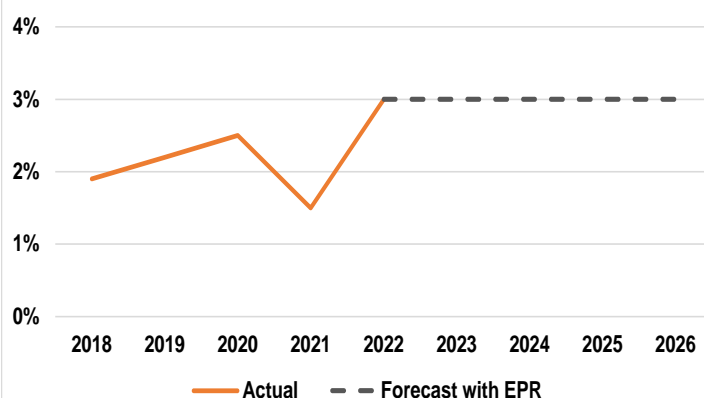
- Continued investment to outfit vehicles with safety equipment that supports Vision Zero side guards, telematics and in cab cameras
- 160 new staff trained at the Keele Valley Training Centre since it opened in mid-2020
- Introducing new Drive for Life training for all staff who operate any vehicle using simulation-based training with the objective of improving driver responses

### Estimated Biogas from Organics Processing Facilities Converted to Renewable Energy



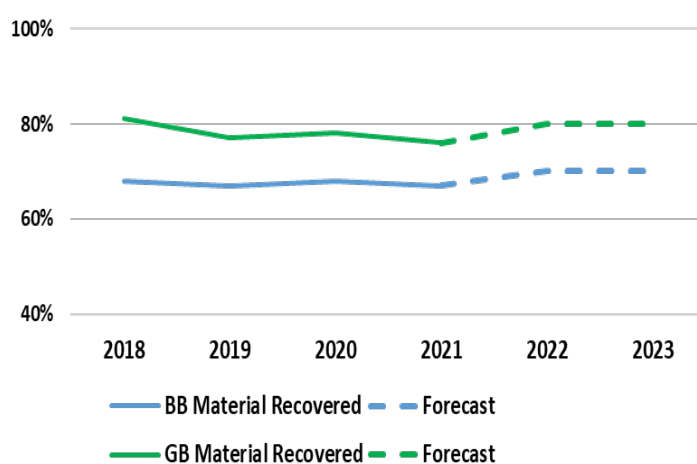
- Solid Waste Management Services' renewable energy trajectory includes utilizing biogas from organics processing facilities. Dufferin's renewable natural gas (RNG) will be used in 2022 and construction at the Disco Road facility will begin in 2022. RNG from a 3rd anaerobic digestion facility is anticipated to be produced in 2028.
- Through further capital investments, there is an opportunity to use landfill gas from Green Lane Landfill and Keele Valley Landfill to generate renewable energy. Solid Waste Management Services working to assess whether landfill gas can be harnessed to generate renewable energy and reduce GHG emissions. Staff are conducting studies to explore this potential.

### % Utility Rate Increase









- To ensure sufficient balances in reserve, 2022 reflects a 3% rate increase and continues year over year.
- The introduction of Extended Producer Responsibility (EPR) will help stabilize the rate. EPR will present some cost savings to the City as a result of the reduction in recyclable material that the City must process.
- If the City has not transitioned to EPR by 2024, Solid Waste Management Services will need to reassess the projected future annual rate increases to ensure service levels and funding for the 10-year Capital Budget and Plan are able to be sustained.

### % Blue Bin and Green Bin Material Recovered



- Currently, Solid Waste Management Services recovers a majority of Blue Bin Recycling and Green Bin Organics material.
- To help reduce the amount of organics ending up in the garbage or recycling, Green Bins have been installed in all dogs off-leash areas in parks and a pilot project began to test the use of a dedicated compartment for dog waste in street litter bins. To reduce recycling contamination in parks, new recycling containers designed to exclusively capture empty beverage cans and bottles were installed in parks across the city.
- Throughout 2021 and into 2022 SWMS continues to communicate proper waste sorting practices through campaigns, outreach and education.

## How Well We Are Doing

Outcome	Outcome Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Torontonians live in a city where waste is collected in a timely, safe, reliable and efficient manner.	# of at fault vehicle-related incidents	145	161	N/A	141		N/A	N/A
	% of at fault vehicle-related incidents	52%	56%		53%			
	# of service requests	160,809	154,927	150,000	150,000		150,000	150,000
	% service requests resolved within service standard	84.8%	74.1%	90%	90%		90%	90%
Torontonians live in a city where waste is managed in an innovative, environmentally and fiscally sustainable manner.	% of biogas from Organics Processing Facilities converted to renewable energy	0%	0%	42%	23%		42%	100%
	% utility rate increase	2.2%	2.5%	1.5%	1.5%		3%	3%
	% of blue bin material recovered	67%	68%	70%	67%		70%	70%
	% of green bin material recovered	76%	78%	76%	76%		80%	80%

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
<b>City Beautification</b>	Litter pick-up, parks bins, street bins	1 to 7 times collection per week	1 to 7 times collection per week	1 to 7 times collection per week	1 to 7 times collection per week	●	1 to 7 times collection per week	1 to 7 times collection per week
<b>Residual Management</b>	Compliance with Certificate of Approval for Green Lane Landfill Site and Closed Landfills	100%	100%	100%	100%	●	100%	100%
<b>Collection and transfer</b>	Collection of Garbage, Recyclables and Organics	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	Bi-weekly to 1 to 2 times per week, depending on customer type	●	Bi-weekly to 1 to 2 times per week, depending on customer Type	Bi-weekly to 1 to 2 times per week, depending on customer type
	Reliability of Collection for Single-Family Households	99.97%	99.98%	99.97%	99.97%		99.97%	99.97%
<b>Education</b>	Community Environment Days	Up to 51 per year	7 at Drop-off Depots across the City	7 at Drop-off Depots across the City	14 at Drop-off Depots across the City	●	Up to 58 per year (7 at Drop-Off Depots & 2 per Ward)	Up to 58 per year (7 at Drop-Off Depots & 2 per Ward)
<b>Processing and Transport</b>	Compliance with Certificate of Approval for Resale of Recyclables	100%	100%	100%	100%	●	100%	100%



## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- For 2022 there are no Covid-19 financial impacts as we move out of the pandemic due to Canada-wide immunization program and other anti-pandemic measures.

#### Service Level Changes

- There are no service level changes resulting from COVID-19 that will impact 2022.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Maintained essential core collection and processing of garbage, Blue Bin recycling, Green Bin organics, Yard Waste and oversized and metal items during the COVID-19 pandemic.
- Implemented organic litter bin collection pilots and expanded organic collection in Parks.
- Expanded mattress processing services across the City diverting the material from landfill.
- Merged two business units in Collections and Litter Ops, into one new unit to improve customer service and increase efficiencies.
- Investment in Vision Zero truck safety enhancement program which includes outfitting vehicles with safety equipment including side guards, telematics, in cab cameras and Drive for Life training for all staff who operate any vehicle using simulation-based training with the objective of improving driver responses. To-date 160 staff have been trained at the Keele Valley Training Centre.
- Completed construction of the Dufferin Organics Processing Facility and initiated operations phase.
- Commissioned Dufferin Renewable Natural Gas project formally announced by Mayor John Tory.
- Completed preliminary design for the Disco Renewable Natural Gas project.
- Completed opportunities study for beneficial use of landfill gas at the Green Lane Landfill, which included participation from the three local First Nations.
- Conducted recycling bin design modifications pilots in parks to reduce contamination.
- Issued the Request for Proposal (RFP) to retain a consulting engineer to plan, conceptualize and begin pre design for the Divisions third Anaerobic Digester (AD).
- Implemented a nine (9) year Green Lane Landfill Operations, Maintenance and Construction contract which increased compaction rates maximizing landfill airspace and lowered the guaranteed annual tonnages giving the City greater flexibility to reduce waste volumes going to landfill resulting in disposal cost savings.
- Implemented two (2) new Haulage Contracts for transporting Toronto's waste to landfill, (previously had 1 contractor), which provides more flexibility for hauling waste, and mitigates operational risk.
- Negotiated extensions with three (3) Ontario Landfills to ensure continuity of services as the Division negotiates preferential terms for longer contracts with a goal to have contracts in place until the end of August 2026.
- Completed the Baselining Study for a Circular Toronto.
- Established a Stakeholder and Community Outreach unit to provide Divisional support on public education initiatives for residents, community outreach and meaningful engagement with stakeholders and Rights Holders.
- City Council endorsed Stage 1 of the Single-Use and Takeaway Item Strategy which includes launching a Voluntary Measures Program to encourage businesses to voluntarily implement actions to reduce single-use and takeaway items.

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- Joined the Canadian Circular Cities & Regions Initiative and the Canada Plastics Pact.
  - Successfully advocated for Toronto to transition in 2023 to the Province of Ontario's new Blue Box Extended Producer Responsibility program and awarded a multi-year contract with a Business Transformation & Change Management Consultant to ensure a smooth transition for Toronto's residents.
  - Launched the new Waste Management Guide and Utility Bill Inserts (Collection Schedules).
  - Participated in the World Circular Economy Forum 2021 as program planning partners. The event is an initiative of Sitra, the Finnish Innovation Fund and was cohosted by the Government of Canada and brings together international business leaders, policymakers and experts to accelerate the transition towards a circular economy.
  - Participated in the Circular Innovation City Challenge alongside the cities of New York, Glasgow, Amsterdam, and Copenhagen which invited digital innovators from around the world, including many submissions from Toronto and Canada, to propose solutions that could be piloted in the five participating global cities to decrease emissions and reduce reliance on finite resources.

#### Received Various Awards including:

- Received [2021 Municipal Waste Association Promotion & Education Awards](#) for the Litter Emoji Campaign in the Campaign category, the Love Food Hate Waste campaign in the Social Media and Online Strategy category and the Community Reduce and Reuse Programs in the Community Engagement and Outreach Program category.
- Received an Honourable Mention for the Annual Domenic Mele Health and Safety Award, presented by the City of Toronto's Occupational Health & Safety Co-ordinating Committee. The mention was in relation to a Point of Sale device developed to ensure the maintenance of physical distancing with minimal Musculoskeletal Disorder strain and the safety of staff and patrons at weighscale stations.
- Voted by participants of the Joint Health & Safety Committee Recognition Event for best Health & Safety video in relation to Personal Protective Equipment.
- Received the Ontario Public Works Association (OPWA) Award for the Technical Innovation Category for Dufferin RNG.

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#### Key Challenges and Risks

- **Blue Box Extended Producer Responsibility (EPR):** City's transition is scheduled for mid-2023, however its role in the future system has yet to be defined.
  - **Organics Processing Capacity:** Limited regional capacity to address increasing volume demand and population growth.
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- **Landfill Capacity Constraints:** Long-term availability of provincial landfill space is limited and further compounded by recent changes to provincial legislation under the Environmental Assessment Act.

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### Priority Actions

- **Blue Box Extended Producer Responsibility (EPR):** Negotiate transition of Toronto's blue box program to Producer Responsibility Organizations, and develop a formal transition plan which also includes a change management and communication plan to support staff and residents in the transition to the future state.
  - **Organics Processing Capacity:** Advance project development work related to the 3<sup>rd</sup> Anaerobic Digestion (AD) Facility, maintaining target of initiating construction in 2024 and anticipated commissioning in 2028.
  - **Landfill Capacity:** Continue investigating long-term disposal options including landfill capacity development and energy from waste as well as site contract renegotiations and sending material to alternate sites.
  - **Climate Change Resiliency:** RNG infrastructure development continuing for the Disco Road Organics Processing Facility with commissioning anticipated in 2023 to further increase RNG supply. Advancing renewable energy infrastructure at Green Land Landfill.
  - **Returning to Pre-Covid service levels and learn from successes:** Return to in community E-days as well as maintain Transfer station E-days, reinstate communications and education funding to pre-covid levels, maintain additional resources for parks and litter management.
  - **Utility Rate Stability:** SWMS rate model has been developed based on a 3 per cent blended rate increase for each of the outlook years (2023 and 2024) and the remaining seven years through 2031 to support rate stabilization, ensure program funding for future year operating needs including principal and interests costs and necessary contributions to Reserves required to support 10-year Capital Plan.
  - **Utility Rate Review:** Analyze the financial impact of Blue Box EPR, and review cost allocations and Solid Waste rate structure to ensure long-term financial sustainability following transition to EPR.
  - **Health & Safety:** Advance Vision Zero initiatives on Collection fleet. Enhance driver safety through new SWMS Training Facility. Environmental and Health & Safety Compliance unit to expand divisional oversight and compliance activities.
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## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
City Beautification	1,896.1	6,512.7	6,375.4	6,920.0		6,920.0	544.6	8.5%
Solid Waste Collection & Transfer	328,988.9	331,996.0	331,936.6	342,151.2		342,151.2	10,214.6	3.1%
Solid Waste Processing & Transport	22,790.0	30,180.3	30,096.9	31,192.0		31,192.0	1,095.2	3.6%
Residual Management	7,586.7	10,625.6	7,094.3	10,702.4		10,702.4	3,608.2	50.9%
Solid Waste Education & Enforcement	50.8	0.3	183.1	0.3		0.3	(182.8)	(99.8%)
<b>Total Revenues</b>	<b>361,312.4</b>	<b>379,314.9</b>	<b>375,686.2</b>	<b>390,966.0</b>		<b>390,966.0</b>	<b>15,279.7</b>	<b>4.1%</b>
<b>Expenditures</b>								
City Beautification	38,395.1	37,378.5	36,445.5	39,263.0		39,263.0	2,817.5	7.7%
Solid Waste Collection & Transfer	128,368.6	126,311.9	128,916.3	134,229.2		134,229.2	5,312.9	4.1%
Solid Waste Processing & Transport	134,649.2	154,744.3	148,366.9	156,432.7		156,432.7	8,065.8	5.4%
Residual Management	31,967.4	39,860.8	36,197.7	40,821.7		40,821.7	4,624.0	12.8%
Solid Waste Education & Enforcement	2,666.8	3,967.1	3,708.8	7,061.9		7,061.9	3,353.1	90.4%
<b>Sub-Total - Gross Expenditures</b>	<b>336,047.1</b>	<b>362,262.7</b>	<b>353,635.2</b>	<b>377,808.5</b>		<b>377,808.5</b>	<b>24,173.3</b>	<b>6.8%</b>
Capital Budget Contribution	18,166.7	17,052.2	17,137.0	13,157.5		13,157.5	(3,979.5)	(23.2%)
Surplus	7,098.7	-	4,914.1				(4,914.1)	(100.0%)
Total Capital Contribution	25,265.4	17,052.2	22,051.1	13,157.5		13,157.5	(8,893.6)	(123.2%)
<b>Total Gross Expenditures</b>	<b>361,312.4</b>	<b>379,314.9</b>	<b>375,686.2</b>	<b>390,966.0</b>		<b>390,966.0</b>	<b>15,279.7</b>	<b>4.1%</b>
<b>Approved Positions**</b>	<b>1,128.3</b>	<b>1,132.3</b>	<b>1,132.3</b>	<b>1,139.3</b>		<b>1,139.3</b>	<b>7.0</b>	<b>0.6%</b>

\*Projection based on 6 Month Variance

\*\*YoY comparison based on approved positions



## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$377.809 million gross (prior to capital contribution) reflecting an increase of \$24.173 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Inflationary increase to Salary and benefit, collection, processing and disposal contracts as well as related volume changes.
- Contribution to Fleet reserve based on operational needs.
- Reinstatement of prior year funding for advertising and public education which was materially impacted by Covid-19 in 2021 that support established Stakeholder and Community Outreach programs with goal of waste reduction and increased diversion.
- Above pressures are offset by collection and tipping rate increase and anticipated volume changes, higher Blue box grants, revenue from sale of Renewable Natural Gas (RNG), base expenditure savings arising from line by line review and other operational savings.

The 2022 Operating Budget recommends a 3.0% blended rate increase.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** Solid Waste Management Services does not have New and Enhanced Services.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Solid Waste Management Services 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Solid Waste Management Services is \$377.809 million gross prior to contribution to capital or 6.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

**Table 2: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	%
Provincial Subsidies	20,694.0	25,062.4	24,876.4	27,324.3	2,447.8	9.8%
User Fees & Donations	315,980.6	327,680.6	325,571.6	335,009.5	9,437.9	2.9%
Transfers From Capital	4,269.1	5,245.1	4,953.9	5,436.1	482.1	9.7%
Sundry and Other Revenues	12,945.0	14,125.7	13,083.2	16,002.6	2,919.4	22.3%
Inter-Divisional Recoveries	7,423.7	7,201.0	7,201.0	7,193.5	(7.4)	(0.1%)
<b>Total Revenues</b>	<b>361,312.4</b>	<b>379,314.9</b>	<b>375,686.2</b>	<b>390,966.0</b>	<b>15,279.7</b>	<b>4.1%</b>
Salaries and Benefits	96,773.5	98,885.9	99,241.6	100,920.0	1,678.4	1.7%
Materials & Supplies	6,425.1	9,030.7	7,893.6	9,209.6	1,316.0	16.7%
Equipment	159.4	232.1	232.1	243.6	11.5	5.0%
Service and Rent	138,961.7	156,933.8	149,507.8	164,519.8	15,012.0	10.0%
Contribution To Reserves/Reserve Funds	57,191.5	58,405.7	58,405.7	62,790.6	4,384.9	7.5%
Other Expenditures	4,480.9	4,424.3	4,424.3	4,524.5	100.2	2.3%
Inter-Divisional Charges	32,055.0	34,350.1	33,929.9	35,600.3	1,670.4	4.9%
<b>Total Gross Expenditures</b>	<b>336,047.1</b>	<b>362,262.7</b>	<b>353,635.2</b>	<b>377,808.5</b>	<b>24,173.3</b>	<b>6.8%</b>
Capital Budget Contribution	18,166.7	17,052.2	17,137.0	13,157.5	(3,979.5)	(23.2%)
Surplus	7,098.7	-	4,914.1	-	(4,914.1)	(100.0%)
<b>Total Capital Contribution</b>	<b>25,265.4</b>	<b>17,052.2</b>	<b>22,051.1</b>	<b>13,157.5</b>	<b>(8,893.6)</b>	<b>(40.3%)</b>

\*Projection based on 6 Month Variance

**Key Base Drivers:**

**Salaries & Benefits:** Increase in salaries and benefits due to COLA and other adjustments and a net increase in staff complement of 7 FTE in 2022.

**Materials and Supplies:** Include Consumer Price Index (CPI) inflationary increases on existing material contracts.

**Services and Rents:** Includes CPI inflationary increases on collection, processing and disposal contracts as well as anticipated volume changes related to increased diversion initiatives.

**Contributions to Reserve:** Increases in fleet reserve contribution based on operational needs.

**Sundry and Other Revenue Changes:** Higher revenue from sale of RNG.

**User Fees and Donations:** Higher revenues from rate increase and anticipated volume changes.

**Provincial Subsidies:** Higher expected provincial grants and subsidies based on volume changes.

**Offsets and Efficiencies:**

Above pressures are offset by base expenditure savings from line by line review, reduction in salary and benefits based on historical underspending and other operational savings. There are no new or enhanced services proposed in the 2022 budget.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	375,686.2	390,966.0	401,675.9	422,098.3
Gross Expenditures	353,635.2	377,808.5	389,674.3	400,432.7
Capital Budget Contribution	17,137.0	13,157.5	12,001.6	21,665.5
Surplus (2021 Projection)	4,914.1	-	-	-
<b>Capital Contribution</b>	<b>22,051.1</b>	<b>13,157.5</b>	<b>12,001.6</b>	<b>21,665.5</b>
<b>Approved Positions</b>	<b>1,132.3</b>	<b>1,139.3</b>	<b>1,135.3</b>	<b>1,134.3</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$389.674 million reflects an anticipated \$11.865 million or 3.15 per cent increase in gross expenditures above the 2022 Operating Budget.

The 2024 Outlooks expects a further increase of \$10.758 million or 2.76 per cent above 2023 gross expenditures.

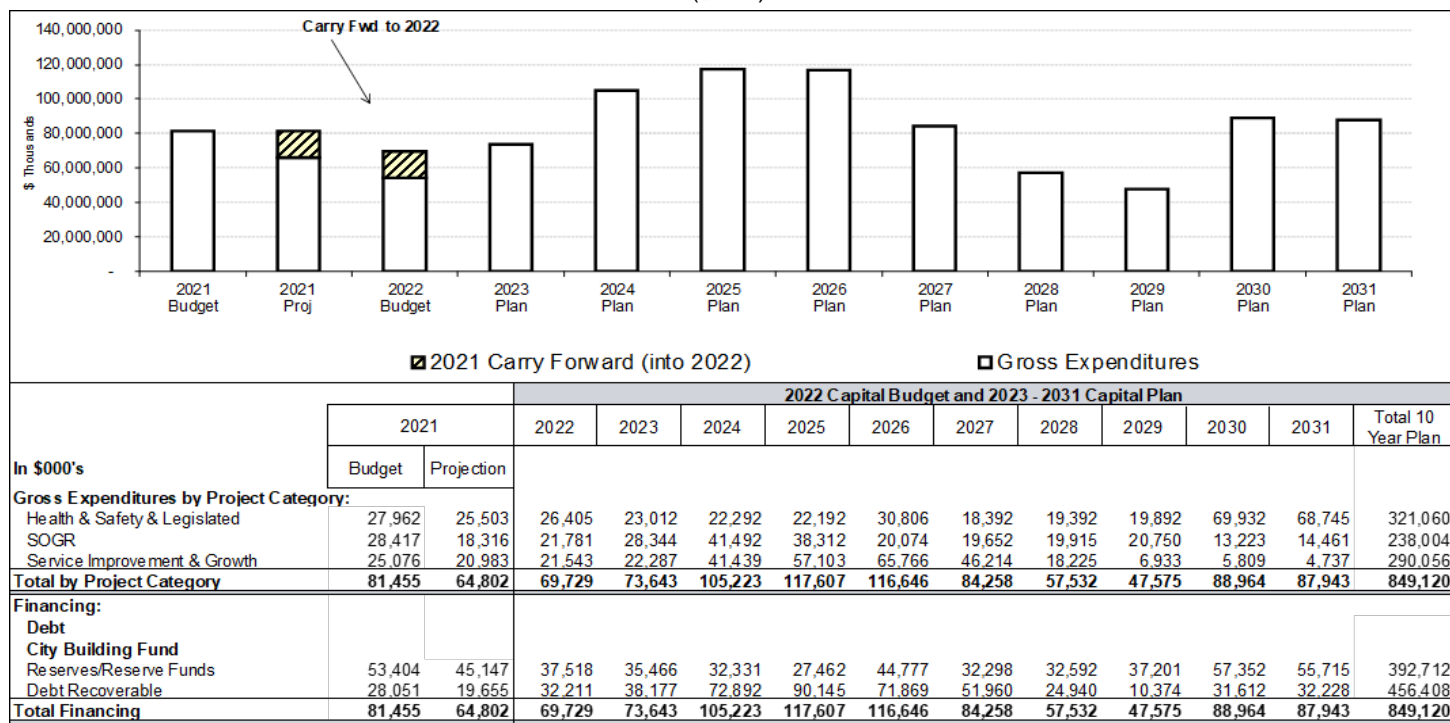
These changes arise primarily from the following:

- Increase in salaries and benefit costs due to COLA and merit pay increases offset by recruitment delays.
- Increase in cost of contracted services due to volume and CPI.
- Increase in contribution to the Green Lane Reserve, higher debt principal and Interest costs and an increase in the Fleet Replacement Reserve contribution.
- Offset by savings from EPR implementation starting in July 2023 and full year in 2024 and a projected three (3) per cent rate increase in both outlook years.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$25.502 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- Increase of \$11.655 million for Long Term Waste Management Strategy, \$10.684 million for Transfer Station Asset Management, and \$10.607 million for Dufferin Waste Facility Site Improvement.
- Deferral of \$10.000 million in Landfill Capacity Development / Energy from Waste project.
- Net Increase of \$2.556 million for multiple projects to reflect updated cost estimates, scope and project schedules.

### New Projects (\$28.415 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:






- Policy Planning Studies under Long Term Waste Management Strategy.
- Various Technology Roadmap Implementation Projects under SWM IT Application Initiatives.

### Capital Needs Constraints (\$0.0 Million)

The 2022-2031 Capital Budget and Plan is based on Solid Waste Management Services' capacity to deliver. Solid Waste Management Services does not have any unmet needs over the 10-year planning horizon.



**2022 – 2031 CAPITAL BUDGET AND PLAN****\$849.120 Million 10-Year Gross Capital Program**

				
<b>Maintaining Infrastructure</b>	<b>Landfill Development &amp; Management</b>	<b>Long Term Waste Management Strategy</b>	<b>Organics Processing Facilities</b>	<b>Biogas/Landfill Gas Utilization</b>
<b>\$312.3M 37%</b>	<b>\$321.1M 38%</b>	<b>\$30.9M 4%</b>	<b>\$131.8M 15%</b>	<b>\$53.1M 6%</b>
Transfer Station Asset Management Collection Yard Asset Management Diversion Facilities Asset management Dufferin Waste Facility Site Improvements Fleet Technology Enhancements	Green Lane Landfill Landfill Capacity Development Perpetual Care of Closed Landfills	Long Term Waste Management Strategy	Dufferin SSO Facility 3 <sup>rd</sup> Organics Processing Facility	Biogas Utilization Landfill Gas Utilization Renewable Natural Gas

**How the Capital Program is funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$849.120 M 100%</b>		<b>\$0.0 M 0%</b>	<b>\$0.0 M 0%</b>
Recoverable Debt	\$456.408 M 54%		
Reserve Draws	\$392.712 M 46%		

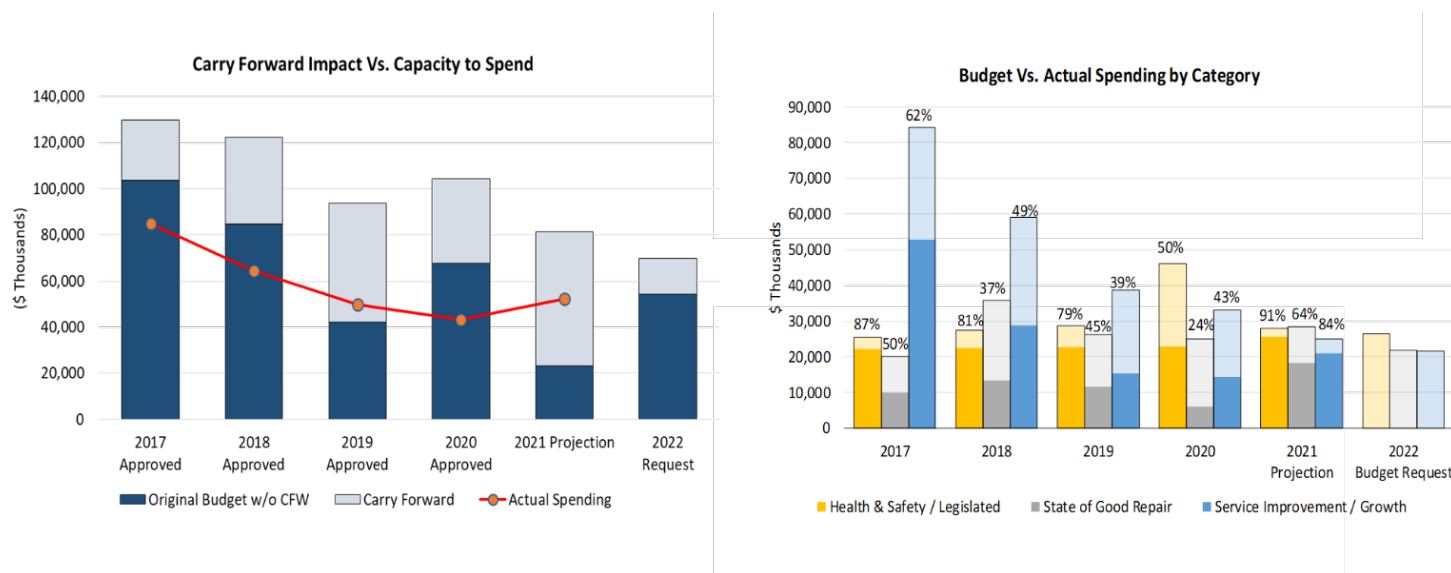


## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Solid Waste Management Services ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

The 2022-2031 Capital Plan for Solid Waste Management is comprised of Legislated projects to fund the perpetual care of old landfills and landfill development at Green Lane; State of Good Repair (SOGR) projects to fund on-going asset management of transfer stations, collection yards and diversion facilities. Service Improvement and Growth related projects aim to achieve program outcomes by providing funding for studies, facilities, implementation of the Long Term Waste Strategy and building future waste as well as an organics processing facilities.

In 2022, Solid Waste Management plans to award approximately \$69.792 million in capital spending on the following high priority projects:

- Green Lane Landfill development (\$15.717 million).
- Perpetual Care of Closed Landfills and Landfill Capacity Development/Energy from waste (\$10.688 million).
- Growth related projects including Dufferin SSO Facility and the 3rd Organics Processing Facility (\$1.840 million).
- Service Improvement projects in Long Term Waste Strategy, IT, Fleet Technology Enhancements and various engineering studies (\$19.703 million).
- Various State of Good Repair projects in Transfer Stations, Collection Yards and Organic Processing Facility (\$21.781 million).

Based on the review of historical capital spending constraints and a capacity to spend review, \$6.061 million in capital spending originally cash flowed in 2021 has been deferred to 2022, with an additional \$9.422 million deferred to 2023-2029. Key adjustments to the Capital Plan are noted below:

- Dufferin Waste Facility Site Improvement 2022 cash flow has been deferred by \$14.593 million and is scheduled to be completed by 2025.
- Landfill Gas Utilization project 2022 cash flow has been deferred by \$3.987 million with revised completion date in 2027.
- Legislated projects including the Perpetual Care of Landfills, and Landfill Capacity Development/ Energy from Waste 2022 cash flow have been deferred by \$3.411 million to reflect updated project delivery schedule.
- Transfer Station Asset Management and Organic Processing Facility Asset Management 2022 cash flow have been deferred by \$6.450 million to reflect updated project timelines.

The above 2022 cash flow deferrals are offset by an increase to 2022 cash flow in the following projects:

- Long Term Waste Management Strategy 2022 cash flow increased by \$3.027 million to provide additional funding for Extended Producer Responsibility Transition and Education and Promotion.
- Fleet Technology Enhancements 2022 cash flow increased by \$0.400 million.

## STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

Solid Waste Management Services has not currently identified a backlog of State of Good Repair projects. At this time, the funding allocated in the 10-Year Capital Plan for Solid Waste Management Services for State of Good Repair projects is deemed appropriate to maintain the assets in a steady state of good repair.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

Approval of the 2022 Capital Budget will impact the 2023 Operating Budget by a total of \$0.125 million net arising from completing the Solid Waste Management Services IT Initiatives, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Dufferin Waste Facility Site Improvement							1,000.0				1,000.0		1,000.0	
Organics Processing Facility													4,767.0	
Solid Waste Initiatives			125.0		67.0		197.5		598.8		988.3		1,028.3	
<b>Sub-Total: Previously Approved</b>			<b>125.0</b>		<b>67.0</b>		<b>1,197.5</b>		<b>598.8</b>		<b>1,988.3</b>		<b>6,795.3</b>	
<b>Total (Net)</b>			<b>125.0</b>		<b>67.0</b>		<b>1,197.5</b>		<b>598.8</b>		<b>1,988.3</b>		<b>6,795.3</b>	

### Previously Approved projects

- Dufferin Waste Facility Site Improvement is expected to be completed in 2025 and will result in estimated annual operational cost of \$1.000 million.
- Solid Waste IT Initiative is for SWMS Operational Solutions Delivery Phase-1 in the amount of \$0.125M starting in 2023.
- Third Organic Processing Facility or third Anaerobic Digester "3rd AD" is expected to be operational in 2028 and will result in estimated operational cost of \$4.767 million. The cost to use external providers will decrease as a result.

# 2022 Program Summary

## Toronto Building

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### Description

We enforce provincial and municipal building regulations and bylaws, where our primary responsibilities are established through the Building Code Act, such as reviewing and issuing building permits and conducting mandatory inspections of construction to make sure work is in compliance with the Building Code and building permits.

In addition to the roles and responsibilities prescribed by the Building Code Act, the Program administers and enforces the City of Toronto Sign Bylaw and other applicable law. Applicable law is a term used to describe all of the regulations and municipal bylaws, which a project must comply with in order for a permit to be issued.

In 2021, Toronto Building expects to issue 45,000 building permits, complete 160,000 building inspections and complete over 3,000 annual Building Investigations.

### Why We Do It

**Buildings in Toronto are constructed to be safe, accessible, and sustainable for all, through compliance with the Ontario Building Code.**

*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

### **Building Permission & Information**

**Who We Serve:** Agent, Applicant, Architect / Firm, Builder and Organization, Business, Complainant, Consultant, Contravener, Designer Firm/Professional, Developer, Engineer, Lawyer, Licensee, Mayor & City Council, Operator, Owner's Agent, Police, Property Owner, Ratepayers, Sign Owner, Staff - City Divisions, Surveyor, Tenant.

**What We Deliver:** Preliminary Plan Review, Building Permit Issuance, Building Record Information Provision.

**How Much Resources (2022 gross operating budget):** (\$36.117 million)

### **Building Compliance**

**Who We Serve:** Building User or Occupant, Property Owner, Agent, Contractor, Design Professional, Sign Owner, Developer, City Divisions, Council/Mayor.

**What We Deliver:** Building Inspection, Building Enforcement.

**How Much Resources (2022 gross operating budget):** (\$31.929 million)

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$84.2	\$85.2	\$86.5
Gross Expenditures	\$68.1	\$69.1	\$70.4
Net Expenditures	(\$16.1)	(\$16.1)	(\$16.1)
Approved Positions	534.0	534.0	534.0

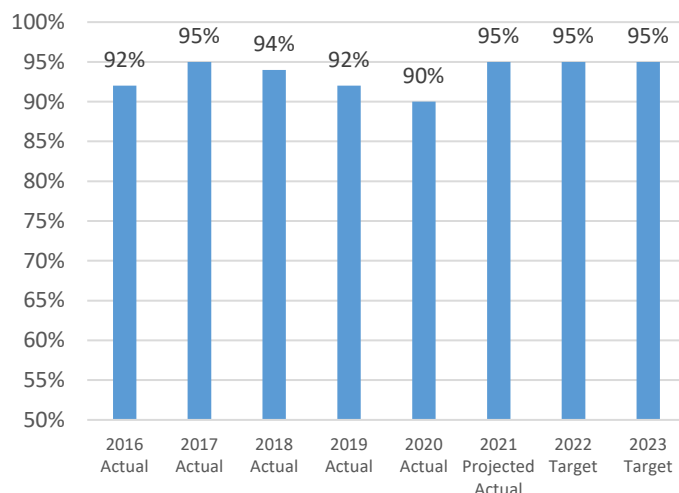
### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
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This program does not have a capital budget

## How Well We Are Doing – Behind the Numbers

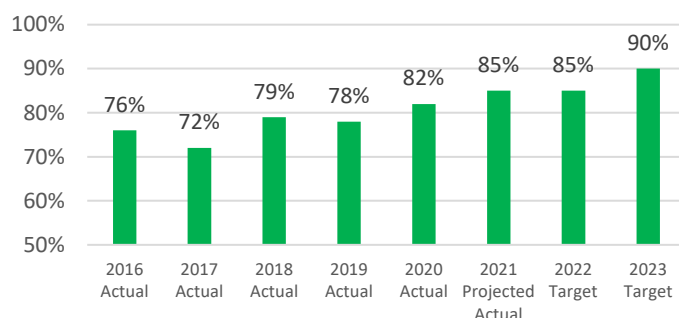
**% complete permit applications reviewed within time frames**



During the last three years Toronto Building has faced challenges in meeting its target mostly attributed to:

- **Increasing application volumes and application complexity.** Over the last ten years, building permit applications have increased by 24%, with much of the increased workload managed by improving efficiency (i.e. Electronic Service Delivery). However, the complexity and size of buildings and building sites has also been increasing, which is affecting the Division's ability to manage the workload impacts of higher application volumes.
- **Staff Turnover and Hiring** – Primarily due to retirements and COVID-19 impact on hiring. As a result, vacancy rates in core areas remain relatively high.
- **Program Review** – Implementation of recommendations including additional staff resources and new service delivery model expected to yield improvements in meeting service demands.

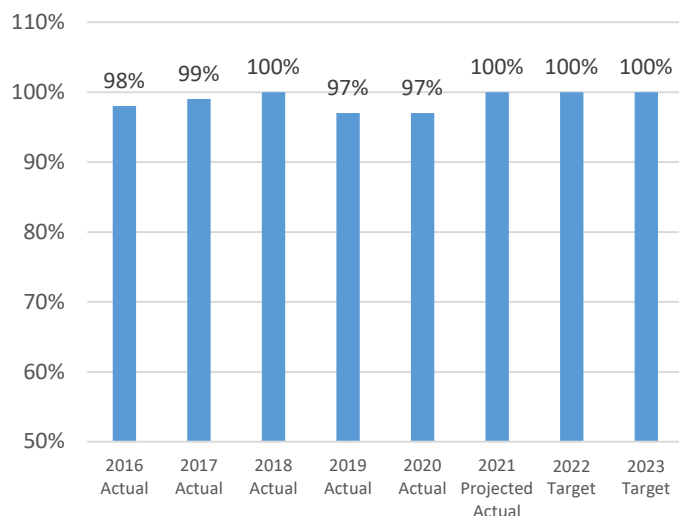
**% reports of construction w/o permit responded in time frame**



Investments in Inspection Services, including the Residential Infill Construction Strategy and Dedicated Enforcement Team have resulted in a more consistent and improved response to complaints of work being done without a permit. Additional improvements could be realized through:

- **Explore and adopt innovative approaches to inspections** to increase staff capacity to focus on more value-added work.
- **Improve division's business intelligence capabilities** to improve ability to respond to problems sites and reoccurring issues and enhanced coordination with partner divisions.

**% of Emergency requests responded to within 24 hours**



Through the use of the Dedicated Enforcement Team established in 2015, the Division has been able to improve its ability to respond to emergency complaints and take immediate action where appropriate if an unsafe order is required. The additional resources have resulted in an increasing response times from 81% in 2015 to 100% in 2021. Additional challenges that can be addressed include:

- **Modernizing technology systems** – Response times and performance can be maintained and improved further by modernizing core technology platforms and reducing the administrative workload to free up additional inspector capacity.
- **Staff Turnover and Hiring** – Staff turnover and challenges filling vacant inspector positions continues to impact response times in all service areas.
- **Program Review** – Implementation of recommendations including additional staff resources and new service delivery model expected to yield improvements in meeting service demands.

## How Well We Are Doing

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
Building Permission & Information	% preliminary zoning reviews completed within service standard *	73%	71%	75%	75%	●	80%	85%
Building Permission & Information	# preliminary zoning reviews completed *	4,857	4,291	4,000	4,000	●	4,000	4,000
Building Permission & Information	% sign applications reviewed within legislated time frames	78%	84%	94%	94%	●	94%	94%
Building Permission & Information	# sign applications reviewed	2,165	1,556	1,500	1,500	●	1,500	1,500
Building Compliance	% building inspections conducted within time frames	92%	91%	94%	94%	●	94%	94%
Building Compliance	# building inspections conducted	176,644	167,189	160,000	160,000	●	160,000	160,000

\* Legacy preliminary project review and zoning certificate programs historical data merged from 2017 to 2020. Implementation of the new one-stream zoning review program reflected in 2021.

● 80% - 100% ● 64 - 79% ● 63% and Under

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Building Permission & Information	% complete permit applications reviewed within legislated frames	92%	90%	95%	95%	●	95%	95%
Building Permission & Information	# building permits issued	47,148	37,817	45,000	45,000	●	45,000	45,000
Building Compliance	% reports of construction w/o permit responded to within established time frame	78%	82%	85%	85%	●	85%	90%
Building Compliance	# reports of construction w/o permit responded	3,543	3,696	3,300	3,300	●	3,300	3,300
Building Compliance	% of Emergency requests responded to within 24 hours	97%	97%	100%	100%	●	100%	100%
Building Compliance	# of Emergency requests responded to	69	60	75	75	●	75	75

● 80% - 100% ● 64 - 79% ● 63% and Under

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- There are no anticipated impacts to Toronto Building 2022 Operating Budget.

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**Service Level Changes**

- There are no anticipated impacts to service levels as a result of COVID-19 during 2022.
  - The Service Levels will be reviewed and adjusted to reflect processes and protocols as required in accordance with prevailing health and safety guidelines and advice from the Medical Officer of Health.
-



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Completed a comprehensive examination of the Division and initiated implementation of recommendations to support transformation to a new operating model. The new modern building regulator model and customer-focused service delivery processes will also help facilitate and support the City's economic recovery from the COVID-19 pandemic.
- Advanced on divisional hiring strategy and succession management plan through the addition of dedicated resources to support the Division's workforce planning and development efforts and implementation of the program review recommendations.
- Participated in the development of legislative and Building Code changes including proposed amendments related to "tiny homes" and enabling inspectors to conduct remote video inspections.
- Worked with divisional partners to facilitate the building approvals in support of the City's modular housing initiative and transit priorities.

### Key Challenges and Risks

- **Organizational Transformation** - realize objectives of program review recommendations for a modernized building regulatory model and practices for the Division.
  - **Service Delivery** - ability to drive service quality, efficiency, innovation, and meet service levels in the context of economic recovery from the COVID-19 pandemic and beyond.
  - **Technology** - accelerate adoption of modern client-centric technology to enable and support modernized building regulatory model and practices, and client expectations.
  - **Training and Development** - maintaining and enhancing a progressive and continuous learning environment for staff training and development.
- Fiscal Responsibility** - investment in resources needed to support business transformation in the context of economic recovery from the COVID-19 pandemic and beyond.

### Priority Actions

- **Organizational Transformation** – phased-in implementation of program review recommendations
- **Service Delivery** - drive service quality, efficiency and innovation by implementing new collaboration platforms and tools for staff
- **Technology** - pursue a seamless customer service experience and further implement electronic service delivery enhancements and online tools as part of digital first service strategy
- **Training and Development** - invest in a knowledgeable and engaged workforce by advancing succession planning and enhancing employee training and development programs
- **Fiscal Responsibility** – implement adjustments to full cost-recovery model based on third-party review recommendations, and actively monitor and assess development and construction market.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Building Compliance	47,621.8	36,533.8	45,232.7	38,695.2		38,695.2	(6,537.4)	(14.5%)
Building Permission & Information	57,449.0	42,423.2	54,136.8	45,497.6		45,497.6	(8,639.2)	(16.0%)
<b>Total Revenues</b>	<b>105,070.8</b>	<b>78,956.9</b>	<b>99,369.5</b>	<b>84,192.8</b>		<b>84,192.8</b>	<b>(15,176.7)</b>	<b>(15.3%)</b>
<b>Expenditures</b>								
Building Compliance	23,580.8	29,370.1	23,253.4	31,928.9		31,928.9	8,675.5	37.3%
Building Permission & Information	28,401.6	33,440.0	26,821.8	36,117.0		36,117.0	9,295.3	34.7%
<b>Total Gross Expenditures</b>	<b>51,982.3</b>	<b>62,810.1</b>	<b>50,075.1</b>	<b>68,045.9</b>		<b>68,045.9</b>	<b>17,970.8</b>	<b>35.9%</b>
<b>Net Expenditures</b>	<b>(33,088.5)</b>	<b>(16,146.9)</b>	<b>(49,294.3)</b>	<b>(16,146.9)</b>		<b>(16,146.9)</b>	<b>33,147.5</b>	<b>(67.2%)</b>
<b>Approved Positions**</b>	<b>487.0</b>	<b>534.0</b>	<b>N/A</b>	<b>534.0</b>		<b>534.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$68.046 million gross reflecting an increase of \$17.971 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Inflationary increases to salaries and benefits for existing positions and annualization costs for 47 new positions added in 2021 related to Toronto Building Program Review Implementation.
- Increase to equipment related to underspending in general equipment and computer hardware due to vacant positions in 2021, and additional spending for equipment to support remote work added in 2022 budget.
- Increase to services & rents related to renovation expenses for centralized records centre postponed from 2021, and less spending on contracted services related to contingency provision for remedial action.

## EQUITY IMPACTS OF BUDGET CHANGES

Toronto Building's 2022 Operating Budget maintains funding for outreach and communications to newcomers, persons with disabilities, seniors, Indigenous Peoples, Black and other equity-deserving communities. The Division will expand the information in multiple languages and formats to clarify building regulations concerning building new housing, including affordable housing for low-income individuals, renovations for improving accessibility and access to safe, healthy and adequate homes. The Division is also preparing an Equity, Diversity, and Inclusion Action Plan, to identify and remove systemic barriers to policies, services and practices through the Equity Lens tools. This investment supports the City of Toronto's Corporate Strategic Plans priority a "Well run City" and Toronto at Your Service: The City's integrated customer service initiative.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Toronto Building of \$68.046 million gross is 35.9% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	93,190.2	99,003.0	65,358.5	91,489.9	65,358.5	(26,131.3)	(28.6%)
Transfers From Capital			156.1	156.1	156.1		
Contribution From Reserves/Reserve Funds	5,567.8	6,016.6	10,110.6	6,684.5	15,326.9	8,642.4	129.3%
Sundry and Other Revenues	269.4	51.2	3,331.7	1,039.0	3,351.3	2,312.2	222.5%
Inter-Divisional Recoveries	924.7						
<b>Total Revenues</b>	<b>99,952.2</b>	<b>105,070.8</b>	<b>78,956.9</b>	<b>99,369.5</b>	<b>84,192.8</b>	<b>(15,176.7)</b>	<b>(15.3%)</b>
Salaries and Benefits	47,541.7	47,278.2	56,911.6	46,467.3	62,190.2	15,722.9	33.8%
Materials & Supplies	96.7	95.5	132.4	100.7	128.1	27.4	27.2%
Equipment	75.5	336.9	855.9	310.0	1,793.5	1,483.5	478.5%
Service and Rent	1,365.6	1,149.1	2,707.9	970.9	2,678.1	1,707.3	175.8%
Contribution To Reserves/Reserve Funds	952.1	2,811.9	1,686.4	1,686.4	740.2	(946.2)	(56.1%)
Other Expenditures	515.5	297.0	515.8	515.8	515.8		
Inter-Divisional Charges	1,643.1	13.7		24.1		(24.1)	(100.0%)
<b>Total Gross Expenditures</b>	<b>52,190.1</b>	<b>51,982.3</b>	<b>62,810.1</b>	<b>50,075.1</b>	<b>68,045.9</b>	<b>17,970.8</b>	<b>35.9%</b>
<b>Net Expenditures</b>	<b>(47,762.1)</b>	<b>(53,088.5)</b>	<b>(16,146.9)</b>	<b>(49,294.3)</b>	<b>(16,146.9)</b>	<b>33,147.5</b>	<b>(67.2%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Includes inflationary increases to existing salaries and benefits, and annualization costs for 47 new positions added in 2021 related to Toronto Building Program Review Implementation. Toronto Building will strengthen recruitment efforts to implement the Program Review recommendations and further reduce vacancies in 2022.

**Equipment:**

Includes remote work equipment expenses added in 2022 and less 2021 spending on general equipment and computer hardware primarily due to vacant positions.

**Services and Rents:**

Includes renovation expenses for centralized records centre postponed from 2021 and less spending on contracted services related to contingency provision for remedial action.

**Contributions to Capital:**

Includes reduced contribution to the Building Code Service Improvement Reserve due to less than required budgeted contribution needs as per the Division's reserve fund target balance analysis.

**User Fees and Donations:**

2021 user fee projection increase is driven by higher than anticipated volume of building permit applications. In 2022 permit fees will remain at the 2021 rates while the Division is in the implementation phase of the Program/Organizational Review which also included a review of the full cost model.

**Other Revenues/Contribution from Reserves:**

Includes increases to recoveries of salaries and benefits costs for existing reserve-funded positions and annualization costs for 47 new positions added in 2021 related to Toronto Building Program Review Implementation. Recoveries in 2021 were lower than planned as a result of higher than expected vacancies due to COVID-19 impact.

## Offsets and Efficiencies:

The **2022 Operating Budget** includes \$1.323 million in gross expenditure and \$1.118 million in net expenditures reductions attributed to:

### Line by Line Review:

A reduction in base budget expenditure requirements (includes items such as consulting expenses and various professional services) to reflect actual experience.

### Toronto Building Fiscal Strategy:

Adjustments to budgeted reserve contributions and draws based on base budget changes and review of future year funding requirements and obligations.

## 2023 & 2024 OUTLOOKS

Table 3: 2023 and 2024 Outlooks

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	99,369.5	84,192.8	85,260.7	86,489.2
Gross Expenditures	50,075.1	68,045.9	69,113.9	70,342.3
<b>Net Expenditures</b>	<b>(49,294.3)</b>	<b>(16,146.9)</b>	<b>(16,146.9)</b>	<b>(16,146.9)</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>534.0</b>	<b>534.0</b>	<b>534.0</b>

## Key drivers

The 2023 Outlook with total gross expenditures of \$69.114 million reflects an anticipated \$1.068 million or 1.6 per cent increase in gross expenditures above the 2022 Operating Budget; the 2024 Outlook expects a further increase of \$1.229 million or 1.8 per cent above 2023 gross expenditures.

These changes arise from the following:

- Increases in salaries and benefits to reflect inflationary adjustments in accordance with the collective agreement.

These increases are offset by anticipated inflationary increases to building permit revenues to maintain full cost recovery.

# 2022 Program Summary

## Toronto Fire Services

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### Description

In accordance with the Ontario Fire Protection and Prevention Act (FPPA), Toronto Fire Services (TFS) provides residents and businesses with a comprehensive suite of fire protection services 24 hours per day, 7 days per week.

As the largest fire service in Canada, TFS deploys from 83 fire stations (84 by January 2022) and 8 support facilities to support service delivery. On an annual basis, TFS responds to more than 123,000 emergency incidents, inspects 100% of TCHC multi-unit residential properties, and responds to 100% of complaints and requests for Fire Code inspections.

### Why We Do It

Toronto Fire Services is the City's only all-hazards emergency response organization. TFS is dedicated to providing fire protection services by achieving the following outcomes:

- **Timely and effective response to emergencies will mitigate injuries, economic loss and save lives.**
- **Buildings and public venues comply with fire safety standards in order to protect the lives and properties of people in Toronto.**
- **Fire incidents in Toronto are prevented through regular and relevant public education that raises community awareness.**

*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

### **Fire Rescue & Emergency Response**

**Who We Serve:** Individuals facing imminent injury or threat to their lives or property.

**What We Deliver:** Through life saving and protection services, victims of emergency incidents are provided basic life support, fire suppression, specialized rescues and large scale emergency response.

**How Much Resources (gross 2022 operating budget): \$486.8 million**

### **Fire Prevention Inspection & Enforcement**

**Who We Serve:** Building owners, building occupants, adjacent property owners, citizens logging fire-related safety concerns, and the public.

**What We Deliver:** Property owners are required to adhere to fire safety legislation and regular fire inspections of new and existing buildings help owners ensure that buildings stay compliant with the provincial safety codes.

**How Much Resources (gross 2022 operating budget): \$30.0 million**

### **Fire Safety Education**

**Who We Serve:** Residents, businesses and institutions, such as schools.

**What We Deliver:** Community awareness programs, such Alarm for Life program for residential smoke and carbon monoxide alarms, school fire safety programs and other public campaigns to reduce the risk to life and property through education.

**How Much Resources (gross 2022 operating budget): \$6.7 million**

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Thousands	2022	2023	2024
Revenues	\$20,769	\$20,769	\$20,769
Gross Expenditures	\$523,467	\$535,399	\$547,841
Net Expenditures	\$502,698	\$514,630	\$527,072
Approved Positions	3,206.3	3,274.3	3,326.3

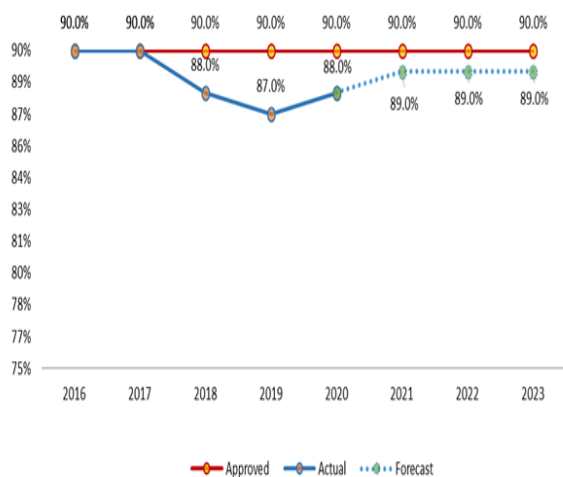
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Thousands	2022	2023-2031	Total
Gross Expenditures	\$12,130	\$50,492	\$62,622
Debt	\$7,483	\$24,642	\$32,125

Note: Includes 2021 carry forward funding

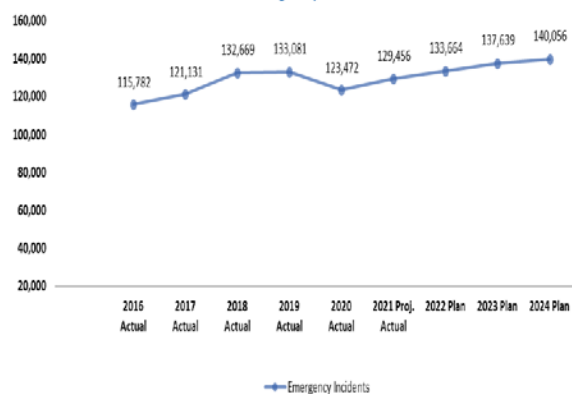
## How Well We Are Doing – Behind the Numbers

Effective Firefighting Force(10:24 min)-90% of the Time



- Effective Firefighting Force is the time interval from emergency call acknowledgement to arrival of the initial number of personnel required for safe and effective firefighting operations
- TFS continues to expect future challenges in maintaining performance standards due to city growth (including vertical growth) and densification resulting in increased travel times.
- 2020 represents an anomaly due to decreased travel times related to COVID shut downs and much lighter traffic patterns for a significant portion of the year. This began to return to “normal” in 2021.
- The impact of COVID on hiring has resulted in significant vacancies in Operations. Existing staff are working overtime to fill vacancies. Hiring has commenced, with one class of 96 recruits graduating in November 2021 and additional classes of 96 planned for January and July 2022.
- Approved WSIB cases for operations staff has increased significantly in the last 5 years and is projected to continue to increase, resulting in more trucks out of service. Vaccination policies have also had an impact on WSIB absences.
- A redeployment review completed in 2021 will ensure the best and most efficient use of resources to further reduce service gaps.
- The Operational Service Delivery Model report, adopted by Council on October 1 and 4, 2021, identified a number of challenges, initiatives, and recommendations to improve service delivery and response time performance as a strategy to mitigate these risks.

# Emergency Incidents



- Emergency incidents include TFS's response to all types of emergencies including fires, emergency medical incidents, all types of rescue (water, high-angle), and specialized services including hazardous materials.
- Although the overall trend indicates increasing call volumes in each year moving forward, 2020 represents an anomaly due to COVID-19, which had a tremendous effect on the number and types of emergency calls run by TFS. In 2020, overall call volume was down by 7.3%, although the number of emergency calls for fires was up 16.9%, which is reflective of people staying home. In 2021 call volumes began to return to pre-pandemic levels as the economy reopened.
- Public Education efforts have been focussed on on-line social media channels and virtual education sessions, dealing with the most common causes of fires over the pandemic months.



## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Fire Rescue & Emergency Response	Effective firefighting force within 10:24min 90% of the time	87%	88%	90%	89%	●	90%	90%
Fire Rescue & Emergency Response	Extent of Fire Spread - % of fires contained to room of origin	85%	83%	83%	83%	●	83%	83%
Service Level Measures								
Fire Rescue & Emergency Response	Total response time within 6:24min 90% of time	81%	79%	90%	77%	●	90%	90%
Fire Rescue & Emergency Response	% responding crew turn-out time within 1:20 mins per NFPA 1710	51%	50%	90%	68%	●	90%	90%
Fire Prevention, Inspection & Enforcement	% of TCHC multi-units residential properties inspected annually	New in 2020	91%	100%	100%	●	100%	100%
Fire Prevention, Inspection & Enforcement	% of vulnerable occupancy inspections conducted annually	New in 2020	88%	100%	55%**	●	100%	100%
Fire Safety Education	# Elementary School presentations conducted annually	1,800	462	1,825	1,373	●	1,843	1,862
Other Measures*								
Fire Rescue & Emergency Response; Fire Prevention, Inspection & Enforcement; Fire Safety Education	Residential fire related civilian fatalities per 100,000 population	0.34	0.60	0.46	0.43	●	0.42	0.42
Fire Rescue & Emergency Response	Total Fire Cost per Staffed In-Service Vehicle Hour	\$492	\$496	\$518	\$525	●	\$549	\$574

\* MBN measures used to compare to other municipalities – these measures are not “owned” by TFS.

\*\*Restricted access to vulnerable occupancy buildings throughout the COVID-19 pandemic and reduced staffing levels have impacted service levels.



**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- The 24-hour staffing shortage call back experience resulting from COVID-19 hiring issues will continue to have residual impacts in 2022. Overtime call backs are required to ensure no impact in service levels. Hiring processes have ramped up with the largest class in TFS history (96 recruits) hired in July 2021, with two further classes of 96 recruits planned for 2022.
- Costs associated with the Designated Officer program are expected to decline as vaccination efforts result in fewer COVID cases and a lesser need for contact tracing, etc.
- Vaccination policies have had an impact on WSIB absences which may continue into 2022.

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**Service Level Changes**

- TFS will continue to review Service Levels to reflect changes as required to meet ongoing community needs. Changes expected more in the way services are provided, not in the service levels themselves.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Continued to deal with responses during a pandemic, resulting in very few infections amongst TFS staff. Utilized a comprehensive program using TFS Designated Officers assigned on a full time basis to assist in contact tracing and recommendations regarding isolation, testing and work protocols.
- Maintained accredited agency status with the Commission on Fire Accreditation International (CFAI) attained in 2019, following successful submission of the required annual compliance report.
- Carried out the largest recruitment in the history of TFS in an effort to fill operational firefighter vacancies quickly. Developed and implemented a process to train 96 recruit firefighters at the same time – the equivalent of two classes – by splitting them into shifts and running the class from 600 hours to 2200 hours. Based on the success of this pilot, two additional classes of 96 recruits are planned for 2022, with the first class scheduled to start on January 31.
- Implemented the first set of recommendations from the TFS redeployment review, to improve response times through a realignment of existing resources.
- Held a vendor day with North American heavy fleet manufacturers to discuss and develop plans for future electric fire trucks. Began the purchasing process for four "green" pumpers as a pilot. Delivery expected in 2023.
- Received Provincial grant through the Ontario Fire Marshal, allowing for the implementation of previously unfunded capital requests related to training.
- Partnered with Local 3888 executive in town hall meetings with staff, based on the success of these sessions in 2020. These town hall meetings were used to address issues related to changes in work processes, COVID-19 protocols, and mental health issues, among others.
- Assisted with Mass Immunization Clinics, Mobile Clinics, and activities related to encampments.
- Completed the rollout of new bunker gear and particulate hoods to Operations staff, replacing 10-year-old suits as required by National Fire Protection Association (NFPA) standards.
- Completed the construction of the new Station 144 (Downsview). The station is expected to be operational in January 2022.

### Key Challenges and Risks

- Impact of COVID on hiring has resulted in a significant number of vacancies in the Operations Division. Existing staff are working overtime to fill vacancies on a callback basis to mitigate the impact to service levels. Hiring has commenced and a class of 95 recruits graduated on November 26, 2021. Additional classes of 96 are planned for January and July 2022.
- The number of WSIB-approved hours of off-duty time for operational staff has increased significantly within the last 5 years, and is projected to continue to increase as the impact of occupational stress injuries, traumatic mental stress, and PTSD incidents continue to rise. A higher than average number of claims were submitted throughout the COVID-19 pandemic and vaccination experience. TFS's complement level does not provide a mechanism to compensate for these absences.
- The Service Level Review report adopted by Council in October 2021 indicates a number of areas in the City where TFS service levels are not being achieved. TFS anticipates increasing challenges including population growth, increasing vertical density, increasing incident volumes, development of the City's transit/subway network, and complexity of incidents requiring additional staffing and resources to maintain appropriate levels of fire protection services. Recommendations related to movement of existing resources are being implemented to address issues within the current funding envelope. Additional firefighting staff were requested over the period of 2023-2025 to aid in achieving service goals. TFS continues to work with CreateTO on building solutions that may see older stations rebuilt in new locations to better spread out TFS resources in the future.

### Priority Actions

- Launch a new recruitment campaign to allow two classes of 96 recruits each to be hired and trained in 2022 to alleviate staffing issues resulting from COVID-19 related hiring issues in 2020 and 2021.
- Additional resources included in this budget will enable TFS to implement the Post Traumatic Stress Injury and Suicide Prevention Program and continue the delivery of R2MR training for all staff to decrease

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occurrences of WSIB related to occupational stress injuries (OSI), and improve the TFS return to work plan for staff who have been out of the workplace with occupational stress injuries.

- Review the impact of the first phase of recommendations from the Operations Deployment Review and implement the next phase of recommendations.
  - Continue to work towards implementation of modernization of 911 network (NG911) and update Fire Services CAD systems.
  - Work with People and Equity to fill existing vacancy of District Chief, Recruitment and Outreach. Position TFS as an employer of choice for people interested in emergency services, with a recruitment strategy that is malleable for delivery to a variety of diverse communities. Re-vamp recruitment website with an equity lens. Additional staff resources are included in this budget to rebuild a recruitment section within TFS to fully support the goals of diversity hiring.
  - Create and fill the Operational Technology Specialist role included in this budget to ensure mission critical operational applications within TFS Technology Division are compliant with emerging policies.
  - Develop multi-year contracts for the revised TFS Fleet Lifecycle Replacement Plan to streamline purchasing through various vendors to ensure delivery of vehicles in as timely a manner as possible, based on capabilities of manufacturers. Budgeted cash flows are aligned with life cycle requirements and capacity to spend.
  - Work with suppliers of heavy fleet vehicles on the development of electric fire trucks as a pilot project.
  - Consistent with numerous Coroners' Inquests, CFAI Recommendations and the Occupational Health and Safety Act, train and certify all TFS Staff to the respective NFPA Professional Qualifications. Furthermore, TFS is presently engaged with the Ministry of the Solicitor General's Office on a pending Regulation mandating the same.
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## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Fire Rescue & Emergency Response	20,237.3	19,630.6	20,308.6	19,630.6		19,630.6	(678.0)	(3.3%)
Fire Safety Education	100.4	8.1	8.1	8.1		8.1		
Fire Prevention, Inspection, & Enforcement	1,715.1	1,130.6	1,130.6	1,130.6		1,130.6		
<b>Total Revenues</b>	<b>22,052.9</b>	<b>20,769.2</b>	<b>21,447.2</b>	<b>20,769.2</b>		<b>20,769.2</b>	<b>(678.0)</b>	<b>(3.2%)</b>
<b>Expenditures</b>								
Fire Rescue & Emergency Response	460,388.3	472,717.8	479,649.8	485,975.5	831.6	486,807.0	7,157.2	1.5%
Fire Safety Education	5,564.4	6,503.0	6,385.9	6,648.0	6.9	6,655.0	269.0	4.2%
Fire Prevention, Inspection, & Enforcement	26,407.3	28,550.1	27,990.0	29,977.4	27.6	30,005.0	2,015.0	7.2%
<b>Total Gross Expenditures</b>	<b>492,360.1</b>	<b>507,771.0</b>	<b>514,025.7</b>	<b>522,600.9</b>	<b>866.1</b>	<b>523,467.0</b>	<b>9,441.3</b>	<b>1.8%</b>
<b>Net Expenditures</b>	<b>470,307.2</b>	<b>487,001.8</b>	<b>492,578.5</b>	<b>501,831.7</b>	<b>866.1</b>	<b>502,697.8</b>	<b>10,119.3</b>	<b>2.1%</b>
<b>Approved Positions**</b>	<b>3,192.3</b>	<b>3,192.3</b>	<b>3,192.3</b>	<b>3,193.3</b>	<b>13.0</b>	<b>3,206.3</b>	<b>14.0</b>	<b>0.4%</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$522.601 million gross reflecting an increase of \$8.575 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Increase in salaries & benefits from the Local 3888 Collective Agreement provisions, offset by estimated savings from projected 2021 year end vacancies.
- Inflationary increase for utilities, maintenance and other non-labour expenditures.
- Non-salary expenditure savings resulting from a Line-by-Line review.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$501.832 million in net expenditures reflects a \$14.830 million net increase from the 2021 Council approved Budget, when excluding \$1.729 million in estimated COVID-19 financial impacts.**
- To mitigate the risk of absences due to COVID-19, vacancies, and attritions, TFS will continue to monitor and implement the callback overtime program for Operational firefighters as required in 2022.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.866 million gross, \$0.866 million net enabling an increase of 13 staff positions to support the following programming enhancements:

- \$0.137 million for 1 additional position to manage Fire Services' Post Traumatic Stress Disorder Prevention Plan.
- \$0.170 million for 3 additional positions to assist with the management of fleet replacement parts required to keep the program's 200 vehicles roadworthy.
- \$0.088 million for 1 additional position to provide oversight of critical technical systems.

- \$0.037 million for 1 position to implement a quality assurance program for the Training and Technical Operations unit for frontline operations staff.
- \$0.274 million for 4 additional positions to support investigations and attendance management for front line staff
- \$0.159 million for 3 positions to support the diversity recruitment program

## EQUITY IMPACTS OF BUDGET CHANGES

**Increasing access to TFS careers:** Toronto Fire Services 2022 Operating Budget includes an investment of \$0.499 million to support the expansion of the Toronto Fire Services (TFS) Recruitment and Outreach Unit. This will have a positive impact on Racialized communities, Indigenous Communities, Black Communities, Women, Persons with low income, 2SLGBTQ+ and Persons with Disabilities where operationally feasible due to physical requirements of many sections within TFS, increasing their access to employment opportunities. Expanding the unit will allow TFS to create campaigns and programs aimed at Toronto residents who may not currently see themselves reflected in the Fire Services to increase access to employment opportunities. This investment supports a number of city equity strategies and commitments including the Toronto Action Plan to Confront Anti Black Racism, Strong Neighbourhoods Strategy, the Toronto Poverty Reduction Strategy and the Aboriginal Employment Strategy.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Fire Services of \$523.467 million gross is 1.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	842.7	620.7	710.0	1,388.0	710.0	(678.0)	(48.8%)
User Fees & Donations	22,367.1	20,977.3	19,789.8	19,789.8	19,789.8		
Transfers From Capital	0.4	53.5	128.6	128.6	128.6		
Contribution From Reserves/Reserve Funds	130.0						
Sundry and Other Revenues	336.7	378.2	110.8	110.8	110.8		
Inter-Divisional Recoveries	494.8	23.2	30.0	30.0	30.0		
<b>Total Revenues</b>	<b>24,171.6</b>	<b>22,052.9</b>	<b>20,769.2</b>	<b>21,447.2</b>	<b>20,769.2</b>	<b>(678.0)</b>	<b>(3.2%)</b>
Salaries and Benefits	456,754.1	469,183.3	478,174.8	481,097.7	494,299.3	13,201.6	2.7%
Materials & Supplies	9,090.2	9,468.4	11,384.6	10,288.4	11,640.0	1,351.6	13.1%
Equipment	1,009.0	1,475.9	1,298.9	5,876.9	1,298.9	(4,578.0)	(77.9%)
Service and Rent	7,560.2	7,952.1	8,267.0	8,117.0	8,583.6	466.6	5.7%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	10,070.3	4,130.8	8,630.4	8,630.4	7,630.4	(1,000.0)	(11.6%)
Other Expenditures	35.6	27.6					
Inter-Divisional Charges	11,409.2	122.0	15.2	15.2	14.7	(0.4)	(2.9%)
<b>Total Gross Expenditures</b>	<b>495,928.6</b>	<b>492,360.1</b>	<b>507,771.0</b>	<b>514,025.7</b>	<b>523,467.0</b>	<b>9,441.3</b>	<b>1.8%</b>
<b>Net Expenditures</b>	<b>471,756.9</b>	<b>470,307.2</b>	<b>487,001.8</b>	<b>492,578.5</b>	<b>502,697.8</b>	<b>10,119.3</b>	<b>2.1%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Includes increase in salaries and benefits to fund L3888 COLA pressures, step and recognition pay offset by estimated savings from projected 2021 year end vacancies and the costs of 13 new positions requested to meet service demands.

**Materials and Supplies:**

Includes increase in utility costs due to general inflation and additional costs required to purchase Personal Protective Equipment for TFS personnel.

**Equipment:**

Includes the reversal of various one-time critical equipment purchases in 2021.

**Contributions to Reserve:**

Includes a redirection of \$1.0 million from the contribution to the Vehicle Reserve made possible through the new funding solution for the multi-year acquisition within the TFS Fleet Replacement Plan reflected in the Fleet Services Capital Budget and Plan.

**User Fees and Donations:**

The 2022 revenue budget is unchanged from the 2021 projected revenues

**Table 2b: 2022 New / Enhanced**

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	Post Traumatic Stress Injury and Suicide Prevention Program		137.6	137.6	1.0	203.1	No	No	No	Supports the Post Traumatic Stress Disorder (PTSD) Prevention Plan with the goal of decreasing absences and lowering WSIB OSI costs.
2	Staff Services Coordinator		274.4	274.4	4.0	474.9	No	No	No	Enables TFS to manage staffing issues related to investigations and attendance management.
3	TFS- Diversity Recruitment-Staffing		158.9	158.9	3.0	499.6	Low-positive	No	No	Supports the Recruitment and Outreach section to assist in reaching diversity hiring goals of the City and the division.
4	TFS- Operational Technology Specialist		87.6	87.6	1.0	153.1	No	No	Yes	Provides oversight of TFS' mission critical applications and associated Operational Technology environments.
5	Quality Assurance/Quality Improvement (QA/QI) Manager		37.4	37.4	1.0	153.1	No	No	Yes	To implement a Quality Assurance program that assesses and improves training processes, evaluations, and compliance with NFPA Standards.
6	Mechanical Division – Inventory Control Technicians		170.2	170.2	3.0	349.6	No	No	Yes	Optimizes repair turn-around times and enhances M5 data to enable more accurate reporting.
Total New / Enhanced			866.1	866.1	13	1,833.4				

The 2022 Operating Budget includes \$0.866 million in investments to support priority actions as detailed in the table above.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	21,447.2	20,769.2	20,769.2	20,769.2
Gross Expenditures	514,025.7	523,467.0	535,398.8	547,841.3
<b>Net Expenditures</b>	<b>492,578.5</b>	<b>502,697.8</b>	<b>514,629.6</b>	<b>527,072.1</b>
<b>Approved Positions</b>	<b>3,192.3</b>	<b>3,206.3</b>	<b>3,274.3</b>	<b>3,326.3</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$535.399 million reflects an anticipated \$11.932 million or 2.28 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$12.442 million or 2.32 per cent above 2023 gross expenditures.

These changes arise from the following:

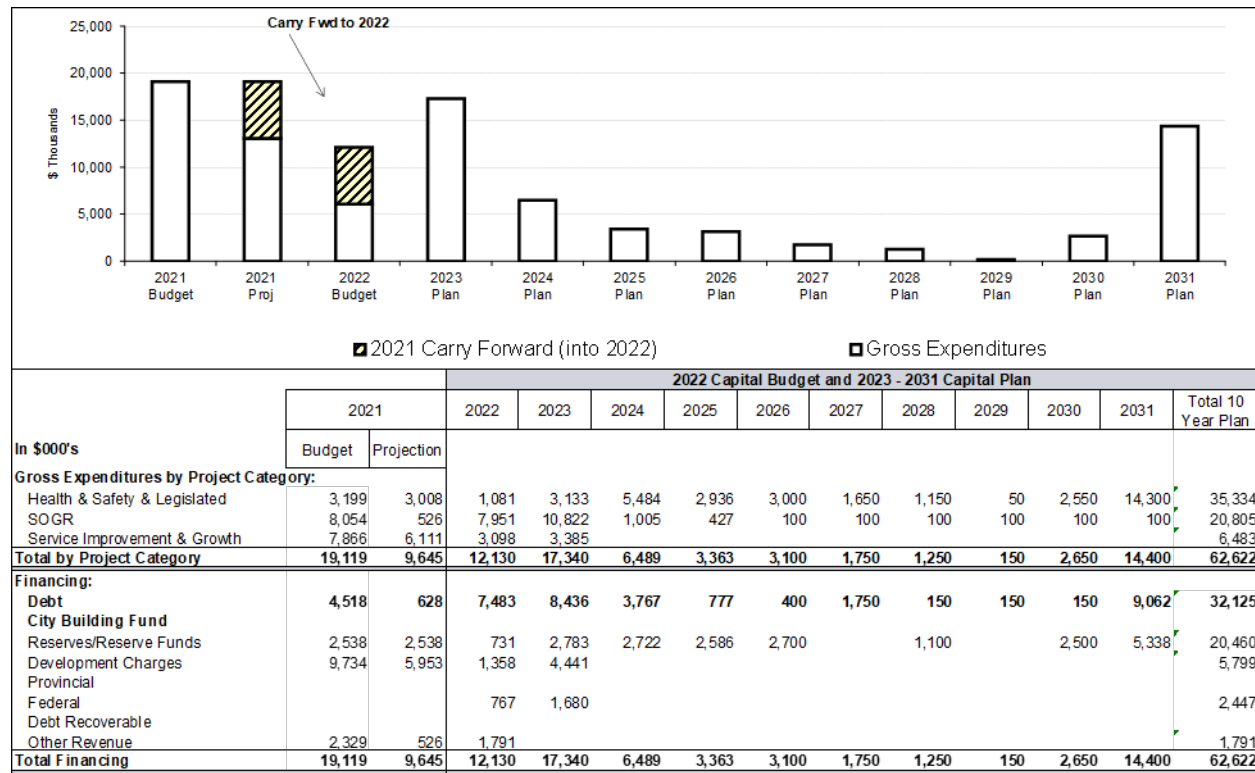
- Increase in Salaries and Benefits reflective of collective agreement obligations. Also includes the addition of 156 new Operations firefighters (52 FTE in each year from 2023 to 2025) based on the operational service level enhancement review approved by Council in 2021.
- Increase in utilities due to general inflation.
- Reduction of \$7.2 million in Contributions to the Vehicle Reserve in 2023 to reflect the new funding solution for the Fleet Replacement Plan.
- Increase of \$0.42 million in contributions to the TFS Equipment Reserve in 2024 to reflect cost escalations.



## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$ 8.927 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- Fire Prevention-Office Space Accommodation-3 Dohme
- HUSAR Building Expansion-HUSAR Building Net Zero Amendment
- PPE Replacement

### New Projects (\$16.9 Million)






The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- Replacement of Portable Radios-2031
- Lifecycle Replacement of SCBA-2031
- PPE Replacement (2030-31)

### Capital Needs Constraints (\$69.726 Million)

- The 2022-2031 Capital Budget and Plan is based on Toronto Fire Services' capacity to deliver. The following projects are not included in the 10-year plan:
- Fire Master Plan - \$0.900 million
- New Fire Stations - Lower Don Lands & Christie - \$34.4 million
- Relocation of Fire Academy - \$30.0 million
- Other equipment-\$4.4 million

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$62.6 Million 10-Year Gross Capital Program**

				
<b>Renovations</b>	<b>Information Technology</b>	<b>Equipment</b>	<b>Communication</b>	<b>Other – SOGR Health &amp; Safety</b>
\$15.0 M 24%	\$3.3 M 5%	\$5.7 M 9%	\$12.8 M 21%	\$25.8 M 41%
HUSAR Building Expansion; Renovation of 3 Dohme Avenue Facility	Fire Prevention Technology Integration & CAD Upgrade	Various Equipment	Lifecycle Replacement of Portable and Mobile Radios	Personal Protective Equipment and Toronto Radio Infrastructure Project (TRIP)

☑ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☑ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

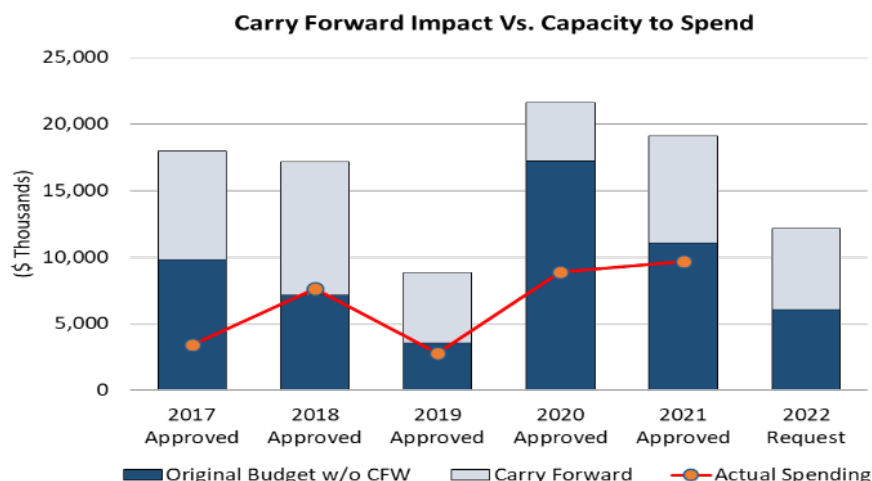
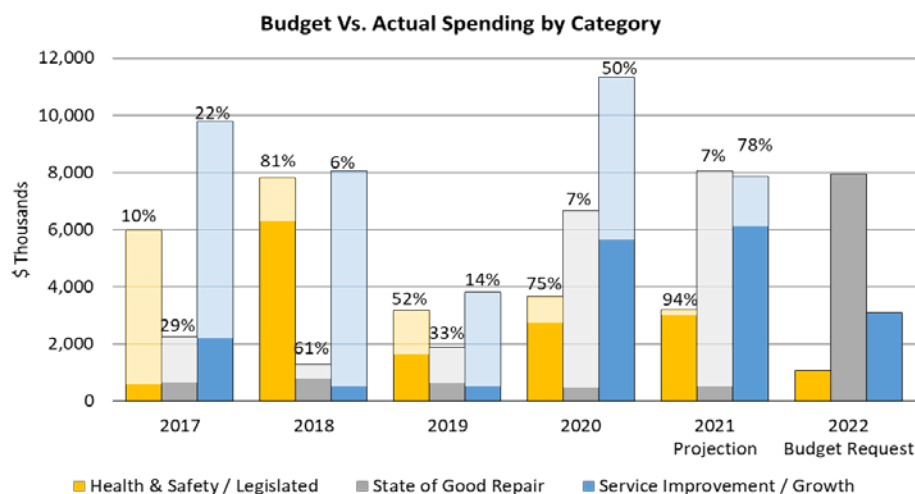
<b>City of Toronto</b>		<b>Federal Funding</b>	
<b>\$60.2 M 96%</b>		<b>\$2.4 M 4%</b>	
Debt	\$ 32.1 M	Public Safety Canada Funding	\$ 2.4M
Reserve / Reserve Fund	\$ 20.5 M		
Development Charges	\$ 5.8 M		
Other	\$ 1.8 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Fire Services' ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

The 2022 Capital Budget of \$12.1 million (including carry forward funding of \$6.1 million) is lower than the historic 5-year average budget of \$17.0 million.

Based on the review of historical capital spending constraints and a capacity to spend review, \$3.0 million in capital spending originally cash flowed in 2022 has been deferred to 2023. Adjustments to the Capital Plan are noted below:

- Funding for the Fire Prevention Office Space Accommodation (3 Dohme) renovation project was recast based on the capacity to spend review, reflecting the following changes: \$3.0 million was deferred to 2023. The projected completion date is now Q4 2023.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

TFS's State of Good Repair backlog and ongoing maintenance for the program's facilities is managed by Corporate Real Estate Management's (CREM) State of Good Repair program and is included in the 2022 Capital Budget for CREM.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact future year Operating Budget by a total of \$1.029 million net over the 2022-2031 period, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Station B - Downsview-Non-salary	85.0										85.0		85.0	
Fire Prevention Technology Integration			125.0								125.0		125.0	
Fire Preven-Office Space Accommodation (3 Dohme)			140.0								140.0		140.0	
Next Generation 911 Project	114.1										114.1		114.1	
Toronto Radio Infrastructure Project (TRIP)	255.0		245.0		40.0						540.0		540.0	
CAD Update			25.0								25.0		25.0	
<b>Sub-Total: Previously Approved</b>	<b>454.1</b>		<b>535.0</b>		<b>40.0</b>						<b>1,029.1</b>		<b>1,029.1</b>	
<b>New Projects - 2022</b>														
N/A														
<b>Sub-Total: New Projects - 2022</b>														
<b>New Projects - Future Years</b>														
N/A														
<b>Sub-Total: New Projects - Future Years</b>														
<b>Total (Net)</b>	<b>454.1</b>		<b>535.0</b>		<b>40.0</b>						<b>1,029.1</b>		<b>1,029.1</b>	

**Previously Approved projects**

- The Fire Prevention Technology Integration project will require funding in 2023 for I&T maintenance / licensing requirements.
- The Fire Prevention Office Space Accommodation (3 Dohme) project will require funding for utilities and maintenance costs commencing in 2023.
- Next Generation 911 project will require funding for I&T maintenance costs in 2022.
- Toronto Radio Infrastructure Project (TRIP) project will require additional operating funds commencing in 2022 for annual fees that provide access and management of security provisioning capabilities.

# 2022 Program Summary

## Transit Expansion

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### Description

The Transit Expansion division was created in September 2019 to address the delivery of new transit infrastructure in the City of Toronto. The Transit Expansion division provides day-to-day leadership and oversight of the City of Toronto's participation in the long term, multi-billion dollar transit network expansion program.

Specifically, the role of the Transit Expansion Division is to:

1. Partner with key stakeholders such as the Province of Ontario, Metrolinx, Infrastructure Ontario, and Toronto Transit Commission (TTC) to deliver new transit infrastructure to keep Toronto moving
2. Provide dedicated leadership for the City's transit expansion strategy, interests and municipal requirements
3. Provide oversight of the City's transit expansion program, including centralizing coordination and seeking opportunities throughout the project lifecycle to accelerate transit expansion projects by streamlining and optimizing municipal processes where possible.

### Why We Do It

**The City of Toronto, Province and other stakeholders partner together in a coordinated, organized and integrated manner to deliver on-time and on-budget transit expansion in Toronto.**

*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

### **Program Management and Planning**

**Who We Serve:** City Council and the City's Senior Leadership Team

**What We Deliver:** agreements, secretariat and governance, environmental assessment reviews, design reviews, procurement, program controls and reporting. Coordinate the City's involvement in the planning of expansion of transit with our external partners.

**How Much Resources (2022 gross operating budget): \$2.2 Million**

### **Capital Implementation Coordination**

**Who We Serve:** City Council and the City's Senior Leadership Team

**What We Deliver:** We coordinate the city's involvement in the implementation of the transit expansion projects and resolve issues with our external partners.

**How Much Resources (2022 gross operating budget): \$7.5 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$7.3	\$7.4	\$7.4
Gross Expenditures	\$9.7	\$9.7	\$9.7
Net Expenditures	\$2.3	\$2.3	\$2.3
Approved Positions	63	63	63

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$29.9	\$1,525.0	\$1,554.9
Debt	\$24.2	\$62.0	\$86.2

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers

- Amended the Ontario-Toronto Agreement in Principle with the Province of Ontario, which includes key terms for major transit initiatives, including the SmartTrack Stations Program, and signed a revised Ontario-Toronto Agreement in Principle, endorsing the SmartTrack Stations Program, bringing the transit initiative one step closer to construction.
- Continue negotiations for transit agreements under the Ontario-Toronto Transit Partnership, including the Subway Agreement in Principle.
- Finalizing negotiations for the GO Expansion Master Agreement, Eglinton Crosstown Light Rail Transit Operations and Maintenance Agreement, and various agreements for the delivery of municipal infrastructure.
- Coordinating City feedback on the Province's four priority subway projects (i.e., Ontario Line, Scarborough Subway Extension, Yonge North Subway Extension, and Eglinton Crosstown West Extension) to advance these projects to construction under accelerated timelines, and coordinating City feedback on the implementation of the Province's authorities under the Building Transit Faster Act.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
<b>Program Management and Planning</b>	End-to-end length of time for issues to be considered and resolved at a Steering Committee	N/A	3 months	3 months	3 months	●	3 months	3 months
<b>Program Management and Planning</b>	% of City reviews of Environmental Assessment/Transit Project Assessment Process documents completed within service standard***	N/A	95%	100	95%	●	100%	100%
<b>Program Management and Planning</b>	% of City reviews of procurement documents completed within service standard***	N/A	95%	100	95%	●	100%	100%
<b>Capital Implementation Coordination</b>	% of City reviews of capital implementation submissions completed within service standard***	N/A	95%	100	95%	●	100%	100%

● 80% - 100%    ● 64 - 79%    ● 63% and Under

### NOTES:

Transit Expansion (TE) was created in September 2019. As a result, data to support reporting on prior year actuals for TE Service Measures is not available. TE has begun collecting data and reporting on identified service levels in 2020.

\*\*\*Service standards for City reviews established in resourcing agreements with Metrolinx.

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- There are no anticipated financial impacts to operating budget as a result of COVID-19.

#### Service Level Changes

- There are no anticipated impacts to service levels as a result of COVID-19.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Announcement of the signing of the Amended Agreement in Principle (AIP) agreement and the issuance of the Smart Track Stations program to RFP.
- Delivery of the LRVs for the Finch Project; this is an important milestone for the Finch West LRT.
- Subway Program and specifically the Ontario Line is progressing after the proposed closure of Queen Street.

### Key Challenges and Risks

- **Recruitment and retention of high calibre transit professionals in TE to support key business areas across the City**, a highly competitive program management market may continue to impact the Transit Expansion program's ability to maintain a fully staffed complement.
- **Monitoring performance**: Revamp monthly project reports; track KPI's and measure how well we are doing with resolving risks/issues.
- **Coordinate requirements** to retain the necessary external consulting services for a divisional RFSQ to retain a roster of consultants to support transit projects.

### Priority Actions

- Coordinate requirements to retain the necessary external consulting services for a divisional RFSQ to retain a roster of consultants to support transit projects.
- Continue to lead engagement with external stakeholders (i.e. with Ontario Ministry of Transportation; Metrolinx, Infrastructure Ontario and other agencies) on transit expansion program.



## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Program Management and Planning	1,713.4	15.1	2,202.7	157.9		157.9	(2,044.8)	(92.8%)
Capital Implementation Coordination	3,336.5	6,678.3	3,593.8	6,918.1	258.3	7,176.4	3,582.6	99.7%
<b>Total Revenues</b>	<b>5,049.9</b>	<b>6,693.5</b>	<b>5,796.5</b>	<b>7,076.0</b>	<b>258.3</b>	<b>7,334.3</b>	<b>1,537.8</b>	<b>26.5%</b>
<b>Expenditures</b>								
Program Management and Planning	1,713.4	2,247.0	2,337.8	2,210.8		2,210.8	(127.0)	(5.4%)
Capital Implementation Coordination	3,336.5	6,921.9	3,814.3	7,202.1	258.3	7,460.4	3,646.2	95.6%
<b>Total Gross Expenditures</b>	<b>5,049.9</b>	<b>9,168.9</b>	<b>6,152.0</b>	<b>9,412.9</b>	<b>258.3</b>	<b>9,671.2</b>	<b>3,519.2</b>	<b>57.2%</b>
<b>Net Expenditures</b>		<b>2,475.4</b>	<b>355.6</b>	<b>2,337.0</b>		<b>2,337.0</b>	<b>1,981.4</b>	<b>557.3%</b>
<b>Approved Positions**</b>	<b>59.0</b>	<b>61.0</b>	<b>N/A</b>	<b>63.0</b>		<b>63.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$9.413 million gross reflecting an increase of \$3.261 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Include increases on existing salaries and benefits due to anticipated positions to be filled in 2021 to meet program priorities.
- Increases in services and rents related to anticipated professional services to meet program priorities.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** expenditures of \$0.258 million gross, zero net, enabling:

- Additional two (2) positions required to provide project planning and coordination to two (2) TTC projects.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Transit Expansion division's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Transit Expansion of \$9.671 million gross is 57.2% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	292.4	2,001.6			258.3	258.3	
Sundry and Other Revenues	2,024.8	3,048.3	6,693.5	5,796.5	7,076.0	1,279.5	22.1%
<b>Total Revenues</b>	<b>2,317.2</b>	<b>5,049.9</b>	<b>6,693.5</b>	<b>5,796.5</b>	<b>7,334.3</b>	<b>1,537.8</b>	<b>26.5%</b>
Salaries and Benefits	1,945.1	3,879.4	8,076.0	5,642.9	8,578.3	2,935.4	52.0%
Materials & Supplies	1.6	0.0	52.0	25.8	52.0	26.3	101.9%
Equipment	93.9	53.2	252.1	104.4	252.1	147.7	141.5%
Service and Rent	209.3	1,139.8	788.8	379.0	788.8	409.8	108.1%
Other Expenditures	67.3	(22.6)					
<b>Total Gross Expenditures</b>	<b>2,317.2</b>	<b>5,049.9</b>	<b>9,168.9</b>	<b>6,152.0</b>	<b>9,671.2</b>	<b>3,519.2</b>	<b>57.2%</b>
<b>Net Expenditures</b>			<b>2,475.4</b>	<b>355.6</b>	<b>2,337.0</b>	<b>1,981.4</b>	<b>557.3%</b>

\*2021 Projection based on Q3 Variance Report

**Key Drivers:**

**Salaries & Benefits:** Include increases on existing salaries and benefits due to anticipated positions to be filled in 2021 to meet program priorities.

**Equipment:** Include increases for employee related equipment costs and purchases.

**Services and Rents:** Include increases for professional and technical services for the delivery of divisional priorities and operational requirements.

**Other Revenue:** Include increases for recovery of existing positions fully funded by Metrolinx and anticipated recoveries for capital funded positions.

**Table 2b: 2022 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions					
In \$ Thousands									
1  Project Coordinator, Senior Project Manager supporting TTC Projects	258.3	258.3		2.0		None	No	No	Planning and coordination of Two (2) TTC projects: 1. BLOOR-YONGE CAPACITY IMPROVEMENT PROJECT 2. WATERFRONT TORONTO EAST LRT
Total New / Enhanced	258.3	258.3		2.0					

The 2022 Operating Budget includes \$0.258 million in New and Enhanced services.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	5,796.5	7,334.3	7,357.4	7,411.7
Gross Expenditures	6,152.0	9,671.2	9,693.9	9,747.8
<b>Net Expenditures</b>	<b>355.6</b>	<b>2,337.0</b>	<b>2,336.5</b>	<b>2,336.1</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>

**Key drivers**

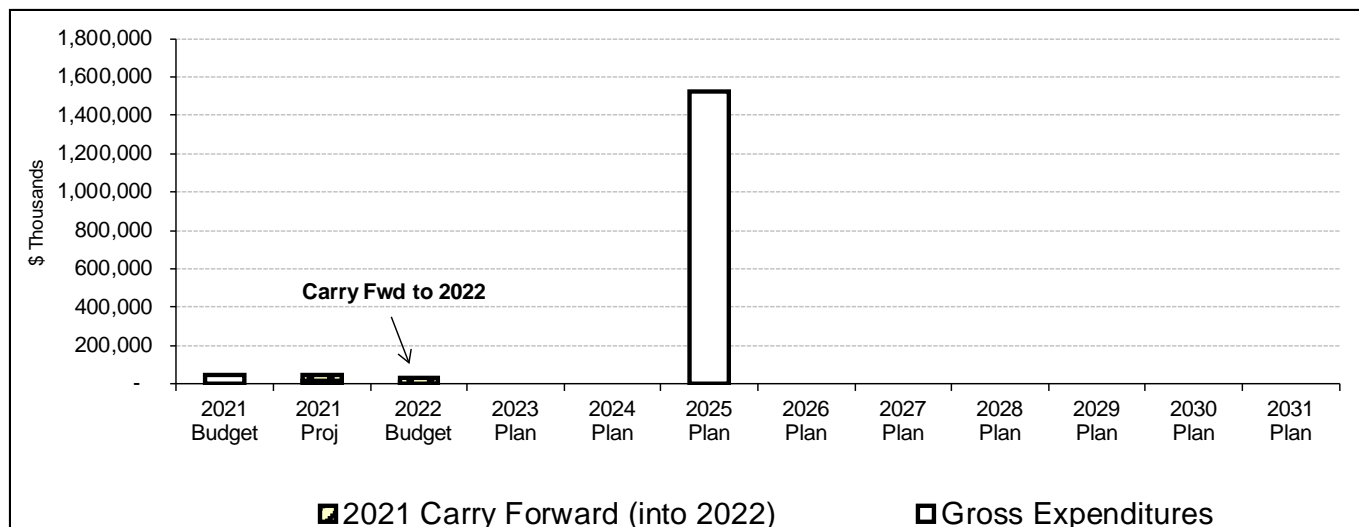
The 2023 Outlook with total gross expenditures of \$9.694 million reflects an anticipated \$0.023 million or 0.23% percent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlooks expects a further increase of \$0.054 million or 0.55% percent above 2023 gross expenditures.

These changes arise from inflationary increases for salaries and benefits.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



In \$000's				2022 Capital Budget and 2023 - 2031 Capital Plan							
				2021		2022	2023	2024	2025	2026	Total 10 Year Plan
				Budget	Projection						
Gross Expenditures by Project Category:											
Health & Safety & Legislated											
SOGR		4,000	4,000						0		
Service Improvement & Growth		43,388	13,519	29,870				1,525,000	1,554,870		
Total by Project Category		47,388	17,519	29,870				1,525,000	1,554,870		
Financing:											
Debt		28,636	4,475	24,161				62,000	86,161		
City Building Fund		4,000	4,000				296,000	296,000			
Reserves/Reserve Funds		10,152	6,000	1,109					1,109		
Development Charges									0		
Provincial									0		
Federal			3,044				585,000	585,000			
Debt Recoverable							582,000	582,000			
Other Revenue		4,600		4,600					4,600		
Total Financing		47,388	17,519	29,870				1,525,000	1,554,870		

### Changes to Existing Projects (\$29.87 Million)

The 10-Year Capital Plan reflects an increase of \$29.87 million over the nine common years (2022-2030) as a result of carry forward funding from 2021 into the current Plan.

### New Projects (\$0.0 Million)

There is no new project in the 2022-2031 Capital Budget and Plan

### Capital Needs Constraints (\$748.0 Million)

Transit Expansion division has one (1) unmet project for Waterfront Transit over the 10-year planning horizon

**2022 – 2031 CAPITAL BUDGET AND PLAN****How the Capital Program is Funded**

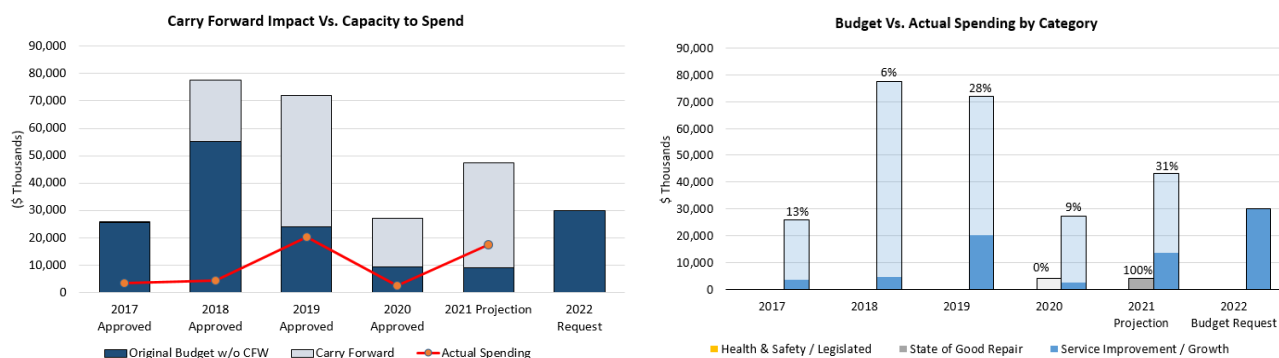
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>	
<b>\$970 M 63%</b>		<b>\$000 M 00%</b>	<b>\$585 M 37%</b>	
Debt	\$ 86 M		Grants	\$ 585 M
City Building Fund	\$ 296 M			
Reserve / Reserve Fund	\$ 1 M			
Recoverable Debt	\$ 582 M			
Other	\$ 5 M			

**CAPACITY TO SPEND REVIEW**

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Transit Expansion division's ability to spend and the markets capacity to deliver.

A key component in determining the appropriate level of annual cash flows is confirming project scheduling as it plays a major role in the ability to correctly align annual cash flows with planned work. Actual spending was down resulting from uncertainty surrounding the realignment of transit responsibilities between the Province and the City which delayed the planning process on City transit projects.

Based on the review of historical capacity to spend (Chart 2 below), \$29.870 million in capital spending originally cash flowed in 2021 has been deferred to 2022.

**Chart 2 – Capacity to Spend**

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

Transit Expansion division does not have any State of Good Repair (SOGR) funding and accumulated backlog.

**Chart 3: Total SOGR Funding & Backlog**

**N/A**

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Transit Expansion division will not have any impact to the 2023 Operating Budget.

**Table 4: Net Operating Impact Summary**

**(In \$000's)**

**N/A**

# 2022 Program Summary

## Transportation Services

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### Description

Transportation Services provides people and businesses a means to move safely in our diverse and changing city so they can connect with the places, activities and communities that they value.

Transportation Services is responsible for the planning, engineering, design, maintenance and operations of 5,600 km of roads, 6,960 km of sidewalks, 900 bridges and culverts, 2,454 traffic control signals, 491 pedestrian crossovers, and 750 centreline km of bikeway network.

### Why We Do It

Transportation Services strives to build and maintain Toronto's transportation networks so that:

- **People and businesses are connected to a resilient and reliable transportation network where they can access opportunities and places that they value.**
- **People have access to streets in their communities that are complete, safe, equitable and vibrant.**

*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

### **Road & Sidewalk Management**

**Who We Serve:** All users of the right of way including pedestrians, cyclists, vehicle operators and passengers, businesses, residents, visitors and tourists.

**What We Deliver:** Roads/sidewalks/cycling infrastructure implementation and maintenance/repairs, cleaning, and de-icing/snow clearing, bridges and retaining walls maintenance.

**How Much Resources (2022 gross operating budget):** \$257.1 million

### **Transportation Safety & Operations**

**Who We Serve:** All road users such as pedestrians, cyclists, vehicle operators and passengers, emergency service providers, and businesses.

**What We Deliver:** Traffic/transit/pedestrian flow monitoring, traffic control/maintenance device installation and maintenance, traffic sign fabrication/installation/maintenance, pavement markings, red light camera and automated speed enforcement, Vision Zero Road Safety.

**How Much Resources (2022 gross operating budget):** \$159.9 million

### **Permits and Application**

**Who We Serve:** property owners, businesses including developers and utility companies, community organizations.

**What We Deliver:** Parking permit issuance, construction permit issuance, street event permit issuance, parking and right-of-way by-law enforcement, development application review.

**How Much Resources (2022 gross operating budget):** \$19.3 million

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$ Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$ 202.3	\$ 169.6	\$ 171.2
Gross Expenditures	\$ 436.4	\$ 425.1	\$ 430.6
Net Expenditures	\$ 234.1	\$ 255.4	\$ 259.4
Approved Positions	1,453.0	1,453.0	1,453.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$ Billion</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$ 0.370	\$ 5.030	\$ 5.400
Debt	\$ 0.283	\$ 3.984	\$ 4.267

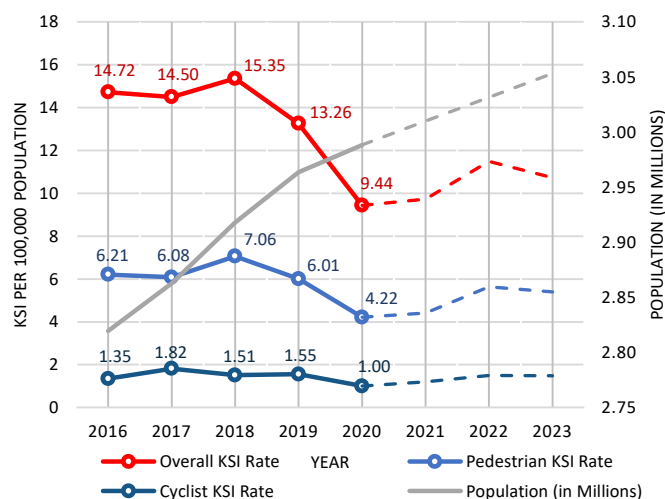
Note: Includes 2021 carry forward funding



## How Well We Are Doing – Behind the Numbers

### SAFETY

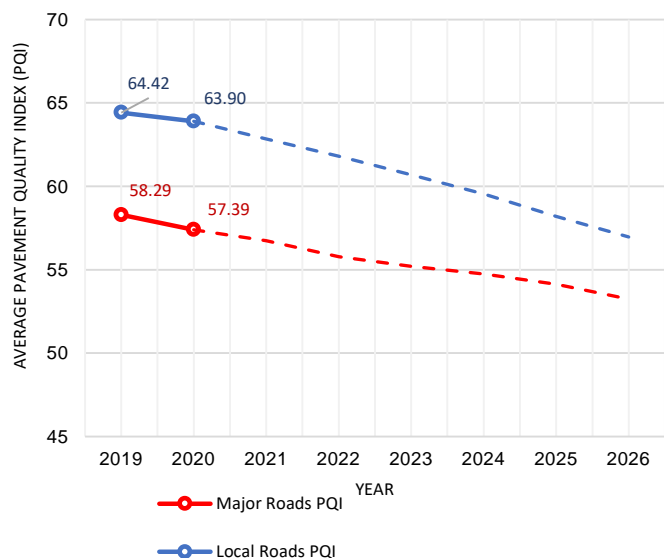
Annual KSI Rate for Vulnerable Road Users (Pedestrians and Cyclists)



- Continued commitment to eliminate traffic fatalities and serious injuries through the Vision Zero Road Safety Plan (RSP), since its inception in 2016 and last update in 2019
- While population increased by 6% between 2016 and 2020, the number of traffic-related fatalities and seriously injured (KSI) per 100,000 population decreased overall, including pedestrians and cyclists
- 2020 actual and 2021 projected KSI rates are skewed due to the unique traffic patterns during the COVID-19 pandemic. It is forecasted that the 2022 KSI rates will increase to reflect the “new normal” of traffic patterns as the city recovers from the pandemic, and then decrease as the division continues to implement the Vision Zero RSP.

### STATE OF GOOD REPAIR (SGR)

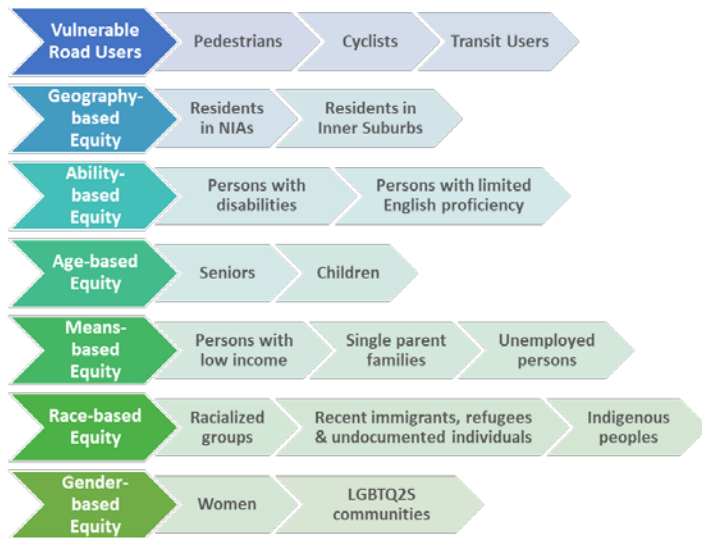
Pavement Condition by Average Pavement Quality Index (PQI) for Major and Local Roads



- It is estimated that the overall condition of Major Roads is considered “fair” at a PQI of 57.39 and Local Roads is considered “fair” at a PQI of 63.90 in 2020. The threshold for Major Roads to be considered “fair” is above a PQI of 55 and Local Roads is above a PQI of 45.
- Following the existing trend, the overall condition of Major Roads will become “poor” by 2024 and Local Roads are estimated to become “poor” by 2036.
- Development of the updated Local and Major Roads Asset Management Strategy to drive sustainable long-term investment in SOGR projects and reduce the backlog is underway, with Council reporting anticipated in 2022.

## Recall – A Different Perspective: Prioritization and Equity

### Equity Categories & Equity-Deserving Groups



- In 2020, Transportation Services developed a Capital Program Prioritization Tool to guide future decisions on capital investments. Evaluation criteria were used to provide a risk-based and equity-based assessment of capital programs, identify their potential impacts, and develop an annual budget and program prioritization scheme that reflects the values and achieves the strategic objectives of the division.
- To begin investigating the status quo of each capital program, an equity baseline analysis was completed for the Local Roads and Major Roads Program.
- In 2021, Transportation Services continued the development of the Transportation Equity Lens to identify and remove transportation barriers faced by equity-deserving groups to support equitable planning and capital programming practices.

### How We Are Doing – Program-Specific Equity Baselines

	NIA	Non-NIA	Summary
<b>CONNECTIVITY</b> Missing Link Sidewalk Ratio (MLSR)	20.3% of all road types in NIAs have missing sidewalks	18.4% of all road types in non-NIA have missing sidewalks	NIAs have more missing sidewalks
<b>INFRASTRUCTURE QUALITY/CONDITION</b> Sidewalk State-of-Good-Repair (SSOGR)	72.3% of sidewalks in NIA are in good condition	74.6% of sidewalks in non-NIA are in good condition	NIAs currently have fewer sidewalks in good conditions

- In 2021, an equity baseline analysis was completed for the Missing Link Sidewalk Program. Preliminary findings were based on the following key performance indicators (KPIs):
  - “Missing Link Sidewalk Ratio (MLSR)”** to indicate existing connectivity to the city’s transportation network through sidewalks, and
  - “Sidewalk State-of-Good-Repair (SSOGR)”** to indicate the condition and quality of the existing sidewalk infrastructure.
- From 2016 to 2020, the City of Toronto installed the same proportion of sidewalks on all road classes in NIA compared with non-NIA.
- NIAs have more missing sidewalks compared to non-NIAs**, irrespective of road classes (local, collector and arterial).
- NIAs have slightly fewer sidewalks in good condition compared to non-NIAs.** 72.3% of sidewalks were identified as in “good” condition in

## EQUITY IMPACTS OF CAPITAL BUDGET SUBMISSION

The baseline for other capital programs aside from sidewalks and major roads programs will continue to be evaluated. The baselines completed will help inform future capital project programming and prioritization to achieve positive equitable outcomes for capital works. Continued analysis on the equity baselines and development of an Equity Strategy is underway, taking into consideration other factors such as needs, coordination, reconciliation of past harms to communities due to transportation infrastructure, and resource capacity to drive equitable investment. Future investments where possible will be reflective of needs, including but not limited to community requests, reviewing benefits gained with each capital install. Progress towards equitable outcomes for capital works resulting from the development and implementation of the Equity Strategy will be measured to assess the short and long term benefits to city communities, which will ultimately inform future capital budget development.

## How Well We Are Doing

Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Transportation Safety and Operations (Safe)	# of traffic-related fatalities and seriously injured (KSI) per 100,000 population	13.3	9.4	0.0	9.7	●	11.5	10.7
Road & Sidewalk Management	Overall Pavement Quality Index (PQI) for Major and Local Roads	59.5	58.9	70.0	58.0	●	57.1	56.2
Transportation Safety and Operations (Reliable, Resilient)								
Transportation Safety and Operations ( Accessible, Connectivity, Equity, Greenhouse Gas Reduction)	% of people and employment within prescribed access to a cycling route	60.4%	63.0%	100.0%	64.0%	●	65.0%	66.0%
Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
Road & Sidewalk Management (Reliable, Resilient)	% of expressway and roadway potholes made safe within prescribed time of receiving a service request	87.0%	89.0%	90.0%	89.1%	●	90.0%	90.0%
Road & Sidewalk Management (Reliable, Resilient)	% of arterials de-iced within 2-4 hours and collectors de-iced within 4-6 hours after becoming aware roadway is icy	100.0%	100.0%	100.0%	100.0%	●	100.0%	100.0%
Transportation Safety and Operations (Safe, Accessible)	% of safety and operations reviews investigated within prescribed service standard of receiving the service request	76.0%	78.0%	90.0%	80.9%	●	90.0%	90.0%
Permits and Application (Accessible, Vibrant)	% of construction, street event, and parking permits validated and issued within prescribed service standard	97.0%	90.0%	100.0%	92.0%	●	100.0%	100.0%
Service	Service Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Other Measures								
Road and Sidewalk Management	Capital Budget Spend Rate	84.0%	87.0%	90.0%	80.0%	●	90.0%	90.0%
Transportation Safety and Operations								

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- The 2022 COVID-19 impact for social distancing activities (Street Events and Bike Station Lockers) revenue loss is expected to be only 50% of full closure experienced in 2021. Parking Authority revenue allocations are also expected to return, but the volume of temporary parking permits are expected to remain the same as 2021.
- The 2022 COVID-19 impact for COVID-19 activities such as ActiveTO and CafeTO are projected to be similar to the 2021 experience until a full program review can be conducted to determine their capacity.

#### Service Level Changes

- Transportation Services continues to provide people and businesses a means to move safely in our diverse and changing city so they can connect with the places, activities and communities that they value during the global pandemic. There are no impacts to service levels as a result of COVID-19.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Revised approach to budget and capital program management to minimize risk and maximize spend rates. As a result, the spend rate in the past 3 years have exceeded 80%.
- Accelerated Vision Zero Road Safety Plan delivery resulting in the implementation of sign changes supporting speed limit reductions on approximately 1,000 km of minor arterial and collector roadway, 51 traffic control devices, 77 speed humps installed at 21 sites, and issued 39,624 tickets as part of the Vision Zero Enforcement Team.
- Resurfaced or reconstructed 85 km of local and major roads.
- Filled 125,000 potholes in 2021.
- Traffic signal timing studies completed on 9 arterial corridors (248 signals) in 2021 to optimize throughput and reduce Greenhouse Gas (GHG) emissions while applying a Vision Zero lens to ensure that pedestrian safety is sustained.
- Expanded ActiveTO with 5 centreline km of on street bikeways on Bayview Avenue (River Street to Front Street) and Yonge Street (Davisville Avenue to Bloor Street) and upgraded Bloor Street East (Sherbourne Street to Castle Frank) from bike lanes to cycle tracks (approx.. 800 centreline metres).
- Expanded CafeTO with 1,213 participating restaurants with 940 cafes in the curb lane and 65 public parklets

### Key Challenges and Risks

#### Keeping up with Demand

- Council's comprehensive vision of a safe road network for all users has resulted in the incremental addition of new and innovative programs with significant scale and impact.
- *Balancing congestion management efforts* to manage the conflict between managing traffic volumes while encouraging active and complete streets through programs such as ActiveTO and CafeTO.

#### Performance Measurement

- Monitoring, analyzing and managing the City's transportation network using permanent robust data collection (permanent vehicle, bicycle and pedestrian counters, data from 3rd party navigation companies (HERE, WAZE), Bluetooth travel time sensors, digital speed display signs (Watch Your Speed), Toronto Police Services collision data, and an extensive rotating data collection program).

#### Growth Pressures

- Growing backlog in the major and local road repairs which increases the City's liability, accelerates premature deterioration and exponentially increases the cost of repairs over the road lifecycle.

- Additional demand for maintenance, cleaning, and winter operations for new roads and sidewalks to ensure clean, safe, and comfortable transport infrastructure for cyclists, pedestrians, transit users, vehicles, and goods movement.
- Developing effective policies and flexible infrastructure that will support emerging technologies such as autonomous vehicles.
- *Financial and capacity constraints to address SOGR in roads:* Development of the updated Local and Major Roads Asset Management Strategy to drive sustainable long-term investment in SOGR projects, with Council reporting anticipated in 2022.

#### **Project Delivery**

- Increase capital program planning and delivery of the capital projects identified in the Cycling Network Plan

## **Priority Actions**

### **Program Reviews**

- Continue to build **Safe and Healthy Communities** through:
  - Vision Zero 2.0 projects
  - Continuing to build Complete Streets, including expansion of the Cycling Network;
  - School Crossing Guards and traffic warrant studies assessment;
  - Accelerating the implementation of MoveTO – Smart Signals.
- Facilitate **Access for Everyone** through:
  - Expanding and assessing the work zone hub pilot;
  - Building equity into TS investments;
  - Implementing RapidTO with potential acceleration pending Council approvals.
- Maintain **Quality Service** through:
  - Street Sweeping Service Review to optimize levels of service, fleet size, and sweeping routes;
  - Continuing the expansion of Sidewalk Clearing Program for winter maintenance.

### **Policy Review**

- Continue full user fee review in the right-of-way in coordination with other Corporate initiatives such as Concept 2 Keys:
  - right-of-way permits to ensure full cost recovery of resources required to issue and enforce permits.
  - construction permits (lane occupancy) to ensure more efficient and shorter duration occupations in the right of way to reduce congestion.
  - Short-stream utility cut permits (One Stage Repairs)

### **City-Wide Strategy**

- Continue a comprehensive parking strategy to govern inventory and rates

### **COVID-19 Impact and Recovery**

- Evaluate how COVID-19 response programs such as ActiveTO and CafeTO will co-exist with the return of previously paused programs (i.e. Street Events).
- Manage transportation demand on the ROW in the general public's return to office/school

## **2022 OPERATING BUDGET OVERVIEW**

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Road & Sidewalk Management	74,561.9	126,127.5	96,846.8	118,494.2	698.1	119,192.3	22,345.6	23.1%
Transportation Safety & Operations	9,797.2	18,392.3	9,805.9	20,681.2	1,312.9	21,994.1	12,188.2	124.3%
Permits & Applications	57,917.9	52,023.9	60,035.0	61,058.9		61,058.9	1,023.9	1.7%
<b>Total Revenues</b>	<b>142,277.0</b>	<b>196,543.7</b>	<b>166,687.6</b>	<b>200,234.4</b>	<b>2,011.0</b>	<b>202,245.4</b>	<b>35,557.8</b>	<b>21.3%</b>
<b>Expenditures</b>								
Road & Sidewalk Management	231,300.8	259,069.0	236,169.0	252,337.7	4,811.7	257,149.4	20,980.5	8.9%
Transportation Safety & Operations	129,013.4	144,311.3	134,614.2	157,898.8	2,011.2	159,910.0	25,295.8	18.8%
Permits & Applications	16,242.7	18,216.5	16,235.7	19,295.4		19,295.4	3,059.7	18.8%
<b>Total Gross Expenditures</b>	<b>376,556.9</b>	<b>421,596.8</b>	<b>387,018.9</b>	<b>429,531.9</b>	<b>6,822.9</b>	<b>436,354.8</b>	<b>49,335.9</b>	<b>12.7%</b>
<b>Net Expenditures</b>	<b>234,279.9</b>	<b>225,053.0</b>	<b>220,331.2</b>	<b>229,297.5</b>	<b>4,811.9</b>	<b>234,109.4</b>	<b>13,778.2</b>	<b>6.3%</b>
<b>Approved Positions**</b>	<b>1,311.3</b>	<b>1,350.3</b>	<b>1,350.3</b>	<b>1,381.3</b>	<b>71.7</b>	<b>1,453.0</b>	<b>102.6</b>	<b>7.6%</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$429.532 million gross (prior to enhancements) reflecting an increase of \$42.513 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increase in salaries and benefits, including annualised costs for 9 positions transferred from ECS approved in-year to service utility companies and Metrolinx, 16 positions to handle increasing volume of development applications, 8 positions to create an in-house team for asphalt patching to achieve savings on contract services, and 5 positions to help support increased volumes of construction and traffic management.
- Inflationary increases for existing contracts and utility escalations.
- Efforts to overcome COVID-19 services delivery challenges for ActiveTO and CafeTO are addressed in this budget through resource realignment requiring gross budget levels that mirror 2021.
- Recognition of contribution to Public Realm Reserve Fund fully funded by advertising revenues from the Street Furniture Program.
- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational savings, mitigation efforts to address COVID-19 financial impacts, and other revenue.
- The 2022 Operating Budget includes a program-specific CPI inflationary increase on user fees (excluding utility cut revenues).

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$229.298 million in net expenditures reflects a \$19.999 million net increase from the 2021 Council approved Budget, when excluding \$16.597 million for 2021 and \$0.843 million for 2022 estimated COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$6.823 million gross, \$ 4.812 million net enabling:

- \$4.147 million in net costs and 53.7 positions for the expansion of the Winter Maintenance Mechanical Sidewalk Clearing Program to service 1,300 kilometres of sidewalks not currently cleared;
- \$0.698 million in net cost for the expansion of the School Crossing Guard Program to include 31 new locations; and
- \$0.033 million in net revenues for new permit fees to install or decommission monitoring wells within the right of way.

Transportation Services has included a number of zero net New and Enhanced business cases requesting 18 positions to support or accelerate; Pedestrian Scale Street Lighting, MoveTO Smart Signals, the Cycling Network Plan, and TTC projects.

## EQUITY IMPACTS OF BUDGET CHANGES

**Improving access equity for persons with disabilities, seniors, and youth:**

Transportation Services' 2022 Operating Budget includes an investment of \$5.244 million in the expansion of mechanical sidewalk clearing for winter maintenance, prioritizing Neighbourhood Improvement Areas in the implementation of the Cycling Network Plan, and 31 new locations for School Crossing Guards. These programs will have a positive impact on persons with disabilities, seniors, and youth, increasing their access to mobility including access to cycling infrastructure and sidewalks, city services, and schools.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Transportation Services of \$436.355 million gross is 12.7% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests and Table 2c list the balancing actions.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change vs 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Federal Subsidies	12.5						
User Fees & Donations	67,325.4	57,679.4	65,521.6	46,605.0	71,215.4	24,610.4	52.8%
Transfers From Capital	24,079.7	24,078.1	35,633.7	27,027.0	31,884.1	4,857.1	18.0%
Contribution From Reserves/Reserve Funds	25,653.6	26,521.2	23,653.3	22,091.7	25,822.7	3,731.0	16.9%
Sundry and Other Revenues	31,109.1	28,074.5	64,712.9	62,497.6	68,757.1	6,259.5	10.0%
Inter-Divisional Recoveries	9,010.8	5,923.9	7,022.3	8,466.4	4,566.1	(3,900.3)	(46.1%)
<b>Total Revenues</b>	<b>157,191.1</b>	<b>142,277.0</b>	<b>196,543.7</b>	<b>166,687.6</b>	<b>202,245.4</b>	<b>35,557.8</b>	<b>21.3%</b>
Salaries and Benefits	109,054.4	107,102.9	121,104.6	108,798.4	135,883.4	27,085.0	24.9%
Materials & Supplies	54,412.7	50,699.5	51,319.3	51,188.9	54,120.2	2,931.4	5.7%
Equipment	496.5	697.3	629.0	655.4	641.5	(13.9)	(2.1%)
Service and Rent	184,648.0	170,521.5	204,913.6	182,631.8	199,091.7	16,459.9	9.0%
Contribution To Reserves/Reserve Funds	30,457.9	38,099.8	33,345.9	33,144.8	36,463.6	3,318.8	10.0%
Other Expenditures	190.1	1,414.4	699.9	901.0	699.9	(201.1)	(22.3%)
Inter-Divisional Charges	21,319.3	8,021.5	9,584.6	9,698.6	9,454.5	(244.1)	(2.5%)
<b>Total Gross Expenditures</b>	<b>400,578.8</b>	<b>376,556.9</b>	<b>421,596.8</b>	<b>387,018.9</b>	<b>436,354.8</b>	<b>49,335.9</b>	<b>12.7%</b>
<b>Net Expenditures</b>	<b>243,387.8</b>	<b>234,279.9</b>	<b>225,053.0</b>	<b>220,331.2</b>	<b>234,109.4</b>	<b>13,778.2</b>	<b>6.3%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Include inflationary increases on existing salaries and benefits and anticipated positions to be filled, to meet services demands, which were held vacant in 2021 due to COVID-19 response. In addition, the increase includes annualised costs for 9 positions transferred from ECS approved in-year to service utility companies and Metrolinx, 16 positions to handle increasing volume of development applications, 8 positions to create an in-house team for asphalt patching to achieve savings on contract services, and 5 positions to help support increased volumes of construction and traffic management.

**Materials and Supplies:**

Include inflationary increases on hydro for street lighting and traffic signals, additional road materials for ActiveTO & CafeTO and health & safety supplies.

**Services and Rents:**

Include inflationary increases on street lighting and traffic control maintenance. Increases for school crossing guards for 31 new locations approved in 2020, LED traffic signal replacement (\$1.500 million, offset by reserve fund withdrawal) and contracts for ActiveTO & CafeTO.

**Contributions to Reserved Funds:**

Include increase to Public Realm Reserve Fund to support the Coordinated Street Furniture Program through advertising revenues from Astral Media.

**Other Revenue Changes:**

Include Consumer Price Index (CPI) increase on user fees (excluding utility cut revenues) to reflect inflationary increases to program-specific costs, increase on Development Application Review Program revenues, resumption of the Toronto Parking Authority dividend, incremental contribution from the Street Furniture Reserve, & LED traffic signal replacement, additional revenue from the expansion of on-street permit parking, realignment of permanent parking permit fees, and shared income from the Development Planning Review and Concept 2 Keys.



**Offsets and Efficiencies:**

**The 2022 Operating Budget** includes \$5.894 million in gross expenditure and \$5.335 million in net expenditures reductions attributed to:

**Line-by-Line:** A reduction in base expenditures for contracted services and other non-salary costs contributes to Transportation Services' efforts to manage cost increases from internal and external sources.

**Table 2b: 2022 New / Enhanced**

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	Wint. Maint.-Expan. of Mech. Sidewalk Clearing -2021 IE22.13		4,147.1	4,147.1	53.7	4,603.1	Medium-positive	No	No	Expand the current mechanical sidewalk winter snow clearing service to the remaining approximately 1,300 kilometres of sidewalks not serviced.
2	Street Lighting - Pedestrian Scale Lighting (2021 IE26.15)	1,015.3	1,015.3		3.0	1,273.6	No Impact	No	No	Add new assets prioritized for areas with poor lighting.
3	MoveTO-Smart Signals	371.7	371.7		6.0	760.2	No Impact	No	No	Accelerates delivery of "Smart" traffic signals, advanced transit signals, and "intelligent" intersections as part of the Congestion Management Plan.
4	Cycling Network Plan Update (2021 IE26.9)	398.2	398.2	(0.0)	6.0	813.0	Medium-positive	Yes	No	Keeps Toronto moving by building and expanding an inclusive and equitable City-wide transportation network.
5	School Crossing Guards - 31 New Locations - 2021 IE24.10		698.3	698.3		1,131.3	Low-positive	No	No	Protects and improves the quality of life for the community by ensuring safety to children, youth and parents near schools.
6	Installation and Decommission of Monitoring Wells	33.5		(33.5)			No Impact	No	No	Two new permit fees to install or decommission a monitoring well within right of way.
7	TTC projects (Bloor-Yonge Cap. Improv./Waterfront LRT)	192.3	192.3		3.0	392.2	No Impact	No	No	Accelerate delivery of transit infrastructure for work zone coordination and permit issuance in the right of way fully funded by TTC.
Total New / Enhanced		2,011.0	6,822.9	4,811.9	71.7	8,973.5				

The 2022 Operating Budget includes \$4,812 million in net investments to support priority actions as detailed in the table above.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	166,687.6	202,245.4	169,622.6	171,189.0
Gross Expenditures	387,018.9	436,354.8	425,052.2	430,626.1
<b>Net Expenditures</b>	<b>220,331.2</b>	<b>234,109.4</b>	<b>255,429.6</b>	<b>259,437.1</b>
<b>Approved Positions</b>	<b>1,350.3</b>	<b>1,453.0</b>	<b>1,453.0</b>	<b>1,453.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$425.052 million reflects an anticipated \$11.303 million or 2.59 per cent decrease in gross expenditures below the 2022 Operating Budget. The 2024 Outlook expects an increase of \$5.574 million or 1.31 per cent above 2023 gross expenditures.

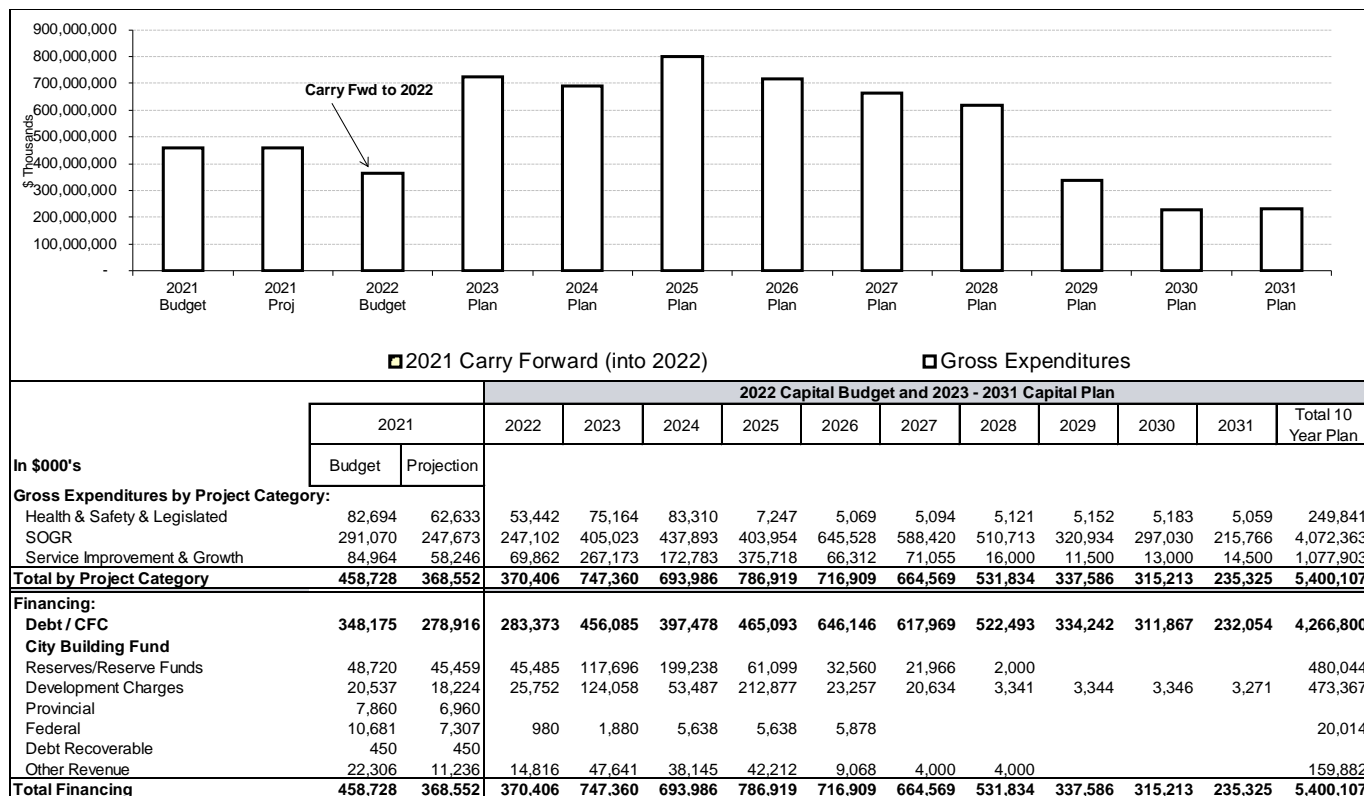
These changes primarily arise from the following:

- Decrease in 2023 expenditures mainly due to the anticipated completion of the utility cut restoration program phase out, partially offset by an increase in salary & benefit costs as staffing levels improve.
- Increase in 2024 expenditures due to increasing salary & benefit costs, corporate economic factors for service contracts and utilities, fleet reserve contributions and Public Realm Reserve Fund contributions related to street furniture revenue (fully recoverable from Public Realm withdrawals).

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030), mainly from:

- Increased funding of \$73.273 million to advance delivery of the Cycling Network Plan.
- Increased funding of \$92.490 million to maintain Local and Major Roads in a state of good repair.
- Increased funding of \$37.415 million to advance the Steeles Widening Project.
- Increased funding of \$30.403 million to advance the Liberty New Street Project by Metrolinx.

### New Projects

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:










- \$29.700 million to advance delivery of the McCowan Road and Progress Avenue Reconfiguration by Metrolinx.
- \$20.740 million to advance the design, property acquisition, and construction of the Beecroft Extension

### Capital Needs Constraints

The unmet needs over the 10-year planning horizon include the following:

- \$5.523 billion of SOGR backlog predominantly attributed to major and local roads
- \$941.842 million of growth projects. As phases of growth projects advance, with certainty in cost and delivery schedule, funding requests will be made to include them in the budget.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$5.400 Billion 10-Year Gross Capital Program**

				
<b>State of Good Repair*</b>	<b>Growth Related Projects</b> 	<b>Vision Zero Road Safety Plan</b> 	<b>Cycling Network Plan</b> 	<b>Congestion Management Plan</b> 
\$4.1 B	\$611 M	\$141 M	\$210 M	\$39 M
Ten year budget for State of Good Repair, mainly: 5600 km of Roads 900 Bridges & Culverts	Implementation of Growth Related projects to support the City's economic growth	Implementation of Vision Zero Road Safety Plan 2.0 (2020 to 2024) and future plan funding post 2024	Implementation of Cycling Network Plan	Implementation of projects to ensure efficient network operations

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

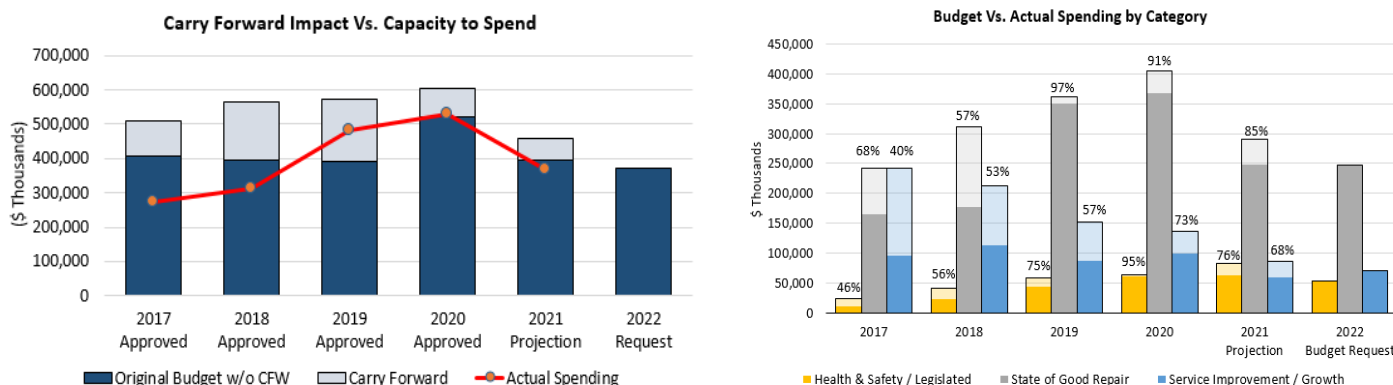
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>	
<b>\$5.4 B</b> <b>99.6%</b>		<b>\$0 M</b> <b>0.0%</b>	<b>\$20.0 M</b> <b>0.4%</b>	
Debt	\$ 4.3 B		DMAF Grant	\$ 20.0M
Reserve Draws	\$ 480.0 M			
Development Charges	\$ 473.4 M			
Other	\$ 159.9 M			

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of other City priorities, state of readiness of projects, historical demonstrated ability to spend within any given year of the ten year capital program as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

Since 2018, Transportation Services has implemented new practices and budget management protocols to drive project delivery, reduce risk, reduce carry forward, and increase spend rate. Chart 2 below sets out historical capacity to spend by project categories.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Transportation Services' 2022 - 2031 Budget and Capital Plan represents an investment in infrastructure totalling \$5.400 billion over 10 years. In 2022, Transportation Services has deferred \$283.366 million in capital spending originally cash flowed in 2022 into the future years. Acceleration of future years' cash flows into 2022 will be requested if projects advance ahead of schedule. Compared to last year's budget, the total funding needs in the common 9 years (2022-2030) increased by \$367.358 million. Key adjustments to the Capital Plan are noted below:

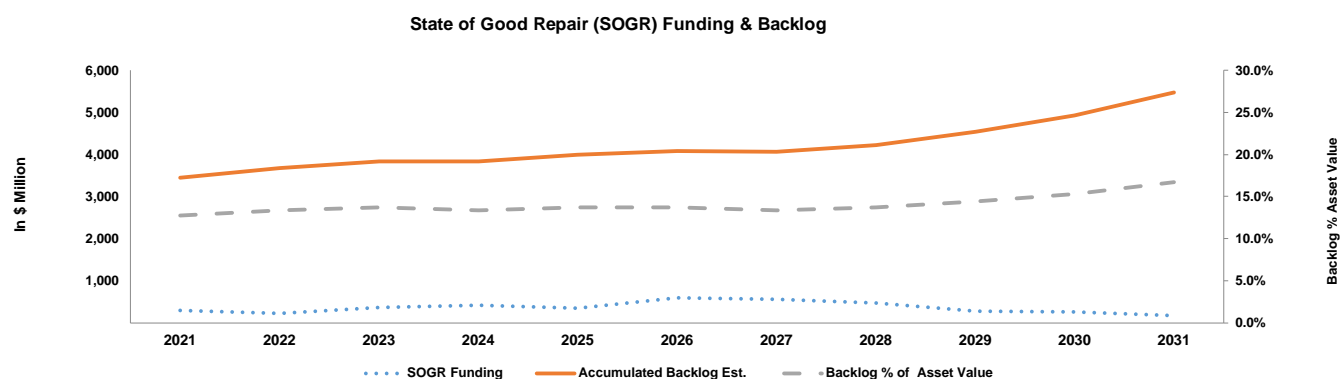
- Lawrence Allen Revitalization Project – On December 15, 2021, City Council adopted the Lawrence Heights – Phases 2-3 Interim Status and Budget Update report. (PH29.7). Included in the budget is the increase of \$9.450 million to advance the road infrastructure required for phases 2 and 3 of the initiative.
- McCowan Road and Progress Avenue Reconfiguration – new project funding of \$29.700 million to improve the McCowan Road and Progress Avenue intersection area which forms part of the adopted Scarborough Center Transportation Master Plan (SCTMP). Negotiations are currently ongoing with Metrolinx for the project to be delivered as part of the Scarborough subway initiative. Payment to Metrolinx is to be made at project completion which is currently anticipated in 2027.
- Local and Major Roads Rehabilitation – Increased \$92.490 million to align budget to current State of Good Repair delivery capacity levels. For the Local Roads Rehabilitation Program, the increase will result in an annual budget target of \$70.000 million.
- Beecroft Extension – new project funding of \$20.740 million to advance detailed design, property acquisition, and construction of the Beecroft Road extension, running north from Finch Avenue West to Drewry Avenue. The road extension will complete the North York Centre North Service Road as identified in the North York Centre Secondary Plan.
- Cycling Infrastructure – On December 15, 2021, City Council adopted the 2021 Cycling Network Plan Update (IE26.9) which proposed a budget of \$20.000 million per year in the near term to advance delivery of cycling infrastructure. The 2022 to 2026 funding increase results in an annual budget target of \$20.000 million, reflecting the proposal that was approved by City Council.

- Park Lawn Transportation Master Plan (TMP) – Increased \$2.800 million to advance property acquisition for the Legion Road project. Detailed Design is anticipated to continue in 2022 with property acquisition activities commencing in late 2022 and into future years. In July 2021, City Council adopted the Park Lawn Lake Shore Transportation Master Plan and Legion Road Interim Report (IE23.14). Negotiations on cost-sharing arrangements for Street A with the Owner of the Christie's site are currently ongoing. As the TMP continues to be developed and negotiations with the owner of the Christie's site continue to proceed, funding for the remaining required road components of the TMP would be requested at the appropriate time through the future budget process.
- Liberty New Street – Increased \$30.403 million to advance the construction of the project. Agreement negotiations are currently ongoing with Metrolinx for the project to be delivered as part of the Ontario Line initiative.
- Steeles Widening (Tapscott Road - Beare Road) – Increased \$37.415 million to advance the property acquisition and construction of the project. Negotiations are currently ongoing with the Regional Municipality of York to finalize the legal agreement for the project. 50% of the total project funding is anticipated to be funded by The Regional Municipality of York. Additional time for detailed design is required to confirm, amongst other matters, the feasibility of the Morningside Extension at the at-grade crossing of the rail corridor. Property acquisition and utility relocation are anticipated to begin in 2023, with the construction phase of the project on Steeles Avenue anticipated to begin in 2024.
- F.G. Gardiner Rehabilitation – Realigned cash flow of \$130.780 million between years within the capital plan based on project schedule updates for existing and planned contracts. The delivery of the F.G. Gardiner Expressway Strategic Rehabilitation Plan is scheduled to be fully delivered by 2031. The total funding requirement for the program over the ten year plan remains unchanged.
- St Clair Transportation Master Plan (TMP) - \$207.601 million was approved in the 2021-2030 budget process to fully fund the property acquisition, design, and construction of St Clair Avenue Widening, Davenport Road Extension, and Gunns Road Extension. The projects are anticipated to be delivered by Metrolinx as part of the GO Transit Expansion initiative. Delivery arrangement discussions are currently ongoing. Cash flow or funding adjustments, if required, will be requested in future year budget submissions as the delivery arrangement with Metrolinx is confirmed.

## STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Transportation Services: major and local roads, bridge rehabilitation and laneways.

**Chart 3: Total SOGR Funding & Backlog**



\$ Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	286	228	360	416	353	600	552	474	284	260	178
<b>Accumulated Backlog Est.</b>	3,445	3,677	3,840	3,829	4,003	4,086	4,063	4,230	4,543	4,924	5,477
<b>Backlog % of Asset Value</b>	12.8%	13.4%	13.7%	13.4%	13.7%	13.8%	13.4%	13.7%	14.4%	15.3%	16.7%
<b>Total Asset Value</b>	26,933	27,444	27,993	28,553	29,124	29,707	30,301	30,907	31,525	32,156	32,799

The 10-Year Capital Plan will fund \$4.072 billion of SOGR projects, providing an average of \$407.236 million annually. This funding will continue ongoing SOGR projects for infrastructure, including major and local roads, city

bridges and laneways. Of this, \$629.165 million is planned for the Major Road Rehabilitation Program, and \$661.443 million, is planned for Local Road Rehabilitation.

More than half of Transportation Services' infrastructure consists of roads and bridges that were constructed between 1950 and 1980. In 2019, Transportation Services completed an update of its asset inventory, replacement value, Capital needs for the Major and Local Road Rehabilitation Programs and the funding required to maintain its assets in a state-of-good repair for the next ten years. The level of service for roads is based on the average Pavement Quality Index (PQI). Typically a well-maintained, sustainable network would have an average PQI in the range of 70-75. As shown in the State of Good Repair chart on Page 2, the current average PQI is about 57 for Major Roads and 64 for Local Roads. The road network is continuing to deteriorate steadily based on the current resources, funding available and the short-term (<10 year) needs projection.

Based on current proposed ten year capital funding in the 2022 budget, the overall PQI condition of Major Roads is expected to decrease from 57 to 51 by 2031 while overall PQI condition of Local Roads in poor condition is expected to decrease from 64 to 51 by 2031. The backlog of rehabilitation needs for both programs are expected to increase over the next 10 years as follows:

- The backlog for Major Roads will increase from \$854.825 million at the end of 2021 to \$2.315 billion, or about 31 per cent of assets, by 2031; and,
- The backlog for Local Roads will increase from \$601.281 million at the end of 2021 to \$2.561 billion, or about 22 per cent of assets, by 2031.

The increase in backlog reflects the history of when the infrastructure was built, when rehabilitation is required, and the type of rehabilitation required which is mainly road reconstruction as the roads are reaching the end of their life cycle.

On November 25, 2020, City Council adopted the Reducing the State of Good Repair Backlog and Enhancing Cycling Lane Maintenance report (IE17.3) which outlines steps and approaches to update the Local and Major Roads Asset Management Plan and develop a long-term plan for the management of assets to drive sustainable long-term investment in SOGR projects and reduce the backlog. This plan will comply with O. Reg. 588/17, detailing the characteristics and conditions of the assets, the levels of service expected from the assets, financing and other strategies, and planned actions over the lifecycle of the assets to ensure assets are providing a specified level of service in the most cost-effective manner.

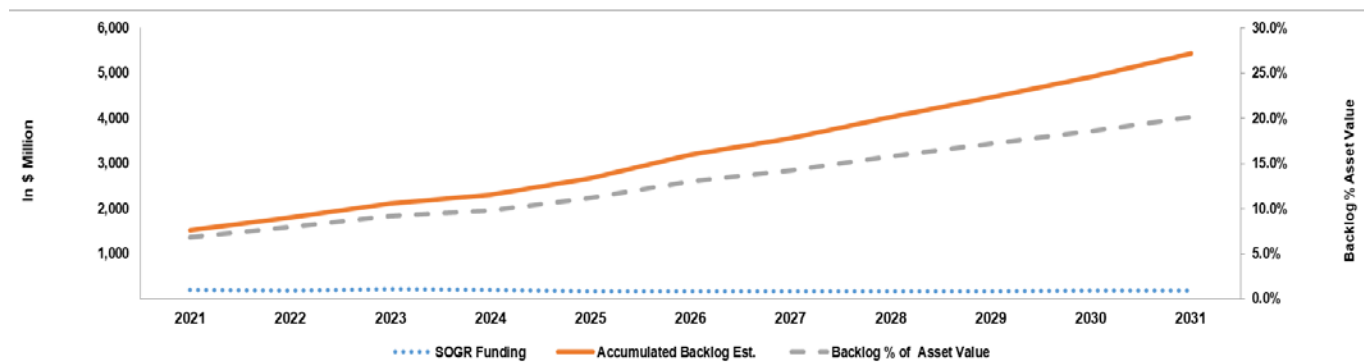
It is expected that the updated Asset Management Plan will come forward to Council in 2022

SOGR funds have been made available to continue the Strategic Rehabilitation Plan for the F. G. Gardiner Expressway. The Plan includes the implementation of the preferred alternative in the Gardiner East Environmental Assessment, including public realm improvements through the reconstruction of Lake Shore Boulevard East. A review of the program was completed to realign annual cash flow requirements to reflect historical spending patterns, project readiness, and required coordination with other major projects.

In past budget processes, SOGR Rehabilitation of the F.G. Gardiner Expressway post 2026 (2026 to 2039), known as Phase 2 of the F.G. Gardiner Expressway Strategic Rehabilitation Plan, was estimated at \$1.373 billion, of which \$142.680 million was noted as backlog within the current 10 year time frame.

Taking into consideration the update of the funded works within the current 10 year timeframe, the schedule of the Phase 2 plan was also re-cast, with \$39.030 million of the \$1.373 billion included as backlog within the current 10 year time frame.

**Chart 4: Total SOGR Funding & Backlog**  
**(Key asset classes excluding the F.G. Gardiner)**



\$ Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	205	180	216	207	160	163	166	169	172	175	178
<b>Accumulated Backlog Est.</b>	1,526	1,806	2,113	2,310	2,678	3,197	3,561	4,033	4,458	4,923	5,438
<b>Backlog % of Asset Value</b>	6.9%	8.0%	9.2%	9.8%	11.2%	13.1%	14.3%	15.8%	17.2%	18.6%	20.1%
<b>Total Asset Value</b>	22,201	22,623	23,075	23,537	24,008	24,488	24,977	25,477	25,987	26,506	27,036

The chart above depicts the SOGR funding and accumulated backlog estimates: major and local roads, bridge rehabilitation and laneways.

When rehabilitation on the Gardiner is excluded, the SOGR backlog for remaining transportation infrastructure will increase from \$1.526 billion at the end of 2021 to an anticipated \$5.438 billion by year end in 2031, representing 20.1 per cent of the asset replacement value.



**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact the 2023 Operating Budget by a total of \$0.112 million net arising from completing the EDC Electronic Service Delivery Phase 2 project, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Cycling Infrastructure	636.0		694.0	0.5	694.0	0.5	694.0	0.5	694.0	0.5	3,411.9	0.5	6,881.9	0.5
MoveTO			246.3	1.5	248.5	1.5	250.8	1.5	253.1	1.5	998.7	1.5	2,264.0	1.5
Traffic Plant Maintenance & LED Signal Module Conversion	28.5	0.5	58.0	0.5	58.0	0.5	58.0	0.5	58.0	0.5	260.5	0.5	550.4	0.5
New Traffic Control Devices	311.7		385.3		463.0		545.0		631.6		2,336.6		5,494.4	
New Roads Installation	52.4		52.4		52.4		52.4		52.4		261.8		523.6	
Missing Link Sidewalk Installation	15.9		15.9		15.9		15.9		15.9		79.5		159.0	
Green Streets	510.0		375.0		375.0		600.0		600.0		2,460.0		5,460.0	
TO360 Wayfinding	333.3		279.0		341.2		341.2		341.2		1,636.0		3,342.2	
<b>Sub-Total: Previously Approved</b>	<b>1,887.8</b>	<b>0.5</b>	<b>2,105.8</b>	<b>2.5</b>	<b>2,248.0</b>	<b>2.5</b>	<b>2,557.3</b>	<b>2.5</b>	<b>2,646.1</b>	<b>2.5</b>	<b>11,445.0</b>	<b>2.5</b>	<b>24,675.5</b>	<b>2.5</b>

- The 2022 Operating Budget will increase by a total of \$2.179 million for maintenance costs arising mainly from the completion of new roads by developers and road related infrastructure including cycling facilities and newly built traffic control devices.
- As part of future capital budget submissions, Transportation Services will continue to review its capital projects and analyze the impacts on operations.

# 2022 Program Summary

## Toronto Water

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Water manages one of the largest water, wastewater and stormwater systems in North America, 24 hours a day, seven days a week.

Toronto Water's services ensure that over 3.6 million residents and businesses in Toronto, and portions of York and Peel have access to safe drinking water, safely treated wastewater and stormwater management.

### Why We Do It

**Drinking water is delivered to people (residents, businesses, visitors and the Industrial, Commercial, Institutional sector in Toronto and York Region) in a safe and reliable manner to protect public health.**

**Wastewater is collected from people (residents, businesses and the Industrial, Commercial, Institutional sector in Toronto and Peel Region) and treated in a safe and environmentally sustainable way to protect public health.**

**Stormwater (rain and melted snow) is collected or diverted to help prevent the risk of property flooding, control erosion and improve water quality to protect public health and Toronto's waterways.**

*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

### Water Treatment & Supply

**Who We Serve:** Water account holders and water consumers.

**What We Deliver:** Supply +435 billion litres annually of safe potable water. Continuous distribution of potable water through +6,100 km of watermains and City-owned water services.

**How Much Resources (gross 2022 operating budget): \$197 million**

### Wastewater Collection & Treatment

**Who We Serve:** Wastewater account holders, wastewater producers, public & private landowners

**What We Deliver:** Return to Lake Ontario +400 billion litres annually of treated wastewater. Continuous conveyance of wastewater through +5,600 km of sewers.

**How Much Resources (gross 2022 operating budget): \$231 million**

### Stormwater Management

**Who We Serve:** Public and private landowners

**What We Deliver:** Continuous conveyance of stormwater (rainwater and melted snow) through +4,900km of storm sewers.

**How Much Resources (gross 2022 operating budget): \$44 million**

## Budget at a Glance

### 2022 OPERATING BUDGET

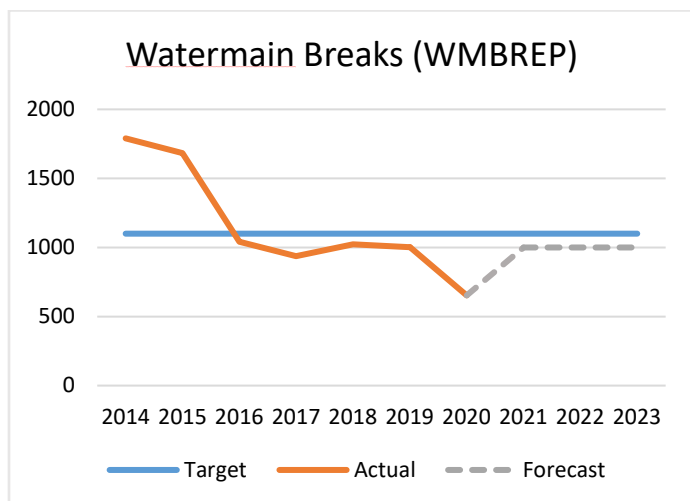
\$Billion	2022	2023	2024
Revenues	\$1.447	\$1.478	\$1.522
Gross Expenditures	\$0.471	\$0.482	\$0.491
Capital Contribution	\$0.976	\$0.996	\$1.031
Approved Positions	1,883.3	1,891.3	1,892.3

### 2022 - 2031 10-YEAR CAPITAL PLAN

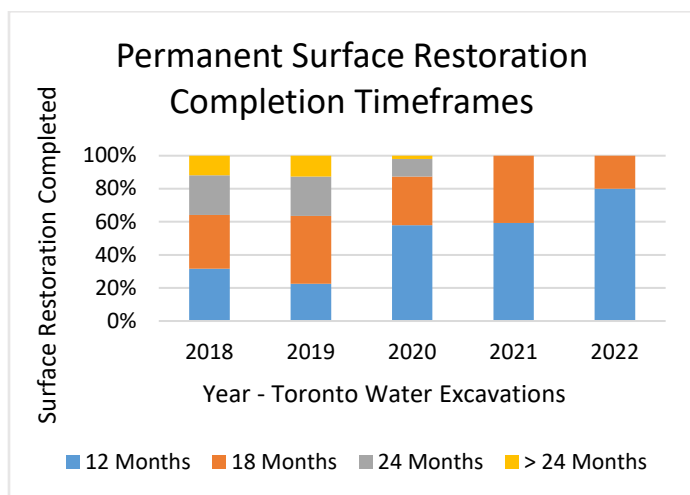
\$Billion	2022	2023-2031	Total
Gross Expenditures	\$1.409	\$13.673	\$15.082
Debt	\$0.000	\$0.000	\$0.000

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers



- Toronto Water currently operates over 5,500km of water distribution pipes that provide safe and reliable drinking water to the residents, businesses and visitors of Toronto and York Region.
- Toronto Water has made significant capital investments in infrastructure renewal projects (i.e. water main replacement, cathodic protection and structural lining) that have contributed to the gradual decline in watermain breaks.
- Inclement weather (extreme cold or temperature fluctuations) continues to be the leading cause of watermain breaks followed by excavation activities, corrosive soils and ground settling.
- Toronto Water is investing \$1.94 billion in the 2022-2031 budget for capital improvements that will contribute towards ensuring an overall good condition of the local water distribution network.



- In July 2018, Toronto Water assumed responsibility for the permanent surface restoration program within the public right-of-way (ROW) (for sewer/water service repairs and upgrades and watermain/sewer breaks) previously managed by Transportation Services.
- Permanent restoration requires the replacement of asphalt and concrete where City construction has occurred.
- Each year, Toronto Water completes an average of 8,500 excavations within the ROW and approximately 5,000 of these locations require permanent surface restoration.
- The goal of the Toronto Water program is to minimize the time between excavation and permanent restoration. In 2020, and trending in 2021, 60% of permanent road restorations are now completed within 12 months. In 2022, the target is to increase this to 80% being completed within 12 months.

## How Well We Are Doing (● 80% - 100%; ● 64 - 79%; ● 63% and under)

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	*Status	2022 Target	2023 Target
Outcome Measures								
Water Treatment & Supply	Watermain Breaks per 100 km of Water Distribution Pipe	16.5 per 100km	10.7 per 100km	22 per 100km	22 per 100km	●	22 per 100km	22 per 100km
Water Treatment & Supply	Drinking Water Non-Compliance	0	1	0	0	●	0	0
Water Treatment & Supply	Percent Time Operating Within 276 kPA to 793 kPA Requirements	97.0%	99.1%	99.5 %	99.1%	●	99.5%	99.5%
Wastewater Collection & Treatment	Non-Compliance Events Wastewater Treatment)	1	0	0	0	●	0	0
Wastewater Collection & Treatment	Mainline Backups per 100 KM of Pipe	3.6	3.4	4.0	4.0	●	4.0	4.0
Stormwater Management	ML of Dedicated (designed) Stormwater Storage Capacity	1,248 ML	1,248 ML	1,248 ML	1,248 ML	●	1,248 ML	1,248 ML
Service Level Measures								
Water Treatment & Supply	Water Treatment Non-Compliance Events	0	1	0	0	●	0	0
Water Treatment & Supply	Target Pressure Limits (Pressure Maintenance)	97.0%	99.1%	99.5 %	99.1%	●	99.5%	99.5%
Wastewater Collection & Treatment	Pumping Station Outages	0	0	0	0	●	0	0

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	*Status	2022 Target	2023 Target
<b>Wastewater Collection &amp; Treatment</b>	Wastewater Treatment Non-Compliance Events	1	0	0	0	●	0	0
<b>Stormwater Management</b>	Number stormwater ponds inspected/maintained	1,069	1,080	990	1,116	●	990	1,080
<b>Other Measures</b>								
<b>Water Treatment &amp; Supply</b>	Electrical kWh per ML of Water Pumped	344 kWh per ML	309 kWh per ML	330 kWh per ML	309 kWh per ML	●	330 kWh per ML	330 kWh per ML
<b>Wastewater Collection &amp; Treatment</b>	Percent Biosolids Beneficially Used (ABTB)	100%	100%	100%	100%	●	100%	100%
<b>Stormwater Management</b>	Water Course Inlet/Outlet Inspections	4,025	6,175	3,000	3,000	●	3,000	3,000

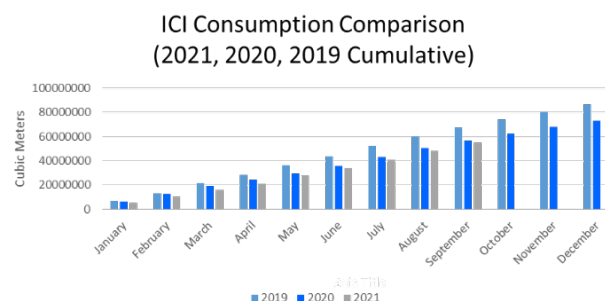
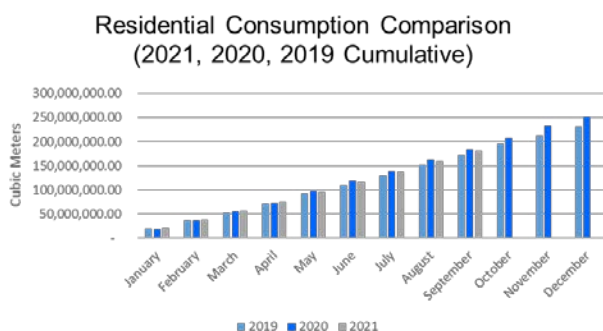
## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- A projected \$13.690 million loss in sale of water and private water agreements in 2021 due to lower consumption impacted by weather and stay at home orders and closures/slowdowns in Industrial, Commercial and Institutional sector (ICI). Year-end results can vary significantly due to the uncertainty of consumption levels impacted by weather, a change in consumer habits and/or a change in government orders for closures. The savings from hiring delays and other underspending will be used to offset COVID-19 related revenue losses. The loss in sale of water are not considered to be permanent losses and are not anticipated to continue in 2022.
- Continued costs for health and safety supplies and protocols are included in the 2022 Operating Budget

#### Estimated (not billed) Water Consumption Comparisons



#### Service Level Changes

- Toronto Water continues to provide safe drinking water; safe collection and treatment of wastewater; and, stormwater management during the global pandemic. There are no impacts to service levels as a result of COVID-19.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Long-term \$2.6 billion Don River and Central Waterfront projects now actively underway. Phase 1, the Coxwell Bypass Tunnel, at 10.5km long and 6.3m in diameter, will intercept combined sewer overflows and stormwater discharges from 23 sewer outfalls improving beach, river and lake water quality.
- Replaced/rehabilitated approximately 90km of watermains to help reduce watermain breaks and ensure customers have reliable safe drinking water.
- Invested \$16.181 million in upgrades to aging water reservoirs/water pumping stations to ensure safe, reliable storage and distribution of drinking water.
- Replaced/rehabilitated approximately 140km of aging sewers to address state-of-good-repair (SOGR) needs.
- Invested \$231.733 million in critical upgrades to the Ashbridges Bay Wastewater Treatment Plant the second largest treatment plant in Canada serving more than 1.5 million people.
- The Toronto Water Customer Care Centre (CCC) was initiated in 2017 resulting in \$0.747 million in savings due the reduction of 8 positions. From January 1, 2021 to October 1, 2021, there were approximately 194,220 interactions including: incoming/outbound calls, emails and outbound calls for COVID-19 pre-screening for customer service required for homes/businesses. The CCC allows for the management of a surge in call volumes including the ability to make outbound calls during complex and lengthy severe weather incidents or emergencies.
- Historical Asset Valuation: Toronto Water's core assets were valued at \$28 billion for water, wastewater and stormwater infrastructure based on historical cost of constructed assets inflated to estimate its replacement as well as appraisal valuations. Introduced in 2006, this approach was utilized in response to guidance from the Public Sector Account Board for tangible capital assets.
  - Regulation: In 2017, Province of Ontario enacted Ontario Regulation 588/17 Asset Management Planning (AMP) for Municipal Infrastructure to support improvements in municipal asset management:
    - The legislation aims to standardize how Ontario municipalities plan their infrastructure, share best practices and enable the collection of comparable data for long-term planning and budgeting. City of Toronto to complete asset management plans as of July 1, 2022 for the City's Core Infrastructure Assets (water, wastewater, stormwater, roads, bridges and culverts asset groups).
  - Updated Asset Valuation: The Toronto Water AMP has been completed and the updated replacement cost of Toronto Water's infrastructure is \$83 billion. The asset replacement valuation takes into consideration recent appraisal reports for facilities and average unit rates for pipe installation based on bid pricing. The replacement costs will continue to be evaluated as costs can vary significantly based on site constraints and conditions, project delivery approach, project bundling, market conditions and material price fluctuations.
  - Toronto City Council adopted the Toronto Water AMP on November 9, 2021.

### Key Challenges and Risks

- **Capital construction costs:** Staff have observed some increases in tender costs for certain work types. Explanations for cost escalations are speculative at this time (may be partly due to supply chain reliability and COVID-19). Current tenders are being closely monitored. In the event of high pricing, some projects may be deferred until prices are stable.
- **Adequate reserve balances to fund state-of-good-repair program:** Capital delivery programming that focuses on short and long-term forecasting and critical outcomes.
- **Investment in technology that puts customer service, security and efficiency first:** Resources and long-term planning are critical to ensure replacement and sustainment of outdated technology. For example, the Enterprise Work Management System (EWMS), the new 311 Enterprise Customer Relationship Management System (ECRM) and new Cyber Security Threat protection software and procedures.
- **Asset readiness/critical response processes:** Ensure operational resilience and minimize risk to assets during extreme weather occurrences.



### Priority Actions

- **Customer Service:** Ensure efficient and effective response times for customer service demands including improved customer service culture, technology and infrastructure.
- **Workforce Strategies:** Ongoing development of hiring strategies during the hiring slow down period for critical, vulnerable and hard to fill positions including on-the-job training programs and planning for demographic changes.
- **State-of-Good-Repair:** Continued long-term investment in SOGR projects and reducing the backlog to \$359.0 million by 2031.
- **Growth:** Development of strategy to manage pressure on linear infrastructure in growth areas.
- **Resiliency:** Long-term significant investment in Council approved Wet Weather Flow Master Plan projects to protect the environment and lake, river and stream water quality including \$2.27 billion for the Basement Flooding Protection Program, completion of Environmental Assessments for all Basement Flooding Studies Areas by 2023 and investing \$1.32 billion over the 10-years to implement the Don River and Central Waterfront project, with all project phases forecasted for completion in 2038.
- **Modernization:** Planning for resources to implement, support and maintain new technologies including cybersecurity

## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	%
<b>Revenues</b>						
Water Treatment & Supply	629,265.6	619,109.7	616,307.0	632,947.6	16,640.6	2.7%
Wastewater Collection & Treatment	799,401.6	785,617.5	776,704.7	803,249.1	26,544.4	3.4%
Stormwater Management	7,958.1	10,609.2	9,526.7	10,824.2	1,297.5	13.6%
<b>Total Revenues</b>	<b>1,436,625.4</b>	<b>1,415,336.3</b>	<b>1,402,538.4</b>	<b>1,447,020.9</b>	<b>44,482.5</b>	<b>3.2%</b>
<b>Expenditures</b>						
Water Treatment & Supply	199,478.0	195,791.0	186,333.1	196,749.6	10,416.5	5.6%
Wastewater Collection & Treatment	214,464.9	229,905.6	216,285.8	230,918.1	14,632.3	6.8%
Stormwater Management	33,295.9	43,127.5	40,840.1	43,560.4	2,720.3	6.7%
<b>Sub-Total - Gross Expenditures</b>	<b>447,238.8</b>	<b>468,824.0</b>	<b>443,459.0</b>	<b>471,228.1</b>	<b>27,769.1</b>	<b>6.3%</b>
Capital Contribution	989,386.6	946,512.3	946,512.3	975,792.8	29,280.5	3.1%
Surplus (2021 Projection)			12,567.1		(12,567.1)	(100.0%)
<b>Sub-Total - Capital Contribution</b>	<b>989,386.6</b>	<b>946,512.3</b>	<b>959,079.4</b>	<b>975,792.8</b>	<b>16,713.4</b>	<b>1.7%</b>
<b>Total Gross Expenditures</b>	<b>1,436,625.4</b>	<b>1,415,336.3</b>	<b>1,402,538.4</b>	<b>1,447,020.9</b>	<b>44,482.5</b>	<b>3.2%</b>
<b>Approved Positions**</b>	<b>1,841.3</b>	<b>1,841.3</b>	<b>N/A</b>	<b>1,883.3</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q2 Variance Report

\*\*YoY comparison based on approved positions

Table 1 above details the 2022 Operating Budget of \$471.228 million in gross expenditures and \$975.793 million in capital contributions and provides a comparison to 2021 projected year-end actuals. Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget to the 2021 Council approved Budget is provided below:

- 2022 Base Expenditure Budget of \$471.228 million reflects a \$2.404 million net increase from the 2021 Council approved Budget.
- 2022 Base Revenue Budget of \$1,447.021 million reflects a \$31.685 million net increase from the 2021 Council approved Budget.

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$471.228 million gross reflect an increase of \$27.769 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salaries and benefits increases due to cost of living adjustments and filled vacancies in 2022 as Toronto Water continues to implement its hiring strategy that had been in place prior to COVID-19 hiring slow down.
- Slow-down in spending related to production costs, including hydro impacted by lower consumption of water sold in 2021 is not anticipated to continue in 2022, resulting in higher costs more reflective of pre-pandemic levels.
- Inflationary increases for utilities, chemicals and contract services.
- Operating costs for salaries and benefits from completed capital projects, including 32 positions to operate new facilities and infrastructure, and deliver capital projects.
- Annualised costs from the transfer of the Utility Cut Program from Transportation Services, requiring the addition of 8 positions to sustain the program's success and continue the improved service levels.

- Above pressures are partially offset by base expenditure savings arising from a line by line review, other operational efficiency savings, and higher revenues from sale of water to Region of York, new water service connections, and other revenue.

The 2022 Operating Budget includes a 3 per cent rate increase. Approximately 67 per cent of Toronto Water's 2022 Operating Budget or 3 per cent above the 2021 approved capital contribution (prior to the 2021 projected surplus) will go towards the annual capital reserve contribution to fund the 10 year Capital Plan.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Water's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Toronto Water is \$471.228 million gross or 6.3% higher than the 2021 Projected Actuals. Table 2 below summarizes the key cost drivers for the base budget.

**Table 2: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual \$	2020 Actual \$	2021 Budget \$	2021 Projection* \$	2022 Budget \$	2022 Change from 2021 Projection	
						\$	%
Sale of Water and Other Revenues	1,263,595.9	1,349,418.9	1,336,943.1	1,320,726.9	1,368,825.9	48,099.0	3.6%
User Fees	70,696.6	70,623.8	61,899.9	65,404.6	63,075.2	(2,329.3)	(3.6%)
Transfers From Capital	7,296.6	9,084.5	9,364.3	9,278.0	10,432.2	1,154.3	12.4%
Contribution From Reserves/Reserve Funds	4,278.6	7,182.0	6,814.3	6,814.3	4,351.0	(2,463.3)	(36.1%)
Inter-Divisional Recoveries	133.8	316.3	314.7	314.7	336.5	21.8	6.9%
<b>Total Revenues</b>	<b>1,346,001.5</b>	<b>1,436,625.4</b>	<b>1,415,336.3</b>	<b>1,402,538.4</b>	<b>1,447,020.9</b>	<b>44,482.5</b>	<b>3.2%</b>
Salaries and Benefits	176,938.9	180,819.3	187,541.6	180,341.6	190,819.7	10,478.1	5.8%
Materials & Supplies	94,819.6	96,504.4	106,902.2	96,699.9	105,281.9	8,582.0	8.9%
Equipment	3,151.7	2,199.2	2,835.3	2,184.2	2,687.5	503.3	23.0%
Service and Rent	66,552.4	66,747.4	75,474.6	69,340.8	75,197.4	5,856.7	8.4%
Contribution To Reserves/Reserve Funds	10,674.8	10,706.3	10,690.2	10,690.2	12,397.8	1,707.6	16.0%
Other Expenditures	15,753.8	24,917.7	16,816.0	17,687.6	18,179.3	491.7	2.8%
Inter-Divisional Charges	66,389.4	65,344.6	68,564.1	66,514.7	66,664.4	149.8	0.2%
<b>Total Gross Expenditures</b>	<b>434,280.6</b>	<b>447,238.8</b>	<b>468,824.0</b>	<b>443,459.0</b>	<b>471,228.1</b>	<b>27,769.1</b>	<b>6.3%</b>
Capital Contribution	911,720.9	989,386.6	946,512.3	946,512.3	975,792.8	29,280.5	3.1%
Surplus (2021 Projection)				12,567.1		(12,567.1)	(100.0%)
<b>Capital Contribution</b>	<b>911,720.9</b>	<b>989,386.6</b>	<b>946,512.3</b>	<b>959,079.4</b>	<b>975,792.8</b>	<b>16,713.4</b>	<b>1.7%</b>

\*2021 Projection based on Q2 Variance Report

**Key Base Drivers:**

**Salaries and Benefits:** Include increases due to cost of living adjustments and anticipated positions to be filled. In addition, the increase include 16 positions to operate new facilities and infrastructure, 16 positions to deliver capital projects, 8 positions linked to the transfer of the Utility Cut Program from Transportation Services, and 4 positions to support the increasing volume and complexity of development applications, wholly funded by development application review fees. Above increases are partially offset by a reduction of 2 dedicated transit positions linked to decreasing work volume on the Eglinton Crosstown, funded by third party revenue.

**Materials and Supplies:** Include natural gas and chemical inflationary increases higher than Consumer Price Index (CPI) and CPI increases on existing material contracts, partially offset by ongoing hydro efficiencies. The 2022 budget also include provisions for contingencies and estimates based on fluctuating weather conditions.

**Services and Rents:** Include CPI inflationary increases on existing service contracts. The 2022 budget also include provisions for contingencies and estimates based on fluctuating weather conditions.

**Contributions to Reserves:** Include increases in contribution to insurance reserves to better align with a full cost recovery model.

**Contribution to Capital:** Approximately 67 per cent of the 2022 Operating Budget will go towards the capital reserve contribution to fund the 10-year Capital Plan, representing a 3 per cent increase over 2021 projected capital reserve contribution (prior to the 2021 projected surplus).

**Revenue Changes:** Include rate increase of 3 per cent on sale of water that will go towards the annual capital reserve contribution. Water consumption and other revenues from private water agreements are expected to rebound as restrictions ease and non-essential businesses return to operations. Above increases are partially offset by a reduction in contributions from reserves linked to Utility Cut Backlog delivered by Transportation Services to match projected interdivisional charges from Transportation Services.

## Offsets and Efficiencies:

**The 2022 Operating Budget** includes \$5.599 million in gross expenditure and \$6.689 million in net expenditures reductions attributed to:

**Line-by-Line:** A reduction in base expenditures in materials and supplies and other non-salary costs contributes to Toronto Water's efforts to manage continuous cost increases from internal and external sources.

**Efficiencies:** Ongoing hydro savings and efficiencies that Toronto Water has been able to achieve through implementation of various utility conservation oriented initiatives. These initiatives contribute to climate resiliency and reduced Greenhouse Gas emissions. Toronto Water has also utilized technology to improve on efficiency in contract administration and estimates, contributing to savings in contracted service costs

**Revenue Increase:** Various user fee revenue increased to align to projected actual volume and inflationary rate increases.

## 2023 & 2024 OUTLOOKS

Table 3: 2023 and 2024 Outlooks

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	1,402,538.4	1,447,020.9	1,477,956.0	1,522,104.4
Gross Expenditures	443,459.0	471,228.1	481,900.3	490,740.3
Capital Contribution	946,512.3	975,792.8	996,055.7	1,031,364.0
Surplus (2021 Projection)	12,567.1			
<b>Total Capital Contribution</b>	<b>959,079.4</b>	<b>975,792.8</b>	<b>996,055.7</b>	<b>1,031,364.0</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>1,883.3</b>	<b>1,891.3</b>	<b>1,892.3</b>

## Key drivers

The 2023 Outlook with total gross expenditures of \$481.900 million reflects an anticipated \$10.672 million or 2.3 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlook expects a further increase of \$8.840 million or 1.8 per cent above 2023 gross expenditures.

These changes arise from the following:

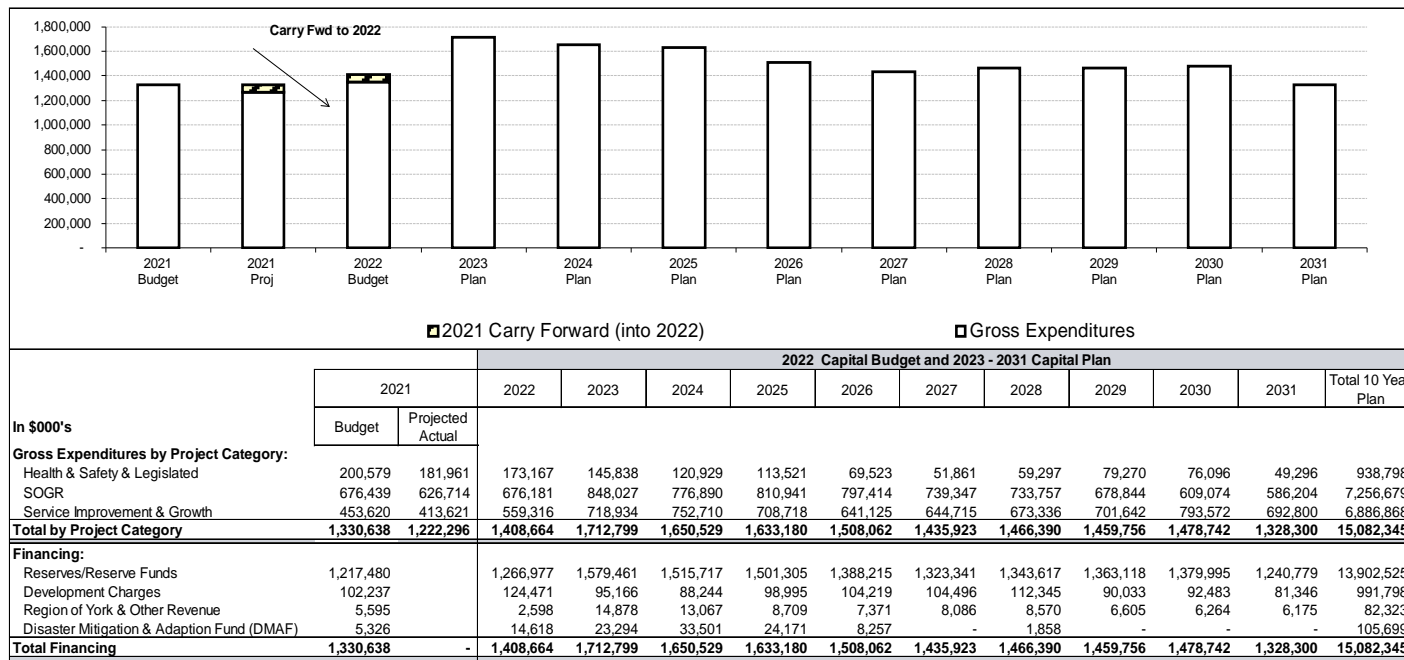
- Inflationary increases for salaries and benefits and annualized impact of 2022 added positions.
- Anticipated inflationary increases for utilities, chemicals, other materials and supplies, contracted services, contributions to Toronto and Region Conservation Authority and payment in lieu of taxes.
- Operating impacts of completed capital projects, including an anticipated 8 **(2023)** and 1 **(2024)** additional positions required to operate new facilities and infrastructure and deliver capital projects.

Revenues are expected to increase as a result of an anticipated 3 per cent water rate increase in 2023 and a further 3 per cent increase in 2024.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview (\$000)

10-Year Capital Plan Overview



### Changes to Existing Projects

- The 2022-2031 Capital Budget and Plan reflects an increase of \$310.579 million as compared to the 2021-2030 Capital Budget and Plan. Key Changes include:
- Increased funding of \$349.307 million to support linear infrastructure renewal and upgrades.
- Increased funding of \$75.789 million to support the implementation of the Basement Flooding Protection Program.
- Readjusted funding for ten-year plan - 2022 revision of \$280.276 million for the Wet Weather Flow program, based on revised project schedules and priorities.
- Increased funding of \$172.542 million to support the infrastructure at the Wastewater Treatment Plants.






### New Projects

- The 2022-2031 Capital Budget and Plan does not include new programs. Some of the key investments are as follows:
- \$7.257 billion for SOGR projects to ensure the replacement or rehabilitation of aging watermain and sewers and investment in the aging water and wastewater facilities.
- \$5.156 billion for Service Improvement projects including \$2.270 billion in Basement Flooding Protection projects, and \$1.323 billion to support the Don River and Central Waterfront project.
- \$0.939 billion for Legislative and Health & Safety projects
- \$1.731 billion for Growth Projects.

### Capital Needs Constraints

- Toronto Water does not have any unmet needs over the 10-year planning horizon.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$15.1 Billion 10-Year Gross Capital Program**

				
<b>Plant &amp; Facilities</b>	<b>Underground Infrastructure</b>	<b>Stormwater Management</b>	<b>Basement Flooding Protection Program</b>	<b>Engineering, Yard &amp; Network Improvements</b>
\$4.315B 29%	\$5.710B 38%	\$1.828B 12%	\$2.270B 15%	\$0.959B 6%
Water Filtration Plants; Wastewater Treatment Plants; Pumping Stations; and Storage & Reservoirs <input checked="" type="checkbox"/>	Watermain and Sewer Replacement/ Rehabilitation; Water Service Replacement; and New Connections <input checked="" type="checkbox"/>	Wet Weather Flow Projects (end of pipe, infrastructure erosion protection); Don River & Central Waterfront <input checked="" type="checkbox"/>	Engineering Studies; Implementation Basement Flooding Protection; Subsidy Program <input checked="" type="checkbox"/>	Engineering Support; Business & Technology; Yards & buildings; Water Efficiency & Metering <input checked="" type="checkbox"/>

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>	
<b>\$ 14,976.6M</b> <b>99.3%</b>		<b>\$0.0M</b> <b>0%</b>	<b>\$ 105.7M</b> <b>0.7%</b>	
Reserve Draws	\$ 13,902.5M		Disaster Mitigation and Adaptation Fund	\$ 105.7M
Development Charges	\$991.8M			
Region of York and Other*	\$ 82.3M			

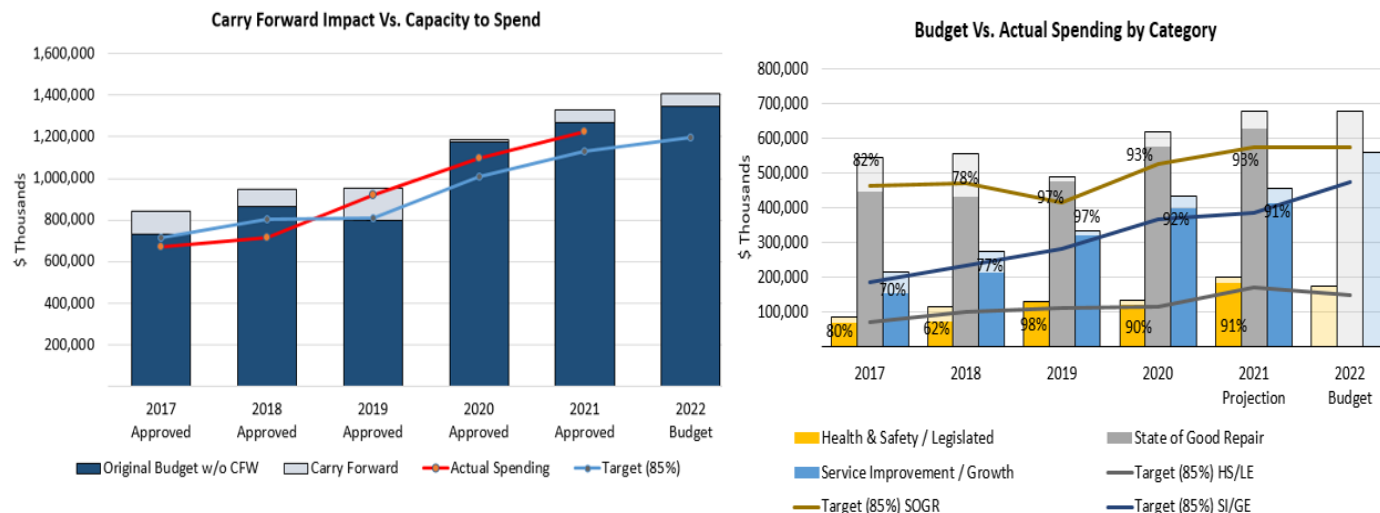
\* Toronto Water's 10-Year Capital Plan includes forecasted funding of \$80 million for the expected Toronto Region & Conservation Authority (TRCA) Watercourse Erosion Control project, to be spent between 2023 and 2031. It is assumed that approximately 67% (\$53 million) will be funded by other orders of government. The funding has yet to be secured.

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Water's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

The 2022-2031 Capital Budget and Plan represents Toronto Water's largest investment in infrastructure renewal totalling \$15.082 billion over 10 years. The 2022 Capital Budget of \$1.409 billion (including carry forward funding of \$62.202 million) is higher than the historic 5-year average budget.

Toronto Water's actual spending over the previous five years, from 2016 to 2020, has averaged \$816 million per year, with capital spending exceeding \$1.096 billion in 2020. In 2021, Toronto Water is forecasting to spend \$1.222 billion or 91.9 per cent of the Approved 2021 Capital Budget.

In recent years, Toronto Water has awarded a series of large scale multi-year projects, with approximately \$2.3 billion committed for already awarded works (as of October 2021). In addition to regularly scheduled annual construction programs, the 2022 cashflow will support the continued delivery of on-going multi-year contracts. Additionally, in the remainder of 2021 or in 2022 Toronto Water will be issuing an additional approximately \$723 million in works supporting the following 6 large projects:

- Ashbridges Bay Wastewater Treatment Plant (ABTP) D Building and Polymer Upgrade construction projects (\$60 million and \$112 million respectively);
- Fairbanks Silverthorn Tunnel Local Sewers Contracts 3 and 4 (\$142 million);
- Highland Creek Wastewater Treatment Plant (HCTP) Firm Capacity and Fluidized Bed Incineration construction projects (\$230 million and \$118 million respectively);
- Clark Water Treatment Plant Stand-by Power (\$62 million).

The 2022 Capital Budget of \$1.409 billion supports the delivery of current on-going large scale multi-year projects, as well as new projects forecasted for award in 2022.

Based on the review of historical capital spending constraints and a capacity to spend review, \$245.703 million in capital spending originally cash flowed in 2022 has been adjusted to reflect updated cost estimates and to align with current delivery forecasts, including deferrals to 2023 and future years. Key adjustments to the Capital Plan are noted below:

- The *Ashbridges Bay Wastewater Treatment Plant* 2022 cashflow has been reduced by \$57.118 million to reflect updated project cost estimates and delivery schedules for several projects including the Polymer



Upgrade, Waste Activated Sludge Upgrade Construction, Heating and Air Systems and Integrated Pumping Station Construction projects.

- The *Watermain Replacement* 2022 cashflow has been reduced by \$19.837 million to reflect updated project costs, delivery timelines and project completions.
- The *Sewer Replacement* 2022 cashflow has been reduced by \$17.168 million to reflect updated project costs, scope and delivery timelines.
- The *Basement Flooding Protection Program* 2022 cashflow has been reduced by \$37.309 million to reflect updated project delivery schedules. Although the 2022 cashflow has been reduced, the overall 10-year Basement Flooding Protection Program will increase by \$75.789 million (2022-2031). Realignments occurred as a result of a project by project review to identify individual project readiness to tender in 2022 and 2023, as well as updated delivery timelines for on-going works.
- The *Trunk Sewers Program* 2022 cashflow has been reduced by \$36.310 million to reflect updated to reflect updated project costs, scope, project completions and to incorporate updated delivery schedules.

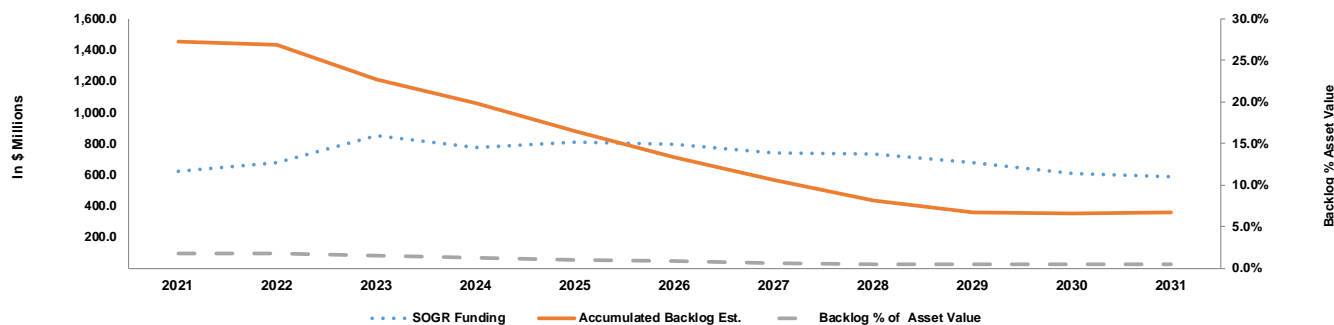
The 2022 Financial Model assumes that 85 per cent of the net Capital Budget and Plan will be drawn from Toronto Water's Capital Reserve and Water, Sanitary and Stormwater Management Development Charge Reserves based on historical capital completion levels, so as not to overstate actual projected funding requirements.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Toronto Water: linear infrastructure and facilities.

**Chart 3: Total SOGR Funding & Backlog**

State of Good Repair (SOGR) Funding &amp; Backlog



\$ Millions	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	623.3	676.2	848.0	776.9	810.9	797.4	739.3	733.8	678.8	609.1	586.2
<b>Accumulated Backlog Est.</b>	1,456.3	1,433.6	1,212.3	1,059.1	875.3	710.8	563.4	434.6	360.2	354.1	359.0
<b>Backlog % of Asset Value</b>	1.8%	1.7%	1.5%	1.3%	1.0%	0.8%	0.7%	0.5%	0.4%	0.4%	0.4%
<b>Total Asset Value</b>	83,167.1	83,314.2	83,513.0	84,342.9	85,206.6	85,968.1	86,472.8	86,811.1	87,141.2	87,445.7	88,186.2

\* 2021 SOGR funding is based on recent estimates

- Toronto Water's infrastructure is aging with an accumulated SOGR backlog estimated at \$1.456 billion by the end of 2021, which includes both linear (watermains and sewers) and facility/plant infrastructure (water treatment plants, wastewater treatment plants, pumping stations). This represents 1.8 per cent of the total replacement value of Toronto Water's assets, which at the end of 2021 are estimated to be \$83.167 billion.
- The 2022-2031 Budget and Capital Plan allocates a total of \$7.257 billion over 10 years, including \$676.181 million in 2022 (or 48.0 per cent of the 2022 Capital Budget) to address the renewal needs of Toronto Water's aging infrastructure. This significant investment into Toronto Water infrastructure will ensure continued and reliable service to residents, businesses and visitors, reducing the SOGR backlog to \$359.0 million in 2031, reducing the backlog to less than 0.5 percent of Toronto Water's overall asset value.
- Approximately 56.5 per cent or \$823.035 million of Toronto Water's infrastructure backlog is associated with aging linear watermain and sewer infrastructure. The 2022-2031 Budget and Capital Plan allocates a total of \$4.677 billion to address deteriorated linear infrastructure.
- Approximately 43.5 per cent or \$633.217 million of Toronto Water's infrastructure backlog is associated with the facilities backlog. The 2022-2031 Capital Budget and Plan allocates a further \$2.580 billion for infrastructure renewal projects at water and wastewater treatment facilities. SOGR works at the water and wastewater facilities may include renewal of existing buildings, and process equipment and machinery, etc.

Stormwater management facilities (stormwater ponds and underground storage tanks) are not included in the SOGR backlog analysis as they are relatively new assets, as well as stream restoration from erosion. Restoration of watercourses is planned on a priority basis to protect existing infrastructure and in coordination with the Toronto Region Conservation Authority based on site conditions resulting from extreme weather events.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will impact future year Operating Budgets by \$8.923 million net over the 2022-2031 period and an increase of 28 positions for planned completion of new equipment and facilities.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
D BUILDING PHASE 2					350.0						350.0		350.0	
DISINFECTION SYSTEM CONSTRUCTION			789.1	2.0	218.4						1,007.5	2.0	1,007.5	2.0
INTEGRATED PUMPING STATION (IPS) - CONSTRUCTION	17.8	0.3	13.3								31.1	0.3	1,731.1	0.3
AERATION TANK 12 & 13	17.8	0.3	13.3								31.1	0.3	31.1	0.3
WASTE ACTIVATED SLUDGE UPGRADE - CONSTRUCTION			(620.0)				1,500.0				880.0		880.0	
NTPP - PROCESS IMPROVEMENTS			618.7	1.0	42.3						661.0	1.0	661.0	1.0
CHEMICAL & RESIDUALS MANAGEMENT CONST					32.5	0.5	80.0				112.5	0.5	112.5	0.5
PLANTWIDE HVAC UPGRADES					(50.0)						(50.0)		(50.0)	
ISLAND PHOTOVOLTAIC SYSTEM							(242.0)				(242.0)		(242.0)	
HVAC REHAB CONSTRUCTION					(150.0)						(150.0)		(150.0)	
STANDBY POWER - PHASE 2 - ENG									82.0		82.0		232.0	
STANDBY POWER - PHASE 2 - CONSTRUCTION							(1.0)		(2.0)		(3.0)		(16.0)	
SOURCE WATER PROTECTION - LAKE ONTARIO COLLABORATIVE					94.3		194.0				288.3		388.3	
PUMPING STATION REHAB - PHASE 2 - CONSTRUCTION	(51.4)										(51.4)		(51.4)	
WATER SUSTAINABILITY PROGRAM (STANDBY POWER - ELLESMERE)	(28.0)										(28.0)		(28.0)	
STANDBY POWER - ROSEHILL	(1.0)										(1.0)		(1.0)	
BASEMENT FLOODING RELIEF - GROUP 2			100.0								100.0		100.0	
SEWER REHABILITATION - CWD	113.8	2.0	168.1	1.0	53.3						335.3	3.0	335.3	3.0
WATERMAIN ASSET PLANNING	272.6	4.0	409.6	2.0	107.5						789.8	6.0	789.8	6.0
TRUNK SEWER REHABILITATION - 2019	71.3	1.0	105.4	1.0	53.3						230.0	2.0	230.0	2.0
SCADA UPGRADES FOR WWT	272.2	4.0	477.1	4.0	219.4						968.7	8.0	968.7	8.0
PCS UPGRADES 2017	216.7	3.0	160.5								377.2	3.0	377.2	3.0
Enterprise Systems Integration	81.8	1.0	58.4								140.2	1.0	140.2	1.0
FACILITY RENOVATION					72.0						72.0		72.0	
<b>Sub-Total: Previously Approved</b>	<b>983.7</b>	<b>15.5</b>	<b>2,293.5</b>	<b>11.0</b>	<b>1,043.1</b>	<b>0.5</b>	<b>1,531.0</b>		<b>80.0</b>		<b>5,931.4</b>	<b>27.0</b>	<b>7,868.4</b>	<b>27.0</b>
<b>New Projects - Future Years</b>														
UV DISINFECTION - CONSTRUCTION					32.5	0.5	645.0		215.0		892.5	0.5	892.5	0.5
LARGE DIAMETER CSP RENEWAL							100.0				100.0		100.0	
DCW - HRT	17.8	0.3	13.3								31.1	0.3	31.1	0.3
Don & Waterfront Trunk/CSO Construction - PHASE 2	17.8	0.3	13.3								31.1	0.3	31.1	0.3
<b>Sub-Total: New Projects - Future Years</b>	<b>35.7</b>	<b>0.5</b>	<b>26.6</b>		<b>32.5</b>	<b>0.5</b>	<b>745.0</b>		<b>215.0</b>		<b>1,054.8</b>	<b>1.0</b>	<b>1,054.8</b>	<b>1.0</b>
<b>Total (Net)</b>	<b>1,019.4</b>	<b>16.0</b>	<b>2,320.1</b>	<b>11.0</b>	<b>1,075.6</b>	<b>1.0</b>	<b>2,276.0</b>		<b>295.0</b>		<b>6,986.2</b>	<b>28.0</b>	<b>8,923.2</b>	<b>28.0</b>

**Previously Approved projects**

- Increase in operating costs for salaries, benefits, chemicals, energy, utilities and contracted services from previously approved projects at Ashbridges Bay and North Toronto Wastewater Treatment plants and Toronto Island Treatment Plant, including work arising from, Supervisory control and data acquisition (SCADA) and Process Control System upgrades, Watermain Asset Planning and Sewer Rehabilitation. In 2023, upgrades at the Ashbridges Bay Treatment Plant (waste activated sludge) will generate savings of \$0.620 million.

**New projects – Future Years**

- Increase in operating costs for salaries, benefits, chemicals, utilities and contracted services primarily for plant-wide implementation/construction of ultraviolet disinfection facilities.

# 2022 Program Summary

## Waterfront Revitalization Initiative

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Waterfront Secretariat leads the Toronto Waterfront Revitalization Initiative on behalf of the City of Toronto. Secretariat staff work with their Federal and Provincial partners and Waterfront Toronto, as well as other stakeholders such as Create TO, Toronto Regional Conservation Authority (TRCA) and Ports Toronto, to ensure that plans, agreements and approvals are in place to advance revitalization in the central waterfront.

The Secretariat's key functions include administering project funding, coordinating approvals, managing the City's review of infrastructure designs and minimizing risk exposure for the three governments. The Waterfront Secretariat is part of the City Planning Division.

### Why We Do It

The revitalization of Toronto's waterfront is the largest urban redevelopment project underway in North America; it is one of the world's largest waterfront revitalization efforts.

**Underused land in Toronto's waterfront is transformed or revitalized into vibrant and sustainable mixed use communities with parks, public realm and amenities for public use.**

New infrastructure, funded by three levels of government and delivered by Waterfront Toronto, will facilitate private sector investment. Waterfront revitalization projects will achieve a collective vision, facilitated by collaboration between Waterfront Toronto and City Divisions, as well as the three governments and their agencies; the City's efforts are coordinated by the Waterfront Secretariat

*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.*

Budget at a Glance

2022 OPERATING BUDGET				2022 - 2031 10-YEAR CAPITAL PLAN			
\$Million	2022	2023	2024	\$Million	2022	2023-2031	Total
Waterfront Revitalization Initiative is managed by the Waterfront Secretariat, which is a section within City Planning's Operating Budget.				Gross Expenditures	\$112.4	\$98.5	\$210.9
				Debt	\$4.9	\$11.2	\$16.1
				Note: Includes 2021 carry forward funding			

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Transformed the West Don Lands and East Bayfront into mixed-use communities, including 590 affordable housing units; a further 800 affordable housing units are under construction.
- Created notable waterfront parks, including Sugar Beach and Corktown Common.
- Funded the Union Station Second Platform to alleviate congestion and improve passenger safety.
- Completed the Garrison Crossing pedestrian and cycling bridge, as well as The Bentway.
- Coordinated a number of large and complex revitalization initiatives.

### Key Challenges and Risks

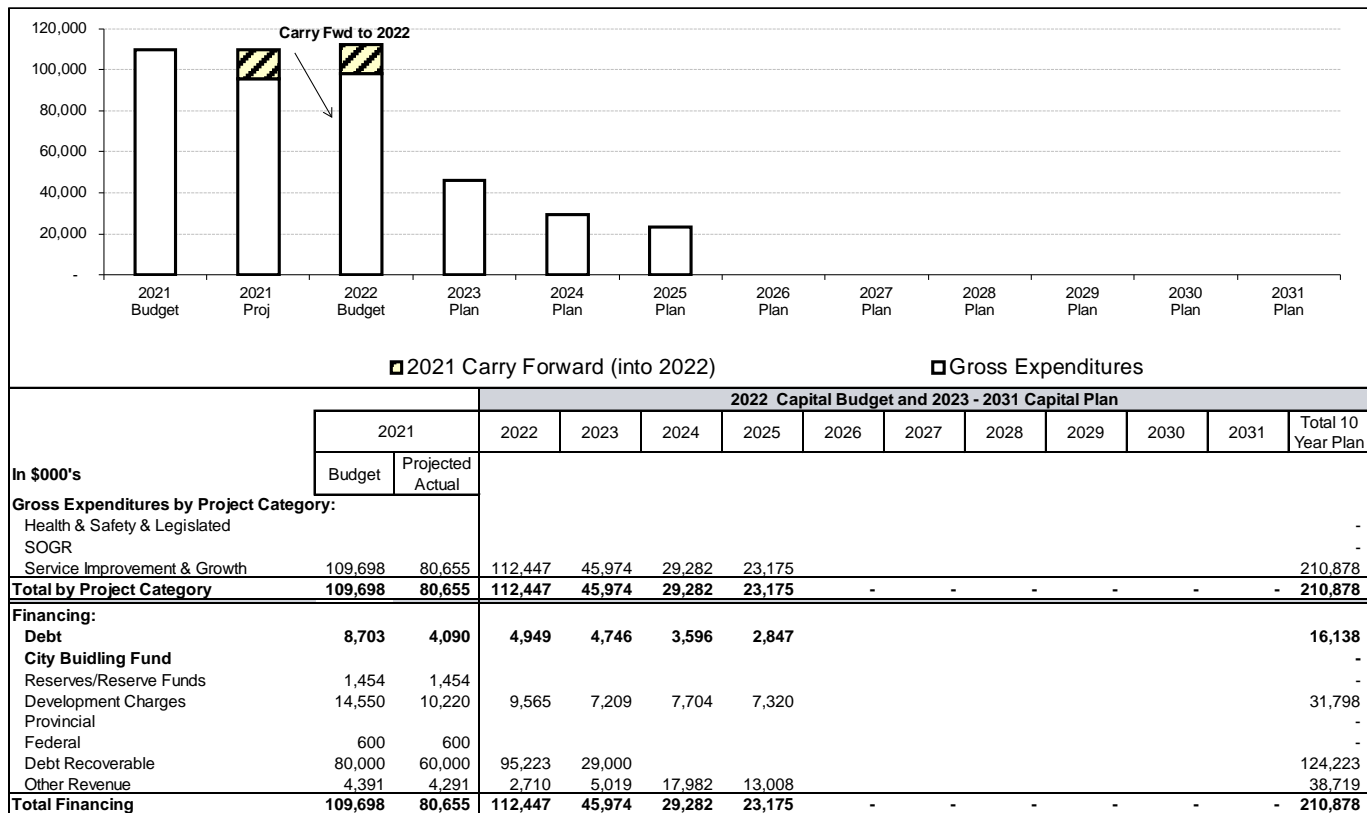
- Mitigating risks related to the implementation of Port Lands Flood Protection.
- Coordinating infrastructure projects in the Lower Don, to avoid constructor conflicts and cumulative user impacts.
- Advancing plans related to a further phase of waterfront revitalization. Undertaking public consultation and stakeholder engagement related to the development of renewed waterfront vision; discussing the opportunity of a further phase of waterfront revitalization with Provincial and Federal officials, as well as other Waterfront partners.
- Advancing revitalization in the Villiers Island precinct and the Port Lands.
- Business and implementation planning, including phasing, in relation to the build-out of future waterfront precincts.
- Securing additional funding for the waterfront transit network and other necessary infrastructure

### Priority Actions

- Mitigate risk related to Port Lands Flood Protection by working with the Federal and Provincial governments and Waterfront Toronto.
- Address the operating cost of capital related to the infrastructure that will be created through Port Lands Flood Protection.
- Advance discussions related to the next phase of waterfront revitalization.
- Undertake planning and related implementation studies related to the development of Villiers Island and the broader Port Lands.
- Coordinate the implementation of numerous capital projects in the vicinity of the Lower Don.
- Facilitate City input with respect to the Ontario Place redevelopment.
- Report to Council with an update on the proposed development of Quayside.
- Implement a child care and recreation centre in the East Bayfront community.
- Implement transportation and public realm projects in Bathurst Quay, working with Ports Toronto and other partners.
- Monitor Billy Bishop Toronto City Airport to ensure compliance with the Tripartite Agreement between the City, Ports Toronto, and Transport Canada.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**  
(\$'000)



### Changes to Existing Projects (\$-2.780 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- Regional Sports Centre \$-7.444M
- East Bayfront Environmental Reserve \$-3.610M
- Broadview Eastern Flood Protection \$0.600M
- Garrison Crossing Cycling and Pedestrian Bridge \$3.751M
- Lower Don Coordination \$0.800M

### New Projects (\$11.500 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:







- Next Phase of Waterfront Revitalization \$0.800M
- Leslie Street Lookout \$3.500M
- Fire Hall Conversion to Community Use Space \$3.000M
- Port Lands Planning and Implementation Studies \$2.700M
- Port Lands Park Planning and Design Development \$1.500M

### Capital Needs Constraints (\$2.957 Billion)


The 2022-2031 Capital Budget and Plan is based on Waterfront Secretariat's capacity to deliver. The following programs are not included in the 10-year plan:

- Port Lands Transportation Infrastructure \$1.309B
- Port Lands Stormwater Infrastructure \$570.885M
- Port Lands Community Infrastructure and Parks \$520.868M
- Port Lands Water Infrastructure \$105.975M
- Non Port Lands Infrastructure and Public Realm \$450.000M

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$210.9 Million 10-Year Gross Capital Program**

			
<b>Flood Protection</b>	<b>Parks Infrastructure</b>	<b>Other Infrastructure</b>	<b>Project Management</b>
<b>\$125.0M</b> <b>59%</b>	<b>\$62.5 M</b> <b>30%</b>	<b>\$15.4 M</b> <b>7%</b>	<b>\$8.0 M</b> <b>4%</b>
<ul style="list-style-type: none"> <li>• Port Lands Flood Protection </li> <li>• Broadview Eastern Flood Protection EA </li> </ul>	<ul style="list-style-type: none"> <li>• East Bayfront Community Centre</li> <li>• Leslie Street Lookout</li> <li>• Fire Hall Conversion to Community Use Space</li> <li>• East Bayfront (Bayside) Waters Edge Promenade</li> <li>• Bathurst Quay Public Realm</li> <li>• Garrison Crossing</li> <li>• Port Lands Park Planning and Design Development</li> <li>• Regional Sports Centre</li> </ul>	<ul style="list-style-type: none"> <li>• East Bayfront Public Art</li> <li>• East Bayfront Local Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Waterfront Secretariat</li> <li>• Urban Planning and Legal Resources</li> <li>• Lower Don Coordination</li> <li>• Next Phase of Waterfront Revitalization</li> <li>• Port Lands Planning and Implementation Studies</li> </ul>

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

<b>City of Toronto</b>	
<b>\$210.9 M</b> <b>100%</b>	
Debt	\$ 16.1M
Recoverable Debt	\$ 124.2M
Development Charges	\$ 31.8M
Other	\$ 38.8M

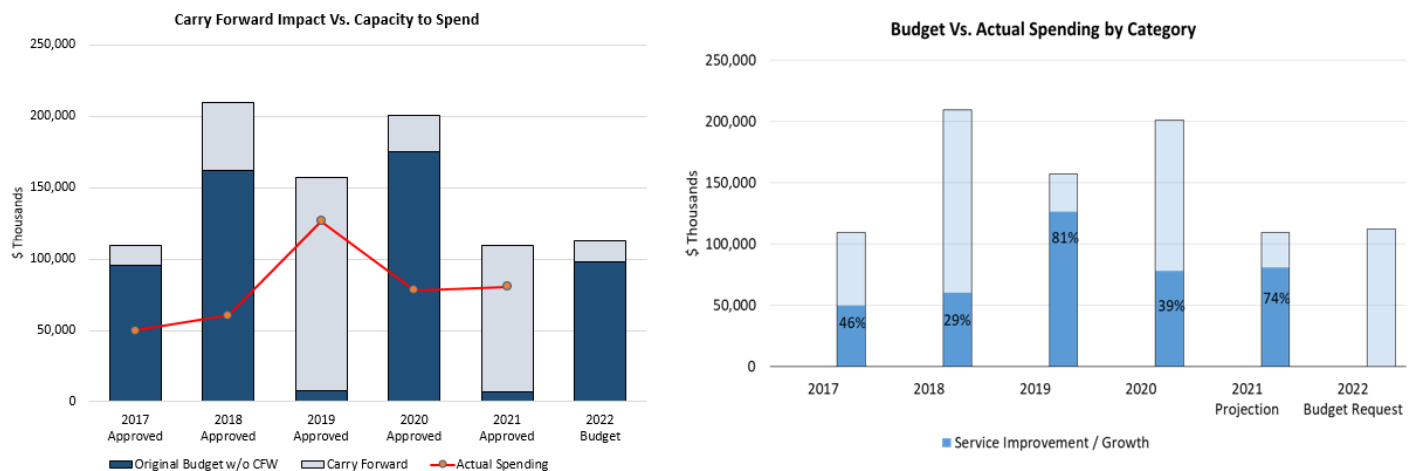


## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Waterfront Revitalization Initiative's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$14.369 million in capital spending originally cash flowed in 2021 has been deferred to 2022. Key adjustments to the Capital Plan are noted below:

- \$10.0 million in Port Lands Flood Protection funding has been deferred from 2021 to 2022. Spending has been deferred to reflect the pace of project spending and to mitigate the cash flow impact on the City's finances.
- \$3.140 million in Precinct Implementation Projects funding has been deferred from 2021 to 2022 as the timing of the construction of the East Bayfront Community Centre is still recovering from the delays incurred at the start due to Covid-19 impacts in 2020.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

The operating impact of the Port Lands Flood Protection project, scheduled for completion in 2024, will be developed in 2022. Staff of Parks, Forestry and Recreation, Financial Planning, the Toronto and Region Conservation Authority, Transportation Services, Toronto Water and the Waterfront Secretariat will undertake a comprehensive analysis of the operating impact of this significant capital project; the findings of this analysis will be reported by mid-2022. The project will lead to the creation of approximately 40 ha (100 acres) of parkland and natural area in the Lower Don and Port Lands, as well as new roads, bridges, and water/wastewater infrastructure.

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Internal Corporate  
Services*

# 2022 Program Summary

## 311 Toronto

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We provide the City of Toronto a one-window brand and customer service system that supports residents, businesses and visitors. 311 Toronto provides access to non-emergency City services, programs and information 24 hours a day, seven days a week. Information inquiries or requests are received via multiple channels such as phone, online, email, mobile phone applications and Twitter.

Front Line Service Delivery is supported by Project Management office, Information and Business Processing and Metric and Performance teams

### Why We Do It

Toronto residents, businesses and visitors have **a single point of access to real time, accurate and reliable information on City services anytime and anywhere.**

*The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.*

## What Service We Provide

### **311 Service Delivery**

**Who We Serve:**

Toronto residents, businesses and visitors

**What We Deliver:**

Information provision and service request creation regarding City services through various channels

**How Much Resources (gross 2022 operating budget): \$19.3 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

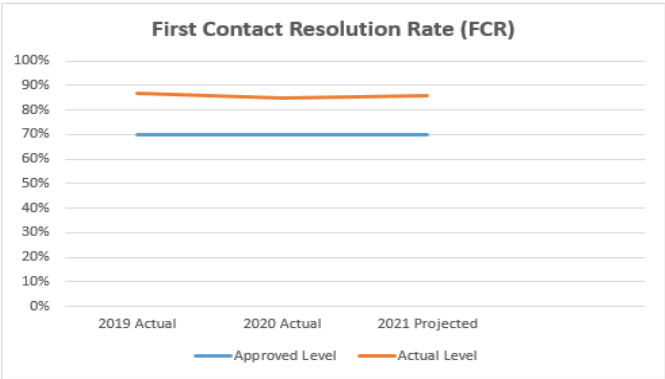
<u>\$ Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$8.6	\$8.2	\$8.2
Gross Expenditures	\$19.3	\$19.1	\$19.5
Net Expenditures	\$10.7	\$11.0	\$11.3
Approved Positions	178.0	178.0	178.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$ Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$0.8	\$1.2	\$2.0
Debt	\$0.8	\$1.2	\$2.0

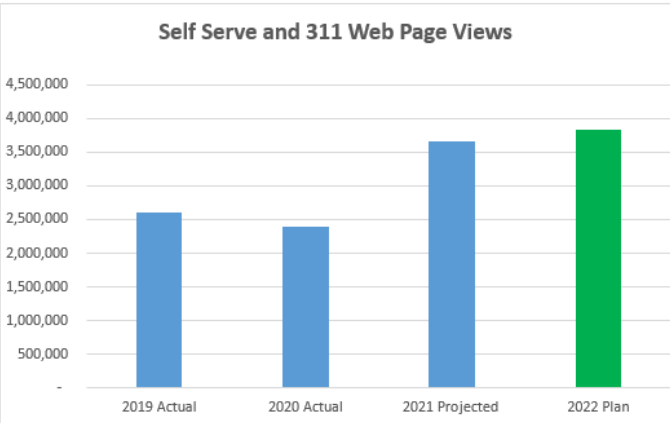
Note: Includes 2021 carry forward funding

How Well We Are Doing – Behind the Numbers



% of customer Contacts resolved at first point of Contact

First Contact Resolution Rate indicates 311's ability to resolve a customer issue, the first time they call 311. The purpose of this measure is to ensure that our customers do not have to call multiple times in order to resolve an issue.



This measure shows 311's ability at pushing customer transactions toward self-serve solutions with a focus on deflection to lower cost channels.

The web page (knowledge base/ search engine) views were disabled for 3 months in 2020 due to COVID-19 as information was being routed through City of Toronto's main web pages.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures							
311 Service Delivery	ASA - Average Speed of Answer (in seconds)	53	39	40	●	120	120
	Self Serve and 311 Web Page Views (in millions)	2.60	2.40	3.66	●	3.84	4.04
	% of customer contacts resolved at first point of contact	87%	85%	86%	●	70%	70%
	Number of Calls Handled (in millions)	1.12	1.25	1.27	●	1.30	1.32
Service Level Measures							
311 Service Delivery	% of calls that have been answered within approved service standards (75 seconds)	81%	82%	81%	●	80%	80%
	AHT - Average Handle Time (in seconds)	309	322	313	●	270	270

*Note: The online Knowledge Base View was disabled on March 22, 2020 and re-enabled on June 18, 2020*

**COVID-19 IMPACT AND RECOVERY****N/A****EXPERIENCES, CHALLENGES AND PRIORITIES****Our Experience and Success**

- 311 successfully launched the phase 2 implementation of the Electronic Customer Relation Management (ECRM) Salesforce platform on Oct 29, 2021.
- The service level target for 2021 is 80% of calls answered within 75 seconds. The year-to-date actual for 2021 was 81% of the calls answered within 75 seconds.
- The average speed of answering a call for 2021 is 40 seconds.
- The First Call Resolution target is 70%. The year-to-date actual for 2021 is 84%.
- 2021 projected actual total contacts handled is 1.4 million.

**Key Challenges and Risks**

- Expanding digital options as they relate to the upgraded ECRM Salesforce platform.
- Maintaining service levels as city growth, call volumes and complexities increase.
- Readiness for key partners to modernize and transform customer service processes including integrating City divisions into an automatic 311 Service request reporting process.

**Priority Actions**

- A new unified platform will deliver value at all levels and drive positive experiences for the city as well as its constituents. The City's new ECRM initiative will align and help drive enterprise initiatives and will be scalable and flexible in adapting to changing needs, and will prove easier and less costly to administer and maintain. Some benefits include:
  - Centralized data and knowledge to increase quality and effectiveness.
  - Meets the customer where they want to meet and improve experiences by providing omni channel engagement.
  - Increased efficiency by streamlining and/or automating many current processes.
  - Increased internal and external access to Knowledge, and drive self-service.
- Empowerment of staff – Ensure that staff have the tools and training to provide exceptional service:
  - Improved access to better content and better communication leads to improved customer satisfaction.
  - Improved Customer Service Representative (CSR) experience leads to better retention and higher job satisfaction.
  - Better integration leads to the possibility of greater automation, increasing responsiveness while reducing costs.
- "Closing the Loop" with customers to ensure improved customer service, satisfaction and trust:
  - Eliminate the need for citizens to follow-up by delivering responsive and proactive communication.
  - Provide confidence in communication and city responsiveness via milestone updates on all 550 service request types.
  - Enable more pro-active service notification and action, delighting customers.
  - Create a richer data environment for better decision making.
  - Improve the brand equity of 311 and the City of Toronto overall.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
311 Development	1,056.7	1,928.2	1,960.5	1,736.0		1,736.0	(224.5)	(11.5%)
311 Service Delivery	6,574.0	6,882.5	6,574.0	6,882.5		6,882.5	308.5	4.7%
311 Information & Business Processi								N/A
311 Performance Reporting								N/A
<b>Total Revenues</b>	<b>7,630.7</b>	<b>8,810.7</b>	<b>8,534.5</b>	<b>8,618.5</b>		<b>8,618.5</b>	<b>84.0</b>	<b>1.0%</b>
<b>Expenditures</b>								
311 Development	1,411.0	2,407.5	2,280.3	2,214.5		2,214.5	(65.8)	(2.9%)
311 Service Delivery	15,283.1	15,260.7	15,578.8	15,450.2		15,450.2	(128.5)	(0.8%)
311 Information & Business Processi	957.4	1,406.8	1,017.0	1,370.8		1,370.8	353.9	34.8%
311 Performance Reporting	172.1	250.8	163.6	244.4		244.4	80.9	49.4%
<b>Total Gross Expenditures</b>	<b>17,823.7</b>	<b>19,325.9</b>	<b>19,039.6</b>	<b>19,280.0</b>		<b>19,280.0</b>	<b>240.4</b>	<b>1.3%</b>
<b>Net Expenditures</b>	<b>10,193.0</b>	<b>10,515.2</b>	<b>10,505.1</b>	<b>10,661.5</b>		<b>10,661.5</b>	<b>156.4</b>	<b>1.5%</b>
<b>Approved Positions**</b>	<b>183.0</b>	<b>182.0</b>	<b>N/A</b>	<b>178.0</b>		<b>178.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$19.280 million gross reflecting an increase of \$0.240 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Additional support & maintenance cost of \$0.070 million for new Salesforce licenses.
- \$0.170 million for Salaries and Benefits adjustments.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** No additional requests to support new and enhanced services submitted.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in 311 Toronto's 2022 Operating Budget do not have any significant equity impacts.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for 311 Toronto of \$19.280 million gross is 1.3% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	1,555.9	1,056.7	1,928.2	1,960.5	1,736.0	(224.5)	(11.5%)
Contribution From Reserves/Reserve Funds	130.7		290.5		290.5	290.5	
Sundry and Other Revenues			18.0		18.0	18.0	
Inter-Divisional Recoveries	6,750.6	6,574.0	6,574.0	6,574.0	6,574.0		
<b>Total Revenues</b>	<b>8,437.3</b>	<b>7,630.7</b>	<b>8,810.7</b>	<b>8,534.5</b>	<b>8,618.5</b>	<b>84.0</b>	<b>1.0%</b>
Salaries and Benefits	17,505.8	16,946.3	18,068.3	18,310.5	17,952.4	(358.1)	(2.0%)
Materials & Supplies	16.9	10.4	12.4	12.4	12.4		
Equipment	37.5	26.8	65.3	17.0	55.8	38.8	228.2%
Service and Rent	781.2	811.4	1,179.9	699.7	1,259.4	559.7	80.0%
Contribution To Reserves/Reserve Funds	28.7	28.7					
Inter-Divisional Charges	190.6						
<b>Total Gross Expenditures</b>	<b>18,560.7</b>	<b>17,823.7</b>	<b>19,325.9</b>	<b>19,039.6</b>	<b>19,280.0</b>	<b>240.4</b>	<b>1.3%</b>
<b>Net Expenditures</b>	<b>10,123.4</b>	<b>10,193.0</b>	<b>10,515.2</b>	<b>10,505.1</b>	<b>10,661.5</b>	<b>156.4</b>	<b>1.5%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- Salaries and benefits increases due to increases outlined in collective agreements offset by the reduction of 4 vacant positions in the Project Management Office.

**Services and Rents:**

- Additional support & maintenance costs of \$0.070 million for new Salesforce licenses.
- Completion of training and re-opening of the tax/utility line that remained closed in 2021 due to operational demands during COVID-19.

**Revenue Changes:**

- Recovery from Capital projects in 2022 is lower compared to projected 2021 spending due to streamlining in the Project Management Office starting in 2022.
- Since Tax & Utilities training did not take place in 2021 due to COVID-19, there was no recovery from the Reserve Fund in 2021. The recovery will take place in 2022 as training will be completed.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	8,534.5	8,618.5	8,190.2	8,201.8
Gross Expenditures	19,039.6	19,280.0	19,118.6	19,452.0
<b>Net Expenditures</b>	<b>10,505.1</b>	<b>10,661.5</b>	<b>10,928.4</b>	<b>11,250.1</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>178.0</b>	<b>178.0</b>	<b>178.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$19.280 million reflects an anticipated \$0.161 million or 0.84 per cent decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects an increase of \$0.333 million or 1.74 per cent above 2023 gross expenditures.

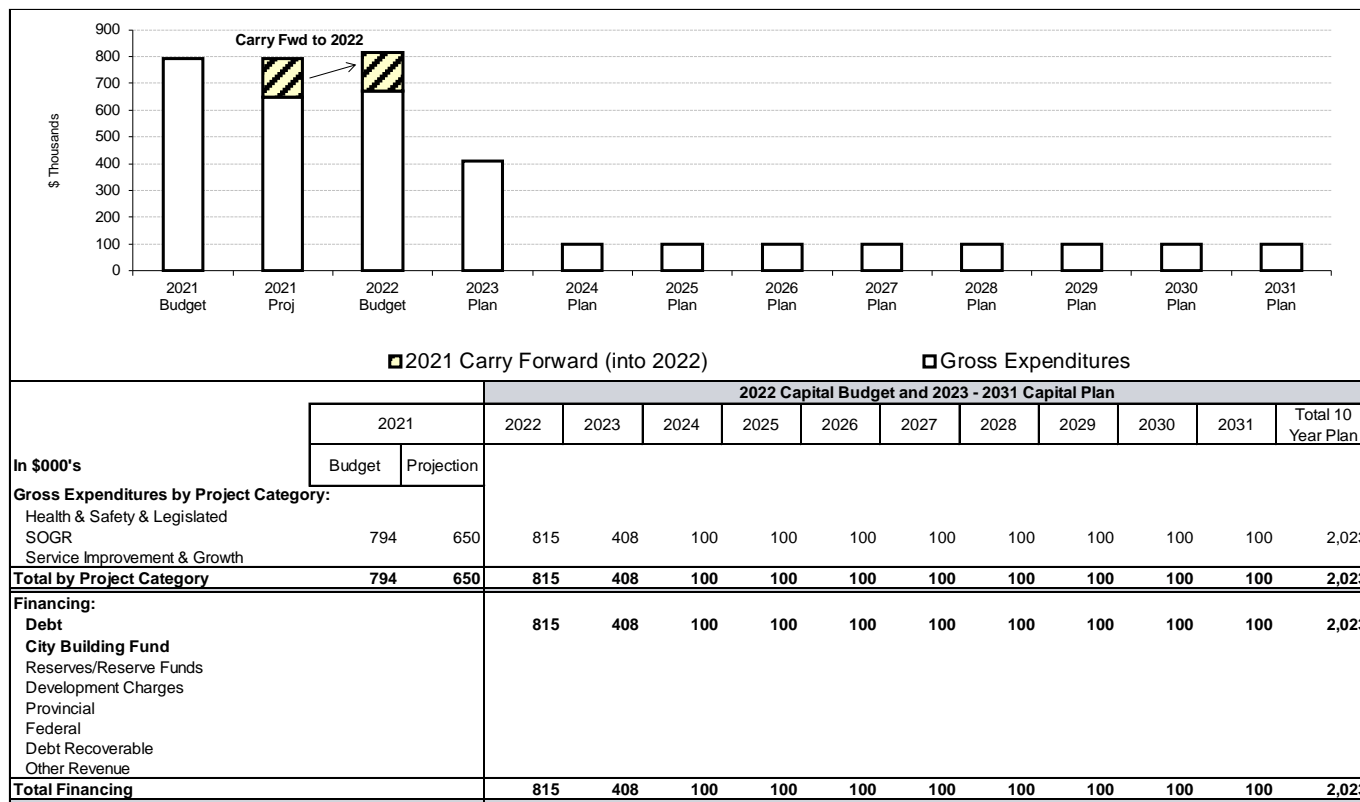
These changes arise from the following:

- The Tax & Utilities line training budget (\$0.291 million) with corresponding recovery from Tax Stabilization Reserve is no longer required in 2023 and 2024.
- The net budget changes in 2023 and 2024 mainly relate to payroll cost pressures.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**

(\$'000)




### Changes to Existing Projects

(\$0.445 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$0.445 million – Increase in SOGR projects related to for the telephony system, software upgrades and reporting

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$2.023 Million 10-Year Gross Capital Program**


<b>Aging Infrastructure/ SOG</b>
\$2.023 M 100%
Technology Maintenance and Upgrade

**How the Capital Program is Funded**

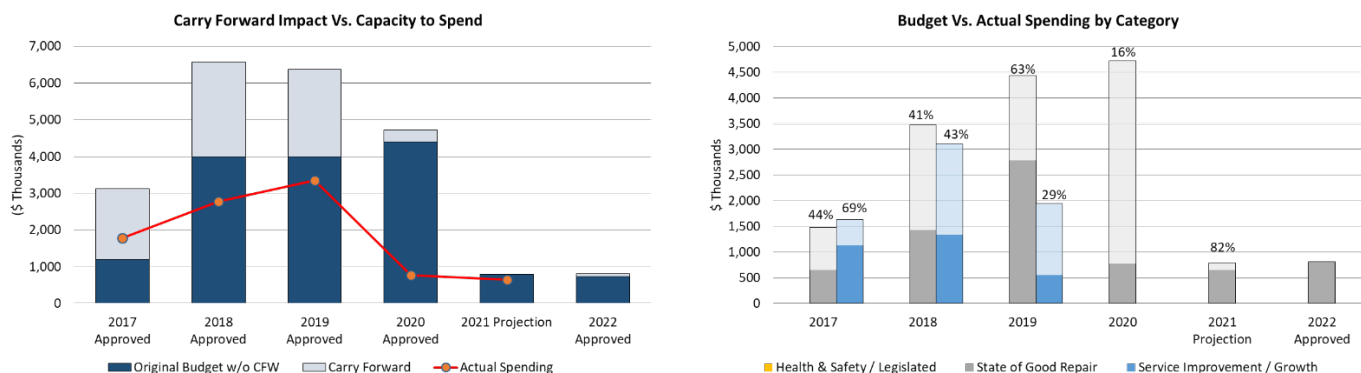
<b>City of Toronto</b>	
<b>\$2.023 M 100%</b>	
Debt	\$ 2.023 M

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with 311 Toronto's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2020 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$0.308 million in capital spending originally cash flowed in 2022 has been deferred to 2023.

# 2022 Program Summary

## Corporate Real Estate Management

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### Description

Corporate Real Estate Management (CREM) division is responsible for the operational day-to-day stewardship and planning of the City's real estate assets.

CREM has lead responsibility for life cycle asset management and improvements at 485 City-owned facilities with an approximate replacement value of \$5.2 billion, covering more than 12.4 million square feet. Approximately 20% of the City-wide portfolio of facilities are under direct capital management of CREM with project management and operational support services being provided across the City portfolio.

### Why We Do It

Corporate Real Estate Management works collaboratively and responsibly with our clients to advance City-wide priorities to ensure:

- City staff and the public have access to **safe, clean and operational** City facilities.
- City facilities are economically and environmentally sustainable.
  - Economic sustainability includes **maximizing value from City facilities** while environmental sustainability includes **meeting the TransformTO GHG emissions target of net zero by 2040**

*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

### Facilities Management

**Who We Serve:** Staff in City Divisions, Agencies, Boards and Commissions, residential and commercial tenants, and community groups.

**What We Deliver:** Life cycle asset management, custodial, energy management, project management and security services.

**How Much Resources (gross 2022 operating budget): \$175.2 million**

### Real Estate

**Who We Serve:** Staff in City Divisions, Agencies, Boards and Commissions, residential and commercial tenants, and community groups.

**What We Deliver:** Portfolio and property management, leasing administration, acquisitions and disposals, and appraisal services.

**How Much Resources (gross 2022 operating budget): \$34.1 million**

## Budget at a Glance

### 2022 OPERATING BUDGET

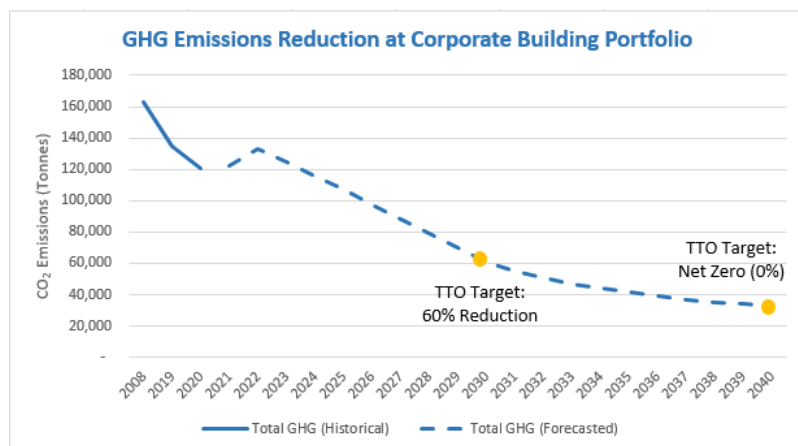
\$Million	2022	2023	2024
Revenues	\$96.8	\$86.8	\$86.8
Gross Expenditures	\$209.3	\$204.1	\$205.6
Net Expenditures	\$112.5	\$117.3	\$118.8
Approved Positions	1,042.4	1,042.4	1,042.4

### 2022 - 2031 10-YEAR CAPITAL PLAN

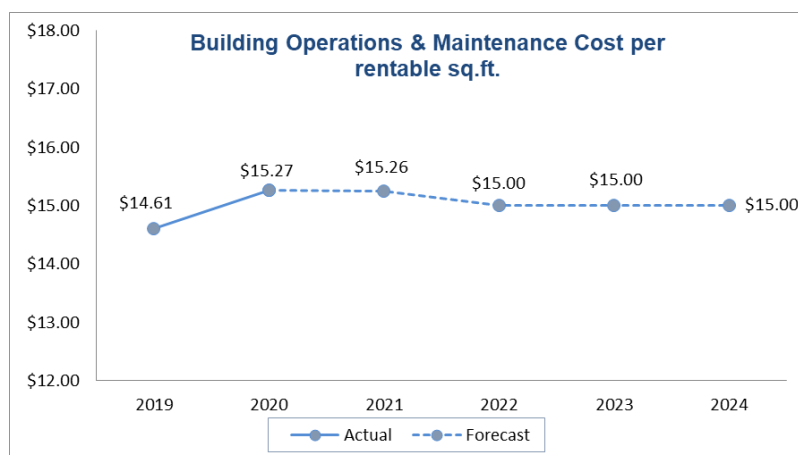
\$Million	2022	2023-2031	Total
Gross Expenditures	\$284.3	\$1,396.4	\$1,680.7
Debt	\$192.5	\$678.0	\$870.4

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers

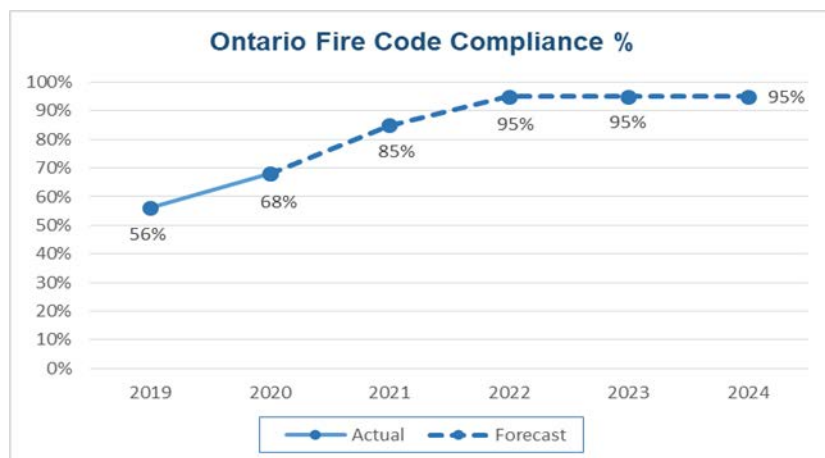


- This shows the actual and forecasted Greenhouse Gas Emissions (GHG) at the City's corporate buildings in support of TransformTO goals of a 60% reduction by 2030 and net zero by 2040.
- The predicted increase in emissions in 2022 is due to the planned transition from work-from-home arrangements to in-office work along with the increased demand on HVAC systems for new air flow requirements.
- By 2040, net-zero emissions will be achieved by offsetting any remaining building emissions through the purchase of carbon offsets or by working with regulators to allow long-term Power Purchase Agreements (PPAs) for off-set zero carbon energy.
- CREM has developed a Net Zero Carbon Plan which includes objectives to reduce GHG emissions, drive efficient energy usage, and improve administration of the City's utilities portfolio. The implementation of this plan in the coming years will result in further reductions in GHG emissions, supporting the City's net zero targets.

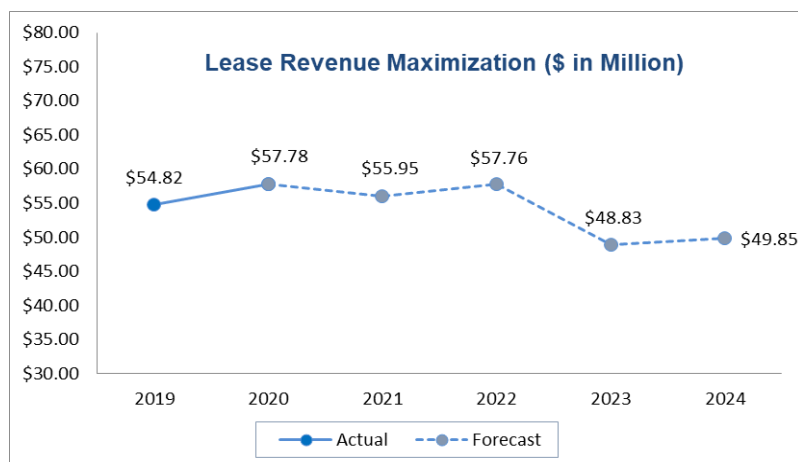


- Cost per rentable square foot (sq. ft). includes custodial, building maintenance & repairs, security, and utilities costs.
- Average cost per square foot across Canadian municipalities is \$14-\$16.
- In the short term, improvements being made in service delivery and modernizing and enhancing contracted services to align to industry standards (i.e. moving from reactive to preventative maintenance) could result in cost increases. However, there will be expected savings through improved asset management, less failure, in the future years.
- Cost increases due to industry aligned service delivery and inflationary pressures are being mitigated through streamlined, standardized, and consistent service delivery, as well as overall improvements in the procurement and management of contract services.





- The Fire and Life Safety Program Office continues to make substantial progress toward bringing the City of Toronto into compliance with the Ontario Fire Code to meet an industry leading standard of 95%.
- An organizational structure has been established with three main objectives - Operational Compliance with the Ontario Fire Code; Corporate Training and Development; and Contract Management and Quality Assurance.
- In support of a higher compliance rate, the Program Office has issued a new RFP which standardizes services city-wide, on-boarded a new training team for the development of a city-wide training program, and the implementation of monthly inspections to the new internal technicians.



- Impact of COVID-19 pandemic on leasing revenues, including Union Station, are expected to improve in 2022.
- Leasing revenues expected to rise due to opening of additional retail space at Union Station, increased rents at St. Lawrence Market and inflationary increases in the general leasing portfolio.
- CREM continues to establish and build out its property management functions and will focus on keeping leases up-to-date and at market rates which will ensure the City receives optimal value from its lease portfolio.
- Loss of revenue expected in 2023 due to Provincial Courts vacating Old City Hall. CREM is working with CreateTO and other City Divisions to explore uses and other leasing opportunities for the vacated space.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Real Estate	Lease revenue maximization (\$ Millions)	\$54.82	\$57.78	\$57.15	\$55.95	●	\$57.76	\$48.81
Facilities Management	% of demand maintenance work orders completed within standards	82.7%	83.9%	85.0%	87.8%	●	85.0%	85.0%
Facilities Management	GHG emissions at corporate buildings portfolio (Tonnes)	134,418	120,668	122,000	122,000	●	133,190	124,394
Service Level Measures								
Facilities Management	% of preventative maintenance work orders completed on schedule	90.9%	92.9%	90.0%	88.1%	●	90.0%	90.0%
Facilities Management	% of completed construction projects meeting cost, schedule and scope defined within project charters	99.6%	98.4%	95.0%	98.8%	●	95.0%	95.0%
Real Estate	% of acquisition price to appraised value	100.0%	99.6%	100.0%	100.0%	●	100.0%	100.0%

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Other Measures								
Facilities Management	Building operations & maintenance cost per rentable sq. ft	\$14.61	\$15.27	\$14.79	\$15.26	●	\$15.00	\$15.00
Facilities Management	Annual completion rate (%) of State of Good Repair (SOGR) capital projects	54.2%	77.4%	80.0%	74.1%	●	80.0%	80.0%

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- Losses in leasing revenue from Toronto Parking Authority and Union Station experienced in 2021 are expected to improve in 2022 as commuter traffic increases upon return to office.
- Additional expenditures are expected to continue into 2022 to address enhanced cleaning aligned with Occupational Health & Safety guidance and other operational requirements.

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#### Service Level Changes

- It is expected that heightened service levels related to cleaning will continue in 2022 at critical City facilities to ensure business continuity.
  - Increased service levels are also expected to ensure safety upon the reopening and re-entry of staff and the public to City facilities through the City's restart and recovery efforts.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Received Council Approval of the Net Zero Carbon Plan which provides a roadmap to achieve net zero emissions in City buildings in support of TransformTO goals
- In collaboration with CreateTO, continued implementation of the ModernTO Workplace Modernization Program, which will unlock an estimated \$450 million in land value that can be leveraged for City building purposes while reducing the City office floor area by 1 million square feet and generating approximately \$26 million in annual operating cost savings.
- Provided strategic planning and execution of the City's Return-to-Office Program for a safe transition back into the office across the organization
- Generated over \$56 million in annual leasing revenue across the City's rental portfolio
- Completed over 90,000 work orders at buildings across the City to ensure these facilities remain operational, safe and secure for City staff and the public.
- Addressed critical State of Good Repair (SOGR) needs across a portfolio of 485 City-owned properties by completing 86 projects and over \$38 million in capital work.
- Continued progress on major strategic capital projects including completion of the Union Station Revitalization and continued progress on the St. Lawrence Market North Redevelopment.
- Implemented strategic plan to comply with Provincial legislation for the Accessibility for Ontarians with Disabilities Act (AODA) at City facilities by the end of 2024 with 78 buildings in the construction phase and 51 buildings in the design phase.

### Key Challenges and Risks

- **COVID-19** – Balancing COVID-19 response and recovery priorities and impacts with core legislative, health and safety and strategic priorities above.
- **Planning for Growth** – Organizational readiness and access to tools and technology to provide scalable, integrated and centralized facilities and real estate services across the City, as mandated by City Council as part of the City-Wide Real Estate initiative.
- **Aging Assets** – Aging facilities requiring an innovative and strategic approach to managing the City's building portfolio while prioritizing initiatives aimed at reducing GHG emissions in support of TransformTO goals and objectives.
- **Global supply chain issues** – Throughout the pandemic, supply chain issues have had an economic impact in a variety of areas, and relevant impacts have been significant cost escalations for construction materials and the delivery of such materials. This has impacted the ability to execute on SOGR and major projects both inflight and upcoming in the capital plan.
- **Financial Sustainability** – Financing, executing, and sustaining major revitalization initiatives City facilities, including Union Station, St. Lawrence Market, Old City Hall and various Civic Centres as part of the ModernTO Workplace Modernization Program and managing growing cost pressures related to maintenance and operations of City facilities

### Priority Actions

- **COVID-19 Response, Restart and Recovery** – Ensure business continuity of critical services in support of response efforts while supporting the City's restart plans and the safe reopening of City facilities to staff and the public.
- **Centralization of Real Estate and Facilities Management Functions** – Centralize stewardship and planning of the City's real estate assets, budgets and services, as well as modernizing and standardizing service delivery. This will align to industry best practices to achieve operational excellence and support financial sustainability, through the City-Wide Real Estate strategy.
- **Workplace Modernization Program** – Move forward on office optimization, workplace strategy, customer experience and digital transformation plans by planning for the transition to and enablement of a mobile workforce, maximizing self-serve options and providing consistent customer service experiences to residents.
- **Net Zero Carbon Plan** – Begin the implementation of the Net Zero Carbon Plan for City buildings, with integration of net zero guidelines for City assets to be included into the 2023 capital planning process to begin moving forward to achieve the Council-adopted net zero emissions targets for the City's building portfolio.

- **Customer Experience** – Develop a centralized customer service operating model focused on accelerating digital capabilities, enhance service accessibility/equity, and establish a single and consistent City service experience across all channels (online, phone, in-person) that is adaptable to changing public needs.
  - **City Building Initiatives** – Continue to support key City-wide priorities such as transit expansion, and housing initiatives including leading projects related to the Rapid Housing Initiative, module housing and developments for affordable housing.
-

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Facilities Management	21,820.8	27,327.9	24,829.8	28,699.3		28,699.3	3,869.4	15.6%
Real Estate Services	64,408.2	67,458.5	65,662.6	68,104.9		68,104.9	2,442.3	3.7%
<b>Total Revenues</b>	<b>86,229.1</b>	<b>94,786.4</b>	<b>90,492.5</b>	<b>96,804.2</b>		<b>96,804.2</b>	<b>6,311.7</b>	<b>7.0%</b>
<b>Expenditures</b>								
Facilities Management	160,764.0	165,310.4	160,717.8	175,200.8		175,200.8	14,483.0	9.0%
Real Estate Services	32,681.9	33,363.6	33,578.6	33,390.7	663.5	34,054.2	475.5	1.4%
<b>Total Gross Expenditures</b>	<b>193,445.9</b>	<b>198,674.0</b>	<b>194,296.4</b>	<b>208,591.4</b>	<b>663.5</b>	<b>209,254.9</b>	<b>14,958.5</b>	<b>7.7%</b>
<b>Net Expenditures</b>	<b>107,216.8</b>	<b>103,887.5</b>	<b>103,803.9</b>	<b>111,787.3</b>	<b>663.5</b>	<b>112,450.8</b>	<b>8,646.8</b>	<b>8.3%</b>
<b>Approved Positions**</b>	<b>1,033.4</b>	<b>1,042.4</b>	<b>N/A</b>	<b>1,042.4</b>	<b>0.0</b>	<b>1,042.4</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$208.591 million gross reflecting an increase of \$14.295 million in spending above 2021 projected year-end actuals, predominantly arising from:

- The increase in salaries and benefits budget due to inflationary impacts and to align with staffing plans.
- Inflationary impacts on utilities as the City transitions to using Renewable Natural Gas.
- Ongoing COVID-19 impacts with respect to enhanced cleaning and disinfection services at City facilities, as well as security services at City parks. An additional contributor to the year over year budget increase are inflationary and contractual increases for custodial, maintenance and security service providers.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$105.055 million in net expenditures reflects a \$1.524 million net increase from the 2021 Council approved Budget, when excluding \$6.732 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.664 million gross, enabling:

- A safe and efficient transition as City staff return to the office environment in 2022, and
- Program and change management activities, the development of staff training, and ensuring that facilities are compliant with Occupational Health and Safety guidelines.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Corporate Real Estate Management's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Corporate Real Estate Management of \$209.255 million gross is 7.7% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Federal Subsidies			395.2	142.5	310.1	167.6	117.7%
User Fees & Donations (Incl. Leasing Revenues)	51,243.3	55,211.9	50,589.9	49,268.4	50,063.1	794.7	1.6%
Transfers From Capital	12,538.7	8,628.0	14,821.6	10,349.1	15,421.3	5,072.2	49.0%
Contribution From Reserves/Reserve Funds	2,295.3	108.5	703.5	334.5	1,249.1	914.6	273.4%
Sundry and Other Revenues	10,983.9	8,457.1	15,740.5	17,827.7	17,090.3	(737.5)	(4.1%)
Inter-Divisional Recoveries	54,789.2	13,823.6	12,535.8	12,570.2	12,670.4	100.1	0.8%
<b>Total Revenues</b>	<b>131,850.5</b>	<b>86,229.1</b>	<b>94,786.4</b>	<b>90,492.5</b>	<b>96,804.2</b>	<b>6,311.7</b>	<b>7.0%</b>
Salaries and Benefits	87,067.3	92,178.8	98,379.3	92,774.1	102,836.8	10,062.7	10.8%
Materials & Supplies	33,836.4	30,115.6	34,456.3	31,407.5	35,675.7	4,268.2	13.6%
Equipment	435.9	697.1	487.2	866.9	520.1	(346.8)	(40.0%)
Service and Rent	59,129.6	62,583.3	61,432.2	60,035.8	67,039.9	7,004.1	11.7%
Contribution To Reserves/Reserve Funds	3,277.8	3,705.4	627.0	3,655.4	689.5	(2,965.9)	(81.1%)
Other Expenditures	1,802.7	4,093.2	3,184.2	4,896.9	2,380.6	(2,516.3)	(51.4%)
Inter-Divisional Charges	4,940.8	72.5	107.6	659.8	112.3	(547.5)	(83.0%)
<b>Total Gross Expenditures</b>	<b>190,490.4</b>	<b>193,445.9</b>	<b>198,674.0</b>	<b>194,296.4</b>	<b>209,254.9</b>	<b>14,958.5</b>	<b>7.7%</b>
<b>Net Expenditures</b>	<b>58,639.9</b>	<b>107,216.8</b>	<b>103,887.5</b>	<b>103,803.9</b>	<b>112,450.8</b>	<b>8,646.8</b>	<b>8.3%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- The increase against the 2021 projection reflects inflationary increases outlined in collective agreements for staffed positions as well as anticipated staffing plans for 2022 as the Division expects to increase staffing levels from what they have been through the COVID-19 pandemic.

**Materials and Supplies:**

- Includes inflationary increases on utilities primarily driven by price increases across all utilities and the implementation of renewable natural gas in support of TransformTO goals.

**Service and Rents:**

- The increase is partially driven by inflationary increases on externally contracted services and incremental enhanced COVID-19 cleaning and security requirements. Additional drivers include an organization alignment to meet the evolving operating demands under the centralized real estate model as well as the operating costs of a property transferred to CREM from the TTC.

**Revenue Changes:**

- The increase is as a result of inflationary increases to user fee rates, COVID-19 recovery and the alignment of leasing revenue with historical levels.



Table 2b: 2021 New / Enhanced

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
1    Return to Office		663.5	663.5		(663.5)	None	No	Recovering from the COVID-19 pandemic and returning staff to office work environment
Total New / Enhanced		663.5	663.5		(663.5)			

The 2022 Operating Budget includes \$0.664 million in investments to support priority actions as detailed in the table above.

- As City staff return to the office environment in 2022, additional funding is required to ensure a safe and efficient transition.
- Staffing resources will support program and change management activities, the development of staff training, and ensure facilities are compliant with Occupational Health and Safety guidelines.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	90,492.5	96,804.2	86,786.6	86,786.6
Gross Expenditures	194,296.4	209,254.9	204,111.5	205,574.0
<b>Net Expenditures</b>	<b>103,803.9</b>	<b>112,450.8</b>	<b>117,324.9</b>	<b>118,787.4</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>1,042.4</b>	<b>1,042.4</b>	<b>1,042.4</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$203.685 million reflects an anticipated \$5.143 million or 2.46 per cent decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects an increase of \$1.462 million or 0.72 per cent above 2023 gross expenditures.

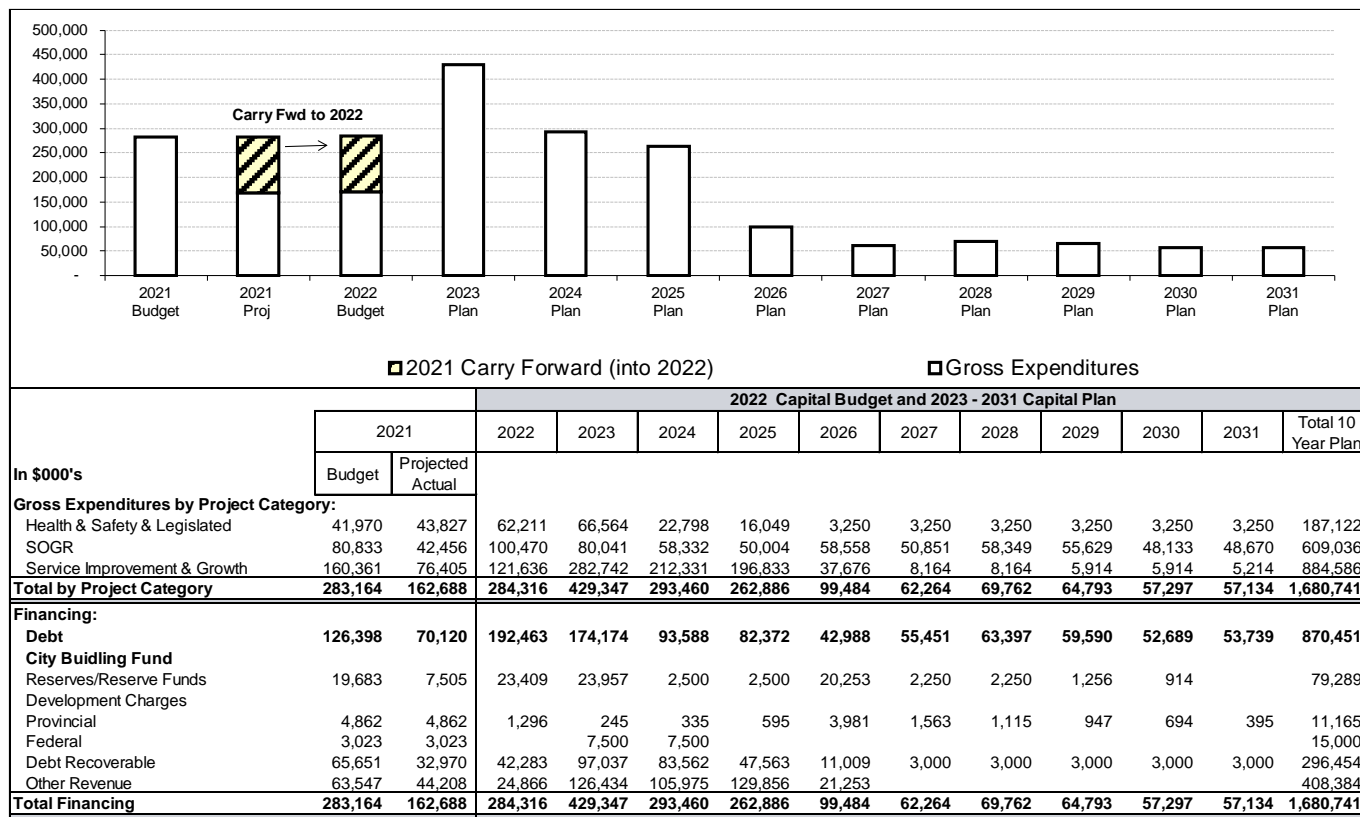
These changes arise from the following:

- **New & Enhanced**  
2022 New & Enhanced request related to Return to Office requirements is expected to only impact the 2022 budget. The 2023 and 2024 budgets eliminate these one-time funding requirements.
- **COVID-19 Impacts**  
2022 includes COVID-19 expenditures related to enhanced cleaning and security services which are not expected to continue in 2023 and 2024.
- **Salaries and Benefits**  
COLA and step increases for unionized staff
- **Inflationary Impacts**  
Inflationary increases on utilities, external contracts and property taxes.
- **Revenue Changes**  
Reduction in leasing revenues from Old City Hall with the Provincial Courts vacating the space it currently occupies by early 2023.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW















### Chart 1: 10-Year Capital Plan Overview

(\$'000)



<b>Changes to Existing Projects</b> (\$22.4 Million)	<b>New Projects</b> (\$502.5 Million)	<b>Capital Needs Constraints</b> (\$1,309.2 Million)
<ul style="list-style-type: none"> <li>• \$14.9M increase for building enhancements at the 1050 Ellesmere Fleet Garage related to material cost escalations due to current market conditions and additional safety requirements onsite to allow construction to proceed safely and efficiently</li> <li>• \$2.1M increase for relocation of Fire Station 332 to 55 John Street to unlock and redevelop 260 Adelaide for City building benefits incl. affordable housing</li> <li>• \$3.9M net increase primarily in core State of Good Repair (SOGR) such as elevator modernization and sitework projects in alignment to capital priorities and capacity to spend</li> <li>• \$1.5M increase for service improvements such as management reporting initiatives and due diligence requirements for strategic acquisitions</li> </ul>	<ul style="list-style-type: none"> <li>• \$396.5M in new funding for the construction phase of the New Etobicoke Civic Centre</li> <li>• \$44.4M to address new SOGR requirements at City facilities, incl. mechanical &amp; electrical and structural/building envelope work</li> <li>• \$32.0M for revitalization of the Wellington Destructor for adaptive reuse &amp; redevelopment</li> <li>• \$20.8M to achieve TransformTO net-zero goals &amp; climate resiliency: <ul style="list-style-type: none"> <li>✓ Net Zero Carbon Plan Program to transition City buildings to be net zero emissions buildings through comprehensive energy retrofits</li> <li>✓ Building automation systems;</li> <li>✓ Energy Conservation &amp; Demand Mgmt.</li> </ul> </li> <li>• \$7.3M to address compliance with legislated requirements under the Fire &amp; Life Safety programs as well as City-wide enhancements to keep facilities efficient, safe and secure</li> <li>• \$1.5M for strategic feasibility studies</li> </ul>	<ul style="list-style-type: none"> <li>• \$1,104.7M to address backlog SOGR requirements identified from building condition audits at City facilities over the next 10 years</li> <li>• \$190.4M for the redevelopment of Old City Hall, as future uses continue to be evaluated</li> <li>• \$10.6M for the re-design of the lower level of St. Lawrence Market South</li> <li>• \$3.4M for Booth Yards site development</li> </ul>

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$1.681 Billion 10-Year Gross Capital Program**

		
<b>Aging Infrastructure/SOGR</b>	<b>Service Improvement, Enhancement and Growth</b>	<b>Health and Safety &amp; Legislated</b>
\$609M 36%	\$885M 53%	\$187M 11%
<ul style="list-style-type: none"> <li>• Accessibility for Ontarians with Disabilities Act (AODA)</li> <li>• Structural/Building Envelope </li> <li>• Mechanical/ Electrical </li> <li>• Emergency Capital Repairs</li> <li>• Renovations</li> <li>• Sitework</li> <li>• Union Station SOGR</li> </ul>	<ul style="list-style-type: none"> <li>• St. Lawrence Market North </li> <li>• New Etobicoke CC </li> <li>• Old City Hall</li> <li>• ModernTO Workplace Modernization Program </li> <li>• Wellington Destructor </li> <li>• Relocation of Fire Hall 332 to 55 John</li> <li>• Property Acquisition for Strategic City Building</li> </ul>	<ul style="list-style-type: none"> <li>• Preventative Maintenance</li> <li>• Management Reporting Initiative</li> <li>• Building Automation System </li> <li>• City-wide Physical Security Enhancements</li> <li>• Net Zero Carbon Plan Program </li> <li>• Energy Conservation &amp; Demand Management </li> <li>• Energy Audits </li> <li>• Electrical Resiliency </li> <li>• Customer Experience</li> </ul>

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

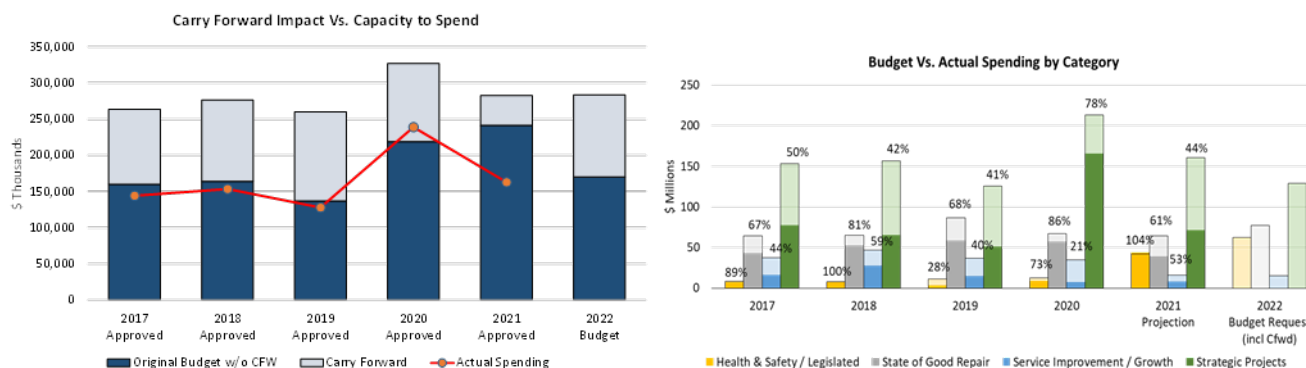
<b>City of Toronto</b>		<b>Provincial Funding</b>		<b>Federal Funding</b>	
<b>\$1,654 M</b> <b>98%</b>		<b>\$11 M</b> <b>1%</b>		<b>\$15 M</b> <b>1%</b>	
Debt	\$ 870 M	Other	\$ 11 M	Other	\$ 15 M
Recoverable Debt	\$ 297 M				
Reserve / Reserve Fund	\$ 79 M				
Other	\$ 408 M				

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed in consideration of historical annual spending. A review was undertaken to ensure budgets align with Corporate Real Estate Management's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**

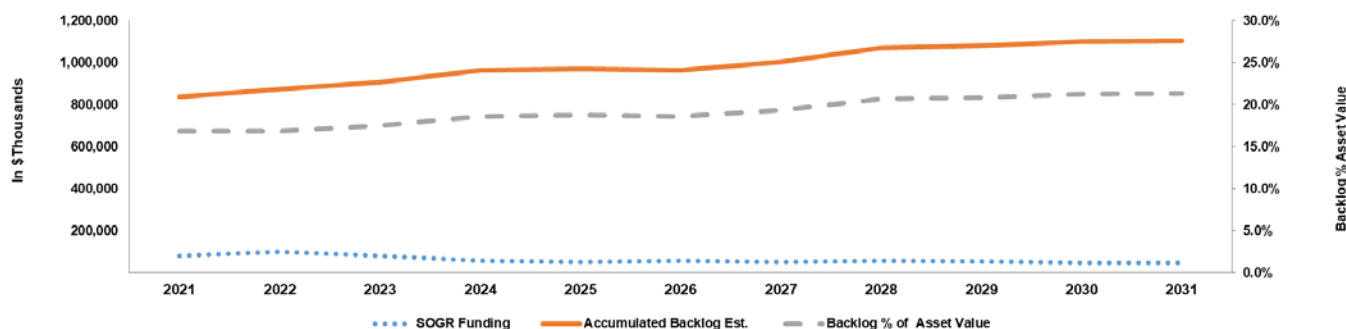


### Capacity to Spend Review Impact on the 10-Year Plan

- The 2022 budget is \$121.6 million greater than the 2021 projected spending.
- The Division will be able to deliver on this increase predominantly due to the large strategic and legislated projects with dedicated project teams that make up a significant portion of the 2022 capital budget.
- In a number of cases, contracts have been awarded for design and construction already, allowing for increased project delivery in 2022. These include: *Redevelopment of St. Lawrence Market North*, the *ModernTO Workplace Modernization Program*, new *Etobicoke Civic Centre design*, *1050 Ellesmere Building Enhancement*, and rollout of the *Accessibility for Ontarians with Disabilities Act (AODA)* and *Fire & Life Safety* programs.
- Core State of Good Repair (SOGR) Program spending has been increasing every year since 2017, from \$43M to \$58M in 2020. While the COVID-19 pandemic resulted in project delays and lower spending in 2021, the Capital Program is well positioned to regain higher spending in 2022.
- The Division will continue to manage and monitor cost escalations and supply chain issues impacting the construction industry in 2022 and beyond. Adjustments to the capital plan will be made in response to this, to ensure capital funding is utilized in the most efficient and effective manner to address priorities and SOGR needs in City facilities.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

Corporate Real Estate Management (CREM) is responsible for capital improvements and repairs at more than 485 facilities, covering over 12.4 million square feet with an approximate replacement value of \$5.185 billion, including Union Station. The chart below depicts the SOGR funding and accumulated backlog estimates in Corporate Real Estate Management.

**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	80,833	100,471	80,042	58,332	50,004	58,557	50,850	58,348	55,630	48,133	48,669
<b>Accumulated Backlog Est.</b>	836,828	873,430	907,040	965,373	971,536	963,959	1,004,083	1,070,943	1,081,667	1,100,743	1,104,674
<b>Backlog % of Asset Value</b>	16.8%	16.8%	17.5%	18.6%	18.7%	18.6%	19.4%	20.7%	20.9%	21.2%	21.3%
<b>Total Asset Value</b>	<b>4,977,708</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>	<b>5,184,952</b>

- The Corporate Real Estate Management building portfolio noted above is comprised of a number building types utilized by City Programs and Agencies for their service delivery, including among others:
  - Toronto Police Services – 40 buildings / 2.2 million square feet
  - Fire Services – 101 buildings / 0.9 million square feet
  - Toronto Paramedic Services – 36 buildings / 0.4 million square feet
  - CREM – 276 buildings / 10.2 million square feet
- Based on the current funding levels, the backlog will increase from \$837 million or 16.8% of replacement asset value in 2021 to \$1,105 million or 21.3% by 2031 primarily due to:
  - A vast portfolio of aging City facilities and infrastructure that continues to service a growing city
  - Investments in SOGR at a rate of approximately 1 percent of the replacement value of the portfolio compared to the industry standard of 2 to 4 percent
  - Impact of capital recast to align cash flows for SOGR programs to better reflect CREM's readiness/capacity to deliver and current plans. \$80 million has been added to the backlog over the 10-year period from 2022 to 2031
  - Recent cost escalations and supply chain issues experienced have not been factored into the above analysis. The Division, through its Asset Management plans, will consider this and other factors as it revisits the SOGR planning process and backlog going forward.
- Through two priority actions that will be initiated in 2022, the CREM Division is expecting to be able to begin to address the growing backlog while maintaining existing facilities in a state of good repair, operational and safe for City and public use.
  - Corporate Real Estate Management is developing and implementing industry standard Asset Management plans, programs and practices. This includes strategic approaches to addressing the growing backlog and implementing the appropriate preventative maintenance programs to reduce the overall cost of ownership of assets, improve performance and reduce failure, downtime and major maintenance investments
  - The rationalization of office space to be achieved through the ModernTO Workplace Modernization Program will reduce the overall size of the building portfolio, and as a result reduce the need to investment in state of good repair backlog across facilities that will no longer be used for City office purposes



**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

In the 2022 Operating Budget there are no impacts identified from the 10-Year Capital Budget and Plan.

While there are no direct operating impacts from newly completed capital projects explicitly identified in the plan, some projects are expected to have impacts on future year operating budgets. The specific impacts are still being evaluated and managed.

- The ModernTO Workplace Modernization Program is expected to generate operational savings in future years as leases are collapsed and staff are brought into core City space. Savings will be realized across various programs and agencies and will be used to repay the cost of the capital project to modernize City office space.
- Additional savings are expected from capital investments in energy efficiency projects at City facilities through lower utility cost. Savings generated can be used to continue to invest in City facilities to meet the TransformTO GHG reduction targets.
- As CREM implements the Net Zero Carbon Plan there are changes that will be incorporated into future operating and capital budgets for the Division, as well as other City Divisions, Agencies and Corporations, as this plan is expected to be adopted City-wide. These changes will be reported through future budget submissions.

# 2022 Program Summary

## Environment & Energy Division

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Environment & Energy Division (EED) leads, fosters, coordinates and supports city action towards achieving Toronto's greenhouse gas (GHG) reduction targets as outlined in TransformTO, the City of Toronto's climate action strategy. Achieving a net-zero GHG emissions future by 2040 will require transformational changes in how we live, work, build and commute.

### Why We Do It

People in Toronto live, work, build and commute in a city where GHG emissions are minimized, while enhancing health, the economy and the environment.

Toronto residents, businesses and City Divisions have reliable, timely and implementable information and tools to understand what actions they can take to minimize their environmental impact.

*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

The Environment & Energy Division, through both local and global initiatives and partnerships, serves, inspires and empowers citizens, City staff, businesses, organizations, local communities and other stakeholders to take transformative action with a focus on reducing emissions, protecting the environment and enhancing resilience. The Division also represents and serves the future generations who will live in Toronto.

### Climate Action in Existing Buildings

**Who We Serve:** Residents, building owners, businesses and institutions.

**What We Deliver:** Support for residential, commercial and institutional building owners looking to decarbonize: for technical assistance and financing, guidance and engagement to drive climate action with a focus on developing pathways to net zero.

### New Construction

**Who We Serve:** Building owners, residents, businesses and institutions.

**What We Deliver:** Advance leading edge new construction standards, targeting net-zero energy through the Toronto Green Standard, and continue to create strategic partnerships with the private sector and other partners.

### Outreach & Engagement

**Who We Serve:** Residents, community groups, partner agencies, businesses and City staff.

**What We Deliver:** Deliver a suite of programs, resources, incentives and events to engage and inspire Toronto residents and businesses to take climate action and help green our city. With a strong focus on extensive cross-divisional and cross-sectoral engagement, the team raises awareness, generates connections, and contributes to a healthier and more resilient city through award-winning programs such as Live Green Toronto and Smart Commute.

### Policy & Research

**Who We Serve:** Residents, community groups, agencies, businesses, institutions, building owners and City staff.

**What We Deliver:** Develop corporate and community-wide policies and strategies to support, enable, and deliver on Toronto's net zero goals, including greenhouse gas emissions inventorying and modelling, support for climate lens policy and EV Strategy implementation, climate risk-related financial disclosure and carbon accountability.

### Innovation & Scale

**Who We Serve:** Residents, community groups, agencies, businesses, institutions, building owners and City staff.

**What We Deliver:** Innovate and deliver first of a kind projects (i.e. sewer energy, renewable district energy, resilient EMS stations, net-zero community centres), and then help asset owners scale-up efforts for massive GHG reductions through their portfolio(s).

## Budget at a Glance

### 2022 OPERATING BUDGET

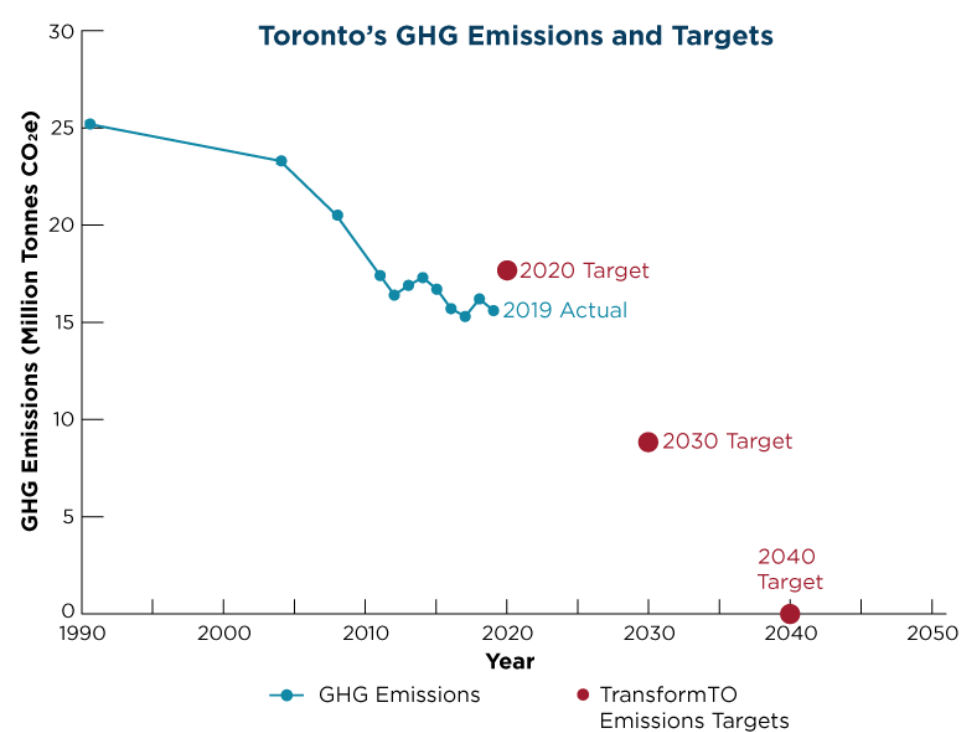
\$Million	2022	2023	2024
Revenues	\$3.8	\$4.1	\$4.1
Gross Expenditures	\$17.5	\$19.4	\$19.6
Net Expenditures	\$13.7	\$15.3	\$15.4
Approved Positions	103.6	103.6	103.6

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$42.7	\$307.5	\$350.2
Debt	\$ 0.0	\$ 0.0	\$ 0.0

Note: Includes 2021 carry forward funding

How Well We Are Doing – Behind the Numbers



- This graph represents total city-wide GHG emissions relative to TransformTO targets.
- The decrease in community-wide emissions from 2018 to 2019 is attributed to improved emissions calculations methods for the waste sector.
- Achieving net zero requires rapid decarbonisation through fuel switching and electrification (requiring a fossil free electricity grid).
- Investments are being made through existing TransformTO initiatives to reduce emissions in Toronto.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures*								
Environment & Energy Division	% reduction in CO2 emissions relative to 1990 levels	38%			65% reduction by 2030 Net-zero emissions by 2040			
Environment & Energy Division	Community-wide floor space energy derived from renewable or low-carbon thermal energy (m <sup>3</sup> )**	4,000,000	4,000,000	4,100,000	4,100,000	●	4,500,000	4,500,000
Environment & Energy Division	Average GHG intensity (kg CO2/m2) of new building development applications***	19	19	18	18	●	15	15
Service Level Measures								
Environment & Energy Division	Retention of "A" listing on Carbon Disclosure Project	Yes	Yes	Yes	Yes	●	Yes	Yes
Environment & Energy Division	Retention of "Leadership Status" with C40 Network Cities	Yes	Yes	Yes	Yes	●	Yes	Yes
Environment & Energy Division	Number of outreach events including Live Green, webinars, workshops, festivals & community presentations	1,784	74	168	168	●	1,714	1,870
Other Measures								
Environment & Energy Division	Volunteer engagement – number of volunteer hours	4,980	1,050	1,100	1,100	●	3,500	4,900
Environment & Energy Division	Participants engaged at Live Green events	211,706	2,332	4,751	4,751	●	222,734	242,622
Environment & Energy Division	Number of volunteers supporting Live Green events	1,500	1,520	1,560	1,560	●	1,580	1,640

\* Aligned with performance metrics in the City's Environmental, Social & Governance Performance Report.

\*\* Total amount of floor area (square meters) connected to renewable or district-level heating, cooling and hot water systems, contributing to emissions reductions across the city.

\*\*\* Electrification of buildings combined with a low carbon provincial power grid and increased renewable energy deployment limits the city's dependency on fossil fuels and will contribute to the 65% Reduction of greenhouse gas emission by 2030 in accordance with the City's net-zero plan.

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- The EED's 2022 Operating Budget submission reflects a recovery from COVID-19 impacts. Salaries & Benefits and Contracted Services underspending experienced in 2021 from the alignment of staffing plans and procurement priorities due to the impacts of the COVID-19 pandemic are not expected to continue into 2022.

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**Service Level Changes**

- There are no expected service level changes as a result of COVID-19.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

The EED has supported City Agencies, Corporations and Divisions with the adoption of TransformTO. Implementation of these climate action projects is underway in Parks, Forestry & Recreation, Corporate Real Estate Management, Children's Services, Solid Waste Management, Toronto Paramedic Services, Toronto Community Housing Corporation (TCHC), Toronto Police Services and others, which will reduce the City's carbon footprint. We are also seeing TransformTO impacts in the community with developers, private sector building owners, residents and community organizations implementing TransformTO in consultation with EED.

#### Climate Action & Resilience in Buildings

- Funded energy and heating resilience at 39 TCHC buildings using recoverable debt and approved funding for 98,081 m<sup>2</sup> of eco-roof area.
- Delivered the Net Zero Existing Building Strategy after two years of development informed by detailed technical analysis and modelling of Toronto's building stock, a jurisdictional scan and best practice review, as well as broad stakeholder engagement efforts.
- Expanded the Green Will Initiative (GWI) to include 22 buildings portfolios representing more than 320 million sq.ft., initiated the development of Strategic Energy Management (SEM) services, continued to deliver the Navigation and Support Services and Energy Retrofit Loan Program, conducted one-on-one outreach with Toronto building owners to support reporting through the Energy and Water Reporting and Benchmarking Initiative (EWRB)
- Secured up to \$14.7 million in loans and grants through the Federation of Canadian Municipalities (FCM), continued deliver of the Home Energy Loan Program (HELP) and community focused supports through the BetterHomesTO initiative.

#### Renewable Energy & Net Zero Development

- Toronto's first raw wastewater energy project (largest in the world) to decarbonize University Health Network Western Hospital by 90%. EED was the lead to negotiate an energy transfer agreement. The City allows connection to the sewer for a fee, at no cost or risk to the City.
- Over 700 free-of-charge assessments for residents businesses, institutions through SolarTO. Launched automated self-serve solar potential map and business case calculator. Continuously streamlining process for building permit and grid connection to significantly increase adoption of roof-top-solar across Toronto.
- Wastewater Energy Transfer Program to Committee and Council in December 2021, with program launch scheduled for January 2022. Potential for 20 large projects with GHG reduction of 200,000 tonnes.

#### Outreach & Engagement

- Recruited and trained 143 volunteers on TransformTO programs and implementation strategies.
- Supported local neighbourhood leaders to take climate action in their community by funding 33 PollinateTO projects, 25 Climate Action Fund projects and 20 Climate Champion projects.
- Advanced Smart Commute through a Memorandum of Understanding (MOU) with 5 regional municipalities, BikeShare discounts for hospital workers and the creation of a Smart Commute Return to Office Campaign including resources, webinars and a web portal to support Toronto employer and commuter needs through COVID-19 recovery.

#### Policy & Research

- Developed and implemented phase 2 of the Climate Lens for City capital projects, completed mandatory regulatory reporting to the federal and provincial governments, and collaborated on the successful reporting of the City's Green Bond program.
- Delivered the City's Net Zero Strategy by 2040 in response to Council's Climate Emergency Declaration.
- Participated in international organizations including Carbon Neutral Cities Alliance and C40 Cities to leverage best practices and minimize repetition of efforts amongst major municipalities.

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## Key Challenges and Risks

- COVID-19 will continue to present challenges in 2022 and the EED will continue to support the City's recovery.
- Political uncertainty and changing priorities at the provincial and federal level present challenges to developing and delivering programs that leverage funding or services from those governments.
- Reduction of CO2 emissions in Toronto is dependent on the provincial government's reliance on fossil fuels for electricity generation, and Aligning Toronto Hydro's Climate Action Plan with TransformTO is critical.
- A dramatic scale-up across the economy and society is needed to address the climate crisis. Key barriers include challenges associated with funding and financing (e.g. low-carbon business case), workforce capacity, a trained labour market and supply chain issues.
- Outreach efforts must be scaled to reach a broader audience across the City and encourage wide-spread changes in behavior. Changing behaviors through outreach is challenging when there are differing public views on the need for climate change mitigation and adaptation, as well as the validity of climate change science.

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## Priority Actions

- Enable residents, businesses and building owners to change behaviors and take action towards meeting the overall target of net zero emissions by 2040 through leadership, education, creating partnerships, providing advice, and the promotion of sustainable solutions.
  - Continue to oversee the implementation of TransformTO as it relates to the Net-Zero strategy.
  - Raise the bar for new construction by advancing leading edge new construction standards, targeting Net-Zero energy through the Toronto Green Standard, and creating strategic partnerships with the private sector and other partners.
  - Implementation of the Net Zero Existing Buildings Strategy with a focus on key policy and programming (e.g. energy and emission performance reporting and public disclosure).
  - Continue TransformTO community engagement, Live Green Toronto activities, networks and communication channels, and deliver award-winning programs like Live Green Toronto and Smart Commute to provide residents, businesses, building owners and Divisions with the information and tools needed to understand how they can minimize their environmental impact.
-



## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Environment & Energy	2,153.1	4,654.0	2,086.5	3,763.0		3,763.0	1,676.4	80.3%
<b>Total Revenues</b>	<b>2,153.1</b>	<b>4,654.0</b>	<b>2,086.5</b>	<b>3,763.0</b>		<b>3,763.0</b>	<b>1,676.4</b>	<b>80.3%</b>
<b>Expenditures</b>								
Environment & Energy	12,055.3	16,472.5	12,660.1	17,485.9		17,485.9	4,825.8	38.1%
<b>Total Gross Expenditures</b>	<b>12,055.3</b>	<b>16,472.5</b>	<b>12,660.1</b>	<b>17,485.9</b>		<b>17,485.9</b>	<b>4,825.8</b>	<b>38.1%</b>
<b>Net Expenditures</b>	<b>9,902.2</b>	<b>11,818.5</b>	<b>10,573.6</b>	<b>13,722.9</b>		<b>13,722.9</b>	<b>3,149.3</b>	<b>29.8%</b>
<b>Approved Positions**</b>	<b>101.6</b>	<b>101.6</b>	<b>N/A</b>	<b>103.6</b>	<b>0.0</b>	<b>103.6</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$17.486 million gross reflecting an increase of \$4.826 million in spending above 2021 projected year-end actuals predominantly arising from:

- Salaries & Benefits to support filling vacancies required to implement the plan to achieve Net Zero by 2040.
- Consultant and other external contracts required to progress TransformTO short term strategies, accelerate the Climate Action Plan and develop the plan to achieve Net-Zero by 2040. Underspensing from COVID Impacts in 2021 are not expected to continue into 2022 as access to procurement resources improves.
- Budget related to the Eco-Roof and Pollinator Protect Strategy as a result of increased participation in grant program based on historical experience, funded by reserves.

## COSTS TO ENHANCE SERVICES

There are no **New and Enhanced Service** requests.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Environment & Energy's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Environment & Energy is \$4.826 million gross or 38.1% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$'000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies		87.0	93.5	30.4	93.5	63.1	207.2%
User Fees & Donations	757.3	298.7	132.8	292.2	132.8	(159.4)	(54.5%)
Transfers From Capital	217.8		216.1		210.1	210.1	
Contribution From Reserves/Reserve Funds	601.7	469.4	3,379.4	753.2	2,309.1	1,555.9	206.6%
Other Revenues (incl. IDR)	232.8	1,298.1	832.2	1,010.7	1,017.5	6.8	0.7%
<b>Total Revenues</b>	<b>1,809.6</b>	<b>2,153.1</b>	<b>4,654.0</b>	<b>2,086.5</b>	<b>3,763.0</b>	<b>1,676.4</b>	<b>80.3%</b>
Salaries and Benefits	8,268.2	8,470.1	8,916.7	8,193.8	10,755.1	2,561.3	31.3%
Service and Rent	2,837.1	2,231.0	5,020.9	2,607.2	5,195.9	2,588.7	99.3%
Contribution To Reserves/Reserve Funds	59.3	42.7	1,338.5	1,338.5	338.5	(1,000.0)	(74.7%)
Contributions & Transfers	670.6	980.5	1,131.9	464.7	1,131.9		
Other Expenditures	96.9	331.1	64.5	56.0	64.5	8.5	15.1%
<b>Total Gross Expenditures</b>	<b>11,932.0</b>	<b>12,055.3</b>	<b>16,472.5</b>	<b>12,660.1</b>	<b>17,485.9</b>	<b>4,825.8</b>	<b>38.1%</b>
<b>Net Expenditures</b>	<b>10,122.4</b>	<b>9,902.2</b>	<b>11,818.5</b>	<b>10,573.6</b>	<b>13,722.9</b>	<b>3,149.3</b>	<b>29.8%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

The change against the 2021 projection includes net inflationary increases and increases outlined in collective agreements for staffed positions as well as filling all vacant positions throughout 2022 to implement the plan to achieve Net Zero by 2040.

**Services and Rents:**

Includes consultants and other external contracts required to advance the TransformTO short-term strategies, advance the Climate Action Plan and support the implementation of the City's plan to achieve Net-Zero greenhouse gas emissions by 2040. The 2022 Services & Rents budget submission reflects a recovery to pre-COVID procurement levels for consultants and external contracts.

**Contributions to Reserves/Reserve Funds:**

A one-time contribution to the Environment Protection Reserve (XR1718) was made in 2021 and will be matched by a third party to fund research projects proposed by City Divisions and conducted by Higher Education institutions in Toronto. The program will commence in 2022 and will be managed by and through the Toronto Office of Partnerships over a 3 year period.

**Revenue Changes:**

The increase against the 2021 projection is primarily due to reserve funded recoveries for the expected increases in expenses noted above.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	2,086.5	3,763.0	4,149.4	4,149.4
Gross Expenditures	12,660.1	17,485.9	19,440.6	19,589.3
<b>Net Expenditures</b>	<b>10,573.6</b>	<b>13,722.9</b>	<b>15,291.2</b>	<b>15,440.0</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>103.6</b>	<b>103.6</b>	<b>103.6</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$19.441 million reflects an anticipated \$1.955 million or 11.18 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlook expects a further increase of \$0.149 million or 0.77 per cent above 2023 gross expenditures.

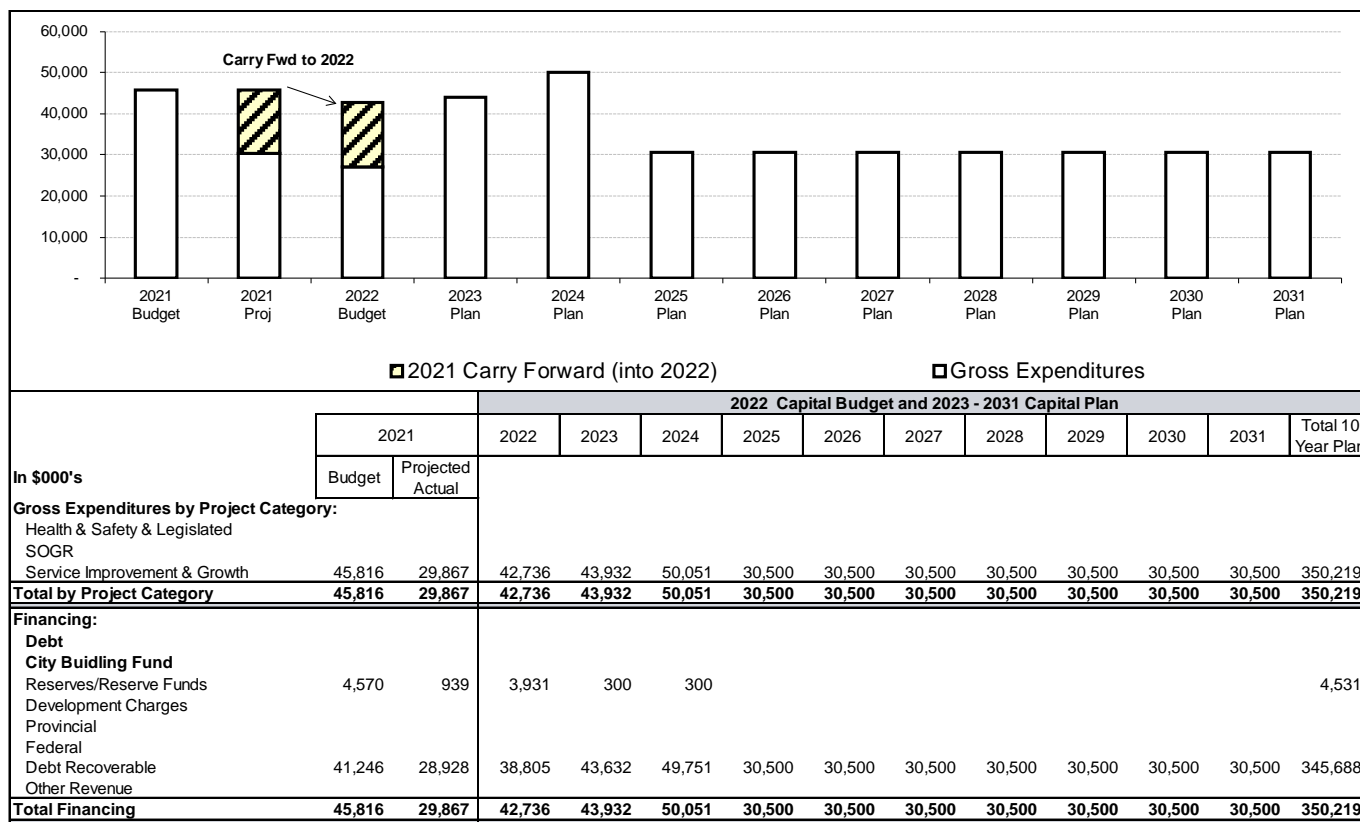
These changes arise from the following:

- **Impact of 2022 decision**  
Annualization of 2 positions supporting the Home Energy Retrofit Loan Program (HELP) funded by the Federation of Canadian Municipalities grant. **(2023 & 2024)**
- **Salaries & Benefits**  
Increase in Salaries and benefits reflective of collective agreement obligations and filled vacancies. **(2023 & 2024)**

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



### Changes to Existing Projects

The 2022-2031 Capital Budget and Plan does not include changes to existing projects.


### New Projects

(\$30.0 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- Transform TO - *Renewable Thermal Energy Program* (\$15.0M) to install renewable energy on City buildings;
- *Community Initiatives – Existing Building Retrofits* - Low interest financing to enable community energy projects that reduce emissions for existing buildings (\$15.0M)

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$350.219 Million 10-Year Gross Capital Program**


<b>Service Improvement and Enhancements</b>
<p style="text-align: center;">\$350.219 M 100%</p>
<p style="text-align: center;"><i>Transform TO</i></p> <p><i>Renewable Energy Program</i> ✓</p> <p><i>New Development Sustainable Energy Plan Financing</i> ✓</p> <p><i>Community Energy Planning</i> ✓</p> <p><i>Existing Building Retrofits</i> ✓</p> <p><i>Residential Energy Retrofit Program (HELP)</i> ✓</p> <p><i>Combined Heat &amp; Power (CHP)</i> ✓</p> <p><i>District Energy Systems</i> ✓</p>

✓ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

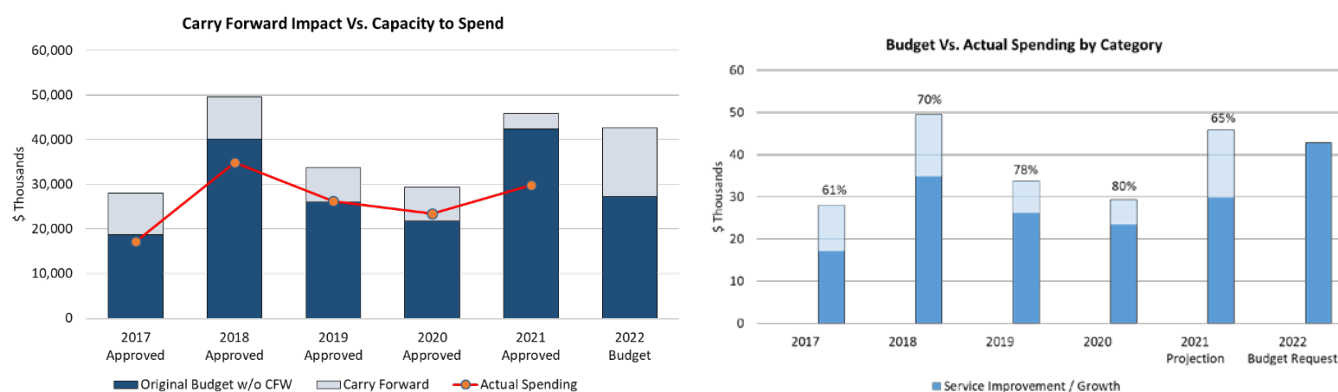
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<p style="text-align: center;"><b>\$350.2 M</b> <b>100%</b></p>		<p style="text-align: center;"><b>\$0 M</b> <b>0%</b></p>	<p style="text-align: center;"><b>\$0 M</b> <b>0%</b></p>
Recoverable Debt	\$ 345.7 M		
Reserve / Reserve Fund	\$ 4.5 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Environment & Energy's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$10.0 million in capital spending originally in the 2021 capital budget has been deferred to 2023, with an additional \$15.0 million deferred to 2024. This \$25.0 million represents a loan program to external parties for new developments and additional time is required to align the application process and program criteria with this new program.

Adjustments to the Capital Plan are noted below:

- The 2022 capital budget represents a net reduction of \$5.3 million over 2021 and is primarily due to:
  - \$5.0 million reduction in low interest financing to external parties for new development. As the application process is refined to match risk profiles of the new program, a baseline demand can be established to guide future capital planning.
- EED is expected to deliver over 65% of its 2021 planned initiatives. The overall program's performance has been impacted by the COVID-19 pandemic resulting in delays to projects such as the Toronto Paramedic Services Headquarters deep retrofit and Waterfront Neighbourhood Centre deep retrofit. Challenges in logistics and the global shortage of materials have impacted the construction schedule as well as cost.

# 2022 Program Summary

## Fleet Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Fleet Services provides comprehensive fleet, fuel and vehicle energy management services in a safe and efficient manner through the stewardship of 8,000 fleet assets and a network of fuel sites and electric vehicle charging points. Fleet Services enables City divisions and agencies to provide their services and programs to the public in the most effective, efficient, safe and sustainable manner possible.

The City of Toronto has the largest municipal fleet in Canada and one of the most specialized and diverse fleets in North America. Fleet Services is recognized in North America as a centre of excellence in municipal fleet management and as a leader in innovative fleet management and environmental sustainability.

### Why We Do It

**City Divisions, Agencies and Corporations have safe, available, reliable and environmentally sustainable fleet assets to meet their service delivery requirements.**

*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

### **Fleet Management**

**Who We Serve:** All City divisions and multiple agencies and corporations

**What We Deliver:** A full-range of fleet and asset lifecycle management services for City Divisions, Agencies and Corporations including: procurement, engineering, maintenance, safety, training and compliance management to support divisional operations and comply with legislative and safety requirements.

**How Much Resources (gross 2022 operating budget):** \$44.7 million

### **Fuel and Energy Management**

**Who We Serve:** All City divisions and many agencies and corporations

**What We Deliver:** Complete fuel supply chain and service delivery management to support client operations through city-owned fuel sites while maintaining safe, economical and reliable access to the City's fuel supply. Provide a network of charging points at municipal facilities that supports the City's transition to zero-emission vehicles (ZEVs).

**How Much Resources (gross 2022 operating budget):** \$18.4 million

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$33.9	\$34.2	\$34.5
Gross Expenditures	\$63.1	\$61.2	\$61.5
Net Expenditures	\$29.2	\$27.0	\$27.1
Approved Positions	206.0	206.0	206.0

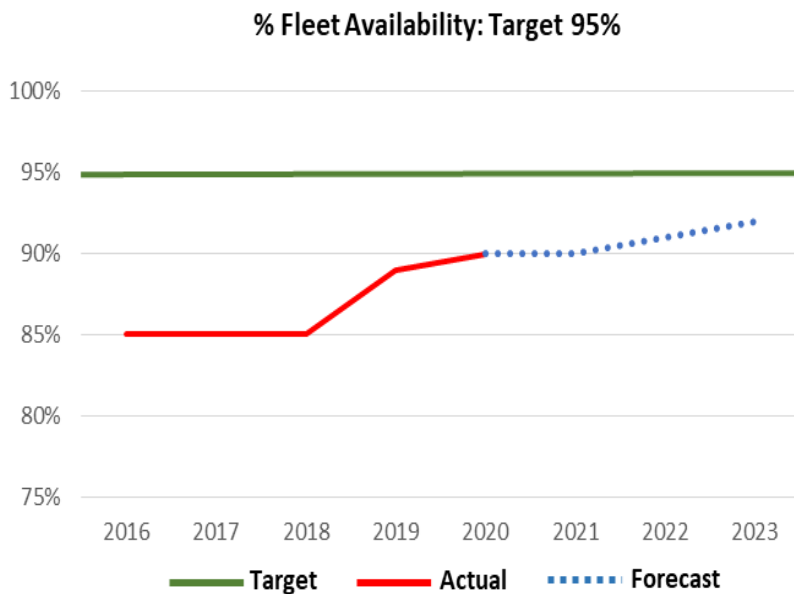
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$103.9	\$851.9	\$955.8
Debt	\$0.0	\$0.0	\$0.0

Note: Includes 2021 carry forward funding



## How Well We Are Doing – Behind the Numbers



Fleet availability relies on sustaining staff complement, developing procurement strategies, ensuring safe and appropriate operation of fleet assets and ensuring the minimum level of investments in capital reserves are made to maintain State of Good Repair (SOGR).

To reach the targeted level of 95% Fleet Availability, Fleet Services requires:

- Continued focus on attracting and retaining staff, especially those in skilled trades
  - Additional investments in capital to ensure that vehicles are being replaced on time
  - Upgraded fleet management information systems to drive operational performance and advance the use of telematics enabling more effective management of the assets
  - Partnerships with client programs to ensure that preventative maintenance schedules are followed
- Maintaining SOGR reduces the total cost of ownership, reduces unscheduled downtime and increases fleet availability.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>Fleet Management</b>	% Fleet Availability	89%	90%	95%	90%	●	95%	95%
Service Level Measures								
<b>Fleet Acquisition</b>	Light Duty Vehicle Age in Years (<4500kg)	6.5	6.9	5.9	5.7	●	6.0	6.0
<b>Fleet Safety</b>	Ministry of Transportation of Ontario (MTO) CVOR* (Commercial Vehicle Operator's Registration) Safety Rating	28%	31%	35%	35%	●	35%	35%
<b>Fleet Maintenance</b>	Cost / kilometre for light duty vehicles	\$0.24	\$0.22	\$0.28	\$0.22	●	\$0.28	\$0.28
<b>Fleet Maintenance</b>	% Preventive Maintenance	61%	35%	70%	69%	●	70%	70%

\*A lower Ministry of Transportation safety rating is optimal.

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- Increased costs are expected for the following:
  - \$2.5 million for additional rental vehicles to ensure health and safety of City staff and increased need for vehicles for COVID-19 vaccination programs response such as outreach, mobile vaccination and clinics; and
  - \$0.4 million for increased fuel volume demands anticipated by clients as a direct result of the additional rental vehicles.

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**Service Level Changes**

- Physical distancing requirements as a result of COVID-19 continue to impact service levels.
  - Programs such as *FleetShare* remain paused until such limitations can be lifted.
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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Improvements to our Driver Safety Training program have resulted in fewer accidents and less risk to the public and staff.
- In collaboration with Solid Waste, improvements were made to the operation of garbage trucks by equipping several with side-guards to improve safety of vulnerable road users and reduce risk to general public.
- Continued to apply cost avoidance strategies by implementing direct contracts with Original Equipment Manufacturers (OEMs) to acquire vehicles, equipment and maintenance services, demonstrating an industry best practice for asset management and lowest total cost of ownership.
- Implementing a major expansion of the City's corporate electric vehicle charging infrastructure that will enable and support an accelerated transition of City Fleets to electric vehicles.
- Fleet Services has contributed to the overall reduction of greenhouse gas (GHG) emissions achieved by the City's Fleets through the use of electric and hybrid vehicles, anti-idling devices, the use of renewable natural gas in heavy duty vehicles, right sizing vehicles among other actions.
- As an essential service, Fleet Services continued to provide support to essential and critical services to improve the COVID pandemic recovery including training staff and procuring equipment to support expanded services, extending services to agencies on the front-lines providing critical support to marginalized people, including homeless shelters and Food Banks.
- Additionally, modifications were made to outfit vehicles with an interior shield in order to meet COVID-19 safety protocols and to mitigate risks of transporting general public, as well as providing disinfecting services to reduce the spread of COVID-19 between operators.

### Key Challenges and Risks

- Ability to meet more ambitious Net-Zero emission target by 2040 requires investments in additional resources to expand and accelerate the program and requires a commitment from various operations to transition to electric and other zero-emission vehicles.
- Maintaining State of Good Repair (SOGR) is challenged by funding prioritization in fleet asset replacements and reduced supply of new vehicles due to worldwide shortage of integrated circuits, which increases the backlog, increases maintenance costs, and lowers fleet availability, resulting in higher total cost of ownership.
- Meeting a growing and more complex demand for Fleet Services, that is driven by client program changes and service levels and many actions dictated by legislative and regulatory requirements, with our existing staff levels and a global shortage of skilled trades labour.
- Centralizing the City's Fleet to create a Centre of Expertise in Fleet Management as per Council direction poses both a challenge and a risk in moving forward with implementation and with realizing benefits from a centralized fleet function.
- Investment in replacement of outdated, in-house developed technologies with industry-standard solutions that can also integrate with newer, enterprise solutions used across the City.
- Driving improvements in medium and heavy duty availability will require focus on recruitment, contracts to address inadequate outsource options for highly complex and specialized equipment, client preventive maintenance compliance and SOGR backlog reduction.

### Priority Actions

- **Climate Action:** Implement and accelerate our Sustainable Fleets Plan to meet GHG emission reduction targets and service levels by 2040, including accelerating the electric vehicle charging station network and the conversion of light duty vehicles to electric vehicles.
- **Fleet Centralization:** Implement actions to centralize fleet management functions including developing the City's centralized telematics system for all City vehicles to better manage utilization and costs and ensure safe operation through expanded use of data analytics and reporting to optimize fleet asset management overall and division-specific operations.

- 
- **Staffing Vacancies:** Continuing improvements in hiring practices to fill vacant positions in critical areas such as maintenance and safety given a global shortage in supply of skilled trades labour. Investments in succession planning, training and education will improve talent retention.
  - **Technology Improvements and Process Re-engineering:** Complete a technology roadmap needed to modernize aging, disparate fleet technology. Update safety training programs that leverage behaviour based education and eLearning that links to collision and risk reduction strategies.
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## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Fleet Management	20,772.1	22,019.3	20,337.3	21,461.3		21,461.3	1,124.0	5.5%
Fuel Management	9,647.2	12,229.7	11,292.7	12,422.8		12,422.8	1,130.1	10.0%
<b>Total Revenues</b>	<b>30,419.3</b>	<b>34,249.0</b>	<b>31,630.0</b>	<b>33,884.0</b>		<b>33,884.0</b>	<b>2,254.0</b>	<b>7.1%</b>
<b>Expenditures</b>								
Fleet Management	39,282.0	41,815.1	40,847.2	44,704.6		44,704.6	3,857.5	9.4%
	14,529.1	16,508.8	15,805.6	18,382.1		18,382.1	2,576.5	16.3%
<b>Total Gross Expenditures</b>	<b>53,811.2</b>	<b>58,323.9</b>	<b>56,652.7</b>	<b>63,086.7</b>		<b>63,086.7</b>	<b>6,434.0</b>	<b>11.4%</b>
<b>Net Expenditures</b>	<b>23,391.9</b>	<b>24,074.9</b>	<b>25,022.7</b>	<b>29,202.7</b>		<b>29,202.7</b>	<b>4,179.9</b>	<b>16.7%</b>
<b>Approved Positions**</b>	<b>207.0</b>	<b>208.0</b>	<b>N/A</b>	<b>206.0</b>		<b>206.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$29.2 million gross reflecting an increase of \$4.2 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salaries & Benefits increase of \$1.8M to continue to fill vacancies to improve fleet availability, implement advanced technology improvements, and maintain lowest total cost of ownership of the City's fleet.
- Increase of \$1.4M due to higher fuel price and volume increases expected as economic outlook expected to result in inflationary pressures on the fuel price in 2022.
- Increase of \$0.6M reserve contribution to fund SOGR requirements internal to Fleet Services and ZEV (Zero Emission Vehicle) Fleet Replacement.
- Increase of \$0.4M for vehicle rental services and telematics to accommodate expected client demands.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below

- **2022 Base Budget of \$26.3 million in net expenditures reflects a \$2.2 million net increase from the 2021 Council approved Budget, when excluding \$2.9 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Fleet Service's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Fleet Services of \$63.1 million gross is 11% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual**	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	329.0	523.2	457.1	302.7	109.2	(193.5)	(63.9%)
Contribution From Reserves/Reserve Funds			129.2				
Sundry and Other Revenues	7,236.7	6,180.3	6,986.6	6,488.7	7,547.3	1,058.6	16.3%
Inter-Divisional Recoveries	25,440.5	23,715.8	26,676.1	24,838.6	26,227.5	1,388.9	5.6%
<b>Total Revenues</b>	<b>33,006.2</b>	<b>30,419.3</b>	<b>34,249.0</b>	<b>31,630.0</b>	<b>33,884.0</b>	<b>2,254.0</b>	<b>7.1%</b>
Salaries and Benefits	16,406.7	16,485.0	20,506.8	18,100.0	19,910.3	1,810.3	10.0%
Materials & Supplies	26,776.8	21,356.4	26,988.5	25,570.0	28,431.0	2,861.0	11.2%
Equipment	131.5	160.6	216.4	152.5	159.2	6.6	4.4%
Service and Rent	11,136.0	13,299.0	9,629.2	11,747.2	12,937.4	1,190.3	10.1%
Contribution To Reserves/Reserve Funds	2,250.7	2,407.9	983.0	983.0	1,648.8	665.8	67.7%
Inter-Divisional Charges	3.5	102.3		100.0		(100.0)	(100.0%)
<b>Total Gross Expenditures</b>	<b>56,705.1</b>	<b>53,811.2</b>	<b>58,323.9</b>	<b>56,652.7</b>	<b>63,086.7</b>	<b>6,434.0</b>	<b>11.4%</b>
<b>Net Expenditures</b>	<b>23,698.9</b>	<b>23,391.9</b>	<b>24,074.9</b>	<b>25,022.7</b>	<b>29,202.7</b>	<b>4,179.9</b>	<b>16.7%</b>

\*2021 Projection based on Q3 Variance Report

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

**Key Base Drivers:****Salaries & Benefits:**

Filling vacant positions to advance technology improvements and sustainable Fleet plan including Fleet Electrification to achieve GHG emission reduction target by 2040.

**Materials and Supplies:**

Higher fuel demand and prices to accommodate expected changes in fuel outlook as the economy is expected to recover from pandemic response.

**Services and Rents:**

Higher rentals required to meet physical distancing requirements in city vehicles.

**Contributions to Reserves:**

Restart reserve contributions that lapsed in 2021, and increase to meet SOGR requirements internal to Fleet Services and *ZEV Fleet Replacement*.

**Other Revenue Changes:**

Higher expected revenues from major clients and agencies as services are expanded in 2022 and fuel demands recover.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	31,630.0	33,884.0	34,187.3	34,490.2
Gross Expenditures	56,652.7	63,086.7	61,196.5	61,549.3
<b>Net Expenditures</b>	<b>25,022.7</b>	<b>29,202.7</b>	<b>27,009.2</b>	<b>27,059.1</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>206.0</b>	<b>206.0</b>	<b>206.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$61.2 million reflects an anticipated \$1.9 million or 3.0 per cent decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlook expects an increase of \$0.4 million or 0.6 per cent above 2023 gross expenditures.

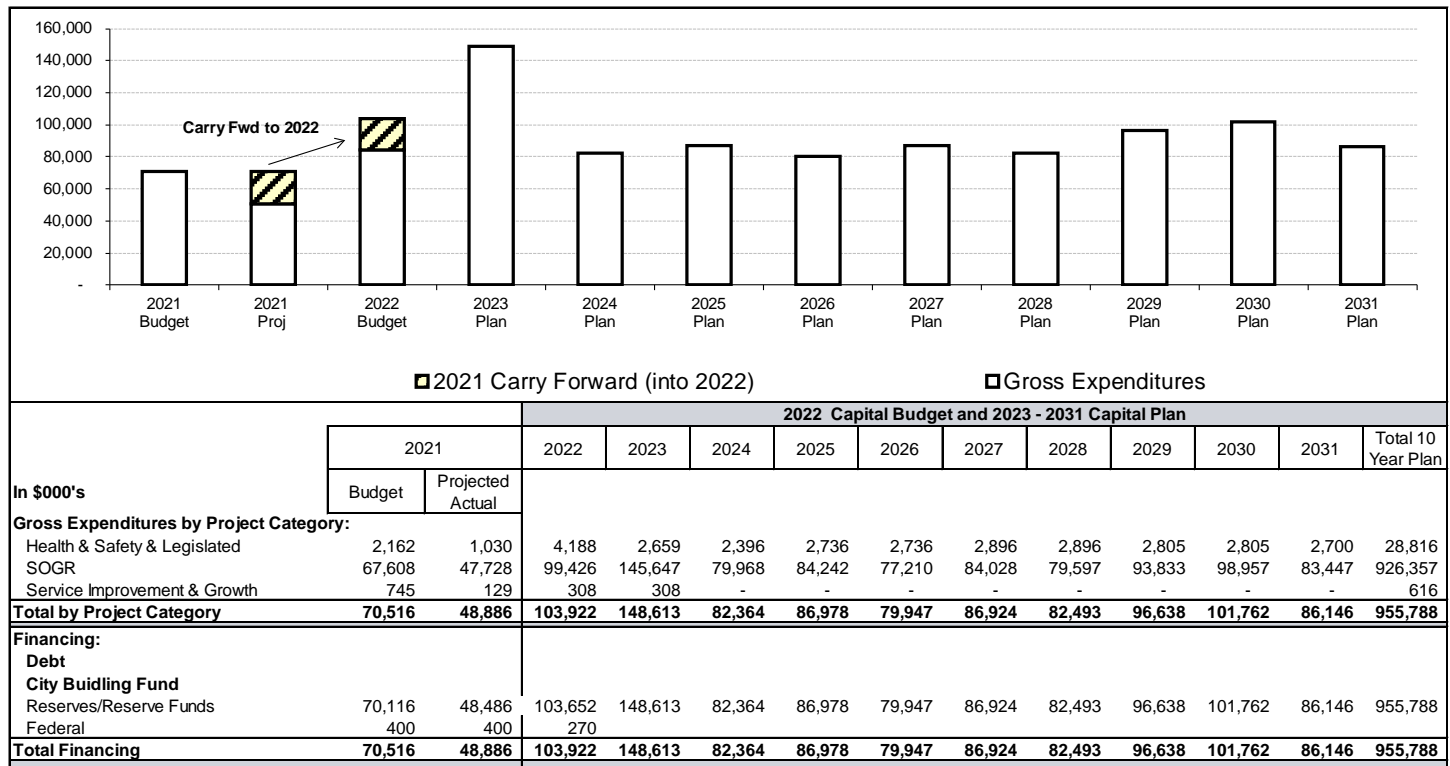
These changes arise from the following:

- Decrease in gross expenditures mainly attributed to a decrease in rentals related to physical distancing measures and COVID pandemic responses to maintain social distancing measures while in city vehicles. (2023 & 2024)
- The decrease is partially offset by:
  - Higher fuel prices and volume demand increases as services are expected to be fully operational. (2023 & 2024)
  - Reserve contributions increased for *ZEV Fleet Replacement*. (2023 & 2024)
  - Vacant positions continue to be filled to improve fleet availability. (2023 & 2024)
- Revenues are expected to increase as a result of increased service delivery and fuel usage from City Divisions and Agencies. (2023 & 2024)



**2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW**

**Chart 1: 10-Year Capital Plan Overview**  
(\$'000)



Fleet Services 10-year capital plan is focused on building upon our successes in working towards lowest total cost of ownership of Fleet assets and continuing to work with clients on their ongoing fleet replacements.

### Changes to Existing Projects (108.6 Million)

- \$108.6 million to reduce the replacement cycle timing for *Fire – Fleet Replacement* vehicles and to support backlog needs on a one-time basis





### New Projects (\$0.0 Million)

N/A

### Capital Needs Constraints (\$0.0 Million)

N/A

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$955.8 Million 10-Year Gross Capital Program**

			
<b>SOGR</b>	<b>Health and Safety</b>	<b>Legislated</b>	<b>Service Improvement, Enhancement and Growth</b>
<b>\$926.4 M</b> <b>96.9%</b>	<b>\$1.0 M</b> <b>0.1%</b>	<b>\$27.8 M</b> <b>2.9%</b>	<b>\$0.6 M</b> <b>0.1%</b>
Fleet Replacement Programs <input checked="" type="checkbox"/>	<i>Fleet - Garage Security</i>	Sustainable Fleets Plan: <ul style="list-style-type: none"> <li>• ZEV Fleet Replacement <input checked="" type="checkbox"/></li> <li>• ZEV Charging Infrastructure <input checked="" type="checkbox"/></li> <li>• FleetShare Program <input checked="" type="checkbox"/></li> <li>• Green Fleet Plan <input checked="" type="checkbox"/></li> </ul>	Modernizing Fleet Technologies

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☒ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

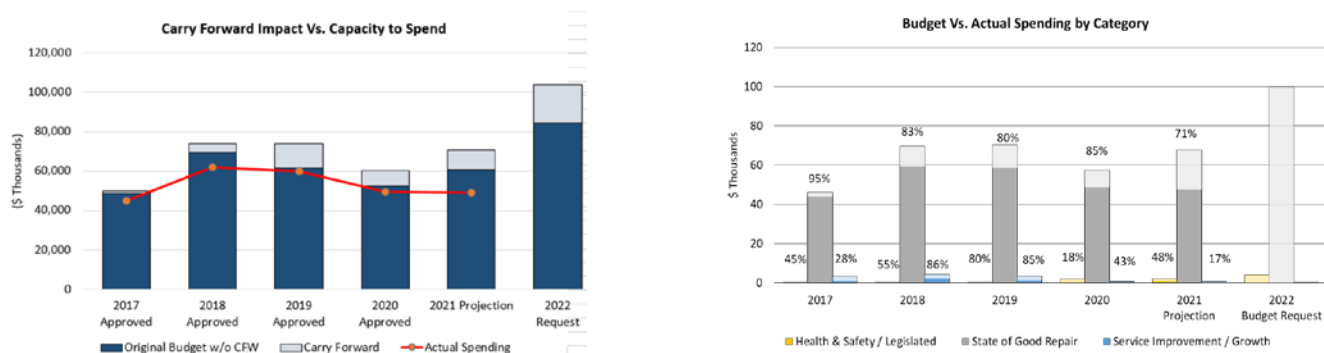
<b>City of Toronto</b>		<b>Federal Funding</b>
<b>\$955.5 M</b> <b>99.97%</b>		<b>\$0.3 M</b> <b>0.03%</b>
Reserve / Reserve Fund	\$ 955.5 M	

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Fleet Services' ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**

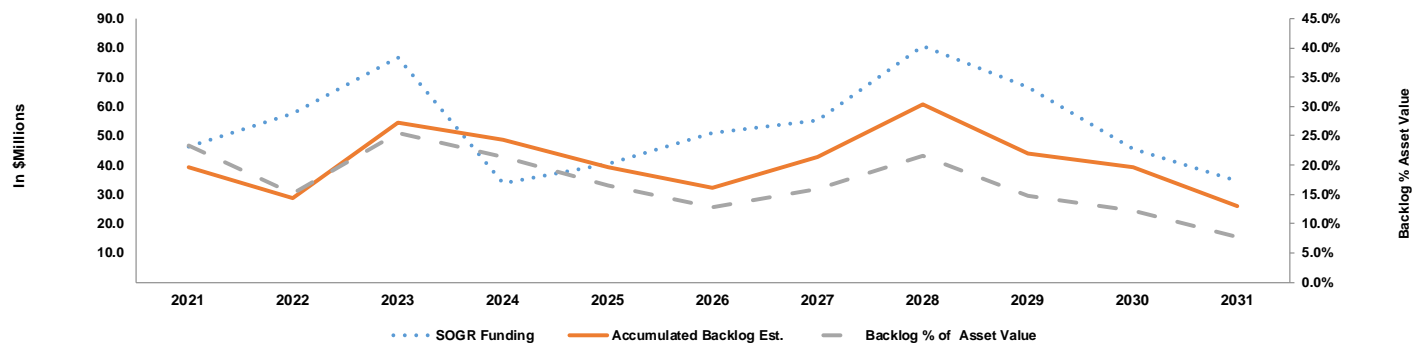


### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$19.6 million in capital spending originally cash flowed in 2021 has been deferred to 2022.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates.

**Chart 3: Total SOGR Funding & Backlog**

\$ Millions	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	46.4	57.8	76.8	33.8	40.4	51.1	55.3	80.5	66.6	45.5	34.7
<b>Accumulated Backlog Est.</b>	39.2	28.7	54.5	48.5	39.4	32.2	42.7	60.8	44.0	39.1	26.0
<b>Backlog % of Asset Value</b>	23.4%	15.1%	25.6%	21.5%	16.5%	12.8%	16.0%	21.6%	14.7%	12.2%	7.8%
<b>Total Asset Value</b>	167.8	189.2	213.3	225.8	239.3	251.8	266.8	281.1	299.9	319.2	333.9

- SOGR funding of \$57.8 million is the portion of the capital budget that is related to fleet vehicle asset replacements and excludes those divisions where Fleet Services does not report out on the life cycle of their fleet vehicle assets. It only represents new 2022 cash flows and future commitments as requested for the 2022 fleet asset replacement program.
- The accumulated end of year backlog of \$39.2 million for 2021 takes into consideration all the SOGR funding that was approved in the 2021 capital budget (including cash flows for 2022 but approved in 2021) compared to what was to be replaced. Each year, the backlog changes based on the difference between Client and Fleet agreed-upon replacements.
- The 2022 Cash Flow and Future Year Commitments of \$203.9 million includes \$92.4 million allocated to SOGR for fleet. There is \$34.6 million allocated to divisions who do not report their backlog through Fleet Services, which leaves \$57.8 million of SOGR funding, of which \$10.5 million is addressing prior year backlog.
- Future SOGR will be impacted by the fleet electrification and other emerging vehicle technologies. Prioritizing SOGR funding will enable the City to respond to future conversions of medium/heavy duty vehicles and equipment to zero emission options which will likely come at a higher cost but will be supported by lower operating costs (fuel and maintenance) and GHG emissions reduction.

# 2022 Program Summary

## Office of the Chief Information Security Officer

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Cyber resiliency and intelligence are keys to success in helping to secure the City of Toronto against emerging threats. In an ever-changing cyber threat environment, resiliency will allow the City to explore and onboard new technologies rapidly in a safe manner.

**Vision:** To become a Global Leader in Urban Cyber Innovation.

**Mission:** To deliver world class Cyber services to the City of Toronto and build the Cyber practice into a mature Cyber centre of excellence.

**Strategy:** To build cyber resiliency and cyber intelligence capabilities into the City of Toronto to be able to predict, prevent and respond to emerging cyber threats.

### Why We Do It

In addition to the societal benefits, the Office of the Chief Information Security Officer (CISO) continues to fulfill its mandate to:

- **Minimize the impact of cyber incidents that result in financials loss, reputational damage, service disruption, legal liability and loss of life through the delivery of relevant cyber governance;**
- **Support the City's strategic priorities of keeping Toronto moving and building resilience by contributing to improvement initiatives (ModernTO, Financial Transformation, and COVID-19 Recovery);**
- **Promote financial sustainability by containing costs through automated, efficient and/or streamlined processes.**

*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

### Cyber Services

#### Digital Government

**Who We Serve:** All City Divisions, Councillors, and the Public

**What We Deliver:**

- Strategy, governance, and advisory accountabilities City-wide.
- Cyber culture, awareness and training.
- Managing digital risk and support the operationalization of digital programs and cloud initiatives.
- Modernizing infrastructure, oversight over cyber compliance, and enhancing the Cyber Practice.
- Detection, prevention, and mitigation of cyber risk including the City's critical infrastructure

#### Business Resilience (Including Modernization Recovery)

**Who We Serve:** All City Divisions, Councillors, and the Public

**What We Deliver:**

- Improve business resilience and support the processes enabling business transactions.
- Assess risk and protect against unauthorized access for business applications.
- Data Rights Protection to safeguard personal and health information of City staff and the Public.

**How Much Resources (gross 2022 operating budget): \$44.7 million**

## Budget at a Glance

### 2022 OPERATING BUDGET

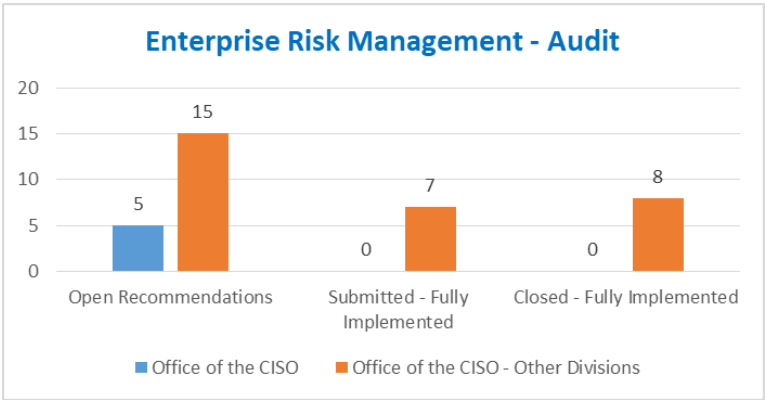
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$5.0	\$0.0	\$0.0
Gross Expenditures	\$44.7	\$50.8	\$53.2
Net Expenditures	\$39.7	\$50.8	\$53.2
Approved Positions	80.0	80.0	77.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$8.0	\$24.3	\$32.3
Debt	\$8.0	\$24.3	\$32.3

Note: Includes 2021 carry forward funding

How Well We Are Doing – Behind the Numbers



- In 2021: Open audit recommendations were as follows - 5 in the Office of the CISO, 13 jointly between TSD and Office of the CISO and 2 jointly between TSD and Toronto Water.
- In 2021 submitted as fully implemented were 7 recommendation, all 7 were Office of the CISO - TSD related.
- 2021 closed, fully implemented audit recommendations were as follows: 5 Office of the CISO - TSD and 3 Office of the CISO - Toronto Water.
- Investments in the 2022 budget will continue remediation of open audit recommendations.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Digital Government	% of cyber policies and standards reviewed annually by Office of the CISO			100%	100%	●	100%	100%
	% of scheduled vulnerability scans completed per quarter			100%	100%	●	100%	100%
	% of existing endpoints monitored by Threat Management solution (servers, workstations, mobiles)			90%	88%	●	90%	90%
Business Resilience	% of risk assessments conducted for critical risk projects			100%	100%	●	100%	100%
	% of investigations reviewed within 30 days			90%	100%	●	90%	90%
Service Level Measures								
Cyber Governance	Inquiries responded and/or actioned within one (1) business day			100%	100%	●	100%	100%
	Cyber service requests responded within two (2) business days			90%	90%	●	90%	90%
	Cyber policies, procedures and standards review requests from City divisions and agencies and corporations actioned within ten (10) business days			90%	90%	●	90%	90%
	Mandatory cyber awareness training conducted yearly for all staff			85%	65%	●	85%	85%



Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Other Measures								
Cyber Operations	Standard Cyber Incident Management Response Targets							
	<ul style="list-style-type: none"> <li>Priority 1: 2 business hours</li> <li>Priority 2: 8 business hours (1 day)</li> <li>Priority 3: 24 business hours (3 days)</li> <li>Priority 4: 48 business hours (6 days)</li> </ul>			100%	100%	●	100%	100%
	Ad-hoc security vulnerability scans scheduled within 24 hours (based on approved change window, scans are scheduled after normal office hours)			90%	90%	●	90%	90%
	New assets added for vulnerability scanning within 4 hours (based on assets requests received)			90%	90%	●	90%	90%
	Addition/ changes for security scans within 2 business days (based on approved user lists for addition/change)			90%	90%	●	90%	90%
	Enterprise cyber risk assessments completed within 12 weeks*			90%	80%	●	90%	90%

\*Assessments include: cloud, threat risk, technical security, architecture reviews, critical infrastructure, vulnerability management, penetration testing, code scanning and privacy impact assessments  
Assessments timeline initiated after requirements elicitation is completed and project documentation is delivered by divisions)

● 80% - 100%    ● 64 - 79%    ● 63% and Under

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

N/A

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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Built the Cyber practice, following the creation of the Office of the CISO division in 2020,
- Conducted over 190 cyber assessments including Privacy, Threat, Cloud, Application Security, Vulnerability, Ethical Hacking and Security Reviews).
- Collaborated with Managed Security Services Provider (MSSP) to enhance protection of digital assets.
- Enhanced City's cyber defence and protection of digital assets.

### Key Challenges and Risks

- Increasing level of cybercrime globally.
- Demand for cyber talent is growing at a pace far exceeding the supply. Challenging to retain and attract cyber talent.
- High global demand for cyber services resulting in limited participation from service providers in cyber procurements.
- Decentralized cyber functions.

### Priority Actions

Continuing investments to enhance the City's resilience to cyber risks to minimize the impact of a cyber-attack which could result in potential financial loss, reputational damage, service disruption, legal liability and loss of life.

#### Digital Government

- Strategy, governance, and advisory accountabilities City-wide.
- Cyber culture, awareness and training.
- Managing digital risk and support the operationalization of digital programs and cloud initiatives.
- Modernizing infrastructure, oversight over cyber compliance, and enhancing the Cyber Practice.
- Detection, prevention, and mitigation of cyber risk including the City's critical infrastructure.

#### Business Resilience

- Improving business resilience and supporting the processes enabling business transactions.
- Assessing risk and protecting against unauthorized access for public facing business applications.
- Safeguarding personal and health information of City staff and the Public.
- Enhancing cyber forensic capabilities to investigate fraud, waste, theft, cyber breaches and violations.
- Remediating Auditor General Findings to resolve cyber recommendations.

## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Office of the CISO		382.5			5,000.0	5,000.0	5,000.0	N/A
<b>Total Revenues</b>		<b>382.5</b>			<b>5,000.0</b>	<b>5,000.0</b>	<b>5,000.0</b>	<b>N/A</b>
<b>Expenditures</b>								
Office of the CISO		28,437.7	17,138.6	26,732.0	17,930.5	44,662.5	27,523.8	160.6%
<b>Total Gross Expenditures</b>		<b>28,437.7</b>	<b>17,138.6</b>	<b>26,732.0</b>	<b>17,930.5</b>	<b>44,662.5</b>	<b>27,523.8</b>	<b>160.6%</b>
<b>Net Expenditures</b>		<b>28,055.2</b>	<b>17,138.6</b>	<b>26,732.0</b>	<b>12,930.5</b>	<b>39,662.5</b>	<b>22,523.8</b>	<b>131.4%</b>
<b>Approved Positions**</b>		<b>65.0</b>	<b>N/A</b>	<b>65.0</b>	<b>15.0</b>	<b>80.0</b>	<b>N/A</b>	<b>N/A</b>

Prior to 2021, Cyber was budgeted under Technology Services

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$26.732 million gross reflecting an increase of \$9.593 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Delayed recruitment impacting 2021 projections, attributed to global cyber resource shortage and the COVID-19 pandemic;
- The full year impacts in the 2022 budget from the 23 new complement approved in 2021; and
- Procurement delays of large cyber initiatives due to delayed recruitment of resources.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$17.931 million gross, \$12.931 million net enabling:

- Increased City visibility into cyber threats;
- Ability to meet business needs for cyber modernization, business resilience and digitization of support services; and
- Increase of the City's cyber maturity level above desired target to a managed, measurable and controlled cyber practice.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for the Office of the CISO is \$27.524 million gross or 160.6% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Contribution From Reserves/Reserve Funds			382.5		5,000.0	5,000.0	
<b>Total Revenues</b>			<b>382.5</b>		<b>5,000.0</b>	<b>5,000.0</b>	
Salaries and Benefits			10,177.2	7,818.7	13,868.3	6,049.5	77.4%
Materials & Supplies			23.4	0.0	39.2	39.1	N/A
Equipment			92.3	129.2	71.6	(57.5)	(44.5%)
Service and Rent			18,144.8	9,190.7	30,683.4	21,492.7	233.9%
<b>Total Gross Expenditures</b>			<b>28,437.7</b>	<b>17,138.6</b>	<b>44,662.5</b>	<b>27,523.8</b>	<b>160.6%</b>
<b>Net Expenditures</b>			<b>28,055.2</b>	<b>17,138.6</b>	<b>39,662.5</b>	<b>22,523.8</b>	<b>131.4%</b>

\*2021 Projection based on Q3 Variance Report  
Prior to 2021, Cyber was budgeted under Technology Services

**Key Base Drivers:****Salaries & Benefits:**

Increase due to

- Delays in 2021 recruitment attributed to global cyber resource shortage and the COVID-19 pandemic; and
- 2022 full year impacts of the 23 complement approved by Council 2021.

**Services and Rents:**

- Increase mainly due to procurement delays of large cyber initiatives due to lack of resources.

**Table 2b: 2021 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions			
In \$ Thousands							
1 Business Resilience (Centralization)		1,343.6	1,343.6		763.4	No Impact	-Risk assessments on the City's business application -Embedded cyber controls in business applications to protect confidentiality of data
2 Cyber Foundation (Table Stakes)	5,000.0	8,250.0	3,250.0		10,464.5	No Impact	-Threat Detection Response -Endpoint Threat Detection & Response -Remediation of cyber audit findings -Centralization of cyber risks -Threat intelligence & Threat Hunting -Service Management
3 Cyber Practice Development (Additional complement)		3,394.6	3,394.6	15.0	4,589.8	No Impact	-Build out cyber foundation, support across all cyber domains
4 Digitization Support Services		4,942.2	4,942.2		8,213.0	No Impact	-Protection of virtualized technologies, services and business applications as the City is digitizing over 400+ services -Protection of digital identities ensuring the right users are accessing the right information -Centralized digital identities for the City's residents to deliver services efficiency, improve customer satisfaction and reduce cost (one resident = one ID)
Total New / Enhanced	5,000.0	17,930.5	12,930.5	15.0	24,030.7		

The 2022 Operating Budget includes a total net expenditure of \$12.931 million in investments to support priority actions as detailed in the table above.

The investments enhance the City's resilience to cyber risks in order to minimize the impact of a cyberattack resulting in potential financials loss, reputational damage, service disruption, legal liability and loss of life.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues		5,000.0		
Gross Expenditures	17,138.6	44,662.5	50,786.1	53,241.3
<b>Net Expenditures</b>	<b>17,138.6</b>	<b>39,662.5</b>	<b>50,786.1</b>	<b>53,241.3</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>80.0</b>	<b>80.0</b>	<b>77.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$50.786 million reflects an anticipated \$6.124 million or 13.71 percent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$2.455 million or 4.83 percent above 2023 gross expenditures.

These changes arise from the following:

**Impacts of 2022 decisions**

- Net operating impacts of \$11.124 million in 2023 (including Salaries & Benefits) for licensing of cyber initiatives to detect, protect and response to cyber threats.
- Net operating impacts of \$2.46 million in 2024 for licensing of cyber initiatives to detect, protect and response to cyber threats.

**Salaries and Benefits**

- Operating impacts of \$1.2 million in 2023 for the annualization of the additional 15 positions.
- No impacts in 2024

**Inflationary Impacts**

- Minimal operational impact for consumer price index increase on licensing costs.

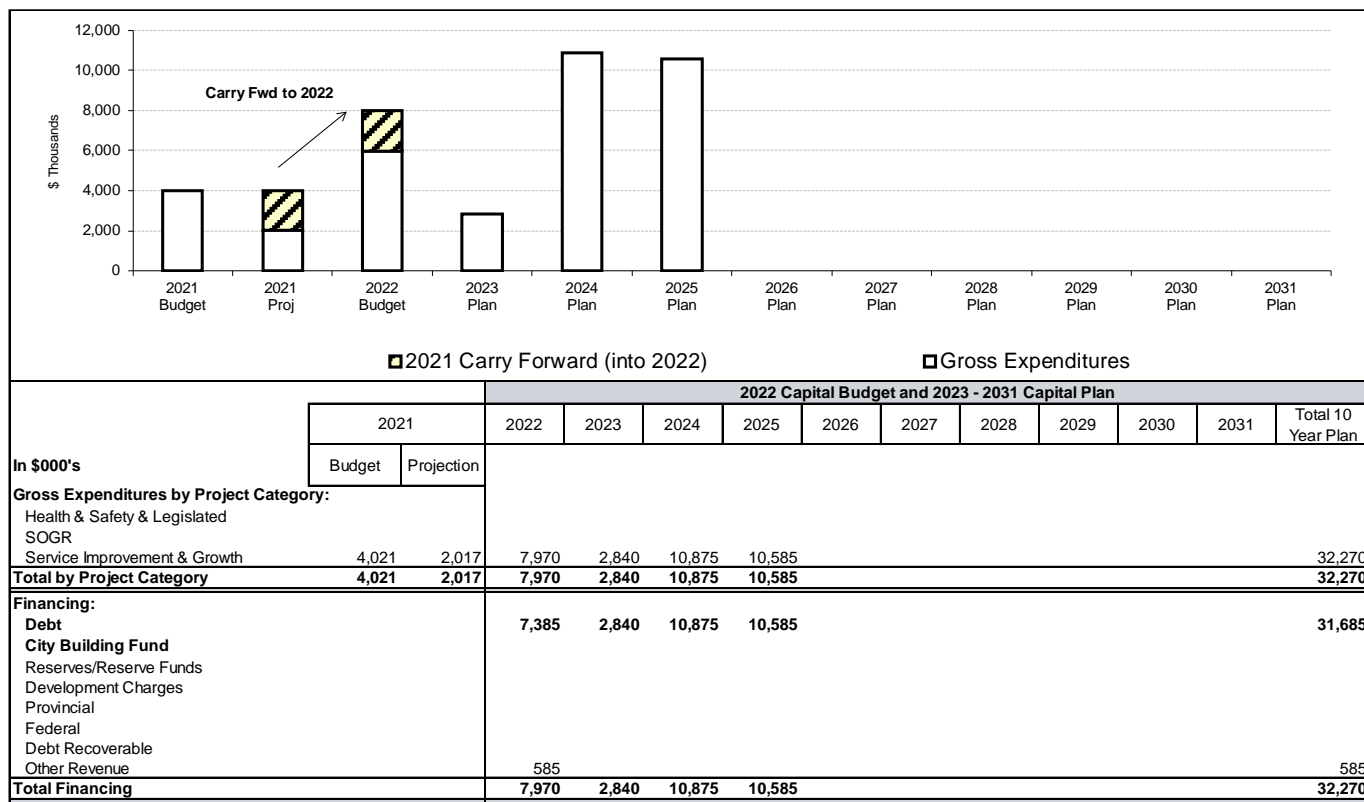
**One-Time Funding Reversal**

- Reversal of one-time funding for Cyber Foundation

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects

(\$6.136 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$6.136 million in increased funding for the implementation and infrastructure for *Digitization Support Services*

### New Projects


(\$7.995 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- Added capital funding towards Infrastructure and hardware for *Cyber Foundation*



**2022 – 2031 CAPITAL BUDGET AND PLAN****\$32.3 Million 10-Year Gross Capital Program**


<b>Service Improvement, Enhancement and Growth</b>
<b>\$32.3M 100%</b>
<ul style="list-style-type: none"> <li>• MSSP Infrastructure</li> <li>• Digital Forensics</li> <li>• Infrastructure cost for new cyber initiatives to detect, protect and response to cyber threats.</li> <li>• Implementation cost for new cyber initiatives to detect, protect and response to cyber threats.</li> </ul>

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

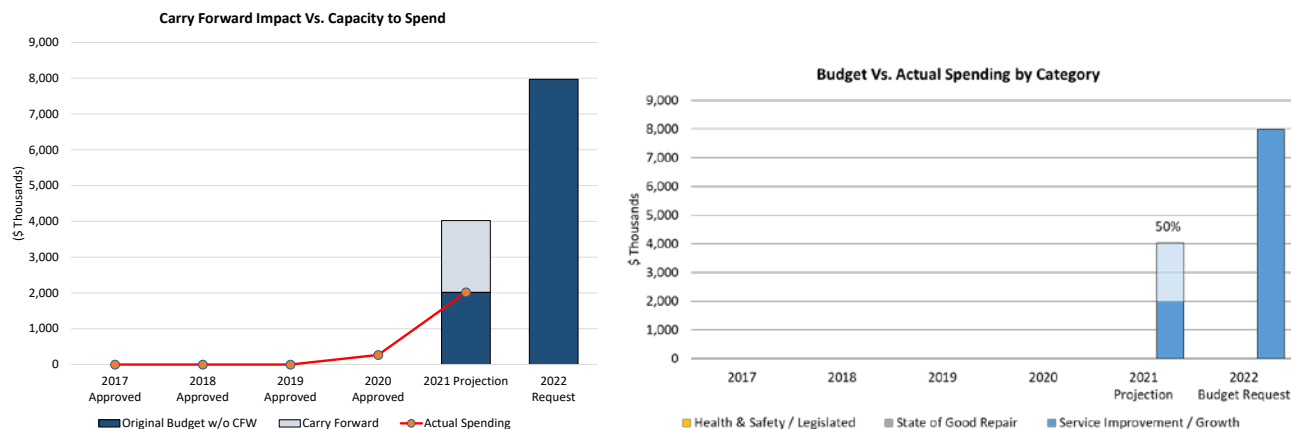
<b>City of Toronto</b>	
<b>\$32.3 M 100%</b>	
Debt	\$ 32.3 M

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Office of the CISO's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



\*2020 budget and actuals reported in Technology Services Division

### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$2.004 million in capital spending originally cash flowed in 2021 has been deferred to 2022. Adjustments to the Capital Plan are noted below:

- Deferral of \$17.553 million for the Cyber Command Centre to 2024.
- Increase of \$6.136 million Digitization Support Services to support the cyber modernization of the City's digital services.
- A total of \$7.995 million in Cyber Foundation includes \$1.419 million reallocation from Managed Security Services and Infrastructure Vulnerability Scanning.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact the 2023 Operating Budget by a total of \$6.050 million net arising from Cyber Foundation and the Digitization Support Services, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
N/A														
<b>Sub-Total: Previously Approved</b>														
<b>New Projects - 2022</b>														
Digitization Support Services	4,942.2		3,270.8		2,190.5						10,403.5		10,403.5	
Cyber Foundation	7,305.8		2,779.7		480.0		537.3				11,102.8		11,102.8	
<b>Sub-Total: New Projects - 2022</b>	<b>12,248.0</b>		<b>6,050.4</b>		<b>2,670.5</b>		<b>537.3</b>				<b>21,506.2</b>		<b>21,506.2</b>	
<b>New Projects - Future Years</b>														
N/A														
<b>Sub-Total: New Projects - Future Years</b>														
<b>Total (Net)</b>	<b>12,248.0</b>		<b>6,050.4</b>		<b>2,670.5</b>		<b>537.3</b>				<b>21,506.2</b>		<b>21,506.2</b>	

## New projects

- An aggregate total of \$21.506 million (including \$10.404 million for Digitization Support Services and \$11.103 million for Cyber Foundation) is required to implement and support new cyber initiatives to detect, protect and response to cyber threats.

# 2022 Program Summary

## Technology Services Division

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Technology Services Division (TSD) provides city-wide leadership in modernizing and innovating City services through strategic technology investments that advances principles of access, affordability and resiliency with equity as a driving factor. This includes:

- Providing a standardized and best practice technology environment to enable program and service delivery to support a digital government.
- Collaborating in partnership with all stakeholders (including the Federal and Provincial Governments, community organizations, residents and businesses) to ensure efficient and effective modernization of solutions with the goal of improving the public experience to access City services.
- Ensuring fiscal stewardship in delivery of results based outcomes to enhance business processes and technology implementations.

### Why We Do It

Our services align to the City's Digital Infrastructure Plan, demonstrating a commitment to equity and inclusion, supporting a Well Run City, creating social, economic and environmental benefits, ensuring privacy and security and enabling democracy and transparency.

**The Technology Services Division (TSD) leads innovative technology services and solutions that effectively supports the delivery of City services to its stakeholders by ensuring:**

- **The City's technology environment is resilient, robust and agile; and**
- **City divisions, residents and businesses experience reliable business continuity enabled from a digital infrastructure that meets their service delivery requirements.**

*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

### **Business Technology Solutions**

**Who We Serve:** City and Agency Staff, Businesses, Residents, & Visitors

**What We Deliver:** Customer-centric sustainable digital solutions

**How Much Resources (gross 2022 operating budget):** \$52.4M

### **Computer & Communications Technology Infrastructure**

**Who We Serve:** City and Agency Staff, Businesses, Residents, & Visitors

**What We Deliver:** Stable and scalable technology infrastructure

**How Much Resources (gross 2022 operating budget):** \$61.2M

### **Enterprise Technology Services Planning & Client Services**

**Who We Serve:** City and Agency Staff, Businesses, Residents, & Visitors

**What We Deliver:** Investment yielding measured outcomes

**How Much Resources (gross 2022 operating budget):** \$27.6M

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$31.9	\$35.1	\$35.2
Gross Expenditures	\$141.3	\$158.5	\$159.5
Net Expenditures	\$109.3	\$123.4	\$124.3
Approved Positions	770.0	770.0	763.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$59.3	\$272.8	\$332.1
Debt	\$38.1	\$50.7	\$88.7

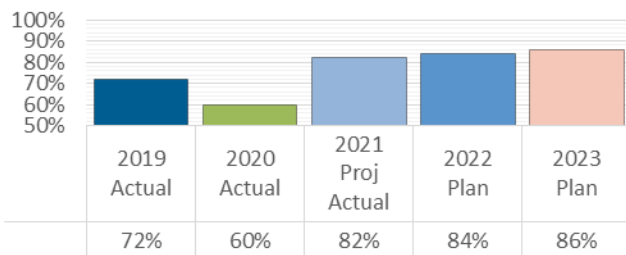
Note: Includes 2021 carry forward funding

The 2022 Operating and Capital Budgets have been developed to continue investments in priority actions and enable the City to modernize and realize efficiencies and improve service effectiveness.

Based on the most recent published data of the Municipal Benchmarking Network of Canada available at the time of printing these Budget Notes, the Total Cost for Information Technology as a percentage of the Total Municipal Cost was 1.1% in Toronto and compares well with the range of 2%-2.5% reported by similar sized public sector entities.

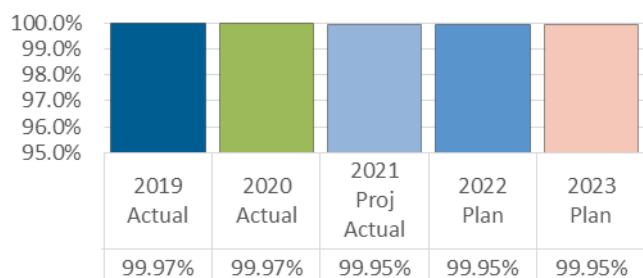
## How Well We Are Doing – Behind the Numbers

### Portfolio: % Plan vs. Actual Completed



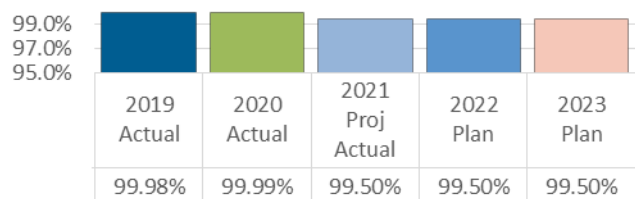
- In 2020, technology project development was suspended with the exception of initiatives that supported the COVID-19 pandemic emergency response
- In 2021, 17 projects were scheduled to be completed. The 2022 target is to complete 82% of planned activities.

### % Availability of Business Applications



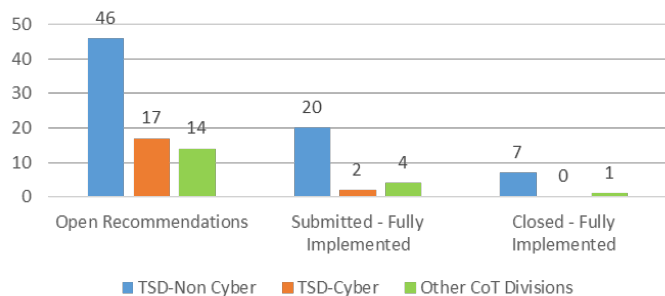
- Measures the availability of all business applications. Applications include Toronto.ca, Municipal Licensing & Standards Online Permitting and Licensing Solution, and Online Parking Ticketing Payment Solution.
- The availability of business applications has been maintained as a result of better planning and fewer incidents.
- Deviations mainly due to scheduled maintenance/upgrades

### % Availability of City's Technology Network Infrastructure Service



- Measures the availability and reliability of the City's Technology network and infrastructure. The City's Network infrastructure Service allows for the City's computers, servers, mainframes, peripherals, and other network devices to connect and share software and data resources.
- Enterprise network infrastructure is planned for sustained availability of 99.50% in 2022 per industry standards
- Availability has historically been at or above planned values due to proactive planning, testing and sustainment activities

### Enterprise Risk Management - Audit



- In 2020 and 2021, Open Audit Recommendations were as follows; 46 in TSD, 17 jointly between TSD and Cyber and 14 in other City of Toronto Divisions
- In 2020 and 2021, Submitted - Fully Implemented Audit Recommendations were as follows; 20 in (TSD, 2 jointly between TSD and Cyber and 4 in other City of Toronto Divisions
- In 2020 and 2021, Closed - Fully Implemented Audit Recommendations were as follows; 7 in TSD and 1 in other City of Toronto Divisions

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>Business Technology Solutions</b>	% Availability of Business Applications	99.97%	99.97%	99.95%	99.95%	●	99.95%	99.95%
<b>Computer &amp; Enterprise Technology Planning &amp; Client Services</b>	Deliver Technology Projects to enable City Programs and Services Delivery: Technology Projects: % Plan vs. Actual Completed	72%	61%	82%	82%	●	88%	90%
<b>Computer &amp; Communications Technology Infrastructure</b>	% Availability of Technology Network Infrastructure Services	99.99%	99.99%	99.50%	99.50%	●	99.50%	99.50%
<b>Computer &amp; Communications Technology Infrastructure</b>	Ensure continued availability of City Technology Infrastructure / Systems: % Availability of Toronto.ca	99.99%	100%	99.50%	99.50%	●	99.50%	99.50%

● 80% - 100%   ● 64 - 79%   ● 63% and Under

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

The City continues to incur the following operating expenditures as a result of expanding its remote and digital capabilities to support mobile work, virtual council and remote teams, in 2022:

- \$1.1 million in enhancing security capability for teleworking.
- \$0.9 million in increasing internet, cloud subscriptions, hardware/software maintenances, etc. to enable City-wide staff to telework and host Town Hall meetings/events.
- \$0.4 million in acquiring cloud subscriptions for digital signatures, voice agent inquiries, and Chabot to meet modernized business needs.

**The recovery activities include:****Remote work and virtual meetings**

During the first wave of the COVID-19 pandemic, Technology Services pivoted swiftly to ensure that the City could continue to deliver services, by enabling 11,000 staff to work remotely. In 2021, TSD ensured that infrastructure was maintained and continues to deliver value and expand capacity, to host many virtual meetings at divisional level and improve citywide collaboration in a remote work setting. Virtual meetings included 192 hybrid legislative meetings, including council and committee meetings, 18 days of virtual Council meetings, and 78 press conferences. To support the digital adoption of remote working tools, the Technology Training team delivered over 50 WebEx-specific training sessions that enabled over 2700 City Staff, City Council and the Mayor with the skills to work remotely. In order to achieve this, Technology Services staff closely collaborated with partners from across the City.

**Re-opening and Return to Office (RTO)**

As the City prepares to re-open, Technology Services again is playing an important role in supporting the resumption of in-person service delivery, completing RTO inventory at all Civic Centres, supporting counter re-openings and providing tools such as tablets to 311 greeters. The City was also able to launch a Digital Appointment Booking solution that made it safer and more efficient to manage public appointments, while saving an average of 6 minutes per appointment.

Technology Services is also actively supporting a safe return to office and ModernTO workplace modernization efforts by deploying new tools such as Office 365 (on-going project) and WebEx Collaboration (deployed to over 22,000 users) to support an improved employee experience.

**COVID-19 Chatbot**

An innovative solution deployed during the pandemic was the City's first chatbot technology pilot, which utilized artificial intelligence to draw answers to over 61,000 questions posed by Torontonians during a period of high uncertainty and rapidly changing information. Staff in 10 City divisions uploaded and maintained 9,500 chatbot questions and answers, freeing up valuable resources from 311 and Toronto Public Health telephone lines. The chatbot was discontinued in October 2021 as part of an analysis and refresh of COVID web pages on the City's website.

**Supporting vaccination efforts**

In 2021, Technology Services supported the City's vaccination efforts by setting up the technology for nine Mass Immunization Clinics with up to 40 stations per location, which eventually transitioned from provincial control to Toronto Public Health and, with round-the-clock support, helped achieved Toronto's high vaccination rate.



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Launched new digitized 311 Toronto service experience providing approximately 600 service requests over multiple platforms.
- Scaled the City's digital service delivery and telework capacity to enable 11,000 users to continue to work remotely, supporting 192 hybrid legislative meetings, including council and committee meetings, 18 days of virtual Council meetings, and 78 press conferences.
- Deployed new tools for remote meetings and collaboration to over 22,000 users.
- Delivered 50+ technology training sessions on virtual meetings to over 2,700 staff and council members.
- Continued to provide support to City divisions with over 57,000 emails, 103,000 tickets, 30,000 self-serve requests, and 90,000 service desk calls answered, of which 79% were resolved within 2 minutes.
- Through the City's innovative COVID-19 chatbot pilot, answered questions to over 61,000 questions from Torontonians, freeing up resources from 311 and Toronto Public Health phone lines.
- Set up technology for nine Mass Immunization Clinics with up to 40 stations per location and daily support, enabling transition of vaccination clinics from province to Toronto Public Health.
- Supported the resumption of courts virtually, as well as establish digital accessibility for access to justice and Toronto Police enforcement units.
- Assisted the establishment of Front Desk for the enterprise and implementation for Clerks to support counter re-opening and completed return-to-office inventory at all Civic Centres.
- Continued to provide free public internet access through Digital Canopy initiative, serving over 11,000 unique users, and public Wi-Fi in community housing, shelters, parks, and recreation centers.
- Completed public engagement for Digital Infrastructure Plan through 17 meetings and presentations, as well as an online questionnaire, to generate a shared vision for & seek input into the City's digital policy.
- Designed and developed a portfolio of accessibility courses that provide City staff with the knowledge to create digital training content accessibly.
- Upgraded and modernized our Local and Wide Area network infrastructure for about 170 sites and locations, replacing and modernizing approximately 300 LAN and WAN devices.

### Key Challenges and Risks

- Organizational readiness to adapt new technology and operating practices.
- Maintaining operational and transformational momentum given global supply chain issues resulting from the pandemic, financial realities & funding models.
- Attracting and retaining talent with the right skillsets and development to meet current and future operational technical requirements.
- Legacy technology systems present limited functionality, service planning and compliance challenges impacting the opportunities for cloud migration.
- Sustainable funding model for transition to a "Cloud First" environment.

### Priority Actions

- Continue to implement City Council decision to take on an expanded citywide scope and mandate with respect to all technology assets, goods, and services by maturing the Technology Intake Process and Project Governance Model to support centralization and standardization.
- Enabling major transformation initiatives in the City ensuring proper technical oversight, compliance and prioritization in alignment with City priorities and audit recommendations.
- Accelerating the replacement and improvement of legacy technology and systems to produce economies of scale and enable data-driven decision-making; modernizing our data centre and improving aging platforms with modernized applications, where feasible and funded.
- Introduce Integrated Service Hubs and the technology required to enable single point of service and enhance the digital experience of City divisions and public.
- Expand ConnectTO, a City-driven collaborative program that aims to leverage the use of municipal resources and assets to address digital exclusion and increase digital equality through the creation of a Municipal Broadband Network and provide access to affordable, high-speed internet to underserved Toronto residents.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Business Technology Solutions	16,452.6	21,112.2	15,337.4	18,259.2		18,259.2	2,921.7	19.0%
Computer & Communications Techn	9,311.5	11,655.3	7,572.1	11,294.8		11,294.8	3,722.7	49.2%
Enterprise Technology Services Pla	2,095.2	2,494.0	1,819.9	2,395.2		2,395.2	575.3	31.6%
<b>Total Revenues</b>	<b>27,859.3</b>	<b>35,261.5</b>	<b>24,729.4</b>	<b>31,949.2</b>		<b>31,949.2</b>	<b>7,219.7</b>	<b>29.2%</b>
<b>Expenditures</b>								
Business Technology Solutions	47,593.7	54,353.6	49,779.6	52,427.0		52,427.0	2,647.4	5.3%
Computer & Communications Techn	44,738.7	57,931.2	52,081.8	61,215.6		61,215.6	9,133.9	17.5%
Enterprise Technology Services Pla	33,110.1	27,824.3	25,690.6	27,622.8		27,622.8	1,932.2	7.5%
<b>Total Gross Expenditures</b>	<b>125,442.5</b>	<b>140,109.1</b>	<b>127,552.0</b>	<b>141,265.5</b>		<b>141,265.5</b>	<b>13,713.5</b>	<b>10.8%</b>
<b>Net Expenditures</b>	<b>97,583.2</b>	<b>104,847.6</b>	<b>102,822.5</b>	<b>109,316.3</b>		<b>109,316.3</b>	<b>6,493.8</b>	<b>6.3%</b>
<b>Approved Positions**</b>	<b>830</b>	<b>770</b>	<b>N/A</b>	<b>770.0</b>		<b>770</b>	<b>N/A</b>	<b>N/A</b>

\*Projection based on 9 Month Variance

\*\*YoY comparison based on approved positions



## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$141.266 million gross reflecting an increase of \$13.714 million in spending above 2021 projected year-end actuals, predominantly arising from the:

- Continued rollout of Office 365 and enhanced bandwidth to meet teleworking requirements and to reflect the hiring plan to implement key initiatives in 2022
- Annualized and recurring costs to support the response to COVID 19 that will have an ongoing impact on the operating budget as TSD continues to support the City's mobile work environment.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$106.847 million in net expenditures reflects a \$4.474 million net increase from the 2021 Council approved Budget, when excluding \$2.469 million in estimated COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service:** No additional requests to support new and enhanced services submitted.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Technology Service's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Technology Services of \$13.714 million gross is 10.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	193.4	217.4	137.8	146.3	30.3	(116.0)	(79.3%)
Transfers From Capital	21,499.0	15,283.1	18,853.5	13,674.4	16,107.7	2,433.3	17.8%
Contribution From Reserves/Reserve Funds	2,929.7	1,702.2	4,994.9	117.9	4,994.9	4,877.0	4137.0%
Sundry and Other Revenues	324.2	161.9	164.0	324.0	324.0		
Inter-Divisional Recoveries	16,577.2	10,494.6	11,111.3	10,466.8	10,492.4	25.5	0.2%
<b>Total Revenues</b>	<b>41,523.6</b>	<b>27,859.3</b>	<b>35,261.5</b>	<b>24,729.4</b>	<b>31,949.2</b>	<b>7,219.7</b>	<b>29.2%</b>
Salaries and Benefits	90,222.3	89,846.2	91,349.7	84,707.1	88,406.5	3,699.4	4.4%
Materials & Supplies	38.5	27.9	63.3	50.3	57.3	7.0	14.0%
Equipment	1,258.8	155.4	900.1	801.3	909.9	108.7	13.6%
Service and Rent	27,264.2	35,151.9	47,785.4	41,978.8	51,881.2	9,902.4	23.6%
Contribution To Reserves/Reserve Funds	211.5	211.8	10.2	10.2	10.2		
Other Expenditures	96.7	39.8	0.4	1.4	0.4	(1.0)	(72.2%)
Inter-Divisional Charges	959.9	9.6		2.9		(2.9)	(100.0%)
<b>Total Gross Expenditures</b>	<b>120,052.0</b>	<b>125,442.5</b>	<b>140,109.1</b>	<b>127,552.0</b>	<b>141,265.5</b>	<b>13,713.5</b>	<b>10.8%</b>
<b>Net Expenditures</b>	<b>78,528.4</b>	<b>97,583.2</b>	<b>104,847.6</b>	<b>102,822.5</b>	<b>109,316.3</b>	<b>6,493.8</b>	<b>6.3%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Salaries and Benefits increases are the result of the required hiring plan to meet the 2022 key initiatives of the division and City. Additional increases are the result of cost of living and step increases for unionized staff. Any increase to capitally funded positions is offset by a corresponding increase in funding from capital and thus have no impact on the Net Expenditures.

**Services and Rents:**

Increases in the request for Services and Rents are primarily the result of the continued rollout of Office 365 licenses in 2022.

**Transfers from Capital:**

Reflects increased capital recoveries from resumption of the capital program.

**Offsets and Efficiencies:**

Efficiencies from providing teleworking solutions in the most cost-effective manner; mitigate user-based licenses for video conferencing and online meetings.

Decommissioning of products when enhanced solutions are implemented; reducing perimeter security with the implementation of Managed Security Services Provider (MSSP).

Monitoring underutilized hardware and software products and eliminating them or developing a new way to deliver the service where applicable. This is done in an effort to mitigate the cost of licenses and software/hardware maintenance costs for the underutilized products.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	24,729.4	31,949.2	35,081.0	35,217.1
Gross Expenditures	127,552.0	141,265.5	158,468.8	159,508.4
<b>Net Expenditures</b>	<b>102,822.5</b>	<b>109,316.3</b>	<b>123,387.8</b>	<b>124,291.3</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>770.0</b>	<b>770.0</b>	<b>763.0</b>

**Key drivers**

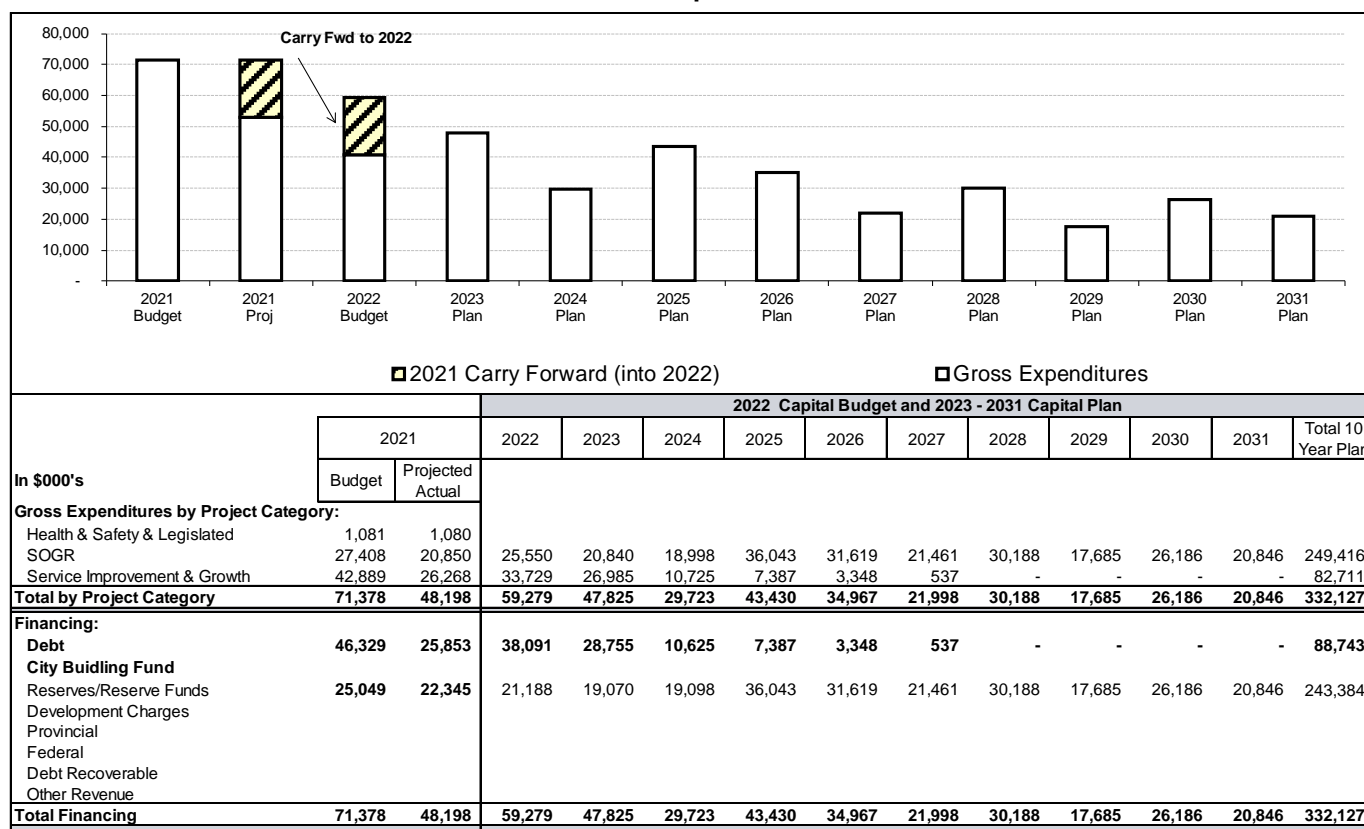
The 2023 Outlook with total gross expenditures of \$158.469 million reflects an anticipated \$17.203 million or 12.2 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlook expects a further increase of \$1.040 million or 0.7 per cent above 2023 gross expenditures.

These changes arise from the following:

- Implementation of Work Management System and ServiceNow in 2023
- Final year of the rollout plan for O365 licenses to be completed in 2023
- Increase in 2024 is driven by contractual and inflationary impacts.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview



### Changes to Existing Projects (\$3.39 Million)

The 2022-2031 Capital Budget and Plan includes an added \$3.39 million in funding towards the following changes to existing projects over the nine common years (2022-2030):



- Open Data Master Plan
- ConnectTO
- Cloud Deployment – Construction Project & Document Management System
- Workforce (HR) Business Intelligence Phase 2

### New Projects (\$6.25 Million)

The 2022-2031 Capital Budget and Plan includes \$6.25 million for new projects. Key projects are as follows:

- Document Direct View Direct (DDVD)
- API Cloud Migration
- Salesforce Realignment of Foundational Technologies
- Telestaff Upgrade
- eSignature Project
- Quality Assurance Centre of Excellence Foundation
- eScheduling Solution & Implementation
- Employee Communication Modernization

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$332.1 Million 10-Year Gross Capital Program**

	
<b>Service Improvement, Enhancement and Growth</b>	<b>Aging Infrastructure/SOGR</b>
\$82.7M 24.9%	\$249.4M 75.1%
<ul style="list-style-type: none"> <li>• MLS System Modernization</li> <li>• Modernized Data Center</li> <li>• Enterprise Work Management Solution</li> <li>• Office365</li> </ul>	<ul style="list-style-type: none"> <li>• Technology Lifecycle Management (Infrastructure Refresh – E.g. Laptop and tablet replacement – transitioning from desktops)</li> </ul>

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows.

**Future year changes in capital investment as transition to approved Cloud First Strategy**

TSD implemented a Cloud first Strategy to support the rapid delivery of digital services for the City. Cloud adoption shifts how investments are funded. As most cloud services are subscription-based, this model sees a shift to greater Operating Expenditures as opposed to Capital Expenditures although Capital Investment will continue to be needed to support the delivery of these cloud services. The first big investment in 2021 in this area was the implementation of Office 365 in support of Workplace Modernization Requirements. Benefits include:

- Greater cost agility with infrastructure as a service – Cloud services have a high degree of cost variability, so expenses can quickly decrease if demand for services is reduced.
- Increase retained cash by reducing capital investments - By using cloud/on-demand services, the City does not have to invest upfront to buy technology infrastructure via regular refresh cycles. This reduces the draws on the Technology Lifecycle Management reserve fund.

**Leadership and Innovation: Digital Infrastructure Plan**

The City carried out extensive City-wide and public consultations during the fall of 2021 to receive input on Toronto's first Digital Infrastructure Plan, which provides a vision, establishes principles, and sets regulations and guidelines for the use of digital tools and data collection across the City and related agencies, boards, and commissions. The public consultations included two virtual public meetings, three drop-in sessions, an online questionnaire, and ten presentations to advisory committees, community groups, and other stakeholders, reaching 794 participants.

Toronto's leadership on the Digital Infrastructure Plan is receiving significant attention from across the country and even globally, with presentations made to working groups such as the Cities Coalition for Digital Rights, Big 6 Cities Coast-to-Coast Working Group, Greater Toronto and Hamilton Area roundtables, and Artificial Intelligence (AI) in Municipal Government Community of Practice.

**How the Capital Program is Funded**

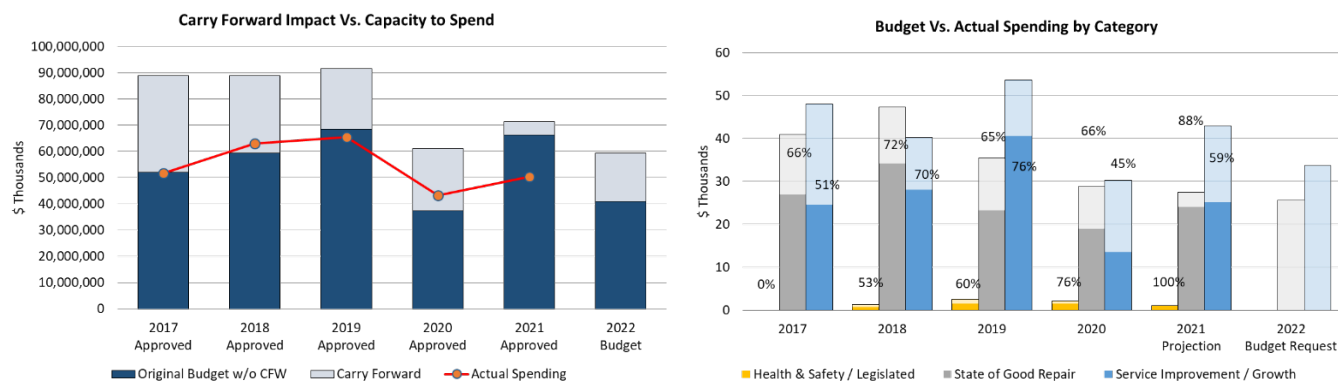
<b>City of Toronto</b>	
<b>\$332.1 M</b> <b>100%</b>	
Debt	\$ 88.7 M
Reserve / Reserve Fund	\$ 243.4 M

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with Technology Services' ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

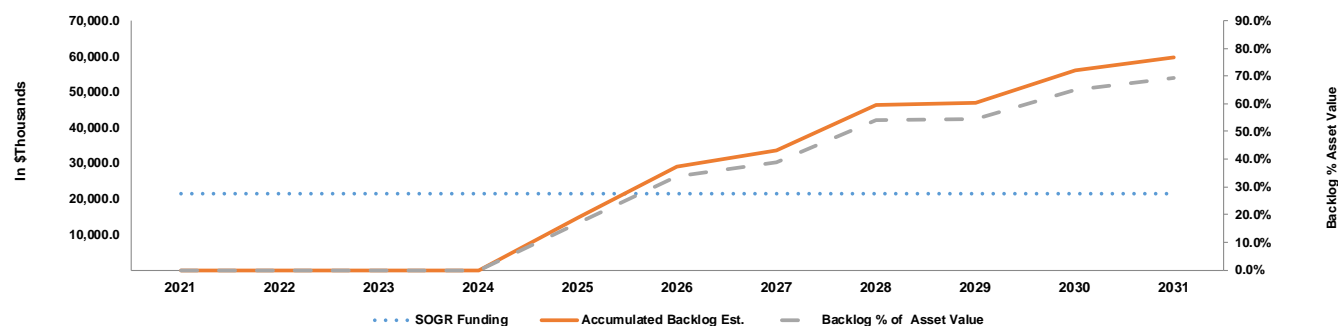
Based on the review of historical capital spending constraints and a capacity to spend review, \$18.315 million in capital spending has been deferred from 2021 to 2022, with an additional \$5.077 million deferred to 2023 - 2025. Adjustments to the Capital Plan are noted below:

- *Modernized Data Center Architecture* reduced 2022 budget by \$5.538 million and deferred \$5.538 million to 2023 based on project timelines and capacity to spend
- *Enterprise Work Management Solution Program* has been consolidated across four divisions (Toronto Water, Solid Waste, Parks Forestry & Recreation, and Transportation) for the total budget to reside in TSD. The consolidation has a net zero impact across The City, however it increased the TSD budget by \$8.162 million in 2022. Of this, 2.23 million was deferred to 2023
- *Desktop Hardware Replacement* reduced 2022 budget by \$2.964 million and deferred the same amount to 2024 due to global supply chain issues.
- Six TSD projects have decreased their 2022 budget ask based on TSD's divisional priorities, resource constraints, timelines and capacity to spend. The collective total decrease is \$5.780 million in 2022 compared to the previously submitted 2022 budget
- The projects included in the 2022 budget request fall within the following phases :
  - \$27.5M (47% of budget) & 12 projects (24%) are 30%-100% design completed with Procurements ready
  - \$16.7M (28% of budget) & 10 projects (20%) are 5%-30% design completed with Procurements ready
  - \$5.9M (10% of budget) & 10 projects (20%) are 5%-30% design completed, not Procurement ready
  - \$9.1M (15% of budget) & 18 projects (36%) are 0%-5% design completed with estimates includes 12 new project requests for 2022



**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Technology Services such as Lifecycle Management (Desktop Hardware, Software, Servers, etc.)

**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	21,297.0	21,297.0	21,297.0	21,297.0	21,297.0	21,297.0	21,297.0	21,297.0	21,297.0	21,297.0	21,297.0
<b>Accumulated Backlog Est.</b>					14,657.8	29,122.5	33,429.3	46,463.6	46,995.0	56,027.3	59,719.5
<b>Backlog % of Asset Value</b>	0.0%	0.0%	0.0%	0.0%	17.0%	33.9%	38.9%	54.0%	54.6%	65.1%	69.4%
<b>Total Asset Value</b>	84,197.3	85,806.8	86,000.0	86,000.0	86,000.0	86,000.0	86,000.0	86,000.0	86,000.0	86,000.0	86,000.0

- The TSD Life Cycle Management (LCM) program invests to ensure TSD solutions are kept reliable, current, compliant, and supported for continued client satisfaction for all TSD systems. TS Delivery management continually assesses the technologies sustained by the LCM program to ensure alignment with leadership directions, such as Public Cloud First, ModernTO and the transition to 90% notebooks, while also keeping in mind the constant changes in the technology landscape and global supply issues currently being experienced.
- In order to remain within the reserve funding (\$21.3M) 2022-2025, the LCM replacement of notebooks and network assets may be extended beyond the policy of three years (network assets) - five years (notebooks) to be 'when-required.' Based on industry standards, this falls within the cost-constrained approach of five years useful life for notebooks. The mainstream standard is four years and the aggressive approach is three years. This is a concern with hybrid teleworking as greater mobility leads to increased hardware failures in notebook devices as the life spans are contingent upon the environmental changes they are subject to regularly.
- The split of LCM costs is as follows 49% (\$118M) Notebooks/Desktops, 23% (\$56M) Network Assets including costs to implement AG recommendation, 8% (\$19M) Internet Services includes impact of increased number of remote workers, Proxy, and Firewall due to COVID-19.
- Based on this plan, it is forecasted that there will be a backlog starting in 2025 and additional funding is required to support the plans. Technology Services will work with FPD to address the projected backlog growth as part of future budget process.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact the 2023 Operating Budget by a total of \$0.403 million primarily due to the completion of the below mentioned projects expected to be completed in 2022 and 2023, as show in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
ServiceNow			914.4		914.4						1,828.8		8.0	
Enterprise Work Management Solution	279.5		596.8		758.5						1,634.9		474.0	
AODA Compliance Public Facing	50.0		61.0		72.6						183.6		57.2	
<b>Sub-Total: Previously Approved</b>	<b>329.5</b>		<b>1,572.2</b>		<b>1,745.5</b>						<b>3,647.2</b>		<b>539.2</b>	
<b>New Projects - 2022</b>														
API Cloud Migration			75.0		75.0		75.0				225.0		225.0	
Class Replacement Project - Enterprise Implementation & Decommissioning							288.0		336.0		624.0		960.0	
Document Direct View Direct (DDVD) Content Migration for Enterprise Wide Processes			75.0		125.0		135.0		145.0		480.0		480.0	
eSignature Project			193.0		50.0		50.0				293.0		293.0	
Salesforce Realignment of Foundational Technologies					220.0						220.0		232.0	
<b>Sub-Total: New Projects - 2022</b>			<b>343.0</b>		<b>470.0</b>		<b>548.0</b>		<b>481.0</b>		<b>1,842.0</b>		<b>2,190.0</b>	
<b>Total (Net)</b>	<b>329.5</b>		<b>1,915.2</b>		<b>2,215.5</b>		<b>548.0</b>		<b>481.0</b>		<b>5,489.2</b>		<b>2,729.2</b>	

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Finance and Treasury  
Services*

# 2022 Program Summary

## Office of the CFO & Treasurer

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Office of the Chief Financial Officer and Treasurer ensures the effective use of the Corporation's financial resources by providing sound financial planning management and advice; maintaining financial control; developing and implementing effective financial strategies; and providing timely, accurate and efficient services to Programs, Agencies, Council and the public.

### Why We Do It

The purpose is to safeguard the City's assets and to manage City resources effectively, efficiently and economically. The following outcomes contribute to this purpose:

- **Council and City divisions receive financial planning advice and support that is timely and relevant.**
- **Torontonians receive timely and equitable resolutions to their claims against the City.**
- **The City of Toronto has sufficient financial protection from catastrophic financial loss through the insurance program.**
- **Divisions receive timely and trusted independent assurance on their internal controls (in order to mitigate risk). Internal Audit is a key contributor to the City's overall governance framework, providing support to management in discharging their responsibilities for identifying and managing risks. The work performed by Internal Audit also supports the work of the Auditor General's Office to help strengthen risk management and controls throughout the City.**
- **The City's capital projects are financed at the lowest borrowing rate in order to reduce tax burden on Toronto residents and businesses, in consideration of the green and social debenture frameworks to promote sustainability, improve climate resiliency and enhance positive social outcomes.**
- **The City's financial assets are invested responsibly to achieve superior (risk-adjusted) rate of return in order to meet the City's cash flow requirements.**

*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

### **Financial Planning**

**Who We Serve:** Council, City divisions, Agencies and Corporations

**What We Deliver:** City of Toronto balanced budget; financial advice; financial policies and financial Reports.

**How Much Resources (gross 2022 operating budget):** \$11.3 million

### **Internal Audit**

**Who We Serve:** Council, City divisions, Agencies and Corporations

**What We Deliver:** Business and risk consulting on policies, processes and information systems. Assurance services including the performance of compliance, operational, financial, forensic and internal control reviews.

**How Much Resources (gross 2022 operating budget):** \$1.9 million

### **Insurance & Risk Management:**

**Who We Serve:** Council, City divisions, Agencies and Corporations, Toronto residents

**What We Deliver:** Insurance and claims risk advice as well as risk mitigation strategies

**How Much Resources (gross 2022 operating budget):** \$1.8 million

### **Capital Markets**

**Who We Serve:** Council, City divisions, Agencies and Corporations

**What We Deliver:** Investment and debt portfolio management

**How Much Resources (gross 2022 operating budget):** \$1.7 million

## Budget at a Glance

### 2022 OPERATING BUDGET

\$ Millions	2022	2023	2024
Revenues	\$ 3.6	\$ 3.7	\$ 3.8
Gross Expenditures	\$ 16.6	\$17.2	\$17.4
Net Expenditures	\$12.9	\$13.5	\$13.6
Approved Positions	114.0	114.0	114.0

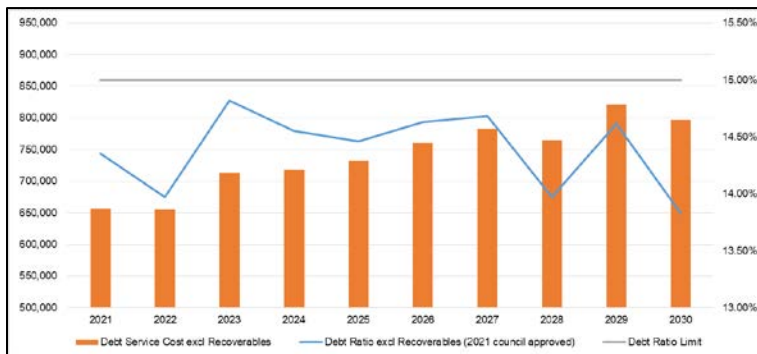
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$ Millions	2022	2023-2031	Total
Gross Expenditures	\$ 1.8	\$ 5.1	\$ 6.9
Debt	\$ 1.2	\$ 3.9	\$ 5.1

Note: Includes 2021 carry forward funding

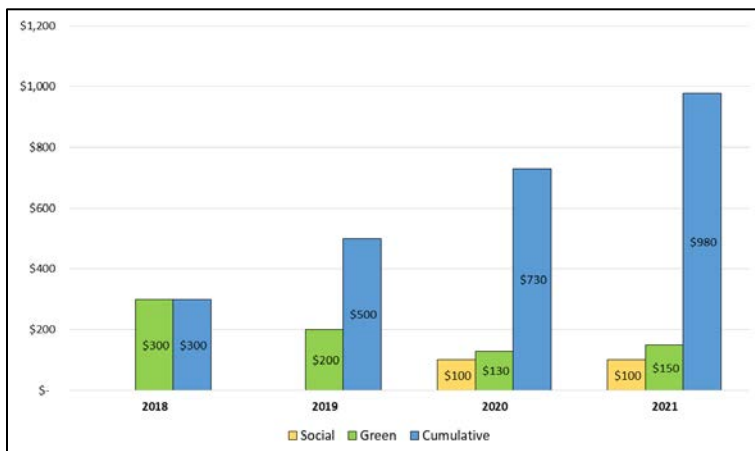
## How Well We Are Doing – Behind the Numbers

**2021 to 2030 Tax-Supported Debt Services  
as a % of the Property Tax Levy  
(\$000s)**



- Debt Service Cost as a Percentage of Property Tax is a key indicator for a City's debt affordability and financial healthiness.
- The City of Toronto has adopted a policy to keep this ratio below 15%. One of Financial Planning Division's major objectives is to monitor and control the ratio below the 15% limit.
- This is the third year in a row that the City's 10 year ratio associated with the 10-Year Capital Plan is kept at or below 15% for every single year in the Plan.
- This is achieved by tremendous efforts across the City with intensive reviews of capital projects based on both affordability and readiness to proceed, as well as the implementation of the City's various non-debt financing strategies.

**City of Toronto's Outstanding Sustainable  
Public debt  
(\$ millions)**



- The City of Toronto is the largest municipal Green Bond Issuer in Canada (\$780 million outstanding).
- The City was the first government in Canada to establish a Social Debenture Program, and remains the only government in Canada who has issued a Social Bond in the public debt market (\$200 million outstanding).
- The Social Debenture Program demonstrates the City's commitment to advance positive social action and sustainability for all Torontonians.
- The City's Debenture Frameworks are developed, reviewed, and supported by third-party opinion (Sustainalytics).
- Sustainable bond issues (Green and Social) will continue in future years to finance capital projects with key metrics.
- The City produces an Annual Newsletter to report on project impacts for investors.
- The City's capital projects are financed at the lowest borrowing rate in order to reduce tax burden on Toronto residents and businesses, in consideration of the green and social debenture frameworks to promote sustainability, improve climate resiliency and enhance positive social outcomes.
- Released the City of Toronto's first ever Environmental, Social and Governance (ESG) performance report, becoming the first government in Canada to issue an annual ESG performance report.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Financial Planning	% Balanced Operating Budget approved annually in accordance with Council's mandates	100%	100%	100%	100%	●	100%	100%
Financial Planning	% of time decision support released at least 24hrs for notes and 7 days for Reports, prior to council / committee meeting	100%	100%	100%	100%	●	100%	100%
Financial Planning	% of time Operating variance is provided at the first scheduled Budget Committee meeting after 45 days of the reporting period closing	100%	100%	100%	100%	●	100%	100%
Financial Planning	Impact of Capital Funding (Tax & Rate) on the State of Good Repair (\$ Millions)	\$2,159	\$2,098	\$2,505	\$2,076	●	\$3,047	\$2,722
Internal Audit	Respond to requests for advice within 2 business days	100%	100%	100%	100%	●	100%	100%
Internal Audit	An average score of 4 out of 5 in client satisfaction surveys pertaining to all audit completed	4.3	4.2	4.0	4.0	●	4.0	4.0
Insurance & Risk Management	% of claimant correspondence sent within 2 days	84%	97%	95%	98%	●	95%	95%
Insurance & Risk Management	% of acknowledgement letters sent within 5 days	99%	100%	95%	98%	●	95%	95%
Insurance & Risk Management	% of Division reports requested within 2 days	90%	100%	95%	100%	●	95%	95%

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Insurance & Risk Management	% of claim reports acted on within 15 days	19%	98%	95%	98%	●	95%	95%
Insurance & Risk Management	% of IRM inquiries responded to and resolved within 3 business days	95%	89%	80%	89%	●	80%	80%
Capital Markets	Adhering to the Council-approved Investment Policy (% in Compliance)	100%	100%	100%	100%	●	100%	100%
Capital Markets	Toronto Investment Board Meetings Held (minimum 4 per year)	5	3	4	4	●	4	4
Capital Markets	Debt Repayment in Accordance with City By-Laws – Correct Amounts and On Schedule (% in Compliance)	100%	100%	100%	100%	●	100%	100%
Capital Markets	New Debt Issued as a Percentage of the Annual Debt Authority (\$1 billion)	95%	98.6%	100%	100%	●	100%	100%



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Continued to provide financial advice and support to the City during the COVID-19 pandemic; leading and coordinating financial tracking across all City divisions and agencies to ensure the City's services are adequately funded despite operational challenges and financial implications.
- Supported intergovernmental funding requests – in total, the City has benefited from nearly \$2.8 billion in intergovernmental COVID-19 relief funding since the start of the pandemic, ensuring continuation of the City's critical frontline services.
- Finalized and delivered the Core Infrastructure Asset Management Plan to City Council, in collaboration with Toronto Water and Transportation Services, in accordance with provincial regulations and in alignment with the City's Corporate Asset Management Policy.
- Received approval of the City of Toronto as a CPA Training Office and Pre-Approved Program, and launched a Community of Practice for CPA students.
- Successfully renewed the City's insurance program despite increasingly challenging market conditions.
- TTC Insurance Company Limited received approval to amend its license to insure the auto risks of the City resulting in savings to the City.
- Issued an additional \$150 million green bond and \$100 million social bond to help finance critical capital projects that enhance climate action and social outcomes.
- Awarded "Social Bond of the Year – Local Authority/Municipality" at the 2021 Environmental Finance Bond Awards for the issuance of the City's inaugural social bond (the only Canadian government to do so), signalling our leadership in the green, social and sustainability bond and loan market.
- Released the City of Toronto's first ever Environmental, Social and Governance (ESG) performance report, becoming the first government in Canada to issue an annual ESG performance report.

### Key Challenges and Risks

- Continued uncertainty regarding the impacts of COVID-19 on the City's operations and financial sustainability, which may affect the City's ability to deliver services and capital projects.
- Ongoing risk due to reliance on federal and provincial funding which is critical to the City's financial sustainability during the pandemic and recovery period.
- Increased demand for Internal Audit services from City divisions, who expect to receive timely and trusted independent assurance on their internal controls.
- Continuation of the hard insurance market, with expected premium increases and limited available capacity in the market
- Risk of lower rates of return in a low interest environment (portfolio is 70% fixed income)

### Priority Actions

- Continue to prioritize COVID-19 recovery and rebuild efforts, and leverage available federal / provincial assistance to ensure the City's operations are properly funded.
- Continue to monitor the City's operating and capital spending, considering legislative and health and safety requirements and the maintenance of service levels, while analyzing COVID-19 related pressures.
- Ensure the City's reserves are adequately funded through prudent budgeting and the surplus allocation process, and continue to monitor the SOGR backlog to safeguard the City's capital assets in good repair.
- Continue to support the City's priorities in budget modernization initiatives as a strategic partner.
- Explore strategies to manage the increasing costs of the City's insurance program
- Implement a cloud-based Risk Management Information System to enhance the City's ability to manage risk and provide metrics on claims/inquiries.
- Continue to monitor the debt capacity level to sustain the City's credit rating and financial sustainability.
- Demonstrate the City's commitment to advancing positive social action and sustainability for all through the Social Bond Program, and focus on ESG-related opportunities and risks across strategic priorities.
- Leverage the City's low cost of borrowing to finance capital projects that contribute to environmental sustainability, to mitigate and adapt to the effects of climate change and reduction of GHG emissions.

- Support management to identify and implement key actions in alignment with the 2020 KPMG Audit Findings Report and Management Letter.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Financial Planning	1,169.7	1,672.6	1,137.4	1,448.5		1,448.5	311.1	27.4%
Internal Audit	255.7	255.8	235.8	255.8		255.8	20.0	8.5%
Insurance & Risk Management	1,805.3	1,782.3	1,777.7	1,785.1		1,785.1	7.4	0.4%
Capital Markets	135.0	135.0	135.0	135.0		135.0	0.0	
<b>Total Revenues</b>	<b>3,365.7</b>	<b>3,845.7</b>	<b>3,285.9</b>	<b>3,624.4</b>	<b>0.0</b>	<b>3,624.4</b>	<b>338.5</b>	<b>10.3%</b>
<b>Expenditures</b>								
Financial Planning	11,096.2	11,316.3	9,940.5	11,265.7		11,265.7	1,325.2	13.3%
Internal Audit	1,601.0	1,760.8	1,544.7	1,860.3		1,860.3	315.6	20.4%
Insurance & Risk Management	1,813.4	1,774.6	1,777.7	1,785.1		1,785.1	7.4	0.4%
Capital Markets	1,558.1	1,641.0	1,525.3	1,657.8		1,657.8	132.5	8.7%
<b>Total Gross Expenditures</b>	<b>16,068.7</b>	<b>16,492.7</b>	<b>14,788.2</b>	<b>16,568.9</b>	<b>0.0</b>	<b>16,568.9</b>	<b>1,780.7</b>	<b>12.0%</b>
<b>Net Expenditures</b>	<b>12,703.0</b>	<b>12,647.0</b>	<b>11,502.3</b>	<b>12,944.5</b>	<b>0.0</b>	<b>12,944.5</b>	<b>1,442.2</b>	<b>12.5%</b>
<b>Approved Positions**</b>	<b>117.0</b>	<b>113.0</b>	<b>N/A</b>	<b>114.0</b>		<b>114.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$16.569 million gross reflect an increase of \$1.781 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Projected favourable expenditure variance for 2021 due to underspending in salaries and benefits.
- Establishment of a Chartered Professional Accountant (CPA) Pre-Approved program to be initiated in September 2022, result of CPA Ontario approving the City of Toronto as a CPA training office in 2021.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Office of the Chief Financial Officer and Treasurer's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for the Office of the Chief Financial Officer and Treasurer is \$1.781 million gross or 12.0% higher than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	432.5	0.0	869.7	0.0	616.2	616.2	
Contribution From Reserves/Reserve Funds	1,825.1	1,836.7	1,782.3	1,777.7	1,815.8	38.1	2.1%
Sundry and Other Revenues	188.4	361.4	20.0	334.5	20.0	(314.5)	(94.0%)
Inter-Divisional Recoveries	1,061.5	1,167.6	1,173.7	1,173.7	1,172.4	(1.3)	(0.1%)
<b>Total Revenues</b>	<b>3,507.5</b>	<b>3,365.7</b>	<b>3,845.7</b>	<b>3,285.9</b>	<b>3,624.4</b>	<b>338.5</b>	<b>10.3%</b>
Salaries and Benefits	14,356.5	15,419.6	15,694.8	14,104.9	15,760.8	1,655.9	11.7%
Materials & Supplies	14.9	5.7	20.2	16.0	20.2	4.2	26.3%
Equipment	41.6	46.4	37.5	38.3	39.0	0.7	1.8%
Service and Rent	576.2	558.8	739.7	628.5	748.4	119.9	19.1%
Contribution To Reserves/Reserve Funds	38.2	38.2				0.0	
Other Expenditures	10.4	0.0	0.5	0.5	0.5	0.0	
<b>Total Gross Expenditures</b>	<b>15,037.8</b>	<b>16,068.7</b>	<b>16,492.7</b>	<b>14,788.2</b>	<b>16,568.9</b>	<b>1,780.7</b>	<b>12.0%</b>
<b>Net Expenditures</b>	<b>11,530.3</b>	<b>12,703.0</b>	<b>12,647.0</b>	<b>11,502.3</b>	<b>12,944.5</b>	<b>1,442.2</b>	<b>12.5%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

The 2022 Operating Budget reflects an increase in salaries and benefits primarily due to annualized impact of positions budgeted for part of the year in 2021.

The 2022 Operating Budget includes 3 positions and salary and benefits totalling \$0.094 million to establish a CPA Pre-Approved Program Route Office (Training Office) to train and develop CPA candidates within the City of Toronto, starting in September 2022. This is partially offset by the reduction of 2 capital positions for the Integrated Asset Planning Management (IAPM) project.

**Services and Rents:**

The 2022 Operating Budget includes an increase over the 2021 projected actuals for professional services due to underspending experienced in 2021 associated with a delay in implementing the Short Term Promissory Note Program.

**Other Revenue Changes:**

The 2022 Operating Budget includes \$0.616 million in capital recoveries, which reflects an increase over the 2021 projected actuals primarily attributed to increased recoveries towards the IAPM project.

**Offsets and Efficiencies:**

The 2022 Operating Budget for the Chief Financial Officer and Treasurer includes \$0.117 million in savings as a result of line-by-line reviews to align expenditures with actual experience.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection*	2022 Budget	2023 Outlook	2024 Outlook
Revenues	3,285.9	3,624.4	3,745.5	3,775.9
Gross Expenditures	14,788.2	16,568.9	17,257.1	17,395.1
<b>Net Expenditures</b>	<b>11,502.3</b>	<b>12,944.5</b>	<b>13,511.6</b>	<b>13,619.2</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>114.0</b>	<b>114.0</b>	<b>114.0</b>

\*2021 Projection based on Q3 Variance Report

## Key drivers

The 2023 Outlook with total gross expenditures of \$17.257 million reflects an anticipated \$0.688 million or 4.15 per cent increase in gross expenditures above the 2022 Operating Budget; the 2024 Outlook expects a further increase of \$0.138 million or 0.80 per cent above 2023 gross expenditures.

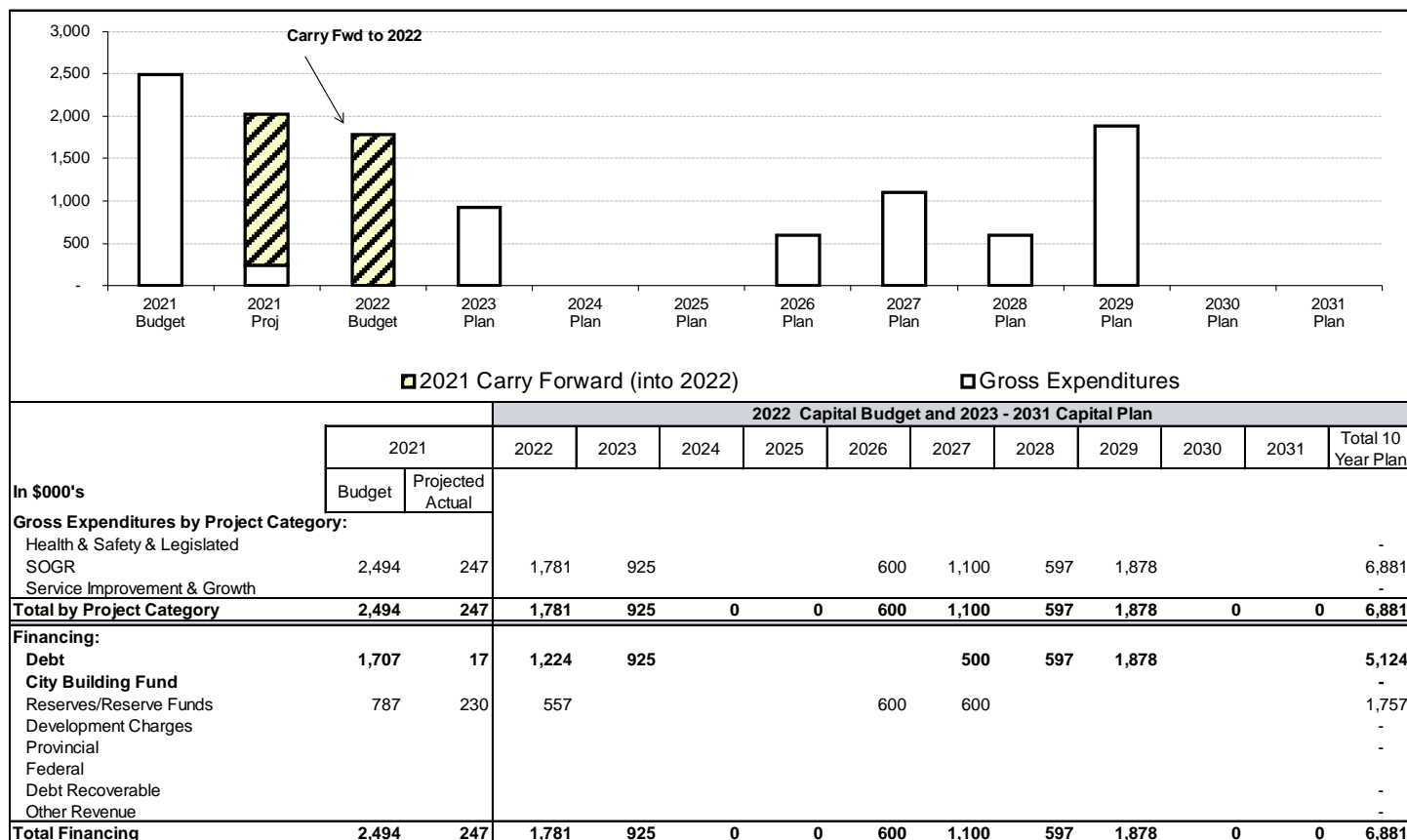
These changes arise from the following:

- Increase in 2023 mainly due to a cost of living adjustment increase for L79 staff (1.5% effective January 1, 2023 and 0.25% effective July 1, 2023), and annualization of positions filled in 2022.
- Increase in 2024 mainly due to 1.75% COLA increase for L79 staff.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000s)



\*2021 Projection based on Q3 Variance Report.

Changes to Existing Projects (-\$0.5 Million)	New Projects (\$0.0 Million)	Capital Needs Constraints (\$0.0 Million)
<p>The 2022-2031 Capital Budget and Plan reflects a decrease of \$0.5 million over the nine common years of the Capital Plan (2022-2030) due to:</p> <ul style="list-style-type: none"> <li>Reduction of \$0.5 million in project estimates for the <i>Investment &amp; Debt Management System Replacement</i> project.</li> <li>Deferral of \$0.6 million in cash flow funding from 2025 to 2026 for the <i>Risk Management Information System Replacement</i> project.</li> </ul>	<p>There are no new projects in the 10 Year Capital Plan.</p>	<p>There are no capital needs constraints in the 10 Year Capital Plan.</p>

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$6.9 Million 10-Year Gross Capital Program**

	
<b>Asset Planning</b>	<b>Information Technology / Risk Management</b>
\$2.2 M 32%	\$4.7 M 68%
Integrated Asset Planning Management	Risk Management Information System  Investment & Debt Management System  Capital Migration to New System

**How the Capital Program is Funded**

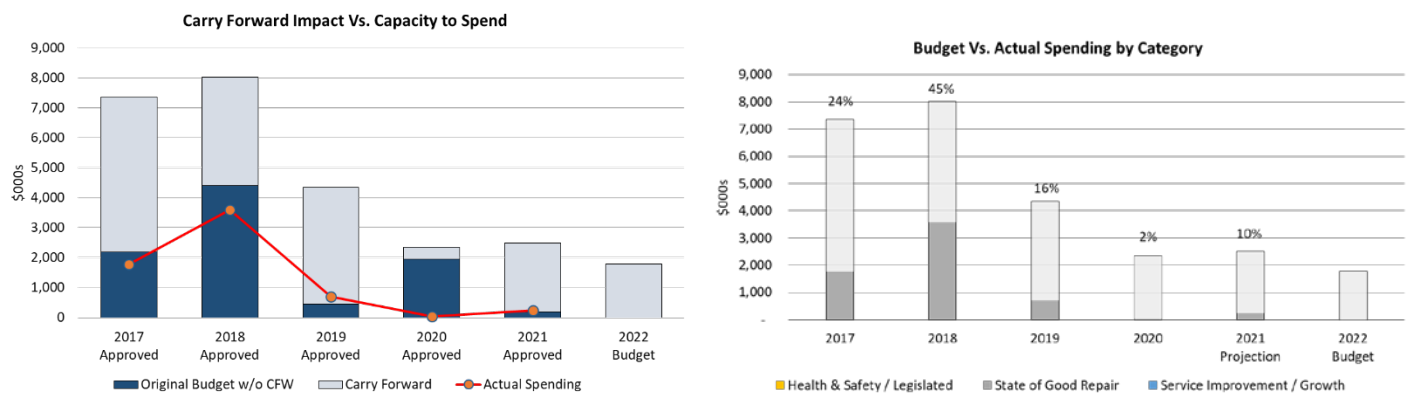
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$6.9 M 100%</b>		<b>\$0 M 0%</b>	<b>\$0 M 0%</b>
Debt	\$ 5.1 M		
Reserves / Reserve Funds	\$ 1.8 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with the Office of the Chief Financial Officer & Treasurer's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



\*2021 Projection based on Q3 Variance Report.

### Capacity to Spend Review Impact on the 10-Year Plan

The 10-Year Capital Plan has been reviewed based on anticipated annual capital spending and cash flow requirements, consistent with project readiness to proceed. For 2021, the projected spending is \$0.247 million, or 10% of the 2021 Capital Budget, due to the delay in spending for two capital projects.

The *Integrated Asset Planning Management (IAPM)* project experienced significant underspending in 2021, as provincially legislated timeframes were revised to require Ontario municipalities to develop and approve asset management plans for all infrastructure assets at the current levels of service by July 1, 2024, a year later than originally required. This work will be completed in alignment with the required timeframes over 2022 and 2023. While there was significant underspending for this project in 2021, City Council approved the Core Asset Management Plan, in advance of the province's July 1, 2022 deadline.

The *Risk Management Information System Upgrade* project experienced underspending as a result of a delayed RFP and evaluation process. Authority to enter into a contract for the provision of a risk management information system was awarded in September 2021.

As a result of underspending in 2021, a total of \$2.247 million in cash flow funding has been carried forward into 2022 (\$1.781 million) and 2023 (\$0.466 million). In addition, funding estimates in the amount of \$0.5 million has been deferred from 2025 to 2026 to reflect anticipated timing of the *Risk Management Information System Replacement* project.

# 2022 Program Summary

## Office of the Controller

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We provide effective financial and employee services to City Programs, Agencies and Corporations by establishing a robust internal control system with relevant processes and procedures to safeguard City assets; systematic and comprehensive recording of financial transactions following public sector accounting standards, along with timely and accurate reporting of financial information; accurate and efficient pension, payroll and benefit services and procurement and materials management services that meet the needs of City divisions; and providing leadership in revenue billing and collection services.

### Why We Do It

The purpose is to safeguard the City's assets, through a strong internal control framework, and to manage City resources effectively, efficiently and economically. The following outcomes contribute to this purpose:

- **City divisions and Council have access to accurate, compliant, relevant and complete financial information through an up-to-date financial system.**
- **City revenues are sustained through timely, accurate, reliable and flexible billing and collection for property taxes, water and sewer services, solid waste collection, parking tickets, Municipal Land Transfer Tax.**
- **Toronto residents and businesses have access to reliable, secure and convenient payment options.**
- **Procurement of goods and services is accessible, timely and consistent for City services and suppliers, which enables City divisions to deliver services as planned.**
- **Vendors receive accurate and timely payments for the goods and/or services they provide the City.**
- **City employees and pensioners receive timely and accurate regular payments and benefits.**
- **City benefits are financially sustainable and meet the physical and mental health needs of employees.**

*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

### Accounting Services

**Who We Serve:** City Divisions, Agencies and Corporations, Users, including City Council, of the City's consolidated financial statements and Annual Financial Report

**What We Deliver:** Sound accounting, commodity tax and Payment Card Industry (PCI) compliance policy and advice, Commodity Tax and Financial System support, Payment processing, Compliant and timely financial and management reporting

**How Much Resources (gross 2022 operating budget): \$11.7M**

### Pension, Payroll & Employee Benefits

**Who We Serve:** Elected Officials, Staff - City of Toronto, Retired Staff – City of Toronto, OMERS Pension Boards & Committees

**What We Deliver:** PPEB provides payroll, employee benefits and pension services to employees and pensioners of the Toronto Public Service in an accurate, efficient and timely manner.

**How Much Resources (gross 2022 operating budget): \$17.6M**

### Purchasing & Materials Management

**Who We Serve:** City divisions, Agencies and Corporations, Suppliers

**What We Deliver:** In 2020, the City issued approximately \$2.3 billion in contracts, through the issuance of over 1,672 purchase orders and blanket contracts.

**How Much Resources (gross 2022 operating budget): \$17.8M**

### Revenue Services

**Who We Serve:** Property Owners, Registered Utility Account Holder, Parking Ticket Recipient, Staff - City Divisions, Business Improvement Area members

**What We Deliver:** Property Tax & Utility Billing; Municipal Land Transfer Tax; Municipal Accommodation Tax (Hotel and incoming Short Term Rentals) Parking Ticket, Operations; Tax, Utility & Parking Ticket Client Services; Revenue Accounting & Collection

**How Much Resources (gross 2022 operating budget): \$32.2M**

### Financial Control and Strategies

**Who We Serve:** City divisions, Agencies and Corporations

**What We Deliver:** Financial system transformation, process improvement, financial control, financial policy and strategy

**How Much Resources (gross 2022 operating budget): \$9.1M**

## Budget at a Glance

### 2022 OPERATING BUDGET

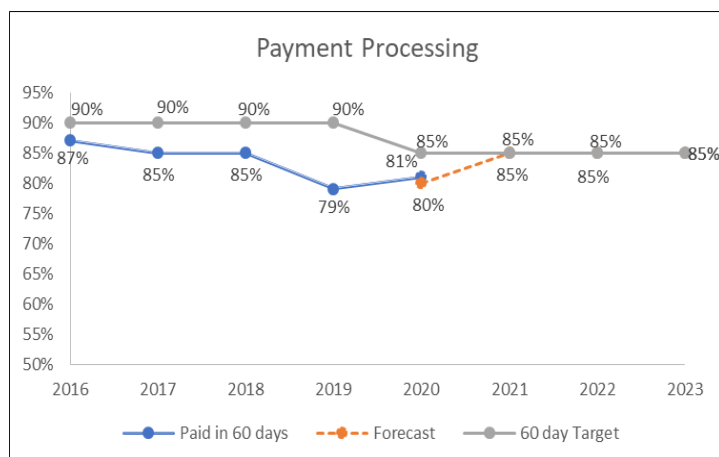
\$Thousands	2022	2023	2024
Revenues	\$45,109	\$43,384	\$36,138
Gross Expenditures	\$88,428	\$87,929	\$82,800
Net Expenditures	\$43,319	\$44,545	\$46,662
Approved Positions	733.0	713.0	667.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

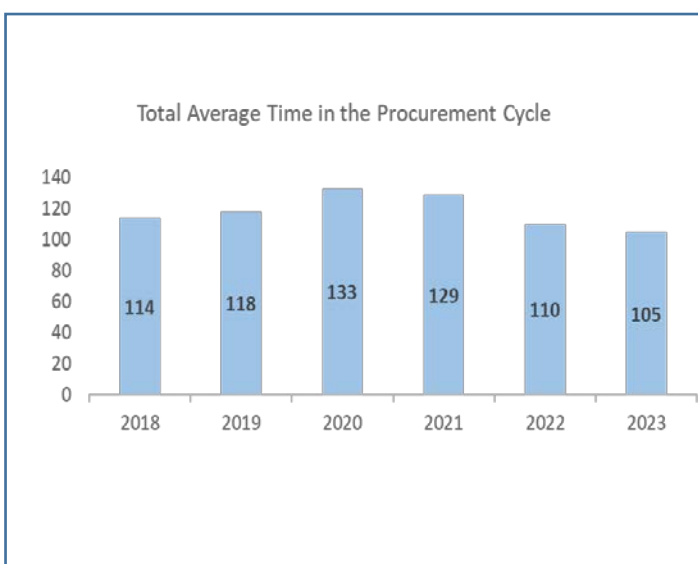
\$Thousands	2022	2023-2031	Total
Gross Expenditures	\$97,472	\$71,661	\$169,133
Debt	\$86,646	\$64,136	\$150,782

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers



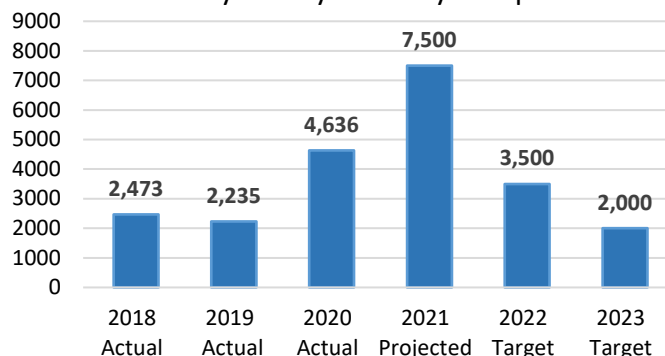
- Timely payment processing creates a trusting relationship with our vendors. Vendors who are paid on time are more responsive to the City's needs and more helpful when required. Timely payments avoid the many follow up activities that take up staff time and effort.
- Payment processing activities are shared across the organization. While the Accounts Payable team in Accounting Services is responsible for invoice processing, Divisions provide evidence that goods and services are received at the price and quantity originally ordered and meet expectations through the provision of approvals and system required notifications that indicate that payment can be made.



- In 2020, the overall time it took to complete a procurement on average from the initiation of the procurement until the issuance of a purchasing document was 133 working days, which represents an increase of 15 days from 2019. This increase is a direct result of the City's response to COVID-19 which resulted in all Divisions experiencing delays in their procurement activities.
- In 2021, the projected cycle time is forecasted at 129 working days. This represents a decrease of 4 days from 2020.
- It is anticipated that the number of working days for the end-to-end procurement cycle will improve in 2022 and 2023. Further improvements in the cycle time are anticipated with the full implementation of ARIBA Contract Management, Procure to Pay and the Supplier Lifecycle Performance Modules.

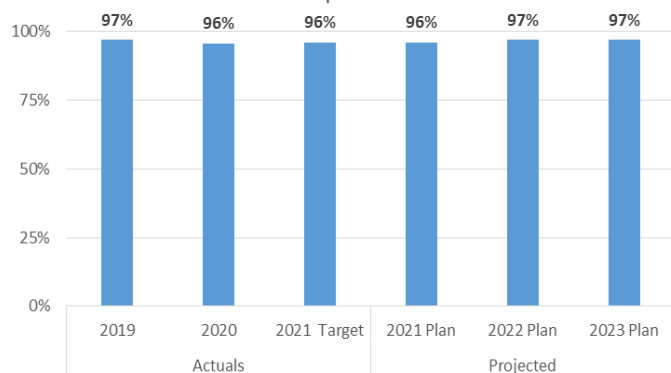
## How Well We Are Doing – Behind the Numbers

Total Payroll Payments by Cheque



- For 2020 Actuals, the quantity processed is lower than previously projected as many employees remained on Emergency Leave of Absence during COVID-19.
- For 2021 Projected, this quantity is anticipated to be significantly higher than 2020 due to the continuous COVID-19 impact. Employees who were on Emergency Leave are slowly returning to work but being redeployed. Time and attendance for redeployed staff not in their base role continues to be challenging as physical time sheets are used, resulting in manual processing.
- Additionally, the City established COVID Mass Immunization centres, which hired many part-time staff and had a large number of existing employees being redeployed to support vaccination efforts. Time & Attendance for these newly hired/redeployed employees are also processed manually due to the use of physical timesheets, resulting in many off-cycle payments by cheque.
- For 2022 and 2023 Target, the quantity of payments by cheque is anticipated to decline significantly as the City reduces its staff redeployed in support of vaccination efforts as the pandemic subsides.

% of tax accounts paid in full at Year-end







- The percentage of tax accounts paid in full each year from 2019 through 2021 has experienced a small reduction as a direct results from economic pressures from COVID-19 to fulfill property tax obligations for both residents and businesses.
- The trend is expected to slowly increase from 2022 through 2023 as we financially recover from COVID-19.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>Procurement</b>	# of days from the Requisition Date to the Purchase Order / Blanket Contract Date	118	133	115	129	●	110	105
<b>Category Management &amp; Strategic Sourcing</b>	Strategic Sourcing Benefits (\$M)	\$15.34	\$26.77	\$39.08	\$51.67	●	\$58.33	TBD
<b>Financial Reporting</b>	Timely reporting of the City's Consolidated, Sinking Fund and Consolidated Trust Fund financial statements to Committee and Council	June 30	November 30	June 30	June 30	●	June 30	June 30
	Completion and submission of the Provincial Financial Information Return	June 30	November 30	June 30	July 31	●	July 31	June 30
	Completion and submission of MBN Canada Municipality Statistics (Note: City has removed itself from MBN Canada membership)	September 30	September 30	September 30	August 31	●	No longer required	No longer required

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>Accounting Policy and Advice</b>	Development and publication of accounting policies and training support	N/A	No policies completed	Three policies before year end	Three policies before year end	●	Three policies before year end	Three policies before year end
	Provision of accounting advice to support accurate and compliant recording and reporting	N/A	As required	As required	As required	●	As required	As required
<b>City revenues are sustained through timely, accurate, reliable and flexible billing and collection for property taxes, water and sewer services, solid waste collection, parking tickets, Municipal Land Transfer Tax.</b>	% of tax accounts paid in full at Year-end	97%	96%	96%	96%	●	97%	97%

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
<b>Toronto residents and businesses have access to reliable, secure and convenient payment options.</b>	% Electronic Payments (Tax, Utility & Parking Tickets)	92.1%	96%	96.5%	96.5%	●	97%	97%
<b>Service Level Measures</b>								
<b>Accounting Services</b>	100% completion of monthly bank reconciliations 30 days after month end	100%	80%	100%	100% based on risk profile	●	100% based on risk profile	100% based on risk profile
	City compliance to PCI standards	Achieved	Achieved	At risk	Will not be achieved by anniversary date	●	Achieved by August 31, 2022	Achieved by new anniversary date
	85% of payments are made in 60 days (old target 90%)	79%	81%	85%	85%	●	85%	85%
<b>Pension, Payroll &amp; Employee Benefits</b>	Provide accurate benefit plans to full time active employees and retirees	100%	100%	100%	100%	●	100%	100%
	Provide 3 <sup>rd</sup> party payments on time with 100% accuracy	100%	100%	100%	100%	●	100%	100%

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures (Continued)								
<b>Purchasing &amp; Materials Management</b>	Issuance of solicitation within 2-5 days from time of receipt of final approved document 100% of time	100%	100%	100%	100%		100%	100%
	Material requests issued and delivered within 5 business days	75%	79%	90%	85%		90%	95%
Other Measures								
<b>Materials Management &amp; Stores Distribution</b>	Inventory Turnaround: Turn of inventory value at a rate of 4.25 times per year	4.5	3.6	5	5		5	5
<b>Procurement</b>	Cost to purchase \$100 of goods and services for the City	\$0.14	\$0.16	\$0.18	\$0.14		\$0.18	\$0.18

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- Office of the Controller does not anticipate to have any 2022 COVID-19 impact.

**Service Level Changes**

- No service level changes.



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Successfully launched the Financial Systems Transformation Program (FSTP), a key pillar of Financial Sustainability under the Corporate Strategic Plan. Successful procurement and Committee approvals to execute an agreement with the top-ranked proponent, Deloitte Incorporated. FSTP aims to enable financial transformation within the City, including the implementation of a new SAP S4/HANA financial system.
- Successful Automated Income Verification (AIV) implementation with Canada Revenue Agency (CRA) for Senior Relief programs; implementation of the on-line PayIt payment platform for Tax and Utility; and the adoption of a small business property tax subclass to provide small businesses with property tax relief.
- Purchasing & Material Management Division (PMMD) continued to support the City's COVID-19 response to the pandemic through the procurement of various emergency requirements including personal protective equipment and other services as required by the Divisions. PMMD is ensuring that the City has a 6 to 8 month supply of Personal Protective Equipment (PPE) inventory on hand at all times during the pandemic.
- PMMD implemented a new operating model to assist PMMD on its journey in becoming a strategic, value-added partner focused on delivering efficient client services and best supplier value.
- PMMD successfully launched SAP Ariba Supplier Lifecycle and Performance to enable better insight into City suppliers and to provide a centralized repository for evaluations of contractor performance.
- Enhanced reporting under Task Force on Climate-related Financial Disclosures (TCFD), highlighting climate risks impacting the City, to decision-makers.
- Accounting Services on-boarded a new external auditor and supported a fully virtual audit of the City's consolidated financial statements. In addition, further enhancements were made to the 2020 Annual Financial Report, with particular focus on an enhanced Management Discussion and Analysis section that included additional metrics and comparatives to municipal average key performance indicators and metrics. Accounting Services also developed an Accounting Foundations on-line training course, to support enhanced financial acumen across the organization.

### Key Challenges and Risks

#### Modernization

- Given competing resource priorities for COVID, we are committed to original timelines by end of March of 2022 to complete the Design phase of the Financial Systems Transformation Program. However, with the new development of Omicron and cyber security vulnerability work, resources are impacted which may put our completion date at risk. At this time, we are trying to assess the impact of the re-diversion of the resources to our key milestone.
- Financial Control and Process Improvement (FCPI) resources diverted to support FSTP; divisional resources continue to provide priority support to the program.
- The ability to transition the City's Category Management contract and the SAP Ariba System into in-house sustainment model will be at risk due to staff capacity in PMMD.
- Developing a robust sustainability policy to ensure that the goals of Council around social procurement and climate change are met.
- Implementing a robust contract management and supplier relationship management centre of excellence to support Divisions in managing contracts more closely and to respond to Auditor General Recommendations.
- Enhancing online services: enabling e-billing, online application/enrolment forms.
- The ability to complete the divisional transformations due to hiring constraints and other organizational challenges will impede the Office of the Controller Divisions ability to provide modernized service delivery to its client divisions.

#### Customer Service

- Meeting people resource demands - understanding and defining new skill sets for new service models and increased financial acumen – facilitating transformation of staff to new service delivery methods. Resource constraints, lack of capacity to ensure positions are filled on timely basis.

- Challenging workload to continue to provide effective financial and employee services to City Programs, Agencies, and Corporations as well as priority initiatives ((DOFA), policy updates, etc.).
- Implement required to support technology and processes to enable better, faster, reliable and more efficient employee services.

### Continuous Program Monitoring

- Balancing between implementation and monitoring of new controls resulting from the Auditor General more than 50 recommendations regarding better management of the Employee Benefits Program (Long-term Disability, Health, Dental and Drugs) and operational work volumes with the same resources
- As a result of a delayed upgrade of a City operational system, resulting in delayed security of the technical environment, the City did not receive PCI compliance re-certification on December 17, 2021. PCI compliance is required by the City's credit card payment processing acquirer in addition to the card brands (Visa, MasterCard and AMEX), who can impose significant fines if compliance status is not achieved by August 31, 2022. In addition to security risk to cardholder information, impact on the City's brand and possible losses, the credit card companies, in extreme circumstances, may remove the City's ability to accept credit cards.

### Priority Actions

- Prioritize the transformational initiatives identified and directed by Council, the Auditor General and senior management by focusing resources on but not limited to the following:
  - Development of a Centre of Excellence for Contract Management in response to Auditor General recommendations and Council direction;
  - Enhancement of the Social Procurement and the Climate Change Procurement frameworks in response to Council direction;
  - Further investment in the Category Management and Strategic Sourcing strategy that has proven to be successful in generating savings and improving outcomes for Divisional clients of PMMD; and
  - Investment in a comprehensive review of the City's Benefits program.
- Continue work on the Financial Systems Transformation Program, with a focus on business transformation and technology solution design aligned with leading industry practices, to be used as a blueprint for system build.
- Continuing to support and influence Category Management across the City and to achieve financial benefits (in 2021 & 2022) as part of Phase 2 from strategic sourcing events and to continue to achieve benefits ongoing.
- Implement an enhanced Social Procurement Policy in 2022.
- Implement a Sustainable Procurement Policy in 2022 that aligns with the City's Climate Change goals.
- Initiating the implementation of the Supplier & Contract Management Centre of Excellence to provide support to Divisions on how to manage both Suppliers and Contracts.
- Continuing to bring innovative procurement approaches, driving better value solutions for client divisions.
- Continue the implementation of PMMD's new operating model to fill vacant roles which will improve operational efficiency and overall service quality, and will create a more balanced work load for PMMD staff.
- Development of accounting policies and training for the organization that support public sector accounting standards and elevate financial acumen across divisional finance teams; establishment of Accounting Services as the City's accounting centre of excellence.
- Regaining the City's PCI compliance status continues to be a priority for Accounting Services, working in partnership with Technology Services and the Office of the CISO. Organizational adherence to PCI compliance standards, especially in the upgrade of third party software and the associated security environment, is a 2022 priority. Accounting Services will also work to meeting card brand requirements during the period of non-compliance, as the City moves to re-certification by August 31, 2022.
- Continued execution of the Pension, Payroll & Employee Benefits Transformation, including the functional re-alignment which will change the service delivery model for the division in order to add value to divisions and prepare for shared services with agencies, boards, commissions and corporations (ABCC) related to sharing resources to provide payroll and benefits services.
- Further transition to a digital operations through implementation of re-engineered processes and improved client experience.

- 
- Implementation and monitoring of all new controls resulting from of the Auditor General Recommendations to better manage the Employee Benefits Program (Long-term Disability, Health, Dental and Drugs)
  - Holistic Review of Employee Benefits for all unionized employees through the Joint Benefits Committees that were agreed to during the last round of bargaining.
  - Implementation of the electronic on-line Paylt payment platform for Parking Tags
-

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Controllership		2,123.9	807.3	4,789.4		4,789.4	3,982.1	493.3%
Financial Control & Process Improvements					268.2	268.2	268.2	N/A
Corporate Financial Strategies & Policy	605.8	655.2	625.3	621.7		621.7	(3.6)	(0.6%)
Accounting Services	1,603.6	2,221.0	1,239.5	2,211.5		2,211.5	972.0	78.4%
Pension, Payroll & Employee Benefits	3,402.1	4,012.5	2,802.9	4,103.8		4,103.8	1,300.9	46.4%
Purchasing & Materials Management	3,669.3	4,959.5	3,964.6	3,547.8		3,547.8	(416.8)	(10.5%)
Revenue Services	18,899.9	29,033.1	28,289.0	29,566.9		29,566.9	1,277.9	4.5%
<b>Total Revenues</b>	<b>28,180.7</b>	<b>43,005.2</b>	<b>37,728.6</b>	<b>44,841.1</b>	<b>268.2</b>	<b>45,109.3</b>	<b>7,380.7</b>	<b>19.6%</b>
<b>Expenditures</b>								
Controllership	654.0	2,649.6	1,640.3	5,319.9		5,319.9	3,679.6	224.3%
Financial Control & Process Improvements	416.5	1,161.7	1,066.5	1,300.4	268.2	1,568.6	502.1	47.1%
Corporate Financial Strategies & Policy	1,795.7	1,898.6	1,507.2	2,227.4		2,227.4	720.2	47.8%
Accounting Services	9,744.6	11,039.2	8,564.1	11,685.2		11,685.2	3,121.1	36.4%
Pension, Payroll & Employee Benefits	16,109.7	16,441.5	15,883.6	17,645.4		17,645.4	1,761.8	11.1%
Purchasing & Materials Management	17,531.0	18,581.0	16,932.1	17,788.1		17,788.1	856.0	5.1%
Revenue Services	27,683.5	30,594.2	28,075.1	32,193.5		32,193.5	4,118.4	14.7%
<b>Total Gross Expenditures</b>	<b>73,935.0</b>	<b>82,365.8</b>	<b>73,668.9</b>	<b>88,159.9</b>	<b>268.2</b>	<b>88,428.1</b>	<b>14,759.2</b>	<b>20.0%</b>
<b>Net Expenditures</b>	<b>45,754.3</b>	<b>39,360.6</b>	<b>35,940.3</b>	<b>43,318.8</b>		<b>43,318.8</b>	<b>7,378.5</b>	<b>20.5%</b>
<b>Approved Positions**</b>	<b>694.0</b>	<b>726.0</b>	<b>N/A</b>			<b>733.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$88.160 million gross reflecting an increase of \$14.491 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

Salaries & Benefits – include step & benefit increases as well as annualizations of positions filled part year in 2021. It also includes an extension of temporary positions related to capital project delivery.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.268 million gross, \$0 million net enabling:

Additional 3.0 temporary positions to support 2020 KPMG audit observations.

## EQUITY IMPACTS OF BUDGET CHANGES

There are no changes in Office of the Controller's 2022 Operating Budget that will have an equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Office of the Controller is \$88.428 million gross is 20.0% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	16,786.4	8,359.3	17,416.6	16,894.6	17,796.0	901.4	5.3%
Transfers From Capital	3,864.2	2,641.0	6,377.1	3,109.1	8,984.9	5,875.8	189.0%
Contribution From Reserves/Reserve Funds	2,153.6	3,302.1	3,334.7	3,304.7	2,286.7	(1,018.0)	(30.8%)
Sundry and Other Revenues	1,527.7	759.2	1,779.8	637.5	1,779.8	1,142.3	179.2%
Inter-Divisional Recoveries	14,405.5	13,119.1	14,097.0	13,782.7	14,261.8	479.1	3.5%
<b>Total Revenues</b>	<b>38,737.4</b>	<b>28,180.7</b>	<b>43,005.2</b>	<b>37,728.6</b>	<b>45,109.3</b>	<b>7,380.7</b>	<b>19.6%</b>
Salaries and Benefits	61,181.1	60,483.9	70,911.8	61,572.6	78,095.5	16,522.9	26.8%
Materials & Supplies	145.7	360.0	223.2	185.5	223.2	37.7	20.3%
Equipment	191.7	231.5	124.0	233.2	124.0	(109.2)	(46.8%)
Service and Rent	11,321.9	10,673.4	9,099.0	10,079.2	7,977.5	(2,101.7)	(20.9%)
Contribution To Reserves/Reserve Funds	272.1	272.1	50.6	46.1	50.6	4.5	9.8%
Other Expenditures	2,252.4	1,885.7	1,957.3	1,552.3	1,957.3	405.0	26.1%
Inter-Divisional Charges		28.5					
<b>Total Gross Expenditures</b>	<b>75,364.7</b>	<b>73,935.1</b>	<b>82,365.8</b>	<b>73,668.9</b>	<b>88,428.1</b>	<b>14,759.2</b>	<b>20.0%</b>
<b>Net Expenditures</b>	<b>36,627.3</b>	<b>45,754.4</b>	<b>39,360.6</b>	<b>35,940.3</b>	<b>43,318.8</b>	<b>7,378.5</b>	<b>20.5%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Includes step & benefit increases due to annualizations of positions filled part year in 2021.

**Services and Rents:**

Decrease in 2022 due to success fee related to Ernst & Young (EY) contract supporting Category Management and Strategic Sourcing (CMSS) being budgeted in Non-Program.

**Other Expenditures:**

2021 projection lower due to unexpected collection of payments for late payment charges.

**User Fees:**

Inflationary adjustment of 2.18% applied to user fees. 2021 projection lower due to COVID-19.

**Transfers from Capital:**

Increase due to annualized impact of capital positions filled part year in 2021 and extension of capital positions for projects that are being extended to 2022.

**Contribution from Reserves/Reserve Funds:**

Decrease in recoveries of \$1M related to the EY contract for CMSS due CMSS being budgeted in Non-Program.

**Other Revenue Changes:**

2021 Projection lower due to pausing of Late Payment and Vendor Discount revenue programs as a result of COVID-19.

**Inter-Divisional Recoveries**

2021 Projection lower due to vacancies.

**Offsets and Efficiencies:**

The **2022 Operating Budget** includes \$0.441 million in gross expenditure and \$0.820 million in net expenditures reductions attributed to:

- Revenue Increase (User Fees) – user fees increased aligned to inflation are expected to generate an added \$0.380 million in revenue.
- Base salary savings to align with actual expectations - \$0.360 million in budget offsets.
- Transfer of 1 position from Office of the Controller to Office of the CFO & Treasurer for the CPA Pre-Approved Program - \$0.080 million in budget offsets.

**Table 2b: 2022 New / Enhanced**

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions				
In \$ Thousands									
1	FCPI - Additional resources for audit plan	268.2	268.2		3.0	466.1	None	No	Additional resources are required to coordinate and draft the response to the 2020 KPMG audit observations. As the observations were comprehensive and far-reaching, the development of a strategy and implementation of said strategy will require the multi-year response. This proposal supports Financial Sustainability.
Total New / Enhanced		268.2	268.2		3.0	466.1			

The 2022 Operating Budget includes \$0.268 million gross (\$0 net) in investments to support priority actions as detailed in the table above.

**Additional Resources for Audit Plan (\$0.268 million gross and \$0 net):**

Funding of \$0.268 million gross and \$0 net from Tax Stabilization Reserve will provide temporary dedicated resources to act as the lead for the Office of the Controller, liaison with Internal Audit and multiple internal stakeholder divisions, to address the audit observations raised by KPMG and prepare a multi-year strategy and implementation plan. Currently, there is no existing resource to perform this role.

- A key pillar of the City's Corporate Strategic Plan is Financial Sustainability. Among the related strategies, plans, and initiatives that are supporting the Financial Sustainability, one priority is accurate financial information to enable effective decision making. In order to have accurate financial information, there is a need to address the audit observations and risks that are raised by external auditors (KPMG) during the 2020 financial statement audit.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	37,728.6	45,109.3	43,384.0	36,137.7
Gross Expenditures	73,668.9	88,428.1	87,929.1	82,799.6
<b>Net Expenditures</b>	<b>35,940.3</b>	<b>43,318.8</b>	<b>44,545.1</b>	<b>46,661.9</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>733.0</b>	<b>713.0</b>	<b>667.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$87.929 million reflects an anticipated \$0.499 million or 0.56 per cent decrease in gross expenditures from the 2022 Operating Budget. The 2024 Outlooks expects a decrease of \$5.130 million or 5.83 per cent below 2023 gross expenditures.

These changes arise from the following:

**Salaries & Benefits**

- Decrease in 2023 and 2024 mainly due to ending of the temporary capital positions terms.

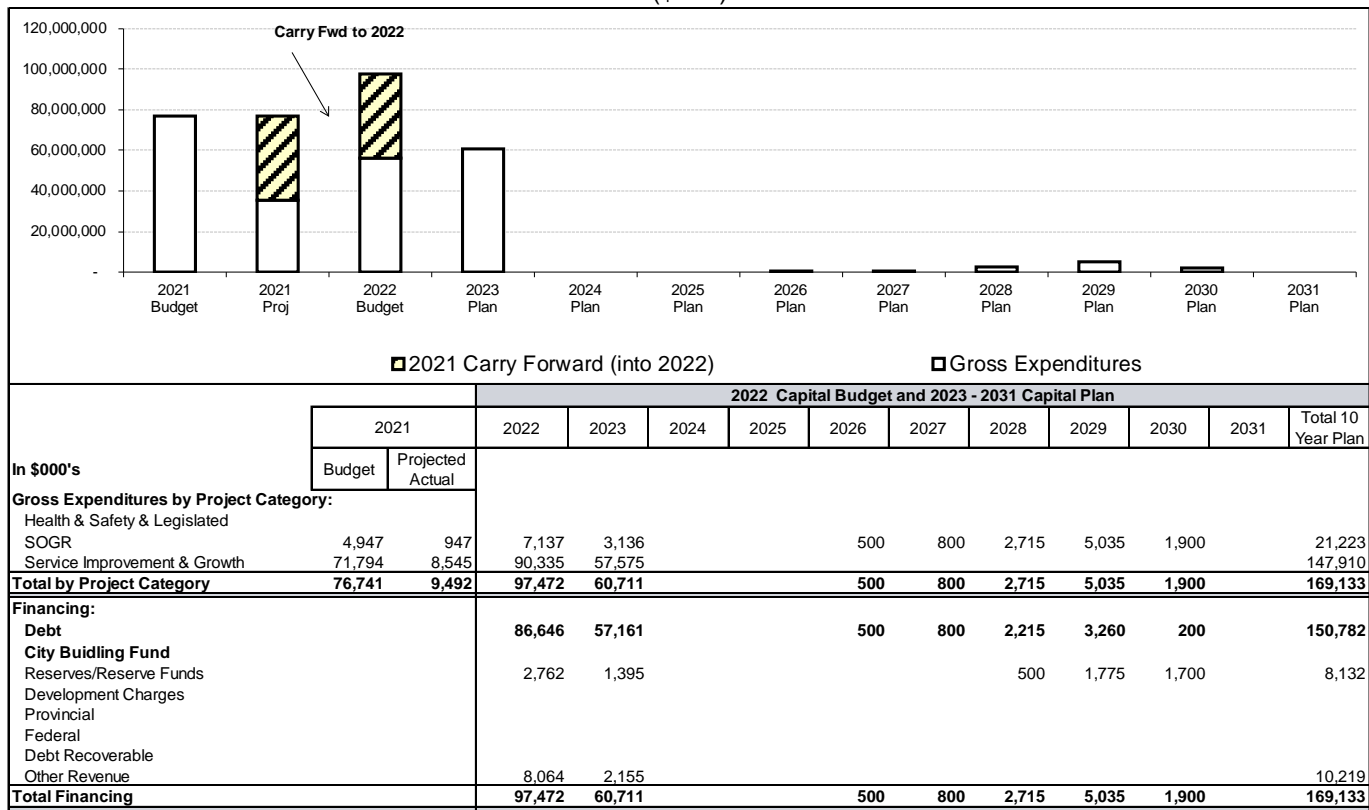
**Revenue Changes**

- Reduction in capital recovery due to reduced temporary capital positions as a result of capital projects completion.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$0 Million)

- Nil

### New Projects (\$0.8 Million)

The 2022-2031 Capital Budget and Plan includes one new project. Key project is as follows:


- \$0.750 million – *Payroll Platform Assessment* to evaluate the compatibility or interoperability of any new software or system architecture with exiting enterprise applications while providing uninterrupted payroll service delivery.

### Capital Needs Constraints (\$0 Million)

- Nil



**2022 – 2031 CAPITAL BUDGET AND PLAN****\$169.1 Million 10-Year Gross Capital Program**


<b>Information Technology</b>
\$169.1 M 100%
<ul style="list-style-type: none"> <li>• Financial Systems Transformation</li> <li>• PPEB Transformation</li> <li>• Supply Chain Management Transformation</li> <li>• Parking Tag Management Software Update</li> <li>• Tax and Utility Billing System Modernization</li> <li>• Payroll Platform Assessment</li> <li>• eBilling Initiative</li> <li>• Electronic Self Service Tax and Utility</li> <li>• Revenue System – Phase II</li> <li>• Parking Tag Management Software Replacement 2026</li> <li>• Tax Billing System Replacement 2028</li> <li>• Utility Billing System Replacement 2028</li> </ul>

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows.

**How the Capital Program is Funded**

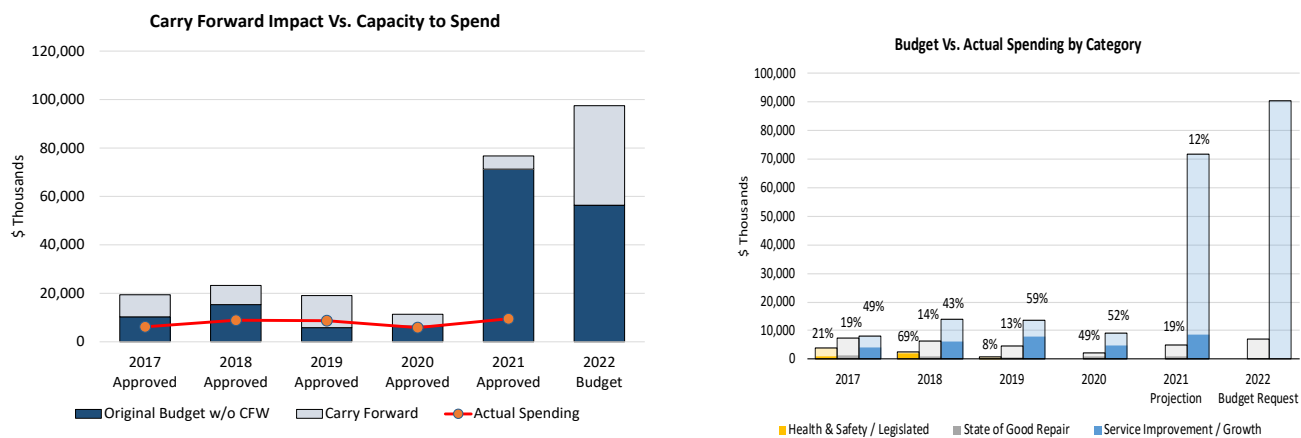
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$169.1 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$ 150.8 M		
Reserve / Reserve Fund	\$ 8.1 M		
Other	\$ 10.2 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Office of the Controller's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$1.923 million in capital spending originally cash flowed in 2022 has been deferred to 2023. Adjustment to the Capital Plan is noted below:

- The Pension, Payroll & Employee Benefits Transformation Project 2022 cash flow of \$1.923 million has been deferred to 2023 as a result of realignment of cash flow based on historical trend.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact the 2022 Operating Budget by a total of \$0.547 million net arising from Pension, Payroll & Employee Benefits Transformation project, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
PPEB Transformation Project - Success Factors support contract and sustainment resources	546.7	5.0									546.7	5.0	546.7	5.0
<b>Sub-Total: Previously Approved</b>	<b>546.7</b>	<b>5.0</b>									<b>546.7</b>	<b>5.0</b>	<b>546.7</b>	<b>5.0</b>
<b>Total (Net)</b>	<b>546.7</b>	<b>5.0</b>									<b>546.7</b>	<b>5.0</b>	<b>546.7</b>	<b>5.0</b>

## Previously Approved projects

- Pension, Payroll & Employee Benefits' Transformation Project will result in net operating costs of \$0.547 million to provide support to payroll functions within Success Factors in concert with P&E human resource functionality. Additional staff is required to support enterprise SAP and Success Factors functions and time & attendance functionality.

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Other City Services*

# 2022 Program Summary

## City Clerk's Office

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The City Clerk's Office provides the foundation for municipal government in Toronto. We deliver more than 70 types of services from over 30 locations across the City. Most services are prescribed in more than 60 distinct pieces of legislation including the City of Toronto Act 2006, Vital Statistics Act, Assessment Act and Planning Act. The City Clerk has broad and independent authority under the Municipal Elections Act to deliver elections and by-elections.

The City Clerk's Office is responsible for providing the tools, systems and resources required to support its mission, strategic priorities and the delivery of core services, which is realized through three service areas:

- Elect Government by administering all aspects of local elections;
- Make Government Work by managing the government's decision-making process, providing government and official services, delivering provincially delegated services and providing information production services;
- Promote Open Government by managing City information throughout its lifecycle and providing the public access to government information while protecting privacy.

As a shared service, the City Clerk's Office also supports the Mayor's Office, Councillors' Offices and the Offices of the City's four Accountability Officers – the Auditor General, Integrity Commissioner, Lobbyist Registrar, and Ombudsman, as independent officers.

### Why We Do It

We build public trust and confidence in local government, and ensure that:

- Toronto municipal government is democratically elected through open, fair and accessible elections.
- Elected officials, City officials and the public can participate in a transparent, accessible, and democratic Council decision-making process.
- The public has timely, reliable, transparent and accurate access to City information, except where protected by privacy laws.

*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

### **Elect Government**

**Who We Serve:** The public, candidates and electors, other governments, third-party advertisers

**What We Deliver:** Manage and conduct all aspects of local government elections whenever one is required and in compliance with legislation.

**How Much Resources (gross 2022 operating budget):** \$21.7 million

### **Make Government Work**

**Who We Serve:** The public, City Council and its Members, Accountability Officers, other governments, Toronto Public Service, City agencies and corporations, community & international organizations

**What We Deliver:** Manage government's decision-making process, provide government and official services, and deliver provincially delegated services.

**How Much Resources (gross 2022 operating budget):** \$32.9 million

### **Open Government**

**Who We Serve:** The public, City Council and its Members, Toronto Public Service, City agencies and corporations, other governments, the media

**What We Deliver:** Manage City information through its lifecycle, support the City's digitization goals and initiatives, provide access to City information, and give privacy advice.

**How Much Resources (gross 2022 operating budget):** \$11.4 million

## Budget at a Glance

### 2022 OPERATING BUDGET

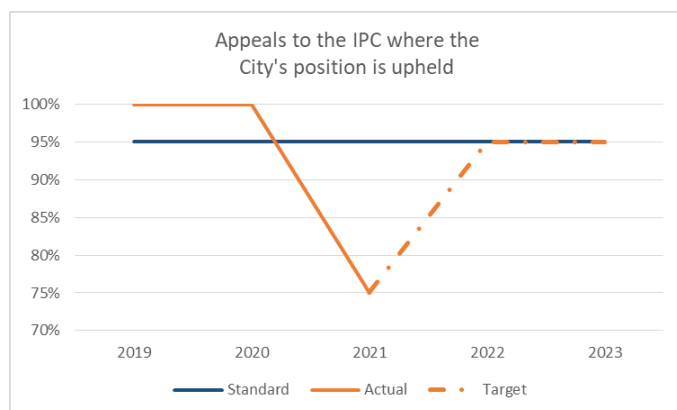
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$28.2	\$12.3	\$12.4
Gross Expenditures	\$66.1	\$51.2	\$52.0
Net Expenditures	\$37.9	\$39.0	\$39.6
Approved Positions	423.9	368.2	359.6

### 2022 - 2031 10-YEAR CAPITAL PLAN

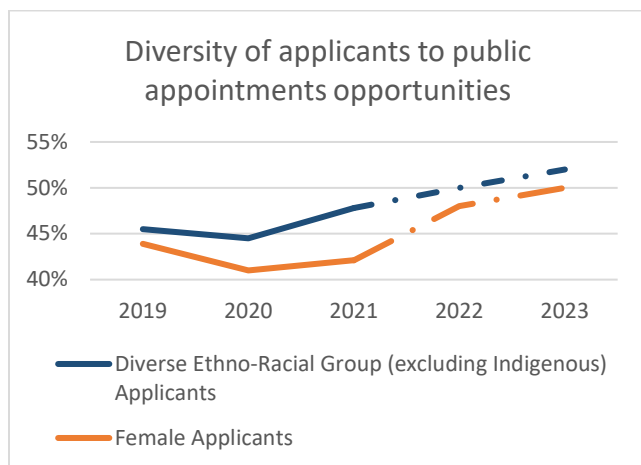
<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$9.9	\$25.4	\$35.3
Debt	\$3.8	\$13.0	\$16.8

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers



- The City Clerk's Office uses the percentage of appeals to the Information & Privacy Commissioner of Ontario (IPC) where the City's position is upheld as an indicator for the effectiveness of the City's response to freedom of information requests as well as the protection of private information.
- Providing access to information is a cornerstone of open government and democratic principles. At times, the City does not release information because it meets exclusion criteria defined in the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)
- Appeals to the IPC are made by members of the public when they disagree with the City's decision to refuse access to information.
- The overwhelming majority of the time, the IPC upheld the City's position in full or in part. This means that City staff are consistently making appropriate decisions when assessing information for release to the public.
- While the City makes every effort to follow the rules as laid out in MFIPPA, there are occasional differences in interpretation that are to be expected and decisions made by the IPC are used to inform future City decisions.
- For months in 2020, the Information & Privacy Commissioner of Ontario suspended the appeals process. As a result, the number of appeals in 2020 has been reduced and the timing for hearing those appeals is still to be determined.



- The City Clerk's Office asks all applicants to City boards, committees and tribunals to complete a voluntary, confidential survey to help measure diversity in the City's public appointments.
- The City Clerk's Office recognizes that the City is best served by boards that collectively reflect the diversity of the communities they serve. Applicant demographic categories tracked include gender, age, ethnicity/race, aboriginal/indigenous, 2SLGBTQ, and a person with a disability.
- The City Clerk's Office connects with business and community organizations to increase awareness of public appointments and to recruit diverse, highly-skilled candidates for City boards, committees, and tribunals. During the pandemic, outreach strategies moved to online information sessions, putting greater emphasis on targeted outreach through professional organizations. The work done to reflect the diversity of the City is updated quarterly on the Public Appointments Dashboard.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>Make Government Work</b>	# of public interactions in the decision-making process including deputations, communications, agenda subscriptions, meeting viewers	127,520	63,408	57,947	75,000	●	100,000	120,000
<b>Open Government</b>	% of appeals to the Provincial Information Privacy Commissioner where the City's position is upheld	100% (12 Orders received, 9 upheld in full, 3 upheld in part)	75% (4 orders received 2 upheld in full, 1 in part)	95%	95%	●	95%	95%
<b>Elect Government</b>	Election Readiness	100%	100%	100%	100%	●	100%	100%



Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
	Service Level Measures							
<b>Make Government Work</b>	% of meeting agendas and decision documents published according to time lines	100%	100%	100%	100%	●	100%	100%
<b>Make Government Work</b>	% of female applicants to public appointments opportunities	43.90%	41%	46%	42.1%	●	48%	50%
<b>Make Government Work</b>	% of diverse ethno-racial group applicants to public appointments opportunities.  <i>Note : this does not include applicants who identify as being Indigenous.</i>	45.50%	44.60%	48%	47.80%	●	50%	52%
<b>Open Government</b>	% of Freedom of Information requests completed within legislated timelines	67.60%	37.50%	50% (COVID impacted)	50% (COVID impacted)	●	70%	70%
<b>Open Government</b>	# of City of Toronto staff trained in protecting privacy	11,698	13,511	18,000	19,000	●	20,000	22,000

Service	Measure	2014 Actual	2018 Actual	2022 Target
Service Level Measures				
Elect Government	Number of voting locations per 1000 electors (distance travelled to polling location)	92	90	85

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- There are no incremental costs expected in 2022 related to COVID-19 as City Clerk's Office will continue to utilize existing staff resources but reallocating them to address emerging priorities during pandemic.

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**Service Level Changes**

- 2022 municipal election and council transition will include pandemic considerations (e.g. vote by mail, strictly implement the health and safety protocols at voting places and new Members' orientation sessions).
  - Freedom of Information (FOI) and privacy consultation requests are expected to grow in number and complexity and will require more resources to meet legislative obligations.
  - Civil wedding program pilot to move forward.
  - Continue to implement in-person, hybrid and digital solutions to Protocol service delivery and resume ceremonial loan program.
  - Continue to implement digital services to elected officials and accountability officers whenever possible.
  - Record keeping standards will be updated to reflect digital workflows.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Facilitated democratic decision-making through planning, staging and recording over 350 meetings of City Council, its committees & boards, including transitioning these bodies to remote meetings to enable legislative decision-making during the pandemic.
- Successfully administered the Ward 22 by-election including piloting mail in voting and implementing COVID-19 health and safety measures at all voting sites, and managed the Ward 22 councillor transition.
- Completed a competitive procurement process and recommended to City Council the awarding of the new vote-counting equipment.
- Modernized services to support Mayor, Councillors and community through the virtual, hybrid and in-person delivery of commemorations of individual, civic & community achievements, and milestones.
- Supported Members of Council and accountability officers through emerging issues and priorities during the pandemic (e.g. implementing vaccine policy mandates, and observing health & safety protocols).
- Delivered Archival Reference and Outreach services virtually through the majority of 2021, re-opened the Research Hall for in-person services in Fall 2021; and executed digital first information management (IM) and enterprise transformation initiatives (e.g. Microsoft 365, Workplace Modernization Program).
- Delivered provincially delegated services (marriage license, burial permit issuance, and death registration), and transformed service operations to allow for continued delivery of these crucial services during the pandemic.

### Key Challenges and Risks

- Administer the 2022 municipal election, including vote by mail and the deployment of new vote-counting equipment while adhering to all legislative requirements.
- Meet increased demand for meeting management support for new decision bodies (e.g. 2SLGBTQ, Confronting Anti-Black Racism (CABR) advisory bodies) and increased meeting frequency of local boards to respond to their own COVID-19 contingency and business planning.
- Deliver public-facing services while City Hall & civic centres are closed or have limited public access; and meet unpredictable demand for marriage licences and civil weddings due to public health measures and limits on gatherings and events.
- Increased demand for hybrid models to support the role of elected officials, and community and other stakeholders needs in protocol service delivery across multiple streams and platforms.
- Embed Information Management (IM) principles, activities and foundational work into governance structures and corporate initiatives to meet legislated accountabilities; and align Corporate Information Management Services (CIMS) functions to support digital first approach to IM.

### Priority Actions

- Deliver the 2022 municipal election including offering mail-in voting as an alternative to in-person voting; deploy the new vote-counting equipment; and implement a new supply chain management model for election supplies to ensure a secure chain of custody.
- Ensure a smooth Council transition.
- Provide effective meeting management for Council, its committees and boards, including electronic and hybrid formats; and undertake Public Appointments outreach and recruitment.
- Complete a review of the Constituency Services & Office Budget (CSOB) policy and a review of council staff contract terms for the new term of Council in light of experience with increased ward size, impacts of COVID, changes in technology, and changes in the legislative or legal environment.
- Significantly improve the City's compliance with statutory timelines for responding to FOI requests.
- Support IM requirements related to enterprise initiatives: M365, Workplace Modernization Program.
- Update the city's commemoration, recognition and celebration activities for the post-COVID=19 environment, including supporting Council and community involvement in diplomacy, engagement and recovery.
- Complete the comprehensive review of the flag policy to identify further opportunities to modernize Strategic Protocol and External Relations (SPER) including the transition of the Toronto Sign commemorative lighting program from the Economic Development and Culture Division.
- Review and adjust existing service models for records management and mail & courier services for hybrid work & workplace modernization while ensuring a smooth implementation of return to office (RTO) for divisional staff and Members' staff.
- Implement a new registry services customer service model in a post-COVID environment and implement civil wedding program.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Elect Government	5,131.0	6,822.6	6,752.6	21,733.8		21,733.8	14,981.1	221.9%
Make Government Work	3,979.3	4,991.8	4,461.8	5,416.1		5,416.1	954.3	21.4%
Open Government	1,150.7	872.9	972.9	1,026.5		1,026.5	53.6	5.5%
<b>Total Revenues</b>	<b>10,260.9</b>	<b>12,687.3</b>	<b>12,187.3</b>	<b>28,176.4</b>		<b>28,176.4</b>	<b>15,989.1</b>	<b>131.2%</b>
<b>Expenditures</b>								
Elect Government	5,131.0	6,822.6	6,752.6	21,733.8		21,733.8	14,981.1	221.9%
Make Government Work	29,425.4	32,518.7	29,690.7	32,921.2		32,921.2	3,230.5	10.9%
Open Government	10,916.2	10,747.5	10,345.5	11,397.9		11,397.9	1,052.4	10.2%
Covid-19	370.8							N/A
<b>Total Gross Expenditures</b>	<b>45,843.4</b>	<b>50,088.9</b>	<b>46,788.9</b>	<b>66,052.9</b>		<b>66,052.9</b>	<b>19,264.0</b>	<b>41.2%</b>
<b>Net Expenditures</b>	<b>35,582.5</b>	<b>37,401.6</b>	<b>34,601.6</b>	<b>37,876.6</b>		<b>37,876.6</b>	<b>3,275.0</b>	<b>9.5%</b>
<b>Approved Positions**</b>	<b>375.9</b>	<b>368.3</b>	<b>N/A</b>	<b>423.9</b>		<b>423.9</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$66.053 million gross reflecting an increase of \$19.264 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Requirements for the 2022 Municipal Election Event which result in an increase of 63.1 temporary positions and \$17.000 million gross and zero net, partially offset by the reversal of 2021 budget related to preparation for the 2022 Municipal Election Event.
- Increases in salary and benefit related to salary adjustments for Local 79 and Local 416 staff per collective agreement, filling vacancies in 2022 and realignment of budget to actual.
- Increases in paper supplies, postage and third party printing budgets based on projected demand for high-speed copying, mailing and printing services above the 2021 experience and to support the delivery of 2022 Municipal Election Event.
- Investment in sustainable solutions for Access to Information of \$0.240 million gross and net and 2.0 permanent positions will enable City Clerk's Office to meet legislated timelines, improve compliance rate and provide the public with timely access to information.

## EQUITY IMPACTS OF BUDGET CHANGES

**Increasing equity for low-income residents:** City Clerk's Office 2022 Operating Budget introduces a new fee-based civil marriage officiant service that will have a positive impact on low-income residents and on individuals who face discrimination, prejudice or barriers to accessing non-religious marriage ceremonies such as the 2SLGBTQ community. Although there is a fee associated with accessing this service, this fee is at rate which make this service more easily accessible to the public.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for City Clerk's Office is \$19.264 million gross or 41.2% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projected Actual	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	248.9	223.9	312.0	292.0	306.2	14.2	4.9%
Transfers From Capital	2,151.1	2,320.1	1,543.4	1,928.4	1,356.7	(571.7)	(29.6%)
Contribution From Reserves/Reserve Funds	4,653.1	4,413.6	6,606.4	6,166.4	21,829.1	15,662.7	254.0%
Sundry and Other Revenues	480.4	415.3	467.7	467.7	422.2	(45.4)	(9.7%)
Inter-Divisional Recoveries	3,628.9	2,888.0	3,758.0	3,333.0	4,262.2	929.2	27.9%
<b>Total Revenues</b>	<b>11,162.4</b>	<b>10,260.9</b>	<b>12,687.3</b>	<b>12,187.3</b>	<b>28,176.4</b>	<b>15,989.1</b>	<b>131.2%</b>
Salaries and Benefits	38,285.7	37,954.8	39,294.9	37,394.9	48,533.2	11,138.3	29.8%
Materials & Supplies	1,157.7	696.0	1,221.7	970.7	1,963.5	992.8	102.3%
Equipment	341.3	76.4	135.5	586.5	267.3	(319.2)	(54.4%)
Service and Rent	7,915.6	6,384.2	8,891.0	7,345.0	14,166.3	6,821.3	92.9%
Contribution To Reserves/Reserve Funds	122.5	128.7	65.0	65.0	67.2	2.2	3.4%
Other Expenditures	76.5	62.0	82.3	69.3	82.5	13.2	19.0%
Inter-Divisional Charges	290.0	541.3	398.5	357.5	973.0	615.4	172.1%
<b>Total Gross Expenditures</b>	<b>48,189.4</b>	<b>45,843.4</b>	<b>50,088.9</b>	<b>46,788.9</b>	<b>66,052.9</b>	<b>19,264.0</b>	<b>41.2%</b>
<b>Net Expenditures</b>	<b>37,026.9</b>	<b>35,582.5</b>	<b>37,401.6</b>	<b>34,601.6</b>	<b>37,876.6</b>	<b>3,275.0</b>	<b>9.5%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Increase in base salaries and benefits of \$11.138 million in gross expenditures are mostly related to:

- Payroll requirements to deliver the 2022 Municipal Election Event of \$9.800 million gross, zero net and 63.1 temporary positions.
- Salary adjustments for Local 79 and Local 416 staff per collective agreement, filling vacancies in 2022 and realignment of budget to actual.
- Investment in sustainable solutions for Access to Information of \$0.240 million gross and net and 2.0 permanent positions will enable City Clerk's Office to meet legislated timelines, improve compliance rate and provide the public with timely access to information.
  - The demand for FOI is increasing in volume (number and scope of requests), complexity and breadth of public interest, e.g., COVID-19 response, Shelters, Support and Housing initiatives. Even though the City's demand for FOI in 2020 were impacted by the pandemic, the number of FOI request received continued to be higher compared to other municipalities in Ontario (2.2 times higher than the City of Mississauga).
  - The City's compliance rate in terms of FOI requests completed within 30 days continued to be lower than the overall provincial and municipal compliance rate of 66.8% and 78.2%, respectively.

	Requests received	Requests completed	Within 30 days	%	Extended compliance %*	Over 90 days	%
Ministry of the Environment, Conservation and Parks	6,960	2,606	1,106	42.4	43	920	35.3
<b>Ministry of the Solicitor General**</b>	<b>4,749</b>	<b>4,567</b>	<b>3,896</b>	<b>85.3</b>	<b>91</b>	<b>215</b>	<b>4.7</b>
Ministry of Children, Community and Social Services	2,614	2,787	1,548	55.5	58.6	688	24.7
<b>City of Toronto</b>	<b>2,036</b>	<b>1,867</b>	<b>700</b>	<b>37.5</b>	<b>43.7</b>	<b>193</b>	<b>10.3</b>
<b>City of Mississauga</b>	<b>634</b>	<b>493</b>	<b>390</b>	<b>79.1</b>	<b>80.7</b>	<b>28</b>	<b>5.7</b>
Town of Oakville	554	506	473	93.5	93.5	0	0
<b>City of Ottawa</b>	<b>502</b>	<b>506</b>	<b>265</b>	<b>52.4</b>	<b>65.4</b>	<b>58</b>	<b>11.5</b>
Region of Peel	273	255	180	70.6	100	1	0.4
Toronto Police Service	2,999	3,410	2,308	67.7	68.2	512	15

\*\* Of the total number of requests received by the Ministry of the Solicitor General in 2020, 4,255 (or 89.6%) related to the Ontario Provincial Police

Source: [Information and Privacy Commissioner of Ontario – 2020 Statistical Report \(A Year like No Other\)](#)

### Materials and Supplies:

Increase in materials and supplies of \$0.993 million in gross expenditures are mostly related to requirements to support the delivery of the 2022 Municipal Election event and increases in paper supplies budget based on City divisions' projected demand for high-speed copying and printing services above the 2021 experience.

### Services and Rents:

Increase in services and rents of \$6.821 million in gross expenditures are mostly related to requirements to support the delivery of the 2022 Municipal Election event and increases in postage and third parties printing budgets based on City divisions' projected demand for high-speed copying and printing services above the 2021 experience.

### Inter-divisional Charges:

Increase in inter-divisional charges of \$0.615 million in gross expenditures are mostly related to projected demand for high-speed copying and printing services in supporting the delivery of the 2022 Municipal Election event.

### Transfer from Reserves:

Increase in transfers from reserve of \$15.663 million in revenues are mostly related to contribution from Election Reserve Fund (XR1017) to support to support Election-related activities including the delivery of the 2022 Municipal Election event.

### Inter-divisional Recoveries:

Increase in inter-divisional recoveries of \$0.929 million in revenues are mostly related projected demand for high-speed copying and printing services above the 2021 experience and projected demand related to the delivery of the 2022 Municipal Election event.

### Offsets and Efficiencies:

Line by line review of non-payroll budgets resulted in a budget decrease of \$0.018 million in net expenditures.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	12,187.3	28,176.4	12,263.5	12,389.2
Gross Expenditures	48,588.9	66,052.9	51,238.5	52,030.5
<b>Net Expenditures</b>	<b>36,401.6</b>	<b>37,876.6</b>	<b>38,975.1</b>	<b>39,641.3</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>423.9</b>	<b>368.2</b>	<b>359.6</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$51.239 million reflects an anticipated \$14.814 million or 22.4% decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlook expects an increase of \$0.792 million or 1.5% above 2023 gross expenditures.

These changes arise from the following:

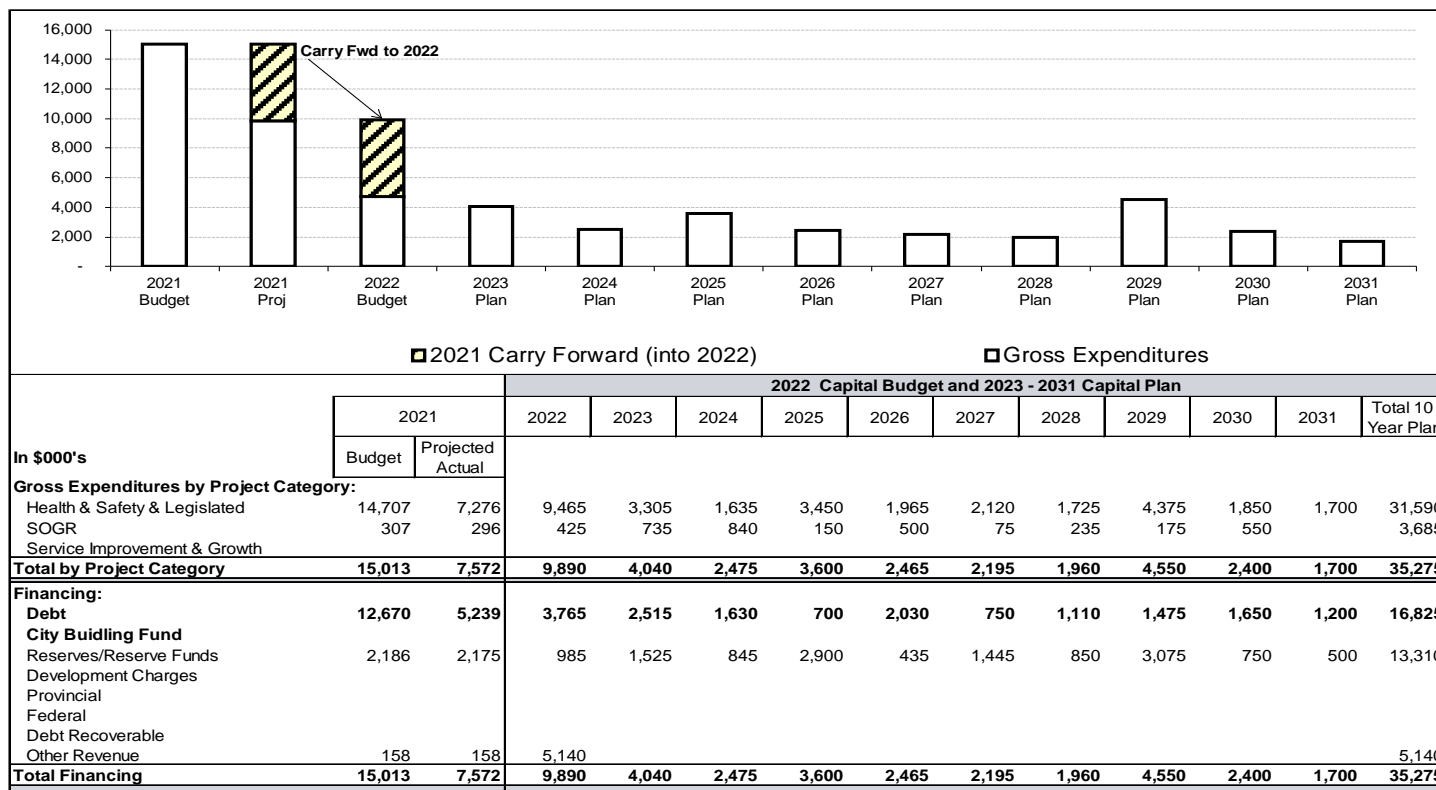
- Reversal of requirements to support the delivery of 2022 Municipal Election Event of \$17.000 million in gross expenditures, zero net and 63.1 temporary positions, offset by post-Election activities requirements of \$1.114 million in gross expenditures, zero net and 3.6 temporary positions
- Salaries and benefits increase related to salary adjustments for Local 79 and Local 416 staff per collective agreements, partially offset by changes in staffing costs for capital delivery.



## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



		2022 Capital Budget and 2023 - 2031 Capital Plan											
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Year Plan
In \$'000's		Budget	Projected Actual										
<b>Gross Expenditures by Project Category:</b>													
Health & Safety & Legislated	14,707	7,276	9,465	3,305	1,635	3,450	1,965	2,120	1,725	4,375	1,850	1,700	31,590
SOG	307	296	425	735	840	150	500	75	235	175	550		3,685
Service Improvement & Growth													
<b>Total by Project Category</b>	<b>15,013</b>	<b>7,572</b>	<b>9,890</b>	<b>4,040</b>	<b>2,475</b>	<b>3,600</b>	<b>2,465</b>	<b>2,195</b>	<b>1,960</b>	<b>4,550</b>	<b>2,400</b>	<b>1,700</b>	<b>35,275</b>
<b>Financing:</b>													
Debt	12,670	5,239	3,765	2,515	1,630	700	2,030	750	1,110	1,475	1,650	1,200	16,825
City Building Fund													
Reserves/Reserve Funds	2,186	2,175	985	1,525	845	2,900	435	1,445	850	3,075	750	500	13,310
Development Charges													
Provincial													
Federal													
Debt Recoverable													
Other Revenue	158	158	5,140										5,140
<b>Total Financing</b>	<b>15,013</b>	<b>7,572</b>	<b>9,890</b>	<b>4,040</b>	<b>2,475</b>	<b>3,600</b>	<b>2,465</b>	<b>2,195</b>	<b>1,960</b>	<b>4,550</b>	<b>2,400</b>	<b>1,700</b>	<b>35,275</b>

### Changes to Existing Projects (-\$6.6 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):




- \$7.2M decrease to the *Replacement of Voting Equipment* project for the 2026 municipal election to ensure the integrity of the voting process and the election results, reduce the risk to the corporation of equipment failure and provide the same level of service to the City's electors as is currently available.
- \$0.1M increase to the *City Clerk's Office Business Systems* project to implement case management solution for the access and privacy units of the Corporate Information Management Services in order to meet legislative requirements.
- \$0.4M increase to the *Council Business Systems 2020* project for the end of life replacement of the Constituency Management System to support Members in managing, tracking and analyzing their interactions with their constituents.

### New Projects (\$2.5 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- \$0.8M *City Clerk's Office Business Systems* project to implement web forms, online portal and integration with an enterprise payment processing system for Corporate Information Management Services' case management solution to meet legislative requirements.
- \$0.6M *Image Library Migration to Managed Cloud SAAS* project to replace a legacy Digital Asset Management Solution (DAMS) with a "managed" cloud solution to meet legislated requirements.
- \$0.5M *Infrastructure to support Council/Committee meetings 2022* project.
- \$0.3M *Council Transition Requirements 2022* project to support Members' space requirements in the new term of Council.
- \$0.3M *Archives Equipment Upgrade - SOGR 2022-2025* project.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$35.3 Million 10-Year Gross Capital Program**

		
<b>Aging Infrastructure/SOGR</b>	<b>Health and Safety</b>	<b>Legislated</b>
\$3.7 M 10.5%	\$0.5 M 1.4%	\$31.1 M 88.1%
<ul style="list-style-type: none"> <li>• Infrastructure to support Council/Committee Meetings</li> <li>• Wedding Chambers SOGR</li> <li>• Records Centre Services SOGR</li> <li>• Information Production Workflow Management System SOGR</li> <li>• Archives Equipment Upgrade</li> </ul>	<ul style="list-style-type: none"> <li>• City Clerk's Health &amp; Safety Remediation</li> </ul>	<ul style="list-style-type: none"> <li>• Replacement of Voting Equipment</li> <li>• Election Technology Program</li> <li>• Toronto Meeting Management Information System (TMMIS) SOGR</li> <li>• Image Library Migration to Managed Cloud SAAS</li> <li>• City Clerk's Business Systems</li> <li>• Council Business Systems</li> <li>• Public Appointments SOGR</li> <li>• Notices Management Information System (NMIS)</li> <li>• Council Transition Requirements</li> </ul>

**How the Capital Program is Funded**

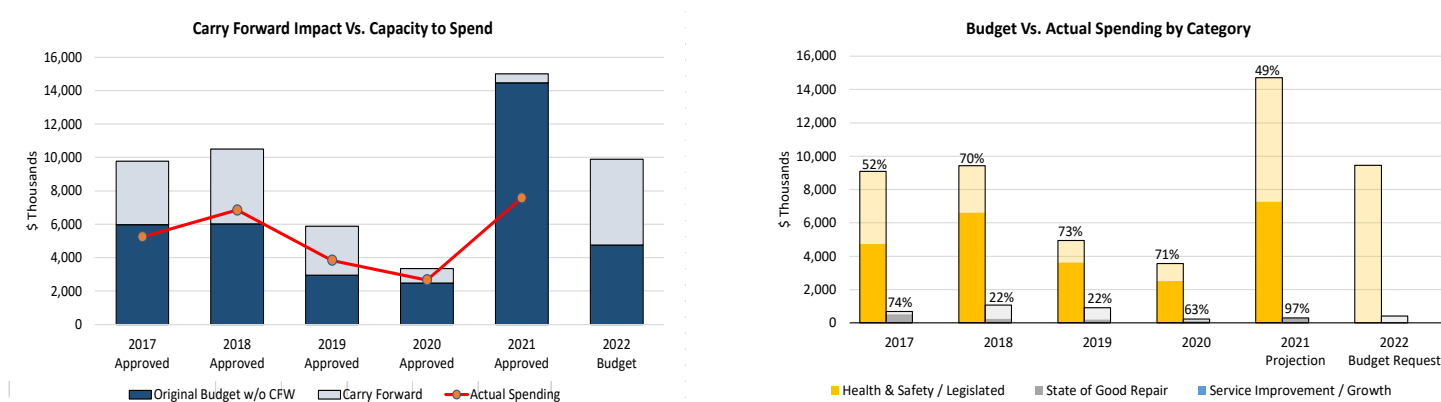
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$35.3 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$ 16.8 M		
Reserve / Reserve Fund	\$ 13.3 M		
Other	\$ 5.2 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with City Clerk's Office's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



\* The 2020 Budget excludes CFC funding-related adjustments to accurately reflect capacity to spend.

### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$8.575 million in capital spending originally cash flowed in 2022 has been reduced to reflect anticipated requirements or timing of expected cash flow needs. Adjustments to the Capital Plan are noted below:

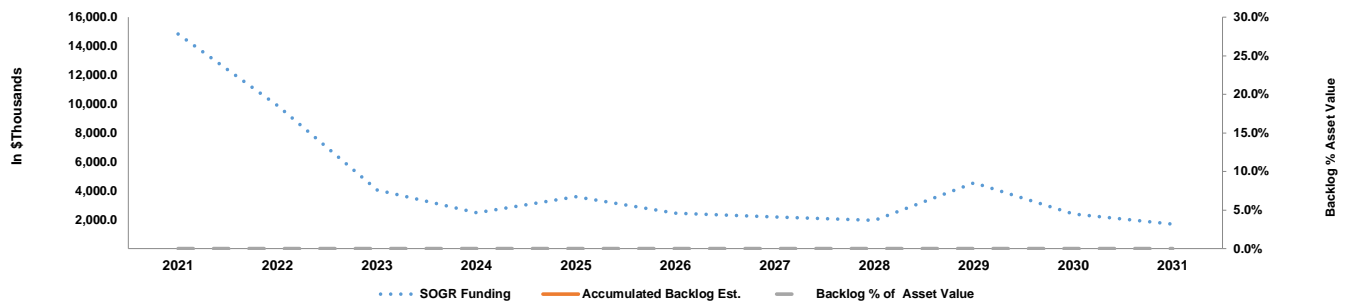
- 2022 cash flow reduction:
  - \$7.200 million for *Replacement of Voting Equipment*.
  - \$0.325 million for *City Clerk's Office Business System* project.
  - \$0.200 million for *Council Transition* project.
  - \$0.850 million for *Infrastructure to Support Council/Committee Meetings* project.
- Despite the reduction in cash flows for projects mentioned above, investments are required to address emerging capital needs and priorities including the Image Library Migration to Managed Cloud SAAS project to replace a legacy digital asset management solution, and Constituency Management System for members to replace the current system which has reached its end of life. The 2022-2031 capital budget and plan has been adjusted accordingly to reflect these priorities and cash flow requirements will be reviewed as part of the 2023 budget process.

**STATE OF GOOD REPAIR (SGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in City Clerk's Office.

**Chart 3: Total SOGR Funding & Backlog**

State of Good Repair (SGR) Funding &amp; Backlog



\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	14,820.0	9,890.0	4,040.0	2,475.0	3,600.0	2,465.0	2,195.0	1,960.0	4,550.0	2,400.0	1,700.0
Accumulated Backlog Est.											
Backlog % of Asset Value	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Asset Value	78,090.0	80,568.0	82,314.0	82,086.0	82,396.0	82,721.0	81,841.0	82,171.0	82,846.0	82,996.0	82,656.0

The 10-Year Capital Plan will dedicate \$3.685 million to SOGR projects for regular upgrades and to extend the useful life of systems. There is no SOGR backlog associated with the City Clerk's Office capital assets.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will have no impact on the 2022 Operating Budget, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
City Clerks Business Systems - Legislative Compliance phase 1	15.0										15.0			
<b>Sub-Total: Previously Approved</b>	<b>15.0</b>										<b>15.0</b>			
<b>New Projects - 2022</b>														
City Clerks Business Systems - Legislative Compliance phase 2					28.0						28.0			
<b>Sub-Total: New Projects - 2022</b>					<b>28.0</b>						<b>28.0</b>			
<b>Total (Net)</b>	<b>15.0</b>				<b>28.0</b>						<b>43.0</b>			

#### Previously Approved projects

- City Clerk's Office will require additional operating funding of \$0.015 million net in 2022 to maintain the City Clerk's Business System – Legislative Compliance project once they are completed and operationalized.

#### New projects

- City Clerk's Office will require additional operating funding of \$0.028 million net in 2024 to maintain the Image Library Migration to Managed Cloud SAAS project once they are completed and operationalized.

# 2022 Program Summary

## City Council

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto City Council is the governing body for the City and is comprised of 26 members: the Mayor, elected City-wide, and 25 Councillors who are elected in each of the City's wards.

### Why We Do It

Under the City of Toronto Act (COTA), section 131, it is the role of City Council to:

- represent the public and to consider the well-being and interests of the City;
- develop and evaluate the policies and programs of the City;
- determine which services the City provides;
- ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decisions of council;
- ensure the accountability and transparency of the operations of the City, including the activities of the senior management of the City;
- maintain the financial integrity of the City; and
- carry out the duties of council under this or any other Act.

*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.*

Budget at a Glance

2022 OPERATING BUDGET				2022 - 2031 10-YEAR CAPITAL PLAN			
\$Million	2022	2023	2024	\$Million	2022	2023-2031	Total
Revenues	\$2.3	\$0.1	\$0.0	City Council has no capital budget.			
Gross Expenditures	\$24.2	\$22.3	\$22.5				
Net Expenditures	\$21.9	\$22.2	\$22.5				
Approved Positions	25.0	25.0	25.0				

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
City Council	176.9	56.0	56.0	2,340.0		2,340.0	2,284.0	4078.6%
<b>Total Revenues</b>	<b>176.9</b>	<b>56.0</b>	<b>56.0</b>	<b>2,340.0</b>		<b>2,340.0</b>	<b>2,284.0</b>	<b>4078.6%</b>
<b>Expenditures</b>								
City Council	19,032.4	21,751.8	20,251.8	24,202.2		24,202.2	3,950.5	19.5%
<b>Total Gross Expenditures</b>	<b>19,032.4</b>	<b>21,751.8</b>	<b>20,251.8</b>	<b>24,202.2</b>		<b>24,202.2</b>	<b>3,950.5</b>	<b>19.5%</b>
<b>Net Expenditures</b>	<b>18,855.5</b>	<b>21,695.8</b>	<b>20,195.8</b>	<b>21,862.2</b>		<b>21,862.2</b>	<b>1,666.5</b>	<b>8.3%</b>
<b>Approved Positions**</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>		<b>25.0</b>		

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$24.202 million gross reflecting an increase of \$3.951 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Budget increase in salaries and benefits to reflect:
  - The required Councillor staffing budget envelope in accordance with Council policy.
  - Anticipated CPI adjustment to the salary of Members of Council in accordance with Section 1.1 of the Municipal Code Chapter 223, Remuneration of Council Members.
- Budget increase in office budget envelope in accordance with Council policy.
- Provision for Council transition costs of \$2.300 million gross and \$0 net related to the 2022 municipal election to be funded from the Council Transition Reserve. This includes severance requirements for Councillors who are not re-elected and their staff.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for City Council is \$3.951 million gross or 19.5% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations	4.5						
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds	148.9	79.2	56.0	55.7	2,340.0	2,284.3	4100.9%
Sundry and Other Revenues	97.7	97.7		0.1		(0.1)	(100.0%)
Inter-Divisional Recoveries				0.2		(0.2)	(100.0%)
<b>Total Revenues</b>	<b>251.2</b>	<b>176.9</b>	<b>56.0</b>	<b>56.0</b>	<b>2,340.0</b>	<b>2,284.0</b>	<b>4078.6%</b>
Salaries and Benefits	16,689.2	17,510.8	19,198.5	18,398.5	21,649.0	3,250.5	17.7%
Materials & Supplies	120.4	65.9	822.3	822.3	822.3	(0.0)	(0.0%)
Equipment	154.3	114.0	56.0	56.0	40.0	(16.0)	(28.6%)
Service and Rent	1,175.1	1,041.6	1,412.0	711.8	1,430.8	719.0	101.0%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	81.6	84.8					
Other Expenditures	1.6	1.9		0.2		(0.2)	(100.0%)
Inter-Divisional Charges	319.4	213.2	262.9	262.9	260.1	(2.8)	(1.1%)
<b>Total Gross Expenditures</b>	<b>18,541.7</b>	<b>19,032.4</b>	<b>21,751.8</b>	<b>20,251.8</b>	<b>24,202.2</b>	<b>3,950.5</b>	<b>19.5%</b>
<b>Net Expenditures</b>	<b>18,290.5</b>	<b>18,855.5</b>	<b>21,695.8</b>	<b>20,195.8</b>	<b>21,862.2</b>	<b>1,666.5</b>	<b>8.3%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- Budget increase of \$3.251 million is to reflect the required Councillor staffing budget envelope in accordance with Council policy, the CPI-related increase to Members salary to comply with the Municipal Code Chapter 223, Remuneration of Council Members, and severance requirements related to the 2022 municipal election for Councillors who are not re-elected and their staff.

**Service and Rent:**

- Budget increase of \$0.719 million is largely to reflect the required office budget envelope in accordance with Council policy.

**Revenues:**

- Budget increase of \$2.284 million is largely due to higher contributions from Council Transition Reserve to fund 2022 council transition costs.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	56.0	2,340.0	70.0	40.0
Gross Expenditures	20,251.8	24,202.2	22,276.3	22,542.2
<b>Net Expenditures</b>	<b>20,195.8</b>	<b>21,862.2</b>	<b>22,206.3</b>	<b>22,502.2</b>
<b>Approved Positions</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$22.276 million reflects an anticipated \$1.926 million or 8% decrease in gross expenditures from the 2022 Operating Budget. The 2024 Outlook reflects an increase of \$0.266 million or 1.2% above 2023 gross expenditures.

These changes arise from the following:

**Reversal of Council Transition Costs**

- Reversal of budget provision for Council transition costs of \$2.300 million gross and \$0 net related to the 2022 municipal election.

**Salaries and Benefits**

- Adjustments for salaries and benefits in 2023 and 2024.

**Revenue Impact**

- Reversal of one-time funding from the Council Transition Reserve for Council transition costs related to the 2022 municipal election.

# 2022 Program Summary

## City Manager's Office

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The City Manager's Office leads the municipal administration and ensures accountability through effective governance, public service, public engagement, public and private sector and philanthropic partnerships and intergovernmental relations that support strategic investments that advance City policies and programs that achieve Council's priorities. The City Manager's Office plays a leadership role in advancing truth, justice and reconciliation with First Nations, Inuit and Métis.

The City Manager's Office delivers the following services:

- Office of the Chief of Staff (Executive Administration, Governance and Corporate Strategy, Intergovernmental and Agency Relations, Strategic Partnerships)
- Strategic Public and Employee Communications
- People & Equity
- Indigenous Affairs Office
- Concept 2 Keys project

### Why We Do It

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

The divisions in the CMO are focused on achieving the following outcomes:

- **Corporate strategies, policies, programs and priorities that are aligned with Council's vision and set the strategic direction for City divisions.**
- **It is vital that the City recognize the need to transform its development review process, in order to provide improved customer service through innovative technologies and processes that create a more collaborative, transparent and user-friendly experience for staff and applicants.**
- **The City secures timely and appropriate funding from the Provincial and Federal governments and achieves its legislative and policy priorities.**
- **The City engages with public and private sector groups to promote strategic partnerships and innovation to address and support City challenges and opportunities.**
- **City agencies and corporations deliver services and operate in compliance with their Council-approved mandates and strategically advance Council's priorities.**

- **Toronto residents, public and private sector groups, visitors and the Toronto Public Service have access to easy-to-understand, timely and accurate information via multiple communications channels on City governance, services, programs and policies.**
- **Public and private sector groups and individuals have timely and fair access to City partnership opportunities that support the well-being of residents.**
- **City services and facilities are responsive to and supportive of the needs of Indigenous, Black and equity-deserving communities in Toronto.**
- **Truth, justice, reconciliation, decolonization, anti-racism and equity are advanced through collaboration and partnerships between the City and communities.**
- **City divisions have a qualified, diverse and engaged workforce to meet their service delivery requirements for current and future needs.**
- **City's employment practices are fair and equitable. Residents see themselves represented at all levels within the Toronto Public Service.**
- **City employees work in a physically and mentally safe environment and are provided high quality, accessible learning resources.**

*The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and earn their trust and confidence.*

## What Service We Provide

### **Executive Administration**

**Who We Serve:** City Manager & DCMs, Mayor, City Council, City Divisions, Agencies/Corporations and the public

**What We Deliver:** Coordinate corporate agenda forecast activities, corporate issues management, accountability processes. A new model provided by Concept 2 Keys (C2K) project that transforms and enhances how the City delivers effective and coordinated development review services and competes globally for development.

**How Much Resources (gross 2022 operating budget):** \$13.5M

### **Strategic & Corporate Policy (Governance & Corporate Strategy; Intergovernmental & Agency Relations)**

**Who We Serve:** City Manager & DCMs, Mayor, City Council, City Divisions, Agencies/Corporations and the public

**What We Deliver:**

Governance and Corporate Strategy - City's policy and legislative priorities, strategic planning, governance oversight, government leadership and strategic advice, corporate performance reporting, training and evaluation, corporate civic engagement.

Intergovernmental and Agency Relations - City's intergovernmental funding, policy and legislative priorities, strong intergovernmental relationships and strategic alliances, infrastructure funding coordination and oversight, City agency and corporation governance, oversight, and alignment with the City's strategic priorities.

**How Much Resources (gross 2022 operating budget):** \$4.2M

### **Strategic Public and Employee Communications**

**Who We Serve:** City Manager & DCMs, Mayor, Media, City Council, the public, City/Agency staff

**What We Deliver:** Strategy and execution of public and employee communications, social media, digital communications, including toronto.ca, and advertising and media buying; Media relations, issues management, and communications advice and counsel; Informed decision making via research and data analytics; Design and creative services; Corporate identity management and accountability.

**How Much Resources (gross 2022 operating budget):** \$8.7M

### **People & Equity**

**Who We Serve:** City Manager & DCMs, Mayor, City Council, City/Agency staff, the public, and Unions & Associations

**What We Deliver:** Provide corporate leadership and strategic Human Resources (HR) advisory services and customized solutions to complex workforce priorities and challenges; manage the employee relations environment; support divisions in embedding equity and reconciliation into all policies, programs and services in spaces and a work environment that is equitable, legislatively compliant and free of discrimination and harassment; provide managers and employees with single-point of contact for timely HR support and information; manage people process-related technology, data, information, training and support; attract and retain a highly skilled diverse workforce; ensure compliance with health & safety legislation; reduce the impact of injuries, illnesses and absences; build capacity and a positive workplace culture through learning and leadership development and initiatives that support an ethical, inclusive, and effective Toronto Public Service that builds trust and confidence with the public and staff.

**How Much Resources (gross 2022 operating budget):** \$55.6M

**Indigenous Affairs Office (IAO)**

**Who We Serve:** Urban Indigenous (First Nations, Inuit and Métis) communities in Toronto, as well as Indigenous treaty and territorial partners.

**What We Deliver:** Advice, policies, initiatives that help to fulfill the City's commitments to Indigenous peoples, advancing truth, justice and reconciliation.

The IAO:

- Strives to enhance the City's relationship with Indigenous communities, working closely with Indigenous partners across the city
- Provides leadership and guidance to the Toronto Public Service to ensure that City programs and policies are responsive to the needs of diverse Indigenous communities
- One-stop shop for information, advice, programs and policies that support the City of Toronto's Commitment to Indigenous peoples

**How Much Resources (gross 2022 operating budget):** \$2.5M

**Strategic Partnership**

**Who We Serve:** City Manager & DCMs, Chief Financial Officer (CFO) & Treasurer, Mayor and City Council, City/Agency staff, other orders of government, non-government organizations, charitable organizations, philanthropists, business and priority neighborhoods.

**What We Deliver:** Strategic alliances, partnerships and collaborations with public and private sector groups and institutions to advance city priorities; strategic advice, policy compliance and oversight of corporate partnerships policies; management of philanthropic funding and investment to the city; supporting and developing a culture of innovation and collaboration and; management and stewardship of strategic philanthropy and revenue generation.

**How Much Resources (gross 2022 operating budget):** \$0.9M

**Budget at a Glance****2022 OPERATING BUDGET**

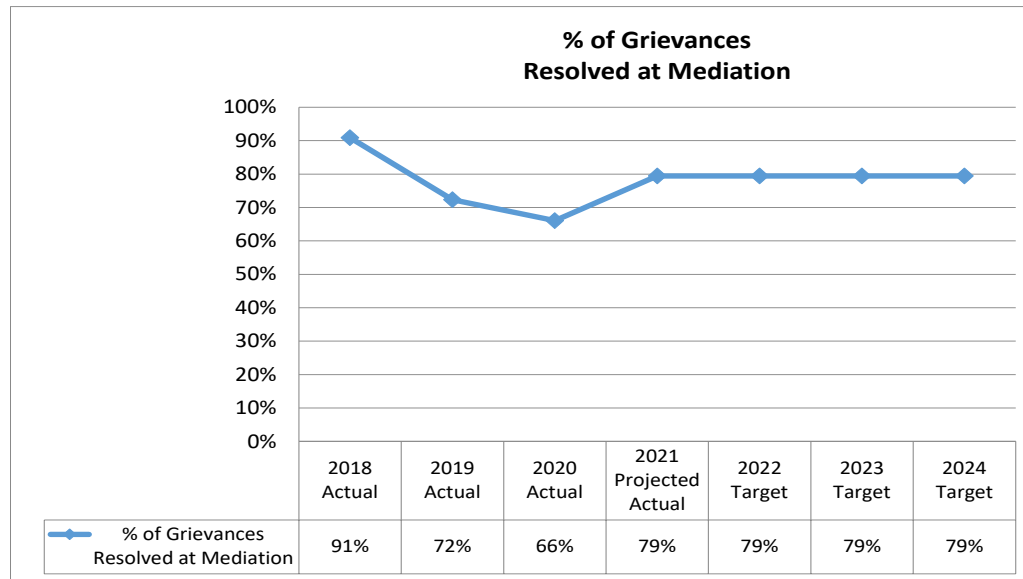
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$19.8	\$16.4	\$15.1
Gross Expenditures	\$85.4	\$82.5	\$81.4
Net Expenditures	\$65.6	\$66.1	\$66.2
Approved Positions	542.0	534.0	533.0

**2022 - 2031 10-YEAR CAPITAL PLAN**

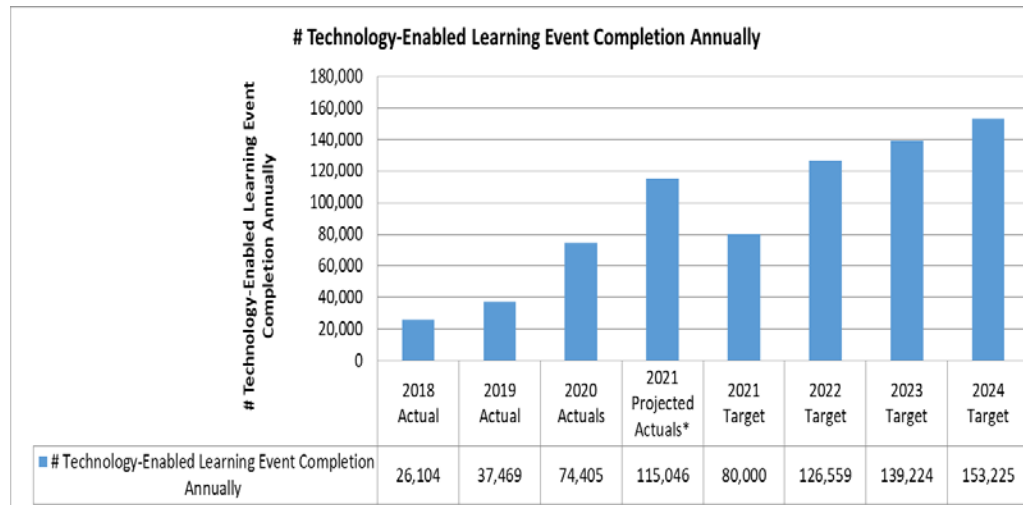
<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
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City Manager's Office has no capital budget.

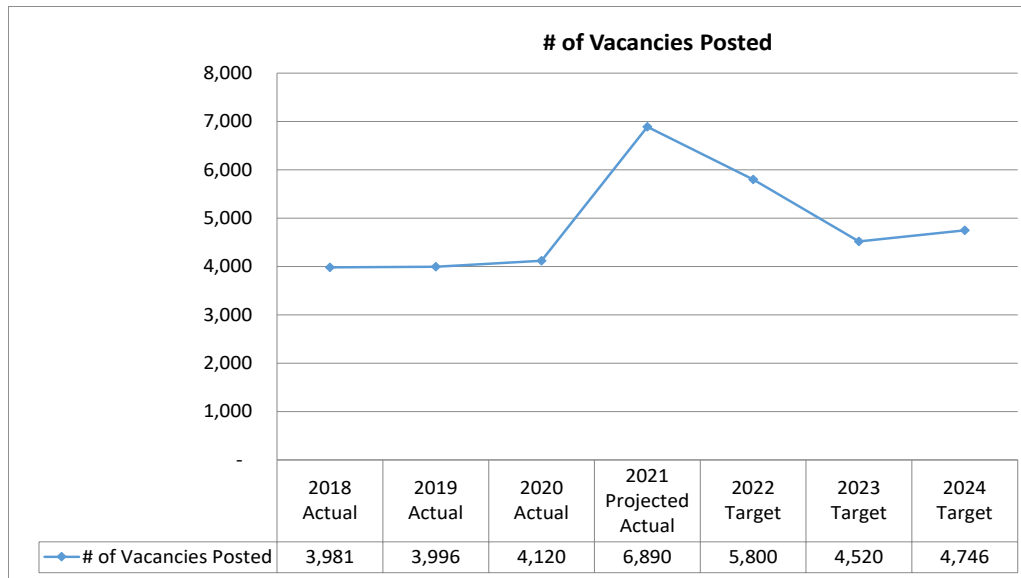
## How Well We Are Doing – Behind the Numbers



- The reduction in percentage of grievances resolved at mediation in 2019 reflects the shift of resources and focus to collective bargaining with the City's two largest unions. The volume was lower in 2020 due to the impact from the COVID-19 pandemic, with fewer grievance cases getting resolved as a result of cancellations and resources being reallocated to pandemic response



- The increasing number of technology-enabled learning event completions illustrates improved capacity-building for a qualified, engaged and inclusive Toronto Public Service (TPS) through access to high quality skills development and online learning



- 2021 vacancies posted increased substantially as a result of COVID response and recovery efforts, including the hiring of almost 3,000 headcount for the immunization clinics. An increase in hiring is expected in 2022 due to anticipated higher rates of retirement and turnover associated with the return to office and mandatory vaccination policy



## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
OUTCOME MEASURES								
People & Equity	% Grievances Resolved at Mediation	72%	66%	79%	79%	●	79%	79%
People & Equity	% Change in the Number of Workplace Injuries	18%	10%	-6%	5%	●	-6%	-6%
Strategic Public and Employee Communications	Growth in Followers Across Corporate Platforms (Twitter, Facebook, Instagram)	19%	23%	15%	19%	●	15%	15%
Strategic Public and Employee Communications	Growth in User Visits/Sessions on toronto.ca	n/a	16%	15%	16%	●	15%	15%
SERVICE LEVELS								
People & Equity	# Technology-Enabled Learning Events Completions Annually	37,469	74,405	80,000	115,046	●	126,559	139,224
People & Equity	Average Number of Days to Fill a Non-Union Vacancy	62	81	61	76	●	70	65
Strategic Public and Employee Communications	% Respond to Media Inquiries by the End of Business Day	n/a	99%	95%	99%	●	95%	98%
Strategic Public and Employee Communications	Communications Tactics Created and Distributed Within Planned Timing (New releases, advertising, social media content)	n/a	99%	95%	96%	●	95%	95%
Strategic Public and Employee Communications	Communications Tactics Created and Distributed Within Planned Timing (Employee content - intranet, ELI, staff messages)	n/a	98%	95%	97%	●	95%	95%
OTHER MEASURES								
People & Equity	# Employees Receiving Health and Safety Training Annually	20,574	1,534	14,000	2,000	●	14,000	14,000

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- The 2022 COVID-19 impact is projected to be \$4.080 million gross and \$3.715 million net:
  - \$1.218 million gross and \$0.853 million net in additional salaries and benefits for 9 temporary positions to support the City's Return to the Office (RTO) and ModernTO programs to ensure a safe and healthy return to office environment.
  - \$2.462 million gross and net in salaries and benefits for 22 P&E positions to address and manage specialized services allowing for standardization of processes, re-engineering and efficiencies in recruitment and internal movements.
  - \$0.400 million gross and net in IAO grants recovered for COVID will provide flexible and timely supports to Indigenous organizations, including small and emerging groups who can respond rapidly to the crisis-related needs of the Indigenous community.

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**Service Level Changes**

- The increase in P&E resourcing will enable the team to address gaps in workload, assign and address cyclical activities and still have the ability to participate in and support transformational activities.
  - It will also see the introduction of the standardization of processes for a consistent service delivery.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Transforming development review services (Concept 2 Keys C2K), expediting 15 affordable housing projects to create 1,211 new affordable and supportive rental homes and launching Phase 2 of the C2K program in Etobicoke-York to test process and technology enhancements with all application types.
- Led communications both internally and externally throughout the City's response to the COVID-19 pandemic. By ensuring timely, accurate and essential information was shared in innovative and creative ways, Strategic Public and Employee Communications was able to influence both mainstream and hard to reach audiences and educate them about how to protect themselves, their families and their communities, as well as how to access critical City services.
- Led Corporate Emergency Donations Management Task Force, emergency donations and partnerships.
- Supported the Mayor's Task Force for Economic Support & Recovery – Higher Education Institutions.
- Oversaw more than \$30M in donated goods, funds and services to support COVID response and recovery including 1M+ PPE, \$10M in furniture/housewares for rapid rehousing; 1M+ pounds of food to support Toronto foodbanks and food hamper programs, and more than \$1M in technology supports.
- Launched DonateTO for web-based donations management, Managed the City's United Way Employee Campaign securing over \$1.4M for community services.
- Managed partnerships with healthcare providers, eCampusOntario with City Higher Education Institutions and [www.civiclabbto.ca](http://www.civiclabbto.ca) with Higher Education Institutions to support recovery policy and research.
- Strategic management of Council and Committee agendas and support for the Senior and Corporate Leadership Teams including Council reports: quarterly updates on recovery; Review of early learning and child care services; AGM reports, creation of Seniors Housing Corporation.
- Launched [www.toronto.ca/RecoveryTO](http://www.toronto.ca/RecoveryTO)
- Support for City agencies and corporations as part of the City's COVID-19 response including communication, restart and reopening, human resources and funding.
- Collaborated with federal and provincial governments on City funding, legislation and policy needs in response to COVID-19. Advanced City priorities through meetings with the Province under the Toronto-Ontario Cooperation and Consultation Agreement, dialogue with other big cities/region, and co-chaired Provincial-Municipal Technical Working Group on Emergent Municipal Needs with the Province and the Association of Municipalities of Ontario.
- Recruited and oversaw the appointment of a new City Ombudsman.
- Initiated civic engagement review, coordinated data and research strategy and insights initiative.
- The Indigenous Affairs Office (IAO) worked closely with Indigenous partners, Toronto Public Health and other city divisions to support vaccinations for Indigenous Peoples.
- The IAO worked in partnership with Indigenous organizations and collectives and other city divisions to provide access to land and water for Indigenous land stewardship, ceremony and cultural purposes. The IAO supported organizations such as Thunder Woman Healing Lodge through Council approval of financial relief from certain fees, charges and taxes.
- Deployed centralized service to redeploy divisional staff to support frontline services during Pandemic.
- Negotiated collective agreements for Toronto Zoo, TCEU Local 416 and the Paramedics bargaining unit.
- Provided independent human rights investigation services.
- Occupational health and safety reviews of PPE including policy, communication and implementation.
- Launched an enterprise Mental Health & Wellness campaign.
- With Corporate Real Estate Management, supported ModernTO and the post-COVID Return to Office.
- Engaged youth from priority neighbourhoods and early talent professionals from equity deserving groups.
- Introduced People & Equity Relationship Management service delivery model and team to senior leaders.
- TEAM Central managed 20,000+ inquiries to support all staff employment needs including online.
- Hired 2,600 including 200 diverse staff with community partners as part of the Mass Immunization Clinic.

### Key Challenges and Risks

- Achieving City commitments to engagement strategies that reflect the needs of Indigenous, Black and equity-deserving communities and respond to the expectations of the public and Council.
- Managing/scaling C2K's work across City divisions, external stakeholders, and development community.
- Inability to meet in person challenges relationship building with key Indigenous partners and communities.
- Resource challenges especially in relation to Indigenous engagement, training and policy development.

- Coordinating intergovernmental relations to ensure City funding, legislation and policies continue.
- Coordinating support to agencies and corporations, managing emerging legislative and governance issues.
- Limited capacity and funding to address all urgent People & Equity processes and technology requirements to improve screening, assessment, scheduling and address unconscious bias; ongoing re-prioritization required, with negative city-wide impacts.
- Requirements for critical modernization of workforce analytics and reporting to meet significant client demands to advance critical and timely equity, diversity and inclusion and elimination of system barriers to employment and promotion of equity-deserving candidates and employees, divisional diversity, inclusion and equity priorities, employee experience / division expectations and Collective Agreement obligations.
- Challenges supporting the organization's COVID-19 responses: Health & Safety, hierarchy of controls, PPE Requirements, Physical Distancing protocols and infection control practices.
- Resourcing People & Equity Service Hub to manage volume while implementing transformations.
- Transition and loss of institutional knowledge associated with new leadership within People & Equity.

### Priority Actions

- Seek to implement City's first reconciliation action plan working closely with Indigenous organizations and communities with 1<sup>st</sup> year focus on establishing processes, relationships and priorities (e.g. engagement, policy/guidance, accountabilities) and continuing critical work (e.g. Indigenous housing, Indigenous crisis response pilot, begin construction of the Indian Residential School Survivors (IRSS) Spirit Garden, determine operator for Indigenous Centre for Innovation and Entrepreneurship (ICIE)).
- Continue to develop meaningful interventions and resources to enhance corporate understanding of Indigenous rights, human rights, support diverse teams, and create inclusive and respectful workplaces.
- Implement the Council-adopted renewed intergovernmental strategy.
- Advocate and advance City priorities with federal government and ahead of the 2022 provincial election.
- Continued strategic federal-provincial-regional-municipal intergovernmental recovery and renewal.
- Support City agencies and corporations during the pandemic, reopening and recovery.
- Develop/update agency/corporation governance frameworks, including executive compensation policy.
- Lead Council transition, with City Clerk's Office, including briefings and onboarding of in-coming Members.
- Strategic management of Council reports and support to Senior and Corporate Leadership Teams.
- Support recruitment and appointment of City Auditor General.
- Complete review of Housing Commissioner role and function with recommendations to City Council.
- Support and review civic engagement strategy, strengthen engagement with Indigenous, Black and equity-deserving Torontonians, launch coordinated data and research strategy and insights initiative.
- Build strategic partnerships to support recovery (e.g. healthcare, academic institutions and foundations).
- Philanthropy strategy focused particularly with Indigenous, Black and equity deserving communities.
- Negotiate Laborers' International Union of North America Voluntary Recognition Agreement.
- Launch Corporate Accessibility Governance including Accessibility Steering and sub Committees.
- Create Gender Equity Strategy and Action Plan to be implemented in 2023.
- Launch Roster for 3rd party human rights investigations, and workplace assessments and restoration.
- Reduce workplace injuries by 6%; support ongoing reduction in the number of Ministry of Labour Orders.
- Implement and actively support enterprise-wide talent management programs including technology-enabled Performance Management, Talent Assessment and Leadership Development Summit events.
- Implement diversity and inclusion and Next Generation programs to engage youth from priority neighbourhoods and early talent professionals from equity-deserving groups.
- Implement Total Reward Strategy including salary structure, benefits and policy recommendations.
- Identify service enhancements and opportunities to streamline hiring processes through SAP SuccessFactors; secure technology funding to further enable recruitment capabilities.
- Work with external vendors to transition Indigenous and equity-related classroom courses to virtual instructor-led training sessions, with additional eLearning development to support a blended approach.
- Build engagement and enhance relationships with Indigenous communities, partners and organizations.
- Build, test, and scale Concept 2 Keys improvements to the development application review process.
- Use data-informed decision-making and insights to guide communications strategy, approaches, tactics and messages, pivoting in real time where necessary or feasible.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Strategic & Corporate Policy	24.5	0.0	3.1	0.0	174.7	174.7	171.7	5614.6%
Executive Administration	642.1	9,709.1	6,917.3	10,109.1	1,923.7	12,032.8	5,115.6	74.0%
Strategic Partnership	0.0	0.0	91.4	0.0	0.0	0.0	(91.4)	(100.0%)
Strategic Public and Employee Communications	1,373.7	1,036.8	1,268.2	1,293.4	82.3	1,375.7	107.5	8.5%
People & Equity	4,475.9	2,379.1	3,099.6	6,191.3	0.0	6,191.3	3,091.7	99.7%
Indigenous Affairs	(17.1)			0.0	0.0	0.0	0.0	N/A
<b>Total Revenues</b>	<b>6,499.1</b>	<b>13,125.1</b>	<b>11,379.5</b>	<b>17,593.9</b>	<b>2,180.7</b>	<b>19,774.6</b>	<b>8,395.1</b>	<b>73.8%</b>
<b>Expenditures</b>								
Strategic & Corporate Policy	3,454.0	4,181.1	3,676.6	3,999.6	174.7	4,174.3	497.7	13.5%
Executive Administration	2,110.5	11,221.5	8,385.2	11,572.1	1,923.7	13,495.8	5,110.6	60.9%
Strategic Partnership	842.1	1,058.2	1,111.7	920.7	0.0	920.7	(191.0)	(17.2%)
Strategic Public and Employee Communications	10,125.5	10,021.5	9,625.7	8,601.3	82.3	8,683.6	(942.1)	(9.8%)
People & Equity	45,087.3	47,604.7	50,615.1	55,061.2	578.5	55,639.7	5,024.7	9.9%
Indigenous Affairs	707.2	936.8	911.0	1,066.9	1,424.8	2,491.7	1,580.7	173.5%
<b>Total Gross Expenditures</b>	<b>62,326.7</b>	<b>75,023.6</b>	<b>74,325.2</b>	<b>81,221.8</b>	<b>4,184.0</b>	<b>85,405.8</b>	<b>11,080.6</b>	<b>14.9%</b>
<b>Net Expenditures</b>	<b>55,827.7</b>	<b>61,898.5</b>	<b>62,945.7</b>	<b>63,627.9</b>	<b>2,003.3</b>	<b>65,631.2</b>	<b>2,685.5</b>	<b>4.3%</b>
<b>Approved Positions**</b>	<b>465.0</b>	<b>494.0</b>	<b>N/A</b>	<b>527.0</b>	<b>15.0</b>	<b>542.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$63.628 million gross reflecting an increase of \$0.682 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Annualized salary & benefits for positions filled for less than the entirety of 2021.
- Transfer of 1.0 position from each of Shelter Support and Housing Administration (SSHA) and Municipal Licensing & Standards (MLS) to Strategic Public and Employee Communications for provision of leadership to SSHA and MLS on communications to the public and key stakeholders.
- 1.0 position dedicated to the Reconciliation Action Plan in order to ensure that City can start to deliver the City's first reconciliation action plan by advancing truth, reconciliation and justice to the Indigenous people.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$59.913 million in net expenditures reflects a \$0.289 million net increase from the 2021 Council approved Budget, when excluding \$3.715 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$4.184 million gross, \$2.003 million net enabling:

- 1.0 position funded from capital, dedicated to review and assessment of City of Toronto employee communications tools such as the intranet and development of a new intranet and mobile application (\$0.082 million gross and \$0 net)
- 3.0 positions funded from the Development Application Review Reserve Fund to progressively support the implementation of new development review changes to a wider geographic planning area (\$0.424 million gross and \$0 net)
- Funding from the Development Application Review Reserve Fund to purchase Development Application Review and File Circulation software for C2K (\$1.500 million gross and \$0 net)

- 3.0 positions and non-payroll expenditures to ensure the City can adequately start to deliver the City's first Reconciliation Action Plan (\$1.425 million gross and net)
- 1.0 position funded from the Corporate Conference Reserve to ensure the successful delivery of the Federation of Canadian Municipalities (FCM) conference reinforcing Toronto's intergovernmental importance (\$0.175 million gross and \$0 net)
- 7.0 positions dedicated to designing and delivering Indigenous-specific-education and wellness programming (\$0.579 million gross and net)

## **EQUITY IMPACTS OF BUDGET CHANGES**

The City Manager's Office 2022 Operating Budget includes \$2.003 million (net) investment in projects. This includes a \$1.425 million investment towards the Indigenous Reconciliation Action Plan and \$0.579 million investments towards Indigenous Education for staff. These will support a variety of outcomes including Indigenous self-determination and actions to advance truth, equity, reconciliation and justice, and the development of staff capacity to support the embedding of reconciliation into their work, in a way that is responsive to Indigenous communities' experiences. A \$1.5 million (gross) and \$0 (net) investment to purchase Development Application Review software will support and automate the City's development process and facilitate prioritization of affordable housing.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for City Manager's Office is \$11.081 million gross or 14.9% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Transfers From Capital	3,054.9	1,911.6	142.5	613.4	582.1	(31.3)	(5.1%)
Contribution From Reserves/Reserve Funds	845.8	682.6	9,866.2	7,146.7	15,894.6	8,747.9	122.4%
Sundry and Other Revenues	918.4	114.5	147.6	0.0	0.0	0.0	0.0
Inter-Divisional Recoveries	3,804.8	3,790.3	2,968.8	3,619.3	3,297.9	(321.4)	(8.9%)
<b>Total Revenues</b>	<b>8,623.8</b>	<b>6,499.1</b>	<b>13,125.1</b>	<b>11,379.5</b>	<b>19,774.6</b>	<b>8,395.1</b>	<b>73.8%</b>
Salaries and Benefits	56,332.1	57,275.4	64,705.7	63,201.0	72,872.7	9,671.7	15.3%
Materials & Supplies	90.9	76.7	129.9	74.6	129.9	55.3	74.1%
Equipment	237.9	96.7	303.9	544.3	1,923.1	1,378.8	253.3%
Service and Rent	3,812.7	4,774.3	9,884.1	10,452.3	9,520.7	(931.6)	(8.9%)
Contribution To Reserves/Reserve Funds	101.0	101.0	0.0	0.0	0.0	0.0	0.0
Other Expenditures	25.1	0.0	0.0	53.0	959.4	906.4	1710.2%
Inter-Divisional Charges	0.0	2.7	0.0	0.0	0.0	0.0	0.0
<b>Total Gross Expenditures</b>	<b>60,599.7</b>	<b>62,326.7</b>	<b>75,023.6</b>	<b>74,325.2</b>	<b>85,405.8</b>	<b>11,080.6</b>	<b>14.9%</b>
<b>Net Expenditures</b>	<b>51,975.9</b>	<b>55,827.7</b>	<b>61,898.5</b>	<b>62,945.7</b>	<b>65,631.2</b>	<b>2,685.5</b>	<b>4.3%</b>

\*Projection based on 9 Month Variance

**Key Base Drivers:****Salaries & Benefits:**

Salaries and benefits increases are mainly due to added funding for Service Hub resourcing needs to address vacancy challenges brought on by the pandemic, new positions created for the Reconciliation Action Plan and Indigenous education, new positions for the C2K program as well as filling of 2021 vacancies.

**Equipment:**

Increase mainly due to purchase of Development Application Review and File Circulation software for C2K.

**Services and Rents:**

Reversal of one-time COVID-19 advertising expenses, partially offset by consulting expenses for C2K to work collaboratively with KPMG on activities and deliverables to improve the City's development review process.

**Other Expenditures:**

Grants requested by Indigenous Affairs Office to provide flexible and timely supports to small and emerging Indigenous groups as part of Reconciliation Action Plan.

**Contributions from Reserves/Reserve Funds:**

Recoveries related to C2K will increase overall draws from the Development Application Review Reserves.



Table 2b: 2021 New / Enhanced

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	Modernization of Employee Communications	82.3	82.3	0.0	1.0	133.6	Low-positive	No	No	A Well Run City
2	C2K - Development									
2	Application Review and File Circulation Software	1,500.0	1,500.0	0.0	0.0	0.0	Low-positive	No	No	Financial Sustainability; A Well Run City; Create and Maintain Affordable Housing
3	Reconciliation Action Plan	0.0	1,424.8	1,424.8	3.0	1,036.3	High-positive	No	No	Invest in People and Neighbourhoods
4	Indigenous Education	0.0	578.5	578.5	7.0	982.3	Low-positive	No	No	Invest in People and Neighbourhoods
5	C2K - Application Coordinator Team to Support Phase 3	423.7	423.7	0.0	3.0	418.2	No Impact	No	No	Financial Sustainability; A Well Run City; Create and Maintain Affordable Housing
6	FCM Conference	174.7	174.7	0.0	1.0	1,125.3	No Impact	No	No	A Well Run City
Total New / Enhanced		2,180.7	4,184.0	2,003.3	15.0	3,695.6				

The 2022 Operating Budget includes \$4.184 million in investments to support priority actions as detailed in the table above.

#### Modernization of Employee Communications (\$0.082 million gross and \$0 net):

- To support renewed focus on Employee Experience and Communication by Strategic Public and Employee Communications as part of its transformation which includes:
  - Ensuring that the City has effective tools in place to develop a fully accessible intranet and mobile platform that will allow all City staff to access information and resources and collaborate, from wherever and whenever they wish;
  - Enabling support of the organization in times of crisis and major events (allows management to reach staff with updated information 24/7, from anywhere); and
  - Formalizing governance of employee information, which is currently decentralized, and with divisions overseeing their own content, employee information and effectiveness varies.

#### Development Application Review and File Circulation Software for Concept2Keys (C2K) (\$1.500 million gross and \$0 net):

- C2K is requesting a one-time purchase of Development Application Review and File Circulation Software with commenting platform and will include service support through a request for procurement (RFP).
- The technology platform will:
  - Enable integration of the new file circulation and commenting platform with the City's existing processes and technologies where possible;
  - Enable Development of new workflows; and
  - Include training for use by City staff and applicants.

#### Application Coordinator Team to Support Phase 3 for C2K (\$0.424 million gross and \$0 net):

- As the C2K program scales up city-wide, additional staffing resources are needed to progressively support the implementation of new development review changes to a wider geographic planning area.
- For adequate staffing resources (another Application Coordination Team) required to oversee the daily operational functions of Phase 3, which will further test the scalability of these new development review improvements in a wider geographic planning area of the City.

#### Federation of Canadian Municipalities (FCM) Conference (\$0.175 million gross and \$0 net):

- Toronto is FCM's largest member. The conference is Canada's largest gathering of municipal officials and regularly includes participation from the Prime Minister and senior members of cabinet and provides an opportunity to showcase the City. Hosting a fully in-person FCM conference will bring over 2,000 delegates to



Toronto in 2023. According to FCM, their conference contributes between \$4.5 million and \$6.0 million to host city economies.

- Given the uncertainty surrounding COVID-19 and its impact on traditional in-person conference formats at this point in time, the format of the 2023 conference is still not confirmed. FCM is working on identifying format options ranging from full in-person to a hybrid (with virtual components) which would impact the role and responsibilities of the host city, the related financial and logistical implications, and ultimately the net costs to the City.

**Reconciliation Action Plan (\$1.425 million gross and net):**

- The City acknowledges the attempted erasure of Indigenous culture, knowledge, language and identity from Residential and Day schools, Sixties scoop, Millennial scoop and other harmful governmental policies and practices.
- Resources to support meaningful action to advance truth, justice and reconciliation including support of front line Indigenous organizations who are working directly with community, and engagement with the large and diverse urban Indigenous communities as well as the treaty and territorial partners in a more fulsome and coordinated way, in accordance with [MM34.42, June 2021](#), unanimously adopted by City Council.

**Indigenous Education (\$0.578 million gross and net):**

- An Indigenous Education staffing team within the People & Equity Division to design and deliver Indigenous-specific education including facilitation of training sessions, develop alternate methods of delivery for online courses, expand educational programs and initiatives that focus on truth and decolonization actions and event planning including the National Day for Truth and Reconciliation on September 30th.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	11,379.5	19,774.6	16,411.1	15,135.2
Gross Expenditures	74,325.2	85,405.8	82,519.5	81,359.1
<b>Net Expenditures</b>	<b>62,945.7</b>	<b>65,631.2</b>	<b>66,108.4</b>	<b>66,223.9</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>542.0</b>	<b>534.0</b>	<b>533.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$82.520 million reflects an anticipated \$2.886 million or 3.4 per cent decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlook expects a further decrease of \$1.160 million or 1.4 per cent below 2023 gross expenditures.

These changes arise from the following:

- Decrease in 2023 is mainly due to the reduction of temporary expenditures to deal with recruitment surge in 2022.
- Decrease in 2024 is mainly due to the reversal of one-time expenses for the FCM Conference.

# 2022 Program Summary

## Legal Services

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### 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

We contribute to shaping City progress by delivering excellent legal services and strategic advice. We are accountable to City Council for providing legal services to fulfill Council's mandate and by extension to the Toronto Public Service.

**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.**

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.

*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 2022 operating budget):** \$17.4 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 that 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 2022 operating budget):** \$15.6 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 2022 operating budget):** \$28.1 million

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$26.5	\$25.7	\$25.6
Gross Expenditures	\$61.2	\$60.9	\$61.6
Net Expenditures	\$34.7	\$35.2	\$36.0
Approved Positions	405.4	400.4	399.4

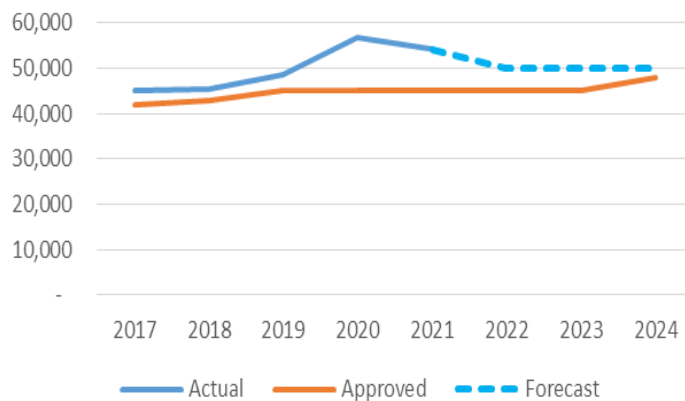
### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
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Legal Services has no capital budget.

## How Well We Are Doing – Behind the Numbers

### Hours Spent Providing Advice & Opinions



As compared to previous years, there is a significant increase in hours spent providing legal advice and opinions in 2021. Similar to 2020 this has been due to the intense and sustained additional legal support which has been required this year as a result of pandemic planning, response and enforcement. This is in addition to continued intense activity in support of ongoing corporate priorities (i.e. Transit, Transportation, Affordable Housing, Social Housing, and Shelter Support).

### Screening Reviews Completed (Online)



Legal Services operation of the screening reviews for parking saw a decrease in completed online screening reviews in 2021. Throughout 2021 legal services expanded our services and dedicated more staff to our Administrative Penalty System (APS) phones lines, APS email responses and staff working in an office to process incoming and outgoing mail for accessibility to assist individuals who do not have access to technology. While staff continues to work remotely completing online screening requests we have noticed an increase in telephone inquiries and email inquiries due to our offices being closed for in-person services. While the issuance of parking violations saw a decrease in the first two quarters of 2021, parking violation issuance has increased in the third quarter and is trending towards a return of pre-pandemic numbers. It is anticipated that the number of online screenings for 2023 and 2024 will see an average of 170,000 screenings being completed.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
Civil Litigation	Number of Local Planning Appeal Tribunal (LPAT) and Toronto Local Appeal Body (TLAB Hearings Heard)	268	193	340	264	●	340	340
Civil Litigation	Legal Counsel for the City ensures timely response to referral to arbitration to avoid statutory referrals 100% of the time. (Within 30 days)	100%	100%	100%	100%	●	100%	100%
Prosecution	% of Cases Resolved After Prosecutor Action Through Early Resolution	86.87%	57.49%	80%	88.38%	●	80%	80%
Solicitor	Close real estate transactions on contracted dates, except due to 3 <sup>rd</sup> party responsibility.	100%	100%	100%	100%	●	100%	100%
Solicitor	Number of Hours Spent on Reviewing Contracts/Agreements and other legal documents.	95,468	104,630	95,000	104,758	●	95,000	95,000

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Civil Litigation	Percentage of wins/settlements at Planning Tribunals.	87%	90%	80%	84%	●	80%	80%
Prosecution	Conduct online screening reviews of parking violations under APS.	126,683	233,398	150,000	192,091	●	170,000	170,000
Solicitor	Number of hours spent on drafting opinions and providing advice.	47,348	56,878	45,000	54,124	●	50,000	50,000
Other Measures								
Prosecution	Respond to written complaints within 30 days.	100%	100%	80%	100%	●	80%	80%
Solicitor	Sign off on property requisitions within 7 days of receipt	100%	100%	95%	100%	●	95%	95%

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- Legal Services expects that in-person Courts, Tribunals and Hearings will resume to normal levels in 2022 and thus will resume filling vacant positions held during reduced volumes of the pandemic. They will also be required to address backlogs that have increased.
- Costs associated with preparing materials and attending hearings have been budgeted at historical levels reflecting a return to the office and pre-pandemic volumes.
- Revenue levels have been increased for 2022 to reflect a more normal recovery of costs as positions held during the pandemic are filled to meet the demand of capital projects.

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**Service Level Changes**

- The 2022 budget reflects a return to the more traditional levels of Litigation services being provided by Legal Services. These had been lower during the height of the pandemic, but were offset by a large increase in the demand for Solicitor services.
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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

In 2021, Legal Services staff:

- Provided COVID-19-related legal support and advice in many different areas (public health, employment law, enforcement, City services/facilities, Agency facilities, construction claims, shelters, etc.).
- Provided legal support for the Rapid Housing Initiative, Housing Now and the completion of two modular housing projects and establishment of the City's Seniors Housing Corporation.
- Provided legal support on ModernTO, George Street Revitalization and Etobicoke Civic Centre projects, as well as the ongoing implementation of the City-Wide Real Estate initiative.
- Provided timely legal advice and support to the City on development-related applications and provided legal input into major City initiatives in the provision of affordable housing such as Housing Now and Inclusionary Zoning.
- Provided ongoing strategic advice and legal support as property interests were secured for the purpose of the TTC's Easier Access Program, and the Western Rail Yard.
- Provided strategic advice and legal support in relation to the implementation of the Don River and Central Waterfront Program.
- Provided input into negotiation and drafting of the Systems Integrator Agreement (and related software agreements) for the City's Financial Systems Transformation Project, which will result in replacement of the City's disparate divisional financial systems with one integrated system.
- Provided strategic advice and legal support to the successful negotiation and finalization of the Go Expansion Master Agreement with Metrolinx, negotiation of the Subways Real Estate Protocol, and the Agreement in Principle with the Ministry of Transportation Ontario (MTO) for SmartTrack.
- Provided strategic advice and legal support for completion of Phase 1 of the Gardiner Rehabilitation Project.
- Provided legal support for the implementation of the City's COVID-19 Vaccination Program and the process of securing sites for the provision of vaccination clinics as well as for development and implementation of mandatory vaccination policies for City staff and City contractors.
- Represented the City's interests in important litigation matters including the Imagination, Manufacturing, Innovation and Technology (IMIT) grant program, a dispute with Enbridge over moving a portion of their natural gas pipeline to facilitate waterfront revitalization, dismissal of taxi class action litigation, protection of heritage buildings at the Foundry site, termination of St. Patrick/Queen St. Market lease, the Bill 5 litigation at the Supreme Court of Canada and all legal proceedings relating to enforcement of the vaccine policy.
- Worked towards more digitized practices and supported the move to additional online services for the public.
- Provided advice and assisted in the negotiation of a 5 year agreement with Local 416 (Paramedics).
- Continued to provide advice and advocacy to the City and its Agencies, Boards and Commissions with respect to employment contracts and dismissals, layoffs, employer policies, grievance arbitrations and other Court and Tribunal proceedings.

### Key Challenges and Risks

- Remote hearings and technology limitations. Managing the additional technology demands imposed by remote litigation/tribunal hearings and delivery of material.
- Managing the ever increasing workload. Recognizing and working with divisions to include additional legal costs in capital planning. Encouraging employee wellness initiatives.
- Ability to attract or retain legal staff to adequately resource projects to support City priorities.

### Priority Actions

- Continuing to provide legal support for City priorities including pandemic response, transit, shelters, housing and major infrastructure projects.
- Providing litigation services for pandemic-related litigation, claims, challenges and tribunal hearings including about mandatory vaccine policies.
- Providing legal advice and litigation support to the Clerk for any issues related to 2022 election.
- Continuing to explore technology solutions to increase online accessibility for the public and staff.
- Continuing to support development appeals to the Tribunals.
- Reviewing current roles to ensure succession planning in key areas of expertise.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Prosecution	2,064.3				142.7	142.7	142.7	N/A
Civil Litigation	5,479.4	7,756.5	6,544.3	7,795.4	203.7	7,999.1	1,454.8	22.2%
Solicitor	15,522.5	17,856.7	18,734.9	16,347.1	1,988.0	18,335.1	(399.8)	(2.1%)
<b>Total Revenues</b>	<b>23,066.2</b>	<b>25,613.1</b>	<b>25,279.2</b>	<b>24,142.5</b>	<b>2,334.4</b>	<b>26,477.0</b>	<b>1,197.7</b>	<b>4.7%</b>
<b>Expenditures</b>								
Prosecution	11,861.1	14,531.0	13,195.8	15,485.9	142.7	15,628.6	2,432.8	18.4%
Civil Litigation	13,844.3	16,227.0	14,756.0	17,231.5	203.7	17,435.2	2,679.2	18.2%
Solicitor	24,158.9	27,061.3	26,567.8	26,147.3	1,990.7	28,138.1	1,570.3	5.9%
<b>Total Gross Expenditures</b>	<b>49,864.3</b>	<b>57,819.2</b>	<b>54,519.6</b>	<b>58,864.7</b>	<b>2,337.2</b>	<b>61,201.9</b>	<b>6,682.3</b>	<b>12.3%</b>
<b>Net Expenditures</b>	<b>26,798.1</b>	<b>32,206.1</b>	<b>29,240.4</b>	<b>34,722.2</b>	<b>2.8</b>	<b>34,725.0</b>	<b>5,484.6</b>	<b>18.8%</b>
<b>Approved Positions**</b>	<b>405.4</b>	<b>396.4</b>	<b>N/A</b>	<b>391.4</b>	<b>14.0</b>	<b>405.4</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$58.865 million gross reflecting an increase of \$4.345 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Filling vacancies held while court/hearing volumes were decreased due to cancellation of in person events.
- Increase in non-salary costs associated with preparing for the return to normal volumes of hearings/court proceedings.
- Filling vacant capital positions held during the pandemic, as work returns to pre-pandemic levels.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.337 million gross, \$0.003 million net enabling:

- Addition of 17 positions to assist with various Housing, Vision Zero 2.0 and other capital projects across the City.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Legal Services 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Legal Services is \$6.682 million gross or 12.3% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	6,841.7	7,253.7	5,463.1	8,265.1	5,572.4	(2,692.7)	(32.6%)
Transfers From Capital	1,467.9	1,813.3	2,670.9	2,670.9	3,867.7	1,196.8	44.8%
Contribution From Reserves/Reserve Funds	1,445.3	5,589.5	7,621.8	6,871.8	7,697.0	825.3	12.0%
Sundry and Other Revenues	4,682.2	6,959.2	7,924.7	5,538.8	7,307.3	1,768.5	31.9%
Inter-Divisional Recoveries	27,388.8	1,450.5	1,932.6	1,932.6	2,032.5	99.9	5.2%
<b>Total Revenues</b>	<b>41,825.9</b>	<b>23,066.2</b>	<b>25,613.1</b>	<b>25,279.2</b>	<b>26,476.9</b>	<b>1,197.7</b>	<b>4.7%</b>
Salaries and Benefits	48,190.4	48,184.9	54,645.0	51,772.7	57,959.5	6,186.8	11.9%
Materials & Supplies	409.7	398.4	427.2	270.1	427.2	157.1	58.2%
Equipment	32.1	45.6	109.9	108.6	109.9	1.3	1.2%
Service and Rent	2,956.2	1,712.2	2,696.0	2,247.8	2,705.3	457.5	20.4%
Contribution To Reserves/Reserve Funds	115.0	115.0	(58.9)				
Other Expenditures	0.7	1.5		120.3		(120.3)	(100.0%)
Inter-Divisional Charges	4,301.8	1.1					
<b>Total Gross Expenditures</b>	<b>56,005.9</b>	<b>50,458.7</b>	<b>57,819.2</b>	<b>54,519.6</b>	<b>61,201.9</b>	<b>6,682.3</b>	<b>12.3%</b>
<b>Net Expenditures</b>	<b>14,180.0</b>	<b>27,392.5</b>	<b>32,206.1</b>	<b>29,240.4</b>	<b>34,725.0</b>	<b>5,484.6</b>	<b>18.8%</b>

\*Projection based on 9 Month Variance

**Key Base Drivers:****Salaries & Benefits:**

Increased to support resumption in in-person hearings and capital projects.

**Materials and Supplies:**

Request held to 2021 budgeted levels on assumption of return to more 'normal' levels and practices in 2022.

**Other Revenue Changes:**

Reflect increased cost recoveries for positions.

Table 2b: 2021 New / Enhanced

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	Legal Services increased support for Buildings Compliance with Orders	75.3	75.3		1.0	94.6	No Impact	No	No	City's Objective of investing in neighbourhoods and people, including safety, health and well-being.
2	Additional support for Engineering & Construction Services Capital Infrastructure Projects	132.7	132.7		1.0	133.1	No Impact	No	No	Support projects for the construction and repair of the City's critical capital infrastructure.
3	Additional support for Toronto Police Services Capital Contracts	168.2	168.2		1.0	202.9	No Impact	No	No	Support the increased volume of procurements and information technology projects being undertaken by the Toronto Police Services.
4	Project Manager Vision Zero 2.0 - Red Light Camera, Automated Speed Enforcement for Transportation	142.7	142.7		1.0		No Impact	No	No	Support Vision Zero 2.0 and traffic safety, specifically in preparing for the move of Red Light Camera and Automated Speed Enforcement from court-based system to administrative penalty system.
5	Legal Support TTC Capital Projects	732.5	732.5		4.0		No Impact	No	No	Support required by TTC to implement a number of capital projects, including the Easier Access and Second Exit Program, Bloor-Yonge capacity improvement, and Western Yard. This initiative aligns with the City's strategic objective of Keep Toronto Moving.
6	Additional support for CREM Capital Projects	175.8	175.8		1.0	176.2	No Impact	No	No	Aligns with the City's strategic objective of Keep Toronto Moving.
7	Additional Support City Owned City Housing Initiative, Tenant's First	142.7	145.5	2.8	1.0	145.9	Medium Positive	No	No	Additional support for the Small sites Housing Projects.
8	House N Cap Municipal & Real Estate Lawyers	764.5	764.5		4.0	766.1	No Impact	No	No	Support to the Housing Secretariat as part of the team supporting initiatives such as Housing Now and the Rapid Housing Initiatives.
Total New / Enhanced		2,334.4	2,337.2	2.8	14.0	1,518.7				

The 2022 Operating Budget includes \$1.519 million in investments to support priority actions as detailed in the table above.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	25,279.2	26,477.0	25,664.6	25,585.0
Gross Expenditures	54,519.6	61,201.9	60,893.2	61,553.5
<b>Net Expenditures</b>	<b>29,240.4</b>	<b>34,725.0</b>	<b>35,228.6</b>	<b>35,968.6</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>405.4</b>	<b>400.4</b>	<b>399.4</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$60.893 million reflects an anticipated \$0.309 million or 0.5% decrease in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects an increase of \$0.660 million or 1.1% above 2023 gross expenditures.

These changes arise from the following:

- Expectation that there is a return to full complement and funding levels in 2023 as Courts, Tribunals and Hearings return to pre-COVID-19 capacity and
- Salary increase for union staff in 2023 and 2024 as per collective bargaining agreement.

# 2022 Budget Summary

## Office of the Auditor General

### Description

Under Section 178(1) of the *City of Toronto Act, 2006*, the Auditor General is “*responsible for assisting City Council in holding itself and City administrators accountable for the **quality of stewardship over public funds and for achievement of value for money in city operations.***”

The Auditor General's Office assists City Council by providing an independent assessment of the quality of stewardship over public funds and whether value for money is being achieved in operations by conducting performance audits, cybersecurity, financial, operational and compliance audits and reviews, and forensic investigations of City divisions and certain City agencies and corporations. The Auditor General's independent and objective lens has been a catalyst for changes that have resulted in both financial and non-financial benefits to the City.

### Why We Do It

Under the *City of Toronto Act, 2006*, City Council's role includes ensuring City's practices and procedures are in place to implement the decisions of Council and that the City maintains accountability, transparency and financial integrity in City operations.

The Auditor General supports City Council in fulfilling its due diligence responsibilities by independently providing transparent information to help City Council ensure Torontonians' tax dollars are spent as City Council intended.

In addition to bringing critical information to City Council, her work has been a catalyst for change across the City. As reported in her past Annual Reports, the Auditor General continues to demonstrate the value of the work performed by her Office to City Council through the net positive return on investment, quantifiable and non-quantifiable benefits to the City.

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-8030 or [AuditorGeneral@toronto.ca](mailto:AuditorGeneral@toronto.ca).

## What Service We Provide

**Who We Serve:** The Auditor General's audits, reviews, and investigations provide independent information for City Council to hold City administrators accountable for providing stewardship over public funds.

**What We Deliver:** We deliver complex audits, reviews and investigations that cover a broad range of programs and services across the City and its agencies and corporations, such as cybersecurity, contract management of urban forestry and winter maintenance services, affordable and social housing, and Toronto Transit Commission revenue operations.

Projects that will be commenced and/or delivered in 2022 have been included in the Auditor General's Office 2022 Work Plan which was considered by City Council on November 9, 2021. The Work Plan includes 11 in-progress or ongoing projects that will be completed in 2022 plus five new projects that are commencing in late 2021 or during 2022.

With City Council's support to restore the Auditor General's budget to pre-pandemic (2020) levels and additional temporary funding for an audit of the City's COVID-19 response, the Auditor General can address the 2022 Work Plan, include the requested audit of the City's COVID-19 response, as well as commence projects in the following areas:

- Cyber security assessment of high-risk critical systems
- Information technology audit of Enterprise Work Management System
- Additional investigations related to allegations of fraud or other wrongdoing.

The Auditor General's Office 2022 Work Plan is available at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.AU10.3>.

Specific responsibilities of the Auditor General are set out in Chapter 3 of the Toronto Municipal Code, including:

- Undertaking performance, cyber, financial and compliance audits and investigations of City divisions, local boards<sup>1</sup>, and City-controlled corporations. The Auditor General can also conduct audits, upon request, by the Toronto Police Services Board, the Toronto Public Library Board and the Toronto Board of Health
- Following up on recommendations from previous audit reports
- Reporting to City Council on annual Office activities, including savings achieved

The Auditor General also has an independent oversight role in the investigation of reported wrongdoing. This responsibility is part of her mandate under Section 178 of the *City of Toronto Act, 2006* and her responsibilities for investigating complaints and alleged wrongdoing are set out in Chapter 192 of the Toronto Municipal Code. Her work includes:

- Operating the Fraud and Waste Hotline Program, including the referral of issues to divisional management
- Conducting investigations into allegations of fraud and other wrongdoing, as well as reprisals against employees under the City's disclosure of wrongdoing and reprisal protection rules

**How Much Resources (gross 2022 operating budget):** \$7.729 million

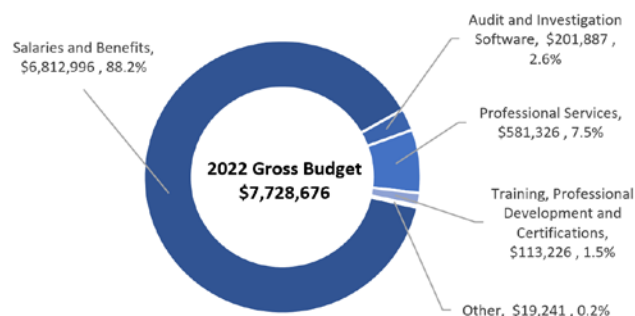
The Office is lean relative to the size and complexity of Toronto's government. The Office budget, as a percentage of the municipal operating budget, is also among the lowest of major municipalities across Canada, as well as those of a number of municipalities in the United States.

<sup>1</sup> In accordance with the City of Toronto Act, 2006, the Auditor General's powers and duties are with respect to the City's local boards (restricted definition).

## Budget at a Glance

The Auditor General's 2022 Operating Budget is \$7.729 million gross and \$7.658 million net and will allow the Office to **initiate more audits and investigations** across the City and its agencies and corporations. The Auditor General's 2022 budget for the Office is 0.054 per cent of the City's 2021 Approved Operating Budget.

2022 OPERATING BUDGET			
\$Million	2022	2023	2024
Revenues	\$0.1	\$0.0	\$0.0
Gross Expenditures	\$7.7	\$7.4	\$7.4
Net Expenditures	\$7.7	\$7.4	\$7.4
Approved Positions	44.0	44.0	44.0



### Enhancement Included in Auditor General's Budget

The Auditor General's budget includes enhancements which address funding needed to help the Auditor General in:

1. responding to an **expanded mandate**<sup>2</sup> and inflow of requests for audits
2. providing valuable independent oversight of critical systems to ensure the City is positioned well to detect, mitigate, and respond to IT and **cybersecurity risks**
3. conducting more **investigations** that are serious, important, and time-sensitive, and
4. auditing the City's **COVID-19 response**.

City Council's commitment to restoring the Auditor General's Office budget to pre-pandemic (2020) levels will help to ensure that audits of priority areas and emerging risks, as well as investigations of high-risk complaints are addressed in a timely manner.

Restoring funding to pre-pandemic levels	
Emerging risks and expanded mandate	\$675,000
IT & Cyber projects	
Investigations	
City's Response to COVID-19 - optional	325,000

- \$675,000 to restore Auditor General's budget to pre-pandemic (2020) levels which includes funding for three new positions
- temporary funding of \$325,000 for a COVID-19 continuous improvement audit requested by City management

<sup>2</sup> By 'expanded mandate', we mean that the mandate was expanded beyond the Auditor General's provincial *City of Toronto Act, 2006* mandate. Additional requests to conduct audit work were made by City Council and the Toronto Police Service (TPS) and Toronto Public Library (TPL) Boards and were included in the Auditor General's Work Plan. These organizations have not been audited by the Auditor General for over 10 years.



## Value of the Auditor General's Office

The City is obtaining considerable value from investing resources into the Auditor General's Office. It is our view that the financial and non-financial benefits of the Auditor General's audits and investigations continue to bring value to the City and its agencies and corporations. As highlighted in the Auditor General's Annual Reports, past audit findings and recommendations have resulted in millions of dollars in cost savings, efficiencies, avoided costs, and revenue increases.

City Council has required the Auditor General to report on the value of the Office and track savings to the City of Toronto since 2004. In response to this requirement, the Auditor General submits an Annual Report to City Council, entitled *Demonstrating the Value of the Auditor General's Office*, which summarizes the activities and the quantifiable financial and non-financial benefits of the Office.

City Council reaffirmed the importance of this Annual Report in its March 2019 recommendation:

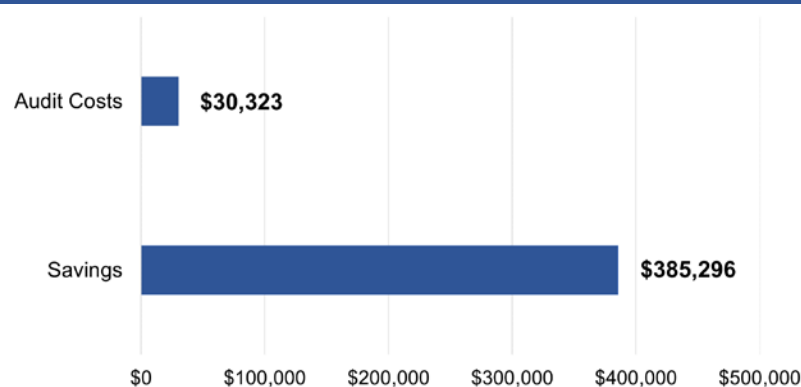
*"City Council request the Auditor General to include in future Auditor General's Annual Report, beginning in 2020, savings achieved by City Divisions and Agencies resulting from the implementation of the Auditor General's reports and recommendations." (EX2.5, Recommendation #113)*

The Auditor General will present her 2021 Annual Report to Audit Committee in early 2022. The 2020 Annual Report is available at: <https://www.toronto.ca/legdocs/mmis/2021/au/bgrd/backgroundfile-163351.pdf>

### Financial Benefits

In conducting our audits, we quantify the potential financial benefits of implementing audit recommendations, whenever possible. These financial benefits, referred to as "savings", can include cost reductions, new or increased revenue streams, or future cost avoidance. These savings are included in the Auditor General's annual reports when the Auditor General's Office has, in consultation with management, verified that they have been realized<sup>3</sup>. Savings identified through the Auditor General's audits and investigations far outweigh the costs to operate the Office.

#### Audit costs vs. savings (000s) over five years (ROI)\*



\*Values are from the [2020 Annual Report - Demonstrating the Value of the Auditor General's Office](#). Updated values will be provided in the 2021 Annual Report, which will be presented to Audit Committee in early 2022.

- Management's implementation of the Auditor General's recommendations results in increased revenues, development of new revenue streams, operating cost reductions, cost avoidance, better use of City resources, and/or the elimination of inefficiencies.
- Over five years, City Council invested \$30.3 million\* in the Office (2016-2020). Over the same period, the City has realized \$385.3 million\* in savings and revenue increases for the City after implementing Auditor General's recommendations.
- A return of \$12.7\* to the City for every \$1 invested in our Office.

<sup>3</sup> The approach used to calculate savings is discussed on p.14 of the 2020 Annual Report, "Demonstrating the Value of the Auditor General's Office".

## Non-financial Benefits

Identifying opportunities to increase cost savings and revenues is only one component of the Auditor General's mandate. Equally important are the non-financial benefits that come from Auditor General's recommendations. These include strengthened internal controls, cyber security controls, improved policies and procedures, better management and use of City resources, increased operational efficiency, better customer service, and increased detection and prevention of serious safety and security issues.

The following are examples of reports the Office completed in 2021 where the benefits were either non-financial in nature or could not be conservatively quantified at the time the reports were issued.

Report	Non-quantifiable benefit
<b>Cybersecurity Incidents at the City and its Agencies and Corporations: Integrated Incident Response Plan is Needed</b>	The importance and urgency of a standard incident management process to enable the City to analyze cybersecurity attacks and develop a coordinated response to any potential cybersecurity attacks
<b>Auditor General's Cybersecurity Review: Toronto Fire Services Critical Systems Review</b>	Strengthening cybersecurity controls at the City
<b>Winter Road Maintenance Program – Phase 2 Analysis: Deploying Resources</b>	Improving the reliability of data entered into the system to help the division measure and monitor contractor performance, analyze operational trends, and inform decision-making
<b>Getting to the Root of the Issues: A Follow-Up to the 2019 Tree Maintenance Services Audit</b>	Strengthening contract management and contract monitoring mechanisms to achieve better outcomes and value for money for tree maintenance services
<b>Toronto Business Improvement Areas (BIAs) Accounts Payable Fraud Investigation</b>	Strengthening internal controls to lessen the vulnerability of fraud at Business Improvement Areas (BIAs) and City organizations
<b>Challenges in Contract Management - Auditor General's Review of the Corporate Real Estate Management Division</b>	Transforming invoice payment, procurement, contract management, and vendor management processes to help ensure the City is receiving value for money

In addition to conducting in-depth audits and investigations, the Auditor General's Fraud & Waste Hotline Program has helped to reduce losses and has resulted in the protection of City assets. Without the Hotline Program, certain losses from incidents of fraud and waste might not have been identified or recovered.

## How Well We Are Doing

The Toronto Municipal Code requires that the Auditor General report annually to City Council on the activities of the Office, including the savings achieved. The Auditor General's [2020 Annual Report - Demonstrating the Value of the Auditor General's Office](#) was considered by City Council on April 7, 2021. The Auditor General will present the Office's 2021 Annual Report to Audit Committee in early 2022.

Service	Outcome	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
By the Numbers								
Deliver impactful performance audits, investigations, and other reports	Reports with finding and recommendations to achieve improved outcomes, financial and non-financial benefits for the City (e.g. savings, better cyber security, etc.) as described in our Annual Reports	14+ reports	7+ reports <sup>1</sup>	10-15 reports	12+ reports	●	10 – 15 reports	10 – 15 reports
	Implemented recommendations that led to financial and non-financial benefits (from inception)	88%	Not reported <sup>1</sup>	90%	81% <sup>2</sup>	●	85%	90%
Demonstrate value through quantifiable financial benefits	Positive return on investment (ratio of five-year audit costs to five-year estimated realized savings)	\$11.5	\$12.7	\$10.0	\$10.9+	●	\$10.0	\$10.0
Review and investigate complaints and allegations to the Fraud & Waste Hotline	Prevention, detection, and deterrence of Fraud and Waste by operating a 24/7 hotline. Activities further described in our Fraud and Waste Hotline Annual Reports.	587 complaints 950 allegations	848 complaints 1,300 allegations	N/A	800 complaints 1,100 allegations	●	N/A	N/A
Maintain compliance with Government Auditing Standards	External quality assurance review every three years	N/A	N/A	Pass	Review delayed <sup>3</sup>	●	N/A	N/A

### Notes:

<sup>1</sup> Some planned and in-progress audits were paused so that City staff could focus on service delivery and essential City services; this delayed completion and issuance of reports during the year.

<sup>2</sup> While management continues to make progress in implementing recommendations, the Auditor General has not yet verified all recommendations reported as implemented. Management has reported another six per cent of recommendations have been fully implemented or are no longer relevant which could bring the implementation rate to 87 per cent, once management's assertions have been verified. The Auditor General continues to focus on verifying the status of high priority recommendations as resources permit.

<sup>3</sup> In July 2021, City Council approved a one-time exemption from Toronto Municipal Code Chapter 3 requirements that the Auditor General undergo an external peer review once every three years, so that the external peer review of the Auditor General's Office originally due in 2021 will be completed by the end of 2022. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.AU9.18>

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

There are no significant budget impacts expected in 2022 related to COVID-19.

**Service Level Changes**

There are no anticipated impacts to service levels as a result of COVID-19 during 2022.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

In addition to bringing critical information to City Council, the Auditor General has demonstrated that her work has been a catalyst for change across the City.

Prior Auditor General recommendations have contributed to the City by supporting the City in:

- making its IT information systems and critical infrastructure safer
- holding contractors accountable in clearing City streets in the winter
- identifying opportunities to offer more childcare spaces to families who need them, and
- getting more people into housing.

As reported in her past Annual Reports, the Auditor General continues to demonstrate the value of the work performed by her Office to City Council through the net positive return on quantifiable and non-quantifiable benefits to the City.

### Key Challenges and Risks

The Auditor General's budget reflects funding needed to help address some of the following:

1. responding to an **expanded mandate** and inflow of **requests for audits**
2. providing valuable independent oversight of critical systems to ensure the City is well-positioned to detect, mitigate, and respond to **IT and cybersecurity risks**
3. conducting **investigations on serious, time-sensitive issues**
4. undertaking the City-wide **COVID-19 Continuous Improvement Audit**.

#### 1. Impact of expanding the Auditor General's mandate<sup>4</sup>

Additional requests to conduct audit work were made by City Council and the Toronto Police Service (TPS) and Toronto Public Library (TPL) Boards. Potential projects were presented and adopted by the two Boards, and some of those audits were included in the Auditor General's 2021 Work Plan.

These organizations have not been audited by the Auditor General for over 10 years. The Office is moving forward on these projects, but they take significant resources. For example, the Auditor General's 2021 Work Plan included three separate projects related to TPS. Throughout 2021, the Auditor General prioritized audits of the Toronto Police Service by allocating 20 per cent of the Office's staff resources to these projects. This meant that projects at the Toronto Public Library as well as some other audits across City divisions, agencies, and corporations in the Auditor General's 2021 Work Plan had to be delayed.

At the same time, because the TPS Board falls outside the powers and duties granted to the Auditor General under the *City of Toronto Act, 2006*, this added work presented extra challenges; it took time to work through the legislative and privacy challenges in order to obtain access to the data required for these audits. TPS has been fully cooperative and our Office completed one project in 2021. However, because of information challenges, our two other performance audits are taking longer than usual and will be completed in 2022.

In 2021, the Auditor General absorbed the cost of an expanded mandate within the base budget and even decreased the 2021 Operating Budget by \$724,159<sup>5</sup> in recognition of the City's financial constraints during the pandemic. Council's support for restoring funding to 2020 levels is needed to continue with the expanded mandate without unduly delaying other audits across City divisions, agencies, and corporations in the Auditor General's Work Plan.

<sup>4</sup> By saying 'expanded mandate', we mean that the mandate was expanded beyond the Auditor General's provincial *City of Toronto Act, 2006* mandate, and even though the Toronto Municipal Code allows the Auditor General to conduct audits of these boards upon request, it is only recently that those requests materialized and are being included in the Audit Work Plans.

<sup>5</sup> This is the difference between the 2020 Approved Adjusted Budget and the Auditor General's 2021 Recommended Operating Budget. The Auditor General returned \$675,000 in temporary funding while the remainder of the decrease was attributable to salary and benefit adjustments.

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## 2. Cybersecurity audits and reviews

COVID-19 has prompted the City and many other organizations to expedite the selection and implementation of new IT systems and digital initiatives. These necessary expedited timelines, combined with increased remote access by employees and the public and more sophisticated cybersecurity threats, increases the IT risk as the City continues to modernize its information technology infrastructure.

Critical cybersecurity system audits by the Auditor General are necessary to provide City Council with independent assurance regarding how the City is dealing with emerging threats. In 2021, approximately 10 per cent of the Office's staff complement and a significant portion of the budgeted contracted professional services costs was allocated toward auditing cybersecurity and IT risks. The Auditor General's staff have been working extremely hard to provide information to City Council on IT risks as quickly as possible.

Council's support for restoring funding to 2020 levels is needed to continue and expand upon the work the Auditor General's Office has been delivering in this critical area and to provide timely information and assurance to City Council.

## 3. More resources are needed to conduct major fraud investigations

Research by the Association of Certified Fraud Examiners has shown that 51 per cent of organizations have discovered more fraud since the onset of the pandemic<sup>6</sup>. The Fraud & Waste Hotline continues to receive a high volume of allegations.

For the City's size and complexity, the Forensic Unit is lean. The Forensic Unit operates the Fraud & Waste Hotline and conducts major investigations. Conducting investigations can require a significant number of staff resources, time, and in some cases, costs associated with hiring external specialists. In recent years, because of the backlog of high-risk investigations, the Auditor General has also supplemented the Forensic Unit with staff normally assigned to audits. Consequently, the Auditor General has had to delay or defer audits included in the Work Plan.

Heading into 2022, there continues to be a growing number of high-risk complaints that have yet to be addressed. Without Council's support to restore the Office's budget to pre-pandemic levels, the Auditor General may need to continue assigning audit staff to investigations, which means that other audit projects on the Work Plan may have to be delayed.

## 4. City-wide COVID-19 Continuous Improvement Audit

We received a special request from the City Manager, the Fire Chief & General Manager of Emergency Management & COVID-19 Incident Commander, and the Medical Officer of Health. They have requested the Auditor General complete an independent and objective City-wide audit assessment examining how the City performed during the pandemic, including what went well and lessons learned on how to be better prepared in the future.

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<sup>6</sup> <https://www.acfe.com/covidreport.aspx>

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## Priority Actions

1. **Proactively track risks and evaluate new project requests.** In order to effectively deliver her mandate, the Auditor General will continue to respond to key priorities and emerging risk areas in a timely manner. Her 2022 Audit Work Plan considered by City Council on November 9, 2021, has evaluated potential audit projects based on balancing available audit resources and the risks to the City. Any new audit requests will continue to be evaluated. A list of backlogged projects that Office would like to complete over the longer term are included in Attachment 3 to the Auditor General's 2022 Work Plan.
  2. **Continue to provide valuable independent oversight of critical systems.** While the City's Office of the Chief Information Security Officer leads the City's cybersecurity program, the Auditor General's independent lens through her recent IT and cybersecurity audits have identified a number of areas where improvements are still needed. The Auditor General will continue to provide independent assessments to ensure that processes are in place to address privacy and cybersecurity risks and that critical systems have adequate controls, and to ensure new systems being implemented are cost effective and are achieving their intended outcomes. The Auditor General's 2022 Work Plan includes two audits of cybersecurity within the existing budget. Cybersecurity audits generally require the expertise of external specialists to support our audits. Depending on additional budget funding, the Auditor General will commence two additional audits of critical IT infrastructure and cybersecurity.
  3. **Respond to growing number of high-risk investigations.** Our Office currently has several active investigations underway, but there are still a number of investigations waiting to be addressed which are delayed due to limited resources. Conducting investigations can require significant staff resources, time, and in some cases, costs associated with hiring external specialists. The Auditor General will continue to operate the Fraud & Waste Hotline and respond to fraud risks as they emerge. Having the flexibility to leverage experts and specialized investigative tools to supplement our investigations have in some cases been helpful in identifying and investigating matters that needed to be referred to the police.
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## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Auditor General's Office				71.0		71.0	71.0	N/A
<b>Total Revenues</b>				<b>71.0</b>		<b>71.0</b>	<b>71.0</b>	<b>N/A</b>
<b>Expenditures</b>								
Auditor General's Office	6,598.0	6,640.6	6,640.6	6,728.7	1,000.0	7,728.7	1,088.1	16.4%
<b>Total Gross Expenditures</b>	<b>6,598.0</b>	<b>6,640.6</b>	<b>6,640.6</b>	<b>6,728.7</b>	<b>1,000.0</b>	<b>7,728.7</b>	<b>1,088.1</b>	<b>16.4%</b>
<b>Net Expenditures</b>	<b>6,598.0</b>	<b>6,640.6</b>	<b>6,640.6</b>	<b>6,657.7</b>	<b>1,000.0</b>	<b>7,657.7</b>	<b>1,017.1</b>	<b>15.3%</b>
<b>Approved Positions**</b>	<b>36.0</b>	<b>41.0</b>	<b>N/A</b>	<b>41.0</b>	<b>3.0</b>	<b>44.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

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

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$6.729 million gross and \$6.658 million net reflecting an increase of \$0.088 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- One time transition costs to support City Council's directive made at its meeting on May 5 and 6, 2021, whereby City Council adopted the following:
  - City Council extend the appointment term of the Auditor General to December 16, 2022.
  - City Council authorize the Chief People Officer to negotiate a limited employment agreement of up to 3 months to permit a transition period with the successive Auditor General, as determined necessary through the recruitment process.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.MM32.14>

These transition costs will be funded through the Tax Stabilization Reserve.

- Salary and benefit changes related to benefit adjustment and realignment of budget to actual.
- Increase in Cloud-based software costs on contract renewal and economic factor adjustments for non-payroll items.

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$1.000 million gross and net:

This includes:

- \$0.675 million to return the Auditor General's Office to its 2020 budget level, funding three permanent positions and contracted specialists. In light of funding issues brought on by the pandemic, the Office worked on delivering a larger mandate within a reduced 2021 budget. While the Auditor General and her dedicated staff accomplished important work on this expanded mandate in 2021, some of that work carries on and more issues are being identified, so support is needed to meet critical emerging issues, in addition to working on projects in this expanded mandate.



- an additional \$0.325 million in temporary funding for an audit that stems from a special request by the City Manager, the Fire Chief & General Manager of Emergency Management & COVID-19 Incident Commander, and the Medical Officer of Health. They have requested an audit of how the City performed during the pandemic, with a goal of also identifying how to be better prepared in the future. Should City Council support this request, the Auditor General will require additional temporary funding of \$325,000 to conduct this work.

Any changes to the Auditor General's Budget may impact the 2022 Work Plan that was considered by City Council on November 9, 2021. The Auditor General's Office 2022 Work Plan can be found at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.AU10.3>.

## EQUITY IMPACTS OF BUDGET CHANGES

**Equity impacts:** The Auditor General's 2022 Annual Work Plan was considered by City Council at its meeting on November 9, 2021 and includes audits where there may be equity impacts resulting from findings and recommendations (e.g. Audits of Toronto Police Service, Toronto Public Library, Toronto Community Housing Corporation, Toronto Transit Commission, Shelter, Support and Housing Administration - Emergency Shelter Operations).

## 2022 OPERATING BUDGET KEY DRIVERS

The Auditor General's 2022 Operating Budget is \$1.088 million gross or 16.4% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget (including base budget and enhancement requests) by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests only.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds					71.0	71.0	
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>					<b>71.0</b>	<b>71.0</b>	
Salaries and Benefits	5,537.2	5,853.2	6,115.2	5,939.7	6,813.0	873.3	14.7%
Materials & Supplies	7.5	3.8	7.8	8.9	7.9	(1.0)	(11.2%)
Equipment	46.0	67.7	67.3	43.0	68.7	25.7	59.8%
Service and Rent	681.1	660.2	450.3	649.0	839.1	190.1	29.3%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	10.6	10.6					
Other Expenditures							
Inter-Divisional Charges	22.5	2.5					
<b>Total Gross Expenditures</b>	<b>6,304.9</b>	<b>6,598.0</b>	<b>6,640.6</b>	<b>6,640.6</b>	<b>7,728.7</b>	<b>1,088.1</b>	<b>16.4%</b>
<b>Net Expenditures</b>	<b>6,304.9</b>	<b>6,598.0</b>	<b>6,640.6</b>	<b>6,640.6</b>	<b>7,657.7</b>	<b>1,017.1</b>	<b>15.3%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- One time transition costs of \$0.071 million gross and zero net to support City Council's directive made at its meeting on May 5 and 6, 2021, whereby City Council adopted the following:
  1. City Council extend the appointment term of the Auditor General to December 16, 2022.
  2. City Council authorize the Chief People Officer to negotiate a limited employment agreement of up to 3 months to permit a transition period with the successive Auditor General, as determined necessary through the recruitment process.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.MM32.14>

- Salary and benefits changes related to benefit adjustment and realignment of budget to actual.
- In accordance with auditing standards, the Auditor General must determine the appropriate staffing for audits and investigations. This requires the Auditor General to have some flexibility within the Office's approved budget to choose between hiring staff (which are considered "salaries and benefits" expenditures) and contracting external specialists (which are considered "service and rent" expenditures). For example, information technology specialists are used to help assess cyber-security risks and forensic experts are used to support some investigations. For the purposes of the budget, the funds needed to carry out the 2022 Work Plan are allocated to salaries and benefits for permanent and temporary staff; where necessary, the Auditor General may need to re-allocate funding within the Office's approved budget to "service and rent" to instead leverage contracted specialists.

**Equipment:**

- Changes to equipment spending relate to purchased computer software. Funding for purchased computer software (which are considered "equipment" expenditures) may be reallocated in-year to Cloud-based software costs (which are considered "service and rent" expenditures) and vice versa, as was the case in 2021 depending on the form of software.

**Services and Rents:**

- For the purposes of the budget, the funds needed to carry out the 2022 Work Plan are allocated to salaries and benefits for permanent and temporary staff. However, on a project-by-project basis (as was the case in 2021), the Auditor General may need to re-allocate funding within the Office's approved budget to "service and rent" to instead leverage contracted specialists.

**Revenue:**

- One time funding from the Tax Stabilization Reserve to fund 3 months of transition costs.

Table 2b: 2022 New / Enhanced

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
1 Permanent increase in S&B and Professional Services budget to restore the Auditor General's Office budget to pre-pandemic (2020) levels		675.0	675.0	3.0		None	No	Yes
2 One time increase in S&B and Professional Services budget for a pandemic related audit requested by City Management		325.0	325.0			None	No	Yes
Total New / Enhanced		1,000.0	1,000.0	3.0				

The Auditor General's 2022 Operating Budget includes an enhancement of \$1 million to fund three permanent positions and provide funding for contracted specialists, where appropriate.

- A permanent enhancement of \$0.675 million and 3.0 permanent positions will restore the Office's budget to pre-pandemic (2020) levels. This will provide the Office with operational resources needed to help address the Office's expanded mandate and inflow of requests for audits, provide valuable independent oversight of critical systems to ensure the City is well-positioned to detect, mitigate, and respond to IT and cybersecurity risks and to conduct investigations on serious, time-sensitive issues.
- A one-time enhancement of \$0.325 million will provide the Office with operational resources needed to undertake a City-wide COVID-19 Continuous Improvement Audit, as requested by City management.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues		71.0		
Gross Expenditures	6,640.6	7,728.7	7,357.8	7,414.1
<b>Net Expenditures</b>	<b>6,640.6</b>	<b>7,657.7</b>	<b>7,357.8</b>	<b>7,414.1</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>44.0</b>	<b>44.0</b>	<b>44.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$7.358 million reflects an anticipated \$0.371 million or 4.8% decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlook expects an increase of \$0.056 million or 0.8% above 2023 gross expenditures.

These changes arise from the following:

- Reversal of 2022 temporary funding of \$0.325 million gross and net for a pandemic related audit.
- Reversal of 2022 one time transition costs of \$0.071 million gross and zero net.
- Benefit rate adjustments.
- Economic factor adjustments for non-payroll items.

# 2022 Budget Summary

## Office of the Integrity Commissioner

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-3826 or [integrity@toronto.ca](mailto:integrity@toronto.ca).

### Description

The Office of the Integrity Commissioner is responsible for providing advice, education, policy recommendations, and complaint resolution to City Council, local boards, their members, and the public on the application of the City's Codes of Conduct, *Municipal Conflict of Interest Act* (MCIA), bylaws, policies and legislation governing ethical behaviour.

### Why We Do It

The *City of Toronto Act, 2006* and Chapter 3 of the Toronto Municipal Code require that City Council appoint an Integrity Commissioner. The Commissioner, as one of the City's four Accountability Officers, helps foster public confidence in the City's government and serves the public, City Council, local boards and their members by:

- **Increasing stakeholder awareness** about the rules in the elected and appointed members' Codes of Conduct and the *Municipal Conflict of Interest Act* (MCIA) so they understand the high standards of conduct members are required to meet.
- **Giving proactive advice to elected and appointed members** to help them perform their duties in a way that best serves the public and protects and maintains the City of Toronto's reputation and integrity.
- **Resolving complaints fairly and impartially** to ensure that allegations of member misconduct are evaluated, investigated, and concluded in a timely manner so that, if there is found to be misconduct, it can be reported to the court, City Council, or local board to impose a penalty or order remedial action.
- **Providing Council and City Staff with expert policy advice** about matters dealing with ethics and integrity to improve the City of Toronto's public administration and governance.

The Integrity Commissioner may also be assigned additional duties respecting ethical matters by City Council to promote public trust, good governance, and to protect and maintain the City of Toronto's reputation and integrity.

*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

### Increasing Stakeholder Awareness

**Who We Serve:** The public, members of Council, members of local boards (restricted definition), staff in elected members' offices, staff of boards, and City staff who want to understand the standards of conduct and the obligations of members.

**What We Deliver:** The Office maintains a webpage with the Commissioner's reports, public statements, interpretation bulletins, as well as legislative updates, information about best practices, and a searchable database of advice. The Office regularly responds to inquiries from the public and the media. Additionally, the Commissioner makes reports and presentations to City Council, local boards, City staff, and external organizations about integrity and accountability at the City of Toronto and in government.

### Giving Proactive Advice to Appointed and Elected Members

**Who We Serve:** Members of Council and members of local boards (restricted definition) who request confidential advice about how to comply with the standards of conduct they are expected to meet.

**What We Deliver:** The Commissioner gives expert and timely advice about the interpretation and application of the applicable Code of Conduct, the MCIA, and any other relevant legislation and policies to ensure members are given the guidance they need to perform their duties in a way that protects and maintains the City of Toronto's reputation and integrity.

### Resolving Complaints Fairly and Impartially

**Who We Serve:** The public, members of Council, members of local boards (restricted definition), City Council, City staff, staff in elected member's offices, and staff of boards who believe that a member of Council or local board (restricted definition) has contravened the Code of Conduct and/or MCIA.

**What We Deliver:** The Office receives complaints about alleged violations of the Code of Conduct and/or the MCIA by elected and appointed members. The Office has adopted comprehensive Complaint and Application Procedures to ensure complaints are assessed, investigated, and reported fairly and impartially. The procedures protect both the public interest and the rights and interests of complainants and respondents. The Commissioner's findings are of public significance as the issues concern whether the City of Toronto's elected and appointed officials have met the high standards of conduct required of them in performing their duties. In order to uphold the principles of transparency and accountability, the Commissioner's findings of misconduct are reported to Council or the local board and MCIA proceedings are publicly open and held in court. Far beyond the penalties and remedial action that Council, a local board, or a judge may order, the outcomes are crucial for upholding the principle of democratic accountability.

### Providing Council and City Staff with Expert Policy Advice

**Who We Serve:** City Council and City staff seeking expert guidance to ensure policies are relevant and reflective of the highest standards of integrity.

**What We Deliver:** The Commissioner gives advice and makes recommendations to senior leaders in the City administration. The Commissioner also makes reports to Council, to ensure that the City of Toronto is a national leader in promoting high standards of conduct for government officials.

## Budget at a Glance

2022 OPERATING BUDGET			
\$Million	2022	2023	2024
Revenues	\$0.1	\$0.1	\$0.1
Gross Expenditures	\$0.8	\$0.8	\$0.8
Net Expenditures	\$0.7	\$0.7	\$0.7
Approved Positions	3.0	3.0	3.0

## How Well We Are Doing – Behind the Numbers (As of November 1, 2021)

### Increasing Stakeholder Awareness

- The Commissioner requested to meet members of Council to review the purpose and objectives of his Office and the services it provides to them; 22 of 26 members scheduled time to meet.
- The Commissioner presented to the Toronto Parking Authority, five adjudicative boards, four BIA boards, and one arena board. This was a marked increase from the previous year but still fewer than the year prior to the COVID-19 pandemic.
- The Office responded to 140 inquiries from the public, City staff, the media and Ombudsman Ontario, which is a 14% decrease from the previous year.
- The Commissioner sent four open letters to members of Council providing advice and information about:
  - Environment Days, unsolicited requests, and how to accept donations (February 2021).
  - Decorum in Council (March 2021).
  - Requirements during the 2021 Federal Election (August 2021).
  - Hosting Community Events and accepting donations (October 2021).
- The Commissioner wrote to the Government of Ontario concerning its consultations about municipal Codes of Conduct (March 2021).
- The Commissioner presented to the Financial Management Institute of Canada (Ontario Chapter) about the interface between elected officials and municipal public servants (May 2021).
- The Office updated its webpage content to explain the complaints process, updated the complaints procedures, and simplified the forms to file complaints.
- The Commissioner spoke at a symposium hosted by York University about updating municipal Codes of Conduct (May 2021).
- The Commissioner participated in two meetings of the Municipal Integrity Commissioners of Ontario (MICO) and the Office posted 16 reports from MICO to the CanLII database.
- The Office continued to partner with the Community Research Partnerships in Ethics (CRPE) program at the University of Toronto. The Office is working with a student for the 2021/22 academic year.
- The Commissioner worked with provincial and federal accountability officers to host the 2021 Public Sector Ethics Conference.
- The Commissioner responded to 2 media inquiries.

### Giving Proactive Advice to Appointed and Elected Members

- The Commissioner gave advice on 40 questions from members of Council and 20 questions from members of local boards.
- The Office received and processed three gift declaration forms in connection with a Community Event that was able to observe public health restrictions.

### Resolving Complaints Fairly and Impartially

- The Commissioner submitted one report to Council with findings of misconduct about a former member of Council (July 2021).
- The Commissioner dismissed one application under the MCIA.
- Of the complaints received in 2021, 82% were closed following a review and/or investigation.
- The average and median number of days to complete an investigation are 278 and 248.5, respectively. This is comparable with last year.
- The average and median number of days to close a complaint at the intake stage are 49 and 30 respectively. This is comparable with last year.

### Providing Council and City Staff with Expert Policy Advice

- The Commissioner submitted one report to Council, which was adopted, recommending the review and updating of the City's Codes of Conduct (April 2021).
- The Commissioner was consulted about improving accountability in the City's procurement process (October 2021)
- The Commissioner sent an open letter to members of Council to advise of provincial consultations to update municipal Codes of Conduct (July 2021).

## How Well We Are Doing (As of November 1, 2021)

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Increasing Stakeholder Awareness	Twenty presentations to local boards	21	3	TBC	10	N/A	TBC	TBC
Increasing Stakeholder Awareness	Yearly meetings/presentations to members of Council and their staff	22 (85%)	23 (88%)	26 (100%)	22 (85%)	●	26 (100%)	26 (100%)
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of Council within two business days	79%	74%	75%	78%	●	75%	75%
Giving Proactive Advice to Appointed and Elected Members	Provide advice to members of local boards within two business days	73%	52%	75%	75%	●	75%	75%
Resolving Complaints Fairly and Impartially	Complaints closed in same year received	88%	76%	75%	82%	●	75%	75%
Providing Council and City Staff with Expert Policy Advice	Provide relevant and timely policy recommendations	3	1	TBC	2	N/A	TBC	TBC
Service Level Measures								
Increasing Stakeholder Awareness	Number of inquiries responded to	236	191	180	140	●	180	180
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of Council	118	74	100	40	●	100	100



Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
<b>Service Level Measures</b>								
Giving Proactive Advice to Appointed and Elected Members	Amount of advice provided to members of local boards	45	27	35	20	●	35	35
Resolving Complaints Fairly and Impartially	Average number of days to complete an investigation	279	282	270	190	●	270	270
Resolving Complaints Fairly and Impartially	Median number of days to complete an investigation	248.5	249	240	179	●	240	240
Resolving Complaints Fairly and Impartially	Average number of days to close a dismissal case	59	52	50	49	●	50	50
Resolving Complaints Fairly and Impartially	Median number of days to close a dismissal case	34	32	30	30	●	30	30
Providing Council and City Staff with Expert Policy Advice	N/A							

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- There are no significant budget impacts expected in 2022 related to COVID-19.

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#### Service Level Changes

- N/A
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success (As of November 1, 2021)

- Provided 60 pieces of advice for 40 questions from members of Council and 20 questions from members of local boards.
- Provided advice to members of Council within two days or less 78% of the time.
- Provided advice to members of local boards within two days or less 75% of the time.
- Processed three donor declaration forms for community events.
- Concluded 82% of complaints received in 2021.

### Key Challenges and Risks

- Concurrent and/or complex requests for advice result in delay.
- Concurrent and/or complex investigations impact the conclusion of other investigations.
- MCIA investigations must be completed within tight/mandatory timelines.
- The MCIA requires the Commissioner to begin legal proceedings if misconduct is found.
- Witnesses who refuse to comply with summonses cause delay and hamper investigations; enforcing summonses requires external legal resources.
- Complex and/or large investigations may require external legal/forensic resources for completion.
- Investigations and reports may be subject to legal challenge.
- Without the flexibility to retain specialized external legal/forensic resources on a temporary basis, the capacity of the Office to provide advice and complete investigations on complex/numerous matters is compromised.
- Codes and policies need to be reviewed and updated.
- Training and outreach for members and staff needs to be continually updated and provided.

### Priority Actions

- Provide timely advice and updated training to members and staff.
- Develop virtual training opportunities for board members and staff.
- Create accessible and practical educational materials for the public.
- Update procedures and forms and commence review of Codes of Conduct.
- Improve the capacity of the Office to deal with concurrent or complex investigations and matters under the Code of Conduct and MCIA.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Office of the Integrity Commissioner		100.0	100.0	100.0		100.0		
<b>Total Revenues</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		<b>100.0</b>		
<b>Expenditures</b>								
Office of the Integrity Commissioner	615.5	739.7	739.7	761.6		761.6	21.9	3.0%
<b>Total Gross Expenditures</b>	<b>615.5</b>	<b>739.7</b>	<b>739.7</b>	<b>761.6</b>		<b>761.6</b>	<b>21.9</b>	<b>3.0%</b>
<b>Net Expenditures</b>	<b>615.5</b>	<b>639.7</b>	<b>639.7</b>	<b>661.6</b>		<b>661.6</b>	<b>21.9</b>	<b>3.4%</b>
<b>Approved Positions**</b>	<b>3.0</b>	<b>3.0</b>	<b>N/A</b>	<b>3.0</b>	<b>0.0</b>	<b>3.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** of \$0.762 million gross reflecting an increase of \$0.022 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increase in the overall services and rents budget mostly due to one-time cost related to digitization of the archival records which will increase efficiency, reduce space and support the hybrid working arrangements.
- Salary and benefit adjustments related to the realignment of budget to actual.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Office of the Integrity Commissioner's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for the Office of the Integrity Commissioner is \$0.022 million gross or 3.0% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds			100.0	100.0	100.0		
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>			<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		
Salaries and Benefits	382.3	504.7	524.0	552.5	528.2	(24.3)	(4.4%)
Materials & Supplies	0.7	0.7	0.7	0.7	0.7	0.0	0.9%
Equipment	3.4	0.9	0.3	0.7	0.3	(0.4)	(58.2%)
Service and Rent	37.5	7.8	124.8	95.8	142.4	46.7	48.7%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	1.4	101.4	90.0	90.0	90.0		
Other Expenditures							
Inter-Divisional Charges	0.1						
<b>Total Gross Expenditures</b>	<b>425.4</b>	<b>615.5</b>	<b>739.7</b>	<b>739.7</b>	<b>761.6</b>	<b>21.9</b>	<b>3.0%</b>
<b>Net Expenditures</b>	<b>425.4</b>	<b>615.5</b>	<b>639.7</b>	<b>639.7</b>	<b>661.6</b>	<b>21.9</b>	<b>3.4%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- A short-term temporary staff person was hired in 2021 as the most cost-effective way to assist with legal research and support complaints review and investigations. The payroll cost is reversed in 2022 to align with the 2022 investigative expenses budget in the Services & Rents category. This cost reversal is offset by salary and benefit pressures to realign the budget to actual.

**Services and Rents:**

- Increase due to lower spending in investigative expenses in 2021. The 2022 budget reflects the anticipated needs of the office, including a one-time need to digitize the archival records which will increase efficiency, reduce space and support the hybrid working arrangements.
- Economic factor adjustments.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	100.0	100.0	100.0	100.0
Gross Expenditures	739.7	761.6	750.3	757.0
<b>Net Expenditures</b>	<b>639.7</b>	<b>661.6</b>	<b>650.3</b>	<b>657.0</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$0.750 million reflects an anticipated \$0.011 million or 1.5% decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects an increase of \$0.007 million or 0.9% above 2023 gross expenditures.

These changes arise from the following:

- Reversal of 2022 one-time budget to digitize the office's archival records.
- Economic factor adjustments for non-payroll items
- Benefit rate adjustments

# 2022 Program Summary

## Office of the Mayor

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### 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 and Council 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 in sections 131(d) and (e) on the City of Toronto Act. 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.*

Budget at a Glance

2022 OPERATING BUDGET			
\$Million	2022	2023	2024
Revenues	\$0.0	\$0.0	\$0.0
Gross Expenditures	\$2.6	\$2.6	\$2.6
Net Expenditures	\$2.6	\$2.6	\$2.6
Approved Positions	1.0	1.0	1.0

2022 - 2031 10-YEAR CAPITAL PLAN			
\$Million	2022	2023-2031	Total
Office of the Mayor has no capital budget.			



## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Office of the Mayor								N/A
<b>Total Revenues</b>								N/A
<b>Expenditures</b>								
Office of the Mayor	2,333.9	2,567.0	2,567.0	2,567.0		2,567.0	0.0	0.0%
<b>Total Gross Expenditures</b>	<b>2,333.9</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,567.0</b>		<b>2,567.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Net Expenditures</b>	<b>2,333.9</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,567.0</b>		<b>2,567.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Approved Positions**</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>		<b>1.0</b>		

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$2.567 million gross and net reflecting a zero increase in spending above 2021 projected year-end actuals.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for the Office of the Mayor is zero gross and net or 0.0% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds							
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>							
Salaries and Benefits	2,481.0	2,305.4	2,527.0	2,527.0	2,526.7	(0.3)	(0.0%)
Materials & Supplies	2.6	5.7	4.0	4.0	4.0	0.1	1.6%
Equipment	2.1	1.3					
Service and Rent	36.3	19.4	31.8	31.8	32.2	0.4	1.1%
Contribution To Capital							
Contribution To Reserves/Reserve Funds							
Other Expenditures							
Inter-Divisional Charges	3.4	2.0	4.2	4.2	4.1	(0.1)	(2.2%)
<b>Total Gross Expenditures</b>	<b>2,525.5</b>	<b>2,333.9</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Net Expenditures</b>	<b>2,525.5</b>	<b>2,333.9</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>0.0</b>	<b>0.0%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:**

There are no significant cost drivers.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues				
Gross Expenditures	2,567.0	2,567.0	2,595.0	2,618.5
<b>Net Expenditures</b>	<b>2,567.0</b>	<b>2,567.0</b>	<b>2,595.0</b>	<b>2,618.5</b>
<b>Approved Positions</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$2.595 million reflects an anticipated \$0.028 million or 1.1% increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlook reflects a further increase of \$0.024 million or 0.9% above 2023 gross expenditures.

These changes arise from the following:

**Salaries and Benefits**

- CPI adjustment for the Mayor's salary, and benefit adjustments.

**Inflationary Impact**

- Inflationary increases for non-payroll items.

# 2022 Budget Summary

## Ombudsman Toronto

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-392-7062 or [ombudsman@toronto.ca](mailto:ombudsman@toronto.ca).

### Description

Mandated by provincial legislation (the *City of Toronto Act, 2006*), Ombudsman Toronto is an independent and effective voice for fairness, accountability, and transparency at the City of Toronto. We hold the City government accountable to the people it serves. We identify problems, find practical solutions and make recommendations for how the City can improve.

We:

- listen to the public's complaints about City services and administration and identify areas of concern
- investigate by asking questions, gathering information, and analyzing evidence
- explore ways to resolve individual cases without taking sides
- shine a light on problems, recommend system improvements, and show staff and the public what fair service requires

### Why We Do It

Part of the City's mandatory accountability framework, Ombudsman Toronto serves as a bridge between people and their municipal government. We work to ensure that the City (and almost all of its agencies, corporations and boards) treat people fairly in how they deliver services. We also humanize the City government for people whose dealings with it have left them feeling mistreated or alienated. Our work helps to increase people's trust and confidence in their City. In short, the work we do makes Toronto better and provides an essential, legally-mandated service to ensure transparency, accountability, and fairness in how the City administration operates.

*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

What We Deliver	Who We Serve		
	The Public	City Staff	City Council
1. An impartial, confidential, and accessible place for members of the public to make a complaint about unfair treatment by City of Toronto services and administration	✓	✓	✓
2. Expert investigative work to find fair resolutions and make recommendations based on the evidence	✓	✓	✓
3. Outreach to the public, City staff and City Council to educate on the role of Ombudsman Toronto and the importance of fairness across all City services and operations	✓	✓	✓
4. Consultations with City staff to provide guidance and help improve service to the public		✓	
5. Review fairness of Toronto Police procedures and programs to improve accountability of the Toronto Police, through expanded oversight role of Toronto Police Services	✓		✓

### Resources Required (2022 Operating Budget)

Services 1-4 (Investigative Work, Consultations, and Outreach): \$2.323 million

Service 5 (Police Oversight): \$0.366 million

**Total (Gross) Budget: \$2.688 million**

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$0.0	\$0.0	\$0.0
Gross Expenditures	\$2.7	\$2.6	\$2.6
Net Expenditures	\$2.7	\$2.6	\$2.6
Approved Positions	18.0	18.0	18.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

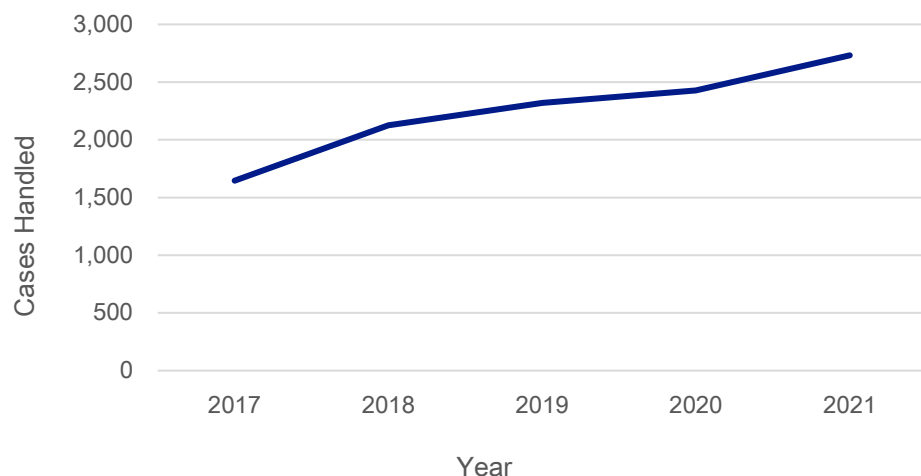
\$Million	2022	2023-2031	Total
Gross Expenditures	\$0.0	\$1.1	\$1.1
Debt	\$0.0	\$1.1	\$1.1

Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers

Performance measures	Behind the numbers
<p>In 2021:</p> <ul style="list-style-type: none"> <li>We handled <b>2,732 cases*</b>, including <b>186 COVID-related cases</b> and <b>60 police-related cases</b>.</li> <li>We completed <b>2 formal investigation reports</b>, including an examination of the enforcement of COVID-19 rules in City parks.</li> <li>We made <b>17 formal recommendations</b> (and countless informal ones) to improve City services.</li> <li>We conducted <b>14 Consultations</b> with City staff.</li> <li>We held <b>over 50 outreach sessions</b> with the public, City staff and elected officials.</li> </ul> <p>*Projected number to year end, as of November 2, 2021.</p>	<ul style="list-style-type: none"> <li>The number of cases we handled in 2021 is <b>up 12.5% from 2020</b>.</li> <li>Our recommendations <b>make the City work more fairly for everyone</b>.</li> <li>We <b>help City staff</b> design better systems and processes and <b>teach them and the public what fair service requires</b>.</li> <li>Our outreach helps ensure that <b>members of the public know about us</b> when they need us, and that <b>City staff and elected officials know what we do and how we work</b>.</li> </ul>

### Cases Handled by Year



- Complaints to our office have increased every year over the last five years.
- From 2020 to 2021, complaints increased by 12.5%, the single biggest increase since 2018.
- Our effectiveness continues to match the pace of complaints: over 90% of cases are closed within 30 days.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Handling more and more complaints	We will continue to work to handle an <b>ever-increasing number of complaints</b> from the public effectively and quickly	2,319 cases	2,429 cases	2,447 cases	2,732 cases	●	Overall increase expected, plus additional increase due to new police oversight	Overall increase expected, plus additional increase due to new police oversight
Address systemic issues of broad and significant unfairness	We will continue to address public concern regarding <b>systemic issues in how the City serves people</b> by launching investigations.	5 public reports	2 public reports	2 public reports	2 public reports	●	2 public reports	2 public reports
Oversight of Toronto Police Service	We will review and investigate administrative fairness of <b>policies and procedures of Toronto Police Service</b>	N/A	N/A	N/A	N/A	N/A	1-2 public reports	1-2 public reports
Responding to increasing awareness of our services and demand	Despite increasing complaints, we are <b>closing cases more quickly</b> thanks to more staff and better processes. However, if case numbers continue to rise, we may see an increase in case duration.	30.9% closed within 7 days; 74.8% within 30 days	52.8% closed within 7 days; 85.3% within 30 days	52% closed within 7 days; 85% closed within 30 days	61.6% closed within 7 days; 90.4% closed within 30 days	●	As awareness of office grows, complaints to office expected to increase; case handling may take longer	As awareness of office grows, complaints to office expected to increase; case handling may take longer

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Providing consultations to City staff	We continue to <b>proactively work with City staff through consultations</b> to prevent complaints before they arise by ensuring new policies, processes and services are fair	15	14	14	14	●	N/A	N/A
Providing more outreach to the public, City staff and City Council	We will deliver informational presentations and meetings to <b>ensure stakeholders know about our services and understand our role</b>	36	45	50	60	●	60	60
Service Level Measures								
Addressing complaints and concerns as quickly as possible	We are <b>addressing complaints and concerns as quickly as possible</b> and working to maintain service standards despite increasing case numbers	2 business days for calls; 5 for emails and letters	1 business day for calls; 2 for emails and letters and letters	2 business days for calls; 5 business days for emails	1 business day for calls; 2 for emails and letters and letters	●	1 business day for calls; 2 for emails and letters and letters	1 business day for calls; 2 for emails and letters and letters



**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- There are no incremental costs expected in 2022 related to COVID-19. Ombudsman Toronto will continue to use existing resources and reallocate them to address emerging priorities during the pandemic.

**Service Level Changes**

- Despite continuing to work from home, there are no service level changes expected for 2022.
- Staff are well-positioned to continue delivering effective and timely service whether working from home or in the office.
- Staff are remaining connected and informed through weekly team-wide analysis of complaints.
- We are constantly adopting new ways to be nimble and efficient, including by delivering outreach presentations virtually.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

#### Our Numbers

In 2021:

- We handled **2,732 cases** (a 12.5% increase from 2020) resulting in the resolution of the public's complaints and the improvement of City services.
- We handled **186 COVID-related cases** helping people weather the impacts of the pandemic by ensuring adequate City services.
- City Council unanimously approved of a new police oversight role for Ombudsman Toronto. We received **60 complaints about TPS** in 2021.
- We made **17 formal recommendations through our publicly reported investigations** to improve City services.
- We conducted **14 Consultations** with City staff to ensure fairness in the design and execution of policies and procedures.
- We held **over 50 outreach sessions** with the public, City staff, and elected officials, increasing awareness and understanding of our office.

#### Because of Ombudsman Toronto

In 2021:

- The City of Toronto amended the by-law and made improvements to the process for obtaining a natural garden exemption after Ombudsman Toronto's report outlined concerns and made recommendations for improvement.
- The TTC conducted and released the results of a Racial Equity Impact Assessment, which was a direct result of recommendations made in Ombudsman Toronto's *2019 Review of the TTC's Investigation of an Incident Involving Transit Fare Inspectors*.
- In response to Ombudsman Toronto's recommendation that the City of Toronto improves its collection and reporting of data on homelessness in Toronto, SSHA began using a "Shelter System Flow Data" dashboard. Instead of looking solely at nightly occupancy, the dashboard provides a more comprehensive view of homelessness in Toronto and greater detail on how the City's shelter system is used, including by showing how people experiencing homeless enter and exit the system.
- Ombudsman Toronto recommended that the TTC strengthen the impartiality of its investigations and update its public complaint procedures. In response, the TTC created the Fare Inspector and Special Constables Complaints (FISCC) Office, which was launched in 2021.
- Ombudsman Toronto recommended better communication with the public about the City's winter maintenance program. As a result, the City sent a brochure in January 2021 called "Get to Know the Plan for Snow" to all Toronto residents, which explained in simple language its winter maintenance program.
- Ombudsman Toronto recommended that SSHA consult with the Office of the Coroner about improving the processes in place for notifying the Next of Kin of people experiencing homelessness who have died. SSHA is also making improvements to its Shelter Management Information System to ensure consistency in service delivery.
- At Ombudsman Toronto's recommendation, the Committee of Adjustment clarified how to appeal a decision. This information is now more easily available and understandable for the public.

## Our Actions

- The COVID-19 pandemic continued to impact Torontonians in 2021. This was made evident through the sustained number of COVID-19 related complaints made to our office. Through efficient and impartial complaint handling, we continued to **help the public deal with the lasting impacts of the pandemic** and **guided the City on how to continue delivering services fairly and equitably during the pandemic**.
- In addition, to quickly and effectively resolving COVID-19 related complaints, Ombudsman Toronto released a public report which **found unfairness in the enforcement of COVID-19 rules in City parks**.
- We also began the process of **implementing the City Council's unanimous directive on Enhancing Policing Accountability** through a Memorandum of Understanding with the Toronto Police Service, Toronto Police Services Board, and Ombudsman Toronto.
- Despite a 12.5% rise in the number of complaints handled (the biggest jump since 2018), and the increasing complexity of complaints (due to factors such as COVID-19 and new police oversight), we continued to close cases more quickly and efficiently, allowing us to serve even more Torontonians.

## Key Challenges and Risks

- **In April 2021**, City Council adopted unanimously a new police oversight role for Ombudsman Toronto and directed that the Toronto Police Service Board and the Toronto Police Service (TPS) negotiate a Memorandum of Understanding with Ombudsman Toronto, giving us the **authority to review the fairness of Toronto Police procedures and programs**. **We expect a significant increase in workload as a result of this new oversight role**.
- The **volume of complaints we receive continues to rise** (12.5% increase in 2021).
- **The complexity of cases also continues to increase**, which the pandemic has further contributed to. Our new oversight role over TPS is likely to contribute additional complexity.
- The pandemic has created and highlighted **challenges that are most acute for the most vulnerable people** in Toronto. Our services are especially vital for these communities.
- Despite being thoughtful about how to use our limited resources, we often find ourselves **without sufficient resources to do the important work of identifying issues without a complaint and proactive consultation with City staff**.
- While we have been closing cases more quickly thanks to more staff and new processes, **case duration may increase again if the complexity of cases continues to rise**.

## Priority Actions

- **Continuous implementation of the new oversight role of the Toronto Police Service (TPS), including hiring experienced, trained staff and ensuring meaningful engagement**—the success of the Office's new oversight of TPS will depend on the trust and participation of a vast array of stakeholders.
- **Listen to and resolve the public's complaints** as effectively and as quickly as possible.
- **Identify and address systemic issues** in how the City serves people.
- **Consult with City staff** to help build fair systems and service and to show them what equitable service requires.
- **Continue expanding our outreach** to the public and City staff to inform them of our role and services.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Ombudsman Toronto		200.0	200.0				(200.0)	(100.0%)
<b>Total Revenues</b>		<b>200.0</b>	<b>200.0</b>				<b>(200.0)</b>	<b>(100.0%)</b>
<b>Expenditures</b>								
Ombudsman Toronto	2,190.3	2,457.8	2,457.8	2,322.9	365.6	2,688.5	230.7	9.4%
<b>Total Gross Expenditures</b>	<b>2,190.3</b>	<b>2,457.8</b>	<b>2,457.8</b>	<b>2,322.9</b>	<b>365.6</b>	<b>2,688.5</b>	<b>230.7</b>	<b>9.4%</b>
<b>Net Expenditures</b>	<b>2,190.3</b>	<b>2,257.8</b>	<b>2,257.8</b>	<b>2,322.9</b>	<b>365.6</b>	<b>2,688.5</b>	<b>430.7</b>	<b>19.1%</b>
<b>Approved Positions**</b>	<b>14.0</b>	<b>17.0</b>	<b>N/A</b>	<b>15.0</b>	<b>3.0</b>	<b>18.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** of \$2.323 million gross reflecting a decrease of \$0.135 million in spending than the 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Reversal of one-time budget of \$0.200 million gross, net zero, and 3.0 temporary positions related to Item CC31.1 (Enhancing Policing Accountability through a Memorandum of Understanding with Ombudsman Toronto) adopted by City Council at its meeting on April 7, 2021.
- Conversion of one temporary contract position to a permanent position. The conversion costs will be absorbed within the base budget and will result in a net zero budget impact.
- Salary and benefit adjustments related to benefit adjustment and realignment of budget to actual.

### COSTS TO ENHANCE SERVICES

City Council, at its meeting of November 25 and 26, 2020, directed the City Manager to consult with the Toronto Police Services Board, the Canadian Civil Liberties Association (CCLA), and Ombudsman Toronto on the resources needed to carry out the work outlined in submissions from the CCLA and Ombudsman, and to report with recommendations to the April 7 and 8, 2021 meeting of City Council.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.CC26.2>

In response to this Council direction, City Manager through a staff report sought City Council approval to request the Toronto Police Services Board, and as appropriate, the Toronto Police Service, to negotiate a Memorandum of Understanding (MOU) with Ombudsman Toronto to independently conduct policy and program reviews. City Council adopted the staff report (Item CC31.1: Enhancing Policing Accountability through a Memorandum of Understanding with Ombudsman Toronto) at its meeting on April 8, 2021.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.CC31.1>

Ombudsman Toronto has assessed the operational resources needed to carry out the independent reviews in 2022 and beyond and requested 3 permanent positions with budget impacts of \$0.366 million gross and net.

**EQUITY IMPACTS OF BUDGET CHANGES**

**No significant equity impacts:** The changes in Ombudsman Toronto's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Ombudsman Toronto is \$0.231 million gross or 9.4% higher than the 2021 Gross Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds			200.0	200.0		(200.0)	(100.0%)
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>			<b>200.0</b>	<b>200.0</b>		<b>(200.0)</b>	<b>(100.0%)</b>
Salaries and Benefits	1,827.3	2,112.0	2,180.3	2,367.0	2,543.1	176.1	7.4%
Materials & Supplies	7.4	5.5	5.4	5.6	5.4	(0.2)	(3.3%)
Equipment	23.8	8.7	4.6	4.0	4.7	0.7	16.6%
Service and Rent	84.6	53.9	267.5	81.2	135.3	54.1	66.6%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	9.9	10.4					
Other Expenditures							
Inter-Divisional Charges	10.9						
<b>Total Gross Expenditures</b>	<b>1,963.8</b>	<b>2,190.3</b>	<b>2,457.8</b>	<b>2,457.8</b>	<b>2,688.5</b>	<b>230.7</b>	<b>9.4%</b>
<b>Net Expenditures</b>	<b>1,963.8</b>	<b>2,190.3</b>	<b>2,257.8</b>	<b>2,257.8</b>	<b>2,688.5</b>	<b>430.7</b>	<b>19.1%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- Reversal of one-time budget of \$0.200 million gross, net zero, and 3.0 temporary positions related to Item CC31.1 (Enhancing Policing Accountability through a Memorandum of Understanding with Ombudsman Toronto) adopted by City Council at its meeting on April 7, 2021. This cost reversal is offset by salaries and benefits budget pressures related to benefit adjustments and realignment of budget to actual.
- Conversion of one temporary contract position to a permanent position. The conversion costs will be absorbed within the base budget and will result in a net zero budget impact.

**Services and Rents:**

- Increase due to lower spending in investigative expenses in 2021. The 2022 budget reflects the anticipated needs of the office, which may require specialized investigative skills and/or services.
- Reallocation of investigative expense budget to the salaries and benefits budget.
- Economic factor adjustments.

**Other Revenue Changes:**

- Reversal of one-time funding of \$0.200 million from the Innovation Reserve Fund (XR1713).

**Table 2b: 2022 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
1 New operational resources required to support City Council's directive and effectively carry out Ombudsman Toronto's new oversight role of the Toronto Police Service		365.6	365.6	3.0		None	No	No
Total New / Enhanced		365.6	365.6	3.0				

The 2022 Operating Budget includes \$0.366 million in gross expenditures and 3.0 permanent positions in investments that will provide the Office with the operational resources needed to support the City Council's directive of enhancing police accountability through independently conducting policy and program reviews of the Toronto Police Service.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	200.0			
Gross Expenditures	2,457.8	2,688.5	2,628.2	2,648.5
<b>Net Expenditures</b>	<b>2,257.8</b>	<b>2,688.5</b>	<b>2,628.2</b>	<b>2,648.5</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>18.0</b>	<b>18.0</b>	<b>18.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$2.628 million reflects an anticipated \$0.06 million or 2.2% decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects an increase of \$0.02 million or 0.8% above 2023 gross expenditures.

These changes arise from the following:

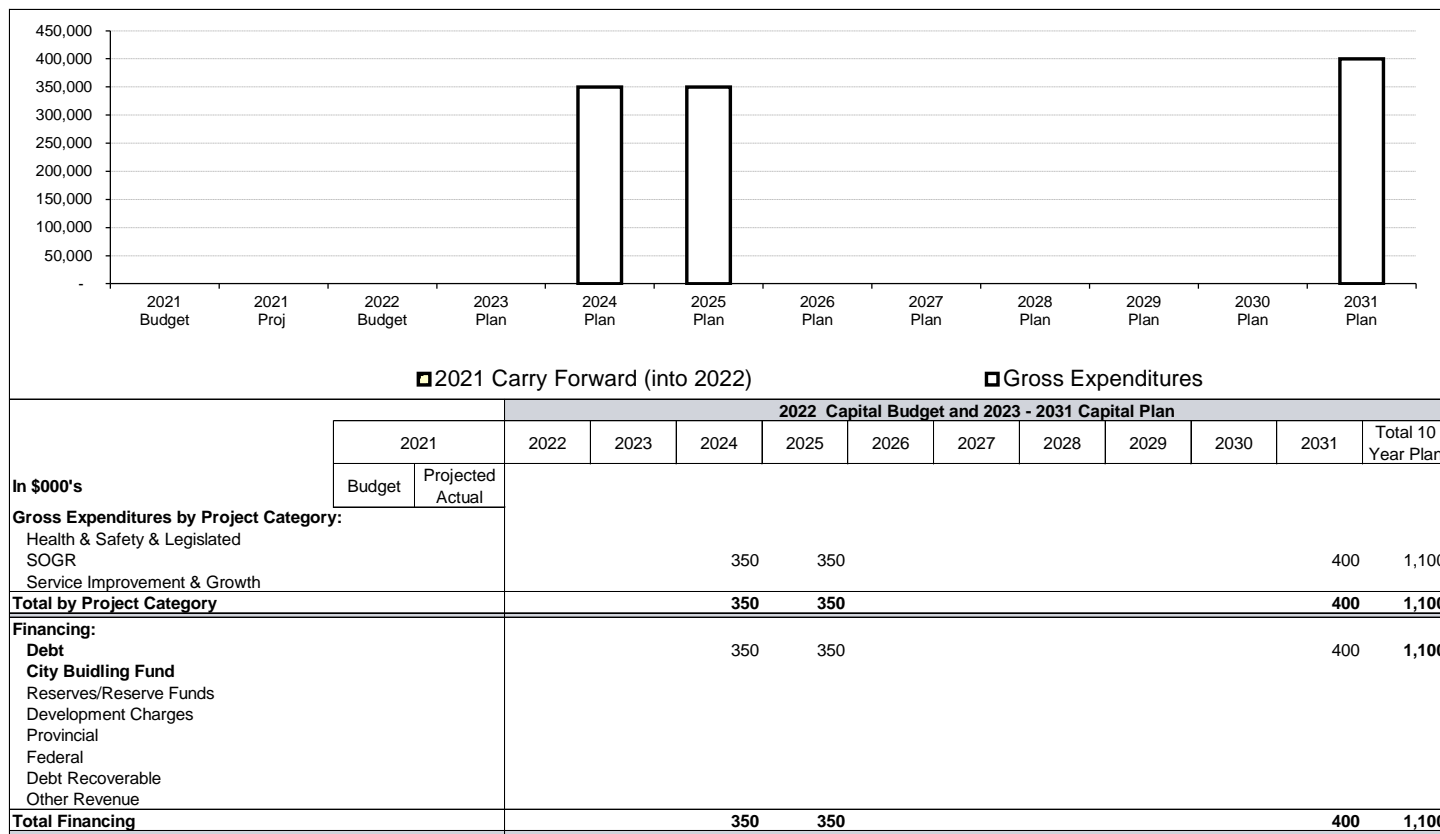
- Benefit rate and budget to actual adjustments
- Economic factor adjustments for non-payroll items



## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



### Changes to Existing Projects (\$0.0 Million)


### New Projects (\$1.1 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- Ombudsman Case Management System SOGR** project is an end of life replacement and upgrade of the system to meet corporate and industry standards and allow for added functionalities using new technology. The system will support the Office in fulfilling its legislative mandate.

### Capital Needs Constraints (\$0.0 Million)

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$1.1 Million 10-Year Gross Capital Program**


<b>Aging Infrastructure/SOGR</b>
\$1.1 M 100%
<i>Ombudsman Case Management System SOGR</i>

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$1.1 M 100%</b>		<b>\$0.0 M 0%</b>	<b>\$0.0 M 0%</b>
Debt	\$1.1 M		

# 2022 Budget Summary



## Toronto Lobbyist Registrar

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at 416-338-5858 or [lobbyistregistrar@toronto.ca](mailto:lobbyistregistrar@toronto.ca).

### Description

The Toronto Lobbyist Registrar (TLR) regulates lobbying activity in the public interest. The TLR is an independent office of the City and reports directly to City Council. The TLR has a legislative mandate to ensure the public disclosure of lobbying activities and adherence to the Lobbyists' Code of Conduct. The disclosure requirement ensures that lobbying activities at the City are transparent. The Code of Conduct sets out the high ethical standards that are expected of lobbyists when they communicate with Toronto Public Office Holders (POH).

### Why We Do It

- The *City of Toronto Act, 2006* and the Toronto Municipal Code Chapter 140, Lobbying, i.e. the Lobbying By-law (the By-law) require the City to regulate lobbying activities.
- POH and the public should be able to know who is attempting to influence City government.
- Ethical and transparent lobbying is a central component to a responsive City government which encourages civic engagement and open democratic processes.
- The regulation of lobbying is the cornerstone to building public trust in City government decision-making processes.

*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

**Who We Serve:** Lobbyists, public, and POH

**What We Deliver:** Publicly searchable online Lobbyist Registry of lobbying activities; outreach and education; and Investigations and Enforcement of the By-law.

**How Much Resources (gross 2022 operating budget):** \$1.257 million

## Budget at a Glance

### 2022 OPERATING BUDGET

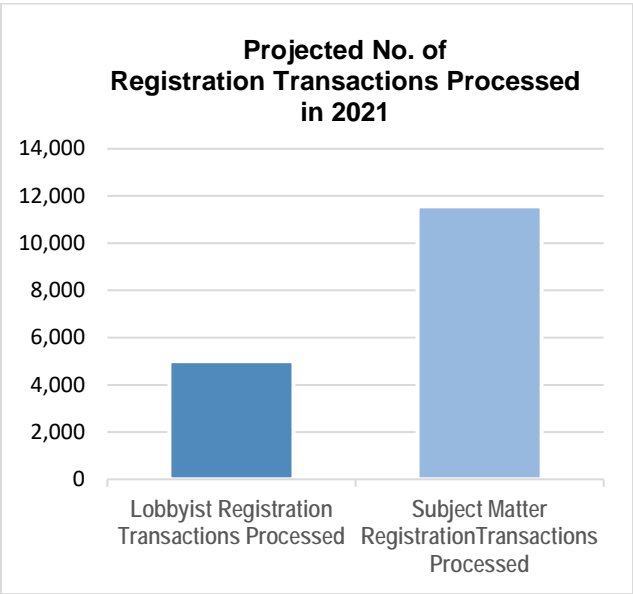
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$0.0	\$0.0	\$0.0
Gross Expenditures	\$1.3	\$1.2	\$1.2
Net Expenditures	\$1.3	\$1.2	\$1.2
Approved Positions	8.3	8.3	8.3

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$0.0	\$1.4	\$1.4
Debt	\$0.0	\$1.4	\$1.4

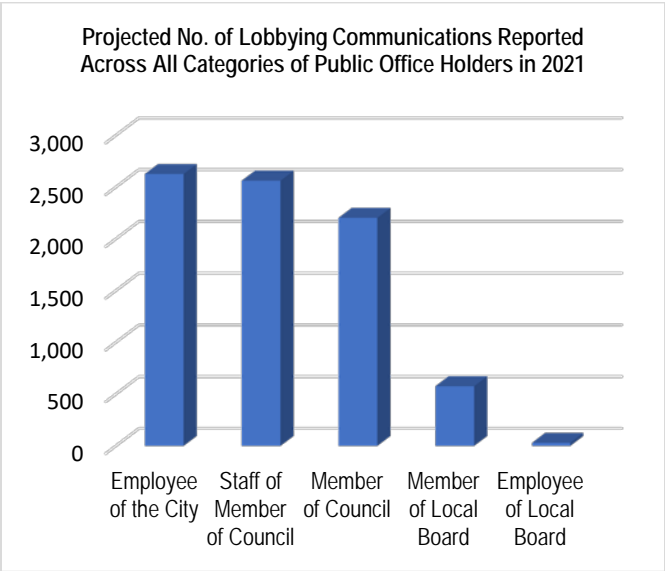
Note: Includes 2021 carry forward funding

How Well We Are Doing – Behind the Numbers



The TLR's significant outreach and education activities and enforcement activities have contributed to the continuous increase in the Register's registration. By the end of 2021,

- the total number of registration transactions proceed by the TLR is estimated to be 15,071;
- The number of lobbyist registration transactions proceed is estimated to be 3,460
- The number of subject matter registration transaction processed is estimate to be 11,611



The total number of Lobbying communications reported with the all the City's public holders are estimated to be 9,000 by the end of 2021.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Maintain an online Registry of lobbyists and lobbying activities that may be searched by anyone at anytime	<ul style="list-style-type: none"> <li>Provide service within 24 hours for inquiries related to registrations, clarification of the By-law and Registry searches to lobbyists and the members of the public</li> </ul>	95%	95%	95%	95%	●	95%	95%
	<ul style="list-style-type: none"> <li>Provide online publicly available Lobbyist Registry (no. of visits to TLR website)</li> </ul>	18,310	20,800	N/A	22,690	N/A	N/A	N/A
Continue improving audit processes of the data in the Registry to ensure the Registry contains clean and accurate data	Percentage of data reviewed	75%	75%	75%	75%	●	75%	75%
Provide investigation reports	<ul style="list-style-type: none"> <li>Bring public reports to Council to fulfill enforcement duties</li> <li>Ensure required transparency in lobbying activity</li> </ul>	Ongoing	Ongoing	Ongoing	Ongoing	●	Ongoing	Ongoing
Investigate complaints regarding allegations of breaches of the By-law	<ul style="list-style-type: none"> <li>Early resolution of less egregious matters</li> <li>Prevention and deterrence of breaches of the By-law</li> </ul>	Ongoing	Ongoing	Ongoing	Ongoing	●	Ongoing	Ongoing
Provide registration advice and support compliance	<ul style="list-style-type: none"> <li>Registered lobbying communications</li> </ul>	6,379	8,269	9,500	10,000	●	10,500	10,500
	<ul style="list-style-type: none"> <li>Efficacy of the By-law's lobbying transparency requirements</li> </ul>	Ongoing	Ongoing	Ongoing	Ongoing	●	Ongoing	Ongoing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
<b>Service Level Measures</b>								
Maintain an online Registry of lobbyists and lobbying activities that may be searched by anyone at anytime	Provide service within 24 hours for inquiries related to registrations, clarification of the By-law and Registry searches to lobbyists and the members of the public	95%	95%	95%	95%	●	95%	95%
<b>Other Measures</b>								
Provide guidance, opinions and interpretation of the By-law to anyone who needs it (Registry Unit)	Provide customer service with 24 hours	95%	95%	95%	95%	●	95%	95%
Provide advice to stakeholders on the By-law (Inquiries and Investigations Unit – “the Investigations Unit”)	Piece of advice	280	300	300	300	●	300	300
Deliver educational outreach presentations and meetings to public office holders, lobbyists and external organizations	No. of sessions	108	108	108	108	●	120	120

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- There are no significant budget impacts expected in 2022 related to COVID-19.
- The TLR is expected to continue with the business transformation required to modernize the operations of both its Registry and Investigations Units. The Registry Unit will continue to support the implementation of the new Lobbyist Registration System, which will include improving the audit of its data to ensure clean, current and accurate Registry information, and will continue streamlining the registration processes. The Investigations Unit anticipates a gradual return to pre-COVID investigation practices with the City's and the greater business community's return to the workplace. However, the echo of COVID-19 and the ever-present danger of new variants necessitate that the modernization of investigation and enforcement practices, begun before the pandemic but accelerated in its wake, continue to be the focus of the Investigations Unit.
- The TLR is expected to continue the services required to fulfill its mandate.

**Service Level Changes**

- No changes to service levels.



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- An estimated 119,120 registration transactions have been processed by our office since 2010. An estimated 57,062 lobbying communications have been reported on the Registry since 2010.
- We provide ongoing presentations and training sessions to members of the public, lobbyists, external organizations and City public office holders. In 2021, an estimated 108 educational outreach sessions to stakeholders have been facilitated to share best practices in lobbying regulation and provide advice and interpretation about the By-law.
- In 2021, the Investigations Unit has provided:
  - 300 estimated consultation/pieces of advice to stakeholders
  - 13 full advance legal opinions
  - 17 investigations were commenced
  - 4 inquiries were closed
- A total of 26 inquiry reports were submitted to City Council since 2010.
- The By-law's requirements for public disclosure of lobbying activities on the Registry extend to indirect lobbying. Communicating with government officials by indirect lobbying is known as "grass-roots" lobbying. An estimated 536 grass-roots lobbying campaigns have been registered since 2010.

### Key Challenges and Risks

- In 2022, the TLR will undertake: the expansion of its mandate through the addition of administrative monetary penalties to enhance its enforcement powers; the continued oversight of an anticipated increase in lobbying registration transactions; and ongoing business transformation initiatives to support the continued modernization of the operations of its Registry and Investigations Units.
- In Since 2020, the TLR underwent modernization of both its Registry and Investigations Units, through the implementation of the newly upgraded Lobbyist Registration System, and the implementation of a new case management system for its Investigations Unit. The ongoing business transformation that occurred with these projects will continue into 2022, and, the TLR will be required to maximize opportunities for innovation, and for streamlining its processes, in the delivery of its mandate, as the full integration of these two new systems into the TLR's operations will continue throughout 2022.
- The total number of registration transactions processed annually by our office has increased by approximately 509% since 2010. However, the current staff complement has not changed since 2009.
- Outreach activities, the provision of advanced opinions and consultations are being performed using limited resources that would otherwise be available to complete formal investigations.
- The Investigations Unit's capacity to take on new matters is restricted which is extending the length of the investigative process.
- The increased complexity of legal issues and anticipated expansion of the TLR's enforcement powers will require adequate resources.
- Implementing and administering the expected Administrative Monetary Penalty (AMP) system will continue to divert time and resources from the work of the Investigations Unit, including the development of an AMP revenue collection process.
- Ongoing threat of judicial review of inquiries and enforcement options.
- Supporting the full implementation of the newly acquired Lobbyist Registration System into 2022 and ensuring any further improvements can be facilitated will require permanent dedication of Lobbyist Registry staff resources.

- 
- The Investigation Unit has identified the upcoming municipal election as the focus of the 2022 breach prevention exercise. As in 2018, education and outreach in advance of the election will be a feature of this initiative; this will include a joint training session with our provincial colleagues regarding the application of our regimes to our respective elections. A key part of this training will be an invitation to stakeholders to contact the Unit regarding their potential election-related endeavors with a view to providing advanced opinions as to whether an action could contravene the By-law.
  - Ongoing resources are required to ensure that the TLR can meet its mandate and maintain the public's confidence in the TLR's ability to provide oversight.
- 

### Priority Actions

- Implementing and administering the anticipated Administrative Monetary Penalty (AMP) system, including levying AMPs and collecting associated revenues.
  - Continuous improvement to the Lobbyist Registration System. The TLR remains committed to ensuring the new Registry does not become obsolete. The TLR recognizes that continuous upgrades will be required to guarantee that the Registry will continue to meet the demands of rapidly changing new technologies and heightened standards of data integrity.
  - Continuous management of the Lobbyist Registry data and oversight of its functions and operations.
  - Ongoing business transformation required to modernize the operations of both its Registry and Investigations Units.
  - Providing education and outreach sessions to public office holders, including other levels of government, members of the public and lobbyists.
  - The TLR is committed to service within 24 hours for registrations inquiries and Registry searches.
-

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Toronto Lobbyist Registrar								N/A
<b>Total Revenues</b>								N/A
<b>Expenditures</b>								
Toronto Lobbyist Registrar	1,164.9	1,234.2	1,234.2	1,256.6		1,256.6	22.4	1.8%
<b>Total Gross Expenditures</b>	<b>1,164.9</b>	<b>1,234.2</b>	<b>1,234.2</b>	<b>1,256.6</b>		<b>1,256.6</b>	<b>22.4</b>	<b>1.8%</b>
<b>Net Expenditures</b>	<b>1,164.9</b>	<b>1,234.2</b>	<b>1,234.2</b>	<b>1,256.6</b>		<b>1,256.6</b>	<b>22.4</b>	<b>1.8%</b>
<b>Approved Positions**</b>	<b>8.3</b>	<b>8.3</b>	<b>N/A</b>	<b>8.3</b>		<b>8.3</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$1.257 million gross reflecting an increase of \$0.022 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salary and benefit adjustments related to benefit adjustment, filling of vacancies in 2022, and realignment of budget to actual.
- Economic factor adjustment for non-payroll items.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Toronto Lobbyist Registrar's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Toronto Lobbyist Registrar is \$0.022 million gross or 1.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations							
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds							
Sundry and Other Revenues							
Inter-Divisional Recoveries							
<b>Total Revenues</b>							
Salaries and Benefits	1,140.0	1,103.3	1,129.5	1,027.1	1,150.2	123.1	12.0%
Materials & Supplies	6.8	5.5	7.1	6.7	7.2	0.5	6.7%
Equipment	1.2	10.4		14.6		(14.6)	(100.0%)
Service and Rent	44.2	43.6	97.6	185.8	99.3	(86.5)	(46.6%)
Contribution To Capital							
Contribution To Reserves/Reserve Funds	1.8	1.8					
Other Expenditures							
Inter-Divisional Charges	3.5	0.4					
<b>Total Gross Expenditures</b>	<b>1,197.5</b>	<b>1,164.9</b>	<b>1,234.2</b>	<b>1,234.2</b>	<b>1,256.6</b>	<b>22.4</b>	<b>1.8%</b>
<b>Net Expenditures</b>	<b>1,197.5</b>	<b>1,164.9</b>	<b>1,234.2</b>	<b>1,234.2</b>	<b>1,256.6</b>	<b>22.4</b>	<b>1.8%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- Realignment of budget to actual based on the current mix of staff and the filling of vacancies in 2022.

**Equipment:**

- The decrease is due to one-time purchase of computer hardware and software and office equipment in 2021.

**Services and Rent:**

- Decrease due to projected higher spending in 2021. The 2022 budget will provide the Office the capacity to meet its statutory responsibilities including undertaking investigations and inquiries as well as render opinions.
- Economic factor adjustments.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues				
Gross Expenditures	1,234.2	1,256.6	1,237.6	1,248.5
<b>Net Expenditures</b>	<b>1,234.2</b>	<b>1,256.6</b>	<b>1,237.6</b>	<b>1,248.5</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>8.3</b>	<b>8.3</b>	<b>8.3</b>

**Key drivers**

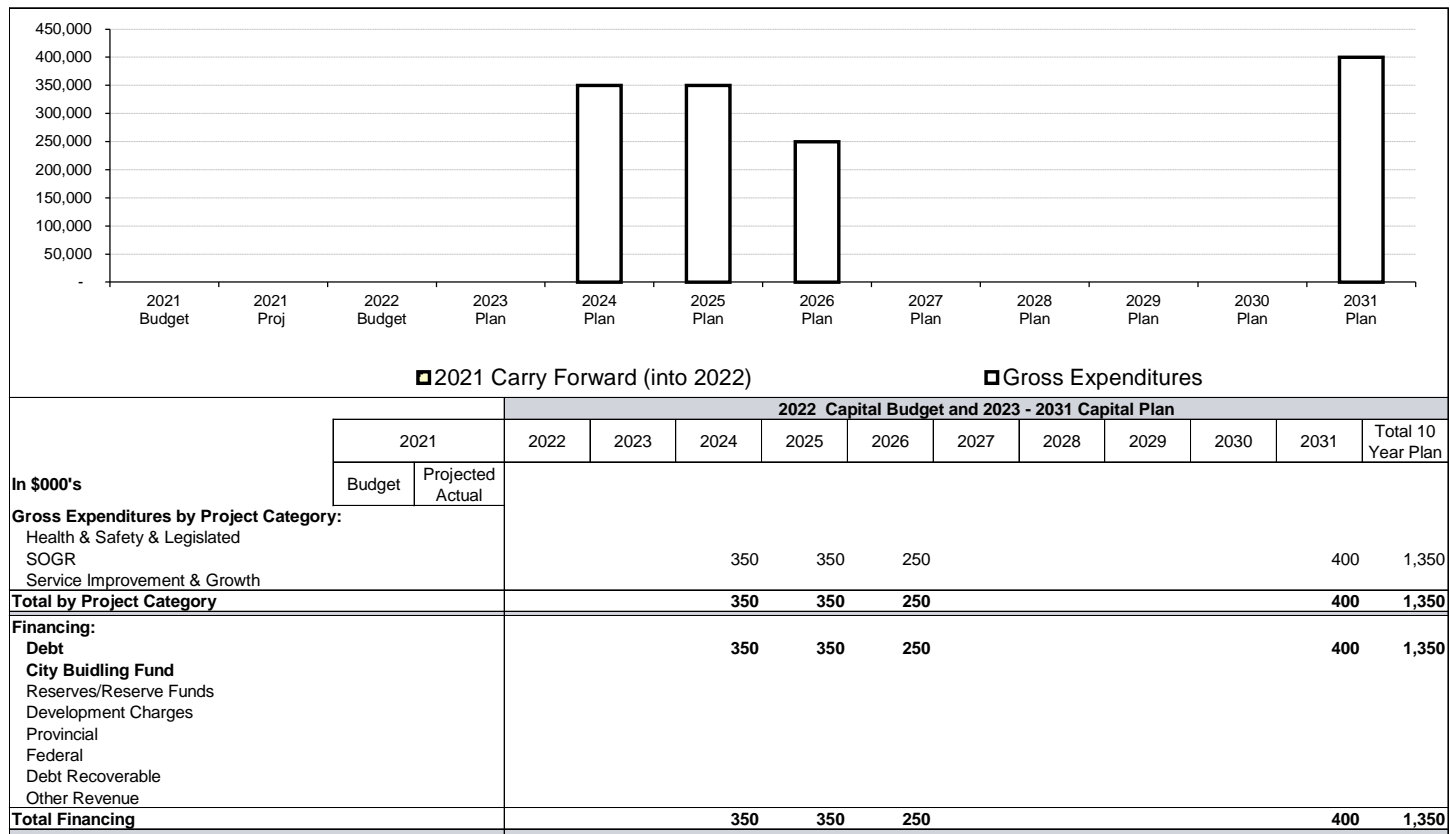
The 2023 Outlook with total gross expenditures of \$1.238 million reflects an anticipated \$0.019 million or 1.5% decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects an increase of \$0.011 million or 0.9% above 2023 gross expenditures.

These changes arise from the following:

- Benefit rate adjustments and realignment of budget to actual.
- Economic factor adjustments for non-payroll items

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**  
(\$'000)



### Changes to Existing Projects (\$0.0 Million)


### New Projects (\$1.350 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- *Lobbyist Registry System SOGR Replacement and Upgrade* in 2024 and 2025 (\$0.7M) and 2031 (\$0.4M)
- *TLR Investigation Case Management System SOGR Replacement and Upgrade* in 2026 (\$0.3M).

### Capital Needs Constraints (\$0.0 Million)

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$1.4 Million 10-Year Gross Capital Program**


<b>Aging Infrastructure/SOGR</b>
\$1.4 M 100%
<ul style="list-style-type: none"> <li>• <i>TLR Investigation Case Management System SOGR</i></li> <li>• <i>Lobbyist Registry System SOGR</i></li> </ul>

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$1.4 M</b> <b>100%</b>		<b>\$0.0 M</b> <b>0%</b>	<b>\$0.0 M</b> <b>0%</b>
Debt	\$1.4 M		

# **Operating & Capital Budget Summaries for City Programs And Agencies**

*Agencies*



# 2022 Program Summary

## Arena Boards of Management

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We are 8 Board-managed arenas that offer use of ice (i.e. Hockey, figure skating), programming, and pleasure skating to the community. Some arenas also offer dry floor rentals (i.e. floor hockey) in the summer. These services are complemented with snack bars, pro-shops, and meeting room rentals at some locations.

The Arena Boards of Management have stewardship over 11 ice rinks, including 4 that offer year-round ice rentals.

### Why We Do It

Arena Boards of Management provide safe, full and equitable access to high quality indoor ice sport recreation facilities that are managed effectively and efficiently to provide opportunities for physical fitness and sport skill development through individual and team activities in response to local community needs.

### What Service We Provide

#### **Community Ice & Facility Booking**

**Who We Serve:** Residents, Visitors/Tourists, Community Leagues and Associations, Public and Private School Boards

**What We Deliver:** Ice time for booking, programming, recreational skating for the communities, meeting rooms, snack bars and pro shops

**How Much Resources (gross 2022 operating budget): \$9.783 million**

*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.*

## Budget at a Glance

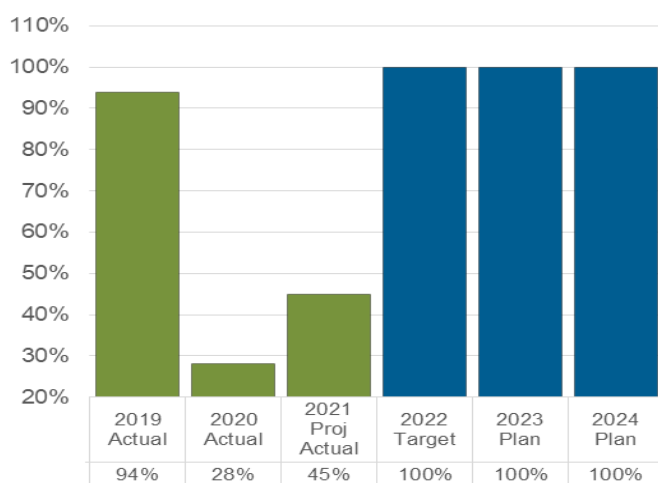
### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$8.295	\$10.832	\$11.119
Gross Expenditures	\$9.783	\$10.629	\$10.757
Net Expenditures	\$1.488	\$(0.203)	\$(0.362)
Approved Positions	65.7	65.7	65.7

The capital funding requirements for the Arena Boards of Management are embedded within the 10-Year Capital Plan for Parks, Forestry and Recreation.

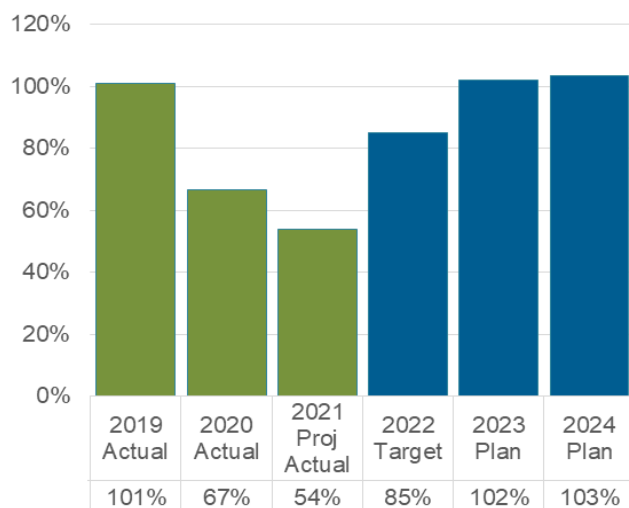
## How Well We Are Doing – Behind the Numbers

### Prime Time Ice Usage



- Prime Time Ice utilization reflects the percentage of available prime time hours that are booked and used. The industry benchmark for prime time utilization is 96% booked for a standard ice season.
- Due to COVID-19 safety concerns and government mandated closures, prime time ice usage is heavily impacted in 2021. Collectively the Arena Boards of Management only project 45% of the prime time ice to be sold.
- Ice usage improves in 2022 as the Arena Boards project remaining opening throughout all of 2022.

### Cost Recovery (%)



- A key mandate of the Arena Boards is to manage and operate the arenas (City-owned asset) effectively and efficiently at minimal to no cost to the City.
- Fluctuations can be caused by unanticipated demand changes for ice rentals, revenues from accessory operations, advertising, one-time revenues, and unexpected repairs and maintenance costs.
- With the pandemic and its impacts on the arenas operations in 2021, all Arena Boards of Management are projecting to experience losses in revenues as capacity restrictions are expected to continue. Impacts of COVID-19 are expected to continue into 2022 but the arenas will be able to reduce the dependence on the City.

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- COVID-19 is projected to impact all Arena Boards of Management operations in 2022 with \$2.288 million net impact:
  - \$2.214 million in revenue losses are projected as social distancing and capacity restrictions are expected to continue in 2022 for public safety.
  - \$0.075 million in expenditure increasing from supplies need for sanitization of facilities.

#### Service Level Changes

- The Arena Boards of Management project their facilities to remain open for the entirety of 2022 with capacity restrictions remaining in effect for a large part of the year. All services are expected to run just at reduced capacities.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Re-opening of facilities in July 2021 under Step 3 of Ontario Reopening Plan after many months of COVID-19 closures and having increasing participation from the local communities in ice usage over time.

### Key Challenges and Risks

- Meet rising demand for ice-time in the City of Toronto.
- Stay competitive in comparison to newer arenas in neighbouring 905 communities that have modern facilities, more available ice-time, and far better customer amenities to service arena users.
- Maintain and increase the state of good repair on the aging arenas to minimize the amount of service disruptions due to repairs.
- Closures due to COVID-19 will result in significant financial losses to all Arena Boards of Management.

### Priority Actions

- Evaluate current state of Toronto arenas and develop a strategy to increase access to ice-time.
- Upgrade facilities' conditions and amenities to improve the service provided to arena users.
- Continue to explore opportunities for increased revenues without impacting the needs of the local communities.
- Manage COVID-19 concerns and ensuring the safety of the users of the arenas and its staff.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
George Bell-Arenas Board of Management	422.6	819.4	254.6	679.3		679.3	424.7	166.8%
Bill Bolton-Arenas Board of Management	529.6	715.0	390.0	637.3		637.3	247.3	63.4%
Forest Hill-Arenas Board of Management	748.0	1,322.8	600.0	1,126.0		1,126.0	526.0	87.7%
Leaside-Arenas Board of Management	1,443.6	2,764.8	1,150.7	2,523.1		2,523.1	1,372.3	119.3%
Mccormick-Arenas Board of Management	238.5	682.5	252.0	682.5		682.5	430.5	170.8%
Moss Park-Arenas Board of Management	121.2	982.8	90.0	769.0		769.0	679.0	754.4%
North Toronto-Arenas Board of Management	670.6	938.6	683.9	758.9		758.9	75.0	11.0%
Ted Reeve-Arenas Board of Management	838.5	1,169.0	592.5	1,119.2		1,119.2	526.7	88.9%
<b>Total Revenues</b>	<b>5,012.6</b>	<b>9,394.9</b>	<b>4,013.7</b>	<b>8,295.2</b>		<b>8,295.2</b>	<b>4,281.5</b>	<b>106.7%</b>
<b>Expenditures</b>								
George Bell-Arenas Board of Management	771.5	806.0	655.8	807.7		807.7	151.8	23.2%
Bill Bolton-Arenas Board of Management	869.0	1,057.4	742.0	1,170.7		1,170.7	428.7	57.8%
Forest Hill-Arenas Board of Management	975.0	1,314.5	930.3	1,277.0		1,277.0	346.6	37.3%
Leaside-Arenas Board of Management	1,455.5	2,788.7	1,754.8	2,612.2		2,612.2	857.4	48.9%
Mccormick-Arenas Board of Management	670.4	832.2	748.2	837.9		837.9	89.7	12.0%
Moss Park-Arenas Board of Management	834.4	972.4	802.5	1,054.2		1,054.2	251.8	31.4%
North Toronto-Arenas Board of Management	804.4	930.0	857.2	905.8		905.8	48.7	5.7%
Ted Reeve-Arenas Board of Management	1,149.5	1,183.6	986.3	1,117.7		1,117.7	131.4	13.3%
<b>Total Gross Expenditures</b>	<b>7,529.7</b>	<b>9,884.6</b>	<b>7,477.2</b>	<b>9,783.2</b>		<b>9,783.2</b>	<b>2,306.0</b>	<b>30.8%</b>
<b>Net Expenditures</b>	<b>2,517.0</b>	<b>489.7</b>	<b>3,463.4</b>	<b>1,488.0</b>		<b>1,488.0</b>	<b>(1,975.4)</b>	<b>(57.0%)</b>
<b>Approved Positions**</b>	<b>66.0</b>	<b>64.1</b>	<b>N/A</b>	<b>65.7</b>		<b>65.7</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$9.783 million gross reflecting an increase of \$2.306 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salary & benefit increases including cost of living adjustments and additional staffing as the Arena Boards of Management project facilities to remain open through 2022, requiring staffing to return to pre-pandemic levels.
- Utility, maintenance and repair expenditure increases as the Arenas anticipate being operational for the entire year.
- Ice rental revenues are expected to substantially recover due to all the Arenas being open, however with social distancing and capacity restrictions in effect there are less users than pre-pandemic levels.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$1.488 million in net expenditures reflects a \$0.423 million net decrease from the 2021 Council approved Budget, when excluding \$2.288 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Arena Boards of Management's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for the Arena Boards of Management is \$2.306 million gross or 30.8% greater than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	8,520.1	4,461.2	8,389.2	3,839.7	7,530.4	3,690.7	96.1%
Contribution From Reserves/Reserve Funds			266.7		50.0	50.0	
Sundry and Other Revenues	1,056.0	551.4	738.9	174.1	714.8	540.7	310.7%
<b>Total Revenues</b>	<b>9,576.1</b>	<b>5,012.6</b>	<b>9,394.9</b>	<b>4,013.7</b>	<b>8,295.2</b>	<b>4,281.5</b>	<b>106.7%</b>
Salaries and Benefits	5,084.7	4,484.6	5,124.1	4,453.4	5,220.4	767.1	17.2%
Materials & Supplies	2,348.8	1,662.4	2,495.1	1,650.8	2,417.7	767.0	46.5%
Equipment	49.6	14.3	32.7	14.2	56.5	42.3	298.8%
Service and Rent	1,228.0	641.0	1,451.7	636.5	1,299.3	662.7	104.1%
Contribution To Capital	525.0	477.8	536.6	479.0	536.6	57.6	12.0%
Contribution To Reserves/Reserve Funds	281.1	226.0	220.0	220.0	213.4	(6.6)	(3.0%)
Other Expenditures		23.6	24.4	23.5	39.4	15.9	67.8%
<b>Total Gross Expenditures</b>	<b>9,517.2</b>	<b>7,529.7</b>	<b>9,884.6</b>	<b>7,477.2</b>	<b>9,783.2</b>	<b>2,306.0</b>	<b>30.8%</b>
<b>Net Expenditures</b>	<b>(58.9)</b>	<b>2,517.1</b>	<b>489.7</b>	<b>3,463.5</b>	<b>1,488.0</b>	<b>(1,975.5)</b>	<b>(57.0%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

In addition to cost of living adjustments, the increase in Salaries and Benefits is driven by the expected need in staffing as the Arenas are in full operations with capacity restrictions being adhered to. Salary and Benefit expenditures are expected to return to pre-pandemic levels as opposed to in 2021 when the Arenas were closed to the public for six months of the year.

**Materials and Supplies:**

The increase in Materials and Supplies is driven by the projected increase in facility and ice-time usage. This also includes supplies need for sanitization of facilities. While the Arenas may not be able to operate at full capacity, there is a large demand for available ice-time.

**Services and Rents:**

The increase in Service and Rent is driven by the need for additional maintenance and repairs as some non-urgent repairs were postponed for the past two years.

**User Fees & Sundry Revenues:**

The expected base increase in User Fees and Sundry Revenues reflects the Arenas being operational with capacity restrictions but no facility closures are expected.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	4,013.7	8,295.2	10,832.1	11,119.4
Gross Expenditures	7,477.2	9,783.2	10,628.7	10,757.2
<b>Net Expenditures</b>	<b>3,463.4</b>	<b>1,488.0</b>	<b>(203.3)</b>	<b>(362.2)</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>65.7</b>	<b>65.7</b>	<b>65.7</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$10.629 million reflects an anticipated \$0.846 million or 8.6 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlooks expects a further increase of \$0.129 million or 1.2 per cent above 2023 gross expenditures.

These changes arise from the following:

- The Arena Boards of Management operating as normal by 2023 with no capacity restrictions or impacts from COVID-19 and ice-time demand seeing pre-pandemic levels.
- Increases in Gross Expenditures will also be driven by inflationary impacts to salaries & benefits, and volume based impacts to utilities, materials and supplies as well as services and rents. **(2023 and 2024)**
- Increases in Revenues are driven by market rate increases to ice rental revenues as well as volume based increases from operating a full capacity. **(2023 and 2024)**

# 2022 Program Summary

## Association of Community Centres

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Association of Community Centres (AOCCs), comprised of 10 community centres, are committed to fostering a sense of community, promoting civic engagement and enhancing the quality of life by providing programs and services that are responsive and reflective of the unique needs of local communities.

The AOCCs consists of 10 multi-purpose facilities with oversight provided by volunteer Boards of Management to support service delivery. We provide a broad range of community, recreation and social service programs to Toronto residents that aim to meet the evolving needs of changing demographics.

### Why We Do It

**Build community and individual capacity** to meet the diverse and changing needs of communities and individuals by delivering programs, services and ongoing special events for children, youth, adults, seniors and families

**Foster a sense of community** to promote and provide opportunities for civic and community engagement

**The public has equitable access** to affordable and high-quality recreational programs, services and facilities

*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

The combined **gross 2022 Operating Budget** for the following services is \$9.565 million.

### **Community Centre Strategic Partnership & Resource Development**

**Who We Serve:** Community Centre Members/Potential Members, Local BIAs, Local Residents

**What We Deliver:** Strategic Partnership & Resource Development

### **Social, Economic & Neighbourhood Development**

**Who We Serve:** Business Community, Local Community, Corporation(s), Interest Groups, Property Owner(s), Residents, Visitors

**What We Deliver:** Social Economic & Neighbourhood Development

### **Public Space – Community Access**

**Who We Serve:** Business Community, Local Community, Corporation(s), Interest Groups, Property Owner(s), Residents, Visitors

**What We Deliver:** Public Space – Community Access

## Budget at a Glance

### 2022 OPERATING BUDGET

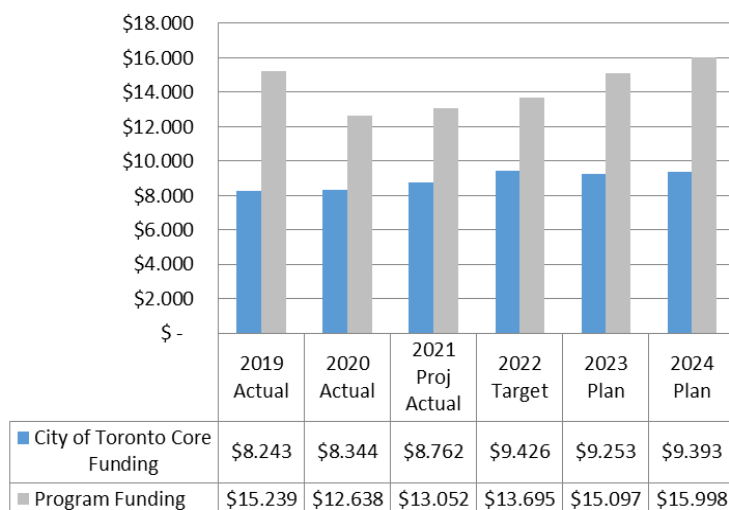
\$Million	2022	2023	2024
Revenues	\$0.139	\$0.139	\$0.179
Gross Expenditures	\$9.565	\$9.393	\$9.572
Net Expenditures	\$9.426	\$9.253	\$9.393
Approved Positions	87.0	86.0	86.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

Association of Community Centres has  
no capital budget.

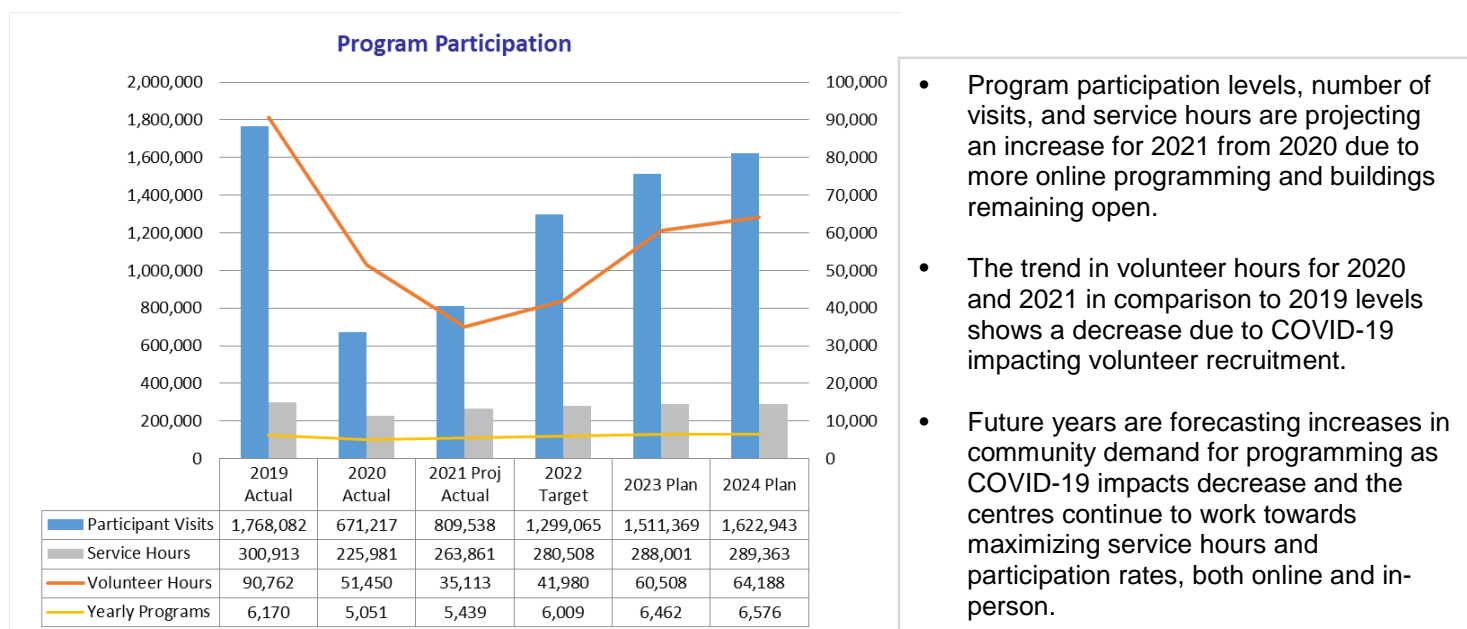
## How Well We Are Doing – Behind the Numbers

Leveraging City Funding (\$000s)



- The non-core funding leveraged by the AOCCs showed a decrease from 2019 to 2020 as a result of COVID-19 shutdowns. The projected increase from 2020 to 2021 is \$0.414 million as a result of adapting some programs and other services to online, in addition to buildings remaining open for the majority of 2021 with COVID-19 protocols in place.
- The AOCCs are continuing to project an increase in program funding levels in 2022 and future years as the COVID-19 pandemic alleviates and they continue to explore opportunities through additional grants, individual and corporate giving, and fundraising activities.





## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- The 2022 COVID-19 impact is anticipated to be similar to 2021 experience:
  - Revenue loss of \$0.180 million at Swansea Town Hall as a result of lower room rentals

#### Service Level Changes

- The Association of Community Centres anticipate their facilities to remain open for the entirety of 2022 however it is difficult to predict the impact of COVID-19 on service levels. While AOCC's service levels have been gradually increasing with online programming and buildings remain open for in-person programming, uptake in room rentals continues to be slow. Further resurgences of the virus could result in building shutdowns, stricter capacity limits or cancellations of in-person programming.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- The 519 Church Street Community Centre launched and led the City's Vaccine Engagement Teams project in the Downtown East to increase residents' confidence in vaccines and addressing barriers to acceptance and uptake of COVID-19 vaccines.
- Despite the many challenges of 2021, Cecil Community Centre engaged vulnerable neighbours through their outreach to homeless and under-housed individuals and families providing a safe space, respite, and food and water. In partnership with Christie Ossington Neighbourhood Centre, through the 3-month Breaking Barriers Project, they successfully housed 8 individuals, and made 434 contacts with 27 people supported to become housing ready.
- In 2021, Scadding Court Community Centre continued to focus on COVID-19 emergency response efforts by providing essential community supports during the pandemic. They raised over \$350,000 towards initiatives including the Downtown West Emergency Food Delivery Program, a collaboration between four organizations led by Scadding Court Community Centre that offers fresh food hamper delivery (weekly) for food insecure households who are COVID-positive, self-isolating and/or immunocompromised to ensure that they are able to self-isolate properly.
- Eastview Neighbourhood Community Centre smoothly transitioned to virtual and remote programming for community members and was also able to respond to a 20% increased demand on their food security and meal programs brought on by COVID-19 and financial distress. Upon re-opening, once again Eastview was able to adapt seamlessly and provide extensive in-person/social distanced programming for their children, youth, seniors and newcomers in the community.
- Waterfront Neighbourhood Centre has been able to maintain their programs and services during the pandemic. The centre has provided ongoing support to community residents impacted by the pandemic, especially those affected by food scarcity. In collaboration with Ontario Health Teams and the University Health Network, Waterfront Neighbourhood Centre has hosted 2 vaccination clinics. Approximately 1100 people received the COVID-19 vaccine. Through this partnership, Waterfront Neighbourhood Centre is preparing plans to hold smaller vaccination clinics and host mobile vaccination clinics throughout the waterfront community.
- Community Centre 55 helped over 1000 families celebrate Christmas by delivering food for their dinner and toys for their children in safe manner during the COVID-19 crisis. Community Centre 55 has been able to aid with childcare needs for over 400 families, and continues to support the community as needed.

### Key Challenges and Risks

- Maintaining adequate, stable core City funding to the Community Centres to ensure the Centres remain open and continue to provide programs and services which are accessible and responsive to local communities.
- Addressing the needs of more disadvantaged residents and responding to the requests of new residents to keep pace with changing community demographics.

### Priority Actions

- Adequate funding is included in the 2022 Operating Budget for inflationary cost increases to maintain services at the 2021 approved levels.
- The Centres will continue to explore opportunities for third party program funding for new initiatives that reflect local community needs and requests.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New /Enhance	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Swansea Town Hall	91.6	140.0	70.0	100.0		100.0	30.0	42.9%
Ralph Thornton Community Centre	39.4	39.4	39.4	39.4		39.4		
<b>Total Revenues</b>	<b>131.0</b>	<b>179.4</b>	<b>109.4</b>	<b>139.4</b>		<b>139.4</b>	<b>30.0</b>	<b>27.4%</b>
<b>Expenditures</b>								
Community Centre 55	747.7	798.2	798.2	799.5		799.5	1.3	0.2%
Waterfront Neighbourhood Centre	1,460.4	1,500.2	1,500.2	1,512.1		1,512.1	11.9	0.8%
Swansea Town Hall	314.1	597.9	422.9	700.2		700.2	277.4	65.6%
Eastview Neighbourhood Community Centre	636.9	645.4	645.4	661.7		661.7	16.3	2.5%
Applegrove Community Complex	534.0	570.5	570.5	584.3		584.3	13.8	2.4%
519 Church Street Community Centre	1,573.0	1,630.5	1,630.5	1,652.9	250.0	1,902.9	272.3	16.7%
Cecil Community Centre	728.6	738.9	764.5	797.1		797.1	32.6	4.3%
Ralph Thornton Community Centre	791.2	881.4	800.4	841.1		841.1	40.7	5.1%
Scadding Court Community Centre	988.3	987.2	986.0	981.0		981.0	(5.1)	(0.5%)
Central Eglinton Community Centre	700.6	755.0	752.9	785.2		785.2	32.3	4.3%
<b>Total Gross Expenditures</b>	<b>8,474.8</b>	<b>9,105.3</b>	<b>8,871.6</b>	<b>9,315.1</b>	<b>250.0</b>	<b>9,565.1</b>	<b>693.5</b>	<b>7.8%</b>
<b>Net Expenditures</b>	<b>8,343.8</b>	<b>8,925.9</b>	<b>8,762.2</b>	<b>9,175.7</b>	<b>250.0</b>	<b>9,425.7</b>	<b>249.9</b>	<b>2.9%</b>
<b>Approved Positions**</b>	<b>81.0</b>	<b>86.4</b>	<b>86.4</b>	<b>86.0</b>	<b>1.0</b>	<b>87.0</b>	<b>0.7</b>	<b>0.8%</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$9.315 million gross reflects an increase of \$0.444 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Known salary & benefit increases.
- Inflationary increases for non-payroll expenditures including utilities and contracted services.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council Approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$8.996 million in net expenditures reflects a \$0.210 million net increase from the 2021 Council Approved Budget, when excluding \$0.180 million in estimated COVID-19 financial impacts.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$0.250 million gross, \$0.250 million net enabling:

- A one-time increase of \$0.250 million gross and net, and 1 FTE to support The 519 Church Street Community Centre in the animation and coordination of community activities and programs in Barbara Hall Park to enhance community safety, improve neighbourhood relations and plans for Green Space.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Association of Community Centre's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for the Association of Community Centres is \$0.694 million gross or 7.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	371.0	131.0	179.4	109.4	139.4	30.0	27.4%
<b>Total Revenues</b>	<b>371.0</b>	<b>131.0</b>	<b>179.4</b>	<b>109.4</b>	<b>139.4</b>	<b>30.0</b>	<b>27.4%</b>
Salaries and Benefits	7,419.4	7,140.1	7,710.0	7,513.4	7,990.3	476.8	6.3%
Materials & Supplies	499.4	509.7	528.8	484.9	545.3	60.4	12.5%
Equipment	4.8	7.5	8.0	16.4	9.0	(7.4)	(45.2%)
Service and Rent	674.8	799.7	857.0	855.3	1,019.1	163.7	19.1%
Contribution To Reserves/Reserve Funds	15.6	16.3					
Other Expenditures	0.2	1.5	1.5	1.5	1.5		
<b>Total Gross Expenditures</b>	<b>8,614.1</b>	<b>8,474.8</b>	<b>9,105.3</b>	<b>8,871.6</b>	<b>9,565.1</b>	<b>693.5</b>	<b>7.8%</b>
<b>Net Expenditures</b>	<b>8,243.1</b>	<b>8,343.8</b>	<b>8,925.9</b>	<b>8,762.2</b>	<b>9,425.7</b>	<b>663.5</b>	<b>7.6%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Adjusted for full complement and known increases in salaries and benefits.

**Materials and Supplies:**

Adjusted for realignment to anticipated expenditures.

**Services and Rents:**

Inflationary increases in utilities and contracts.

**Contributions to Capital:**

Adjusted for realignment to anticipated expenditures

**Revenue Changes:**

Adjusted for loss in revenues due to COVID-19 impacts resulting in lower room rentals.

Table 2b: 2022 New / Enhanced

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions					
In \$ Thousands									
1 Barbara Hall Park Animation		250.0	250.0	1.0		Medium-Positive	No	No	To support The 519 Community Centre in the animation and coordination of community activities and programs in Barbara Hall Park to enhance community safety, improve neighbourhood relations and plans for Green Space.
Total New / Enhanced		250.0	250.0	1.0					

The 2022 Operating Budget includes \$0.250 million in investments to support priority actions as detailed in the table above.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	109.4	139.4	139.4	179.4
Gross Expenditures	8,871.6	9,565.1	9,392.9	9,572.5
<b>Net Expenditures</b>	<b>8,762.2</b>	<b>9,425.7</b>	<b>9,253.5</b>	<b>9,393.1</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>87.0</b>	<b>86.0</b>	<b>86.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$9.393 million reflects an anticipated \$0.172 million or 1.80 per cent decrease in gross expenditures from the 2022 Operating Budget. The 2024 Outlook expects an increase of \$0.180 million or 0.191 per cent above 2023 gross expenditures.

These changes arise from the following:

- **Salaries and Benefits**  
Decrease in salaries and benefits with the removal of the temporary enhanced services at The 519 Church Street Community Centre. **(2023)**  
Increase in salaries and benefits reflective of collective agreement obligations. **(2023 & 2024)**
- **Inflationary Impact**  
Decrease in materials & supplies and contracted services with the removal of the temporary enhanced services at The 519 Church Street Community Centre. **(2023)**  
Increases in utilities, office maintenance, supplies and contracted services due to inflation. **(2023 & 2024)**

Facility rental fee revenue increases are calculated using projected market rate assumptions.

# 2022 Program Summary

## CreateTO

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### Description

As the City of Toronto's real estate agency, CreateTO manages the City's real estate portfolio, develops City buildings and lands for municipal purposes and delivers client-focused real estate solutions to City divisions, agencies and corporations.

Toronto has more than 8,400 properties within its real estate portfolio. CreateTO, working together with the City's Corporate Real Estate Management (CREM) division, is continually looking for new and better ways to use those assets and deliver value to the City (e.g. through the delivery of City-building initiatives such as affordable housing, transit-oriented developments, new parks, and supporting City service delivery.)

### Why We Do It

As part of the centralized City-wide real estate model, the agency is a steward of the City's real estate assets. **The agency leverages its real estate expertise to lead a City-wide real estate strategy, identify opportunities to modernize and harmonize operations, drive service delivery for programs, and maximize real estate value in the pursuit of social, economic, environmental, and program benefits.**

The new model, enabled by the establishment of CreateTO and the Corporate Real Estate Management (CREM) division, has already led to substantial value delivered back to the City through better, and more efficient unlocking and stewardship of value directly on behalf of the City and its programs—all consistent with the City-wide real estate portfolio strategy outlined by Council in 2019 aiming to make better use of City-owned assets.

*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

### **Service 1: Real Estate Advisory Services**

**Who We Serve:** City Council, City Divisions, Agencies and Corporations and local community members

**What We Deliver:** Develop and recommend strategies and plans for the City's real estate portfolio, including specific asset classes and properties

**How Much Resources (gross 2022 operating budget): \$3.40M**

### **Service 2: Real Estate Project Delivery**

**Who We Serve:** City Council, City Divisions, Agencies and Corporations, local community members, real estate and land developers and corporations and businesses

**What We Deliver:** Develop, facilitate development and/or provide strategic advice to City divisions, agencies & corporations concerning the development of City lands

**How Much Resources (gross 2022 operating budget): \$8.90M**

### **Service 3: Port Land's Asset Management**

**Who We Serve:** City Council, City Divisions, Agencies and Corporations, local community members, real estate and land developers and corporations and businesses

**What We Deliver:** Manage lands, leases, other interests in lands, and other assets owned by the Toronto Port Lands Company

**How Much Resources (gross 2022 operating budget): \$4.03M**

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Millions</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$16.3	\$16.5	\$16.8
Gross Expenditures	\$16.3	\$16.5	\$16.8
Net Expenditures	\$0.0	\$0.0	\$0.0
Approved Positions	77.0	77.0	77.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Millions</u>	<u>2022</u>	<u>2023-2031 Total</u>
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CreateTO has no capital budget.



## How Well We Are Doing

CreateTO continues to focus on delivering key City initiatives. Since the agency's inception, CreateTO, working with CREM, has returned significant value to the City as demonstrated in the charts below.

Table 1: Cumulative value generated

Outcome	Identified to date (2018-21)
Land value unlocked	\$1.5 billion <sup>(1)</sup>
Operating cost savings	\$26 million/year <sup>(2)</sup>
Capital cost savings	\$4.5 million/year <sup>(3)</sup>

[1] Unlocked land value identified through portfolio level work, including Housing Now Program, and ModernTO - Workplace Modernization Program

[2] Operating cost savings identified in the ModernTO - Workplace Modernization Program

[3] Capital cost savings identified in the ModernTO - Workplace Modernization Program

The Model's financial return-on-investment is one important measure. Another important measure is the value in terms of direct benefits to City programs, which represents CreateTO's primary mandate of delivering city-building outcomes.

To date, the outcomes projected from identified opportunities are as follows:

Table 2: Opportunities identified to date

Identified Opportunity	Projected Outcome
Affordable Housing	5,600 units <sup>(1)</sup>
Total Housing	14,879 units <sup>(1)</sup>
Office space reduction/savings	1,000,000 square feet
New community space	250,000 square feet
New park lands	170,000 square feet
Greenhouse gas reductions	6,985 tonnes CO <sub>2</sub> equivalent annually (emissions reductions over baseline)
Employment impact	19,180 direct FTE jobs 11,560 indirect FTE jobs

(1) Housing Now Phases 1, 2 & 3

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- There is no significant COVID-19 financial impact on CreateTO's 2022 Operating Budget.

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**Service Level Changes**

- Staff have adapted to the new working environment and continue to advance key City initiatives such as Housing Now and ModernTO. However; due to the nature of remote work and the fact that CreateTO is a highly collaborative project management driven organization, the efficiency of the agency has been impacted resulting in significant overtime to achieve desired outcomes. Management will continue to monitor the workload through 2022 to ensure City objectives are achieved.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- **Housing Now:** Along with our City partners, CreateTO has identified 21 sites, which are anticipated to deliver 14,879 new homes across the city, including 11,537 rental homes, of which approximately 5,600 will be affordable rental homes (through phase 1, 2 and 3 developments).
- **ModernTO:** Advanced the City's office optimization strategy, with the goal of re-purposing and re-developing underutilized City real estate assets to address City needs and city-building objectives, such as affordable housing, employment uses and community infrastructure.
- **City Building:** Advanced projects such as the Etobicoke Civic Centre, the redevelopment of 260 Adelaide/229 Richmond, and the Parkdale Hub.
- **Port Lands Development:** Actively managed its portfolio across the Port Lands, supported the ongoing flood protection work by Waterfront Toronto while focusing on revenue growth and supporting the further development of the Port as one of the most important film studio and media hubs in the country.

### Key Challenges and Risks

- **Financial Sustainability:** Identify a sustainable financial model to support CreateTO's mandate.
- **Data Management Access:** Develop and consolidate real estate data to yield meaningful insights for improved asset management and decision making.

### Priority Actions

- **Deliver Affordable Housing:** Work with our City partners to create and advance solutions that meet the vital housing needs of Torontonians. In particular, CreateTO will continue to execute the Housing Now and Modular Housing mandates by moving sites through the due diligence process, the marketing process as applicable, and by continuing to identify additional sites to support these key initiatives.
- **Advance the City-wide Portfolio Strategy and associated asset strategies:** Advance the Office Optimization strategy (ModernTO), and portfolio strategies for the City-wide parking portfolio and industrial portfolio.
- **Facilitate City Building:** Leverage the City's real estate portfolio to create new and better opportunities for the benefit of the City and its residents. In particular, CreateTO will continue to advance projects such as the Etobicoke Civic Centre & 260 Adelaide/229 Richmond.
- **Support Port Lands Development:** Advance the long-term vision for a sustainable new community in the heart of Toronto, by acting as a responsible steward of City assets in the Port Lands, supporting the ongoing flood protection work by Waterfront Toronto and supporting the further development of the film industry within the Port Lands.
- **Advancing Environment sustainability:** Meet TransformTO's requirements for City buildings and achieve near zero carbon production where feasible.
- **Identifying new revenue opportunities:** Work with City partners to identify new revenue sources to establish a sustainable funding solution for the agency.
- **Advancing Equity and Inclusion:** Work with City partners to identify opportunities to ensure all Torontonians in all parts of the City are able to benefit from City real estate development activity.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
CreateTO	14,018.5	14,598.8	14,343.2	16,330.9		16,330.9	1,987.7	13.9%
<b>Total Revenues</b>	<b>14,018.5</b>	<b>14,598.8</b>	<b>14,343.2</b>	<b>16,330.9</b>		<b>16,330.9</b>	<b>1,987.7</b>	<b>13.9%</b>
<b>Expenditures</b>								
CreateTO	14,018.5	14,598.8	14,343.2	16,330.9		16,330.9	1,987.7	13.9%
<b>Total Gross Expenditures</b>	<b>14,018.5</b>	<b>14,598.8</b>	<b>14,343.2</b>	<b>16,330.9</b>		<b>16,330.9</b>	<b>1,987.7</b>	<b>13.9%</b>
<b>Net Expenditures</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>
<b>Approved Positions**</b>	<b>69.0</b>	<b>69.0</b>	<b>69.0</b>	<b>77.0</b>		<b>77.0</b>	<b>8.0</b>	<b>11.6%</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$16.331 million gross reflecting an increase of \$1.988 million in spending above 2021 projected year-end actuals predominantly arising from:

- Increase due to new staffing requests and the full year impact of 2021 Human Resources (HR) decisions and higher professional fees and project investigative costs

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in CreateTO's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for CreateTO of \$16.331 million gross is 13.9% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Service fee from Corporations	12,053.8	12,300.1	10,714.6	10,459.1	10,845.3	386.2	3.7%
Project management fees	463.3	1,467.6	3,290.4	3,290.4	4,891.9	1,601.5	48.7%
Other revenue		250.8	593.8	593.7	593.7		
<b>Total Revenues</b>	<b>12,517.1</b>	<b>14,018.5</b>	<b>14,598.8</b>	<b>14,343.2</b>	<b>16,330.9</b>	<b>1,987.7</b>	<b>13.9%</b>
Salaries and Benefits	10,285.4	11,566.4	12,000.3	11,768.5	13,961.4	2,192.9	18.6%
Office Occupancy	683.1	862.2	518.3	565.0		(565.0)	(100.0%)
Office Services	737.6	1,016.8	1,079.3	1,096.3	917.3	(179.0)	(16.3%)
Other Expenditures	811.1	573.1	1,000.9	913.4	1,452.2	538.8	59.0%
<b>Total Gross Expenditures</b>	<b>12,517.1</b>	<b>14,018.5</b>	<b>14,598.8</b>	<b>14,343.2</b>	<b>16,330.9</b>	<b>1,987.7</b>	<b>13.9%</b>
<b>Net Expenditures</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:**

**Salaries & Benefits:** The increase is due to staffing requests and the full year impact of 2021 HR decisions.

**Office Occupancy:** The decrease is due to savings as a result of moving to a City owned facility on July 1, 2021.

**Office Services:** The decrease is due to onetime software implementation and office move related costs in 2021.

**Other Expenditure:** The increase is due to higher professional fees related to HR and strategic initiatives and higher project investigative costs

**Offsets and Efficiencies:**

Savings in office occupancy costs due to move to a City owned facility effective July 1, 2021.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	14,343.2	16,330.9	16,544.4	16,832.4
Gross Expenditures	14,343.2	16,330.9	16,544.4	16,832.4
<b>Net Expenditures</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Approved Positions</b>	<b>69.0</b>	<b>77.0</b>	<b>77.0</b>	<b>77.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$16.544 million reflects an anticipated \$0.214 million or 1.31 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$0.288 million or 1.74 per cent above 2023 gross expenditures.

These changes arise from the following:

- General inflationary impacts in salaries, benefits and other general and administrative costs

# 2022 Program Summary

## Exhibition Place

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Exhibition Place represents a true "Gathering Place" for residents of both the City and Province, as well as national and international visitors to the region. Over its history, Exhibition Place has evolved to serve as a central location for public celebrations, festival, and events. Exhibition Place is a key economic generator for the City of Toronto and is Canada's largest and best entertainment and sports venue on 192 acres; containing beautiful parkland and both modern and heritage facilities. Situated next to Lake Ontario, Exhibition Place is easily accessible to downtown Toronto, to the Greater Toronto Area (GTA) and to major roadways and transit. Exhibition Place is the annual host to approximately 5.5 million visitors, more than 300 events including some of the top consumer exhibitions in Canada such as the Toronto International Boat Show, the National Home Show, the Canadian National Exhibition and the Royal Agricultural Winter Fair.

### Why We Do It

To maintain and elevate the image of the public asset, parklands and heritage buildings, maintain long-term operational financial stability, and promote internal and external customer service excellence, optimize profits and generating economic impact to the City of Toronto and GTA. Also to elevate Exhibition Place as a global leader for exhibitions, conventions & events by creating excellent and sustainable experiences for our customers

*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



### Exhibition and Events

**Who We Serve:** Event Participants (national and international); Local Businesses and Residents; Leased tenants

**What We Deliver:** Provide exhibit halls and service for shows and outdoor space for public celebrations and events

**How Much Resources (gross 2022 operating budget):** \$32.996 Million



### Conventions, Conferences & Meetings

**Who We Serve:** Event Participants (national and international); Local Businesses and Residents; Leased tenants

**What We Deliver:** Provide new meeting rooms, exhibit space, and a Class A ballroom

**How Much Resources (gross 2022 operating budget):** \$5.128 Million



### Exhibition Place Parking Access

**Who We Serve:** Event Participants (national and international); Local Businesses and Residents; Leased tenants

**What We Deliver:** Provide convenient access to public parking for Exhibition Place events, BMO field sporting events, and general public use.

**How Much Resources (gross 2022 operating budget):** \$2.834 Million



### Exhibition Place Asset Management

**Who We Serve:** Exhibition Place; City of Toronto

**What We Deliver:** Provide maintenance and construction services to Exhibition Place facilities, structures, parkland and roadways.

**How Much Resources (gross 2022 operating budget):** \$18.926 Million

## Budget at a Glance

### 2021 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$56.584	\$65.360	\$66.666
Gross Expenditures	\$59.884	\$64.460	\$65.766
Net Expenditures	\$3.300	\$(0.900)	\$(0.900)
Approved Positions	346.0	357.0	357.0

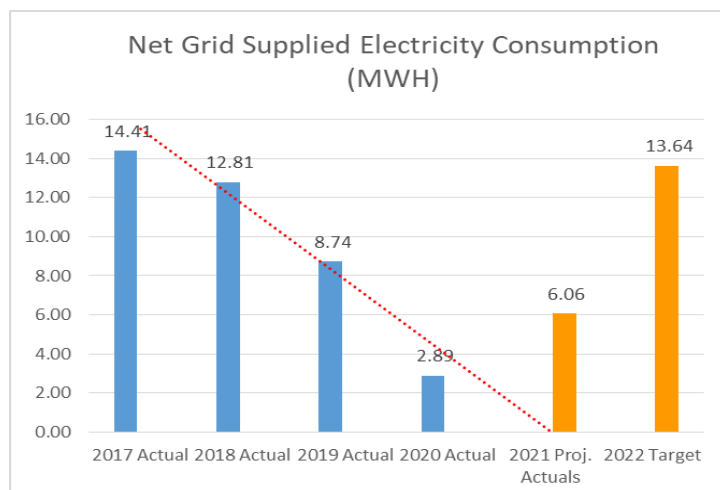
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$21.155	\$144.126	\$165.281
Debt	\$16.605	\$139.803	\$156.408

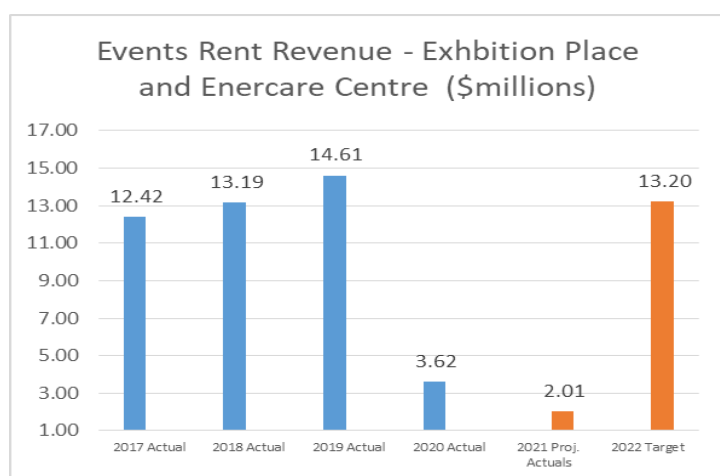
Note: Includes 2021 carry forward funding



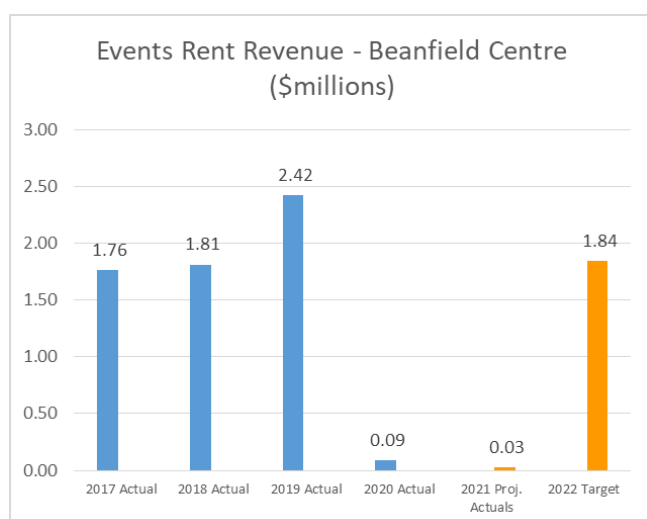
## How Well We Are Doing – Behind the Numbers



- Exhibition Place sets an annual goal to aim for Electricity Net Grid Consumption; Management set a target to reduce kWh consumption by 1% a year from the base year of 2016. 2022 target is set at 1% reduction from the previous year target.
- 2020 actual Net Grid Supplied Electricity Consumption is reduced significantly primarily due to the electricity production from the District Energy System (DES), new high efficiency chiller, and the new GREEN Smart lighting policy.
- 2021 projected actual Net Grid Supplied Electricity Consumption is higher than 2020 because the DES was under maintenance during the 1st half of the year.



- Enercare Centre (ECC) is the largest trade and consumer show facility in Canada and the sixth largest in North America with over 1.1 million square feet of contiguous space. In addition, Exhibition Place has a 192-acre site that allows for public celebrations and events, such as the Honda Indy Toronto, Toronto Caribbean Festival, the Canadian National Exhibition and the Royal Agricultural Winter Fair.
- On annual basis, Exhibitions and Events service is hosting over 150 events and has a direct annual economic impact of more than \$400 million to Toronto. Actual experience suggests that the Enercare Centre and Exhibition Place continue to grow its occupancy rates and number of events hosted
- 2022 target estimates are based on event booking at the ECC. 2019 actual rent is higher because contribution from one-time large events such as The Jehovah's Witnesses Conference, TD SMG Meeting, 16U 17U 18U Boys Volleyball National Championships, and Collision Conference.



- Beanfield Centre reopened in October 2009 after \$50.0 million of renovations to the historic Automotive Building. It provides new meeting rooms, exhibit space, and a Class A ballroom. The new facility complements the event activities at the Enercare Centre, by attracting more international conferences, consumer and trade shows, and festivals to the City of Toronto.
- 2019 actual rent is higher because of contribution from one time large events such as Gartner Canada Symposium, Think 2019 Conference, Payments Canada Summit and Shopify Unite Conference.
- 2022 target estimates are based on event booking at the Beanfield Centre. Beanfield Centre's 2022 event rent target estimates are based on financial proforma information and assuming events booking is normalized in 2022.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
Exhibition and Events	% compliance with negotiated terms	100%	100%	100%	100%	●	100%	100%
	\$X food & beverage sales per attendee	\$5.37	\$6.54	\$5.42	\$3.26	●	\$5.49	\$5.49
	\$X of Service Revenue per \$1 of Rent Revenue	\$0.75	\$0.48	\$1.05	\$0.66	●	\$0.63	\$0.63
	\$X per square foot of long-term tenant space supported	\$9.84	\$5.39	\$6.45	\$5.05	●	\$8.12	\$10.25
Conventions, Conferences & Meetings	% compliance with negotiated terms	100%	100%	100%	100%	●	100%	100%
	\$x food and beverage sales per attendee	\$140.06	\$123.92	\$93.82	\$46.91	●	\$89.52	\$89.52
	\$X of Service Revenue per \$1 of Rent Revenue	\$0.27	\$0.41	\$0.30	\$0.17	●	\$0.19	\$0.19
Exhibition Place Parking Access	Variable labour cost ratio of x% of revenue	9%	10.11%	8.75%	10.13%	●	8.78%	8.78%
	x% of parking spaces available and accessible for all major events	100%	100%	100%	100%	●	100%	100%
Exhibition Place Asset Management	Waste Diversion %	70%	42%	70%	27%	●	70%	70%

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact:

- Exhibition Place have worked closely with industry insiders, followed industry and trade magazines, as well watched closely the re-opening of the trade, consumer show and conference centre business in the USA, and the continuing impact of COVID-19.
- The main assumption used in preparing the 2022 Operating Budget, is that although there will be volatility and additional costs due to health and safety precautions, our event booking will be back to normal, although there will be anticipated lower attendance impacting ancillary revenue.
- COVID-19 is projected to impact Exhibition Place operations in 2022 by \$7.511 million net:
  - \$7.361 million in net revenue losses and cost recoveries from tenants are projected as social distancing and capacity restrictions are expected to continue in 2022 for public safety. Tenants' events and CNE fair's service revenue will be at 75% of the normal volume.
  - \$0.150 million in expenditure increases from sanitization of facilities

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#### Service Level Changes

- Once operations are normalized Exhibition Place will review service levels for any ongoing requirements for operations and community needs and will make adjustments accordingly.
  - Attendance will be lower than pre-pandemic levels. The USA market illustrates that attendees will be apprehensive about going to a trade, consumer show or conferences with COVID-19. With attendance being lower there will be lower ancillary revenue such as parking and show services.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- In 2021 Enercare Centre was named to EXHIBITOR Magazine's Third Annual Centers of Excellence list, which honors North America's best convention centers for trade shows and corporate events. In addition, Enercare Centre has been named a finalist for the Best Convention Center (500,000–1 million sq. feet of exhibit space).
- In 2021 we celebrate the opening of the Pedestrian Sky Bridge linking the Beanfield Centre with Hotel X. This is an immense achievement for our organization, as it creates an entirely indoor experience within the two exhibition space for attendees.
- Exhibition Place is the first Canadian venue to receive the Global Biorisk Advisory Council (GBAC STAR™)
- Exhibition Place received the Safe Travels Stamp designation from the World Travel and Tourism Council (WTTC) and Tourism Industry Association of Ontario (TIAO).
- Exceeded financial and operating budget targets from 2007-2019 total by \$26.53 million.
- We are servicing approximately 1,800 vehicles passing by daily through the grounds, in addition, to approximately 500,000 vehicles parking on an annual basis and the bicyclists who use bicycle lanes from Dufferin Gate to Princes' Gate and connects to Martin Goodman Trail
- Exhibition Place is a Canadian leader in environmental sustainability for convention centre operations. Enercare Centre is awarded LEED® EB:O&M Platinum Certification (Existing Buildings: Operations and Maintenance)
- Beanfield Centre is awarded "LEED® Silver Certified" by the Canada Green Building Council.

### Key Challenges and Risks

- Value and embrace Diversity, Equity and Inclusion
- COVID-19 impacts to public health, safety and Exhibition Place operations
- Reduce environmental impact of our operation and business
- 2022 full book of business may impact the capacity to spend for the 2022 Capital Plan
- Construction of Hotel X phase 2 could impact operations at Exhibition Place
- High demand and shortage of labour resources from all trades in order to provide service to clients
- Growing access and congestion issues in Toronto and immediate areas.
- Dependence on entertainment/event revenues and impact of global economy on such revenues
- With limited funding resources continue to maintain and elevate the image of the public asset, parklands and heritage buildings, maintain current service delivery standards, maintain long-term operational financial stability, and promote internal and external customer service excellence, optimize profits and generating economic impact to the City of Toronto and GTA

### Priority Actions

- Focus on the brand identity of Exhibition Place
- Adopt to governments health and safety guidelines for reopening safely
- Assess revolving requirements of our customer include working closely with our business partners to meet these needs.
- Continue promoting environmental initiatives and energy conservation
- Allocate the capital funding to over 192 acres, with 22 buildings, including 9 buildings designated under the Ontario Heritage Act, and working around more than 300 shows and events schedules
- Capital Works – to achieve a spend rate of 90% of the 2022 Capital Budget. Significant projects include *Electrical Underground High Voltage Utilities* \$9.6 million and *Parks, Parking Lots and Roads* \$6 million
- Complete Duct Bank Relocation and Soil Remediation at Lot 852 to support the construction of *Hotel X Phase 2 Development*.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Exhibitions & Events	13,501.1	24,100.3	15,607.6	39,312.3		39,312.3	23,704.7	151.9%
Conventions, Conferences & Meetings	3,793.8	6,955.4	4,896.2	4,590.3		4,590.3	(305.9)	(6.2%)
Exhibition Place Asset Management	3,713.7	2,803.4	2,518.4	6,787.2		6,787.2	4,268.8	169.5%
Exhibition Place Parking Access	2,381.2	1,950.4	2,595.0	5,895.0		5,895.0	3,300.0	127.2%
<b>Total Revenues</b>	<b>23,389.8</b>	<b>35,809.4</b>	<b>25,617.2</b>	<b>56,584.8</b>		<b>56,584.8</b>	<b>30,967.5</b>	<b>120.9%</b>
<b>Expenditures</b>								
Exhibitions & Events	18,563.0	23,282.3	19,903.9	32,996.3		32,996.3	13,092.3	65.8%
Conventions, Conferences & Meetings	4,261.4	4,784.4	3,701.2	5,128.3		5,128.3	1,427.1	38.6%
Exhibition Place Asset Management	13,496.9	13,604.2	11,088.7	18,926.3		18,926.3	7,837.6	70.7%
Exhibition Place Parking Access	1,529.8	1,715.3	1,823.4	2,833.9		2,833.9	1,010.6	55.4%
<b>Total Gross Expenditures</b>	<b>37,851.1</b>	<b>43,386.2</b>	<b>36,517.2</b>	<b>59,884.8</b>		<b>59,884.8</b>	<b>23,367.5</b>	<b>64.0%</b>
<b>Net Expenditures</b>	<b>14,461.3</b>	<b>7,576.8</b>	<b>10,900.0</b>	<b>3,300.0</b>		<b>3,300.0</b>	<b>(7,500.0)</b>	<b>(69.7%)</b>
<b>Approved Positions**</b>	<b>357.0</b>	<b>254.0</b>	<b>N/A</b>	<b>346.0</b>		<b>346.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$59.884 million gross reflecting an increase of \$23.367 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salary and benefit increases include cost of living adjustments and staffing levels returning to pre-COVID-19 levels.
- Volume based and inflationary increases for service related costs as Exhibition Place projects to have a full event schedule for 2022.
- Event revenue and ancillary revenue tied to events are expected to substantially recover as events can safely resume in 2022 with capacity restrictions.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$3.300 million in net expenditures reflects a \$0.979 million net increase from the 2021 Council approved Budget, when excluding \$7.511 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Exhibition Place's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Exhibition Place is \$23.367 million gross or 64% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	47,816.0	15,899.4	23,845.7	17,591.2	37,304.8	19,713.6	112.1%
Contribution From Reserves/Reserve Funds	1,801.2	4,185.8	5,141.0	4,944.2	1,507.5	(3,436.7)	(69.5%)
Sundry and Other Revenues	13,268.4	3,304.6	6,822.7	3,081.8	17,772.5	14,690.7	476.7%
<b>Total Revenues</b>	<b>62,885.7</b>	<b>23,389.8</b>	<b>35,809.4</b>	<b>25,617.2</b>	<b>56,584.8</b>	<b>30,967.5</b>	<b>120.9%</b>
Salaries and Benefits	31,867.2	20,242.9	23,853.3	20,038.0	32,949.9	12,911.9	64.4%
Materials & Supplies	4,624.4	4,162.9	5,085.5	2,773.4	5,311.9	2,538.5	91.5%
Equipment	534.6	588.2	372.0	240.0	622.0	382.0	159.2%
Service and Rent	21,484.3	10,734.7	12,967.9	12,358.3	19,318.4	6,960.1	56.3%
Contribution To Reserves/Reserve Funds	2,130.9	2,122.4	1,107.5	1,107.5	1,682.5	575.0	51.9%
<b>Total Gross Expenditures</b>	<b>60,641.4</b>	<b>37,851.1</b>	<b>43,386.2</b>	<b>36,517.2</b>	<b>59,884.8</b>	<b>23,367.5</b>	<b>64.0%</b>
<b>Net Expenditures</b>	<b>(2,244.3)</b>	<b>14,461.3</b>	<b>7,576.8</b>	<b>10,900.0</b>	<b>3,300.0</b>	<b>(7,600.0)</b>	<b>(69.7%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

In addition to cost of living adjustments, the increase in Salaries and Benefits is driven by the expected need in staffing as Exhibition Place projects a full event list in 2022. Salary and Benefit expenditures are expected to return to pre-pandemic level as opposed to in 2021 when the Exhibition Place had a majority of its large events and exhibitions cancelled.

**Materials and Supplies:**

The increase in Materials and Supplies is driven by the projected increase in Exhibition Place facility usage from a full event list. Utility cost increases are due to inflation and additional direct utility costs to generate additional revenue from the District Energy System.

**Services and Rents:**

The increase in Service and Rent is driven by inflation as well as event volume as operations begin to normalize and these costs are greatly impacted by the needs of the exhibitors.

**User Fees & Sundry Revenues:**

The expected base increase in User Fees and Sundry Revenues reflects the Arenas being operational with capacity restrictions but no facility closures are expected.

**Contributions to Reserve Funds:**

The increase in contributions to reserve funds is due to a need to receive new equipment and fleet vehicles as these contributions were put on hold during the pandemic.

**User Fees and Sundry Revenue:**

The increase in User Fees and Sundry Revenues reflects Exhibition Place being able to host a full year of events and exhibitions with capacity restrictions expected. However, the projected revenue loss from event/exhibition booking revenues, and parking is expected due to COVID-19 pandemic for 2022.

## Offsets and Efficiencies:

The **2022 Operating Budget** for Exhibition Place is \$7.600 million or 70% lower than the 2021 Projected Actuals in net expenditures predominantly due to higher revenues expected in 2022. Exhibition Place will be able to mitigate the risk of loss business or increase in costs due to COVID-19 by reducing and where necessary delay all non-essential costs and discretionary expenditures such as travel, training, etc. and continue to monitor cash flow weekly.

## 2023 & 2024 OUTLOOKS

Table 3: 2023 and 2024 Outlooks

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	25,617.2	56,584.8	65,360.2	66,666.3
Gross Expenditures	36,517.2	59,884.8	64,460.2	65,766.3
<b>Net Expenditures</b>	<b>10,900.0</b>	<b>3,300.0</b>	<b>(900.0)</b>	<b>(900.0)</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>346.0</b>	<b>357.0</b>	<b>357.0</b>

## Key drivers

The 2023 Outlook with total gross expenditures of \$64.460 million reflects an anticipated \$4.575 million or 7.64% increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlooks expects a further increase of \$1.306 million or 2.03% above 2023 gross expenditures.

These changes arise from the following:

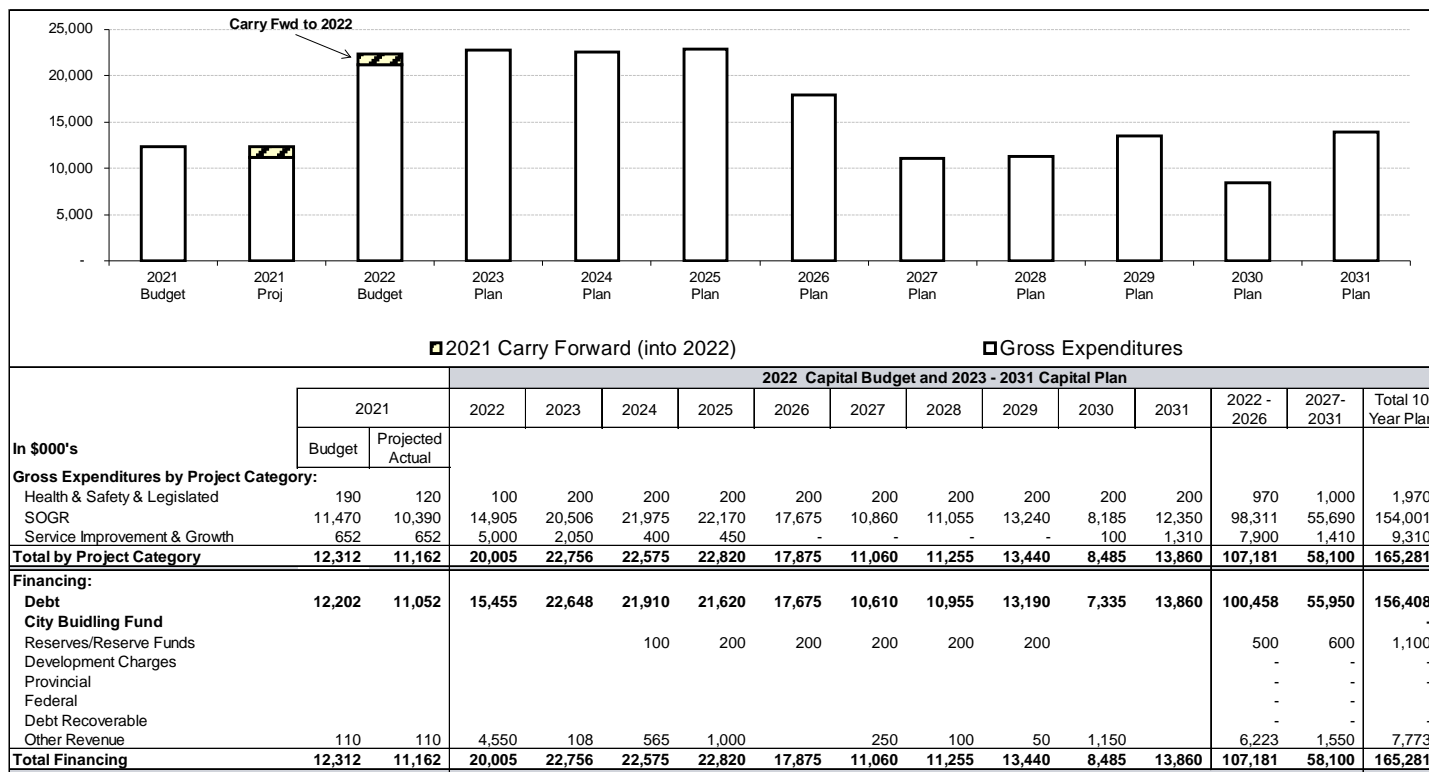
- Exhibition Place operating as normal by 2023 with no capacity restrictions or impacts from COVID-19.
- Increases in Gross Expenditures will also be driven by inflationary impacts to salaries & benefits, and volume based impacts to non-labour related expenditures. **(2023 and 2024)**
- Increases in Revenues are driven by market rate increases to exhibitions and event fees as well as volume based increases from operating at full capacity. It is anticipated that the operations will be back to normal and Exhibition Place will achieve a surplus in outlook years. **(2023 and 2024)**



## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



			2022 Capital Budget and 2023 - 2031 Capital Plan													2022 - 2026			2027- 2031	Total 10 Year Plan
			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031								
In \$000's		2021																		
Budget	Projected Actual																			
Gross Expenditures by Project Category:																				
Health & Safety & Legislated			190	120	100	200	200	200	200	200	200	200	200	970	1,000	1,970				
SOG			11,470	10,390	14,905	20,506	21,975	22,170	17,675	10,860	11,055	13,240	8,185	12,350	98,311	55,690	154,001			
Service Improvement & Growth			652	652	5,000	2,050	400	450	-	-	-	-	100	1,310	7,900	1,410	9,310			
Total by Project Category			12,312	11,162	20,005	22,756	22,575	22,820	17,875	11,060	11,255	13,440	8,485	13,860	107,181	58,100	165,281			
Financing:																				
Debt			12,202	11,052	15,455	22,648	21,910	21,620	17,675	10,610	10,955	13,190	7,335	13,860	100,458	55,950	156,408			
City Buidling Fund																				
Reserves/Reserve Funds			100										200	200	200	500	600	1,100		
Development Charges																				
Provincial																				
Federal																				
Debt Recoverable																				
Other Revenue			110	110	4,550	108	565	1,000	250	100	50	1,150	6,223	1,550	7,773					
Total Financing			12,312	11,162	20,005	22,756	22,575	22,820	17,875	11,060	11,255	13,440	8,485	13,860	107,181	58,100	165,281			

### Changes to Existing Projects

(\$16.905 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to the nine common years (2022-2030):

- \$18.169 million in decreases from projects being deferred to later years to accommodate priorities such as the *Hotel X Phase 2* development
- \$1.244 million in change in scope projects requiring additional funding due to cost escalations
- \$0.500 million in accelerations for the *Special Project-Greek God* relocation project

### New Projects

(\$30.225 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- *Electrical Underground High Voltage Utilities* (\$13.330 million) starting in 2022 from the bus duct relocation and consolidating substations.
- *Parks, Parking Lots and Roads* (\$8.800 million) to complete soil remediation, the New Brunswick way improvements and underground sewer relocation.
- *Enercare Centre* (3.880 million) to complete acoustic wall replacement upgrades.

### Capital Needs Constraints




(\$92.140 Million)

Exhibition Place has three unmet projects over the 10-year planning horizon:

- *Coliseum Complex – Industry Building Renovation* \$75.000 million.
- *Parks, Parking Lots, Roads – Festival Plaza Development* \$10.000 million
- *Electrical Underground High Voltage Utilities* \$7.140 million



**2022 – 2031 CAPITAL BUDGET AND PLAN****\$165.3 Million 10-Year Gross Capital Program**

		
<b>Aging Infrastructure/SOGR</b>	<b>Health and Safety</b>	<b>Service Improvements</b>
<b>\$154.0 M</b> <b>93%</b>	<b>\$1.9 M</b> <b>1%</b>	<b>\$9.3 M</b> <b>6%</b>
<ul style="list-style-type: none"> <li>• Enercare Centre <input checked="" type="checkbox"/></li> <li>• Parks, Parking Lots and Roads <input checked="" type="checkbox"/></li> <li>• Coliseum Complex <input checked="" type="checkbox"/></li> <li>• Electrical Underground High Voltage Utilities</li> <li>• Beanfield Centre</li> <li>• Food Building</li> </ul>	<ul style="list-style-type: none"> <li>• Other Buildings - various buildings &amp; grounds wide security surveillance system</li> </ul>	<ul style="list-style-type: none"> <li>• Contaminated soil remediation at Lot 852</li> <li>• Festival Plaza Development</li> <li>• New Brunswick Way improvement/road widening</li> </ul>

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☒ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

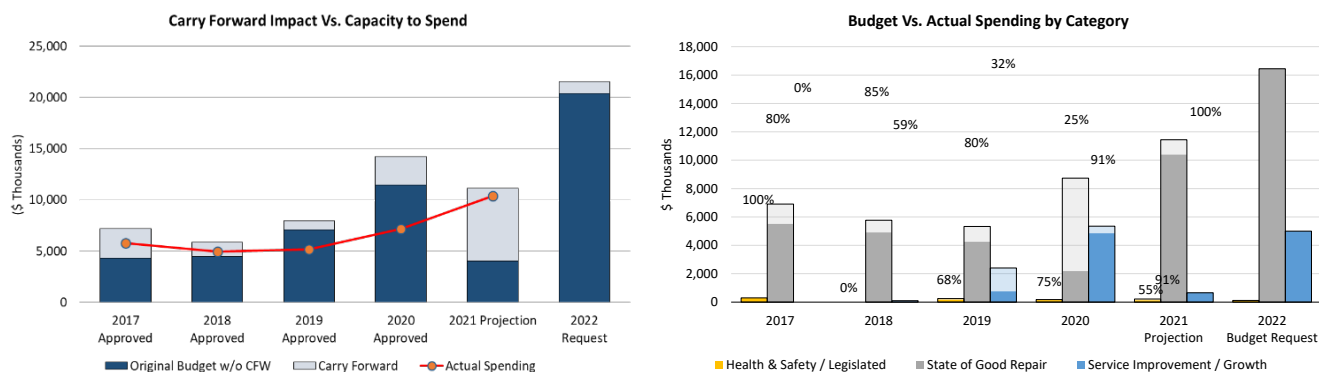
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$165.3 M</b> <b>100%</b>		<b>\$0 M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Debt	\$ 156.4 M		
Reserve / Reserve Fund	\$ 1.1 M		
Other	\$ 7.8 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Exhibition Place's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

For 2021, the projected spending is \$11.162 million or 93% of the 2021 Council Approved Capital Budget of \$12.232 million. This spending is in line with Exhibition Place's management goals of achieving a 90% spend rate each year.

The 2022 Capital Budget of \$21.554 million includes carry forward funding of \$1.150 million in capital spending from 2021, all funded by debt.

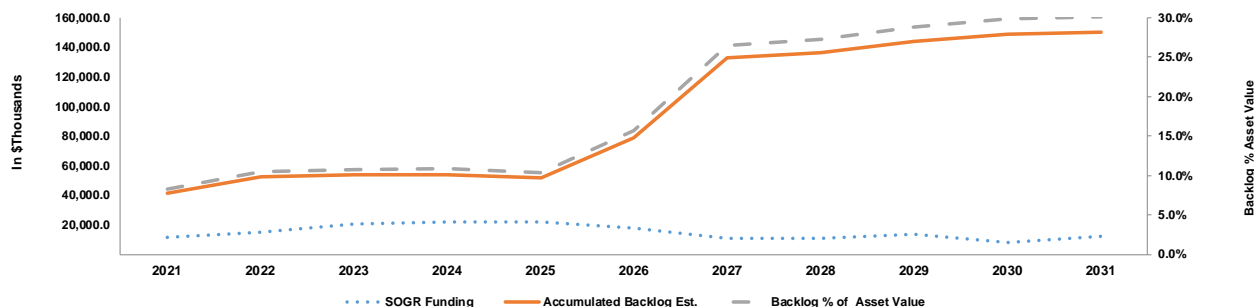
After Exhibition Place reviewed its priority project list, historical capital spending trends and capacity to deliver projects, approximately \$4.998 million in projects have been deferred to future years and \$10.000 million in projects (*Festival Plaza Development*) have been placed below the line. This has helped to reduce pressures from increased project costs due to inflationary increases and better reflects what Exhibition Place projects can be spent.

Due to the capital work required for the Hotel X Phase 2 expansion, a number of capital projects originally cash flowed in 2022 have been deferred to later years. Key adjustments to the 10-Year Capital Plan are noted below:

- Roof replacement projects at the Coliseum Complex and Mid-Arch (\$1.000 million)
- Queen Elizabeth Theatre (\$0.750 million)
- Cooling Tower Retrofit at the Enercare Centre (\$0.725 million)
- Elevator retrofit at the Enercare Centre (\$0.550 million)
- Lighting retrofit at the Enercare Centre (\$0.500 million)

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Exhibition Place: heritage buildings, 192 acre grounds, convention and conference centres.

**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	11,440.9	14,905.0	20,506.0	21,975.0	22,170.0	17,675.0	10,860.0	11,055.0	13,240.0	8,185.0	12,350.0
Accumulated Backlog Est.	41,266.0	52,716.0	53,945.0	54,105.0	52,070.0	78,675.0	132,605.0	136,420.0	144,075.0	149,175.0	150,515.0
Backlog % of Asset Value	8.2%	10.5%	10.8%	10.8%	10.4%	15.7%	26.5%	27.3%	28.8%	29.8%	30.1%
Total Asset Value	500,231.0	500,231.0	500,231.0	500,231.0	500,231.0	500,231.0	500,231.0	500,231.0	500,231.0	500,231.0	500,231.0

- The 10-Year Capital Plan will fund \$154.001 million of SOGR projects with Exhibition Place over the 10-year period, providing an average \$15.400 million annually. This funding will continue ongoing state of good repair projects for Exhibition Place buildings, parks, roads and parking lots.
- Even with the additional funding being recommended, the accumulated backlog at the end of 2022 for Exhibition Place stands at \$52.716 million to an anticipated \$150.515 million by 2031, while the backlog remains at approximately 30% of asset value.
- Over the 10-year capital plan the SOGR backlog increases by \$109.249 million. The projects contributing to the \$150.515 million backlog are the *Coliseum Complex* (\$74.5 million), *Enercare Centre* (\$9.8 million) *Electrical Underground High Voltage Utilities* (\$7.140 million), *Parks, Parking Lots, Roads* (5.8 million), the *Queen Elizabeth Building* (\$5.4 million), the *Horse Palace* (\$4.9 million), the *Better Living Centre* (\$4.5 million), and the *General Services Building* (\$3.1 million).
- Exhibition Place's Capital Needs Constraints includes the SOGR projects to help reduce the backlog that totals \$81.640 million. These projects cannot be accommodated within the City's affordability and Exhibition Place's capacity to spend and therefore not included in the 2022-2031 Capital Budget and Plan.

# 2022 Program Summary

## Heritage Toronto

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Heritage Toronto builds a better city by bringing people together to explore Toronto's shared past and peoples' lived experiences. It delivers 80+ public programs annually including: walking, bus and cycling tours; heritage plaques, digital programs and exhibitions the Heritage Toronto Awards, and the Emerging Historian program.

### Why We Do It

Heritage is a positive force for social inclusion, economic development and sustainability. Toronto's heritage programs connect people and neighbourhoods and build a compassionate city which honours its diverse stories to ensure that each resident feels reflected, and has a voice, in its future.

### What Service We Provide

#### **Heritage Promotion and Education**

**Who We Serve:** City Council, Residents and Tourists, Community Organizations, Students and Educational Institutions, Media, Local Business, Local Communities

**What We Deliver:** 80+ annual public programs

**How Much Resources (gross 2022 operating budget): \$1.032 Million**

#### **Heritage Fundraising and Partnerships**

**Who We Serve:** Community Organizations, Educational Institutions, Other Charities, Philanthropists, Corporations, Industry and Business, City Divisions, Other Levels of Government

**What We Deliver:** Partnerships with hundreds of community groups, businesses, donors and volunteers across the City

**How Much Resources (gross 2022 operating budget): \$0.217 Million**

*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.*

## Budget at a Glance

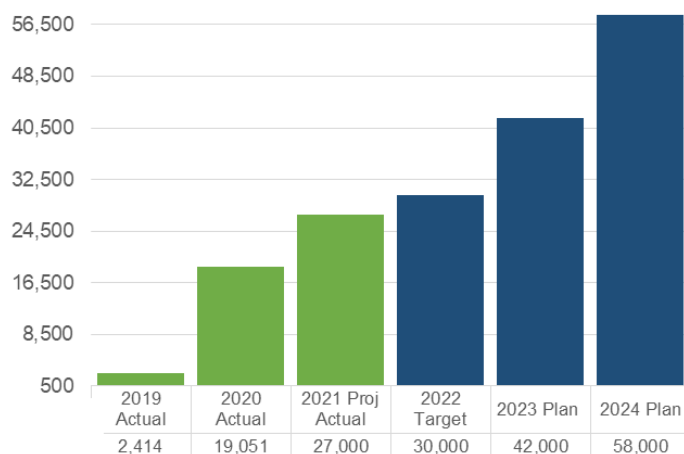
### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$0.738	\$0.671	\$0.608
Gross Expenditures	\$1.249	\$1.188	\$1.126
Net Expenditures	\$0.511	\$0.517	\$0.518
Approved Positions	10.5	10.5	9.5

Heritage Toronto does not have a 10-year Capital Plan

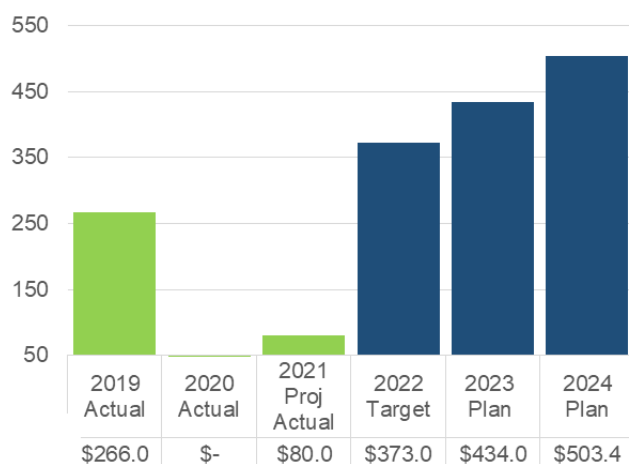
## How Well We Are Doing – Behind the Numbers

### Accessible Digital Programming



- When in-person programming had to be cancelled, remaining staff pivoted to digital programming, including virtual tours and plaque unveilings, and filled a public need for accessible service to students, seniors with restricted mobility, and as a platform for community discussions on issues of social justice, racism, and access to public health, all which benefit from historical context.
- There is an opportunity to maintain this public service cost effectively when existing staff must pivot back to produce in-person programming and revenues. The high public use in 2021 is based on new content produced in 2020. Public service targets in 2022 cannot be achieved without an investment in continuing to create new content which serve new audiences. Without the resources to maintain digital investments public service cannot be maintained and modernization efforts will have been ineffectual.

### In-person Programming Revenue (\$000s)



- The majority of Heritage Toronto revenues, sponsorships and tickets, are raised through in-person programming which had to be cancelled in 2019/2020 resulting in a 40% loss of revenue. 2021 saw a modest rebuilding with 19 in-person tours (previously 60) and the relaunch of the Heritage Toronto Awards as a digital event (no ticket revenue).
- The 2022 Operating Budget for Heritage Toronto is based on a substantial recovery of in-person programming/projects, and associated revenues, with the assumption that Heritage Toronto is operating with restored full-time staffing levels.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Heritage Promotion and Education	In-person Tours	66	0	64	25	●	55	75
Heritage Promotion and Education	Awards Attendees	500	0	500	0	●	500	500
Heritage Promotion and Education	Digital Exhibits and Articles	1	11	1	11	●	13	17
Heritage Promotion and Education	Virtual Tours and Livestreams	0	16	4	15	●	11	30
Heritage Promotion and Education	Heritage Plaques Installed	68	58	58	60	●	60	60
Service Level Measures								
Heritage Promotion and Education	Emerging Historian Contracts	18	16	18	22	●	25	30
Heritage Promotion and Education	Unique Page Views of digital programs	2,187	19,051	15,000	31,000	●	31,000	42,000
Heritage Fundraising and Partnerships	Number of Community Partnerships	58	0	58	39	●	60	60
Other Measures								
Heritage Fundraising and Partnerships	Total budget from fed/prov gov't and private foundations	13%	10.5%	2%	(9.4%)	●	1%	5%
Heritage Fundraising and Partnerships	Increase in sponsorship revenue	(4%)	(66%)	234%	49%	●	150%	17%
Heritage Fundraising and Partnerships	Average Annual Donation	\$88	\$159	\$175	\$175	●	\$175	\$200

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- COVID-19 is projected to partially impact Heritage Toronto's operations in 2022 with \$0.084 million net impact:
  - \$0.036 million in revenue losses are projected as services are not expected to run at full capacity due to public health measures.
  - \$0.048 million in increased expenditures for Heritage Toronto to operate tours and other in-person events safely in 2022.

**Service Level Changes**

- Heritage Toronto projects to resume walking/bus tours and the Heritage Toronto Awards as they did pre-COVID-19 except with slight modifications to how they are operated. Heritage Toronto will be pivoting resources from digital programming in 2022 to support the rebuilding of in-person programming. However, Service Levels will continue to be reviewed to navigate a new reality post-COVID-19.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Protected the Plaque program and maintained its position as the most active in North America. 25% of new plaques in 2021 focused on Black, Indigenous, and People of Colour (BIPOC) subjects.
- Relaunched the Tours Program (cancelled in 2020) offering 25 in-person events, along with a significantly expanded digital component further to continuing public health guidelines. Upon request, supported the City's ShowLoveTO extending the Tour season by two months and deploying Emerging Historians in support of 10 additional Tours.
- Relaunched the Heritage Toronto Awards (cancelled in 2020)
- Expanded the donor funded Emerging Historians program providing paid employment and training to 22 young people building their careers
- Met the increased public demand digital programming with a 100% increase in unique page views. Overall website performance is strong with a 45% increase in users, 45% increase in sessions, and 57% increase in page views.

### Key Challenges and Risks

- Rebuilding capacity. For the majority of the pandemic, agency staffing was reduced in order to manage expenditures as Heritage Toronto was not eligible for federal support. This is in contrast to its sister heritage charities, as they are not an agency of the City of Toronto.
- As an agency, Heritage Toronto does not benefit from City-wide contracts/programs and has little negotiating leverage given its small size. Infrastructure costs are escalating – for example, its health and benefits costs have been raised by 33% in 2022.
- In recognition of its small size, the City has always provided IT support to the agency throughout its history. Although Agency staff have been able to work remotely on personal equipment, a return to office will necessitate modernizing its City equipment including WIFI access and camera enabled computers to support video conferencing and digital programming.
- Pre-pandemic, the tour program was provided to 3,000-3,500 city residents attendees generating significant sponsorship revenue. The tour program will be revamped with a maximum public attendance of 380 with admission fees.
- Sponsorship revenues are in need of being restored beyond one-time sponsorships that have been secured.

### Priority Actions

- Rebuilding public programs to generate revenues and ensure the financial sustainability of the agency. In addition to new tours, Heritage Toronto will continue to work with community groups and private corporations to procure funding.
- Going forward with the equity program which targets full-time employment for young members of the BIPOC community and funds community partnerships to produce more diverse programming across the City. Heritage Toronto has secured corporate sponsorship for this initiative and is seeking to fill the Manager of Community Engagement role so work can begin in the equity program.
- Relaunching Special Projects which were frozen in 2020/2021. These projects include a new LGBTQ2+ Plaque District and the creation of a public online site of all Plaques searchable by community and subject headings.
- Preserving online public access to heritage and engaging communities across Toronto. Heritage Toronto will be executing digital strategies through competitive research, messaging and audience identification; analyzing the appropriate digital data/metrics, insights and best practices to ensure assessment of performance; and leveraging digital marketing skills to optimize digital media content, including using Search Engine Optimization and earned media content to increase traffic.



## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Heritage Promotion & Education	284.1	306.5	229.3	305.3		305.3	76.0	33.2%
Heritage Fundraising & Partnership C	181.9	262.4	380.3	433.1		433.1	52.8	13.9%
<b>Total Revenues</b>	<b>466.0</b>	<b>568.9</b>	<b>609.6</b>	<b>738.4</b>		<b>738.4</b>	<b>128.9</b>	<b>21.1%</b>
<b>Expenditures</b>								
Heritage Promotion & Education	731.3	740.1	839.9	1,032.2		1,032.2	192.3	22.9%
Heritage Fundraising & Partnership C	165.8	278.7	220.4	217.5		217.5	(2.9)	(1.3%)
<b>Total Gross Expenditures</b>	<b>897.1</b>	<b>1,018.9</b>	<b>1,060.3</b>	<b>1,249.6</b>		<b>1,249.6</b>	<b>189.4</b>	<b>17.9%</b>
<b>Net Expenditures</b>	<b>431.1</b>	<b>450.0</b>	<b>450.7</b>	<b>511.2</b>		<b>511.2</b>	<b>60.5</b>	<b>13.4%</b>
<b>Approved Positions**</b>	<b>9.5</b>	<b>8.6</b>	<b>N/A</b>	<b>10.5</b>		<b>10.5</b>	<b>N/A</b>	<b>N/A</b>

\*Projection based on 9 Month Variance

\*\*YoY comparison based on approved positions



## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$1.250 million gross reflecting an increase of \$0.189 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salaries and Benefits as well as Service and Rent increases as Heritage Toronto projects programming to continue to recover and services to resume.
- Increased COVID-19 pressures to existing services which reflect reopening and recovering.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$0.511 million in net expenditures reflects a \$0.035 million net increase from the 2021 Council approved Budget, when excluding \$0.084 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**Low Positive Impact:** The Community Partnerships and Diversified programming budget proposal's overall equity impact is low positive. Indigenous, Black and equity deserving groups will be positively impacted as the initiative will create development opportunities, expand service demographics, and initiate and steward new community partnerships. Youth from BIPOC and equity deserving groups represent the highest rates of unemployment in Canada, increasingly so during the course of the COVID-19 pandemic. Additionally, the Culture and Recreation sector is one of the three sectors which has experienced the most job losses across Canada (Toronto Star, December 7, 2021). Heritage Toronto has received annual full third-party funding to hire a full-time Equity Coordinator and up to six independent contractors from Toronto's BIPOC community over the next three years. The Equity Coordinator and independent contractors will be under 30 years of age and will be hired based on intersectionality of lived experience. This initiative will establish five new community partnerships to promote ongoing collaboration. It will execute a pan organizational review of current core programs with a projected audience of 2,000 to improve current demographics from the current 9% of participants who identify as part of the BIPOC or other race-based equity deserving communities. Additionally, the Equity Coordinator will curate an annual public program with a projected audience of 500, which celebrates the heritage of their community and addresses a community need.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Heritage Toronto is \$0.189 million gross or 17.9% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies					1.5	1.5	
Federal Subsidies	134.8	87.6	4.4	19.8	19.9	0.1	0.4%
Other Subsidies		3.1					
User Fees & Donations	598.9	357.0	551.4	586.8	714.0	127.3	21.7%
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds	33.4	15.3	9.1				
Sundry and Other Revenues	23.0	3.0	4.0	3.0	3.0	0.0	0.0%
Inter-Divisional Recoveries							
<b>Total Revenues</b>	<b>790.1</b>	<b>466.0</b>	<b>568.9</b>	<b>609.6</b>	<b>738.4</b>	<b>128.9</b>	<b>21.1%</b>
Salaries and Benefits	643.7	596.4	657.1	574.8	747.3	172.5	30.0%
Materials & Supplies	92.6	26.4	57.5	27.0	0.0	(27.0)	(100.0%)
Equipment							
Service and Rent	453.7	272.7	304.2	458.5	502.4	43.8	9.6%
Contribution To Reserves/Reserve Funds	1.6	1.6					
Other Expenditures							
Inter-Divisional Charges							
<b>Total Gross Expenditures</b>	<b>1,191.6</b>	<b>897.1</b>	<b>1,018.9</b>	<b>1,060.3</b>	<b>1,249.6</b>	<b>189.4</b>	<b>17.9%</b>
<b>Net Expenditures</b>	<b>401.5</b>	<b>431.1</b>	<b>450.0</b>	<b>450.7</b>	<b>511.2</b>	<b>60.5</b>	<b>13.4%</b>

\*Projection based on 9 Month Variance

**Key Base Drivers:****Salaries & Benefits:**

The increase in salaries & benefits is driven by the continued need for an additional position for walking/bus tours to ensure public safety during COVID-19. Heritage Toronto has also introduced a new equity and partnership position which is fully funded from sponsorship revenues.

**Materials and Supplies:**

The decrease in Materials and Supplies is due to a reduction in supply purchases based on programming need.

**Service and Rent:**

The increase in service and rent is due to returning programming and costs to be incurred for community partnerships funded from sponsorship revenues.

**User Fees and Donations:**

The increase in user fees & donations is attributable to sponsorship funds secured for equity community partnerships. There are also volume based increases expected to tour revenues as well as donations as Heritage Toronto projects more in-person programming than in the last two years.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	609.6	738.4	670.5	608.3
Gross Expenditures	1,060.3	1,249.6	1,188.1	1,126.2
<b>Net Expenditures</b>	<b>450.7</b>	<b>511.2</b>	<b>517.6</b>	<b>517.9</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>10.5</b>	<b>10.5</b>	<b>9.5</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$1.188 million reflects an anticipated \$0.061 million or 4.88 per cent decrease in gross expenditures below the 2022 Operating Budget; The 2024 Outlooks expects a further decrease of \$0.062 million or 5.20 per cent above 2023 gross expenditures.

These changes arise from the following:

- Reduced COVID-19 related expenditures in 2023 and 2024.
- The creation of equitable community partnerships and diversified two year programming expenditures and revenues will be realized in 2022 and 2023.

# 2022 Program Summary

## TO Live

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### Description

As one of the largest multi-arts institutions in this ever-evolving arts ecosystem, TO Live offers vital programs and services which collectively support the work of Canadian and International creators and provides an enduring and timeless platform for their stories.

A majority of these services are offered through partner relationships with local companies including tenants, such as music, dance, and theatre companies.

### Why We Do It

To lead cultural innovation in the City of Toronto by redefining the role of performance spaces as a force for social engagement, cultural exchange and creative innovation.

### What Service We Provide

#### **Theatrical & Other Cultural Events**

##### **Who We Serve:**

Community Groups, Educational Institutions, Theatre & Music Resident Companies, Corporations, Event Participants & Attendees, Theatre Patrons generally and specifically Multicultural and Youth Audiences, Cultural Programming Producers and Individuals

##### **What We Deliver:**

TO Live manages venues for rental and community clients, maintains in a condition which strives to provide world class facilities for those clients and presents a full range of performing arts, theatrical and concert events, family programs, free community events and web series in the three facilities: Meridian Hall, St. Lawrence Centre for the Arts and Meridian Arts Centre

**How Much Resources (gross 2022 operating budget): \$38.7 million**

*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.*

## Budget at a Glance

### 2022 OPERATING BUDGET

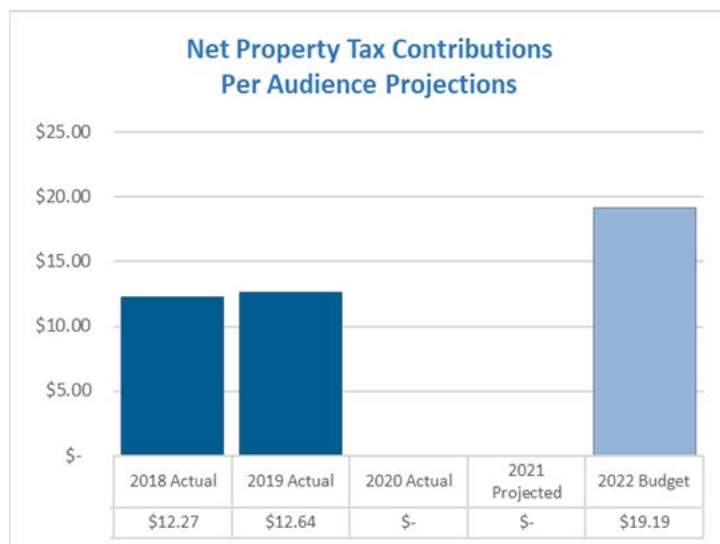
\$Million	2022	2023	2024
Revenues	\$30.6	\$30.6	\$30.6
Gross Expenditures	\$38.7	\$38.7	\$38.7
Net Expenditures	\$ 8.1	\$ 8.1	\$ 8.1
Approved Positions	216.8	216.8	216.8

### 2022 - 2031 10-YEAR CAPITAL PLAN

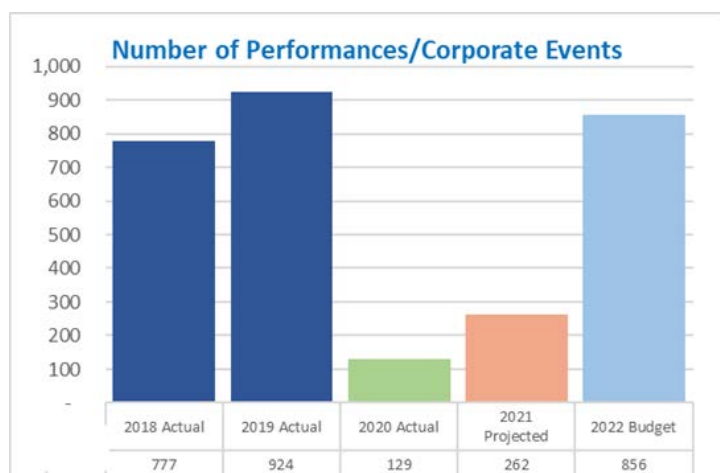
\$Million	2022	2023-2031 Total
Gross Expenditures	\$30.2	\$86.5
Debt	\$29.6	\$86.5

Note: Includes 2021 carry forward funding

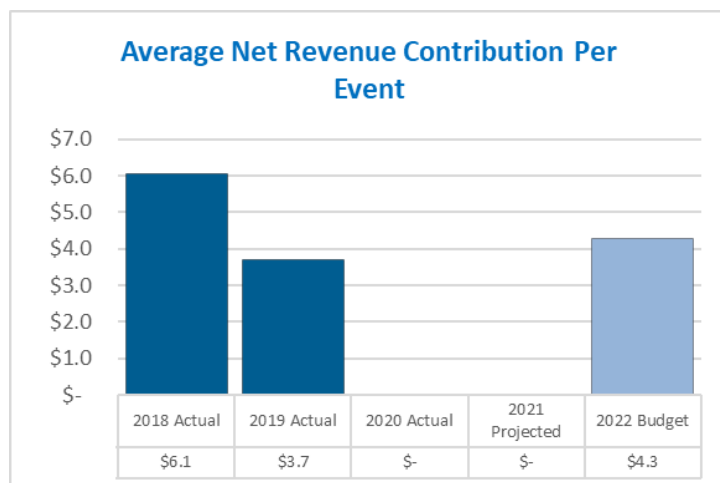
## How Well We Are Doing – Behind the Numbers



- Due to the suspension of regular operations in 2020 and 2021 related to the COVID-19 pandemic, the net property tax contribution per audience does not yield the result that is comparable to prior years during regular theatre operations.
- TO Live is anticipating a gradual return to regular operations in 2022, subject to provincial health guidelines.



- Due to the suspension of regular operations in 2020 and 2021 related to the COVID-19 pandemic, the number of performances and corporate events has been significantly reduced.
- Modest increase in performance activities and corporate events as TO Live anticipates a gradual return to regular operations in 2022.



- Due to the suspension of regular operations in 2020 and 2021 related to the COVID-19 pandemic, the average net revenue contribution per event yields an unrealistic result.
- TO Live is anticipating a gradual return to regular operations in 2022, subject to provincial health guidelines.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Budget
<b>Corporate Events</b>	# of usage days	219	37	0	17	●	149
<b>Stage Shows &amp; Other Events</b>	# of usage days	1,234	179	0	493	●	815
<b>Community Classes</b>	# of events	90	16	0	0	●	90
<b>SHSM certifications, Xenia Concerts, Pre-Show events</b>	# of events	34	6	0	4	●	26
<b>Discover Series</b>	# of events	19	2	0	5	●	20
<b>Other Education &amp; Engagement Activities</b>	# of events	85	2	0	19	●	159

TO Live is anticipating a gradual return to regular operations in 2022, subject to provincial health guidelines. Service Levels for 2023 are undeterminable at this time.

● 80% - 100%

● 64 - 79%

● 63% and Under

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- As TO Live is anticipating a gradual return to regular operations in 2022, revenue loss of \$7.4 million (representing a \$22.4 million reduction as compared to 2021 – see Appendix 1) directly attributed to COVID-19 is expected to last well into 2022.
- Fewer activities are budgeted in the first quarter of 2022 across all three venues, as compared to pre-COVID levels.
- Fewer large-scale events are budgeted affecting not only base rent and recoverables, but ancillary revenues such as concession sales and ticket rebates, as compared to pre-COVID levels.
- Corporate rentals are budgeted conservatively around larger events which will take time to recover after the pandemic.
- Increased expenditure of \$0.2 million to meet COVID health and safety protocols
- To mitigate the revenue shortfall, TO Live implements cost mitigation measures by absorbing inflationary pressures in the base budget and by reducing administration and departmental overhead.

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**Service Level Changes**

- Programming activities are assumed to gradually return to pre-pandemic levels
  - TO Live will continue to support local artists through the TO Live Presents program and to work proactively with renters returning to live performances
-



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Launch of recovery program with safety measures in place
- Continuation of Meridian partnership which started in 2019
- Expansion of Education & Engagement programs

### Key Challenges and Risks

- Post pandemic re-building of audiences – consumer confidence
- New competitive market pressures
- Loss of stage rental engagements and corporate event business
- Capital State of Good Repair budgets to address backlog of capital projects

### Priority Actions

- Safe reopening of our doors and rebuilding confidence in our audiences to return to live events
- Events and activities that create impact and visibility for TO Live venues
- Black, Indigenous, and People of Colour (BIPOC) artists and companies catering for diverse audiences
- Partnerships and collaborations
- Support for artists, arts workers and companies through the affordable provision of space, production and technical support
- Accessibility as reflected in the ticket pricing policy and the number of free performances
- Initiatives of the Diversity, Equity & Inclusion Committee
- Health & safety protocols

## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Theatrical & Other Cultural Events	6,566.8	1,582.9	4,407.5	30,613.5		30,613.5	26,206.0	594.6%
<b>Total Revenues</b>	<b>6,566.8</b>	<b>1,582.9</b>	<b>4,407.5</b>	<b>30,613.5</b>		<b>30,613.5</b>	<b>26,206.0</b>	<b>594.6%</b>
<b>Expenditures</b>								
Theatrical & Other Cultural Events	15,283.6	12,378.2	15,309.7	38,672.6		38,672.6	23,362.9	152.6%
<b>Total Gross Expenditures</b>	<b>15,283.6</b>	<b>12,378.2</b>	<b>15,309.7</b>	<b>38,672.6</b>		<b>38,672.6</b>	<b>23,362.9</b>	<b>152.6%</b>
<b>Net Expenditures</b>	<b>8,716.8</b>	<b>10,795.3</b>	<b>10,902.2</b>	<b>8,059.1</b>		<b>8,059.1</b>	<b>(2,843.1)</b>	<b>(26.1%)</b>
<b>Approved Positions**</b>	<b>56.5</b>	<b>57.0</b>	<b>N/A</b>	<b>216.8</b>		<b>216.8</b>	<b>159.8</b>	<b>280.4%</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$38.673 million gross reflecting an increase of \$23.363 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Salaries and benefits adjustments, as staffing level has been adjusted to reflect the gradual return to full operations in 2022, and to ensure adequate staffing capacity for all programs across the 3 venues.
- Other expenditures associated with programs and events are also adjusted to reflect the anticipated recovery and reopening plan in 2022.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impacts) is provided below:

- 2022 Base Budget of \$8.059 million in net expenditures reflects a \$1.146 million net increase from the 2021 Council approved Budget, when excluding \$2.893 million in estimated COVID-19 financial impacts on a net basis.**
- Due to suspension of regular operations in 2021, TO Live was able to reduce its 2021 base budget to reflect the minimal operating subsidy required to maintain base operations. Excluding the \$2.893 million net COVID impact, the 2022 base subsidy is \$5.167 million which represents a status quo from the operating subsidy received during pre-COVID years.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in TO Live's 2022 Operating Budget do not have any equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for TO Live is \$23.363 million gross or 152.6% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	40.6	13.0		34.4	794.9	760.6	2213.1%
Federal Subsidies	10.1	48.0		334.1	897.3	563.2	168.6%
Other Subsidies		5.0			75.0	75.0	
User Fees & Donations	23,588.1	3,816.5		949.3	20,047.1	19,097.8	2011.7%
Licences & Permits Revenue							
Transfers From Capital	445.7	523.2	582.9	1,108.5	4,175.8	3,067.3	276.7%
Contribution From Reserves/Reserve Funds	3,169.6	19.0	1,000.0	1,000.0	2,048.0	1,048.0	104.8%
Sundry and Other Revenues	4,186.3	2,142.0		981.2	2,575.3	1,594.1	162.5%
Inter-Divisional Recoveries							
<b>Total Revenues</b>	<b>31,440.4</b>	<b>6,566.8</b>	<b>1,582.9</b>	<b>4,407.5</b>	<b>30,613.5</b>	<b>26,206.0</b>	<b>594.6%</b>
Salaries and Benefits	17,460.7	8,929.3	6,171.3	9,919.5	17,807.5	7,888.0	79.5%
Materials & Supplies	2,954.1	1,284.6	1,509.2	1,260.3	3,206.1	1,945.8	154.4%
Equipment	489.7	57.5		13.8	376.6	362.8	2636.1%
Service and Rent	10,211.0	2,395.0	4,697.8	3,180.8	12,784.5	9,603.7	301.9%
Contribution To Capital				164.8	1,308.9	1,144.1	694.3%
Contribution To Reserves/Reserve Funds	2,810.5	2,340.8		633.3	2,223.2	1,589.9	251.0%
Other Expenditures	1,327.2	276.3		137.2	965.7	828.5	603.9%
Transfers to Foundation	2,323.4						
<b>Total Gross Expenditures</b>	<b>37,576.5</b>	<b>15,283.6</b>	<b>12,378.2</b>	<b>15,309.7</b>	<b>38,672.6</b>	<b>23,362.9</b>	<b>152.6%</b>
<b>Net Expenditures</b>	<b>6,136.1</b>	<b>8,716.8</b>	<b>10,795.3</b>	<b>10,902.2</b>	<b>8,059.1</b>	<b>(2,843.1)</b>	<b>(26.1%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries and Benefits:**

- Salaries and benefits increase due to cost of living adjustment and increase in complement as furloughed staff are rehired to assist with the return to regular operations.

**Service and Rent:**

- Increase in service and rent driven by higher volume of activities in 2022, and additional costs to maintain COVID-19 health and safety measures.

**Contribution to Capital:**

- Increase in contribution to capital projects directly offset by anticipated provincial and federal subsidies.

**Contribution to and from Reserve/Reserve Funds:**

- The contribution to the Facility Fee Reserve Fund was reduced in 2021 due to the pandemic.
- As TO Live gradually returns to regular operation in 2021, it is anticipated that facility fee revenue will be received in 2022 which allows for increased contribution to the reserve.
- The draw from Facility Fee Reserve Fund to address general maintenance and minor state of good repairs has also been adjusted correspondingly in 2022.

**User Fees / Sundry & Other Revenues:**

- Increases in revenue assume:
  - Large events are budgeted conservatively as they will take time to recover after the pandemic
  - The number and type of corporate and other private events will take time to resume to pre-pandemic level, resulting in an overall drop in contribution margin.

- Revenue is adjusted to reflect the impact of fewer events due to new competitive market pressures.

### Offsets and Efficiencies:

TO Live significantly reduced salaries and benefits and other expenditures budget during the 2021 Budget process to reflect suspension of regular operations. As TO Live focuses on rebuild and recovery in 2022, these expenditures are adjusted based on increased activities.

TO Live's 2022 base subsidy request of \$5.167 million, excluding anticipated COVID impact of \$2.893 million, is consistent with the operating base budget request during pre-COVID years. The 2022 operating subsidy request of \$8.059 million represents a \$2.736 million decrease from the 2021 Council Approved Operating Budget of \$10.795 million.

## 2023 & 2024 OUTLOOKS

Table 3: 2023 and 2024 Outlooks

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	4,407.5	30,613.5	30,613.5	30,613.5
Gross Expenditures	15,309.7	38,672.6	38,672.6	38,672.6
<b>Net Expenditures</b>	<b>10,902.2</b>	<b>8,059.1</b>	<b>8,059.1</b>	<b>8,059.1</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>216.8</b>	<b>216.8</b>	<b>216.8</b>

### Key drivers

The 2023 and 2024 Outlook with total gross expenditures of \$38.673 million remains unchanged compared to the 2022 Operating Budget.

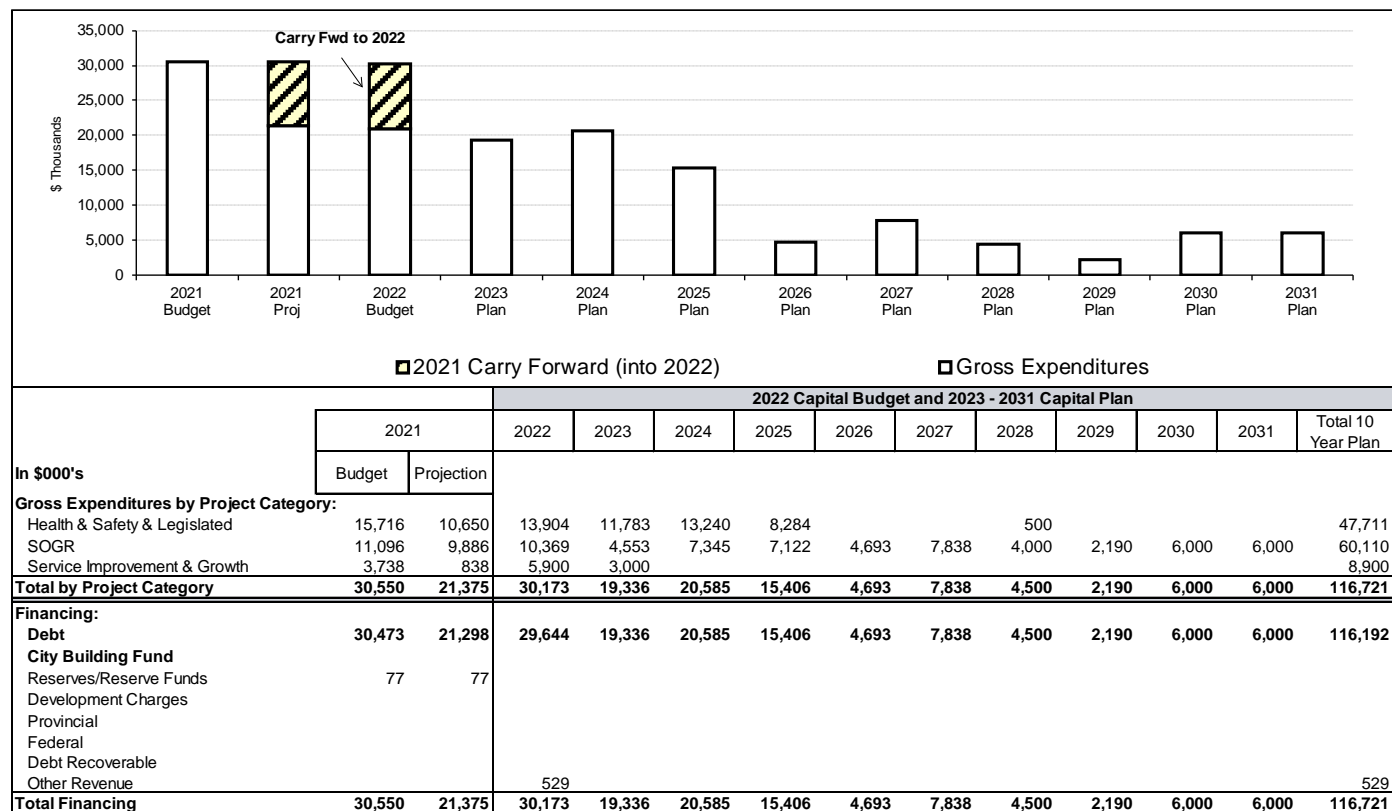
COVID-19 remains an ongoing challenge to the live performance and event industry. TO Live expects a gradual return to regular operations over a significant period of time.

The uncertainty around the pandemic future resurgences, public health guidelines on capacity restrictions and patrons confidence in returning to public gathering, makes it difficult to predict the financial impact in future years.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects

(\$-3.9 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$2.6 million - Increase in AODA Compliance projects for Meridian Hall and Meridian Arts Centre to address increased costs related to COVID-19
- \$(5.4) million - Decrease in Meridian Arts Centre PVC Roof project cost, as scope changed from a full replacement to a refurbishment

### New Projects

(\$8.7 Million)

The 2022-2031 Capital Budget and Plan includes new projects as follows:

- \$2.2 million - New projects added based on recent Building Conditions Audit performed at the Meridian Hall
- \$3.9 million – To support Technical Theatre Improvements at Meridian Arts Centre
- \$2.5 million – To address Exterior Envelope and Site Work at Meridian Hall






### Capital Needs Constraints

(\$50.1 Million)

TO Live has nine unmet projects over the 10-year planning horizon:

- TO Live has \$50.1 million unfunded projects over the 10-year planning horizon related to the SOGR for Meridian Arts Centre, Theatre systems and equipment at the Meridian Hall and future year Building Condition Audit recommendations.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$116.7 Million 10-Year Gross Capital Program**

			
<b>Aging Infrastructure</b>	<b>Accessibility</b>	<b>Equipment</b>	<b>St. Lawrence Centre Redevelopment</b>
\$24.2M 20.7%	\$44.0M 37.7%	\$5.9M 5.1%	\$42.6M 36.5%
Building Envelope, Mechanical & Electrical Systems  	AODA Compliance Projects	Theatrical Systems and Equipment	St. Lawrence Centre Redevelopment

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$116.7 M</b> <b>100%</b>		<b>\$0 M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Debt	\$ 116.2 M		
Other	\$ 0.5 M		

## CAPACITY TO SPEND REVIEW

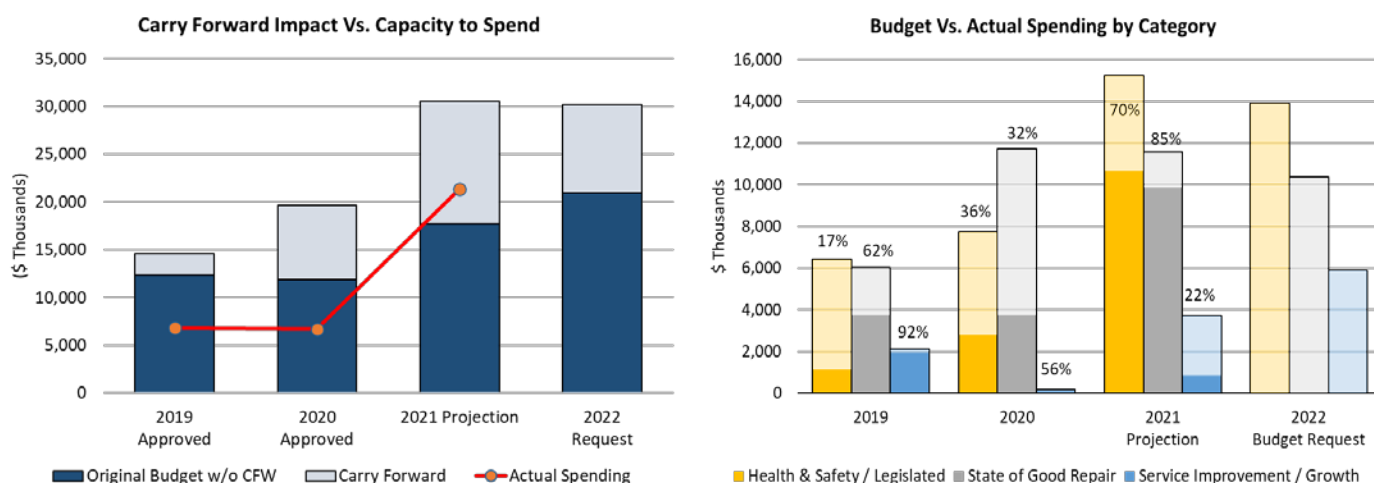
The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with TO Live's ability to spend and the market's capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

The capital project planning and delivery is guided by the "Protocol for Management of TO Live Capital Projects" which was adopted by City Council in mid-2019. The objectives of the Protocol are to assist both the City and TO Live to plan and manage capital projects for the three civic theatres in an effective manner that optimizes the operations of the theatres, their state of good repair, and contributes to their use and programs, while complying with the City's policies and priorities for the long term stewardship of City assets. Due to delay in the approval of the protocol document, the spending rate for 2019 was affected.

Up to 2018, the 10-Year Capital Plan for TO Live was managed separately by individual theatre sites. Economic Development and Culture previously managed the St. Lawrence Centre for the Arts and the Meridian Arts Centre (formerly Toronto Centre for the Arts) on behalf of TO Live, while TO Live has independently managed the Meridian Hall (formerly Sony Centre for the Performing Arts). 2019 marks the first year that the 10-Year Capital Plan for the three City-owned theatres were consolidated into one single portfolio, as illustrated in the chart below.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

In 2021, TO Live is forecasting to spend \$21.4 million or 70% of the 2021 Council Approved Capital Budget by year-end. TO Live is taking full advantage of the suspension of normal operations to focus on SOGR. Extensive progress was made on all capital project work throughout the summer during Q3.

However, many projects were delayed in the procurement process due to supply chain issues as a result of the pandemic. The COVID-19 pandemic created challenges on many capital projects due to labour shortages, supply chain issues and substantially increasing material costs. However, schedules and contingency solutions were being managed in conjunction with contractors to ensure venues were open in time for TO Live Presents and rental productions scheduled for the fall 2021.

Based on the review of historical capital spending constraints and a capacity to spend review, \$5.5 million in capital spending originally cash flowed in 2022 has been deferred to 2023 and future years. Adjustments to the Capital Plan are noted below:

- The St. Lawrence Centre for the Arts AODA and SOGR projects' 2022 cash flow have been reduced by \$2.2 million and \$3.3 million respectively based on projects readiness to proceed and revised project timelines.

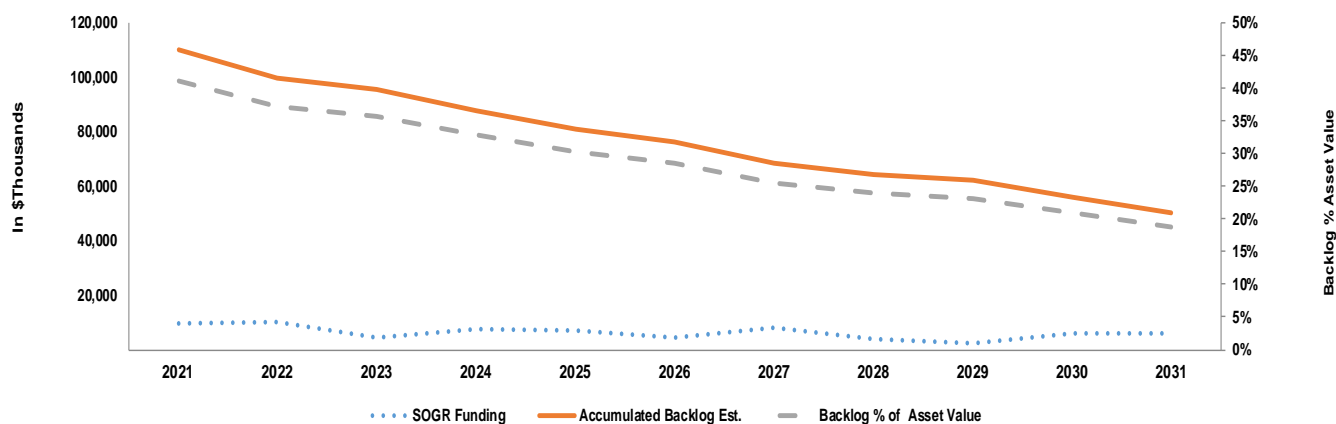
Despite the key adjustment noted above, TO Live still requires cash flow funding of \$30.2 million in 2022 to continue the capital work. The 2022 cash flow is higher than the 2021 projected spending significantly for the reasons below:

- To continue capital improvements in the three theatres to address elements that require replacements, reconfigurations and upgrades that are identified in the building accessibility audit as well as various health and safety needs and COVID upgrades including AODA to ensure standards of the facilities are met for patrons and staff.
- To invest in major maintenance in critical and high priority areas that are needing capital improvements to address SOGR backlogs. This will enable TO Live to upkeep the facilities while enhancing customer experience.
- To refurbish the aged roof at the Meridian Arts Centre.
- To continue the studies and planning required as part of the redevelopment of the St. Lawrence Centre for the Arts.



**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes for TO Live:

**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	9,886	10,369	4,553	7,345	7,122	4,693	7,838	4,000	2,190	6,000	6,000
<b>Accumulated Backlog Est.</b>	110,241	99,872	95,319	87,974	80,852	76,159	68,321	64,321	62,131	56,131	50,131
<b>Backlog % of Asset Value</b>	41%	37.3%	35.6%	32.8%	30.2%	28.4%	25.5%	24.0%	23.2%	21.0%	18.7%
<b>Total Asset Value</b>	267,838	267,838	267,838	267,838	267,838	267,838	267,838	267,838	267,838	267,838	267,838

TO Live has stewardship for the three major City-owned theatres: Meridian Hall, St. Lawrence Centre for the Arts and Meridian Arts Centre. Recommendations from the building condition audits and building accessibility assessments are taken into consideration in establishing TO Live's 10-Year Capital Plan.

The Building Condition Assessment (BCA) performed at the Meridian Hall in 2021 and the impact of increased construction costs as a result of COVID-19 are taken into consideration in establishing TO Live's 10-Year Capital Plan. The recent BCA included an energy audit which allows for consideration of capital projects with a climate lens in addition to projects required to address SOGR concerns.

The 2022-2031 Capital Budget and Plan provides funding for \$60.1 million of SOGR projects within TO Live over the 10-year period, providing an average of \$6.0 million annually. TO Live will utilize this funding to maintain building infrastructure, major theatre equipment and Heritage Agreement obligations for the three theatres. However, this funding is not sufficient to completely reduce the growing SOGR backlog over the 10-year period. Based on this plan, the accumulated backlog will decrease from \$110.2 million in 2021 to an anticipated \$50.1 million in 2031, while the backlog remains at approximately 18.7% of asset value.

A Building Condition Audit is expected to be completed for the Meridian Arts Centre in 2022 which will result in increased SOGR requirements to be included in the SOGR backlog for 2023 Budget submission.

The "Capital Needs Constraints" include additional SOGR projects to help reduce the backlog of Meridian Hall and Meridian Arts Centre. These projects cannot be accommodated within the City's debt affordability as well as spending capacity, and therefore are not included in the 10-Year Capital Plan. For further details about these projects, please refer to Appendix 8.

# 2022 Program Summary

## Toronto and Region Conservation Authority

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

We protect, conserve, and restore natural resources and develop resilient communities through education, the application of science, community engagement, service excellence and collaboration with our partners. Toronto and Region Conservation Authority (TRCA) provides the following services:

- Watershed Studies & Strategies
- Water Risk Management
- Regional Biodiversity
- Greenspace Securement & Management
- Tourism & Recreation
- Planning & Development
- Education & Outreach
- Sustainable Communities
- Corporate Services

TRCA is the largest landowner (almost 18,000 hectares) in the Greater Toronto Area (GTA) region, and it makes its lands available to the community for outdoor and conservation education, recreation, and historic site purposes. TRCA's area of jurisdiction includes 3,467 square kilometres: 2,506 on land and 961 water-based.

TRCA is not an agency of the City of Toronto. TRCA is a stand-alone legal entity established in 1957 under the Conservation Authorities Act (CA Act), which sets out the mandate, governance, authorities and other provisions for Conservation Authorities (CA) in Ontario.

TRCA's 28-member Board of Directors sets strategic policy and supervises the management of the business and affairs of the TRCA. City Council appoints 14 members which currently includes seven public members, appointed through the City's Public Appointments process, and seven City Council members. The City of Toronto does not exercise control over TRCA or consolidate TRCA's operations into its financial statements.

### Why We Do It

TRCA is one of 36 CA's Ontario undertaking watershed-based programs that protect people and property from flooding and other natural hazards while conserving natural resources to achieve economic, social and environmental benefits.

TRCA, in partnership with its partner municipalities is committed to a model that supports the traditional conservation authority mandate, and works to alleviate some of the most pressing challenges facing our Region including:

- Preventing, eliminating or reducing the risk to life and property from flooding, erosion and slope instability;
- Advising on urban (re)development and continued economic growth in the GTA;
- Supporting, maintaining & enhancing existing biodiversity and ecological functions of the Region's natural heritage system; and
- Fostering sustainable citizenship and offering residents opportunities for outdoor recreation.

*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

### **Watershed Management and Flood and Erosion Risk Management**

**Who We Serve:** Government Agencies, Local Municipalities, and Residents & Families.

**What We Deliver:** Flood & erosion risk management, watershed planning & reporting, environmental monitoring, trail planning development & management, terrestrial ecosystem planning, watershed restoration, forest management

**How Much Resources (gross 2022 operating budget): \$7.6 Million**

### **Greenspace Management and Regulation of Planning and Development**

**Who We Serve:** Government Agencies, Local Municipalities, Businesses & Associations, Residents and Community Groups.

**What We Deliver:** Greenspace securement and management, policy development & review, development planning & regulation permitting, environmental assessment planning and permitting

**How Much Resources (gross 2022 operating budget): \$1.2 Million**

### **Recreation & Education**

**Who We Serve:** Residents, New Immigrants, Schools & Students

**What We Deliver:** School programs, family & community programs, access to greenspace & conservation parks, sustainable community programs

**How Much Resources (gross 2022 operating budget): \$2.1 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$ 5.5	\$ 5.6	\$ 5.7
Gross Expenditures	\$10.9	\$11.1	\$11.4
Net Expenditures*	\$ 5.5	\$ 5.7	\$5.7

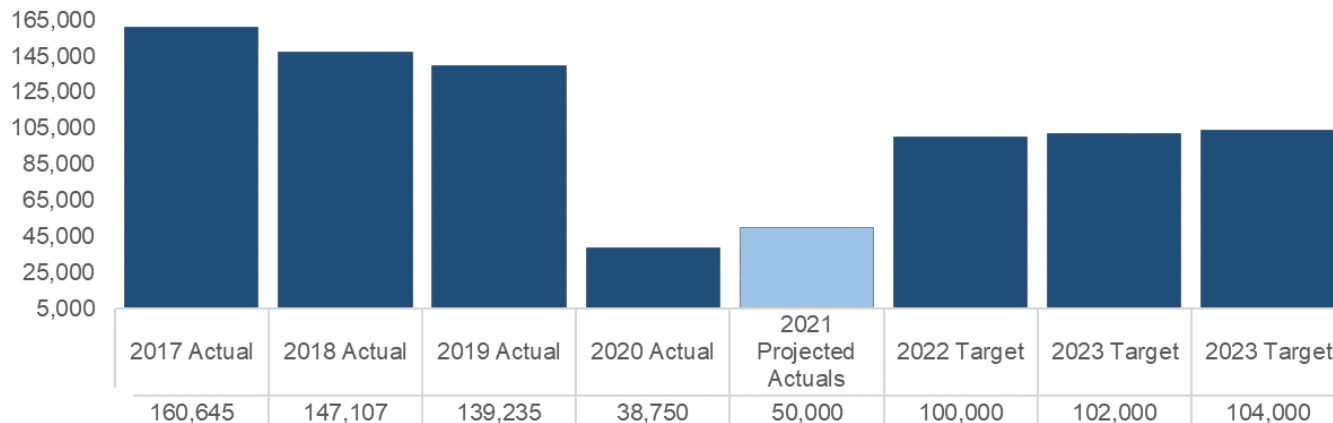
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$25.860	\$202.324	\$228.184
Debt	\$ 9.478	\$ 53.962	\$ 63.440

Note: Includes 2021 carry forward funding

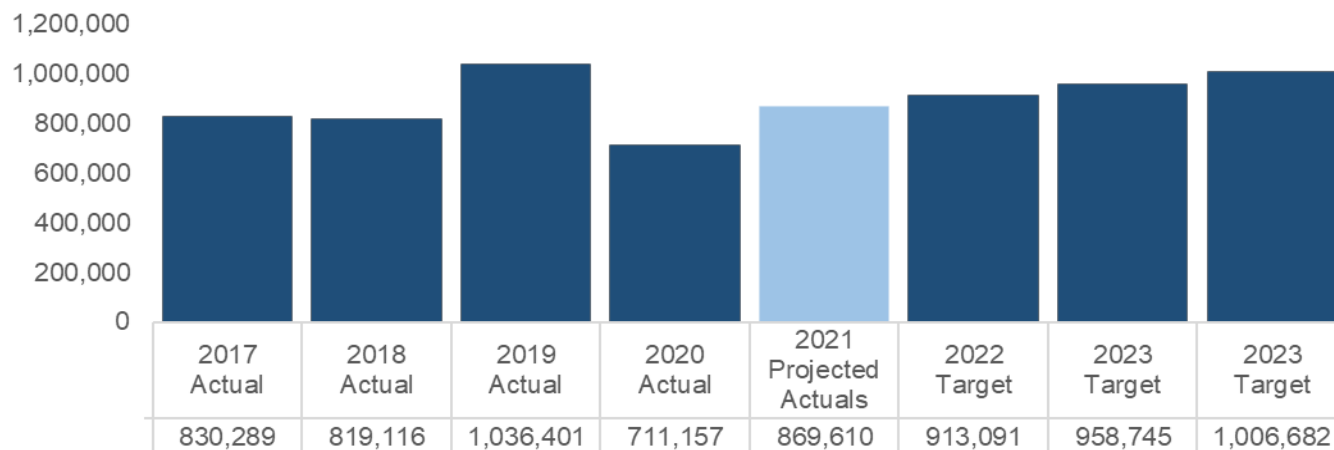
## How Well We Are Doing – Behind the Numbers

# of Paid Visits to Black Creek Pioneer Village



- Attendance at Black Creek Pioneer Village is subject to many factors including weather conditions and seasonal fluctuations.
- The number of visits to Black Creek Pioneer Village was high in 2017 due to special Canada 150 programming and was low in 2019 due to labour disruptions in the education sector.
- Attendance targets have been revised for 2020 onwards to be reflective of operating in compliance with anticipated COVID-19 restrictions. The 2021 plan includes virtual field trip visits.

# of Paid Visits to TRCA Conservation Areas



- The 2020 decrease in the number of visits to TRCA Conservation Areas is as a result of the COVID-19 related facility closures and restrictions which reduced program & event opportunities.
- Overall, we are seeing a significant increase in users accessing parks via active transportation means, and through alternate entrances, compared to gate entrances.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Watershed Health	% of conservation lands management planning achieved	60	60	65	65	●	70	75
Planning and Sustainable Communities	% of environmental assessment and permit reviews meeting 10-30 business day service level standard	85	86	86	86	●	86	86
Education and Recreation	Attendance numbers at Conservation Areas	1,036,401	828,200**	711,157	745,000	●	785,000	825,000
Service Level Measures								
Watershed Health	# of Acres of land ownership	40,031	49,141	40,360	49,141	●	49,500	49,750
Planning and Sustainable Communities	# of Planning and Permit Applications Received	1,944	1,702	2,100	2,100	●	2,100	2,100
Other Measures								
Education and Recreation	% of online ratings that are ranked 4 or higher at Black Creek Pioneer Village	92	100	100	100	●	100	100

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- The COVID-19 pandemic and provincially declared emergency resulted in closures of TRCA facilities as well as the cancellation of TRCA events and regularly scheduled programming. These restrictions have dramatically impacted TRCA's business models and associated revenues, primarily in the Education and Training and Parks and Culture Divisions.
- TRCA's self-generated revenue was significantly impacted as a result of COVID-19 response. Operating expenditures have been reduced in order to mitigate net financial losses to the organization. The City of Toronto's contribution to TRCA's Operating Budget was not impacted as a result of the COVID-19 pandemic.

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#### Service Level Changes

- Introduction of sanitation procedures, social distancing compliance measures, and fee adjustments, to allow for gradual re-opening of facilities in accordance with approved protocols.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Inspected 4,678 hazard sites or erosion control structure, 2,088 metres of valley and shoreline have been stabilized at 16 high priority sites across TRCA's jurisdiction.
- TRCA, in partnership with Toronto Water is undertaking the Ashbridges Bay Treatment Plant Landform Project, which is located on the north shore of Lake Ontario, east of Tommy Thompson Park. The purpose of the project is to protect infrastructure and to address the existing navigation risk caused by sediment accumulation at the harbour entrance of Coatsworth Cut while considering approved projects and waterfront planning initiatives in the area, manage shoreline erosion along the northeast shore of Tommy Thompson Park, and provide enhancements to aquatic habitat.
- TRCA continues to increase fee-for-service work in water risk management with \$39.1 million of work addressing partner municipality strategic objectives in 2020. Major projects include the Ashbridges Bay Treatment Plant Landform Project in addition to Phases I and II of the East Don Trail project.

### Key Challenges and Risks

- Provincial changes to the Conservation Authority Act (CA Act), Planning Act, and regulations.
  - TRCA will continue working with all stakeholders to address natural resource management challenges facing our rapidly growing region. Additionally, TRCA will continue to contribute as a member of the CA Act working group to influence the regulations.
- TRCA's expansive jurisdiction will continue to face significant pressures resulting from urbanization, aging infrastructure, extreme weather impacts, climate change effects, invasive species, and other emerging threats.
  - TRCA will strive to diversify its revenue sources to enhance long-term financial resilience. As part of this effort, Master Service Agreements and Fee-for-Service Agreements with the City of Toronto will be updated and developed to help achieve shared sustainability objectives.
- The COVID-19 pandemic, provincially declared emergency and subsequent closure of TRCA facilities as well as the cancellation of TRCA events and regularly scheduled programming continue to impact TRCA's business models.
  - TRCA continues to offer adapted and virtual programming whenever possible and anticipates that these adaptations will continue into 2022. Operating expenditures are being monitored and adjusted in order to mitigate net financial losses to the organization.

### Priority Actions

- TRCA will continue to invest in aging infrastructure across TRCA's Conservation Areas and public spaces in order to provide safe, accessible, and functional facilities to the public. TRCA will continue to develop an Asset Management Strategy.
- TRCA will continue to work with partner municipalities to develop Memorandums of Understanding and Service Level Agreements to maintain service delivery of shared partner priorities.
- TRCA will continue to monitor the financial health of the organization and reduce operating expenditures as required to mitigate net financial losses related to the COVID-19 pandemic.
- Advancing the *Scarborough Waterfront Project*, *Scarborough Bluffs West Individual EA*, and other projects that seek to renew City and TRCA shared infrastructure.
- Modernization of Corporate Services Information Systems which will allow TRCA to streamline policies and procedures and realize efficiencies including reduced partner or client expense, service time, uncertainty, and/or financial risk.
- Measuring our impact with a series of key performance indicators relevant to our work will give the ability to align Conservation Authority initiatives to our partner municipality priorities.

## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Toronto and Region Conservation Authority	5,202.8	5,332.9	5,332.9	5,466.2		5,466.2	133.3	2.5%
<b>Total Revenues</b>	<b>5,202.8</b>	<b>5,332.9</b>	<b>5,332.9</b>	<b>5,466.2</b>		<b>5,466.2</b>	<b>133.3</b>	<b>2.5%</b>
<b>Expenditures</b>								
Toronto and Region Conservation Authority	9,470.4	10,197.9	10,197.9	10,925.4		10,925.4	727.5	7.1%
<b>Total Gross Expenditures</b>	<b>9,470.4</b>	<b>10,197.9</b>	<b>10,197.9</b>	<b>10,925.4</b>		<b>10,925.4</b>	<b>727.5</b>	<b>7.1%</b>
<b>Net Expenditures</b>	<b>4,267.6</b>	<b>4,865.0</b>	<b>4,865.0</b>	<b>5,459.2</b>		<b>5,459.2</b>	<b>594.2</b>	<b>12.2%</b>

\*2021 Projection based on Q3 Variance Report

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$10.925 million gross reflecting an increase of \$0.728 million in spending above 2021 projected year-end actuals, which is attributable to the City of Toronto's phased in CVA payment adjustments approved during the 2020 Budget process.

- Consistent with prior years, the method for apportioning TRCA's operating levy between the City of Toronto and TRCA's other partner municipalities, including the regions of Peel, York and Durham, Town of Mono and the Township of Adjala-Tosorontio, is guided by provincial legislation and is based on a modified current value assessment (CVA) calculation for property situation in each participating municipality. The City of Toronto has the highest proportion of overall assessment and is responsible for 64.2% of the TRCA's 2022 Operating Levy.
- TRCA experiences budget pressures including increased salary costs in excess of cost of living adjustments, such as employee benefit expenditures which routinely exceed inflation. The impact of these pressures has not been included in the 2022 Operating Budget for TRCA.
- The 2022 Operating Budget provides the administrative framework and resources for TRCA programs that provide critical services to the City of Toronto and its residents. These services maintain and improve the region's lands and waters; contribute to public safety from flooding and erosion; and enhance the quality and variety of life in the community by providing lands for inter-regional outdoor recreation, heritage preservation, and conservation education.
- TRCA's Operating Budget consists primarily of levy and self-generated revenues, including development review and permitting fees, user fees at TRCA sites, and a variety of additional fees charged to TRCA stakeholders.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto & Region Conservation Authority's 2022 Operating Budget do not have any significant equity impacts.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto & Region Conservation Authority is \$10.925 million gross, representing an increase of \$0.728 million or 7.1% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Contribution from Toronto Water	5,075.9	5,202.8	5,332.9	5,332.9	5,466.2	133.3	2.5%
<b>Total Revenues</b>	<b>5,075.9</b>	<b>5,202.8</b>	<b>5,332.9</b>	<b>5,332.9</b>	<b>5,466.2</b>	<b>133.3</b>	<b>2.5%</b>
City of Toronto Contribution to TRCA	8,908.7	9,470.4	10,197.9	10,197.9	10,925.4	727.5	7.1%
<b>Total Gross Expenditures</b>	<b>8,908.7</b>	<b>9,470.4</b>	<b>10,197.9</b>	<b>10,197.9</b>	<b>10,925.4</b>	<b>727.5</b>	<b>7.1%</b>
<b>Net Expenditures</b>	<b>3,832.8</b>	<b>4,267.6</b>	<b>4,865.0</b>	<b>4,865.0</b>	<b>5,459.2</b>	<b>594.2</b>	<b>12.2%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Grants and Transfers:**

Each year, TRCA receives the full funding amount as approved by Council, resulting in no year-end variance. The 2021 projected actuals align with the 2021 Council Approved Operating Budget of \$10.198 million gross, \$4.865 million net.

The increase of \$0.728 million in gross expenditures over the 2021 projected actual is attributable to the CVA payment adjustment, approved during the 2020 Budget process. Under the CA Act, TRCA has authority to levy for their maintenance and administrative costs to the benefitting partner municipalities.

**Other Revenue Changes:**

As presented in the table above, the 2022 Operating Budget for TRCA will require a water revenue contribution of approximately 50% or \$5.466 million. This represents increased contributions from Toronto Water of \$0.133 million or 2.5% from 2021. The remaining portion \$5.459 million will be funded from the property tax base.

**Offsets and Efficiencies:**

The 2022 operating levy for the City of Toronto amounts to \$10.925 million which includes 0% cost of living adjustment. In addition, inflationary increases to utilities and contracts have not been applied. The impact of these pressures is not included in the 2022 operating levy for the City of Toronto or the other partner municipalities.

TRCA continues to address budget pressures by implementing efficiencies where possible, including reducing full time staff complement of approved but not funded positions, improved coordination with partner municipalities, obtaining funding support from senior levels of government (e.g., NDMP, DMAF). However long-term efficiencies may be offset temporarily by increased upfront costs. For example, TRCA has moved to Office365 from Lotus Notes and is transitioning to a comprehensive Human Resource Information System.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection *	2022 Budget	2023 Outlook	2024 Outlook
Revenues	5,332.9	5,466.2	5,602.8	5,742.9
Gross Expenditures	10,197.9	10,925.4	11,148.3	11,393.6
<b>Net Expenditures</b>	<b>4,865.0</b>	<b>5,459.2</b>	<b>5,545.4</b>	<b>5,650.6</b>

\*2021 Projection based on Q3 Variance Report

## Key drivers

- **Inflationary Impact**
  - Inflationary increases have been removed from the 2022 budget request while the City is making CVA catch-up contributions. In 2023, increases to the base contribution follow the City's current CPI factors: 2.04% in 2023, resulting in an increased base budget contribution of \$0.223 million gross and 2.2% in 2024, resulting in an increased base budget contribution of \$0.246 million gross.
- **Revenue Changes**
  - Consistent with previous years, Toronto Water's contribution to the TRCA is anticipated to increase by 2.5% per annum, resulting in total revenues to TRCA of \$5.603 million in 2023 and \$5.743 million in 2024.

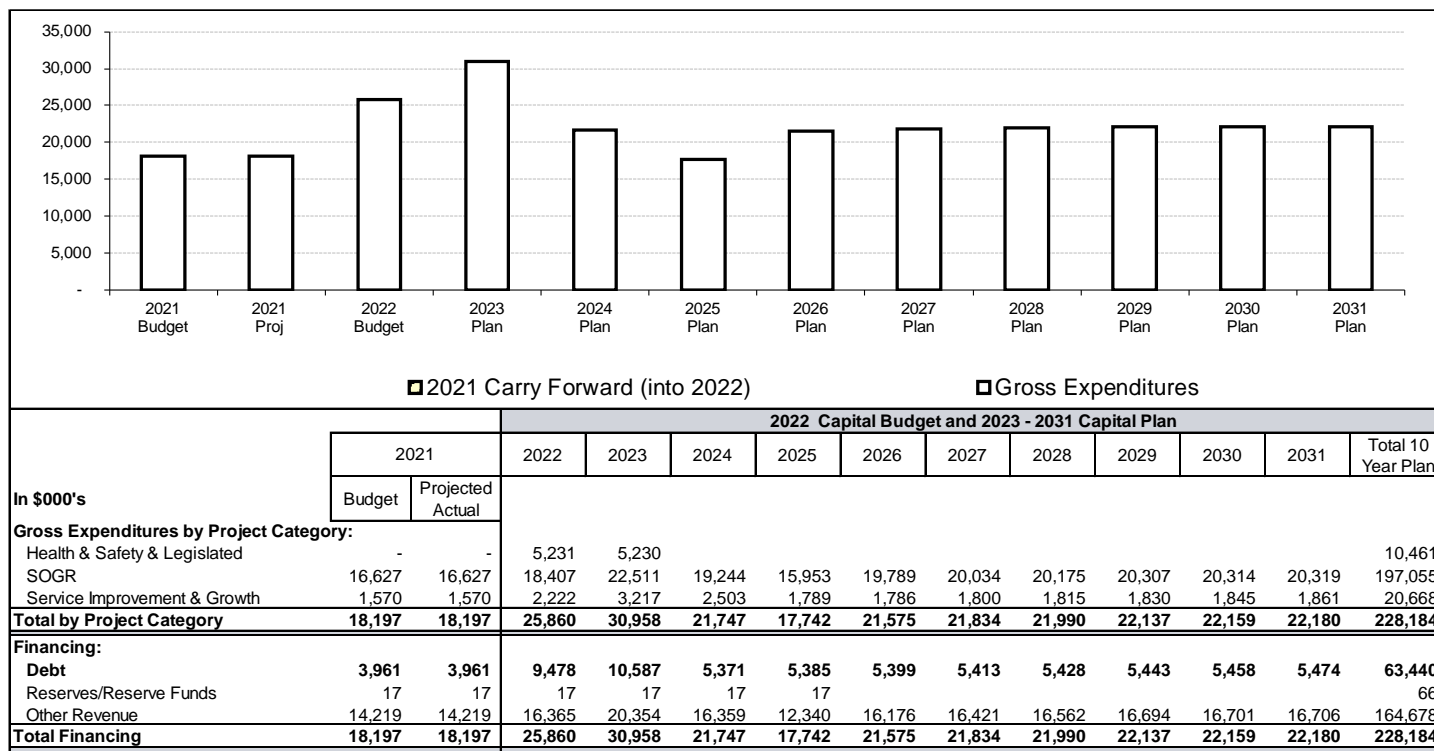
## Note

A shift in general levy funding towards the delivery of programs and services related to Conservation Authority core mandate will occur during the 2023 fiscal year as required by the *CA Act* regulations.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$16.4 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$3.9M for *Scarborough Waterfront - Brimley Road Design* to address ongoing design challenges related to geographic and infrastructure constraints, coupled with on-going difficult discussions with private landowners which have escalated the cost of the design exercise beyond the last cost estimate.
- \$6.6M for *Scarborough Waterfront - Brimley Road Construction* to provide safe pedestrian and cyclist access to Bluffer's Park, in advance of *SWP West Segment Shoreline and Multi-Use Trail Project* implementation.
- \$5.9M arising from Council direction to establish a *Tommy Thompson Park (TTP)* joint management committee for the purpose of integrated management of the three existing property components that comprise Leslie Street Spit. Funding is required to support increased staff presence at TTP to include weekday evenings and extended evening hours on weekends and holidays. Additionally, funding will help to support invasive species, wetland management and

### New Projects (\$2.91 Million)

The 2022-2031 Capital Budget and Plan includes a brand new project as follows:

- \$2.91 million for *Scarborough Bluffs West Individual Environmental Assessment* as a priority restoration project with cash flow funding over three years, fully funded by Toronto Water's contribution.



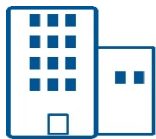













### Capital Needs Constraints (\$368.4 Million)

Consistent with prior years, TRCA has the following unmet projects over the 10-year planning horizon:

- \$179.5M for Health & Safety or SOGR projects to avoid service disruption or legal claims including the design and construction of the *Scarborough Waterfront*.
- \$154.8M for projects that support the implementation of Council approved priorities including the *Scarborough Bluffs* as well as *Tommy Thompson Park Master Plan*.
- \$13.4M *Meadoway Multi-Use Trail* to transform an underutilized hydro corridor primarily between Don River ravine and Rouge National Urban Park.

wildlife management & monitoring at TTP including beaver management, wildlife conflict and wildlife protection.		
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**2022 – 2031 CAPITAL BUDGET AND PLAN****\$228.2 Million 10-Year Gross Capital Program**

			
<b>Critical Erosion Control and Floodworks</b>	<b>Waterfront Development</b>	<b>Infrastructure</b>	<b>Watershed Management</b>
\$131.9 M 58%	\$32.9 M 14%	\$23.0 M 10%	\$40.4 M 18%
<b>Valley Erosion Hazards</b>   <b>Major Maintenance of Erosion Control Infrastructure</b>   <b>Waterfront Major Maintenance &amp; Remedial Works</b> 	<b>Scarborough Waterfront Project</b>   <b>Scarborough Bluffs West Individual Environment Assessment</b>   <b>Keating Channel Dredging</b>   <b>Tommy Thompson Park Management Program</b> 	<b>TRCA Administrative Office Building</b>   <b>Asset &amp; Infrastructure Management Plan</b>   <b>Information Technology Management</b>	<b>Regional Watershed Monitoring Program</b>   <b>Greenspace Land Acquisition</b>   <b>Stewardship Projects and Programs</b> 

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

**How the Capital Program is Funded**

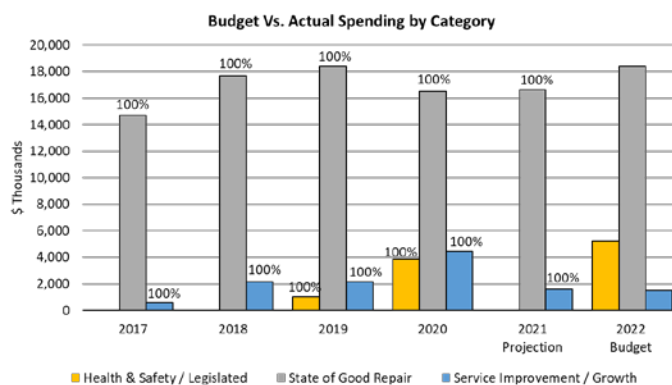
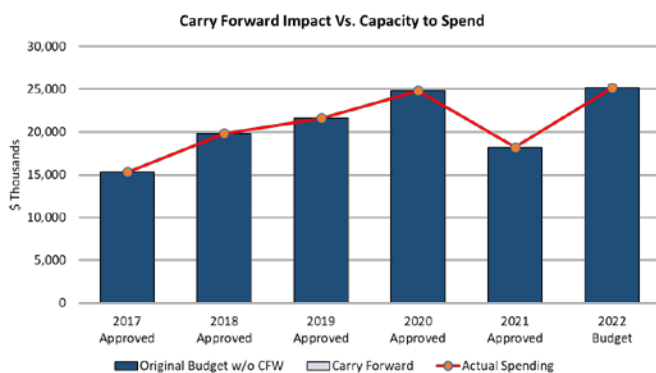
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$228.2 M 100%</b>		<b>\$000 M 00%</b>	<b>\$000 M 00%</b>
Debt	\$ 63.4 M		
Reserve / Reserve Fund	\$ 0.07 M		
Other Revenue – Toronto Water Contribution	\$ 164.7 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with TRCA's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

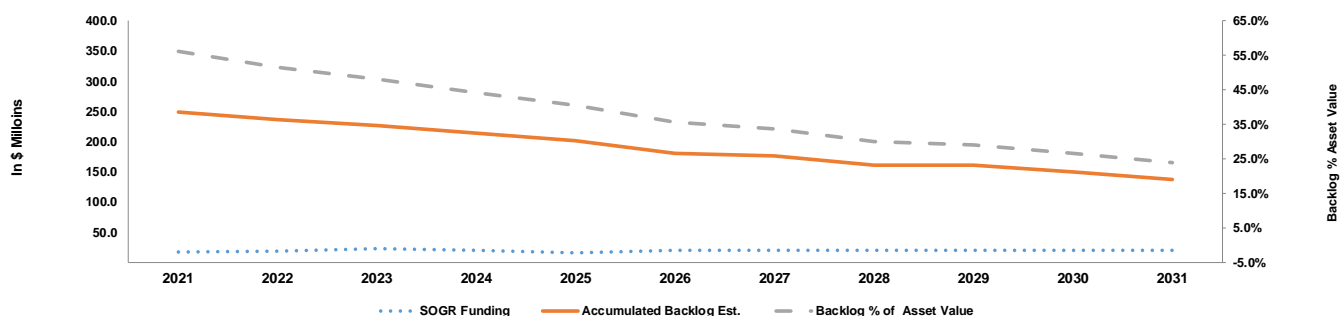
- The majority of the TRCA's capital projects are ongoing or phased projects which arise from multi-year planning. Feasibility studies or needs assessments have been completed and engineering estimates form the basis of costs. TRCA typically receives 100% of its Capital Budget in any given year and does not require funding to be carried forward into future years due to incomplete projects.

## STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in TRCA: watershed and infrastructure.

**Chart 3: Total SOGR Funding & Backlog**

State of Good Repair (SOGR) Funding & Backlog



\$ Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	16.6	18.4	22.5	19.2	16.0	19.8	20.0	20.2	20.3	20.3	20.3
Accumulated Backlog Est.	249.1	236.1	225.9	213.4	200.8	181.1	175.8	161.4	160.9	150.2	137.8
Backlog % of Asset Value	56.1%	51.6%	48.2%	44.2%	40.5%	35.6%	33.6%	30.0%	29.1%	26.6%	23.9%
Total Asset Value	444.0	457.9	468.9	482.3	495.7	509.1	522.4	537.7	552.9	564.4	577.8

- TRCA has stewardship of assets which are comprised of land, land improvements, buildings, infrastructure with a total estimated replacement value at \$444 million and capital work-in-progress in the Don, Rouge, Highland, Etobicoke, Mimico and Humber watersheds, as well as along the waterfront.
- The 10-Year Capital Plan for TRCA includes a total of \$197.0 million for SOGR projects, funded by \$161.8 million from Toronto Water contributions and \$35.2 million in debt funding.
- In recent years, issues related to erosion and damage from high intensity, localized storms have increased. Additionally, the Erosion Control Major Maintenance backlog increased \$5.5 million over the past year due to an influx of assets adopted along the Humber River.
- Overall, the estimated SOGR backlog has shown a slight increase when compared to the 2021 Budget. TRCA currently has an estimated SOGR backlog of \$249.1 million in 2021, which is anticipated to decrease to \$137.8 million by the end of the 10-Year Capital Plan.

## OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

- TRCA typically absorbs the operating impact of its completed capital projects, except in cases where it transfers an asset arising from a completed project to the City of Toronto to manage on an ongoing basis.
- For example, upon completion of TRCA's capital work on ravine parkland, TRCA transfers over the operation of the park to Parks, Forestry and Recreation (PF&R) under the existing agreement between TRCA and the City. This increased operational responsibility would impact the Operating Budget for PF&R.
- TRCA staff will work closely with City Programs including PF&R, Municipal Licensing Services, Transportation Services, Toronto Water and Financial Planning to ensure that future year budget submissions identify any operating impacts of capital projects in the TRCA's 10-Year Capital Plan.

# 2022 Program Summary

## Toronto Atmospheric Fund

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Atmospheric Fund (TAF) is a regional climate agency constituted as a non-share capital corporation via the Toronto Atmospheric Fund Act. TAF invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation, with no draw on the City's tax-base. We lead, support and collaborate with stakeholders in the private, public and non-profit sectors who have opportunities for reducing urban carbon emissions. We invest the endowments provided by City of Toronto (1991), Province of Ontario (2017) and Government of Canada (2020) in alignment with our mandate, and with the proceeds we provide grants to non-profit organizations, incubate and implement innovative programs and advocate for policies and programs, with particular focus achieving environmental, social and economic benefits that improve health, create local jobs, boost urban resiliency and contribute to a fair society. Based on TAF's model and track-record, six similar agencies have been endowed by the Government of Canada under the banner of Low Carbon Cities Canada (LC3).

### Why We Do It

TAF was established to operate arms-length from the City of Toronto with a mandate that is aligned to achieving mutual objectives, more specifically with the City's TransformTO and forthcoming Net-Zero Strategy and the declaration of a climate emergency. TAF's actions are focused on **advancing low-carbon solutions for the key sources of urban carbon emissions: buildings, both existing and new construction, transportation, industrial, waste and electricity**. The expansion of TAF's mandate to the GTHA recognizes that strategic regional action is needed in order for local, provincial and national climate action efforts to succeed. Our investment strategy aims to generate both financial and mandate-related impact, and to demonstrate and mobilize much more than our capital for local low-carbon solutions. With the support and good governance of the Council-appointed Board (8 citizens, 3 Councillors), TAF provides unique, data-driven, strategic support, investment and ally ship to private, public and non-profit stakeholders contributing to achieving Toronto's net-zero by 2040 goal. This target isn't simply another milestone -- it's a vision for a climate-smart urban region that functions within its environmental means and is a leader among climate-friendly urban centres around the world.

*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

### Grants

**Who We Serve:** Eligible non-profit organizations, citizen groups and community organizations, charities, academia, research institutions and municipalities in the GTHA.

**What We Deliver:** We fund high impact climate efforts to create low-carbon, equitable cities and communities in the Greater Toronto and Hamilton Area including grants for capacity-building and to projects related to deep retrofits of existing buildings, net-zero new construction, electrifying transportation, and other urban climate action priorities.

**How Much Resources (gross 2022 operating budget): \$1.7M**

### Impact Investing (Revenue Generating)

**Who We Serve:** Businesses and enterprise with low-carbon projects and activities, non-profit and for-profit institutional co-investors, the wider financial sector as interest grows in Environmental, Social and Governance (ESG).

**What We Deliver:** Prudent investment in marketable securities and in projects and companies that are aligned with TAF's mandate, generate risk-adjusted return, and mobilize financial capital for urban low-carbon solutions through financial innovation, aggregation and/or syndication. Thought-leadership and development of innovative financial structures and instruments to address barriers to capital flow into urban low-carbon solutions.

**How Much Resources (gross 2022 operating budget): \$1.46M**

### Strategic Program Implementation

**Who We Serve:** Government (Municipal, Provincial, and Federal), businesses and industry, not for profits, and other institutions promoting and delivering greenhouse gas (GHG) reduction.

**What We Deliver:** Programs, policy advocacy and engagement that demonstrate, de-risk, remove barriers and help scale solutions for existing buildings, new construction, electrification of transportation, and clean energy which will reduce carbon and deliver other (co)benefits like improved health, community resilience, reducing inequity, job creation, and economic value.

**How Much Resources (gross 2022 operating budget): \$4.47M**

### Operations and Governance

**Who We Serve:** City Council, Province of Ontario and Government of Canada (via Federation of Canadian Municipalities (FCM)), TAF Board of Directors and its Committees, and other key stakeholders including industry partners, non-profits, academia, citizens in the GTHA

**What We Deliver:** A high standard of accountability and compliance with all governance requirements and against our mission-focused KPIs, efficient and effective operations, and a diverse, learning, collaborative and mission-focused culture.

**How Much Resources (gross 2022 operating budget): \$1.4M**

## Budget at a Glance

### 2022 OPERATING BUDGET

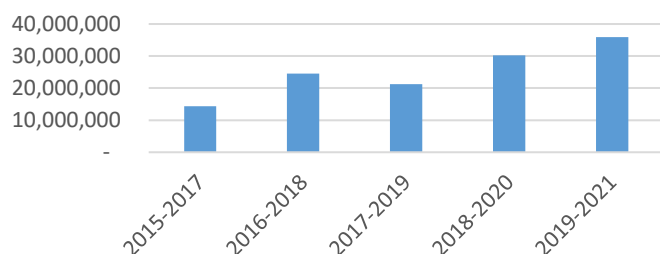
\$Million	2022	2023	2024
Revenues	\$9.0	\$8.7	\$8.9
Gross Expenditures	\$9.0	\$8.7	\$8.9
Net Expenditures	\$0.0	\$0.0	\$0.0
Approved Positions	16.0	16.0	16.0

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Toronto Atmospheric Fund has no capital budget.			

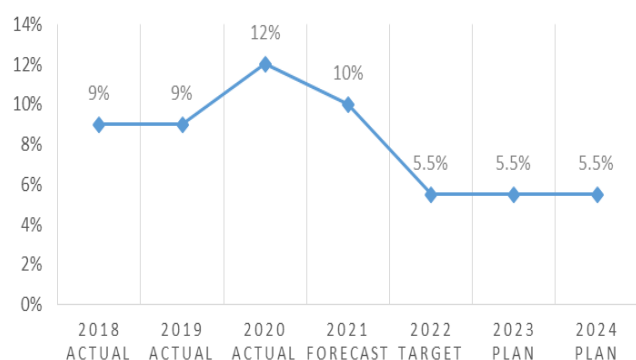
## How Well We Are Doing – Behind the Numbers

3 Year Average GHG potential emissions reduction



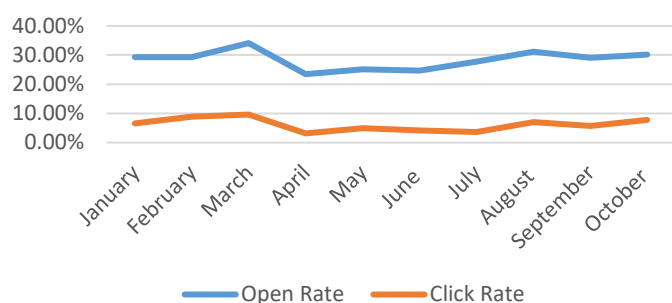
- Emission reduction potential (2021 estimate, to be updated at year-end): 54,799,177 T CO<sub>2</sub>e
- Highest cumulative GHG potential reduction to date based on combination of internal projects, 6 impact investments and 20 grants (8 unquantifiable) with almost half the reduction from grants related to Green Development Standards (estimated reduction potential based on adoption across the GTHA)
- To address year-to-year variation, a 3-year rolling average presented, which also indicates growing impact

PORTFOLIO ANNUAL YIELD (%)



- TAF's marketable investments portfolio had an average return of 10% over 2018 - 2021. For budgeting purposes, a very conservative estimate of 5.5% annual revenue projection is used.
- Direct Investments are being increased to reduce the portfolio's volatility, provide risk-adjusted return, and achieve mandate-related impact.
- TAF attracts external revenues (donations) for specific projects from various sources; an ambitious target has been set for 2022 given the roll-out of the federal funding programs for low-carbon solutions.
- TAF maintains a Stabilization Fund – one for each endowment -- to mitigate the impact of variability of investment earnings from year to year on operating expenses.
- To protect the asset value, TAF's total operating budget is maintained within the Payout Ratio established by the Board of between 5-6% of the Net Asset Value, on a 4-year rolling average.

E-News Performance - 2021

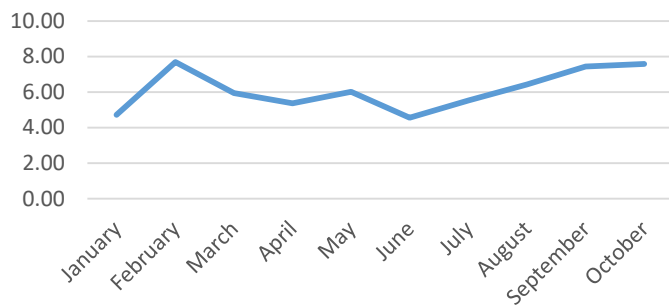


Data to Oct 2021

E-news audience includes GTHA municipal leaders and staff; industry and policy experts; NGOs and civil society; funders and investors; community stakeholders

- Open target is 32% (over industry standard); 2021 average open rate 28.4%
- Click rate target: 6% and achieved 6.15%

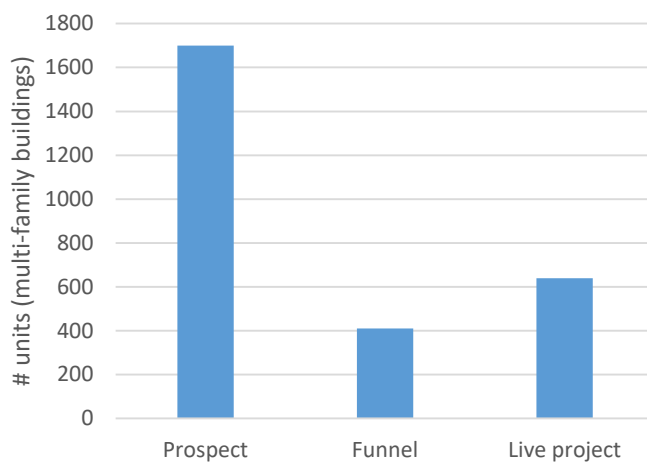
### LinkedIn Engagement - 2021



LinkedIn is priority channel for reaching professionals with relevant, tailored content to grow in key segments

- Engagement target: 6% and achieved 6.13%
- Audience growth: 23% during 2021

### Deep Retrofits underway in GTHA (2021)



TAF's supports delivery of deep retrofits in multi-family buildings in the GTHA to achieve carbon reductions, operational savings, and improved housing for residents. As of Nov 2021:

- Over 600 units in retrofit process
- Growing pipeline: over 1,700 units
- Projects achieve at least 40% carbon reductions
- Strategic partnership with Toronto Community Housing to support achieving their social, financial and carbon reduction priorities and objectives

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Grants	Total value of grants allocated (\$ millions)	1.2	1.2	1.62	1.57	●	1.7	1.7
Impact Investing	Total value of equity/loan investments	9051	8039	15000	10157	●	11500	13000
Strategic Programs	Carbon reductions potential (Mt Co2e)	11.27	41.80		143.18			
Service Level Measures								
Grants	Grants applications across GTHA	18	36	N/A	22	●	N/A	N/A
Governance	Board meetings	4	4	4	5	●	4	4

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- No significant 2021 impacts or 2022 budget impacts

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#### Service Level Changes

- No service level changes expected: all services will be met through hybrid work arrangements
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Building on the success of the 10-year TowerWise initiative, TAF launched Retrofit Accelerator for multi-unit residential buildings in the GTHA to support scaled-up retrofit volume and deeper carbon reductions. This will help with implementation of the City's Existing Buildings strategy (part of the Net Zero plan), and achieve affordable housing, climate resilience, job creation and other community level priorities
- TAF has supported research and implementation, provided technical advice, convened industry and other stakeholders and advocated for progressive improvements to Toronto Green Standard. Toronto's leadership and our experience and support is helping to advance similar policies for new construction in municipalities across the GTHA and harmonizing standards will be a priority in 2022.
- TAF's unique contribution to electrification of transportation is a focus on scaling deployment of electric vehicle (EV) charging infrastructure including seeking out charging requirements in TGS v4 and via parking and vehicle-for-hire by-laws. TAF secured \$2M of federal funding to subsidize approximately 300 new charging stations across the GTHA, which will add supply and give us direct insights into how we achieve full scale. Federally, TAF also supported the development of the federal Clean Fuel Standard and a zero-emissions vehicle (ZEV) mandate.
- With increasing public and corporate interest in climate, including specifically impacts and solutions as well as opportunities for engagement, TAF adapted our messaging and increased our reach and influence through outreach to key journalists and media outlets, and via social media, blogs and e-newsletter.
- Our success in adopting a fully virtual workplace during the pandemic is facilitating a streamlined transition to a hybrid workplace, with benefits including a greater work-life balance and employee satisfaction without any compromise on work quality or output.

### Key Challenges and Risks

- Public awareness, political will, industry readiness and investor interest for climate action has increased significantly, both locally and globally. While promising, this comes amid range of challenges including social inequities, natural disasters and significant economic and industrial shifts which strains attention and funding available for climate action, unless undertaken in an integrated, multi-solving manner.
- The data indicate we are not achieving carbon emissions reductions in line with local or global targets. Upcoming federal budgets and municipal and provincial elections will all feature climate initiatives but implementation remains under capacity. TAF's innovative, entrepreneurial, and operational approach, measurement & evaluation expertise and commitment to knowledge transfer can help identify, incubate and support strategic climate action in the GTHA.
- We are monitoring and feeling some of the impacts of 'the great transition' on the workforce including job-switching, values re-alignment and compensation expectations, and managing one senior-level retirement/recruitment.
- With the majority of our operating revenue from investment of the three endowments, active management and diversification is required in the face of potential public market volatility, higher than average inflation, rising interest rates and currency exchange.

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## Priority Actions

- Program focus will be on accelerating deep retrofits of existing buildings via TAF's Retrofit Accelerator; net-zero new construction goals through supporting Green Development Standard adoption and implementation throughout the GTHA; and EV uptake through supporting equitable and easy access to charging infrastructure and removal of barriers. This will be supported by a focus on advancing a clean, modern, affordable electric grid.
  - In addition to TAF's core KPIs – GHG reduction potential and financial capital mobilized for low-carbon solutions – all grants, investment and programs will be evaluated for their commitment to achieving co-benefits to climate action including but not limited to affordable housing, job creation, social inclusion and equity, health and safety, community resilience, and local economic development. Rigorous quantification of carbon reduction and associated co-benefits will demonstrate the value of a multi-solving approach to climate action. TAF's capacity for innovation and continuous improvement will be supported through agile work processes, knowledge transfer, regular and developmental project evaluation and professional development.
  - The investment portfolio will be rebalanced to optimize risk/return, including defensive diversification and options to manage cash flow needs to ensure no disruption to business in the case of downside volatility. The establishment of a dedicated Direct Investment Committee will support implementation of a refreshed strategy for this asset class.
  - With guidance from TAF's Board and Committees and in collaboration with City staff, updates will be advanced for Council approval to TAF's key governance documents including the TAF/City Relationship Framework, Statement of Investment Objectives and Principles and By-Law which are critical to streamlined program implementation throughout the GTHA and for prudent investment in the current market context.
  - We will invest in team retention and culture through updates to our HR policy (to include hybrid work); compensation review focused on equity, competitiveness and professional growth); and providing learning and development on multi-solving as well as continued leadership/management training.
  - Regular knowledge exchange about successful climate action in cities across Canada, co-funding strategic grants, advancing retrofit market development across Canada, originating and participating in low-carbon investments and advancing critical urban climate policy will leverage the value of the six new Low Carbon Cities (LC3) which are networked through FCM.
  - A one-time allocation of \$213,000 from excess proceeds from the Toronto endowment Stabilization Fund is included in the budget to support enhanced carbon reduction initiatives. The Stabilization Fund was established in 2003 to enable TAF to reduce the variability in its program spending due to financial markets, which directly impact investment income. Investment income from marketable securities that exceeds the annual budget is added to the Stabilization Fund. When investment income falls below budget the shortfall may be withdrawn from the Stabilization Fund. The Stabilization Fund is capped at a maximum of 25% of net asset value, and has now reached this limit. With the 4-year portfolio average yield being 10% there are significant excess earnings not transferable to the Stabilization fund; this situation will continue in 2021. The proposed one-time allocation will not have any material impact on future returns.
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## 2022 OPERATING BUDGET OVERVIEW

Table 1: Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Investment Income and External Funding	11,751.5	7,900.0	12,000.0	8,975.0		8,975.0	(3,025.0)	(25.2%)
<b>Total Revenues</b>	<b>11,751.5</b>	<b>7,900.0</b>	<b>12,000.0</b>	<b>8,975.0</b>		<b>8,975.0</b>	<b>(3,025.0)</b>	<b>(25.2%)</b>
<b>Expenditures</b>								
Program Delivery Expenses	3,311.0	4,690.0	3,490.0	5,275.0		5,275.0	1,785.0	51.1%
Administrative Expenses	276.2	660.0	550.0	820.0		820.0	270.0	49.1%
Salaries and Benefits	1,857.9	2,550.0	2,400.0	2,880.0		2,880.0	480.0	20.0%
<b>Total Gross Expenditures</b>	<b>5,445.1</b>	<b>7,900.0</b>	<b>6,440.0</b>	<b>8,975.0</b>		<b>8,975.0</b>	<b>2,535.0</b>	<b>39.4%</b>
<b>Net Expenditures</b>	<b>(6,386.4)</b>		<b>(5,560.0)</b>				<b>5,560.0</b>	<b>(100.0%)</b>
<b>Approved Positions**</b>	<b>13.0</b>	<b>15.0</b>	<b>N/A</b>	<b>16.0</b>		<b>16.0</b>	<b>1.0</b>	<b>6.7%</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$8.975 million gross reflecting an increase of \$2.535 million in spending above 2021 projected year end actual results predominantly arising from:

- Grants and Programs: Additional grants and program allocations based on further rollout of federal endowment funding, and external funding of new projects.
- Financial Market Factors: Market performance is the key driver of TAF revenues; low Fixed Income/Bond yields will be mitigated by diversifying the portfolio into less interest-rate driven products and Global Equity positions will be reduced in favour of less potentially volatile Direct Investments which are also aligned with TAF's mandate.

### Other Revenue Changes:

- \$1.500 million in external funding is budgeted for specific projects.
- \$0.213 million of the revenue is from the Canada endowment operating fund. This is a \$2 million fund which will be drawn down over several years.
- \$0.212 million of the revenue is a one-time use of excess revenue from the Toronto Endowment Stabilization Fund.

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Atmospheric Fund's 2022 Operating Budget do not have any significant equity impacts.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Atmospheric Fund is \$2.535 million gross or 39.4% higher than the 2021 Projected Actuals Budget. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Investment Income and External Funding	8,664.0	11,751.5	7,900.0	12,000.0	8,975.0	(3,025.0)	(25.2%)
<b>Total Revenues</b>	<b>8,664.0</b>	<b>11,751.5</b>	<b>7,900.0</b>	<b>12,000.0</b>	<b>8,975.0</b>	<b>(3,025.0)</b>	<b>(25.2%)</b>
Program Delivery Expenses	2,684.0	3,311.0	4,690.0	3,490.0	5,275.0	1,785.0	
Administrative Expenses	269.0	276.2	660.0	550.0	820.0	270.0	49.1%
Salaries and Benefits	1,490.0	1,857.9	2,550.0	2,400.0	2,880.0	480.0	20.0%
<b>Total Gross Expenditures</b>	<b>4,443.0</b>	<b>5,445.1</b>	<b>7,900.0</b>	<b>6,440.0</b>	<b>8,975.0</b>	<b>2,535.0</b>	<b>39.4%</b>
<b>Net Expenditures</b>	<b>(4,221.0)</b>	<b>(6,306.4)</b>		<b>(5,560.0)</b>		<b>5,560.0</b>	<b>(100%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Total Revenue Changes:**

- Portfolio revenues are budgeted at a conservative 5.5% yield due to the variability public equities market and external revenue inflows year over year. The 2021 revenue projected reflects the actual performance of the public equities the first 3 quarters of the year.

**Total Expenditure Changes:**

- Expenditures are directly correlated with the projected changes in investment revenues and from external funding; the latter will not be spent unless it is raised.
- Increase in expenditures includes one additional permanent position based on endowment capacity and additional contract positions supported by external revenues, if that is raised.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	12,000.0	8,975.0	8,740.0	8,915.0
Gross Expenditures	6,440.0	8,975.0	8,740.0	8,915.0
<b>Net Expenditures</b>	<b>(5,560.0)</b>			
<b>Approved Positions</b>	<b>N/A</b>	<b>16.0</b>	<b>16.0</b>	<b>17.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$8.740 million reflects a slight decrease of \$0.235 million or 2.62 per cent decrease due to the uncertainty of external revenue inflows at this point in time. The 2024 Outlook expects a further increase of \$0.175 million or 2.00 per cent above gross expenditures.

# 2022 Program Summary

## Toronto Parking Authority

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

TPA is North America's largest municipally owned parking and bike share operator, generating pre-pandemic revenue of \$156.7 million and \$75.6 million in profit and contributing over \$1.36 billion to the City since 2000. TPA executes over 34 million customer transactions across a portfolio of 18,000+ on-street and over 40,000+ off-street parking spaces at 307 locations. Bike Share, North America's third largest system, currently operates across 200 square kilometers in 20 of Toronto's wards and includes 6,850 bikes deployed at 625 stations and has over 460,000 members.

### Why We Do It

**Our Vision:** To become the world's best provider of sustainable parking, bike share and integrated mobility solutions for our customers, our partners, and our City.

**Our Approach:** One Vision, One Team, One City!

**Our Mandate:** To provide safe, attractive, self-sustaining, conveniently located and competitively priced on and off-street parking and bike share services as integral components of Toronto's transportation and mobility systems.

*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

### **Municipal Parking Services**

**Who We Serve:** Local business, Residents, Visitors / Tourists

**What We Deliver:** Convenient, safe public parking including growing EV charging services, on-street and off-street with over 300 locations and 40,000 spaces combined for TPA locations

**How Much Resources (gross 2022 operating budget):** \$95.5 Million

### **Parking Management Services**

**Who We Serve:** City Agencies and growing private sector channels including property owners, developers, hospitality and service industry.

**What We Deliver:** Convenient, safe public parking with 20,700 spaces

**How Much Resources (gross 2022 operating budget):** included above

### **Bike Share Toronto**

**Who We Serve:** Residents, Visitors / Tourists

**What We Deliver:** Accessible, and affordable bike share mobility solutions (B2C/B2B)

**How Much Resources (gross 2022 operating budget):** \$10.4 Million

## Budget at a Glance

### 2022 OPERATING BUDGET

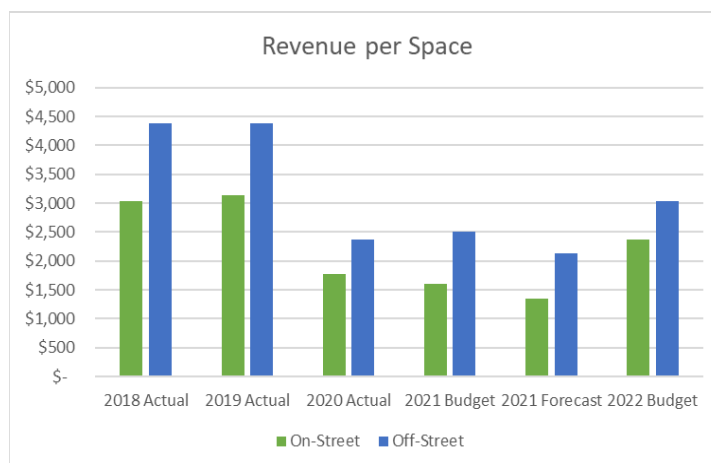
<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$120.3	\$164.3	\$170.4
Gross Expenditures	\$105.9	\$112.0	\$115.3
Capital Contribution	(\$14.4)	(\$52.3)	(\$55.1)
Approved Positions	326.5	326.5	326.5

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$35.2	\$166.3	\$201.5
Debt	\$0	\$0	\$0

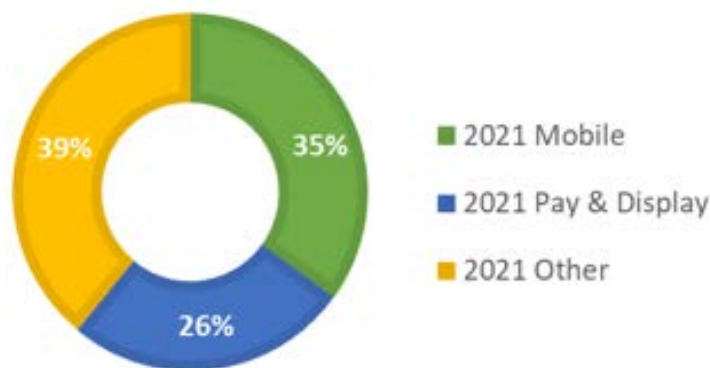
Note: Includes 2021 carry forward funding

## How Well We Are Doing – Behind the Numbers

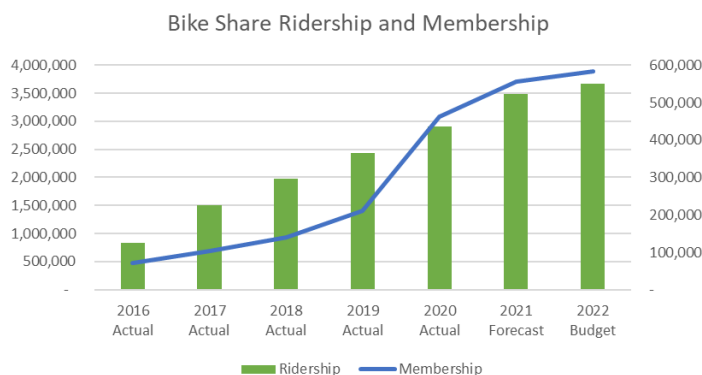


- TPA has operated all our facilities without interruption throughout the pandemic
- Assuming subsequent waves are moderate, parking revenue is budgeted to recover to 72% of pre-pandemic levels during 2022
- Parking transaction volume not expected to fully recover until 2023; commuter vehicle volumes snapback muted by new hybrid return to work models.
- Parking rate increases are not contemplated for 2022 in order to support Business Improvement Areas and to remain competitive in marketplace.

### 2021 REVENUE BY PAYMENT CHANNEL



- Payment channel preference anticipated to remain consistent with previous year's payment preference experience
- Mobile continues to remain the preferred payment method where offered, at 57% with modest growth year over year
- Cash payments continue to decline as consumers prefer not to handle cash during the pandemic. Cash volume has dropped to 8% of all transactions, compared to 15% pre-pandemic



- All Bike Share infrastructure continues to fully operate through the pandemic as it offers a convenient, safe way to travel
- Increased casual membership and casual ridership continues to drive growth in 2021 with ridership revenue forecasted to increase 33% in 2021 as the expanded system is adopted and safe travel remains a primary concern for commuters
- Membership and ridership growth is expected to continue in alignment with the expansion of the system in 2022 of approximately 11%

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Off-Street Parking	Parking transaction volume	12.1M	6.4M	6.7M	5.9M	●	8.5M	11.5M
On-Street Parking	Parking transaction volume	19.5M	11.0M	9.6M	8.0M	●	14.7M	18.5M
Bike Share	Ridership	2.4M	2.9M	3.3M	3.4M	●	3.5M	3.7M
Service Level Measures								
Off-Street Parking	Occupancy of available spaces in established areas	85%	50%	50%	49%	●	70%	85%
On-Street Parking	Occupancy of available spaces in established areas	80%	50%	50%	43%	●	75%	80%
Bike Share	Bicycle fleet availability	80%	80%	80%	80%	●	80%	80%
Other Measures								
Off-Street parking	Parking Revenue per Space	\$4.4K	\$2.4K	\$2.5K	\$2.1K	●	\$3.0K	\$4.4K
On-Street Parking	Parking Revenue per Space	\$3.1K	\$1.8K	\$1.6K	\$1.3K	●	\$2.4K	\$3.1K
Bike Share	Membership	\$211K	\$463K	\$415K	\$556K	●	\$584K	\$612K

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- 2022 parking revenue is expected to recover to 72% of pre-pandemic (2019) levels supported primarily by the return of commuter traffic
- Overall, 2022 spending is expected to increase due to:
  - Higher direct operating costs associated with increased revenue, including payment transaction processing and profit-based rent,
  - Returning budget to full staff complement to support strategic objectives,
  - Expanding facility security coverage to address increasing vandalism and ensure customer safety
  - Expanding facilities cleaning, repairs and maintenance service levels to meet customer expectations and protect staff health and safety, and
  - Investing in technology to improve operational efficiency and customer experience.

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**Service Level Changes**

- All infrastructure will continue to operate;
  - It is difficult to predict the ongoing impact of COVID-19 on Toronto Parking Authority's service levels in 2022. While Toronto Parking Authority service levels have been gradually returning to 72% of pre-pandemic parking levels, further resurgences of the virus could see decrease of parking demand.
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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

Toronto Parking Authority's rapid and innovative response to COVID-19 yielded strong results for Toronto's business and cultural communities. Key achievements included:

- 2021 forecasted Net Income to miss plan by \$7.3M; total enterprise loss of \$9.5M, driven by:
  - 13.5% revenue shortfall vs plan as transaction volume decreased under further pandemic restrictions and lockdown; forecasted revenue to be 46% of 2019 levels with transaction volumes at 51% of 2019 levels.
  - Cost management driving savings of \$4.3M vs plan including continued FTE diligence.
- Capital investments moderated to preserve cash; forecasting year end cash position of \$51.5M
- Key 2021 deliverables include modernization of internal processes (SAP 2.0); targeted investments in health and safety, wayfinding, organizational engagement, EV charging deployment strategy/pilot with Toronto Hydro; enhanced Bike Share investments; Green P app v2 and enforcement automation with TPS.

### Key Challenges and Risks

- City-wide approach to parking strategy required to support short-term decision making; and modernization of operations, infrastructure and customer facing investments;
- Off-street infrastructure requires significant capital investments to improve structural integrity, safety and security of the premises, wayfinding and technology;
- Evolving mobility trends and market forecasting that 50% of all vehicles sold in Ontario by 2025 will be electric; by 2030, there is a 90%+ probability that all vehicles sold in Canada will be electric. Future operations will need to be supported through modern chargers deployed at TPA parking spots;
- TPA may face challenges to attract, develop and retain a workforce that has the appropriate skills and capabilities to deliver our transformation mandate over the next five-year period;
- Uncertain mid-term pandemic impact on traffic patterns negatively delaying return to 2019 revenue, profit and cash flow performance levels.

### Priority Actions

- **Build a Great Place to Work:** Transform Health and Safety Culture; Structure for Success, Talent Review and Development, Staff Engagement Strategy/Implementation; Performance Management, Elevate Diversity and Inclusion.
- **Strengthen the Core, Execute with Excellence:** Leverage SAP to drive business process discipline and data insights; robust Asset management focus to improve SOGR/Capital Productivity; "Fix it Right the First Time" operating culture, Establish Executional Framework by Channel of Business, Deploy new wayfinding standards at high value locations; Elevate Security focus to reduce reputational risk and impact on customer retention.
- **Accelerate Growth and Financial Sustainability:** Deliver 2022 P&L, Execute Phase One of Multi-Year EV Charging Strategy; Modernize Parking Payment Experience (i.e. E-Commerce, Dynamic Pricing); Strategic Corporate Partners/Sponsors (B2B and B2C); aggressively pursue expanded customer base to accelerate top line growth.
- **Connect with our Customers:** Develop new 3-Year Bike Share growth strategy, launch new CX strategy (digital, social media, loyalty, insights, website renovation); launch two "innovation hubs" to prototype industry best practices.
- **Engage and Innovate with our Strategic Partners:** Co-create new integrated Relationship framework with City Partners to future proof sustainability (Revenue Share Agreement, Market Value Assessment, Enforcement, City Parking Strategy); Reimagine relationships with our strategic vendors; strategic vs. transactional approach.



## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
On-Street Parking	34,262.0	30,832.0	26,042.8	45,793.2		45,793.2	19,750.4	75.8%
Off-Street Parking	58,602.1	55,245.6	48,438.8	66,389.6		66,389.6	17,950.7	37.1%
Bike Share	5,703.3	7,409.5	7,635.5	8,118.4		8,118.4	482.9	6.3%
<b>Total Revenues</b>	<b>98,567.5</b>	<b>93,487.1</b>	<b>82,117.1</b>	<b>120,301.2</b>		<b>120,301.2</b>	<b>38,184.0</b>	<b>46.5%</b>
<b>Expenditures</b>								
On-Street Parking	9,275.4	10,636.4	9,367.2	10,256.7		10,256.7	889.6	9.5%
Off-Street Parking	67,901.6	75,441.2	72,382.0	85,235.1		85,235.1	12,853.2	17.8%
Bike Share	7,359.1	9,646.5	9,872.5	10,407.9		10,407.9	535.4	5.4%
<b>Total Gross Expenditures</b>	<b>84,536.0</b>	<b>95,724.1</b>	<b>91,621.6</b>	<b>105,899.7</b>		<b>105,899.7</b>	<b>14,278.1</b>	<b>15.6%</b>
<b>Net Expenditures</b>	<b>(14,031.4)</b>	<b>2,237.0</b>	<b>9,504.4</b>	<b>(14,401.4)</b>		<b>(14,401.4)</b>	<b>(23,905.9)</b>	<b>(251.5%)</b>
<b>Approved Positions**</b>	<b>326.5</b>	<b>326.5</b>	<b>N/A</b>	<b>326.5</b>		<b>326.5</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q2 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$105.9 million gross reflecting an increase of \$14.3 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Increasing salaries and wages budget of \$6.3 million due to return to full staffing, complemented with Collective Bargaining Increase and 2.5% vacancy rate; and
- Increasing payment transaction fee and profit-based rent expense (\$2.5 million), expanded repairs and maintenance (\$1.5 million) to improve health and safety, state of good repair and rising vandalism, technology project expenses and consulting (\$1.6 million), and expanded security coverage (\$0.6 million).

## COSTS TO ENHANCE SERVICES

**No New and Enhanced Services for 2022.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Parking Authority's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Toronto Parking Authority is \$105.9 million gross or 15.6% higher than the 2021 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget. All expense and operating recommendations are made with a long-run focus to ensure maximum value and cash flow.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
On Street Parking	60,704.3	34,262.0	30,832.0	26,042.8	45,793.2	19,750.4	75.8%
Off Street Parking	97,248.1	58,532.5	55,245.6	47,407.6	66,389.6	18,982.0	40.0%
Bike Share Program	3,971.3	5,703.3	7,409.5	7,635.5	8,118.4	482.9	6.3%
<b>Total Revenues</b>	<b>161,923.7</b>	<b>98,497.8</b>	<b>93,487.1</b>	<b>81,085.9</b>	<b>120,301.2</b>	<b>39,215.2</b>	<b>48.4%</b>
Salaries and Benefits	26,461.2	23,000.5	26,298.2	23,570.7	29,883.3	6,312.6	26.8%
Materials & Supplies	5,692.4	2,996.7	4,216.4	3,212.9	6,987.8	3,774.9	117.5%
Equipment	8,383.4	8,157.7	8,166.8	8,705.1	9,161.5	456.4	5.2%
Service and Rent	7,450.3	3,772.0	4,529.6	3,819.6	5,497.5	1,678.0	43.9%
Municipal Taxes	21,542.6	20,154.4	23,313.8	22,655.9	22,771.7	115.7	0.5%
Other Expenditures	23,859.1	26,454.7	29,199.3	29,657.3	31,597.9	1,940.6	6.5%
<b>Total Gross Expenditures</b>	<b>93,389.0</b>	<b>84,536.0</b>	<b>95,724.1</b>	<b>91,621.6</b>	<b>105,899.7</b>	<b>14,278.1</b>	<b>15.6%</b>
<b>Net Expenditures</b>	<b>(68,534.7)</b>	<b>(13,961.8)</b>	<b>2,237.0</b>	<b>10,535.7</b>	<b>(14,401.4)</b>	<b>(24,937.1)</b>	<b>(236.7%)</b>
Gain on the sale of property	7,081.9	69.7		1,031.2		(1,031.2)	(100.0%)
<b>Total Net Expenditures</b>	<b>(75,616.6)</b>	<b>(14,031.4)</b>	<b>2,237.0</b>	<b>9,504.4</b>	<b>(14,401.4)</b>	<b>(23,905.9)</b>	<b>(251.5%)</b>

\*2021 Projection based on Q2 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

2021 payroll has been managed carefully through the pandemic, matching staffing to operational requirements. Full staffing is budgeted in 2022 reflecting return to work of staff on leave and to support strategic priorities, complemented with Collective Bargaining Increase and 2.5% vacancy rate.

TPA's total staffing complement remains unchanged at 326.5 positions. Budget reclassifications have been made to increase Bike Share staffing in alignment with the expanded operating system and to reflect Monitoring Station staffing under the off-street segment.

**Materials and Supplies:**

Expanded repairs and maintenance (\$1.5 million) to improve health and safety, state of good repair and rising vandalism, technology project expenses and consulting (\$1.6 million), and expanded security coverage (\$0.6 million).

**Services and Rents:**

Direct operating expenses related to services and rents are correlated with anticipated increased 2022 revenue, including payment processing and parking management expenses.

**Other Expenditures:**

Strategic projects planned for 2022 will focus on five key areas: Build a Great Place to Work, Strengthen the Core, Execute with Excellence, Accelerate Growth and Financial Sustainability, Connect with our Customers, and Engage and Innovate with our Strategic Partners. Administration expenses also include a full staffing complement as well as additional strategic project expenses. Higher security costs are budgeted in 2022 to reflect increased security levels to support the execution of strategic initiatives and meet our mandate to provide safe and clean facilities for public use. Higher software licensing fees for the anticipated web-based ecommerce platform, enhanced cyber security and further adoption of best practices.

**Revenue Changes:**

2021 operating revenues continue to be impacted by the prolonged pandemic shut downs and changing consumer mobility patterns. Parking transaction volume missed budget by -13.5 percent; forecasted revenue is expected to be 46 percent of 2019 levels with transaction volumes at 51 percent of 2019 levels.

Parking activity has been further impacted by City initiatives introduced to support businesses, communities and residents during Covid-19. Even though TPA has and continues to work closely with Transportation Services to support the City's CafeTO and CurbTO initiatives, these programs have resulted in an estimated loss of 2,340 on-street paid parking spaces in 2021 which translates into \$3.7m in foregone revenue. Other City initiatives, including the City's ActiveTO program designed to expedite the implementation of cycling infrastructure on major arterial roads, has also impacted the supply of on-street paid parking although TPA has made strides in identifying and implementing replacement stalls as part of this valuable City program.

2022 parking revenues are expected to reach 72 percent of 2019 levels. Both on-street and off-street parking inventory is expected to remain substantially unchanged at 2021 levels. Due to forecasted demand softness and a commitment to support local business and local communities, rate increases are not being contemplated for 2022.

**Bike Share:**

Bike Share's casual membership continues to drive 2021 revenue growth, with revenue overall expected to grow 34 percent over the prior year. Adoption of bike share is expected to continue as safe travel and last mile mobility solutions remain a priority for commuters. However, in 2022, membership and ridership growth are expected to slow to 6 percent in alignment with a mid-year system expansion of approximately 11 percent. A further system expansion has been contemplated in the 2022 – 2031 Capital Budget and Plan.

System operating fees are expected to increase to \$9.1 million with the planned mid-2022 expansion of 38 stations and 700 bikes. The expanded system will grow to 663 stations and 7,550 bikes in total, including 500 E-bikes.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	82,117.1	120,301.2	164,290.2	170,458.6
Gross Expenditures	91,621.6	105,899.7	111,999.2	115,315.8
<b>Net Expenditures</b>	<b>9,504.4</b>	<b>(14,401.4)</b>	<b>(52,291.0)</b>	<b>(55,142.8)</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>326.5</b>	<b>326.5</b>	<b>326.5</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$112.0 million reflects an anticipated \$6.1 million or 5.8 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$3.3 million or 2.9 per cent above 2023 gross expenditures.

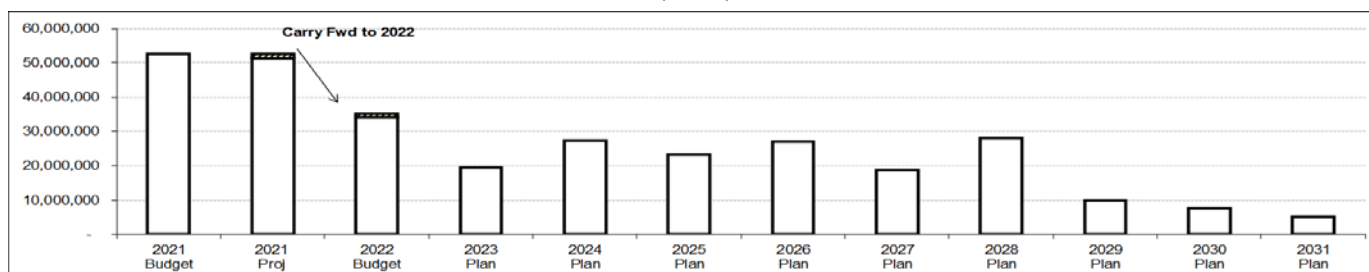
These changes arise from the following:

- **Impacts of 2022 decisions (Annualizations, reversal of one-time measures or revenues):** Numerous multi-year strategic priorities expected to continue through 3-year period as outlined under 2022 Priority Actions;
- **Salaries and Benefits:** Forecasted to continue to grow at 1.25%;
- **Inflationary Impacts:** 2% inflation rate assumed;
- **Growth (volume increases, operating impacts of completed capital projects, future phases of strategic plans):** Bike Share system expansion expected to support average annual growth of 15%
- **Revenue Changes:** 2023 revenue growth of 37% over 2022 driven by assumption of returning to pre-pandemic operating levels

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



2021 Carry Forward (into 2022)

Gross Expenditures

			2022 Capital Budget and 2023 - 2031 Capital Plan										
			2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
In \$000's	Budget	Projected Actual											
	Gross Expenditures by Project Category:												
Health & Safety & Legislated			3,970	530									4,500
SOGR	20,978	6,117	7,495	12,415	9,335	9,000	10,450	9,000	9,950	8,750	6,500	3,800	86,695
Service Improvement & Growth	31,498	19,556	23,735	6,598	17,926	14,309	16,579	9,625	18,109	1,100	1,100	1,200	110,281
Total by Project Category	52,476	25,673	35,200	19,543	27,261	23,309	27,029	18,625	28,059	9,850	7,600	5,000	201,476
Financing:													
Debt													
City Building Fund													
Reserves/Reserve Funds													
TPA Current & Future Retained Earnings	50,692	24,895	34,920	17,093	23,846	19,809	17,909	18,625	14,600	9,850	7,600	5,000	169,252
Development Charges													
Provincial													
Federal			280	2,450	3,415	3,500							9,645
Debt Recoverable													
Other Revenue - JV / Sale of air rights	1,784	778					9,120		13,459				22,579
Total Financing	52,476	25,673	35,200	19,543	27,261	23,309	27,029	18,625	28,059	9,850	7,600	5,000	201,476

### Changes to Existing Projects (\$21.5 Million)

Capital investments budgeted in the 2022-2031 Capital Budget and Plan have been moderated to preserve cash, and prioritize asset management to improve state of good repair and capital productivity. Major scope changes include the following projects:

- Descoping Etobicoke Civic Centre
- Expanding infrastructure assessments

### New Projects (\$68.4 Million)




The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:

- Focus on Health & Safety
- 4-Year Bike Share Expansion
- 2022 TPA & Natural Resources Canada EV Project
- Major Repairs to Garages
- Major Repairs to Surface Lots
- Security Projects (CCTV, Access Control) – Facilities Maintenance

### Capital Needs Constraints (\$47.3 Million)

Toronto Parking Authority is consulting with key stakeholders, including but not limited to Corporate Real Estate, on major capital investments in accordance with a new Relationship Framework. Toronto Parking Authority will be reducing investment in properties and focusing on parking and bike share management services.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$201.5 Million 10-Year Gross Capital Program**


		
<b>Service Improvement, Enhancement and Growth</b>	<b>Aging Infrastructure/SOGR</b>	<b>Health and Safety</b>
\$110.3 M 54.8%	\$86.7 M 43.0%	\$4.5 M 2.2%
<ul style="list-style-type: none"> <li>Property acquisitions and JV developments</li> <li>Bike Share Expansion <input checked="" type="checkbox"/></li> <li>TPA &amp; Natural Resources Canada EV Project <input checked="" type="checkbox"/></li> <li>New elevators in parking garages</li> <li>Wayfinding upgrades</li> </ul>	<ul style="list-style-type: none"> <li>Structural Maintenance</li> <li>Parking garages waterproof and concrete repairs</li> <li>Other major repairs to garages and surface lots</li> <li>Stairwell rehabilitation</li> </ul>	<ul style="list-style-type: none"> <li>Security Projects (CCTV, Access Control) - Facilities Maintenance</li> <li>Health and Safety - Safety, Compliance, Improvements</li> </ul>

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☒ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

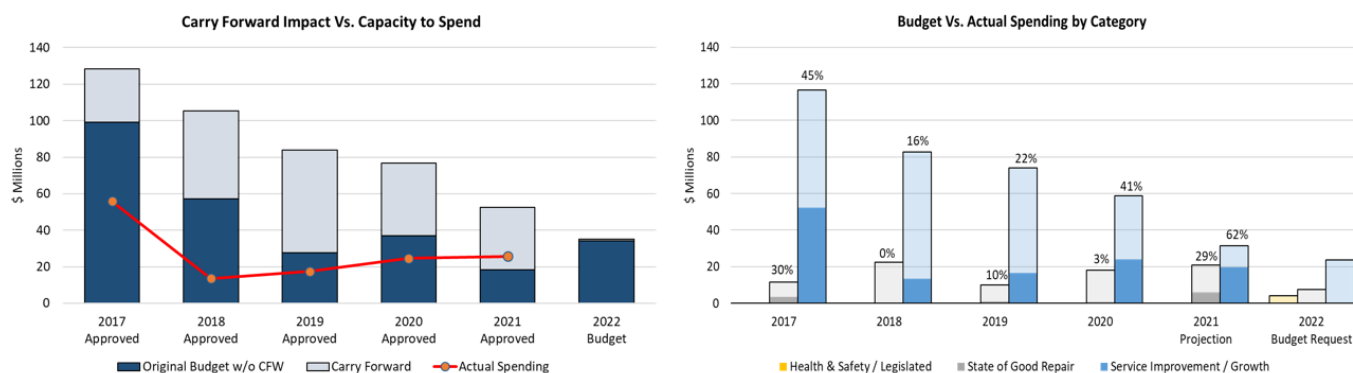
<b>Toronto Parking Authority</b> 		<b>Federal Funding</b>	
<b>\$191.9 M</b> <b>95.2%</b>		<b>\$9.6 M</b> <b>4.8%</b>	
Retained Earnings	\$ 169.3 M	NRCAN – ZEVIP (TPA & Natural Resources Canada EV Project)	\$ 2.1 M
Joint Venture / Sale of air rights	\$ 22.6 M	Other (Bike Share Expansion)	\$ 7.5 M

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Parking Authority's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below). Due to Covid-19, inactive projects in 2021 will be canceled and not carried forward into 2022.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$1.16 million in capital spending originally cash flowed in 2021 has been deferred to 2022. Adjustments to the Capital Plan are noted below:

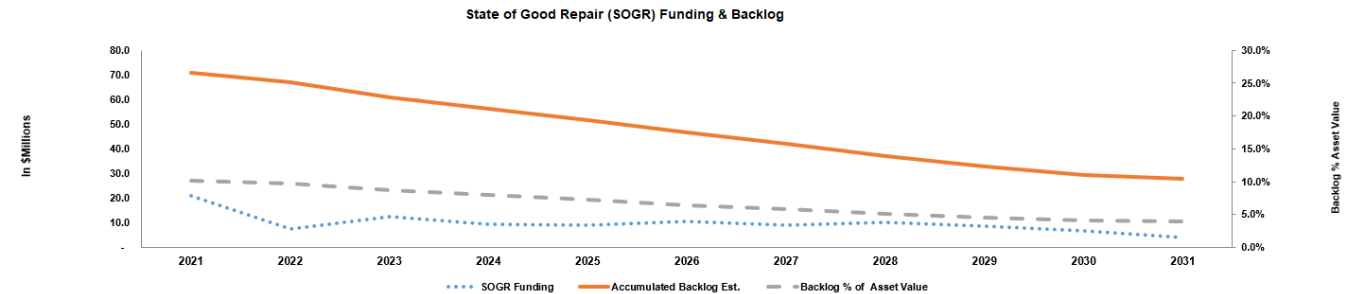
- \$21M acquisition of Etobicoke Civic Centre parking garage planned in 2024 is cancelled. Project scope changed from acquisition to management and estimated operating time postponed to 2026;
- \$47.3 million planned acquisitions and redevelopments & expansions of parking locations were not included in the 2022-2031 budget and plan

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Toronto Parking Authority: major and minor repairs, rehabilitations and upgrades at carpark locations and properties.

**Chart 3: Total SOGR Funding & Backlog**

Total SOGR Funding &amp; Backlog



\$ Millions	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	21.0	7.5	12.4	9.3	9.0	10.5	9.0	10.0	8.8	6.5	3.8
<b>Accumulated Backlog Est.</b>	71.0	67.2	61.0	56.4	51.9	46.6	42.1	37.2	32.8	29.5	27.6
<b>Backlog % of Asset Value</b>	10.2%	9.7%	8.7%	8.0%	7.3%	6.4%	5.8%	5.1%	4.5%	4.1%	3.9%
<b>Total Asset Value</b>	696.6	696.6	698.7	708.5	714.1	723.3	723.9	733.8	725.3	714.8	701.9

- Assumes that the 2021 year-end cash balance of at least \$51.5M, combined with the budgeted and planned net income is sufficient to cover all anticipated capital projects.
- Majority of Toronto Parking Authority's State of Good Repair is associated with various structural and greening initiatives.
- The 2022-2031 Budget and Capital Plan allocates:
  - \$50.9 million for structural and greening initiatives
  - \$35.8 million for major repairs, rehabilitation and upgrades



**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan and Budget will impact future year Operating Budgets by \$5.4 million net over the 2022-2031 period, primarily due to the planned acquisition and redevelopment of various properties, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
St. Lawrence Market North			(725.0)								(725.0)		(725.0)	
CP 15 (JV) 50 Cumberland St Redevelopment			(1.3)		(1.3)		(1.3)		(1.3)		(5.0)		(253.8)	
Acquisition - Bessarion Community Centre			(25.1)		(5.0)						(30.1)		(35.1)	
CP 505 Carpark Expansion			(3.8)				(25.0)				(28.8)		(28.8)	
CP 221 (JV) 121 St. Patrick St.			(1.3)		(7.5)		(288.4)				(297.2)		(297.2)	
CP 29 New Elevators									(17.5)		(17.5)		(110.0)	
CP 39 Castlefield Redevelopment			(0.5)		(1.3)		(1.3)		(75.0)		(78.0)		(78.0)	
CP212 CP227 (JV) 363 Adelaide and 105 Spadina			(1.5)		(0.3)		(0.3)		(0.5)		(2.5)		(436.5)	
SAP BI tool			(3.0)								(3.0)		(3.0)	
Etoibicoke Civic Centre									(0.5)		(0.5)		(25.5)	
Acquisition 229 Richmond St West			(7.5)								(7.5)		(7.5)	
CP 12/CP 223 (JV) 30 Alvin Ave			(1.3)		(1.3)		(1.3)		(1.3)		(5.0)		(463.0)	
CP 219 (JV) 87 Richmond Street East			(2.5)								(2.5)		(252.5)	
CP 282 (JV) 838 Broadview Avenue			(1.3)		(1.3)		(1.3)		(2.5)		(6.3)		(85.0)	
CP 673 Construction of new surface lot			(30.0)								(30.0)		(30.0)	
<b>Sub-Total: Previously Approved</b>			<b>(803.9)</b>		<b>(17.8)</b>		<b>(318.7)</b>		<b>(98.5)</b>		<b>(1,238.8)</b>		<b>(2,830.7)</b>	
<b>New Projects - 2022</b>														
Network switches			(5.0)								(5.0)		(5.0)	
Wayfinding - standardization			(67.5)								(67.5)		(67.5)	
Pay and Display			(50.0)								(50.0)		(50.0)	
Mobile Equipment - Mobile equip, small equip, lifts			(27.5)								(27.5)		(27.5)	
LTE Upgrade			(26.3)								(26.3)		(26.3)	
Fleet Vehicles for Operations - Fleet Vehicles			(12.5)								(12.5)		(12.5)	
305 Rockcliffe - Shops - Facilities Maintenance			(12.5)								(12.5)		(12.5)	
CP36 - M1 Shop - Facilities Maintenance			(10.0)								(10.0)		(10.0)	
Place NFC Tags on all Bike Share Assets			(6.3)								(6.3)		(6.3)	
End user equipment refresh			(5.0)								(5.0)		(5.0)	
PPM tool			(4.0)								(4.0)		(4.0)	
CP29 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP52 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP150 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP68 Revitalization projects - Facilities Maint			(2.5)								(2.5)		(2.5)	
CP34 Revitalization projects - Facilities Maint			(1.5)								(1.5)		(1.5)	
Learning Mgmt System			(1.3)		(1.3)						(2.5)		(2.5)	
4 Year Bike Share Expansion			(106.3)		(150.0)		(250.0)		(350.0)		(856.3)		(856.3)	
2022 TPA & Natural Resources Canada EV Project			(37.5)		(140.9)		(167.7)		(70.0)		(416.0)		(666.0)	
<b>Sub-Total: New Projects - 2022</b>			<b>(382.9)</b>		<b>(292.2)</b>		<b>(417.7)</b>		<b>(420.0)</b>		<b>(1,512.7)</b>		<b>(1,762.7)</b>	
<b>New Projects - Future Years</b>														
Acquisition - 229 Richmond St West							(150.0)		(160.0)		(310.0)		(760.0)	
CP 49 Facility Modernization									(2.0)		(2.0)		(5.8)	
Elevator Monitoring - Facilities Maintenance					(7.5)						(7.5)		(7.5)	
ADP / Time Clock Project					(7.5)						(7.5)		(7.5)	
TPA website					(5.0)						(5.0)		(5.0)	
<b>Sub-Total: New Projects - Future Years</b>					<b>(20.0)</b>		<b>(150.0)</b>		<b>(162.0)</b>		<b>(332.0)</b>		<b>(785.7)</b>	
<b>Total (Net)</b>			<b>(1,186.8)</b>		<b>(329.9)</b>		<b>(886.3)</b>		<b>(680.5)</b>		<b>(3,083.4)</b>		<b>(5,379.1)</b>	

As a result of completed growth related and service improvement projects, Toronto Parking Authority generates incremental operating revenue from user fees or saves costs from higher operating efficiency. Realization of this revenue is projected for the following year, assuming projects are completed by December 31 of respective budget year. In assessing the financial viability of new carparks and surface lots, Toronto Parking Authority uses an annual 5% net rate of return based on the past net profit history. In total, TPA is projecting to increase net revenue by \$5.4 million over the nine-year period.

# 2022 Program Summary

## Toronto Police Service

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The Toronto Police Service (Service) is committed to delivering essential public safety services that are intelligence-led and sensitive to the needs of the community. These services are provided in an ever-growing city and involve collaborative partnerships and teamwork to overcome challenges and embrace opportunities, including police reform

### Why We Do It

Public safety is a major factor in terms of where people choose to live, work, visit and invest. The Toronto Police Service is dedicated to delivering policing services, in partnership with our communities, to keep Toronto the best and safest place to be.

*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 Services We Provide

#### Who We Serve:

- Children, youth, adults & older adults
- Incident victims
- Community groups
- Social Services
- Local businesses
- Visitors/Tourists
- City & Agency staff

#### What We Deliver:

- Law enforcement
- Community-based crime prevention
- Assistance to victims of crime
- Emergency response
- Public order maintenance

**How Much Resources (gross operating budget): \$1.262 Billion**

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$144.2	\$148.3	\$149.1
Gross Expenditures	\$1,262.4	\$1,327.9	\$1,358.7
Net Expenditures	\$1,118.2	\$1,179.6	\$1,209.6
Approved Positions	7,604	7,654	7,740

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$85.1	\$586.3	\$671.4
Debt	\$46.1	\$188.9	\$235.0

Note: Includes 2021 carry forward funding

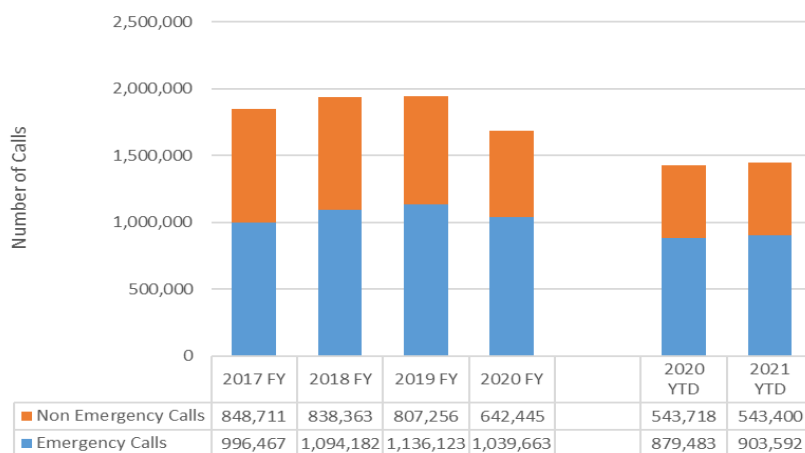
## How Well We Are Doing – Behind the Numbers

### Major Crime Indicators

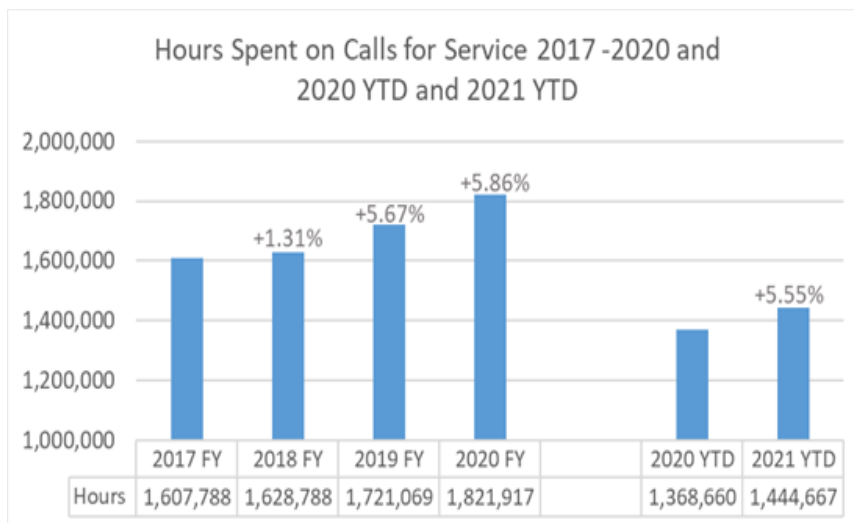
	2017 FY	2020 FY	% Change 2020 over 2017	2020 YTD	2021 YTD	% Change 2021 YTD over 2020 YTD
Assault	19,292	18,169	-5.8%	16,524	17,290	4.6%
Auto Theft	3,585	5,666	58.0%	5,210	5,660	8.6%
Break and Enter	6,933	6,963	0.4%	6,257	5,157	-17.6%
Homicide	65	71	9.2%	64	77	20.3%
Robbery	4,098	2,840	-30.7%	2,627	1,992	-24.2%
Theft Over	1,191	1,229	3.2%	1,095	973	-11.1%

- The Service uses major crime indicators as a measure of how safe the city is. Crime trends have increased the effort required to provide adequate and effective policing.
- From 2017 to 2020 all major crimes increased, except assault and robbery, with the most notable increase seen in auto theft.
- In 2021 YTD (November 21, 2021), half of the major crimes have increased to date when compared to the same time last year. The biggest increase is in homicides, up by 13 or 20% over 2020.

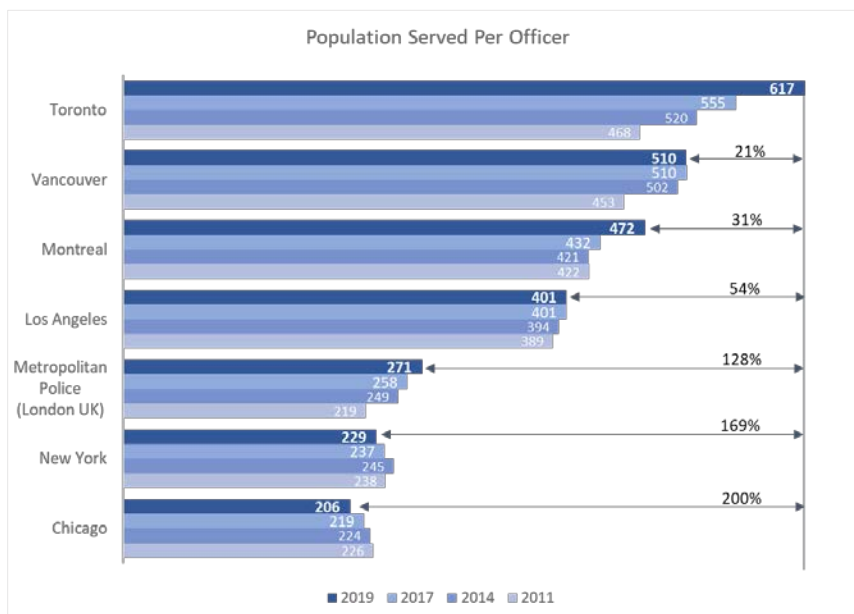
Calls Received 2017 - 2020 and  
2020 YTD vs 2021 YTD



- Overall, calls for service increased by 5.3% from 2017 to 2019, with emergency calls for service increasing by 14% and non-emergency calls decreasing by 4.9%.
- Between 2020 and 2021 YTD, non-emergency calls were essentially flat. However, emergency calls for service increased by 2.7%. These are anomaly years due to the impact of the COVID-19 pandemic.
- Despite a reduction in the number of emergency calls in 2020, the time spent on calls increased as shown in the chart on the below.



- Time on call is the total officer hours spent on calls attended, from the time a unit is dispatched to the time the event is cleared.
- The total hours spent on calls for service increased by 13.3% from 2017 to 2020.
- Between 2020 and 2021YTD, the total hours spent on calls for service increased by 5.6%
- This increase is attributable to:
  - Changes in legislation
  - Changes in nature of work
  - Increase in technology and evidence collection



- As the chart shows, in 2019, Toronto had a ratio of 1 uniform officer serving 617 people, compared to a ratio of 1 to 510 in Vancouver, 1 to 271 in London, UK, and 1 to 206 in Chicago.
- The chart indicates that the biggest increase in number of residents served per uniform officer from 2017 to 2019 was experienced in Toronto (an increase of 62 people per officer).
- The City of Toronto continues to grow while the number of police officers has decreased.

## Data Sources:

Canada: Full-Time Equivalent (FTE) from Government of Canada Statistics, Table 35-10-0077-011; Toronto numbers taken from Internal Sources for Average Deployed Strength  
 United States: Federal Bureau of Investigation, Police Employee Table 77 (State & Population) and Table 78 (City)

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- Since mid-March of 2020, the COVID-19 pandemic has impacted how the Service conducts its operations and has altered demands for service. Internal operational adjustments as well as an altered demand for service have had both positive and negative impacts on the Service's budget. The 2022 budget assumes the COVID-19 pandemic will continue to influence the Service's operating environment.
- Although difficult to predict, the Service anticipates similar operational and financial impacts that were experienced in 2020 and 2021, will continue in 2022. The following COVID19 related pressures of \$17.615 million are included in the 2022 Operating Budget for Toronto Police Service:
  - COVID-19 specific supplies, equipment, wellness support (e.g. personal protective equipment, decontamination, cleaning aids, contract nurses) (\$4.7M);
  - Estimated additional cost of W.S.I.B. as it relates to COVID-19 (\$7.2M);
  - Premium pay pressures for enforcement activities (\$1.6M);
  - Enforcement cost of protests and demonstrations and temporary relocation of encampments into leased hotels and emergency shelters (\$0.3M);
  - Information Technology expenditures related to working remotely and video calls (\$0.4M); and
  - Revenue losses in some service fees such as criminal reference checks and paid duties due to lower demands (\$3.4M).

**Service Level Changes**

- Reduced vulnerable sector and other checks; reduced paid duty and special events
- Public visitation limitations at police facilities
- Remote court attendance
- COVID-19 related enforcement

United Kingdom: Home Office, Police Workforce: England and Wales: 31 March 2021 (Police Officers taken as Designated Officers, Police Community Support Officers and Police Officers) , Mid-year population estimates 2019; Office for National Statistics (ONS)  
 Note: 2019 was the latest year for which the data is available for all cities

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- **Budget request maintains current staffing levels:** This budget request adds no new staff to the Service (save for the request that will allow the Service to comply with the regulatory requirements related to Major Case Management (MCM)). By maintaining our current staffing levels the Service will be able to continue to shift existing resources to address issues with our priority response and emerging priorities identified by the Service and our communities. It is only through continuous, agile redeployment that the Service has been able to contain its budget request this year. Providing adequate and effective policing with our current staffing levels is becoming more challenging and is not sustainable.
- **Fiscally responsible budgets:** Since 2017, the Service has achieved a 0% increase three times. In two of the last five years, increases were required mainly to cover the financial impacts of collective agreements and to make key investments for modernization. Actions to improve affordability of policing services over the last ten years has resulted in an average budget increase over that time that is below the rate of the Consumer Price Index (C.P.I.).
- **\$400M in efficiencies and savings:** The 2022 budget reflects \$30M in cost avoidance, from the original budget pressure of 6.73%, and builds on over \$400 million in cumulative savings and cost avoidance achieved from 2016 to 2021. This was achieved through various management actions to contain and reduce the budget, as well as the reduction of over 400 positions since 2010. In addition, two facilities, used by the Community Partnerships and Engagement Unit and the Public Safety Unit, were returned to the City of Toronto with a value of \$4.5 million.
- **A lean police service:** In comparison to other large, urban police services, the Service serves a significantly higher rate of population per officer (see chart above on Population Served per Officer).
- **911 Response:** While police officer numbers have declined in Toronto, the Service continues to make emergency response a top priority to ensure Torontonians receive a police response that is as timely as possible; to provide required assistance, reduce victimization, disrupt criminal activity and severity, all towards achieving safer communities.
- **Traffic Services:** The Service has and continues to invest in traffic enforcement so that motor vehicles, cyclists and pedestrians can safely move through the City and to ensure traffic-related fatalities and serious injuries are minimized.
- **Shift schedules:** The Service has adopted new shift schedule pilots for most divisions and continues to review these schedules to help us to be where the public needs us the most, by realigning staffing hours to better reflect peak demand times. These changes were made with the goal of moving closer to a 70/30 reactive/proactive model for priority response officers. While staffing demands are challenging the Service's ability to achieve this international standard, it continues to be the standard that the Service is committed to achieving.
- **Connected/Digital Officer:** Contributed to a more mobile and community-focused service delivery with the deployment of 2,100 mobile devices for the Connected Officer Program.
- **Body Worn Camera (B.W.C.):** Ongoing implementation of this initiative will ensure officer accountability by providing a truthful and integral narrative of police interactions with the public. B.W.C.s continue to be rolled out to front-line officers. To date, of the 2,350 front-line police officers that will be outfitted with B.W.C., approximately 1,750 officers across the Service have been trained and issued a body-worn camera. Notwithstanding pandemic-related training challenges, full rollout is anticipated by the second quarter of 2022.
- **Alternative service delivery models:** In order to make better use of resources and to create capacity, and in line with our commitment to police reform, the Service is implementing and testing alternative service delivery approaches to refocus on core service delivery by diverting calls where a police response may not be required. This includes diverting calls to 311 in partnership with City departments, expansion of online reporting, improved processes, civilianization of some roles, and more efficient deployment of officers. The Service is now employing civilian District Special Constables (at a lower salary) to perform certain functions traditionally done by police officers, where the authorities of a sworn police officer are not required. In addition, the Service is working with the City on alternative responses to persons in crisis and has commenced the Crisis Call Diversion pilot with Gerstein Crisis Centre.
- **Training:** Delivered specialized training in areas of Race-Based Data Collection and Workplace Harassment in addition to regular ongoing training. The Service has also developed a human rights strategy that will be followed by an overall equity strategy in early 2022.
- **Public engagement, education and awareness:** Budget transparency and education are key components of building successful engagement on the Service's budget with Toronto residents, businesses and stakeholders. Building on previous years' efforts to share more information on the budget, the Service is continuing with a



public education campaign for the 2022 budget that includes fulsome website content, including line-by-line budgets, infographics, budget notes and links to more information on our Public Safety Data Portal, along with media releases and engagement through social media.

## Key Challenges and Risks

- **Rising urban population:** A key challenge continues to be service demands, driven by growth without increases to staffing to meet the demand. Toronto is growing at an exceptional pace. By 2022, it is expected that Toronto's population will be close to 3.1 million people or about 183,000 more than in 2017 (Source: Statistics Canada. Table 35-10-0077-01 Police personnel and selected crime statistics, municipal police services, and Ontario Ministry of Finance Projections). A rising population drives workload demands including greater calls for service, increased traffic, more crime potential and more city events.
- **More shooting incidents:** Shooting incidents increased by 17.9% from 2017 to 2020. As a result, the number of persons injured due to shootings increased by 16% over the same period. Shootings continue to be a public safety concern and also continue to put pressures on constrained resources.
- **Major crime has risen over last several years:** The Service uses major crime indicators as a measure of how safe the city is. This impacts quality of life, entertainment, economic development, business investment and tourism. From 2017 to 2020, all major crimes increased except for robbery and assault with the most notable increases seen in auto theft (58.0%). In 2021, increases in major crime continued to trend up in homicides (up 20% year to date), auto theft and assaults. The increase in crime rates over the last few years has driven workload demands through increased calls for service.
- **Time spent on calls has increased as investigations have become more complex:** Complexity of calls for service are driving the time spent on calls up with a 13.3% increase in time spent on calls on average in 2020 compared to 2017. Investigations are also more complex and time consuming.
- **Increasing calls for service:** Calls for service went up overall by 5.3% from 2017 to 2019. Emergency calls for service have been steadily increasing from 2017, but decreased slightly in 2020 (the number of emergency calls increased by 14% from 2017 to 2019). Increasing number of calls without increases in resources presents challenges in meeting response time standards and in ensuring a better balance of reactive and proactive policing. Calls for service are expected to continue increasing as the population grows and as the City emerges from the pandemic.
- **Crisis calls are up (opioids and mental health):** Significant increases are seen from 2017 to 2020 in calls involving persons in crisis (20.3%), overdose (54.1%) and threaten suicide (11%) with a continued increase into 2021 for both overdose and threaten suicide. These calls require more time on call, given their complex nature.
- **Legislative impacts:** Costs and resource pressures associated with legislation continue to impact the Service. This includes WSIB changes, Chronic Mental Stress Policy, Cannabis Legalization, Next Generation 9-1-1 and the R v. Jordan Decision.
- **Resource challenges:** The Service remains committed to ensuring there are sufficient resources, including people, technology, and professional capabilities, in order to deliver on the police reform and modernization journey, and to keep our growing city safe. The non-discretionary aspects of the budget as well as staffing levels have declined over a ten-year period, and the Service was able to absorb the impact of collective agreement increases in many years over that period. Some measures (e.g. reducing required reserve contributions) to achieve the 2022 budget are temporary in nature and only push the funding required to the future. Of particular note, premium pay continues to exceed budgeted funding, reducing the Service flexibility to deal with increased service pressures and unanticipated events. These challenges are impacting the Service's ability to deliver services, are not sustainable and will cause pressures on future year budgets.
- **COVID-19 Pandemic Impacts:** Since mid-March of 2020, the COVID-19 pandemic has impacted how the Service conducts its operations and has altered demands for service. Most crime rates were lower in 2020 and 2021 which is likely due to the City's pandemic response leading to fewer commuters, minimal tourism and tighter mobility and economic-related restrictions. There are also financial impacts due to higher expenditures for COVID-19 supplies and wellness supports, along with enforcement costs and lower revenues.
- **Premium pay:** Premium pay requirements have historically exceeded budgeted funding, resulting in an ongoing pressure that the Service must manage. The Service will be challenged to absorb large premium pay pressures, and at the same time meet the Service's public safety responsibilities, including the impact of major unplanned events (e.g. demonstrations, emergency events, and homicide/missing persons).

## Priority Actions

- **Maintaining service levels with continued growth in workload:** Maintaining response times to ensure people in Toronto in need of emergency services receive timely and appropriate response that provides required assistance and reduces criminal activity and severity, is a key priority. With changing priorities and requirements

and resource constraints, the Service will do its best to continue to be nimble and responsive to those changing priorities, while preserving/prioritizing the services that are most important.

- **Neighbourhood Community Officer (NCO) program:** There are currently 178 NCOs in 38 Neighbourhoods in the City of Toronto out of 158 defined city neighbourhoods. The Service is committed to expanding this program, through resource reallocation, subject to available funding after taking into account other priorities such as responding to calls for service and conducting investigations.
- **Improved road safety through Vision Zero:** The Service continues to provide a dedicated team of 18 officers to the Vision Zero Road Safety Program. This team works closely with all divisions in addressing local community driving complaints, enforcing traffic offences, supporting local road safety initiatives, as well as conducting town hall meetings to discuss matters of traffic safety.
- **Preventing hate crimes:** The Service continues to dedicate officers to its Hate Crime Unit, with the objectives to prevent and to thoroughly investigate hate motivated offences and pro-actively educate others to enable them to recognize and report hate crimes. Recognizing that hate crimes are complex, often requiring extensive resources and officers with specialized skills, the Service intends to further expand our capacity to investigate, prosecute and prevent these crimes.
- **Combatting Gun & Gang Violence:** The City of Toronto has seen a dramatic increase in the amount of gang related violence over the last several years. Dedicated officers work to reduce gang membership and violence through education, prevention, intervention and suppression activities, in partnership with impacted communities. The Service is determined to positively engage and empower victims and community members by providing consistent support, educational opportunities, and positive presence through the development of community empowered and led solutions based on individual neighbourhood needs. The Service is also actively engaged as a key partner in the development and implementation of SafeTO.
- **Implementation of recommendations for Missing and Missed persons:** The Honorable Gloria Epstein's report includes 151 Recommendations to improve how missing person cases are responded to and it calls for an investment in strategies to improve relationships with Toronto's marginalized and vulnerable communities. The report also proposes a new approach to missing person cases that sees social service, public health, community agencies and not-for-profit agencies working in partnership with the police. One of the key recommendations in the report is for the Service to be in compliance with Major Case Management standards required by the Province, which will require an increase in the Service's complement of civilian and uniform resources. This will contribute to conducting more effective and timely investigations that impact underserved communities and equity-deserving groups. The 2022 operating budget includes funding to allow the Service to commence its efforts to implement the Major Case Management to support recommendations contained in Justice Epstein's report. This will allow the Service to comply with requirements to utilize the provincially-mandated software that ensures the integrity of case management investigative data and provides the ability to link information across jurisdictions. This is the only request in this budget that will increase the staffing levels at the Service. The process of establishing a fully functional MCM Unit is expected to extend into 2023.
- **Strengthening relationships with the community through Police Reforms and ongoing modernization efforts:** Implementation of the Board's 81 recommendations for police reform will continue, focussing on addressing anti-Black and Indigenous racism, systemic racism and mental health, which greatly impact marginalized communities and groups. These reforms, which include a review of practices and procedures, new innovative program and service delivery models, and enhanced training, will help enable greater collaboration, transparency and accountability of the public safety services the Service delivers. The Service will work to improve interactions and engagement, to reduce disparities and build accountability and trust with the community, all of which are critical to enhancing public safety and reducing victimization.
- **Alternative Service Delivery:** The Service continues to support alternative service delivery and will continue the crisis call diversion pilot with the Gerstein Crisis Centre (GCC) partner into 2022. The pilot, which commenced in October 2021, has been successful in the first eight weeks in diverting 42 events that would otherwise have been responded to by police, to our GCC partner. It should be noted that a total of 1,228 calls received for persons in crisis and threaten suicide, during this period. The Service will continue to explore this and other ways to divert calls, expand online reporting, improve processes and civilianize uniform positions with a goal of continuing to create an affordable and value-added public safety service and deliver services to communities in the ways that they are needed.
- **Member wellness, development and training:**
  - **Training:** Continuing to provide human rights, anti-black racism, workplace harassment, anti-bias and other human rights related training to all service members, informed by recommendations for police reform.
  - **COVID-19:** Improving member wellness and work environment with COVID-19 measures (i.e., PPE, COVID hotline), greater access to mental health resources, training and leadership development.
  - **Wellness:** A Wellness Strategy has been developed for our Members and implementation has commenced. This Strategy strives to build and maintain optimal human resources strength and enables



the sustained performance and improved wellness of Members. The Strategy recognizes that our Members have unique health and well-being needs that change and evolve depending on individual circumstances, including but not limited to, identity, role, rank, race, ethnicity, socio-economic status and other social determinants of health.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Toronto Police Service	130,291.6	144,209.1	156,457.5	144,209.7		144,209.7	(12,247.8)	(7.8%)
<b>Total Revenues</b>	<b>130,291.6</b>	<b>144,209.1</b>	<b>156,457.5</b>	<b>144,209.7</b>		<b>144,209.7</b>	<b>(12,247.8)</b>	<b>(7.8%)</b>
<b>Expenditures</b>								
Toronto Police Service	1,203,878.9	1,220,001.2	1,233,517.5	1,260,153.2	2,275.0	1,262,428.2	28,910.7	2.3%
<b>Total Gross Expenditures</b>	<b>1,203,878.9</b>	<b>1,220,001.2</b>	<b>1,233,517.5</b>	<b>1,260,153.2</b>	<b>2,275.0</b>	<b>1,262,428.2</b>	<b>28,910.7</b>	<b>2.3%</b>
<b>Net Expenditures</b>	<b>1,073,587.3</b>	<b>1,075,792.1</b>	<b>1,077,060.0</b>	<b>1,115,943.5</b>	<b>2,275.0</b>	<b>1,118,218.5</b>	<b>41,158.5</b>	<b>3.8%</b>
<b>Approved Positions**</b>	<b>7,881.0</b>	<b>7,524.0</b>	<b>N/A</b>	<b>7,524.0</b>	<b>80.0</b>	<b>7,604.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions – 2022 base complement is 7,524 including 4,988 uniform staff and 2,536 civilian staff, consistent with 2021 budget. Of the 2,536 civilian staff, 2,400 are currently funded as the Service manages 136 civilian vacancies on a rotating basis. Actual funded number of base positions is 7,388.

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$1,260.2 million gross reflecting an increase of \$26.6 million in spending above the 2021 projection (prior to enhancements), predominantly arising from the following pressures and offsetting reductions:

- Collective Agreement impacts to cover negotiated salary and benefit responsibilities, which is the single largest increase to the budget at \$23.4 million.
- Increase in statutory Deductions and benefits for increased cost of medical & dental coverage, Workplace Safety & Insurance Board (W.S.I.B.) as well as other payroll deductions and O.M.E.R.S. increase for a total of \$10.4 million.
- Other expenditure increase of \$5.1million for increased computer maintenance cost, operating impact from capital and various other increases such as ammunitions, vehicle preparation, parts and tires, etc.
- These costs have been partially offset by discretionary expenditure reductions based on line-by-line reviews and analysis.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget is provided below:

- **2022 Budget of \$1,100.6 million in net expenditures reflects a \$24.8 million (2.3%) net increase from the 2021 Council approved Budget, when excluding \$17.6 million in estimated COVID-19 financial impacts in 2022.**

### COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$2.275 million gross and net, enabling:

- The Major Case Management Unit utilizes PowerCase, which is the Provincially-mandated software to help ensure the integrity of case management investigative data and provide the ability to link information across jurisdictions. The 2022 Operating Budget includes funding for 40 uniform and 40 civilian staff to be hired in the second half of 2022. This a preliminary number that will continue to be evaluated as more information becomes available and will be adjusted if necessary. The effective use of PowerCase software can assist the police to link information, solve crimes, and better serve equity seeking groups.

**EQUITY IMPACTS OF BUDGET CHANGES****Implementation of recommendations in Missing and Missed report, including enhanced initiative in support of Major Case Management:**

Included in the budget is funding for a new and enhanced initiative in support of Major Case Management (Missing and Missed report).

The increase of resources to the Major Case Management Unit has a high positive equity impact. Indigenous People, Immigrants, Refugees & Undocumented individuals, women, 2SLGBTQ+, Persons with Disabilities, Racialized Groups, Black, Vulnerable Youth, and Vulnerable Seniors will be positively impacted.

Several reviews have identified deficiencies and systemic issues in major investigations that victimize Indigenous, 2SLGBTQ+, and racialized communities, including the National Inquiry into Missing and Murdered Indigenous Women and Girls (Reclaiming Power and Place, 2019) and the Independent Civilian Review into Missing Person Investigations (Missing and Missed, 2021).

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Police Service is \$28.911 million gross or 2.3% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget including New and Enhanced, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	61,500.5	60,604.8	49,258.0	65,582.6	50,028.2	(15,554.4)	(23.7%)
User Fees & Donations	48,668.2	8,446.4	10,018.6	9,153.5	8,990.5	(163.0)	(1.8%)
Contribution From Reserves/Reserve Funds	15,899.3	11,005.6	32,167.5	31,167.5	33,066.0	1,898.5	6.1%
Sundry and Other Revenues	12,052.1	37,626.1	46,504.3	44,476.8	44,531.9	55.1	0.1%
Inter-Divisional Recoveries	13,746.8	12,608.6	6,260.7	6,077.1	7,593.1	1,516.0	24.9%
<b>Total Revenues</b>	<b>193,565.2</b>	<b>130,291.5</b>	<b>144,209.1</b>	<b>156,457.5</b>	<b>144,209.7</b>	<b>(12,247.8)</b>	<b>(7.8%)</b>
Salaries and Benefits	1,045,570.1	1,068,201.9	1,097,923.3	1,098,137.9	1,135,269.1	37,131.2	3.4%
Materials & Supplies	19,192.4	21,621.4	21,360.1	22,778.3	21,002.0	(1,776.3)	(7.8%)
Equipment	13,685.6	13,899.3	4,330.6	14,016.5	5,463.9	(8,552.6)	(61.0%)
Service and Rent	47,498.9	49,646.1	60,391.9	62,589.5	64,697.9	2,108.4	3.4%
Contribution To Capital	22,266.0	22,266.0	20,766.0	20,766.0	20,766.0	0.0	0.0%
Contribution To Reserves/Reserve Funds	28,229.9	28,244.2	15,229.3	15,229.3	15,229.3	0.0	0.0%
<b>Total Gross Expenditures</b>	<b>1,176,442.9</b>	<b>1,203,878.9</b>	<b>1,220,001.2</b>	<b>1,233,517.5</b>	<b>1,262,428.2</b>	<b>28,910.7</b>	<b>2.3%</b>
<b>Net Expenditures</b>	<b>982,877.7</b>	<b>1,073,587.4</b>	<b>1,075,792.1</b>	<b>1,077,060.0</b>	<b>1,118,218.5</b>	<b>41,158.5</b>	<b>3.8%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- Financial impact of the Collective Agreement settlements, which is the single largest component of the budget increase at \$23.4 million in salaries as well as increases in group benefit costs including additional cost of W.S.I.B. resulting from COVID-19. These increases were partially offset by further reductions in premium pay.

**Materials and Supplies:**

- Changes compared to 2021 projection, related to one-time COVID-19 related costs incurred in 2021 such as personal protective equipment and items funded through grant funding.

**Equipment:**

- Changes compared to 2021 projection, are mainly a result of significant expenditures being funded by in-year grant revenues. While the Service expects to receive similar grant revenues in 2022, the application process as to where the funds are going to be allocated is ongoing and approval is not expected to be received from the Province until after the budget is approved by City Council.

**Services and Rents:**

- Increases compared to 2021 projection, are mainly a result of operating impacts from completed capital projects such as additional funding relating to data plan for licenses, data plans and device maintenance associated with *Connected Officer* program and increases in computer maintenance costs for *Analytics Centre of Excellence (A.N.C.O.E.) / Global Search* and *Next Generation 911*.

**Revenues:**

- The budget for provincial subsidies is lower than 2021 projection due to the Service having to reapply for in year grant funding. The applications are not expected to be approved until later after Council budget approval.

**Offsets and Efficiencies:**

The 2022 Operating Budget includes \$19.8 million in gross expenditure and \$30.0 million in net expenditure reductions attributed to the following:

- The updated Staffing Strategy maintains staffing to 2,400 out of 2,536 civilians, considers longer hiring timelines, and reflects more uniform separations (215 vs 200 projected in June) than estimated in preliminary outlooks resulting in savings of \$4.9 million when compared to the 2021 budget.

- Reduction in Premium Pay request of \$14.8 million compared to original estimated requirements as part of cost mitigation strategies.
- The Province recently announced the extension of the Community Safety and Policing (C.S.P.) grant for the next three years, resulting in revenue funding of \$8.3 million that is anticipated to continue to support the Public Safety Response Team (P.S.R.T.). This funding is subject to approval by the Province based on the application, review and approval process, which will conclude early in 2022.

**Table 2b: 2021 New / Enhanced**

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
	Revenue	Gross	Net	Positions				
In \$ Thousands								
1 Major Case Management		2,275.0	2,275.0	80.0	9,100.0	Medium - Positive	No	As mandated per the Missing persons review
Total New / Enhanced		2,275.0	2,275.0	80.0	9,100.0			

The 2022 Operating Budget includes \$2.275 million gross and net in investments to support priority actions as detailed in the table above.

Major Case Management (Missing and Missed report by Justice Epstein) is a key initiative which allows the Service to comply with requirements to utilize the Provincially-mandated software that ensures the integrity of case management investigative data and provides the ability to link information across jurisdictions.

The Epstein report noted deficiencies in how the Toronto Police Service conducts missing persons investigations, and indicated that while overt or intentional bias or discrimination does not explain the deficiencies, systemic differential treatment contributed to them. Justice Epstein further identified that the Toronto Police Service has not met the provincial adequacy standards of indexing major investigations into PowerCase, a software used by the Major Case Management Unit and that non-compliance represents a longstanding systemic issue within the Service. PowerCase ensures major case investigations are focused, methodically controlled, and audited throughout the investigative life cycle. It indexes investigative information, searches the database for similar records to connect commonalities, and shares this information among police services across jurisdictional boundaries (Public Safety Canada, 2020). Several recommendations within the Epstein report pertain to indexing major cases into PowerCase. Increasing staffing within this area will allow for the Service to adopt these recommendations which will contribute to conducting effective and timely investigations that impact underserved communities and equity-deserving groups.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	156,457.5	144,209.7	148,280.6	149,119.2
Gross Expenditures	1,233,517.5	1,262,428.2	1,327,875.4	1,358,709.1
<b>Net Expenditures</b>	<b>1,077,060.0</b>	<b>1,118,218.5</b>	<b>1,179,594.8</b>	<b>1,209,589.9</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>7,604.0</b>	<b>7,654.0</b>	<b>7,740.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$1,327.9 million reflects an anticipated \$65.4 million or 5.2% per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlook expects a further increase of \$30.8 million or 2.3% per cent above 2023 gross expenditures. However, this does not include the impact of collective agreement increases, as the current Agreement ends on December 31, 2023, as such, the full impact in 2024 is not known.

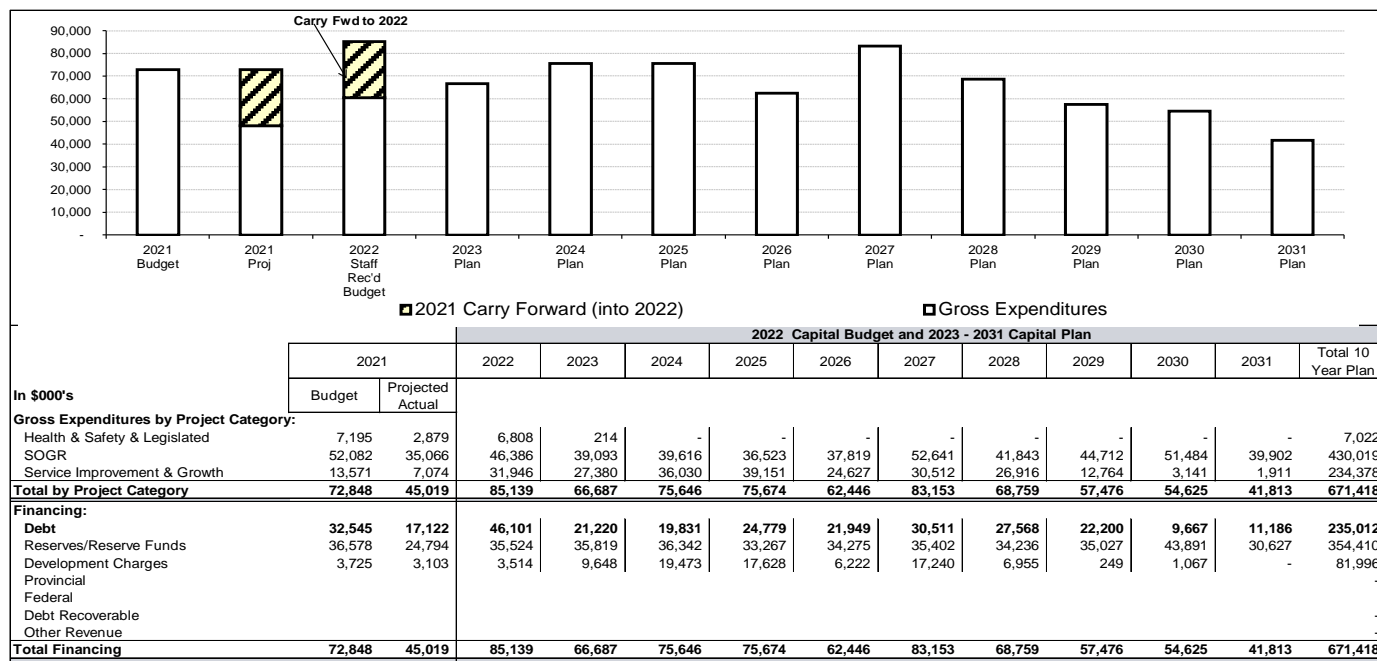
These changes arise from the following:

- Impacts of the Collective Agreements with the Toronto Police Association and the Toronto Police Senior Officers' Organization for year 2023. Year 2024 does not include the collective agreement impact.
- Annualizations from prior year uniform hiring strategy that strive to offset retirements and separations in order to ensure certain staffing levels
- In order to maintain adequate and effective service levels with a growing population and increased demand for services, the number of officers has to be increased. Target to maintain 162.9 officers per 100,000 requires an increase of 50 officers in 2023 and 86 in 2024.
- Filling of critical civilian vacancies above the 2,400 currently funded in the budget where the need is fully justified. This would occur over a period of two years.
- Increased contributions to reserves and reserve funds to ensure healthy balances in the future to fund projected expenditures.
- Annualized increase of Major Case Management initiative of \$6.8M in 2023
- Reduced COVID pressure.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$000)



### Changes to Existing Projects

(\$12.2 Million)

- *Vehicle and Equipment Replacement* - increased by \$3.6 million for vehicle replacement based on increased cost of vehicles and lifecycle of additional 90 vehicles
- *41 & 22 Divisions* - increased by a total of \$11.5 million due to higher construction cost and supply chain issues as a result of the pandemic
- *Next Generation 911* - increased by \$1.3 million due to higher construction cost and scope change
- *Automated Fingerprint Identification System* – reduced by \$1.5 million based on the actual replacement in 2021
- *Automatic Vehicle Locator* - decreased by \$2.0 million to reflect better project costing and extending useful life from 5 to 6 years

### New Projects

(\$31.4 Million)






- *Body Worn Camera Lifecycle Replacement* - \$15.3 million for the new lifecycle replacement of cameras and other equipment on an annual basis
- *Hydrogen Fuel Cells* – \$6.5 million for life cycle replacement of Hydrogen Fuel cells for critical radio tower sites which provides backup power to the radio system in the event of an electrical failure
- *In-Car Camera* - \$5.0 million for life cycle replacement scheduled for 2029
- *Uninterrupted Power Supply (U.P.S)* - \$3.2 million for the new lifecycle replacement of the U.P.S. system to maintain telephone operations using VoIP platform

### Capital Needs Constraints

(\$78.2 Million)

- *Communications Centre* – New Facility for additional space and system requirements as part of Phase II *Next Generation 911*

**2022 – 2031 CAPITAL BUDGET AND PLAN****10-Year Gross Capital Program**

<b>\$671.4M Gross</b>				
				
<b>Facilities</b>	<b>Information Technology</b>	<b>Vehicles</b>	<b>Communication</b>	<b>Equipment</b>
\$251.5	\$210.3	\$89.2	\$39.2	\$81.3
37%	31%	13%	6%	12%
54/55 Div. Amalgamation	N.G.911**	Vehicle Replacement	Radio Replacement	Body Worn Camera
41 Division	A.N.C.O.E. ***			A.F.I.S. ****
13/53 Div. Amalgamation	Workstations			C.E.W. *****
S.O.G.R.*	Servers			Property Racking
	Network			Furniture/Locker

\*S.O.G.R. - State Of Good Repair

\*\*N.G.911 – Next Generation 911

\*\*\*A.N.C.O.E. – Analytics Center of Excellence

\*\*\*\*A.F.I.S. - Automated Fingerprint Identification System

\*\*\*\*\*C.E.W. – Conducted Energy Weapon

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☒ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$671.4 M</b> <b>100%</b>		<b>\$0M</b> <b>0%</b>	<b>\$0 M</b> <b>0%</b>
Debt	\$ 235.0 M		
Reserve Draws	\$ 354.4 M		
Development Charges	\$ 82.0 M		



## CAPACITY TO SPEND REVIEW

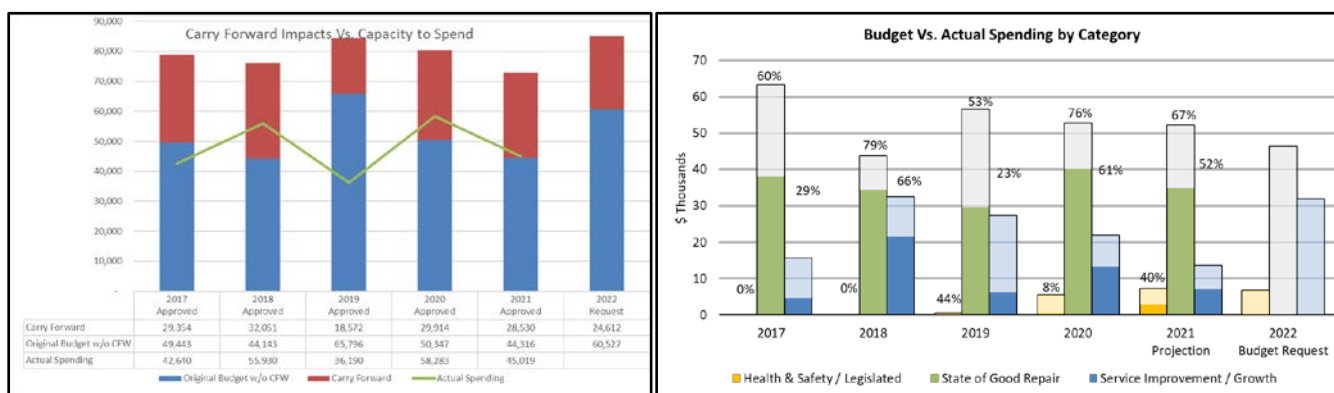
The 2022-2031 Capital Budget and Plan is \$671.4 million. The 2022 Capital Budget is \$85.1 million (including \$24.6 million carry forward funding). The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. One of the major increases for the 2022 Capital Budget is driven by facility projects within the Service's current building portfolio including the construction of 22 and 41 Division facilities, which increases the cash flow request considerably.

A review was undertaken to ensure budgets align with the Service's ability to spend and the market's capacity to deliver. During the past few years, the Service's capital spending rate has been lower than anticipated. Despite due diligence efforts taken in advance of the actual start of the project, some issues only became known as the work progressed, resulting in revised cost, schedule or scope estimates. Also, civilian staffing shortages in recent years, as a result of a previous hiring moratorium, have put significant pressure on the ability of staff to work on capital projects while continuing to perform their day to day duties. This issue has contributed to project schedule delays which in turn have impacted the spending rate.

Due to COVID-19, there have been further delays in planned construction schedules, including labour and critical supply chain disruptions as well as delays in obtaining required permits. As part of the 2022 Budget process, all projects timelines and costs were reviewed and will continue to be monitored on an ongoing basis and known issues will be actively addressed.

Key components in determining an appropriate level of annual cash flows include historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$24.6 million in capital spending originally cash flowed in 2021 Capital Budget has been carried forward to 2022 for projects such as *State of Good Repair*, *Transforming Corporate Support*, *54/55 Divisions Amalgamation*, *41 Division*, *Next Generation 911*, etc. The 2021 projected spending rate is 62% at year-end.

Also, new project and funding requirements as well as costing adjustments have been added to the 10-Year Capital Plan as noted below:

- *Vehicle Replacement* - increased by \$3.6 million based on increased cost of vehicles and lifecycle of additional 90 vehicles which have been purchased and outfitted for district special constables and to accommodate the revised shift schedules. These vehicles are now operational.
- Provides funding for increased cost in *41 Division* and *22 Division*. Based on current budget estimates and COVID-19 impacts of construction cost increase, the total construction cost is higher than previously estimated.

- For 41 Division, the pandemic continues to affect the project budget and schedule. The market is still experiencing unprecedented cost escalation, supply chain issues, and labour shortages / productivity restrictions. The demolition of a significant portion of the existing 41 Division facility and constructing a new building while continuing to operate as a full functional division is also a significant factor in the increased cost to build the new facility. The project cost will be increased by \$2.4 million to \$52.9 million.
- For 22 Division, based on facility requirements, increased cost of land acquisition and construction, the Service's 10-Year Capital Plan has been updated to reflect a higher project cost. Studies are underway to determine the optimal location for the Division to best meet and serve the needs of the community. The Service is working with the City to find a suitable site for a new 22 Divisional facility. The project cost has increased by \$9.1 million to \$50.5 million. However, until a location is secured and the cost known, the cost estimate will be subject to change.
- Provides for *Body Worn Camera Lifecycle Replacement* – The *Body Worn Camera* initiative was completed to enable the Service's commitment to maintain and enhance public trust and accountability, as part of its commitment to becoming a leader in public safety services and the delivery of professional and unbiased policing. Ongoing annual funding for the 10-Year program of \$15.3 million is required to for new replacement lifecycle of cameras and other equipment on an annual basis.
- *Hydrogen Fuel Cells* – To fund the replacement of Hydrogen Fuel Cells located at critical radio tower sites. These systems provide backup power to the radio system for Police, Fire and the Emergency Management System (E.M.S.) in event of an electrical failure and local generator failures. The Hydrogen fuel cells are utilized instead of batteries due to the weight restrictions on the roof tops and the need for extended operating times. The current systems are at the end of useful life and require a total funding of \$6.5 million to ensure operations are not impacted.
- *Uninterrupted Power Supply (U.P.S.) Lifecycle Replacement* - All Service locations have multiple U.P.S. systems within the facilities. The need to maintain telephone operations using a Voice over Internet Protocol (VoIP) platform has increased the need for extended U.P.S. run times where no generators are available or when the generator fails to operate. The operating expenditures incurred to support and replace these U.P.S.'s have grown significantly in recent years, so a service-wide lifecycle plan has been developed to consolidate all smaller U.P.S. systems across the service to a single U.P.S. per facility. This plan is to reflect the lowest total cost of ownership (T.C.O.) for each location while improving Information Technology system operations at the facility. This new project requires a total funding of \$3.2 million for the lifecycle replacement of the U.P.S. system to maintain telephone operations using VoIP platform on an annual basis.

## STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The City of Toronto's Corporate Real Estate Management (C.R.E.M.) carries out the state of good repair work required at Police facilities and is responsible for addressing and correcting mechanical, electrical, re-roofing, Heating, Ventilation and Air conditioning (H.V.A.C.) and structural issues. As a result, the value of these assets, associated state of good repair backlog and funding required to address these issues are reflected as part of the 10-Year Capital Plan for C.R.E.M.

The Toronto Police Service is responsible for addressing state of good repair issues inside its facilities. This work includes but is not limited to renovation/repairs inside its facilities, painting, firing range retrofits, upgrades to locker rooms and washrooms, and front desk replacements.

The 10-Year Capital Plan for Service provides funding for ongoing work directed at addressing state of good repair backlog and funding for equipment, associated vehicles, radio infrastructure and security systems.

Other equipment/systems are replaced according to the Service's lifecycle programs (reserve-funded) and included as replacements in the Service's capital program. There is no accumulated backlog for these assets, as the SOGR is funded in the 10-Year Capital Plan for the Service. Using the reserve funding for the lifecycle replacement of vehicles and equipment allows the Service to reduce the debt funding requirements and extreme cost fluctuation year to year. However, this funding strategy results in increased impacts on the Service Operating Budget, as additional annual contributions to replenish the reserve are required. Those asset groups account for approximately \$379 million of the total asset value as of December 31, 2020.

The SOGR projects account for \$430 million or 64% of the total 10-Year Capital Budget & Plan of which \$336.2 million or 78% is funded from the Services' Vehicle and Equipment reserve. The remainder \$93.8 million or 22% is funded by debt.

The Service also uses SOGR for maintaining the interior of the facilities and minor renovations. The rest of the equipment is replaced as required and is funded from Vehicle and Equipment reserve.

- SOGR (\$44 million) – The SOGR program addresses priority needs required inside the Service facilities including renovations and repairs to ensure the safety of its members and the public
- Major lifecycle replacement projects include:
  - Vehicle and vehicle outfitting (\$89.1 million)
  - Workstations, printers and laptops (\$37.6 million)
  - Servers (\$44.3 million)
  - Network Equipment (\$38.9 million)
  - Mobile Workstations (\$23.8 million)
  - Body Worn Camera replacement (\$15.3 million)
  - Wireless Parking system replacement (\$10 million)

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The implementation of capital projects can have an impact on the Service's on-going operating budget requirements. Capital projects and investments usually require maintenance and operational support beyond the initial one-time project cost. Where additional staffing, infrastructure and equipment are required, operating budget increases are required to replace the assets in accordance with their life cycle.

The 10-Year capital program will increase future year operating budgets by \$3.8 million net over the 2022-2031 period. The incremental operating impact in 2022 is \$2.75 million net as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In 000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
ANCOE/Global Search	475					1					475	1	475	1
Connected/Mobile Officer	2,086		695								2,782	-	2,782	-
Next Generation (N.G.) 9-1-1	143		364		4		5		5		521		360	
Marine Vessel Electronics	50										50	-	50	
Long Term Facility Plan - Facility and Process Improvement			113								113	-	113	
<b>Sub-Total: Previously Approved</b>	<b>2,754</b>		<b>1,173</b>		<b>4</b>	<b>1</b>	<b>5</b>		<b>5</b>		<b>3,940</b>	<b>1</b>	<b>3,779</b>	<b>1</b>

**Previously Approved projects**

- *Analytics Centre Of Excellence (A.N.C.O.E.) /Global Search* – Additional funding of \$0.475 million in 2022 will be required to fund ongoing system maintenance and licenses. One additional staff is required to maintain Global Search system.
- *Connected Officer Lifecycle Replacement* – Additional funding of \$2.086 million is estimated relating to data plan for licenses, data plans and device maintenance.
- *Next Generation 911* – Additional funding of \$0.143 million is estimated for on going system maintenance
- *Marine Vessel Electronics* – Operating cost of \$0.050 million for mapping updates and additional repairs for spare parts

These operating costs, as mentioned above, have been included in the 2022 Operating Budget for Toronto Police Service. Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

# 2022 Program Summary

## Toronto Police Services Board

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### Description

The Toronto Police Services Board is the seven member civilian body that governs and oversees the Toronto Police Service under Ontario's *Police Services Act*. The Board is dedicated to ensuring that Toronto's police services are delivered in partnership with our communities, to keep the city the best and safest place to be.

The *Police Services Act* requires the Board to, among other things: generally determine the objectives and priorities for police services in the municipality; set policies for the effective management of the police force; recruit and appoint the Chief of Police, Deputy Chiefs of Police, the Chief Administrative Officer, and the Chief Information Officer; direct the Chief of Police and monitor their performance; negotiate the labour contracts with the associations/organizations representing the Service's members; and, determine the budget for the police service.

### Why We Do It

The Board is responsible for ensuring the provision of adequate and effective police services in Toronto. As the employer of the Toronto Police Service, the Board is responsible for negotiating all labour contracts, the hiring and termination of all members, and reviewing the disciplinary processes applied by the Chief. The Board and Office of the Police Services Board works closely with the Chief of Police and senior leadership team to set the strategic vision for the Service, and provide oversight through policies and other legally binding direction. The Board also creates a forum for members of the public to engage and provide their perspectives and input concerning today's policing issues.

*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

### **Governance & Oversight**

**Who We Serve:** Residents of Toronto as well as those who work in or visit the city, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General

**What We Deliver:** Modern and effective governance that is viewed as leading in Canada; oversight and accountability measures, which are responsive to community and Service demands, within a challenging fiscal climate

### **Policy Development**

**Who We Serve:** Residents of Toronto as well as those who work in or visit the city, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General

**What We Deliver:** Modern methods and approaches to effectively engage the public, community organizations, government and other stakeholders into the policy development and police governance processes

### **Public Engagement & Consultation**

**Who We Serve:** Residents of Toronto, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General, community organizations and government and other stakeholders

**What We Deliver:** Modern methods and approaches to effectively engage the public, community organizations, government and other stakeholders on current issues in the policing and police governance environment

**How Much Resources (gross 2022 operating budget): \$3.1 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Billion</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$1.1	\$1.1	\$1.1
Gross Expenditures	\$3.1	\$3.1	\$3.1
Net Expenditures	\$ 2.0	\$ 2.0	\$2.0
Approved Positions	7.5	7.5	7.5

Toronto Police Services Board does not have a 10-Year Capital Budget and Plan

## COVID-19 IMPACT AND RECOVERY

### Operating Budget Impact

- The Board and Office of the Police Services Board has worked within the current pandemic context to continue delivering good police governance examine in a rapidly changing, unpredictable environment. We have absorbed costs associated with the changes needed to facilitate staff working remotely and to mitigate disruptions to our service delivery to the public.
- All costs associated with pandemic-related impacts (e.g. technology to facilitate remote working) have been absorbed within the 2022 Operating Budget. Every effort will be made to continue to absorb future costs of this nature.

## 2022 Impact and Recovery

### Service Level Changes

- The Board and Office of the Police Services Board's service delivery has remained high and responsive throughout the pandemic. We have continued to hold monthly virtual Board meetings, engage our government and community partners, and have held virtual public consultations on matters of public interest, such as the development of a governance framework to for the use of artificial intelligence technology.
- Board Office Staff have continued to support the Board's two advisory panels (Anti-Racism Advisory Panel and the Mental Health and Addictions Advisory Panel), engaging communities of practice and lived experience on a variety of community safety and governance priorities.
- The Board Office team is seen as leaders in the civilian police governance space, regularly contributing to various government and other processes concerning legislative, programmatic, and policy matters impacting policing and community safety.

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Adherence to pandemic guidelines while being innovative in hosting publicly-accessible virtual Board meetings since the beginning of the restrictions on public gatherings
- Continuing to work with the Service on the implementation of the 81 recommendations on comprehensive policing reform in Toronto – a body of work that other police boards and commissions in Canada have relied on and used to guide their own work
- An expansion of the Service's Neighbourhood Community Officer Program from within the existing police budget to ensure a higher presence of NCOs across more neighbourhoods
- Continuation of close working relationship with the City as it develops SafeTO and an Alternative Community Crisis Response Model
- Ongoing work with the Board's two advisory panels, the Board's Anti-Racism Advisory Panel (ARAP) and the Mental Health and Addictions Advisory Panel (MHAAP), including the selection of a new membership of ARAP that represents the diverse communities and lived experiences of the residents of Toronto
- Providing Anti-Black racism training for Board Members and Board Office Staff, and developing an on-going training process to ensure Board Members and Staff continue to receive up-to-date training on matters related to police governance in a diverse city
- The implementation of new policies based on best practices and good governance principles, and a continued review of all current Board Policies to modernize and remain responsive to changing legislative requirements, strategic direction, and the need for effective oversight, including the new *Budget Transparency Policy* and the *Recruitment, Appointments and Promotions for Uniform and Civilian Members of the Toronto Police Service Policy*, which replaced several Policies
- Launch and conduct policy consultative processes on proposed policies of public interest, including on artificial intelligence in policing
- Conclusion of Phase I: Public Consultation portion of the ongoing work on the Chief of Police selection process, and the launching of Phase II: Executive Search which will conclude at the end of 2022 with the appointing of the next Chief of Police

- Approval of a new Memorandum of Understanding with the City's Auditor General, and working to establish a new Memorandum of Understanding, and accompanying work plan, to engage the City of Toronto's Ombudsman to enhance transparent and accountable oversight
- Continued governance and oversight for the implementation of *The Way Forward* and all related initiatives
- Improved availability and accessibility of information through the Board's website, including accessible versions of the Board's Policies
- Participation in professional forums to profile the innovative practices developed by Board Office Staff, and to contribute to modern civilian police governance approaches in Canada
- Continued engagement with the Province on the regulatory development process led by the Ministry of the Solicitor General ahead of the coming into force of the *Community Safety and Policy Act, 2019*, including providing commentary on and proposals concerning new regulations
- Continuation of the implementation of a Memorandum of Understanding with Midaynta Community Services (Mending a Crack in the Sky [MCIS]), developing sustained links with Neighbourhood Community Officers located within the west end Divisions (22, 12, 13, 23) and the Service's Community Partnerships & Engagement Unit. The focus of this work has been to foster mutual understanding between the Service and the Somali Communities in the west end of Toronto. In addition, the Board Office has supported MCIS in various successful grant applications

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### Key Challenges and Risks

The Board and Office of the Police Services Board must:

- Continue its high degree of engagement with diverse communities on significant policing issues;
- Continue to modernize its civilian governance structures, processes, policies and approaches to maintain its position as a leader in this space, and in the midst of the most significant legislative changes to Ontario's policing environment in decades;
- Maintain transparency and accessibility to its work and governance processes as the world slowly emerges from pandemic-related restrictions; and,
- Address the many and wide-ranging priorities, initiatives, and projects that are currently being implemented or that are forecasted to be addressed in 2022, in manner that maintains public confidence in Toronto's police governance and oversight, while ensuring Board members and Board Office Staff can respond to unanticipated events.

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### Priority Actions

- Continued collaboration with the Service in the implementation of the Board's 81 Recommendations on Police Reform and 151 Recommendations from the *Missing and Missed* report concerning missing persons investigations
  - Completing a Chief of Police Selection Process with enhanced public engagement and transparency
  - Addressing findings from ongoing reviews by the Ontario Human Rights Commission and the Independent Workplace Wellness and Harassment Review
  - Continued virtual Board meetings, and developing new online opportunities for the Board and Office of the Police Services Board to engage directly with the public (e.g., social media, Board website, virtual public consultation, etc.), as well as regular engagement with key policing stakeholders
  - Continued work with City of Toronto partners on the SafeTO: Community Safety and Well-Being Plan and the development of the City's Alternative Community Crisis Support Service
  - Providing input into the development of regulations under Ontario's forthcoming *Community Safety and Policing Act, 2019*
  - Continued work to streamline, modernize and improve the Board's governance approaches through a review of all Board Policies (e.g. adequacy standards, Use of Force) and the development of new leading police governance policies in Canada (e.g., AI Technologies Policy)
  - Increasing the amount of information and level of analysis on the effectiveness and the impacts of the Service's various initiatives, that is made available to the Board and the public
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Throughout 2022, the Board will continue this and other work in a transparent and consultative spirit, with the goal of ensuring effective governance and fair and accountable policing in Toronto.

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## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Toronto Police Services Board	3,188.0	1,975.7	1,938.5	1,075.7		1,075.7	(862.8)	(44.5%)
<b>Total Revenues</b>	<b>3,188.0</b>	<b>1,975.7</b>	<b>1,938.5</b>	<b>1,075.7</b>		<b>1,075.7</b>	<b>(862.8)</b>	<b>(44.5%)</b>
<b>Expenditures</b>								
Toronto Police Services Board	5,092.0	3,906.8	3,869.6	3,045.5		3,045.5	(824.1)	(21.3%)
<b>Total Gross Expenditures</b>	<b>5,092.0</b>	<b>3,906.8</b>	<b>3,869.6</b>	<b>3,045.5</b>		<b>3,045.5</b>	<b>(824.1)</b>	<b>(21.3%)</b>
<b>Net Expenditures</b>	<b>1,904.0</b>	<b>1,931.1</b>	<b>1,931.1</b>	<b>1,969.8</b>		<b>1,969.8</b>	<b>38.7</b>	<b>2.0%</b>
<b>Approved Positions**</b>	<b>7.5</b>	<b>7.5</b>	<b>N/A</b>	<b>7.5</b>		<b>7.5</b>	<b>N/A</b>	

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$3.046 million gross reflecting a decrease of \$0.824 million in spending below 2021 projected year-end actuals, predominantly arising from:

- The 2021 operating budget included funding of \$0.900 million from the Tax Stabilization Reserve to complete the Missing Persons Investigation Review. As the review is now complete, this funding is no longer required, resulting in a decrease in gross expenditures and revenues from 2021 projections of \$0.863 million.

## EQUITY IMPACTS OF BUDGET CHANGES

This budget recognizes the importance of community voices, insights and advice in contributing to the success of the Board in carrying out its oversight and governance roles. The addition of honoraria to the budget reflects a respect and appreciation for community volunteers who lend their voice, professional expertise and lived experiences to the Board's Advisory Panels, and enables meaningful opportunities to advancing police and community dialogues and initiatives.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Police Services Board is \$0.824 million gross or 21.3% lower than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Contribution From Reserves/Reserve Funds	1,678.7	3,187.5	1,975.7	1,938.5	1,075.7	(862.8)	(44.5%)
<b>Total Revenues</b>	<b>1,678.7</b>	<b>3,187.5</b>	<b>1,975.7</b>	<b>1,938.5</b>	<b>1,075.7</b>	<b>(862.8)</b>	<b>(44.5%)</b>
Salaries and Benefits	1,133.1	1,258.5	1,330.3	1,282.4	1,354.4	72.0	5.6%
Materials & Supplies	3.7	6.3	7.6	3.5	7.6	4.1	117.1%
Equipment	5.3	5.1	6.6	16.5	6.2	(10.3)	(62.4%)
Service and Rent	2,328.9	3,397.3	2,137.5	2,142.4	1,252.5	(889.9)	(41.5%)
Contribution To Reserves/Reserve Funds	529.0	424.8	424.8	424.8	424.8		
<b>Total Gross Expenditures</b>	<b>4,000.0</b>	<b>5,091.9</b>	<b>3,906.8</b>	<b>3,869.6</b>	<b>3,045.5</b>	<b>(824.1)</b>	<b>(21.3%)</b>
<b>Net Expenditures</b>	<b>2,321.3</b>	<b>1,904.5</b>	<b>1,931.1</b>	<b>1,931.1</b>	<b>1,969.8</b>	<b>38.7</b>	<b>2.0%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

In August 2019, the Board negotiated a new collective agreement with the Senior Officers Organization, and, at its meeting of October 22, 2019, approved a recommendation to ratify the same monetary settlement to Excluded staff, which includes members of the Board Office Staff. As a result, the 2022 impact of the settlement, amounting to \$0.022 million has been added to reflect the Board's decision. In addition, reclassifications added a further \$0.050 million pressure as compared to projected 2021 spending.

**Services and Rents:**

The 2021 Operating Budget included funding of \$0.900 million from the Tax Stabilization Reserve to complete the Independent Civilian Review into Missing Person Investigations, which was conducted by the Honourable Gloria Epstein. As the Review is now complete, this funding is no longer required, resulting in a decrease in gross expenditures and corresponding draw from the reserve from 2021 projections of \$0.863 million.

**Contributions from Reserve Funds:**

The reduction in withdrawal from reserve funds is fully related to the one-time funding from the Tax Rate Stabilization Reserve for Missing Person Investigations review that is now complete.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	1,938.5	1,075.7	1,075.7	1,075.7
Gross Expenditures	3,869.6	3,045.5	3,064.5	3,064.5
<b>Net Expenditures</b>	<b>1,931.1</b>	<b>1,969.8</b>	<b>1,988.8</b>	<b>1,988.8</b>
<b>Approved Positions</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$3.065 million reflects an anticipated \$0.019 million or 0.62 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks is anticipated to stay in line with 2023 gross expenditures.

These changes arise from the following:

- Impact of applying the 2023 portion of the collective agreement with the Senior Officers' Organization to Excluded and Board staff. The current collective agreement expires in 2023.

# 2022 Program Summary

## Toronto Police Service Parking Enforcement Unit

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### Description

Toronto Police Service Parking Enforcement Unit (PEU) responds to public and private parking concerns of the community and enforces the Parking Bylaws through the issuance of parking tags to illegally parked vehicles.

### Why We Do It

To contribute to safe and efficient free flow of traffic and local neighbourhood parking concerns, 7 days a week, 24 hours a day.

*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

### Who We Serve:

- Vehicle Drivers
- Private Properties
- Municipal Properties

### What We Deliver:

The Parking Enforcement Unit contributes to the overall safety and security of the people of Toronto by focusing on the Toronto Police Service traffic safety priorities. This is achieved through various strategies including enforcement, visibility, public awareness and education programs. Specifically, the Unit is responsible for:

- Responding to public and private parking concerns of the community
- Regulating parking through the equitable and discretionary application of by-laws
- Providing operational support to the Toronto Police Service; language interpretation, stolen vehicle recovery, corporate and local community-policing initiatives, emergency support and crime management
- Assisting at special events, ensuring the safe and unobstructed movement of vehicular and pedestrian traffic
- Fostering crime prevention by providing a radio equipped, highly visible, uniformed presence in our communities

**How much resources (gross operating budget):** \$52.0 Million

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$1.1	\$1.1	\$1.1
Gross Expenditures	\$52.0	\$53.5	\$54.1
Net Expenditures	\$50.9	\$52.4	\$53.0
Approved Positions	394.0	394.0	394.0

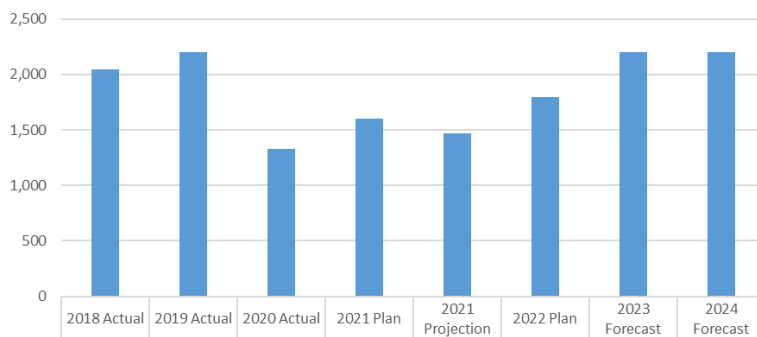
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
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Toronto Police Service Parking Enforcement Unit does not have a Capital Budget. Any capital requirements are included in the Toronto Police Service's Capital Program.

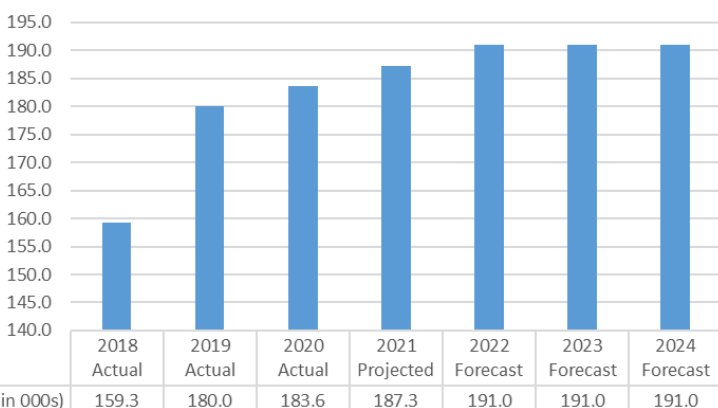
## How Well We Are Doing – Behind the Numbers

Number of Parking Tags Issued (in 000s)



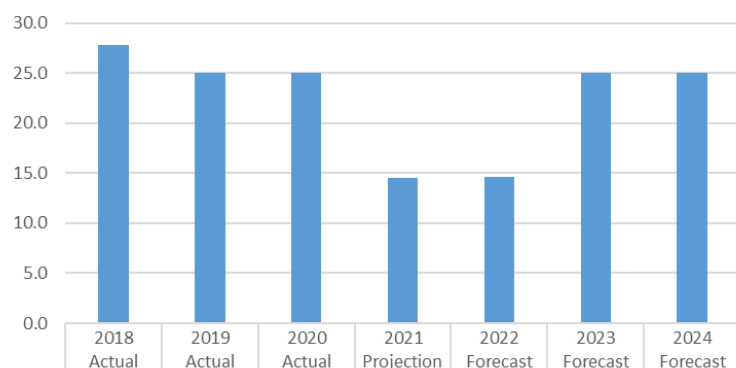
- The number of parking tags issued decreased in 2020 due to COVID-19.
- The projected tag issuance for 2021 is expected to be well below average due to COVID-19 impacts.
- The projected tag issuance for 2022 assumes continuing impacts of COVID-19.

Number of Calls Parking Responded To (in 000s)



- The number of calls attended by the Parking Unit has been steadily increasing year over year and were minimally impacted by COVID-19.
- The impact of COVID-19 on calls for service during 2022 is difficult to determine, the forecast assumes a continuation of past trends, as calls for service were not impacted to the same degree as parking tag issuance.

Number of Vehicles Towed (in 000s)



- The number of vehicles towed has declined since 2017 and is expected to be much lower in 2021 due to COVID-19 impacts.
- While difficult to estimate, this trend is likely to continue as programs are being implemented to achieve greater compliance with the City's parking by-laws and therefore a lowered requirement for towing.
- It is expected that less than 15,000 improperly parked vehicles will be towed during 2022.

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- The 2022 impact of COVID-19 is projected to be in line with 2021 experience.
- Expected decrease in special events and directed enforcement initiatives during 2022 will result in lower premium pay requirement compared to pre-COVID-19 levels (\$0.6 million).
- Reduced towing recoveries are expected to continue into 2022 with an estimated budgeted incremental revenue loss of \$0.2 million.

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**Service Level Changes**

- Decreases in special events and directed enforcement initiatives is anticipated during 2022 compared to pre-COVID-19 levels.
  - Ticket issuance target for 2022 is estimated at 1.8 million tickets due to the continuing impacts of COVID-19. The associated revenue from parking ticket issuance is captured in City's Non Program Revenue budget.
  - The Toronto Police Services Parking Enforcement Unit continues to review its service levels to reflect changes as required to meet ongoing community needs.
-



## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- A number of staff members have been deployed to operate out of front line divisions. This move was made to reduce unproductive travel time by bringing the officer closer to where they enforce parking by-laws.
- Introduction of photo evidence, which will assist in the resolution of parking violation disputes.
- Queen Street Pilot Project – tested rush hour relocation concept (focus on the needs of a complex city).

### Key Challenges and Risks

- The PEU experienced significantly higher employee turnover than in past years. Separations continue to be a challenge as PEU members seek out other employment such as police officers and special constables.
- Ensuring compliance with the City's parking by-laws is key to maintaining a safe and efficient flow of traffic. Maintaining sufficient parking enforcement resources requires dedicated hiring and training programs of enforcement officers.
- Initiatives such as CafeTO impact the Rush Hour Route enforcement.

### Priority Actions

- Rush Hour Route Enforcement Campaign
- Heavy Truck Enforcement Campaign
- Electronic tow card initiative
- Review of service levels in 2022 to ensure resources and processes are adequate to meet customer demand and service levels
- Complete implementation of Vehicle Impound System (VIP) replacement project
- Electronic Parking System (EPS) enhancements
- Participation in Toronto Parking Authority (TPA) electronic tag issuance project
- Pilot for Proof of Concept (POC) for using mobile phones for parking tag issuance
- Car Share permit electronic data transfer and validation for EPS system
- City's Free Floating Car Share permit electronic data transfer and validation project

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Parking Tags Enforcement	1,170.9	1,314.5	1,400.0	1,115.7		1,115.7	(284.3)	(20.3%)
<b>Total Revenues</b>	<b>1,170.9</b>	<b>1,314.5</b>	<b>1,400.0</b>	<b>1,115.7</b>		<b>1,115.7</b>	<b>(284.3)</b>	<b>(20.3%)</b>
<b>Expenditures</b>								
Parking Tags Enforcement	47,420.9	50,543.3	50,005.3	51,971.8		51,971.8	1,966.5	3.9%
<b>Total Gross Expenditures</b>	<b>47,420.9</b>	<b>50,543.3</b>	<b>50,005.3</b>	<b>51,971.8</b>		<b>51,971.8</b>	<b>1,966.5</b>	<b>3.9%</b>
<b>Net Expenditures</b>	<b>46,250.0</b>	<b>49,228.8</b>	<b>48,605.3</b>	<b>50,856.1</b>		<b>50,856.1</b>	<b>2,250.8</b>	<b>4.6%</b>
<b>Approved Positions**</b>	<b>394.0</b>	<b>394.0</b>	<b>N/A</b>	<b>394.0</b>		<b>394.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$51.972 million gross reflecting an increase of \$1.967 million in spending above 2021 projected year-end actuals, predominantly arising from:

- The 2021 impact of the collective agreement (2019 - 2023) with the Toronto Police Association (\$1.0 million)
- Increased statutory payroll deductions and salary increments & employee benefits as per the collective agreements (\$0.2 million)
- Increased costs for parking tags and for computer maintenance (\$0.3 million)

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$50.856 million in net expenditures reflects a \$1.428 million net increase from the 2021 Council approved Budget, when excluding \$0.199 million in estimated COVID-19 financial impacts.**

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in the Parking Enforcement Unit 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Police Services Parking Enforcement Unit is \$51.972 million gross which is 3.9% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	1,287.9	626.4	589.8	675.3	391.0	(284.3)	(42.1%)
Contribution From Reserves/Reserve Funds	724.6	544.5	724.7	724.7	724.7		
<b>Total Revenues</b>	<b>2,012.5</b>	<b>1,170.9</b>	<b>1,314.5</b>	<b>1,400.0</b>	<b>1,115.7</b>	<b>(284.3)</b>	<b>(20.3%)</b>
Salaries and Benefits	39,075.4	40,891.8	42,483.0	42,600.0	44,254.8	1,654.8	3.9%
Materials & Supplies	1,228.2	1,093.2	1,449.4	1,449.4	1,599.1	149.7	10.3%
Equipment	122.3	53.2	1,008.0	450.6	388.9	(61.7)	(13.7%)
Service and Rent	2,654.8	2,569.2	2,789.5	2,786.6	3,010.3	223.7	8.0%
Contribution To Capital	1,994.0	1,994.0	1,994.0	1,994.0	1,994.0		
Contribution To Reserves/Reserve Funds	819.4	819.4	819.4	724.7	724.7		
<b>Total Gross Expenditures</b>	<b>45,894.1</b>	<b>47,420.9</b>	<b>50,543.3</b>	<b>50,005.3</b>	<b>51,971.8</b>	<b>1,966.5</b>	<b>3.9%</b>
<b>Net Expenditures</b>	<b>43,881.6</b>	<b>46,250.0</b>	<b>49,228.8</b>	<b>48,605.3</b>	<b>50,856.1</b>	<b>2,250.8</b>	<b>4.6%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

- The 2022 impact of the 2019-2023 Collective Agreement settlements is \$1.0 million.
- Increased statutory payroll deductions and salary increments & employee benefits as per the collective agreements (\$0.2 million)
- Premium pay spending for special events and directed enforcement activities is expected to increase in 2022 as compared to 2021, as the impacts of COVID-19 are expected to be less year over year. As a result, \$0.6 million of the \$1.2 million budget reduction made in 2021 has been restored.

**Equipment:**

- Additional funding of \$1.0 million was included in the 2021 operating budget to replace the Vehicle Impound Program (V.I.P.) application which is used by the Service to manage towed vehicles. However, replacement will not be completed until early 2022. The total cost of the replacement is expected to be under \$0.9M (0.5M in 2021 and \$0.4M in 2022).

**Materials and Supplies:**

- Additional funding of \$0.1 million is required due to an increase in the cost of parking tags.

**Services and Rents:**

- Additional funding of \$0.2 million is required for computer maintenance costs to support handheld devices, towing module and V.I.P. module.

**Contributions to Capital:**

- Contributions to Capital category represents funding required to replace vehicles and the hand held ticketing devices. There is no change to this funding in 2022.

**Contributions to Reserves:**

- Contributions to Reserves represent contributions to the Sick Pay Gratuity Reserve and Central Sick Bank Reserve.

**Other Revenue Changes:**

- Revenues consist of recoveries from tow companies for costs associated with pounds operations, and in-year recoveries from the TTC to cover premium pay costs associated with the enforcement of TTC right of ways. Pounds recoveries are expected to be the same as the 2021 projected actual mainly due to the continuing impact of the COVID-19 pandemic. Recoveries from the TTC fluctuate from year to year have a net zero budget impact.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	1,400.0	1,115.7	1,115.7	1,115.7
Gross Expenditures	50,005.3	51,971.8	53,540.2	54,131.6
<b>Net Expenditures</b>	<b>48,605.3</b>	<b>50,856.1</b>	<b>52,424.5</b>	<b>53,015.9</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>394.0</b>	<b>394.0</b>	<b>394.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$53.540 million reflects an anticipated \$1.568 million or 3.02 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$0.591 million or 1.10 per cent above 2023 gross expenditures.

These changes arise from the following:

- 2023 portion of the 2019 to 2023 collective agreement with the Toronto Police Association; and
- Inflationary increases for materials and supplies.

# 2022 Program Summary

## Toronto Public Health

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

In accordance with the Health Protection and Promotion Act, Toronto Public Health's purpose is to deliver public health programs, services, and policies to prevent the spread of disease and promote and protect the health of the people of Toronto. Toronto Public Health's programs, services and policy directions strive to create the optimal conditions to achieve a healthy city for all, meet population public health needs, comply with the Ontario Public Health Standards, and contribute to a broader sustainable health system.

### Why We Do It

Toronto Public Health contributes to the overall quality of life, but more particularly Toronto Public Health's desired outcomes are:

- Prevalence of chronic diseases is reduced and spread of communicable and infectious diseases in Toronto is prevented and controlled in a timely, responsive and equitable manner
- Toronto residents adopt more healthy behaviours
- Conditions are in place to reduce barriers and inequities that inhibit Torontonians from achieving health and well-being

*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

### **Chronic Disease and Injury Prevention**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Programs and services that promote optimal nutrition and physical activity; diabetes prevention; skin cancer prevention; well-being promotion; adult oral disease management; tobacco cessation programs; and Ontario Seniors Dental Care Program.

**How Much Resources (gross operating budget):** \$55.0 million

### **Emergency Preparedness**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Programs and initiatives that ensure that public health has the capacity to cope with and recover from threats to public health or disruptions to public health programs and services.

**How Much Resources (gross operating budget):** \$2.2 million

### **Environmental Health**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Educational programs and inspections to prevent and reduce the burden of food-borne illnesses; timely and effective detection, identification, and response to drinking water contaminants and illnesses; inspection of recreational water facilities and public beaches to mitigate water-borne illness and hazards.

**How Much Resources (gross operating budget):** \$24.7 million

### **Infectious Diseases Prevention**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Tuberculosis education and treatment services; sexual health clinics; infection control and prevention liaison services; investigation and management of infectious and communicable disease, such as COVID-19; inspection of personal service settings.

**How Much Resources (gross operating budget):** \$150.0 million

### **Family Health**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Preconception, pregnancy, newborn, child, youth, parental, and family health programs including, breastfeeding clinics, healthy sexual health promotion and education, positive partnering sessions and supports; blind-low vision screening; child and youth oral health screening and treatment programs.

**How Much Resources (gross operating budget):** \$111.8 million

### **Public Health Foundations**

**Who We Serve:** Everyone who lives, works or visits the City of Toronto.

**What We Deliver:** Systematic and routine analysis of surveillance information, including monitoring of trends over time, emerging trends, and priority population; conduct surveillance of community emergency planning and preparedness.

**How Much Resources (gross operating budget):** \$18.0 million

## Budget at a Glance

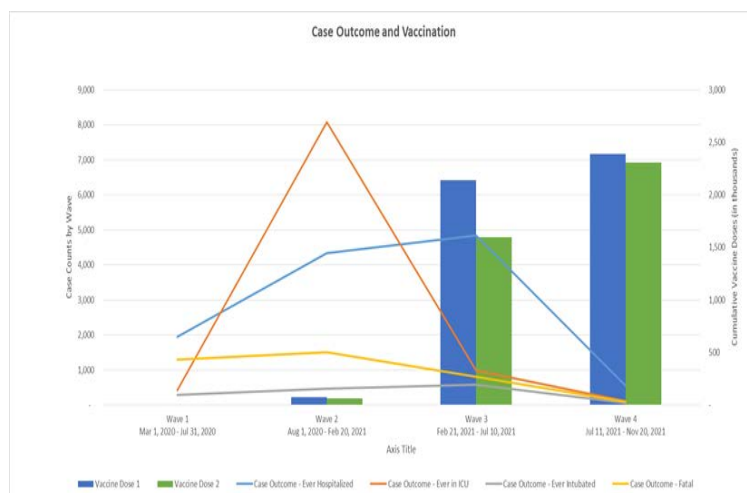
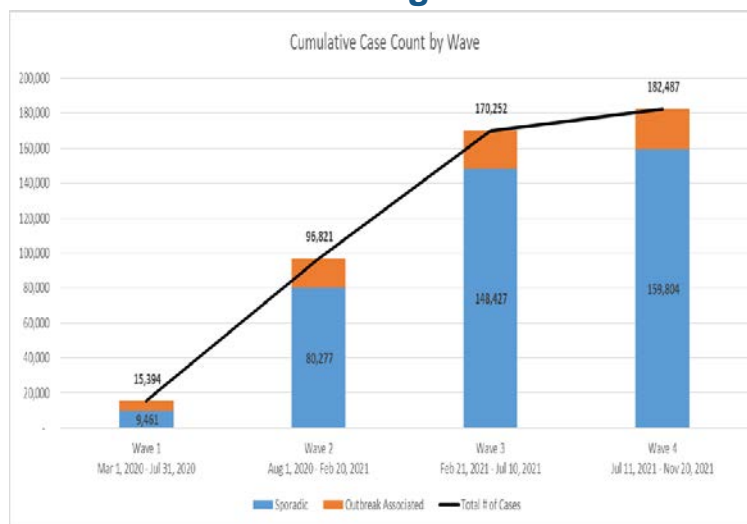
### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$ 233.3	\$ 205.9	\$ 205.6
Gross Expenditures	\$ 361.7	\$ 300.9	\$ 304.8
Net Expenditures	\$ 128.4	\$ 95.0	\$ 99.2
Approved Positions	2,634.8	2,002.8	1,998.7

### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$6.491	\$25.269	\$31.760
Debt	\$4.316	\$25.269	\$29.585
Provincial Funding	\$2.175		\$ 2.175
Note: Includes 2021 carry forward funding			

## How Well We Are Doing – Behind the Numbers



- Toronto Public Health's focus in 2020, 2021 and 2022 has been and will continue to be responding to the COVID-19 pandemic.
- The COVID-19 Response is organized along two general themes: case and outbreak management and vaccination.
- The Response is multi-pronged, including but not limited to:
  - Advocating for and supporting the implementation of public health measures, such as masking and physical distancing
  - Conducting case, contact, and outbreak management; investigations; and coordinating testing opportunities in high risk environments
  - Creating and distributing educational material in the form of guidance documents, posters and infographics
  - Responding to citizen concerns and questions via multiple channels
  - Conducting enforcement and compliance checks in restaurants, bars, food stores, personal service settings, essential business, and other locations
  - Conducting outreach activities and holding town halls and webinars for priority populations and communities
  - Managing vaccine inventory and distribution
  - Running mass immunization clinics, and mobile and pop-up vaccination clinics
  - Managing a voluntary isolation centre

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
<b>Chronic Disease and Injury Prevention</b>	Number of school communities supported to children and youth, with municipal funding for student nutrition programs relevant school year	634	624	624	616	●	616	616
<b>Emergency Preparedness</b>	Maintain the availability of Toronto Public Health staff to respond to public health emergencies on a 24/7 basis	Achieved	Achieved	Achieved	Achieved	●	Achieved	Achieved
<b>Environmental Health</b>	Percentage of High Risk food premises inspected at least 2 times per year	97%	81%	#	32% #	●	50% ##	100%

# Inspections were impacted as the majority of the Food Safety/Environmental public health inspectors were deployed to the pandemic response. The length of time to conduct an inspection increased due to the COVID-19 precautions that were in place for infection control and prevention and relevant provincial orders and municipal bylaws.

## Inspections will continue to be performed on a modified basis as businesses respond to public health measures which have changed how and when they operate. This service level will resume upon the end of the emergency declared by the provincial government.



Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
<b>Service Level Measures</b>								
<b>Family Health</b>	Number of youth (17 years of age and younger) provided with dental treatment	14,755	*	18,200	9,100	●	9,100	18,200
<b>Infectious Diseases Prevention</b>	Percentage of Active Tuberculosis (TB) cases completing adequate treatment according to the Canadian TB Standards	>95%	>95%	>95%	>95%	●	>95%	>95%
<b>Public Health Foundations</b>	Conduct systemic and routine analysis of surveillance information, including monitoring of trends over time, emerging trends, and priority populations	Achieved	Achieved	Achieved	Achieved	●	Achieved	Achieved

\* This Service Level Measure was affected as Toronto Public Health redeployed staff to support the response to COVID-19 and the suspension of various clinical services.

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- The 2022 COVID-19 impact is projected to be similar to Toronto Public Health's 2021 experience:
  - Continued revenue loss of \$1.3 million for fee-based programs - vaccination dose re-imbursement for non-COVID-19 vaccines, dental service fees, and food handler training fees.
  - Extra-ordinary expenditures of \$58.2 million for the COVID-19 Response efforts.
  - \$6.0 million for the COVID-19 School Focused Nurses program.
  - \$3.5 million to provide overdose prevention services in Shelter, Support and Housing Administration locations.
  - \$12.3 million for the continued operation of the Voluntary Isolation Centre until December 2022.
  - \$1.0 million to address service backlogs resulting from the redeployment of over 80% of public health staff for the COVID-19 response and mass vaccination clinics.
  - \$1.5 million for the administration of the COVID-19 Vaccine in a similar manner as the Influenza campaign.
- The 2022 budget does not include expenditures and provincial recoveries for continued COVID immunization efforts. Toronto Public Health is working with the province on continued support and cost reimbursement.

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**Service Level Changes**

- Service levels have been impacted as:
    - Approximately 80% percent of Toronto Public Health's permanent complement have been redeployed to the COVID-19 pandemic response.
    - A significant number of Toronto Public Health's programs, services and activities have been suspended and/or reduced during the COVID-19 pandemic as public health restrictions continue to impede our ability to deliver services in the same manner as pre-pandemic.
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## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Toronto Public Health's focus in 2020, 2021 and 2022 has been and will continue to be responding to the COVID-19 pandemic.
- The response started with a team of 50 in early January 2020 and grew to over 3,400 staff in August 2021 during the height of the largest vaccination campaign ever undertaken in Toronto.
- The response is organized along two general themes: case/outbreak management and vaccination.
- Our Response is and will continue to be multi-pronged, including but not limited to:
  - Advocating for and supporting public health measures, as appropriate;
  - Conducting case, contact, and outbreak management and investigations;
  - Refining educational material to keep the public informed of new developments about COVID-19 and the pandemic at large;
  - Responding directly to citizen concerns and questions via multiple channels;
  - Conducting enforcement and compliance checks in restaurants, bars, food stores, personal service settings, essential business, and other communal locations;
  - Conducting outreach activities and holding town halls and webinars for priority populations and communities;
  - Managing vaccine inventory and distribution;
  - Operating mass immunization clinics and mobile and pop-up vaccination clinics; and
  - Managing a voluntary isolation centre.

### Key Challenges and Risks

- 2022 will mark the third year of the pandemic. Staff are exhibiting COVID-19 workplace fatigue in the form of burnout and mental distress. The mental well-being of public health staff will play an important role in Toronto Public Health's ability to sustain the an effective COVID-19 response, support a prolonged mass immunization campaign, and participate effectively in the City's recovery and rebuild plan.
- The resurgences of COVID-19 cases and the discovery of new variants of concerns continues to delay the resumption of other public health programs. This delay is creating backlogs in various public health interventions, and is impeding Toronto Public Health's ability to address new and emerging public health issues.

### Priority Actions

- The key objectives of the COVID-19 response continues to be:
  - Prevent loss of life,
  - Preserve the capacity of the healthcare system, and
  - Minimize the social and economic impacts.
- Toronto Public Health will continue to focus on the implementation of a comprehensive health system immunization program for COVID-19.
- Implement health and safety programs to address COVID-19 workplace fatigue amongst Toronto Public Health staff.

## 2022 OPERATING BUDGET OVERVIEW

**Table 1: 2022 Operating Budget by Service**

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Emergency Preparedness	1,492.9	1,508.3	1,908.2	1,902.7		1,902.7	(5.5)	(0.3%)
Public Health Foundations	10,655.3	11,878.3	9,039.5	12,565.2	323.8	12,889.0	3,849.6	42.6%
Chronic Diseases & Injury Prevention	32,428.1	31,402.1	30,086.0	31,981.1	2,953.7	34,934.8	4,848.8	16.1%
Family Health	76,477.9	89,214.2	76,704.7	84,194.1		84,194.1	7,489.4	9.8%
Infectious Diseases	68,141.8	74,876.8	155,336.7	79,456.6	80.9	79,537.5	(75,799.2)	(48.8%)
Environmental Health	19,548.7	19,992.9	16,066.3	19,880.1		19,880.1	3,813.8	23.7%
<b>Total Revenues</b>	<b>208,744.6</b>	<b>228,872.5</b>	<b>289,141.5</b>	<b>229,979.9</b>	<b>3,358.4</b>	<b>233,338.3</b>	<b>(55,803.2)</b>	<b>(19.3%)</b>
<b>Expenditures</b>								
Emergency Preparedness	1,800.2	2,476.3	3,303.2	2,250.3		2,250.30	(1,052.9)	(31.9%)
Public Health Foundations	16,643.8	19,829.8	17,023.7	17,528.0	462.6	17,990.57	966.8	5.7%
Chronic Diseases & Injury Prevention	46,747.2	45,754.9	44,629.2	51,668.6	3,286.0	54,954.60	10,325.4	23.1%
Family Health	92,714.0	109,156.9	94,683.7	111,797.7		111,797.74	17,114.1	18.1%
Infectious Diseases	90,979.8	150,935.3	233,541.0	149,927.3	80.9	150,008.13	(83,532.9)	(35.8%)
Environmental Health	21,942.9	25,110.7	20,352.1	24,682.7		24,682.75	4,330.7	21.3%
<b>Total Gross Expenditures</b>	<b>270,827.9</b>	<b>353,263.9</b>	<b>413,532.9</b>	<b>357,854.6</b>	<b>3,829.5</b>	<b>361,684.1</b>	<b>(51,848.8)</b>	<b>(12.5%)</b>
<b>Net Expenditures</b>	<b>62,083.3</b>	<b>124,391.4</b>	<b>124,391.4</b>	<b>127,874.7</b>	<b>471.1</b>	<b>128,345.8</b>	<b>3,954.4</b>	<b>3.2%</b>
<b>Approved Positions**</b>	<b>2,025.9</b>	<b>2,524.6</b>	<b>N/A</b>	<b>2,585.8</b>	<b>49.0</b>	<b>2,634.8</b>	<b>N/A</b>	<b>N/A</b>

\*Projection based on 9 Month Variance

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$357.855 million gross reflecting a decrease of \$55.678 million in spending below the 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- The reversal of expenditures related to the hiring of 2,800 temporary / redeployed staff in 2021, overtime and non-payroll costs to support the operations of Mass Immunization Clinics. Note: the forecasted overspend in 2021 is projected to be offset by a corresponding increase in revenue, resulting in net expenditure in line with the 2021 Budgeted amount.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$127.875 million in net expenditures reflects a \$2.969 million net increase from the 2021 Council approved Budget, when excluding \$59.555 million in estimated COVID-19 financial impacts.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$3.830 million gross, \$0.471 million net enabling:

- Resources for the collection, analysis and visualization of public health data to inform public health outcomes and support City divisions engaged in programs and services that impact on health;
- Enhanced resources for the Toronto Drug Strategy Secretariat;
- Enhanced programming for The Works;
- An expanded Outreach Overdose Team;
- Expanded Injectable Opioid Agonist Treatment (iOAT);
- Enhanced data and improve data sharing; and
- Mobile Consumption Services.

## EQUITY IMPACTS OF BUDGET CHANGES

**Low positive equity impacts:** Some changes in Toronto Public Health's 2022 Operating Budget have low positive equity impacts as they address the opioid poisoning crisis which affects all members of society, including all equity seeking groups.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Base Budget for Toronto Public Health of \$361.684 million gross is 12.5% lower than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	178,967.9	186,903.8	203,009.4	265,234.6	204,688.1	(60,546.6)	(22.8%)
Federal Subsidies	4.8	2,268.4	12,954.7	8,337.0	13,814.4	5,477.5	65.7%
User Fees & Donations	1,108.4	247.9	477.5	492.5	477.5	(15.0)	(3.1%)
Transfers From Capital	1,524.8	357.3	482.1	330.9	1,831.0	1,500.1	453.3%
Sundry and Other Revenues	2,259.2	18,418.7	7,189.6	10,977.0	7,252.1	(3,724.9)	(33.9%)
Inter-Divisional Recoveries	1,666.5	548.5	4,759.1	3,769.5	5,275.2	1,505.7	39.9%
<b>Total Revenues</b>	<b>185,531.6</b>	<b>208,744.6</b>	<b>228,872.5</b>	<b>289,141.5</b>	<b>233,338.3</b>	<b>(55,803.2)</b>	<b>(19.3%)</b>
Salaries and Benefits	182,463.4	200,718.6	261,587.3	311,836.9	267,881.0	(43,955.9)	(14.1%)
Materials & Supplies	3,510.4	3,432.4	5,749.0	8,508.7	8,569.9	61.2	0.7%
Equipment	1,975.1	1,170.1	1,945.7	1,946.6	1,633.5	(313.1)	(16.1%)
Service and Rent	28,339.0	31,919.0	49,422.7	50,487.0	49,241.0	(1,246.0)	(2.5%)
Contribution To Reserves/Reserve Funds	1,373.8	1,377.4	1,311.4	1,311.4		(1,311.4)	(100.0%)
Other Expenditures	15,310.6	16,039.7	17,016.4	23,380.7	17,419.9	(5,960.8)	(25.5%)
Inter-Divisional Charges	15,922.8	16,170.7	16,231.4	16,061.5	16,938.8	877.3	5.5%
<b>Total Gross Expenditures</b>	<b>248,895.1</b>	<b>270,827.9</b>	<b>353,263.9</b>	<b>413,532.9</b>	<b>361,684.1</b>	<b>(51,848.8)</b>	<b>(12.5%)</b>
<b>Net Expenditures</b>	<b>63,363.5</b>	<b>62,083.3</b>	<b>124,391.4</b>	<b>124,391.4</b>	<b>128,345.8</b>	<b>3,954.4</b>	<b>3.2%</b>

\*Projection based on 9 Month Variance

**Key Base Drivers:****Salaries & Benefits:**

Decrease in salary and benefits costs related to COVID-19 General Response and Mass Immunization Clinics partially offset by cost of living adjustments and step increases.

**Services and Rents:**

Reduction of lease costs as part of ModernTO.

**Other Expenditures:**

Reduction in one-time grant payments related to community engagement programs in the mass immunization campaign.

**Transfers From Capital:**

Increases to offset expenses related to the following projects:

- Electronic Medical Record
- Inspection Management – Implementation
- Community Health Information System
- DataMart Data Warehouse

**Other Revenue Changes:**

Decrease in Provincial Subsidies related to reimbursement of COVID-19 extra-ordinary expenses including Mass Immunization Clinics.

Table 2b: 2022 New / Enhanced

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Supports Climate Initiatives	AG Recs	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions					
In \$ Thousands										
1	Public Health Data and Analytics	323.8	462.6	138.8	7.0	842.7	No Impact	No	No	These requests are for resources for the collection, analysis and visualization of public health data to inform public health outcomes and support City divisions engaged in programs and services that impact on health.
2	Mobile Supervised Consumption Service	526.3	526.3		9.0	1,003.2	Low-positive	No	No	Aligns with the "Investing in People and Neighborhoods" strategic direction by providing overdose prevention and response to people who are at risk of overdose death. This service will also invest in neighborhoods through the reduction of street based drug use and discarded drug use equipment.
3	Enhanced Resources for Toronto Drug Strategy Secretariat	671.3	959.1	287.7	10.0	1,863.1	No Impact	No	No	Aligns with the "Investing in People and Neighborhoods" strategic direction by providing resources to help respond to the growing drug poisoning crisis in Toronto.
4	Expand Overdose Outreach Team	718.0	762.6	44.6	12.0	1,371.2	Low-positive	No	No	Aligns with the "Invest in People and Neighborhood" strategic direction by supporting people at risk for opioid overdose and assisting neighborhoods to respond to overdoses that are occurring.
5	Enhance Programing for the Works	202.2	202.2		2.0	349.4	Low-positive	No	No	Aligns with the Investing in People and Neighborhoods" strategic direction through expanded programming to enhance harm reduction and clinical services.
6	Expand Injectable Opiod Agonist Treatment (iOAT) program	538.4	538.4		5.0	1,049.3	Low-positive	No	No	Aligns with the "Investing in People and Neighborhoods" strategic direction through the reduction of reliance on the toxic drug supply
7	Enhanced Data Collection and Communication	378.4	378.4		4.0	634.7	No Impact	No	No	Aligns with the "Investing in People and Neighborhoods" strategic direction by expanding data analysis and improving knowledge translation related to substance use and mental health issues in Toronto's population.
Total New / Enhanced		3,358.4	3,829.5	471.1	49.0	7,113.4				

The 2022 Operating Budget includes \$3.830 million in investments to support priority actions as detailed in the table above.

City Council approved the New and Enhanced priorities, Public Health Data and Analytics (\$462.6 million gross, \$138.8 million net), Enhanced Resources for Toronto Drug Strategy Secretariat (\$0.959 million gross, \$0.288 million net); and Expand Overdose Outreach Team (\$0.763 million gross, \$0.045 million net), with City's commitment to spend up to the net approved amount for these requests, with the remaining gross spending contingent on funding confirmation from the Ontario Ministry of Health.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	289,141.5	233,338.3	205,884.9	205,597.3
Gross Expenditures	413,532.9	361,684.1	300,943.1	304,818.2
<b>Net Expenditures</b>	<b>124,391.4</b>	<b>128,345.8</b>	<b>95,058.2</b>	<b>99,220.9</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>2,634.8</b>	<b>2,002.8</b>	<b>1,998.7</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$300.943 million reflects an anticipated \$60.741 million or 16.79 per cent decrease in gross expenditures below the 2022 Operating Budget. The 2024 Outlook reflects an increase of \$3.875 million or 1.29 per cent above 2023 gross expenditures.

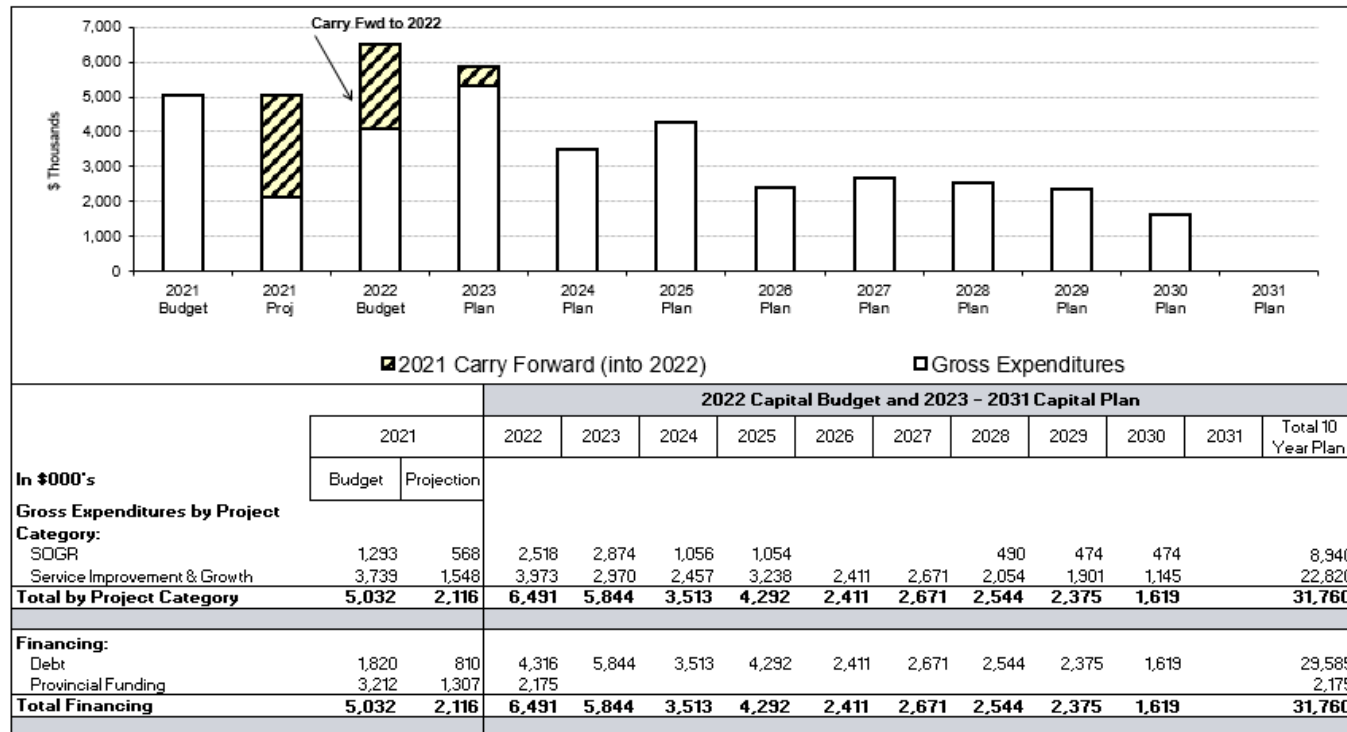
These changes arise from the following:

- Salaries and Benefits – Reduction of 630 temporary positions (595 for the COVID-19 Response, 35 for overdose prevention support in Shelter, Support and Housing Administration locations)
- Non-Payroll – Reduction due to Voluntary Isolation Centre program ending in December 2022
- Revenue Changes – Reversal of one-time Mitigation Funding from the Province along with elimination of Federal Funding related to the Voluntary Isolation Centre program



## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview (\$000)



### Changes to Existing Projects (\$0.658 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- Deferred funding of \$0.505 million to 2023 due to delays and increase in scope and complexity for the *Inspection Management - Implementation* (2020-2023) project
- Decreased funding of \$0.153 million due to revised scope for the *Community Health Information System* (2017- 2022) project.

### New Projects (\$0.3 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows







- *Mobile Supervised Consumption Vehicle Van* (\$0.3 million, 2022) will support people in communities outside of the downtown core.

### Capital Needs Constraints (\$1.536 Million)

Toronto Public Health has three projects with unmet needs over the 10-year planning horizon:

- The *Community Collaboration - Implementation* (2024-2026) project is dependent on the results of the *Seed* funded project. The goal of the project is to implement secure community collaboration solutions to improve information sharing.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$31.760 Million 10-Year Gross Capital Program**

					
<b>Decision Making</b>	<b>Workforce Capabilities</b>	<b>Business Processes</b>	<b>Information Technology</b>	<b>Access to Government Services</b>	<b>Access to Services</b>
\$6.0M 18.9%	\$1.3 M 4.1%	\$10.7 M 33.8%	\$7.5 M 23.7%	\$3.9 M 12.3%	\$2.3M 7.2%
Datamart/Data Warehouse  Geographical Information Enablement  Common Geographical Interface  Healthy Smart City - Data and Predictive Analytics  Healthy Smart Cities	Community Collaboration  Mobile Enablement	Electronic Medical Record  Socio-Demographic Data Collection and Reporting  Call Centre Revitalization  Customer Relationship Case Management	Inspection Management  Early Abilities Information System Implementation  Community Health Information System	Public eLearning  Public Notifications and Advisories	Ontario Seniors Dental Care Program (Dental Vans, Renovation for Dental Clinics)  Mobile Supervised Consumption Vehicle

**How the Capital Program is Funded**

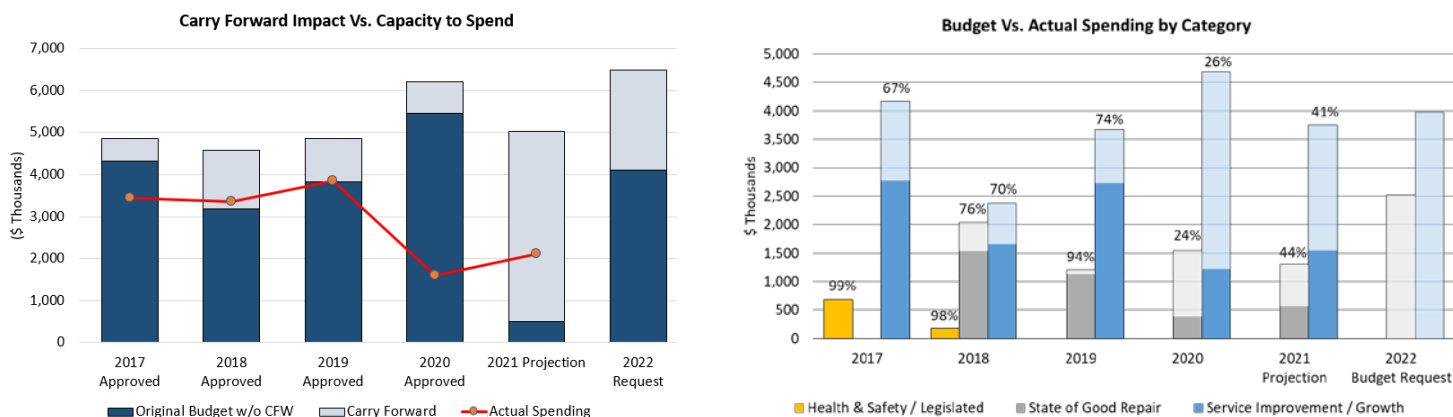
<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$29.6 M 93.2%</b>		<b>\$2.2 M 6.8%</b>	<b>\$0 M 0%</b>
Debt	\$29.6 M		

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Public Health's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$2.380 million in capital spending originally cash flowed in 2021 has been deferred to 2022, with an additional \$0.505 million deferred to 2023. Adjustments to the Capital Plan are noted below:

- Deferral of \$2.004 million for dental clinic renovations and fabrication of dental vans for the Ontario Seniors Dental Care Program.
- Deferral of \$0.881 million for information technology projects as resources are redeployed to support the COVID-19 Response.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

The 10-Year Capital Plan will impact future year Operating Budgets by (\$0.480) million net over the 2022-2031 period, primarily due to the completion of projects, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Community Health Information System					(160.0)	(1.5)					(160.0)	(1.5)	(160.0)	(1.5)
Datamart Data Warehouse			(15.0)		(151.2)	(0.8)					(166.2)	(0.8)	(166.2)	(0.8)
Dental & Oral Health Information Sys.(Completed)			(89.4)						3.0		(86.4)		(86.4)	
Electronic Medical Record			216.0		(270.0)	(3.0)					(54.0)	(3.0)	(54.0)	(3.0)
Inspection Management Implementation					554.0		(567.3)	(4.0)			(13.3)	(4.0)	(13.3)	(4.0)
<b>Sub-Total: Previously Approved</b>			<b>111.6</b>		<b>(27.2)</b>	<b>(5.3)</b>	<b>(567.3)</b>	<b>(4.0)</b>	<b>3.0</b>		<b>(479.9)</b>	<b>(9.3)</b>	<b>(479.9)</b>	<b>(9.3)</b>
<b>Total (Net)</b>			<b>111.6</b>		<b>(27.2)</b>	<b>(5.3)</b>	<b>(567.3)</b>	<b>(4.0)</b>	<b>3.0</b>		<b>(479.9)</b>	<b>(9.3)</b>	<b>(479.9)</b>	<b>(9.3)</b>

#### Previously Approved projects

- *The Community Health Information System* project, ending in 2022, will realize financial and operational efficiencies starting in 2024.
- *The DataMart Data Warehouse – Phase 3* project to be completed in 2022, will generate financial and operational efficiencies starting in 2023.
- *The Dental and Oral Health Information System* project, ending in 2021, will realize operational efficiencies starting in 2023.
- *The Electronic Medical Records – Phase 3* project will end in 2023. The estimated ongoing annual cloud solution licensing costs are expected to be completely absorbed by financial and operational efficiencies after full implementation in 2024.
- *The Inspection Management Implementation* project will end in 2023. The estimated platform software subscription costs beginning in 2024 are expected to be completely absorbed by financial and operational efficiencies in 2025.

# 2022 Program Summary

## Toronto Public Library

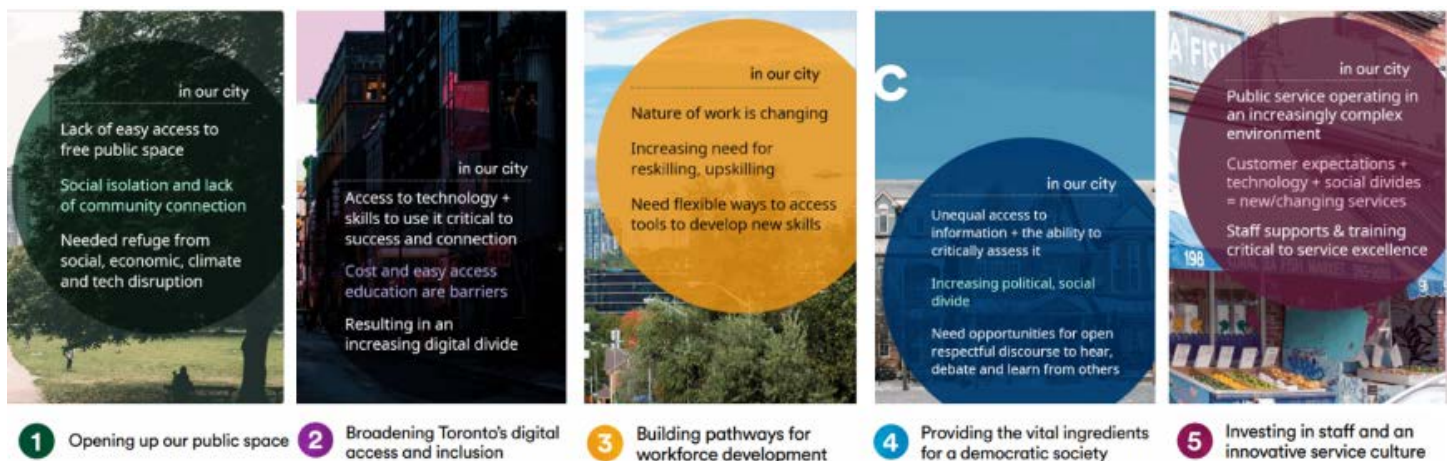
While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Toronto Public Library (TPL) provides free and equitable access to services that meet the changing needs of Torontonians. The Library preserves and promotes universal access to a broad range of human knowledge, experience, information and ideas in a welcoming and supportive environment.

### Why We Do It

Toronto Public Library is the vital active ingredient that informs and inspires Toronto and its communities, making us all more resilient, more knowledgeable, more connected and more successful. Toronto Public Library's strategic priorities are focused on helping the City achieve its many opportunities and address its many challenges.



*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

### Toronto Public Library

**Who We Serve:** Residents who use library services and community agencies & partners

**Residents who use our services**

- Children, youth, adults & older adults;
- Newcomers;
- Entrepreneurs, small business owners, creators & artists, job seekers;
- Students, academics;
- Low literacy and adult learners, language learners; and
- Vulnerable populations, people experiencing homelessness.

**Community Agencies & Partners**

- Daycares and preschools, elementary, secondary & post-secondary institutions;
- Social services and workforce development providers; and
- Arts collectives, agencies and other arts and culture organizations.

**Beneficiaries of all services**

- Publishers
- Businesses and residents (non-users)
- City Staff and Community Partners
- Visitors

**What We Deliver:** Toronto Public Library provides residents with a seamless library experience – in person, online and in the community – with the goal of ensuring that everyone who wants to use the library has the opportunity to do so in ways that are convenient and responsive to their needs. The Library provides access to a full range of services across five service pillars: **Spaces, Collections, Programs, Staff and Technology**

**How Much Resources (gross 2022 operating budget): \$228.3 Million**

## Budget at a Glance

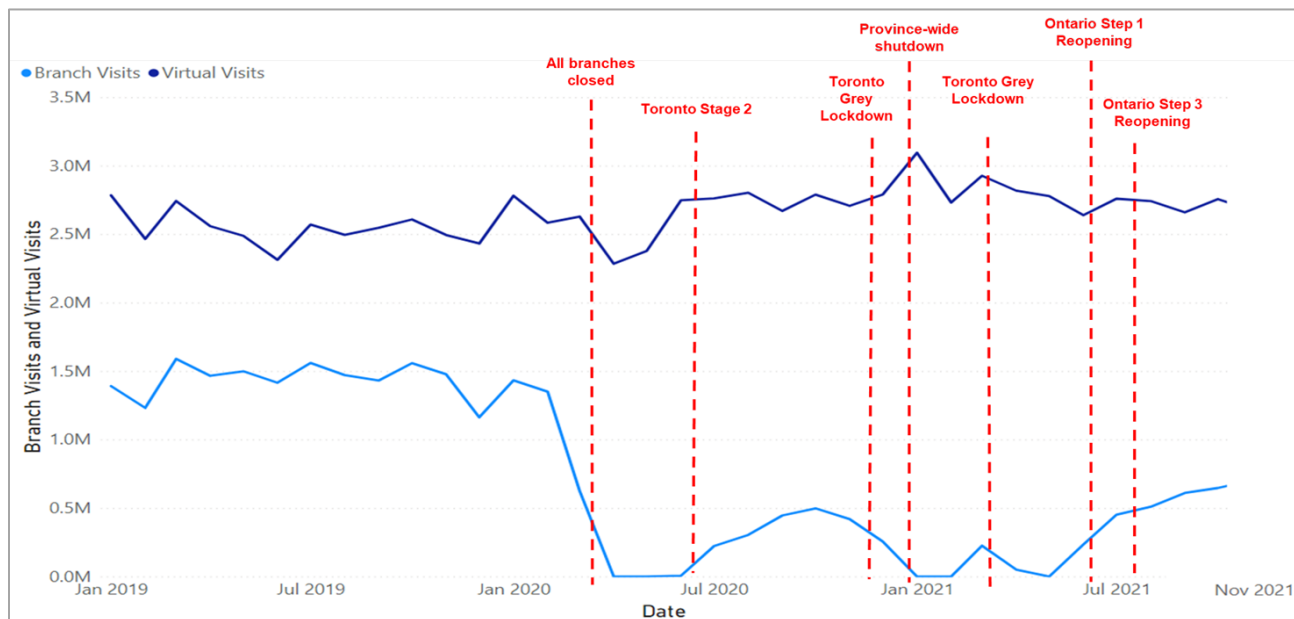
### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$18.5	\$18.5	\$18.6
Gross Expenditures	\$228.3	\$239.0	\$246.3
Net Expenditures	\$209.8	\$220.5	\$227.7
Approved Positions	1,808.8	1,825.3	1,825.3

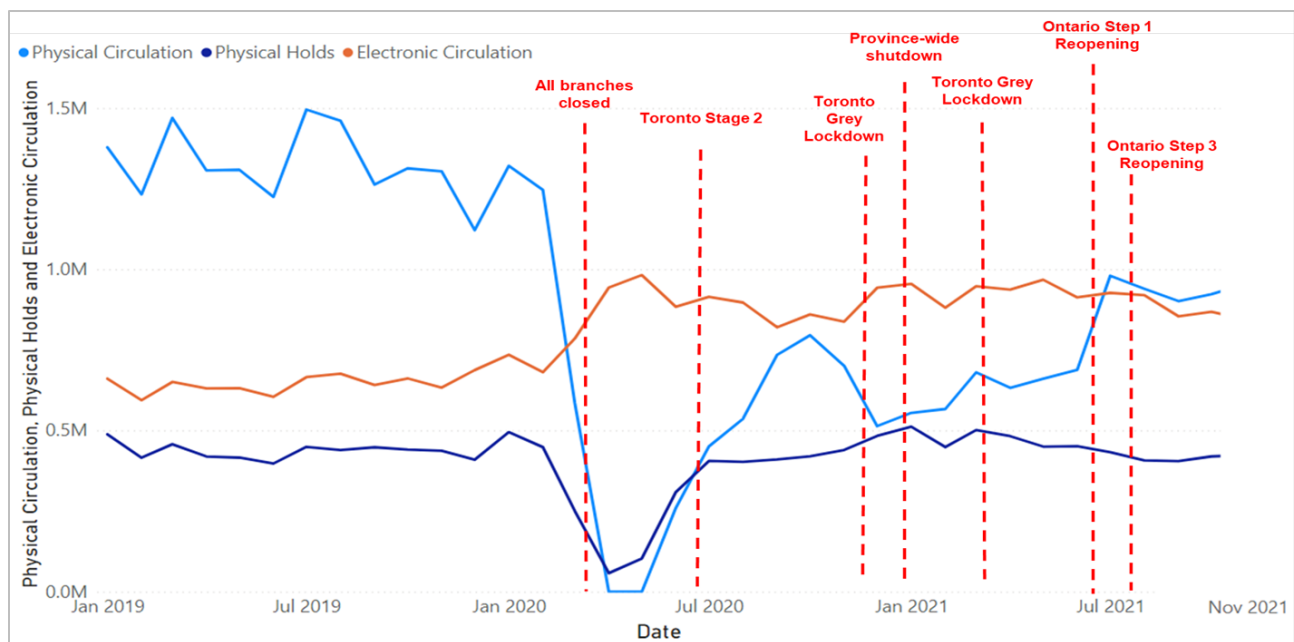
### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$50.6	\$466.1	\$516.8
Debt	\$38.9	\$321.9	\$360.9
Note: Includes 2021 carry forward funding			

## How Well We Are Doing – Behind the Numbers



- Since the beginning of the pandemic, virtual visits have maintained or exceeded pre-pandemic levels. There is a strong correlation between visits (physical and virtual) and levels of lockdown. Since summer/fall 2021 in-person visits show steady increases.



- Similar to in-person branch visits, physical circulation has shown a strong resurgence aligned with re-openings.
- Physical holds have remained steady at pre-pandemic levels for most of 2021, suggesting strong customer engagement with the library despite branch closures.
- Use of e-collections has increased significantly since the start of the pandemic, and these higher levels have been maintained throughout.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Toronto Public Library	Physical circulation per capita	7.8	4.3	7.3	4.3	●	6.0	6.7
Toronto Public Library	eBook and eAudiobook circulation per capita	2.7	3.8	3.6	4.0	●	3.9	4.0
Toronto Public Library	User satisfaction with variety of programs and classes offered	83%	83%	83%	83%	●	83%	83%
Service Level Measures								
Toronto Public Library	Library Open Hours	265,672	150,091	272,500	165,756	●	279,391	279,391
Toronto Public Library	Library Materials Budget per capita	\$6.88	\$6.99	\$6.80	\$7.09	●	\$7.25	\$7.38
Toronto Public Library	User satisfaction with the variety of books and other materials available	88%	88%	88%	88%	●	88%	88%
Other Measures								
Toronto Public Library	Well maintained spaces to improve customer experience (total virtual + physical visits)	47.7 M	37.5 M	46.7 M	37.8 M	●	46.4 M	51.1 M
Toronto Public Library	Youth Hubs to support youth and address goals of the Toronto Poverty Strategy and Youth Equity Strategy	13	23	23	23	●	24	25
Toronto Public Library	Total Operating Cost per Library use	\$1.94	\$2.82	\$2.34	\$3.63	●	\$2.60	\$3.02
Toronto Public Library	Torontonians who agree public libraries are an important resource for the community	90%	90%	90%	90%	●	90%	90%



**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- COVID-19 has a significant impact on the 2022 Operating Budget for TPL which includes \$1.5 million for reduced revenues and \$3.3 million for added expenditures, for a total budget pressures of \$4.8 million that are expected to continue into 2023.
  - Increased HVAC maintenance costs totalling \$0.655 million due to a change in the quality of air filters and the frequency of replacing them in order to improve indoor air quality
  - Increased janitorial supplies and service costs totalling \$0.650 million
  - Increased security guard service costs totalling \$2.000 million
  - Revenue losses totalling \$0.570 million related to decreased venue and room bookings and its associated expenditures
  - Revenue losses totalling \$0.904 million related to decrease in printing and tenant revenues

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**Service Level Changes**

- Full reinstatement of Library services to pre-pandemic levels, including full operation of 100 branches with regular hours and Sunday service at 58 branches
  - Respond to increases in demand and pivot between digital and in-person services as needed
  - Be agile to scale back high-contact services, if necessary
  - Continue to add digital services and community-based services as needed
  - All service level changes are subject to change based on any further or extended COVID-19 restrictions
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Food security with food bank installations at Albion and Jane/Sheppard branches
- Literacy & Learning: online adult literacy service, online school outreach and online Leading to Reading service
- Digital access and inclusion: internet connectivity kits, WiFi hotspot lending program, WiFi on wheels and branch WiFi; and seniors tech help service
- Social inclusion and engagement: seniors' wellness checks, care kits and sock distribution, Bloom Cam, PRESTO card distribution, washroom access during closure restrictions; online newcomer settlement services; ArtworxTO and StrollTO installations.

### Key Challenges and Risks

- COVID impact: reduced revenues, increased costs, unpredictable impact on operations and staffing
- Digital Services Modernization
  - Accelerate digital capabilities
  - Increase cyber security controls
  - Improve data driven decision-making
- Contract pressures, economic increases
- Establishing an Asset Replacement reserve
- Support equity and inclusion, especially for vulnerable populations, through poverty reduction initiatives

### Priority Actions

- Advancing TPL's [digital strategy](#) to create a modern, connected and sustainable data and technology environment that is transformation-ready and improving customer/staff experiences;
- Developing hybrid models of digital/in-person service delivery and continuing to add digital services and community-based services as needed and an expansion of digital literacy and access;
- Support the City's equity, poverty reduction and economic recovery objectives with a focus on fines elimination and support for vulnerable communities; and
- Improve TPL's employee experience through productivity and collaboration tools and processes and Diversity, Equity and Inclusion and digital literacy training and education.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Toronto Public Library	21,875.4	17,459.7	15,959.7	19,620.4	(1,100.0)	18,520.4	2,560.7	16.0%
<b>Total Revenues</b>	<b>21,875.4</b>	<b>17,459.7</b>	<b>15,959.7</b>	<b>19,620.4</b>	<b>(1,100.0)</b>	<b>18,520.4</b>	<b>2,560.7</b>	<b>16.0%</b>
<b>Expenditures</b>								
Toronto Public Library	209,948.0	220,508.0	214,008.0	228,190.4	115.0	228,305.4	14,297.4	6.7%
<b>Total Gross Expenditures</b>	<b>209,948.0</b>	<b>220,508.0</b>	<b>214,008.0</b>	<b>228,190.4</b>	<b>115.0</b>	<b>228,305.4</b>	<b>14,297.4</b>	<b>6.7%</b>
<b>Net Expenditures</b>	<b>188,072.6</b>	<b>203,048.3</b>	<b>198,048.3</b>	<b>208,570.0</b>	<b>1,215.0</b>	<b>209,785.0</b>	<b>11,736.7</b>	<b>5.9%</b>
<b>Approved Positions**</b>	<b>1,769.8</b>	<b>1,787.8</b>	<b>N/A</b>	<b>1,806.8</b>	<b>2.0</b>	<b>1,808.8</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$228.190 million gross reflecting an increase of \$14.182 million in spending above 2021 projected year-end actuals (prior to enhancements), predominantly arising from:

- Contractual salary & benefit increases, primarily related to the collective agreement
- Inflationary increases for utilities and contracted services
- Increased staff and operating costs related to completed capital projects as a result of reopening renovated library branches
- Second year financial impacts of the Digital Services Modernization and previously approved 2021 budget enhancement to eliminate Children's fines

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- **2022 Base Budget of \$208.570 million in net expenditures reflects a \$1.966 million or 1.0% increase from the 2021 Council approved Budget, when excluding \$4.779 million in estimated COVID-19 financial impacts in 2022 and the 2021 budgeted COVID-19 impacts of \$1.223 million net, which included \$5.933 in COVID-19 cost pressures offset by savings of \$4.710 million due to temporary savings from suspended services.**

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$1.215 million net that support Library's and City Council's strategic priorities that are included in 2022 Council Approved Operating Budget:

- Fines elimination for adult and teen's overdue library materials (\$1.100 million)
- Digital Literacy for Seniors in Toronto Community Housing Corporation locations that will be introduced in September of 2022 (\$0.115 million), including 2.0 FTEs

## EQUITY IMPACTS OF BUDGET CHANGES

**Increasing equity for Indigenous peoples, Black, and all equity seeking groups:** Toronto Public Library's 2022 Operating Budget includes an investment of \$1.215 million net (\$0.115 million gross) for adult and teens overdue fines elimination and a phased implementation for the Digital Literacy for Seniors. These enhancements will have a positive impact on Indigenous peoples, Black and racialized groups, persons with low income, members of the 2SLGBTQ+ community, persons with disabilities, youth, immigrants, refugees, undocumented individuals and persons experiencing homelessness or precarious housing, increasing their access to City information, library services (collections, technology, programs, staff expertise), training and/or employment, civic engagement and community participation, a sense of identity and belonging, as well as safety and security. This investment supports many of City of Toronto's key equity strategies, including the TO Prosperity: Toronto Poverty Reduction Strategy, Toronto Strong Neighbourhoods Strategy, Toronto Seniors Strategy, Toronto Action Plan to Confront Anti-Black Racism and Toronto Recovery and Rebuild Strategy.

The changes in Toronto Public Library's 2022 Operating Budget will have significant equity impacts for the following:

The Adult & Teens Fines Elimination budget enhancement has a **MEDIUM POSITIVE EQUITY IMPACT**.  
The Digital Literacy for Seniors budget enhancement has a **LOW POSITIVE EQUITY IMPACT**.

## 2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Budget for Toronto Public Library is \$14.297 million gross or 6.7% higher than the 2021 Projected Actuals and 3.3% over 2021 Budget. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget including New and Enhanced, while Table 2b summarizes New and Enhanced requests.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Grants	5,842.2	5,940.9	5,714.2	6,203.9	5,714.2	(489.7)	(7.9%)
Fines & Fees	5,246.9	1,170.5	1,713.5	240.7	2,587.8	2,347.0	975.0%
Transfer from Capital	1,283.2	1,360.2	1,685.6	1,598.5	1,872.1	273.6	17.1%
Other Revenues	5,303.8	4,319.8	3,940.3	3,510.5	3,940.3	429.8	12.2%
Contributions & Transfers from Reserves	4,199.3	4,301.4	4,406.0	4,406.0	4,406.0		
<b>Total Revenues</b>	<b>21,875.4</b>	<b>17,092.8</b>	<b>17,459.7</b>	<b>15,959.7</b>	<b>18,520.4</b>	<b>2,560.7</b>	<b>16.0%</b>
Salaries and Benefits	151,473.7	150,278.5	158,217.9	154,028.4	163,068.4	9,040.0	5.9%
Materials & Supplies	2,298.6	2,632.5	2,591.2	2,033.2	2,489.9	456.6	22.5%
Furnishings & Equipment	844.5	2,205.3	410.8	763.5	422.3	(341.2)	(44.7%)
Library Materials	20,241.7	20,968.7	21,447.5	21,458.3	21,447.5	(10.8)	(0.1%)
Services & Rent	31,839.4	33,207.6	37,201.7	34,809.5	40,108.9	5,299.5	15.2%
Other Expenses	60.8	240.1	4.0	280.2	4.1	(276.1)	(98.5%)
Contribution & Transfer	3,189.4	3,218.2	634.8	634.8	764.3	129.4	20.4%
<b>Total Gross Expenditures</b>	<b>209,948.0</b>	<b>212,750.9</b>	<b>220,508.0</b>	<b>214,008.0</b>	<b>228,305.4</b>	<b>14,297.4</b>	<b>6.7%</b>
<b>Net Expenditures</b>	<b>188,072.6</b>	<b>195,658.1</b>	<b>203,048.3</b>	<b>198,048.3</b>	<b>209,785.0</b>	<b>11,736.7</b>	<b>5.9%</b>

\*2021 Projection based on Q3 Variance Report

### Key Base Drivers:

#### Salaries & Benefits:

The increase of \$9.040 million over 2021 year-end projection is primarily related to contractual cost of living, step and progression pay, benefit increases and additional position requirements as a result of the operating impact of completed capital projects. The 2021 year-end projection is lower than 2021 budget due to salary remuneration savings and continued staff churn related to the 2020 Voluntary Separation Program.

**Services and Rents:**

Increase of \$5.300 million over 2021 year-end projection is primarily related to increased contract costs, including utilities, janitorial supplies and services and security service costs. The 2021 year-end projection is lower than the 2021 budget as there have been savings related to library programming and utilities as impacted by COVID-19.

**Revenue Changes:**

Increase of \$2.561 million over 2021 year-end projection as TPL reinstates services while monitoring the impact of COVID-19 on venues and printing revenues.

**Offsets and Efficiencies:**

- Line by line review savings of \$2.267 million to reflect vacancy experience and align with expected actuals related to continued staff churn from the 2020 Voluntary Separation Program (VSP).
- Forgoing 2022 Library Materials economic increase of \$0.429 million as the impact of COVID-19 has resulted in a reduction in the availability of physical materials, delays in the delivery of materials, supply chain delays and cancelled publications.
- Line by line efficiencies totalling \$0.150 million for savings in utilities, travel and mileage.

**Table 2b: 2022 New / Enhanced**

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions				
In \$ Thousands									
1	Fines Elimination - Adults & Teens	(1,100.0)		1,100.0		1,400.0	Medium - Positive	No	Fines elimination will remove barriers to access for most vulnerable in the community
2	Digital Literacy for Seniors		115.0	115.0	2.0	669.0	Low - Positive	No	Support City's Seniors Strategy 2.0 by expanding digital literacy skills and social inclusion for seniors in Toronto Community Housing (TCH)
Total New / Enhanced		(1,100.0)	115.0	1,215.0	2.0	2,069.0			

The 2022 Operating Budget includes \$1.215 million in investments to support priority actions as detailed in the table above.

**Fines Elimination – Adults & Teens (\$0 gross and \$1.100 million net):**

- As part of TPL's 2021 Operating Budget, TPL identified a phased budget enhancement request for the elimination of overdue fines; eliminating overdue fines on material borrowed on children's library cards in 2021 and eliminating overdue fines on material borrowed on teen and adult library cards in 2022-2023.
- The 2022 Council Approved Operating Budget includes funding for the Fine Elimination of \$1.100 million. The Toronto Public Library Foundation has committed \$0.300 million to partially offset the \$1.400 million budget pressure related to eliminating teen and adult overdue fines.
- Overdue fines were initially introduced to encourage customers to return materials on time, but increasingly fines have become a barrier to the use of library services, especially for vulnerable communities. TPL data from Q1-2020 shows that of the 147,000 teens and adults who have outstanding fines, 46,000 (46%) of teens and adults with fines are from low-income and racialized areas. This results in a disproportionate impact on racialized and low-income Torontonians with fines on their library cards when compared to general demographic population data.
- By moving to eliminate all overdue fines permanently, TPL will join hundreds of library systems across North America that have already gone fine-free. In Canada alone, there are 189 fine-free library systems, including 27 in Ontario and nine in the GTA, and these numbers are increasing.

**Digital Literacy for Seniors (\$0.115 million gross and net)**

- A 2022 budget enhancement to support social connectedness by expanding social inclusion and digital literacy programs for seniors in libraries and in the community will address the diverse needs and challenges among Toronto's seniors through two complementary programs as identified in the City of Toronto's Seniors Strategy 2.0 medium-term recommendation within 2020-2022:

- In-branch Digital Literacy for Seniors, and
- Community-based Digital Literacy for Seniors.
- The budget enhancement totals \$0.115 million (2022-2023 total cost is \$0.669 million gross and net), including 4.0 FTEs, to be phased over two years (2.0 FTEs in 2022 and 2.0 FTEs in 2023).

## 2023 & 2024 OUTLOOKS

Table 3: 2023 and 2024 Outlooks

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	15,959.7	18,520.4	18,516.7	18,629.4
Gross Expenditures	214,008.0	228,305.4	239,022.1	246,286.7
<b>Net Expenditures</b>	<b>198,048.3</b>	<b>209,785.0</b>	<b>220,505.3</b>	<b>227,657.3</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>1,808.8</b>	<b>1,825.3</b>	<b>1,825.3</b>

### Key drivers

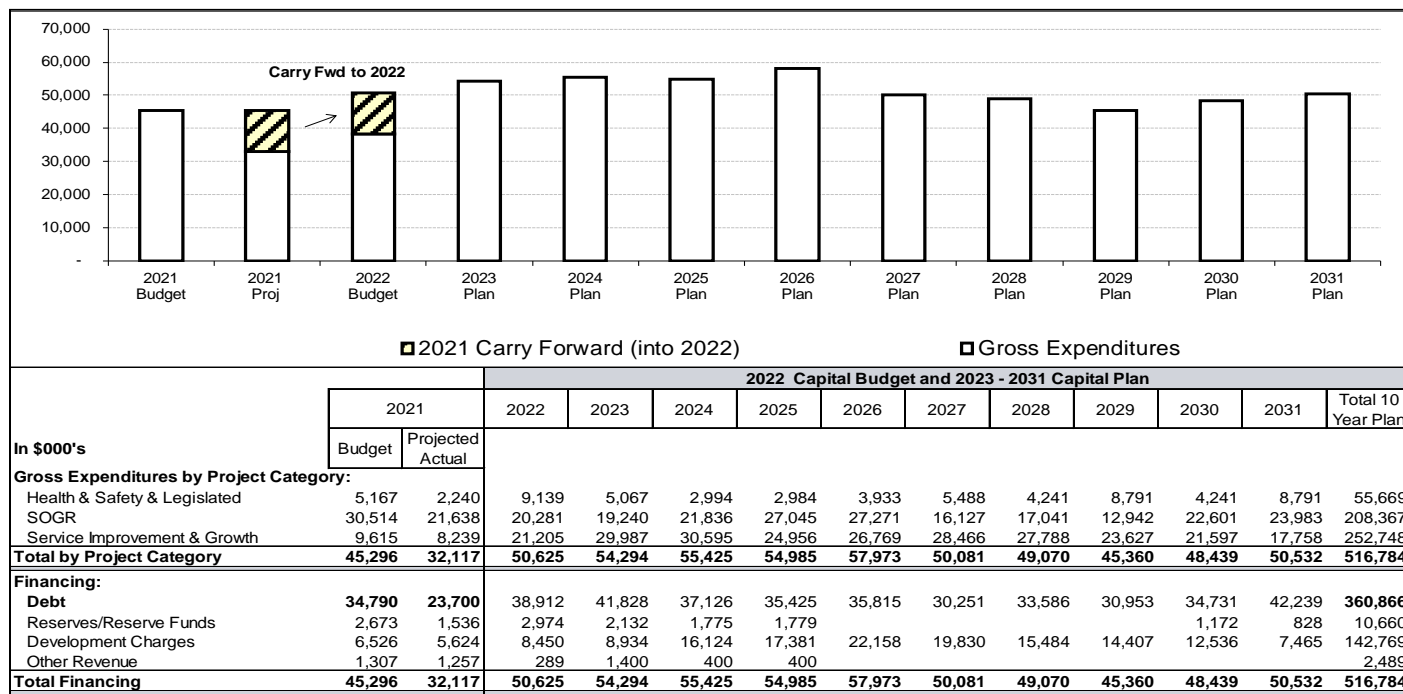
The 2023 Outlook with total gross expenditures of \$239.022 million reflects an anticipated \$10.717 million or 4.69 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlooks expects a further increase of \$7.265 million or 3.04 per cent above 2023 gross expenditures.

These changes arise from the following:

- Salary and benefit increases related to collective agreement
- Economic increases for service contracts, utilities and library materials
- Increased costs and FTEs related to operating impact of completed capital projects

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

**Chart 1: 10-Year Capital Plan Overview**  
(\$'000)



### Changes to Existing Projects (\$59.8 Million)

The 2022-2031 Capital Budget and Plan reflects the following funding increases to existing projects over the nine common years (2022-2030) due to COVID-19 impacts on the construction industry, scope changes and the Toronto Green Standard implementation:

- Dawes Road project (\$7.043 million gross).
- Bridlewood project (\$1.688 million gross).
- Centennial project (\$5.128 million gross).
- Weston project (\$3.829 million gross).
- Barbara Frum project (\$4.800 million gross).
- High Park project (\$6.950 million gross).
- Digital Experiences project (\$2.474 million gross).
- Service and Digital Modernization project (\$13.857 million gross).

### New Projects (\$7.3 Million)

The 2022-2031 Capital Budget and Plan includes new projects. Key projects are as follows:











- Construction phase of the Pleasant View renovation and expansion project (\$4.031 million gross)
- Relocation of the St. Lawrence branch into a larger facility in the area as an interim measure until the First Parliament site is available (\$3.240 million gross).
- \$0.067 million added for planning of a new branch on the site known formerly as Mr. Christie Cookie Factory.


### Capital Needs Constraints (\$33.8 Million)

Toronto Public Library has two unmet projects over the 10-year planning horizon:

- Danforth/Coxwell Library Relocation and Expansion (\$17.642 million) with construction starting in 2025.
- City Hall Library Relocation and Expansion (\$16.130 million) with construction starting in 2024.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$516.8 Million 10-Year Gross Capital Program**

			
<b>Aging Infrastructure Maintenance</b>	<b>Branch Expansion</b>	<b>Information Technology</b>	<b>Modernization and On-Line Services</b>
\$189.2 M 37%  	\$220.8 M 43%  	\$58.7 M 11% 	\$48.1 M 9% 
Branch Renovations Structural maintenance Building systems Accessibility retrofits	Branch relocations Branch renovations and expansions	Workstations Servers Networks Printers	Self-service fines payments at self-checkout stations & online Customer service modernization

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

 - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Provincial Funding</b>	<b>Federal Funding</b>
<b>\$516.8 M 100%</b>		<b>\$0 M 0%</b>	<b>\$0 M 0%</b>
Debt	\$ 360.9 M, 70%		
Reserve / Reserve Fund	\$ 10.7 M, 2%		
Development Charges	\$142.8 M, 28%		
Other	\$ 2.5 M, 0.5%		



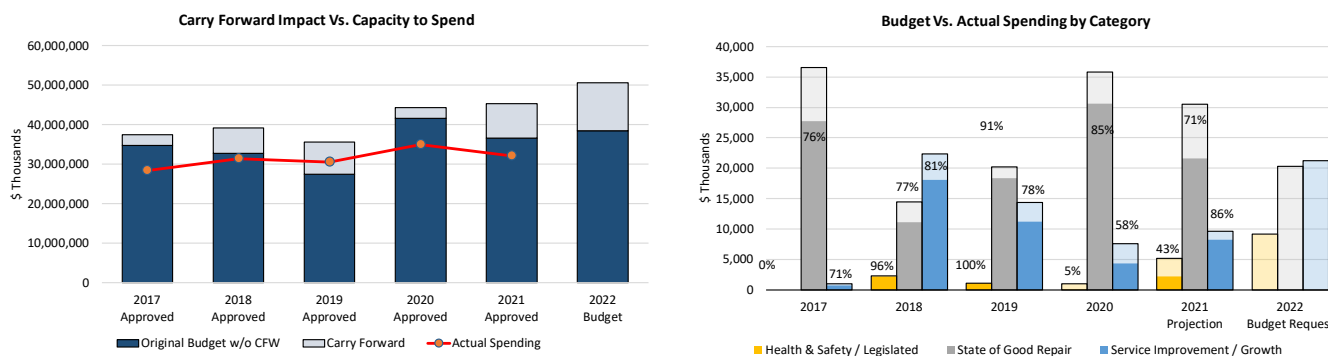
## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Toronto Public Library's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

Toronto Public Library's actual spending over the previous five years, from 2016 to 2020, has averaged \$30.399 million per year or 83%.

**Chart 2 – Capacity to Spend**



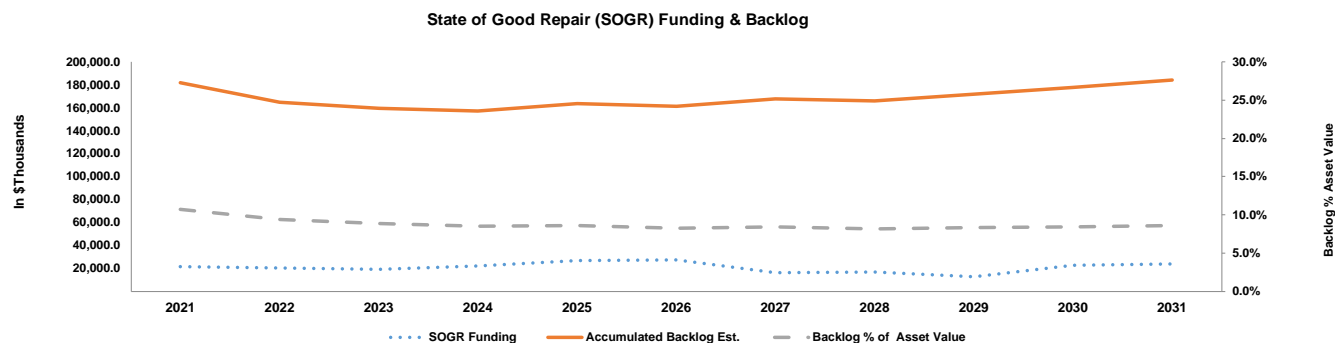
### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$2.251 million in capital spending originally cash flowed in 2022 has been deferred to future years. Adjustments to the Capital Plan are noted below:

- *Albert Campbell Library* – This project was adjusted through the 2021 third quarter variance report to accelerate planned 2022 cash flow funding in 2021 as the project was proceeding ahead of schedule.
- *Bridlewood Library* – Construction tender is expected in Q1 2022, \$1.144 million cash flow in 2022 has been deferred to 2023.
- *Toronto Reference Library* – RFQ for engineering services and architectural services are expected at the end of December 2021, \$1.0 million cash flow in 2022 has been deferred to 2024.
- *Weston Library* – Feasibility Study was completed in November and RFP for architectural services is expected in the winter. The 2021 cash flow will be carried forward into 2022 and \$0.321 million in 2022 has been deferred to 2023.
- *Etobicoke Civic Centre* – This is a joint project with CreateTO, The planning and design work was delayed in 2021 and the cash flow will be carried forward into 2024. The \$0.766 million cash flow in 2022 has been deferred to 2023 and 2024.
- *Richview Library* – The project was delayed due to tender failure. The \$0.550 million cash flow in 2022 has been deferred to 2024.
- *Pleasant View Library* - The planning and design work was delayed in 2021 due to COVID-19 and the cash flow will be carried forward into 2023. The \$0.268 million cash flow in 2022 has been deferred to 2023.
- Offsetting the above cash flow deferrals, cash flows for two projects were added in 2022. The cash flow for *Service and Digital Modernization* increase of \$4.383 million is due to new funding required to support the Library's approved 2020-2024 Digital Strategy. Based on the most current information from the Developer, the timing for the *Perth/Dupont – 299 Campbell* have been accelerated by one year, from 2023-2024 to 2022-2023.

**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for Toronto Public Library's 100 branches and two service buildings:

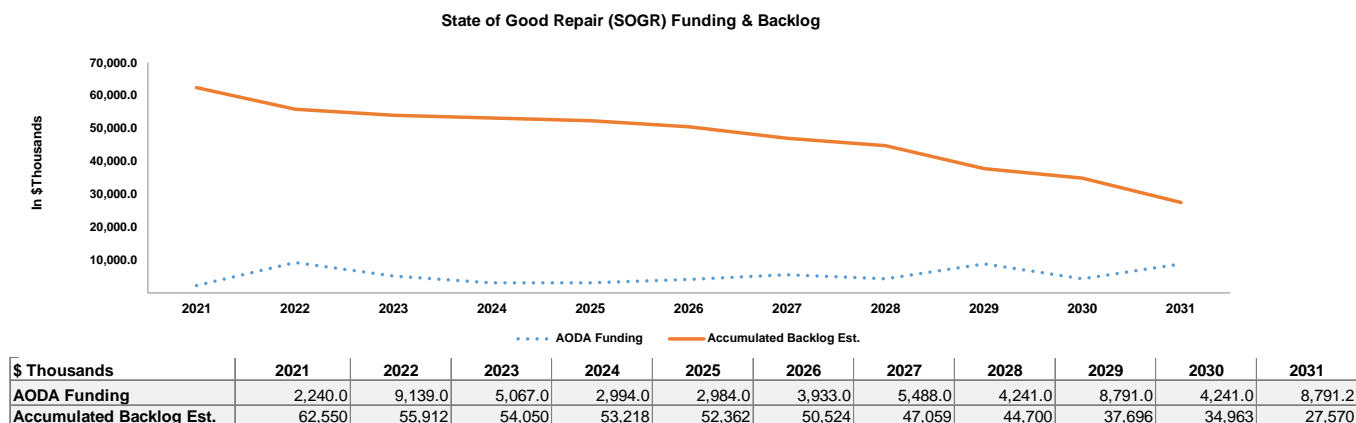
**Chart 3: Total SOGR Funding & Backlog**

\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	21,638.0	20,281.0	19,240.0	21,836.0	27,045.0	27,271.0	16,127.0	17,041.0	12,942.0	22,601.0	23,983.0
<b>Accumulated Backlog Est.</b>	182,083	164,815	159,541	157,540	163,778	161,305	168,116	166,187	172,027	178,134	184,166
<b>Backlog % of Asset Value</b>	10.7%	9.4%	8.9%	8.5%	8.6%	8.3%	8.5%	8.2%	8.3%	8.4%	8.6%
<b>Total Asset Value</b>	1,696,783	1,747,687	1,800,117	1,854,121	1,909,744	1,947,939	1,986,898	2,026,636	2,067,169	2,108,512	2,150,682

- There are 100 branches within Toronto Public Library's current building portfolio. More than 62 branches or 70% of total square footage of Toronto Public Library's buildings were built in between 1960-80s.
- TPL's capital program focuses on SOGR needs, as informed by a comprehensive Property Condition Assessment (PCA) conducted in 2020. The PCA indicates more SOGR funding requirements than previously identified over the next 10 years to address an aging facilities infrastructure.
- While on-going lifecycle facility maintenance is part of the current Toronto Public Library capital program, the age of the portfolio will continue to be a growing challenge and require increased capital investment on a go forward basis. Neglecting such maintenance could result in material deterioration of facilities, putting at risk the on-going utilization of branches as a significant community asset by limiting TPL's ability to provide adequate space and service to the general public.
- The 10-Year Capital Plan has \$208.367 million in gross funding for building SOGR projects over the 10-year period to address Toronto Public Library's aging infrastructure, including capital investment of \$23.9 million for Toronto Reference Library to address the ongoing SOGR backlog for this 41-year-old, five-storey, 434,841 sq. ft. central research library that serves the entire city of Toronto.
- Based on the 2022 – 2031 Capital Plan, the accumulated backlog will slightly increase from \$182.1 million in 2021 to \$184.2 million by 2031 which represents 8.6% of asset value.

**Accessibility for Ontarians with Disabilities Act, 2005 (AODA)**

Toronto Public Library is committed to reducing barriers to accessibility in all branches. The chart below depicts the AODA funding and accumulated backlog estimates for Toronto Public Library's 100 branches and two service buildings.



- The PCA also included requirements under AODA and identified an accumulated AODA compliance backlog of \$62.550 million at the end of 2021.
- Based on the 2022 – 2031 Capital Plan, the accumulated backlog is expected to decrease to \$27.570 million by 2031.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Approval of the 2022 Capital Budget will impact future year Operating Budget by a total of \$8.153 million net over 2022-2031 period, primarily due to additional operating expenses required to support the renovated and expanded work facilities upon completion, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions	\$000s	Positions
<b>Previously Approved</b>														
Albert Campbell Renovation (LIB000151)	175.4	4.0	270.3								445.7	4.0	445.7	4.0
Weston Renovation and Expansion (LIB000165)									137.5	2.0	137.5	2.0	244.2	2.0
Bayview-Bessarion Relocation and Expansion (LIB000334)	71.5	1.0	(182.2)								(110.6)	1.0	(110.6)	1.0
Dawes Road Reconstruction and Expansion (LIB907596)									325.2	5.5	325.2	5.5	574.1	5.5
York Woods Renovation and Expansion (LIB907680)	190.9										190.9		190.9	
Northern District Renovation (LIB907692)							291.7	4.0	187.5		479.2	4.0	479.2	4.0
Wychwood Renovation & Expansion (LIB907693)	8.9										8.9		8.9	
Multi-Branch Renovation (LIB908413)	233.7	5.5	313.2								546.9	5.5	546.9	5.5
Bridlewood Relocation & Expansion (LIB908493)			370.1	8.0	342.3						712.4	8.0	712.4	8.0
TAMP (LIB908617)			400.0		400.0						800.0		800.0	
Etobicoke Civic Centre New Construction (LIB908636)													3,312.2	27.6
Maryvale Relocation & Expansion (LIB908751)	36.8	1.5	85.0								121.8	1.5	121.8	1.5
Pleasant View Library Renovation & Expansion (LIB908834)							81.7	1.0			81.7	1.0	81.7	1.0
<b>Sub-Total: Previously Approved</b>	<b>717.2</b>	<b>12.0</b>	<b>1,256.5</b>	<b>8.0</b>	<b>742.3</b>		<b>373.3</b>	<b>5.0</b>	<b>650.1</b>	<b>7.5</b>	<b>3,739.5</b>	<b>32.5</b>	<b>7,407.3</b>	<b>60.1</b>
<b>New Projects - 2022</b>														
Perth/Dupont Relocation and Expansion (LIB907893)			139.9	3.5	133.3						273.1	3.5	273.1	3.5
Centennial Reconstruction & Expansion (LIB907894)					2.2						2.2		2.2	
<b>Sub-Total: New Projects - 2022</b>			<b>139.9</b>	<b>3.5</b>	<b>135.4</b>						<b>275.3</b>	<b>3.5</b>	<b>275.3</b>	<b>3.5</b>
<b>New Projects - Future Years</b>														
High Park Renovation & Expansion (LIB907949)													10.6	
Parkdale Relocation and Expansion (LIB908231)													209.6	2.0
Barbara Frum Renovation (LIB908233)													250.3	2.0
<b>Sub-Total: New Projects - Future Years</b>													<b>470.5</b>	<b>4.0</b>
<b>Total (Net)</b>	<b>717.2</b>	<b>12.0</b>	<b>1,396.3</b>	<b>11.5</b>	<b>877.8</b>		<b>373.3</b>	<b>5.0</b>	<b>650.1</b>	<b>7.5</b>	<b>4,014.8</b>	<b>36.0</b>	<b>8,153.1</b>	<b>67.6</b>

The 2022 operating costs associated with the completion of the Albert Campbell Library, Bayview-Bessarion Library, Wychwood, and York Woods Library Renovation in 2022 have been included in the 2022 Operating

Budget for Toronto Public Library. Any future operating impacts will be reviewed each year and be considered as part of future year budget processes.

### Previously Approved projects

- *Albert Campbell Library Renovation* - This project involves a renovation of a three story district library that will revitalize all of the public service areas. New spaces and services include a Digital Innovation Hub, Innovation Space, Enhanced Learning Centre and Telepresence equipment. There will also be a Teen Zone and Indigenous focused space.
- *Maryvale Library Relocation* - This project involves a relocation and expansion of a 6,748 sq ft library branch within the Parkway mall. The project will include a redesigned open floor plan and barrier free access for the public, programming spaces for branch and community use, quiet study spaces, customer self-service for check-out and check-in protective security systems. Improved focus areas for teens in particular as well as zoned areas for children, adults and seniors will be created.
- *Wychwood Library Renovation and expansion* - The renovation and 8,716 sq. ft. expansion will include a revitalization of all public service areas. An expansion will include an early literacy centre for children and a flexible senior's space. The project includes an indoor amenity space that will replace the lawn bowling pavilion being removed at the rear of the property. The site services for the lawn bowling green will also be relocated and the garden shed for storage of outdoor equipment will be replaced with additional funding provided by Parks, Forestry and Recreation.
- *York Woods Library Renovation* - This project involves an interior redesign and renovation of the ground and second floors of the branch, improving the connection between the two floors, and a modernization of the theatre. The branch will include a Digital Innovation Hub, Discovery Zone, and a Kids Stop. There will also be multipurpose program space created to support a youth hub, newcomer services, co-sponsored programs and partnerships. A modest addition to the front entrance will be included to improve street presence of the branch.
- *Technology Asset Management Program* - This project provides for the scheduled replacement of PCs and laptops; self-serve (RFID) technology; miscellaneous digital technology, digital signage and presentation equipment for meeting rooms, innovation hub hardware and software; the servers and software supporting the library systems and websites; the network and security equipment and linking all the branches to the central computing site and the Internet.

### New projects

- *Perth/Dupont – 299 Campbell Ave.* - The current Perth/Dupont branch, 3,627 sq ft located at 1589 Dupont Street, will be relocated to a new site at 299 Campbell Avenue, as part of a redevelopment project. The new building will have a multipurpose room with modern projection technology, increased seating and computer workstations, increased individual and new group study space, increased collections, a larger children's area that includes a KidsStop; a Neighbourhood Tech kit; a teen zone; as well as improved self-service circulation to support efficient operations. A larger accessible program room for library and community events will be a welcome addition to the neighbourhood, as will expanded barrier-free washrooms.
- *Parkdale Library Relocation and Expansion* - City Council adopted a motion on March 28, 2017 requesting City staff to coordinate the redevelopment of City-owned properties at 1313, 1303 Queen Street West and 220 Cowan Ave. City real estate launched the Parkdale Community Hub Feasibility Study. The study includes the Parkdale branch, Parkdale Arts & Culture Centre and the Masaryk-Cowan Community Recreation Centre. The redevelopment of the Parkdale library will include zoned spaces for children, teens and adults. The library will include a KidsStop, a Play & Learn STEM kit; music instrument lending library; digital collaboration and creation spaces; and a youth hub.

# 2022 Program Summary

## Toronto Transit Commission

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

The TTC provides reliable, transit service that draws its high standards of customer care from its rich traditions of safety, service and courtesy. The TTC delivers the following 2 services 24 hours per day, 7 days per week:

- **TTC Conventional Service**, providing 9.4 million service hours and 242 million service kilometers annually.
- **Wheel-Trans Service**, that provides door-to-door accessible transit service for passengers with any disability that prevents them from using conventional transit services, including physical, sensory, cognitive and/or mental health disabilities.

The TTC connects the diverse communities of Toronto to economic and social opportunities through an integrated network of subway, bus, streetcar and Wheel-Trans Services, comprised of 159 bus routes, 10 streetcar routes, 3 subway lines and 1 rapid transit line, with a fleet of 2,072 buses, 204 streetcars and 876 subway cars. In addition, the TTC will operate the new Eglinton Crosstown Light Rail Line which is planned to commence operation in Q4 2022.

### Why We Do It

The Toronto Transit Commission provides safe, reliable, seamless and accessible transit services to those who live, work in, and visit Toronto.

The TTC plays a central role in achieving the City's social, economic and environmental service objectives and outcomes by providing and improving mobility that connects people to employment, leisure, social and economic opportunities and contributing to the City's overall resilience.

*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

### **Conventional Transit Service:**

**Who We Serve:** Riders, Businesses, Employers, Event Attendees, Neighbouring Municipalities

**What We Deliver:** The TTC connects the diverse communities of Toronto to economic and social opportunities through an integrated network of subway, bus and streetcar services.

**How Much Resources (gross 2022 operating budget):** \$2,096,541,100

### **Wheel-Trans Service:**

**Who We Serve:** Riders, Businesses, Employers, Event Attendees, Neighbouring Municipalities

**What We Deliver:** Wheel-Trans connects the diverse communities of Toronto to economic and social opportunities through an integrated network of Wheel-Trans Services.

**How Much Resources (gross 2022 operating budget):** \$133,150,600

## Budget at a Glance

### 2022 OPERATING BUDGET

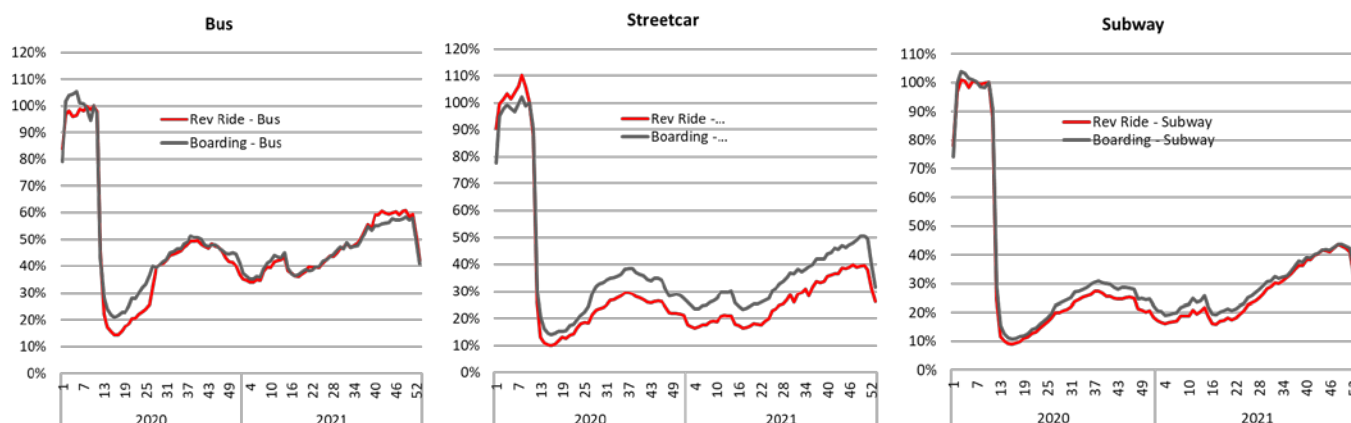
<u>\$Billion</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$0.817	\$1.111	\$1.187
Gross Expenditures	\$2.230	\$2.338	\$2.400
Net Expenditures	\$1.413	\$1.227	\$1.213
Approved Positions	16,467	16,640	16,837

### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Billion</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$ 1.698	\$ 10.353	\$12.051
Debt Recoverable	\$ 0.788	\$ 5.399	\$ 6.187
Debt	\$ 0.115	\$ 0.767	\$ 0.882
Note: Includes 2021 carry forward funding to 2022			

## How Well We Are Doing – Behind the Numbers

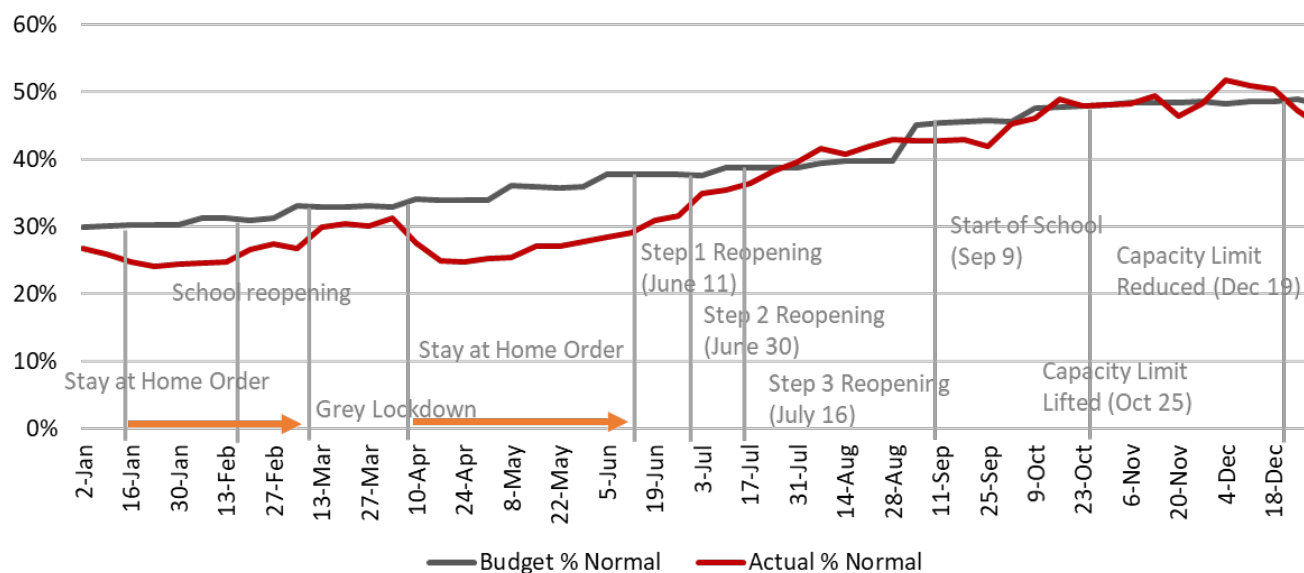
### 2021 Ridership Demand by Mode



Across all modes, ridership demand gradually recovered throughout the year. In November 2021, ridership demand reached 57% of pre-pandemic levels on bus, 49% on streetcar and 44% on subway.

### Passenger Revenue Trend

#### YTD Weekly Passenger Revenue as a % of pre-Pandemic Normal

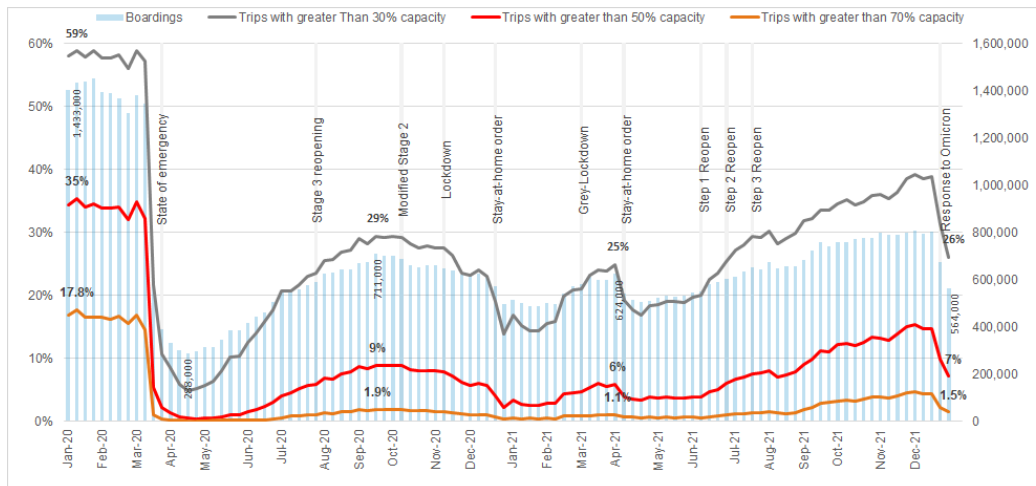


2021 Revenue (% of Normal)	Budget	Actual/ Forecast
Q1	32%	27%
Q2	36%	28%
Q3	42%	41%
Q4	48%	48%

#### Overall Passenger Revenue was below 2021 Budget

- Largest impact during Stay-at-Home order periods
- Since Step 3 Reopening on July 16, Passenger Revenue has been broadly consistent with levels anticipated in the 2021 Budget

## Bus Capacity Monitoring



Throughout out the year, demand was monitored, with adjustments made to maximize physical distancing on vehicles. For the Week ending on December 31<sup>st</sup>:

- 26% of bus trips more than 30% capacity
- 7.2% of bus trips more than 50% capacity
- 1.5% of bus trips more than 70% of capacity



## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
TTC Conventional	Revenue Ridership	525.5M	225.0M	214.4M	196.8M	●	369.4M	460.5M
TTC Conventional	Regular Service Hours	9.5M	9.0M	9.4M	9.0M	●	9.4M	9.4M
TTC Conventional	Customer Satisfaction	79%	79%	80%	80%	●	80%	80%
Service Level Measures								
TTC Conventional	Deliver 100% Schedule	100%	95%	100%	96%	●	100%	100%
TTC Conventional – Subway	Achieve 90% On-time	94%	94%	90%	95%	●	90%	90%
TTC Conventional – Streetcar	Achieve 90% On-time	64%	78%	90%	70%	●	90%	90%
TTC Conventional – Bus	Achieve 90% On-time	76%	85%	90%	84%	●	90%	90%
Wheel-Trans	Accommodate 99.5%	99.9%	100%	99.5%	100%	●	99.5%	99.5%

TTC's pandemic recovery plan included a commitment to restore 100% of pre-pandemic Conventional service capacity once ridership demand was at 50% of pre-pandemic levels. With ridership below budget for the first half of 2021, service levels were operated slightly below budgeted levels in 2021 reaching an average of approximately 96% of planned service.

While bus and subway on-time performance was broadly consistent with 2020 actual and target, streetcar on-time performance was negatively impacted by major construction projects on major routes.

## COVID-19 IMPACT AND RECOVERY

### 2022 Impact and Recovery

#### Operating Budget Impact

- The COVID-19 financial impact is estimated to be \$561.1 million in 2022 and comprises the following:
  - Lost passenger revenues, relative to pre-pandemic normal of \$487.2 million, based on a projected 2022 ridership of 325.2 million rides. This estimate includes an adjustment to account for the impact of the Omicron variant and the resulting restrictions effective January 5, 2022, which will significantly impact Q1 ridership. Gradual ridership recovery is projected to resume in Q2 and continue throughout the year based on projections for most offices to ultimately adopt a hybrid model, a return to in-person class settings for post-secondary institutions and resumption of pre-pandemic levels of events and social gatherings, later in the year.
  - Lost ancillary revenues of \$22.6 million, including lower than normal budgeted commuter parking, advertising and subway concession revenue and;
  - Incremental expenses of \$51.3 million, to continue safety measures, including vehicle disinfection, personal protective equipment and employee screening, and increased absence benefit costs as a result of the pandemic.
- To date, the TTC has received \$1.3 billion in funding relief from other orders of government which recognizes the importance of public transit as an essential service and as the foundation for the City's vitality and recovery. The City and TTC continue to hold discussions with other orders of government to address 2022 COVID impacts and secure stable and long-term funding.

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#### Service Level Changes

- Matching Service Capacity to Demand/Mandatory Vaccination Policy
    - Implementation of mandatory vaccination policy requires some temporary service adjustments due to operator availability for Q1 2022.
    - Bus, Streetcar and Subway service to be restored to 100% of pre-pandemic on all conventional modes in Q2, 2022, based on commitment to restore pre-pandemic service levels once ridership reaches 50% of pre-pandemic levels;
  - Given the nature of Wheel-Trans service, service levels are directly linked to the anticipated ridership demand. Wheel-Trans ridership demand is expected to average 65% of normal pre-pandemic ridership levels and reach 73% by the end of 2022, reflecting a total ridership of 2.7 million.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

**Despite COVID-19's continued service and financial impact, significant progress was made on TTC's key priorities.**

- Opened McNicoll Garage, improving garage operations and reducing non-revenue driving time.
- Approved the procurement of 60 zero-emission streetcars and upgrades to the Hillcrest storage facility.
- Implemented planned vehicle maintenance initiatives; all vehicle reliability KPIs met or exceeded.
- Eliminated the need to have 20 to 30 future weekend subway closures and avoided 2 years of bypassing station platforms, by completing 44,000 square feet of asbestos abatements.
- Completed Keele Station Easier Access; 53 stations are now accessible.
- Reduced Wheel-Trans call wait time, down to 2 minutes in September.
- Overachieved TTC's gender recruitment target of 40% of new women operator hires by 23%.
- Introduced a WiFi pilot on the 35 Jane and 102 Markham Road bus routes
- Established the new Innovation and Sustainability function.
- Implemented second sourcing initiatives for McNicoll Garage facility maintenance and streetcar cleaning.
- Concluded agreement with Metrolinx inclusive of a financial settlement and a framework for delivering all outstanding PRESTO contractual business requirements.
- Completed implementation of 72 Auditor General Recommendations and continued implementation of alternate source parts, after-market part warranties and Wheel-Trans reservations.
- Reduced overall overtime costs by 30% and overtime charged to the operating budget by 45% since 2019, based on third quarter results.
- Commenced planning work to support the implementation of ModernTO to rationalize office space.

### Delivered agile and effective response to COVID-19:

- Introduced a Mandatory Vaccination Policy for TTC employees.
- Maximized physical distancing on vehicles by:
  - Monitoring bus capacity levels and reallocated resources between routes as required.
  - Introduced real-time bus passenger count information for customers using the Rocketman and Transit mobile apps.
- Operated a Shuttle Service between Finch Station and a City-run vaccine clinic at Mitchell Field arena.
- Provided 15,000 ride vouchers through community agencies to provide free travel to and from vaccination clinics.
- Distributed more than two million masks through the customer mask distribution program.

### Key Challenges and Risks

- Continued financial and ridership impact of COVID-19 in 2022 and beyond.
- Rapid escalation in key corporate costs (i.e. Fuel & long-term absenteeism).
- Life cycle maintenance of existing vehicles and replacements at the end of useful life constrained by under-funding.
- Partial funding for Line 1 and Line 2 Capacity Enhancement projects that are in-flight.
- Funding support for SRT replacement service beyond 2023 is yet to be confirmed and subject to ongoing discussion between Toronto and Ontario as a result of the Toronto- Ontario Partnership Agreement.

### Priority Actions

#### Safe, Seamless & Reliable Transit Service

- Match Service to Demand
- Build vehicle maintenance capacity given warranty expiry
- Implement LRV Apprenticeship Program
- Continue Bloor-Yonge, Line 1 and Line 2 Capacity Enhancement major projects
- Advance Queue Jump Lanes and Transit Signal Priority projects
- Continue asset management implementation

#### Transform to Solidify Fiscal Foundation

- Continue Business Transformation
- Implement Service Efficiencies and Auditor General recommendations
- Manage Overtime

- Complete Ridership Reacquisition Strategy
- Advance ModernTO readiness
- Update Capital Investment Plan & create new Real Estate Investment Plan
- Advance SAP & Maximo Implementation

#### Lead as an Inclusive & Accessible Service Provider

- Freeze TTC Fares
- Continue Gender Recruitment Outreach
- Apply equity lens to Service Planning
- Continue expansion of Family of Services model
- Provide Diversity & Mental Health Training
- Continue implementation of "Embracing Diversity: 10 Point Action Plan"
- Continue implementation of Easier Access capital project
- Add accessible bus and streetcar stops

#### Innovate for Future Demand

- Advance Service Integration
- Commence Line 5 Eglinton LRT Operation
- Advance Innovation & Sustainability Strategy and Planning
- Complete 10-Year Fare Collection Strategy
- Procure additional E-Buses and infrastructure
- Pilot Free Wi-Fi Access on TTC's Surface Routes

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection		Change v. 2021 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%		
<b>Revenues</b>										
TTC Conventional	587,980.5	562,500.1	499,796.0	810,136.3	1,090.0	811,226.3	311,430.3	62.3%	248,726.2	42.3%
Wheel-Trans	3,895.4	4,275.7	3,662.0	5,995.0		5,995.0	2,333.0	63.7%	1,719.3	44.1%
<b>Total Revenues</b>	<b>591,876.0</b>	<b>566,775.8</b>	<b>503,458.0</b>	<b>816,131.3</b>	<b>1,090.0</b>	<b>817,221.3</b>	<b>313,763.3</b>	<b>62.3%</b>	<b>250,445.5</b>	<b>42.3%</b>
<b>Expenditures</b>										
TTC Conventional	1,866,511.2	2,034,438.0	1,988,672.0	2,093,333.1	3,208.0	2,096,541.1	107,869.1	5.4%	62,103.1	3.3%
Wheel-Trans	105,382.6	118,565.8	101,014.0	133,150.6		133,150.6	32,136.6	31.8%	14,584.8	13.8%
<b>Total Gross Expenditures</b>	<b>1,971,893.8</b>	<b>2,153,003.8</b>	<b>2,089,686.0</b>	<b>2,226,483.7</b>	<b>3,208.0</b>	<b>2,229,691.7</b>	<b>140,005.7</b>	<b>6.7%</b>	<b>76,687.9</b>	<b>3.9%</b>
<b>Net Expenditures</b>	<b>1,380,017.9</b>	<b>1,586,228.0</b>	<b>1,586,228.0</b>	<b>1,410,352.4</b>	<b>2,118.0</b>	<b>1,412,470.4</b>	<b>(173,757.6)</b>	<b>(11.0%)</b>	<b>(173,757.6)</b>	<b>(12.6%)</b>
<b>COVID Impact</b>	<b>751,947.7</b>	<b>796,399.7</b>	<b>796,399.7</b>	<b>561,088.5</b>		<b>561,088.5</b>	<b>(235,311.2)</b>	<b>(29.5%)</b>	<b>(235,311.2)</b>	<b>(31.3%)</b>
<b>Net Expenditures ex COVID</b>	<b>628,070.2</b>	<b>789,828.3</b>	<b>789,828.3</b>	<b>849,263.8</b>	<b>2,118.0</b>	<b>851,381.8</b>	<b>61,553.5</b>	<b>7.8%</b>	<b>61,553.6</b>	<b>9.8%</b>
<b>Approved Positions**</b>	<b>14,311.0</b>	<b>13,823.0</b>	<b>N/A</b>	<b>13,804.0</b>	<b>8.0</b>	<b>13,812.0</b>	<b>N/A</b>	<b>N/A</b>	<b>(11)</b>	<b>(0.1%)</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** of \$2.226 billion in gross expenditures, reflecting an increase of \$136.797 million in spending above 2021 projected year-end actuals (prior to enhancements) and \$73.479 million increase over the 2021 Approved Operating Budget, predominantly arising from:

- One-time under-expenditures in TTC Conventional & Wheel-Trans services operating below budgeted levels in 2021, in response to service demand impacted by provincially imposed safety restrictions (stay at home orders) primarily in

the first half of 2021. The 2022 Budget includes funding to restore Conventional Service to pre-pandemic levels in Q2 2022, with Wheel-Trans service capacity increasing in concert with 2022 forecasted ridership demand.

- The start-up and revenue service costs of operating Line 5, Eglinton Crosstown.
- Legislatively-determined increases to CPP Premium and Carbon Pricing.
- Rapid market price increases for diesel fuel, which are being partially mitigated by a planned Stabilization reserve contribution, which will only be utilized if required.

## COSTS TO ENHANCE SERVICES

**New and Enhanced Service** expenditures of \$3.2 million gross, \$2.1 million net enabling:

- Completion of TTC's Service Plan Reset and Ridership Reacquisition Strategy, both which are critical given anticipated changes in transit demand and travel patterns;
- Completion of the 10-Year Fare Collection Strategy to develop the business case to modernize the fare collection system;
- Innovation & Sustainability Assessment and Strategy, that is focused on embedding innovation, environmental sustainability and climate change resilience at the TTC;
- Resourcing to enable to deliver enhanced diversity, anti-black racism and mental health training; and
- Support to advance the ModernTO initiative necessary to transition to the hybrid office model including; project management, space planning, policy development and information management work.

**EQUITY IMPACTS OF BUDGET CHANGES**

The TTC is strongly committed to making Toronto's transit system barrier-free and accessible to all so all customers can enjoy the freedom, independence and flexibility to travel anywhere on the public transit system. Consistent with this commitment, service levels have been broadly protected throughout the pandemic, despite the significant reduction in ridership. In addition, as ridership recovery occurs conventional service will be fully restored to 100% of pre-pandemic capacity by Q2 2022.

All expenditures required to meet the TTC's accessibility and equity requirements are provided for in this budget, including:

- \$16.1 million gross and \$14.1 million net City funding increase to restore Wheel-Trans service levels consistent with anticipated ridership demand.
- \$0.7 million in new funding to deliver the following actions to enable the TTC to lead as an inclusive and accessible service provider:
  - Two additional instructors to deliver anti-racism training to employees,
  - Delivering specialized mental health training for Special Constable Service and Revenue Protection personnel as well as, customer service, diversity, equity and inclusion training, consistent with Ombudsman Toronto recommendations.
  - Awareness campaigns to build community outreach including Black History Month, Indigenous History Month and Lunar New Year.
- Full funding to complete the TTC's Easier Access Program, which is on track to make all subway stations accessible by 2025 with elevators, wide fare-gates and automatic sliding doors. It also provides funding for several improvements elsewhere across the transit system, including Warden and Islington stations, low-floor streetcars, bus and, new Wheel-Trans fleet, as well as a growing number of accessible bus and streetcar stops.

In addition, fares will be frozen at 2020 rates. This action is particularly critical to ensuring equity and accessibility given that ridership, relative to pre-pandemic levels is highest in Toronto's Neighbourhood Improvement Areas.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Toronto Transit Commission of \$2.230 billion gross is 8.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
User Fees & Donations	1,262,529.5	591,876.0	547,415.3	499,858.0	793,126.6	293,268.6	58.7%
Transfers From Capital	6,946.0		3,600.0	3,600.0	3,422.4	(177.6)	(4.9%)
Contribution From Reserves/Reserve Funds	22,691.0		15,760.4		20,672.3	20,672.3	
<b>Total Revenues</b>	<b>1,292,166.5</b>	<b>591,876.0</b>	<b>566,775.8</b>	<b>503,458.0</b>	<b>817,221.3</b>	<b>313,763.3</b>	<b>62.3%</b>
Salaries and Benefits	1,416,547.6	1,433,873.9	1,551,265.0	1,502,989.0	1,573,456.3	70,467.3	4.7%
Materials & Supplies	320,612.7	303,432.2	340,672.4	320,022.8	350,791.4	30,768.6	9.6%
Equipment	25,219.8	24,038.2	24,336.5	23,512.0	24,239.7	727.7	3.1%
Service and Rent	255,435.2	166,426.9	206,289.1	179,523.5	243,460.0	63,936.5	35.6%
Contribution To Reserves/Reserve Funds	20,317.2	17,978.0	17,640.0	52,740.0	20,590.0	(32,150.0)	(61.0%)
Other Expenditures	17,733.4	26,144.6	12,800.8	10,898.7	15,390.0	4,491.3	41.2%
<b>Total Gross Expenditures</b>	<b>2,055,865.9</b>	<b>1,971,893.8</b>	<b>2,153,003.8</b>	<b>2,089,686.0</b>	<b>2,229,691.7</b>	<b>140,005.7</b>	<b>6.7%</b>
<b>Net Expenditures</b>	<b>763,699.4</b>	<b>1,380,017.9</b>	<b>1,586,228.0</b>	<b>1,586,228.0</b>	<b>1,412,470.4</b>	<b>(173,757.6)</b>	<b>(11.0%)</b>
<b>COVID Impact</b>		<b>751,947.7</b>	<b>796,399.7</b>	<b>796,399.7</b>	<b>561,088.5</b>	<b>(235,311.2)</b>	<b>(29.5%)</b>
<b>Net Expenditures ex COVID</b>	<b>763,699.4</b>	<b>628,070.2</b>	<b>789,828.3</b>	<b>789,828.3</b>	<b>851,381.9</b>	<b>61,553.6</b>	<b>7.8%</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Relative to the 2021 year-end projection, salaries & benefits costs will increase by \$70.5 million or \$22.2 million over the 2021 Approved Operating Budget. Most of the 2021 under-expenditure is due to TTC Conventional and Wheel-Trans service operating below 2021 budgeted levels. These under-expenditures are not expected to be repeated in 2022 as conventional service is expected to be restored to 100% of pre-pandemic levels in Q2, 2022 and Wheel-Trans service capacity will increase to match the anticipated increase in demand.

The year-over-year budget increase is primarily due to the start-up and commencement of revenue service of Line 5, Eglinton Crosstown. In addition, this increase includes the impact of the legislated increase in CPP premium rates and anticipated increase in health & dental benefit costs.

**Materials and Supplies:**

The increase in material & supplies costs is primarily attributable to higher diesel prices and increases in energy requirements as service levels are restored to pre-pandemic levels in 2022. The variance also reflects higher vehicle maintenance costs as vehicle warranties expire.

**Services and Rents:**

Relative to the 2021 year-end projection, service and rent costs are projected to increase by \$63.9 million. Key drivers include maintenance contract costs for Line 5, Eglinton Crosstown, higher PRESTO commission fees consistent with the budgeted increase in passenger revenue in 2022 and an increase in Wheel-Trans contracted service costs commensurate with the anticipated increase in Wheel-Trans ridership demand.

**User Fees & Other Revenue Changes:**

The increase in revenue of \$293.3 million is based on higher anticipated ridership levels, with ridership revenue budgeted at \$741.0 million. The 2022 revenue budget has been adjusted to account for the anticipated impact of the Omicron variant and the resulting Provincial restrictions that came into effect January 5, 2022. It is anticipated that ridership will be significantly impacted during the Q1, 2022, and is expected to average 37% of pre-pandemic levels. Gradual ridership recovery is projected to resume in Q2 and continue throughout the balance of the year based on projections that most offices will adopt a hybrid working model, a return to in-person class settings for post-secondary institutions and

resumption of pre-pandemic levels of events and social gatherings later in the year. Ridership is expected to average 61% of pre-pandemic levels for 2022 and reach 80% by year-end.

### Offsets and Efficiencies:

The 2022 Operating Budget includes \$25.6 million in gross expenditure reductions and efficiency savings and a reduction of 99 positions arising from the implementation of efficiency measures. The 2022 Operating Budget includes a further \$13.1 million in balancing actions to offset 2022 budget pressures, resulting in a total of \$38.6 million in net expenditure reductions attributed to the following measures:

#### Overtime Reduction Strategy

- The management of overtime continues to be a key priority for the TTC. Since 2017, there has been a substantial decline in operating budget overtime requirements and since the start of the pandemic, as part of cost containment efforts, operating overtime spending has been maintained below budgeted levels. Overtime reductions totalling \$5.1 million, inclusive of related TTC Pension contributions, are incorporated in this budget, based on ongoing actions including the implementation of schedule adjustments, filling vacancies, and the addition of 14 additional operator positions added specifically to achieve overtime reductions.

#### One Person Train Operation

- One Person Train Operation (OPTO) is being implemented in stages on Line 1. Made possible through the installation of Automatic Train Control signalling technology, on board train crews are being reduced from 2 operators to 1. Concurrently to enhance customer experience and staff presence in stations, a portion of the saved resources are being reinvested in additional supervisory and stations personnel.
- Of the \$2.6 million in savings anticipated in 2022, \$2.1 million represents the annualized savings from the recent implementation of OPTO on Line 1 between St. George and Vaughan Metropolitan Stations. It is anticipated that OPTO will be implemented on the balance of Line 1 by year-end 2022 producing \$0.5 million in 2022 savings and a reduction of 66 positions. Upon full implementation \$14.6 million in annualized net savings will be realized.

#### Service Efficiencies

Service Efficiencies, which do not impact service capacity for customers include:

- **McNicoll Bus Garage:** This reflects the annualized non-revenue service savings associated with the 2021 opening of the McNicoll Bus Garage. A total of \$0.5 million in annualized operating cost savings have been realized due to the closer proximity between the garage and routes being served.
- **Automatic Train Control:** Improved subway train travel times associated with the continued implementation of Automatic Train Control on Line 1 will result in less scheduled trains to deliver the same capacity.
- **Articulated Buses:** Planned conversion of the 927 Highway 27 Express service from 12 metre buses to 18 metre articulated buses will improve or maintain capacity with less resource requirements.

#### Implementation of AG Recommendations

The continued implementation of Auditor General Recommendations regarding the Wheel-Trans reservations call centre contract, the identification of alternate suppliers for vehicle parts and improved use of after market part warranties is expected to save \$2.3 million in 2022.

#### Base Budget Expenditure Reductions (Line-by-Line)

Preliminary budgets are analyzed against spending trends and current market conditions as part of a line-by-line expenditure review. This review has resulted in \$11.0 million in savings being incorporated into the 2022 Operating Budget. These savings are based on reductions in:

- **Diesel Fuel:** With ongoing fleet renewal, TTC has consistently been able to reduce the diesel consumption rate on per kilometre basis over the past several years. For 2022 a diesel consumption rate of approximately 0.52 litres per kilometre will be achieved, representing a 7% decrease from the 2021 budgeted consumption rate. In addition, hedges for approximately 15% of 2022 requirements have been secured at levels below 2022 forecasted market prices.
- **Other Line-By-Line Expenditure Savings:** Spending trends both pre-pandemic and in 2021 were reviewed through a line-by-line expenditure review. As a result of the analysis undertaken, \$4.2 million in expenditure



reductions primarily due to lower material volume and contract costs have been identified and reflected in the 2022 Operating Budget.

### Balancing Actions

The 2022 Operating Budget includes \$13.1 million in planned reserve withdrawals that is incorporated into the budget specifically to address volatility and uncertainty in the market price for diesel fuel, insurance premiums and to address the uncertainty in timing of payments that may be made for accident claims. In these cases, the use of reserve funding will only be drawn upon to the extent that they may be required.

**Table 2b: 2021 New / Enhanced**

New / Enhanced Request		2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions
		Revenue	Gross	Net	Positions				
In \$ Thousands									
TTC Initiatives									
1	Service Plan Reset/Ridership Reacquisition Strategy	500.0	500.0				Medium - Positive	No	Resiliency Financial Sustainability
2	Fare Collection Strategy	590.0	590.0				Medium - Positive	No	Resiliency Financial Sustainability
3	Diversity & Anti-Racism Training & Awareness		668.0	668.0	2.0	668.0	High - Positive	No	Diversity & Inclusion
4	Innovation & Sustainability		375.0	375.0		375.0	Low - Positive	Yes	Resiliency
Subtotal TTC Initiatives		1,090.0	2,133.0	1,043.0	2.0	1,043.0			
City Initiatives									
5	ModernTO		1,075.0	1,075.0	6.0	1,075.0	Low - Positive	No	Council Approved
Subtotal City Initiatives			1,075.0	1,075.0	6.0	1,075.0			
Total New / Enhanced		1,090.0	3,208.0	2,118.0	8.0	2,118.0			

The 2022 Operating Budget includes \$3.2 million gross and \$2.1 million net in investments to support priority actions as detailed in the table above.

Funding for new and enhanced service priority actions has been limited to focus on advancing the following key outcomes: System Resiliency & Financial Sustainability, particularly given changing transit demands; Diversity, Equity and Inclusion at the TTC as well as ensuring the TTC has the capacity to implement the Council-approved ModernTO initiative. Details of these initiatives are further outlined below:

### Resiliency & Financial Sustainability

#### Service Plan Reset and Ridership Reacquisition Strategy

The service plan reset/ridership reacquisition strategy will enable the TTC to understand changes in customer travel patterns post-pandemic and examine how riders can be attracted back to the TTC through innovative means. This initiative will contribute to ensuring system resiliency and improving financial sustainability through a clearer understanding of travel patterns and planning transit service that effectively serves TTC riders while implementing policies designed to attract riders back to public transit. Given the one-time nature of the \$0.500 million cost, it will be funded from the TTC Stabilization Reserve.

#### Fare Collection Strategy

The fare collection strategy will enable the TTC to develop a business case for the modernization of the fare collection system. This will include developing a detailed Request for Information to determine future business requirements and ensure comprehensive business terms are established for the Automated Fare Collection agreements. This one-time cost of \$0.590 million will be funded from the TTC Stabilization Reserve.

### Diversity & Inclusion

#### Anti-Racism & Diversity Training & Awareness

TTC continues to advance work that contributes to the TTC's commitment to being an accessible, equitable and inclusive service provider and organization. For 2022, funding of \$0.7 million and two positions will provide anti-racism training for front-line staff, specialized mental health training and awareness campaigns to build community outreach.

**Resiliency****▪ Innovation & Sustainability**

To embed innovation, environmental sustainability and climate change resilience at the TTC, \$0.4 will support the recently formed function. This additional funding will allow for an independent assessment report and the formation of a TTC innovation and sustainability strategy and plan.

**Council Approved Initiatives****▪ ModernTO**

TTC is continuing to advance work on the ModernTO initiative, which will optimize and modernize office space and consolidate 10 TTC offices to North York Centre and Metro Hall, with approximately 2000 employees working in a hybrid model, the extent to which depends on the business requirements. \$1.1 million and six positions will provide the necessary resources and expertise for project management; space planning, policy development and information management work necessary to transition to the hybrid model required to advance this initiative and achieve the shared objectives of system resiliency and financial sustainability.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	503,458.0	817,221.3	1,111,241.7	1,187,113.3
Gross Expenditures	2,089,686.0	2,229,691.7	2,338,365.3	2,399,982.8
<b>Net Expenditures (including COVID-19 Impact)</b>	<b>1,586,228.0</b>	<b>1,412,470.4</b>	<b>1,227,123.5</b>	<b>1,212,869.4</b>
COVID-19 Impact	796,399.7	561,088.5	250,062.2	176,421.5
<b>Net Expenditures (not including COVID-19 Impact)</b>	<b>789,828.3</b>	<b>851,381.8</b>	<b>977,061.3</b>	<b>1,036,447.9</b>
<b>Operating Positions</b>	<b>N/A</b>	<b>13,812</b>	<b>13,985</b>	<b>14,182</b>

Note: Operating funding pressure excludes impact of CBA

## Key drivers

The 2023 Outlook with total net expenditures of \$977.1 million (excluding COVID-19 impact) reflects an anticipated \$125.7 million or 14.7 per cent increase in net expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$59.4 million or 6.1 per cent above 2023 net expenditures before accounting for any anticipated COVID-19 impact. These changes arise from the following:

### Impacts of Prior Year Decisions

- The annualized cost of operating and maintaining Line 5 or the Eglinton Crosstown LRT and the opening of the Finch West LRT;
- Full restoration of pre-pandemic Conventional service levels (i.e. Q1 annualization);
- Increasing Wheel-Trans service to meet projected 80% of pre-pandemic demand; and

### Economic Factors

- Continued energy and material price escalation;

### Operating Impact of Capital

- Delivery of LFLRV which will ultimately increase size of LFLRV fleet by 60 vehicles.

Annualized efficiency savings will partially mitigate these pressures by providing a forecasted \$13.3 million in 2023, primarily from the full implementation of One Person Train Operation.

It should be noted that future year estimates do not include provisions for wage increases or benefit improvements, due to the March 31, 2021, expiry of the Collective Agreement with ATU 113 (TTC's largest union).

### Impact of COVID-19

The financial impact of COVID-19 will continue to significantly affect the TTC's financial sustainability, even as the broader health impacts of the pandemic subside. The following table provides an estimate of COVID-19 impacts based on expected ridership for 2022. The current outlook estimates for 2023 and 2024 are directional in nature and based on available data and subject to change, the recovery will be reviewed over the course of 2022 and estimates revised for the 2023 budget process.

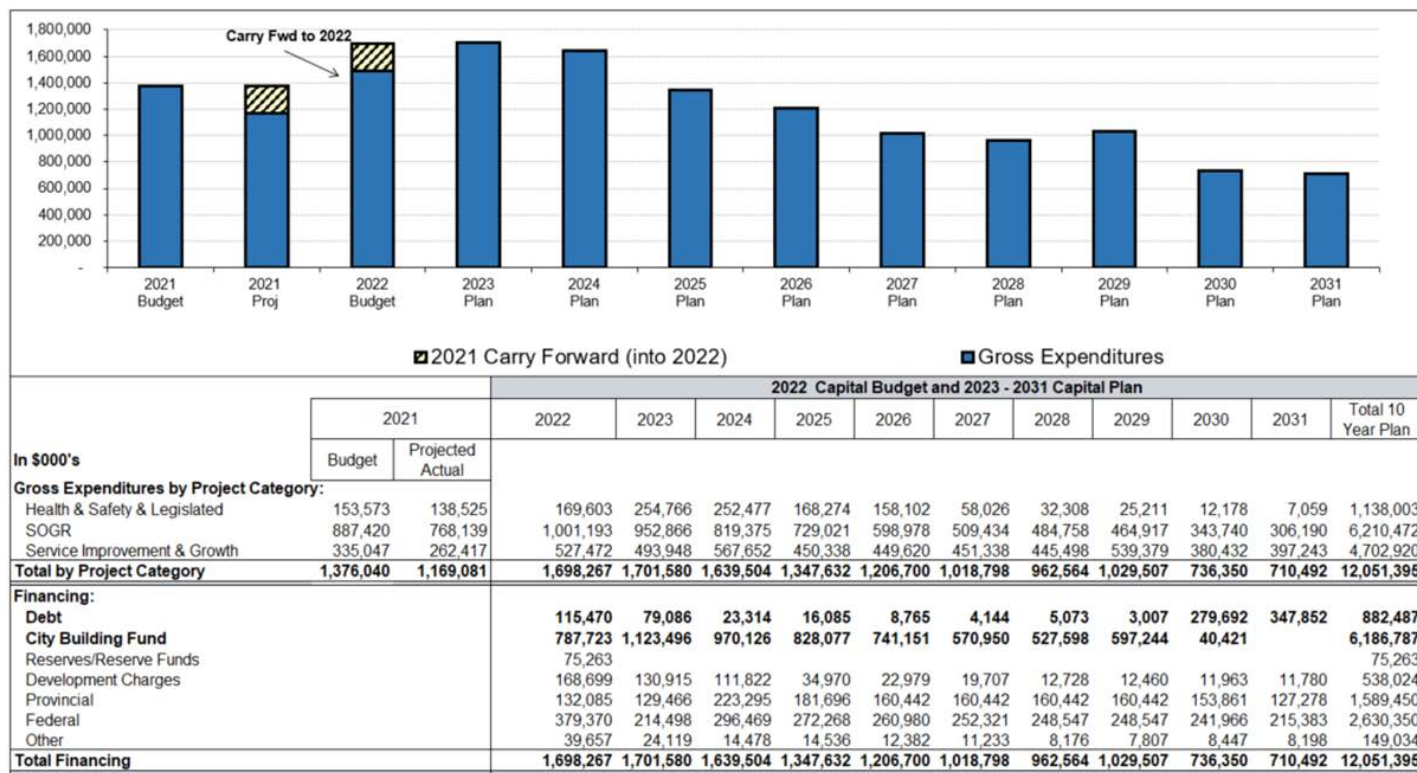
COVID-19 Financial impact				
(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Passenger Revenue	766,300.0	487,160.7	211,520.0	155,150.0
Ancillary Revenue	17,000.0	22,550.0	9,950.0	2,200.0
Incremental Expenses**	47,900.0	51,377.8	28,592.2	19,071.5
Under-Expenditures applied to COVID-19 Budget Variance	(34,800.3)			
<b>Total COVID-19 Financial Outlook</b>	<b>796,399.7</b>	<b>561,088.5</b>	<b>250,062.2</b>	<b>176,421.5</b>
*Excludes CBA increase				

The majority of the financial impact is driven by lost passenger and ancillary revenues (advertising, parking and subway concessions). Overall, 2022 incremental COVID response expenses are anticipated to be comparable to 2021 due ongoing response activities and measures as well as higher absence costs but these costs are anticipated to gradually decrease in 2023 and 2024.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects (\$128.7 Million)

- Bus – Midlife Overhaul: \$56.8M
- Storage Tank Replacements: \$13.4M
- Fire Ventilation and Second Exits \$15.3M
- Bus Stop Improvements and Platform Modifications \$6.8M














### New Projects (\$185.8 Million)

- Property Acquisition for 10<sup>th</sup> Garage & Operational Needs: \$127.8M
- Russell Carhouse Modifications & Extensions: \$58.9M

### Capital Needs Constraints\* (\$11.3 Billion)

- Vehicle Procurements: \$3.5B
- Vehicle Overhaul: \$1.2B
- Line 1 Capacity Enhancement: \$2.1B
- Line 2 Capacity Enhancement \$271.3M

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$12.051 Billion 10-Year Gross Capital Program**

			
<b>Track Work</b>	<b>Electrical Systems</b>	<b>Signal Systems</b>	<b>Buildings &amp; Structures</b>
\$812.52 M 7%	\$565.35 M 5%	\$935.80 M 8%	\$3,332.85 M 28%
<ul style="list-style-type: none"> <li>▪ Subway Track</li> <li>▪ Surface Track</li> <li>▪ Subway Rail Grinding</li> </ul>	<ul style="list-style-type: none"> <li>▪ Traction Power </li> <li>▪ Power Distribution / Electric Systems </li> <li>▪ Communications</li> </ul>	<ul style="list-style-type: none"> <li>▪ Signal Systems</li> <li>▪ Line 1 and 2 Automatic Train Control Re-signaling</li> </ul>	<ul style="list-style-type: none"> <li>▪ Fire Ventilation Upgrade</li> <li>▪ Easier Access Phase III</li> <li>▪ Toronto Rocket/T1 Rail Yard Accommodation</li> <li>▪ Charging systems for electric buses </li> </ul>
			
<b>Capacity Improvements</b>	<b>Vehicles</b>	<b>Information Technology</b>	<b>Equipment &amp; Other</b>
\$3,419.16 M 28%	\$2,237.40 M 18%	\$332.66 M 3%	\$415.66 M 3%
<ul style="list-style-type: none"> <li>▪ Bloor-Yonge Capacity Improvements</li> <li>▪ Line 1 and Line 2 Capacity Enhancements</li> </ul>	<ul style="list-style-type: none"> <li>▪ T1 25-Year Overhaul</li> <li>▪ Bus Overhaul</li> <li>▪ Streetcar Overhaul</li> <li>▪ Purchase of Subway Cars</li> <li>▪ Purchase of hybrid and electric buses </li> </ul>	<ul style="list-style-type: none"> <li>▪ SAP ERP Implementation</li> <li>▪ VISION – Computer Aided Dispatch / Auto. Vehicle Location System</li> <li>▪ MAXIMO – Asset management system</li> </ul>	<ul style="list-style-type: none"> <li>▪ Shop &amp; Maintenance Equipment</li> <li>▪ Revenue &amp; Fare Handling Equipment</li> <li>▪ Service Planning </li> </ul>

 - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

\*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

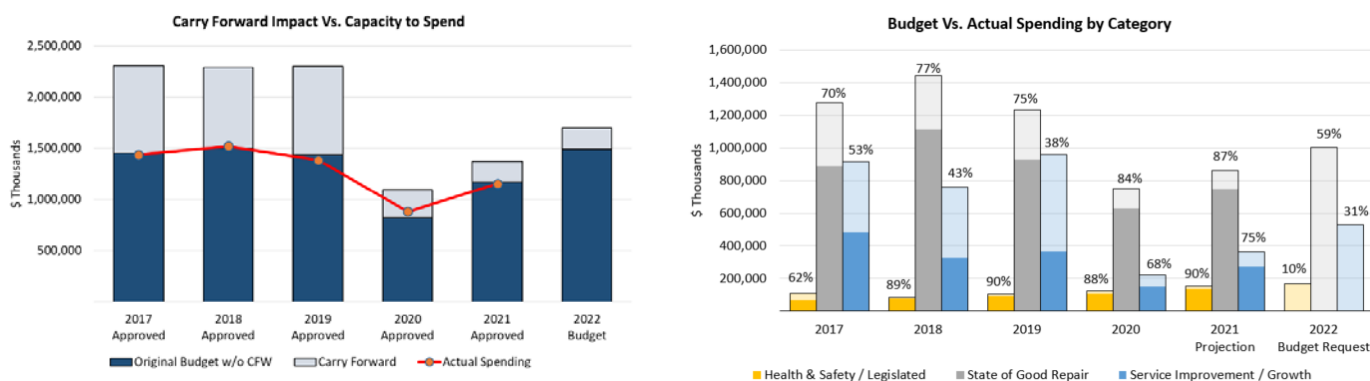
City of Toronto Funding		Provincial Funding		Federal Funding	
<b>7,831.60</b> <b>65%</b>		<b>1,589.45</b> <b>13%</b>		<b>2,630.35</b> <b>22%</b>	
City Building Fund	6,186.79	PTIF	500.00	PTIF	500.00
Debt	882.49	Provincial Gas Tax	936.01	Federal Gas Tax	1,976.91
Development Charges	538.03	Other	153.44	Other	153.44
TTC Internal (Depreciation)	134.03				
Reserve Draws	75.26				
Other	15.00				

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with Toronto Transit Commission's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project category (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$38.3 million in capital spending originally cash flowed in 2022 has been deferred to 2023, with an additional \$59.5 million deferred to 2024. Adjustments to the Capital Plan are noted below:

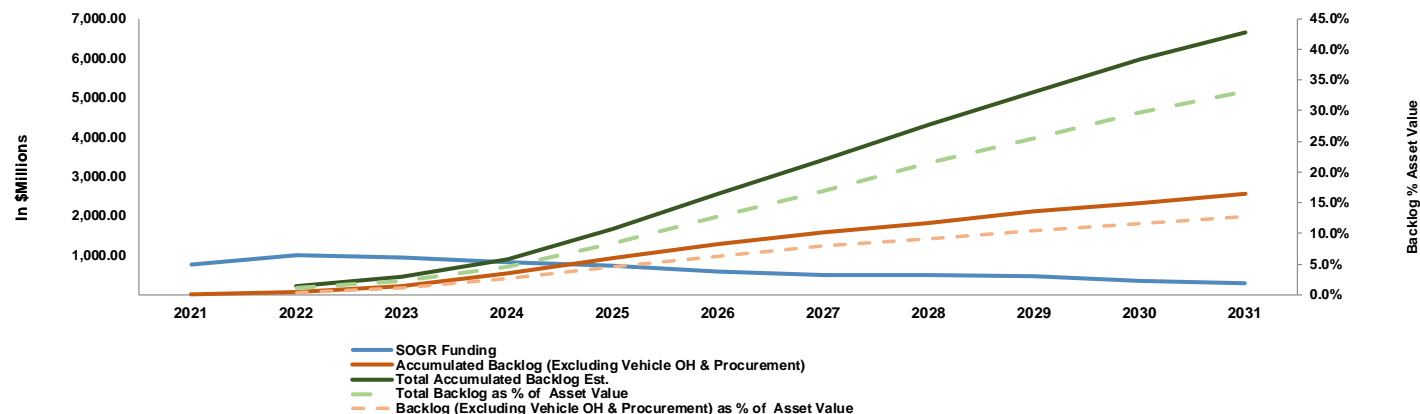
- Recalibrated the 10-year Capital Plan's project estimates based on capacity to spend and project readiness and adjusted annual cash flow estimates to match cash flow spending to project activities and timelines;
- Reviewed requirements for major capital projects based on the progress made through the stage gating process;
- Revisited assumptions on needs, scope, and timing to confirm existing capital priorities and requirements, some of which have been moved beyond the 10-year timeframe;
- Identified any emergent capital priorities that must be funded to address critical health, safety or state of good repair requirements beginning in 2022.
- As a result, the 2022-2031 Capital Budget and Plan:
  - Provided additional "funding room" of \$314.5 million which has enabled TTC staff to reallocate existing funding for critical capital priorities and needs starting in 2022, with 57% of the funding be added for Health and Safety, Legislated and State of Good Repair projects which were previously unfunded.
  - Advances TTC's ability to establish steady state funding for essential safety and SOGR capital works
  - Provides funding to ensure TTC is compliant with legislative requirements
  - Continues business modernization:
    - SAP; Maximo; Vision, Wheel Trans and Stations Transformation
  - Builds capacity within our major projects/programs to enhance coordination of activities and resourcing
- Total Capital Budget and Plan is \$12.1 billion, of which, \$8.9 billion (74%) relates to 27 major projects/programs that:

- Make progress on delivering the fleet procurement strategy for the delivery of 60 Streetcars, 300 hybrid & 300 e-buses and associated charging infrastructure as well as 70 Wheel-Trans buses;
- Continue to advance work on three major capacity improvement projects (Bloor-Yonge, Line 1 & 2);
- Complete the implementation of the Automatic Train Control Signalling System (ATC) on Line 1 and provide full funding for the implementation of ATC on Line 2;
- Replace and rehabilitate the surface and subway track networks;
- Complete the TTC's Easier Access Program, which is underway to make all subway stations accessible by 2025 with elevators, wide fare-gates and automatic sliding doors; and;
- Increase the capacity of the subway fire ventilation system and constructing second exits.



**STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG**

The chart below depicts the SOGR funding and accumulated backlog estimates for key infrastructure and vehicle asset classes in TTC:

**Chart 3: Total SOGR Funding & Backlog**

\$ Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	768.139	1,001.193	952.866	819.375	729.021	598.978	509.434	484.758	464.917	343.740	306.190
Accumulated Backlog (Excluding Vehicle OH & Procurement)		79.132	209.447	544.238	925.819	1,271.108	1,590.890	1,825.004	2,101.764	2,323.797	2,546.140
Backlog (Excluding Vehicle OH & Procurement) as % of Asset Value		0.4%	1.0%	2.7%	4.6%	6.3%	7.9%	9.1%	10.4%	11.5%	12.6%
Vehicle Overhaul/Procurement Backlog		132.397	240.502	361.288	745.893	1,300.869	1,828.191	2,488.432	3,046.686	3,642.429	4,110.134
Total Accumulated Backlog Est.		211.529	449.948	905.526	1,671.712	2,571.978	3,419.081	4,313.436	5,148.450	5,966.225	6,656.273
Total Backlog as % of Asset Value		1.0%	2.2%	4.5%	8.3%	12.8%	17.0%	21.4%	25.6%	29.6%	33.0%
Total Asset Value	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060

- The SOGR Backlog presented above is based on TTC's 2022-2036 Capital Investment Plan which has been updated to account for project priorities; timing and dependencies.
- The SOGR Backlog analysis reflects both finite and ongoing SOGR capital projects included in the 2022-2031 capital planning timeframe of TTC's 15-year Capital Investment Plan that are currently not funded in the 2022-2031 Capital Budget and Plan.
- While the SOGR Backlog will rise from \$211.5 million or 1% of asset value in 2022 to \$6.6 billion or 33% of asset value by the end of 2031, the SOGR Backlog would have been higher had it not been for the infusion of incremental funding through the City Building Fund for critical subway infrastructure state of good repair projects in 2020.
- If one excludes the backlog associated with unfunded fleet overhaul and procurement investments, the SOGR Backlog would be \$2.5 billion or 12.6% of asset value by the end of 2031, noting that unfunded vehicle needs make up nearly two-thirds of this backlog.
- The TTC will continue to refine these estimates based on planned condition audits of its asset inventory and this SOGR backlog analysis, including asset values, as the TTC matures its asset management practices.

**OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS**

Completion of various capital projects included in the 2022-2031 Capital Plan will result in an additional 43.5 positions over the next 10 years. Operating costs of \$1.8 million are required in 2022 and a net savings of \$49.2 million over the next 10 years is expected to be realized from the completion of capital projects. The implementation of the train door monitoring project (OPTO) will result in savings of \$14.462 million and the reduction of fuel consumption from the purchase of hybrid and electric buses will realize savings of \$70.424 million. These savings will fully offset forecasted cost increases associated with the sustainment of technology and ebus charging systems and the incremental cost of the addition of 60 new streetcars, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary**  
(In \$000's)

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position
<b>Previously Approved</b>														
Fare Handling Equipment	999.8		294.0		115.0		114.0		69.0		1,591.8		1,591.8	
Information Technology System-Infrastructure	1,424.5		6,854.4	3.0	748.5		1,931.3	16.0	1,194.8	1.0	12,153.5	20.0	13,504.0	20.0
Train Door Monitoring	(2,642.0)	(66.0)	(12,000.0)								(14,642.0)	(66.0)	(14,642.0)	(66.0)
eBus Charging System	407.6		375.6		788.8	1.0	1,869.3	3.0	2,063.3		5,504.6	4.0	12,156.9	
Purchases of Buses			(4,807.0)		(6,394.0)		(8,028.0)		(8,150.0)		(27,379.0)		(70,424.0)	
Purchase of Street car			767.0	7.0	4,859.1	44.0	2,078.4	19.0	47.6		7,752.1	70.0	8,005.3	70.0
Signal Systems - Various	644.6	2.0	129.0	0.5	31.0		33.0		29.0		866.6	2.5	1,034.0	2.5
Other Various OBIs	999.1	5.0	(1,587.3)	(0.8)	(101.5)		112.7	(1.0)	9,258.1	1.0	8,681.1	4.2	(402.4)	17.0
<b>Sub-Total: Previously Approved</b>	<b>1,833.6</b>	<b>(59.0)</b>	<b>(9,974.3)</b>	<b>9.7</b>	<b>46.9</b>	<b>45.0</b>	<b>(1,889.3)</b>	<b>37.0</b>	<b>4,511.8</b>	<b>2.0</b>	<b>(5,471.3)</b>	<b>34.7</b>	<b>(49,176.5)</b>	<b>43.5</b>
<b>New Projects - 2022</b>														
Sub-Total: New Projects - 2022														
<b>New Projects - Future Years</b>														
Sub-Total: New Projects - Future Years														
<b>Total (Net)</b>	<b>1,833.6</b>	<b>(19.0)</b>	<b>(9,974.3)</b>	<b>9.7</b>	<b>46.9</b>	<b>45.0</b>	<b>(1,889.3)</b>	<b>37.0</b>	<b>4,511.8</b>	<b>2.0</b>	<b>(5,471.3)</b>	<b>34.7</b>	<b>(49,176.5)</b>	<b>43.5</b>

The 2022 operating impacts of capital have been reflected in the Council Approved 2022 Operating Budget.

# 2022 Program Summary

## Yonge-Dundas Square

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Yonge-Dundas Square provides the management, procedures and permits for the safe and inclusive operations on the square. Consistent with previous years, most days there is full public and open access to the square. All events and activations are free to the general public.

The impact of COVID 19 on public events has been devastating across the industry. Our plans project an incremental return to the number of events over the next two years. Public outdoor events will only be resumed with limited capacities in order to meet the prevailing public health guidelines.

### Why We Do It

To enhance the vitality of downtown Toronto, to launch, promote, and operate the square as a unique public space borne from the passion of its community and the energy of commercial participation, so as to develop a positive perception by the way of its activities, security and cleanliness.

To support other City initiatives in marketing Toronto as a place to visit.

### What Service We Provide

#### **Public Square and Event Venue**

**Who We Serve:** Businesses, Partners & Sponsors, Residents, Visitors, City and Agency staff.

**What We Deliver:** Yonge-Dundas hosts upwards of 200 event days and activations each year including third-party and self-programmed events. These events encourage economic and cultural activities by showcasing businesses and drawing residents and tourists to the area. In the past year, Yonge-Dundas Square has also created a number of digital screen partnerships to promote the arts and culture happening elsewhere in the City.

**How Much Resources (gross 2022 operating budget): \$3.479 Million**

*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.*

## Budget at a Glance

### 2022 OPERATING BUDGET

\$Million	2022	2023	2024
Revenues	\$2.314	\$3.529	\$3.928
Gross Expenditures	\$3.479	\$3.675	\$3.928
Net Expenditures	\$1.165	\$146	\$0.000
Approved Positions	8.0	8.0	8.0

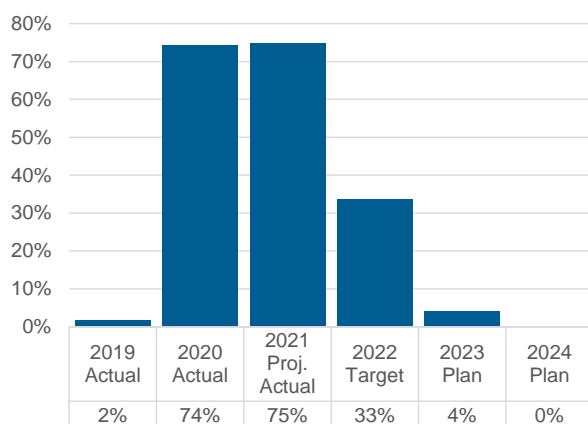
### 2022 - 2031 10-YEAR CAPITAL PLAN

\$Million	2022	2023-2031	Total
Gross Expenditures	\$0.1	\$0.0	\$0.1
Debt	\$0.1	\$0.0	\$0.1

Note: Includes 2021 carry forward funding

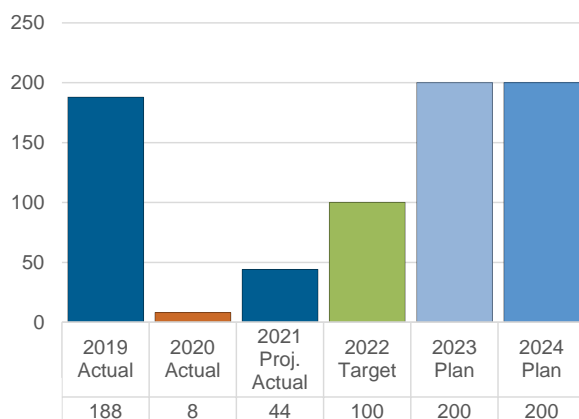
## How Well We Are Doing – Behind the Numbers

Contribution by City of Toronto as a % of Overall YDS Operating Cost



- The contribution by the City of Toronto to the overall Yonge-Dundas Square Operating Budget is anticipated to be 75% for 2021 as the square's operations have been heavily impacted by the pandemic.
- As the Square projects operations to begin to improve in 2022 and future years, the reliance on City of Toronto funding decreases and revenues generated from operations increase.
- The Agency expects there to be lasting impacts to its operations as it tries to change its business model to adapt to life post-COVID-19. Public safety and wellness remains a high priority.
- The contribution by the City to the Yonge-Dundas Square Operating Budget is anticipated to be 0% for 2024 as the Agency is moving towards a self-sustaining business model through its generation of diverse revenue streams.

Number of Events at YDS



- Once public health guidelines allowed public gatherings in fall/winter 2021, a number of events and activations returned to the square.
- Bookings have opened for 2022, however, many clients are reluctant to confirm until full capacities are allowed.
- Yonge-Dundas Square will continue to market the square and aim to attract new clients in 2022 & 2023.

## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Measures								
Public Square and Event Venue	% of Days Accessible to public	100%	100%	100%	100%	●	100%	100%
	Number activated days	33	23	5	54	●	60	60
	Number of screen partners	New in 2021	0	0	8 Partners ( 154 days )	●	10	12

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact**

- Yonge-Dundas Square expects a return to commercial and community events in 2022 – subject to Public Health Guidelines although the number of event days is expected to be less than 2019 levels.
- Event clients are reluctant to confirm due to uncertainty of Public Health matters and difficulty of obtaining event insurance. This reluctance may impact our revenue targets.
- Security and janitorial maintenance continue to be a challenge with a greater number of behavioral incidents, vandalism and damage to property.
- COVID-19 is projected to impact Yonge-Dundas Square's operations in 2022 with \$1.765 million net impact:
  - \$1.470 million in revenue losses are projected from cancelled events and activations.
  - \$0.295 million in increased expenditures associated with security and janitorial maintenance services to operate in-person events safely in 2022.

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**Service Level Changes**

- The square did remain fully open for the public throughout 2021 and is expected to do so in 2022.
  - The number of in-person activations is expected to be lower due to public health guidelines.
  - As the digital screens are recognised as a community focussed means of display, Yonge-Dundas Square expect the number of partnerships to grow in 2022.
-

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- 2021 was a challenge for all public gathering and event spaces. The square and all of its users were extremely aware of the lack of activity in the downtown core and the associated impacts on the business revenues.
- Yonge-Dundas Square undertook a number of digital screen partnerships with other arts organisations and the City's own ArtworxTO programme. Yonge-Dundas Square also commissioned three art projects and installed them during the lockdown to animate the square in different ways.
- In conjunction with the DYBIA, we promoted local restaurants and provided a food delivery point on the Square for outdoor dining.
- During the first half of the year, Yonge-Dundas Square also modified washroom hours and cleaning patterns to allow for overnight access to unhoused individuals – when so many other washrooms were not available.

### Key Challenges and Risks

- Reluctance of commercial event clients to book the Square due to ongoing Public Health issues.
- Return of brand sponsorships to pre-2019 levels.
- Being a safe and inclusive space for all to enjoy.
- Change of Dundas street name and the loss of public familiarity with the current location name.
- The lack of recent State of Good Repair planning and longer term capital renewal.

### Priority Actions

- Supporting the efforts and programs of Economic Development & Culture, the Downtown Yonge BIA recovery plans, Destination Toronto visitor and conference initiatives and more.
- Supporting commercial event clients through timely updates to the Public Health Guidelines and ensuring the safety and wellbeing of their audiences, staff and contractors.
- Creating partnerships with other cultural and visitor attractions in the downtown core and the "Cultural Corridor" initiatives of the BIA. Using the Square as a public asset and resource for their outdoor programming.
- Re-activation of visitor information services and initiatives with EDC Tourism Services and Destination Ontario.
- Seeking a long-term sponsorship that enables further programs and activations.
- Developing a capital plan that anticipates the proposed 2025 construction project(s) on Yonge Street.
- Ensuring ongoing programming and activations that provide equitable access and are fully representative of the diversity of this city.

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Public Square and Event Venue	548.5	1,663.0	569.3	2,314.3		2,314.3	1,745.0	306.5%
<b>Total Revenues</b>	<b>548.5</b>	<b>1,663.0</b>	<b>569.3</b>	<b>2,314.3</b>		<b>2,314.3</b>	<b>1,745.0</b>	<b>306.5%</b>
<b>Expenditures</b>								
Public Square and Event Venue	2,123.9	2,977.2	2,252.6	3,479.5		3,479.5	1,226.9	54.5%
<b>Total Gross Expenditures</b>	<b>2,123.9</b>	<b>2,977.2</b>	<b>2,252.6</b>	<b>3,479.5</b>		<b>3,479.5</b>	<b>1,226.9</b>	<b>54.5%</b>
<b>Net Expenditures</b>	<b>1,575.4</b>	<b>1,314.2</b>	<b>1,683.3</b>	<b>1,165.3</b>		<b>1,165.3</b>	<b>(\$18.0)</b>	<b>(30.8%)</b>
<b>Approved Positions**</b>	<b>8.0</b>	<b>8.0</b>	<b>N/A</b>	<b>8.0</b>		<b>8.0</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

### COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$3.479 million gross reflecting an increase of \$1.227 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increases in costs of security and cleaning due to public health guidelines.
- Increases in marketing costs for promoting sponsorship opportunities.
- One-time consulting costs associated with facility audit in order to inform the future state of good repair requirements as part of the 10-Year Capital Plan for Yonge-Dundas Square.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$1.165 million in net expenditures reflects a \$0.020 million net decrease from the 2021 Council approved Budget, when excluding \$1.765 million in estimated COVID-19 financial impacts.**

### COSTS TO ENHANCE SERVICES

**No New and Enhanced Service** expenditures were added for Yonge-Dundas Square in 2022.

### EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Yonge-Dundas Square's 2022 Operating Budget do not have any significant equity impacts.



**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget for Yonge-Dundas Square is \$1.227 million gross or 54.5% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations	1,659.2	16.4	812.0	110.0	1,165.0	1,055.0	959.1%
Licences & Permits Revenue	284.3	22.8	125.0				
Transfers From Capital							
Contribution From Reserves/Reserve Funds					100.0	100.0	
Sundry and Other Revenues	1,305.6	509.4	726.0	459.3	1,049.3	590.0	128.5%
Inter-Divisional Recoveries							
<b>Total Revenues</b>	<b>3,249.1</b>	<b>548.5</b>	<b>1,663.0</b>	<b>569.3</b>	<b>2,314.3</b>	<b>1,745.0</b>	<b>306.5%</b>
Salaries and Benefits	810.3	876.7	833.1	717.6	842.3	124.7	17.4%
Materials & Supplies	299.1	237.1	290.7	247.5	320.6	73.1	29.6%
Equipment	89.1	70.9	72.0	103.4	81.0	(22.4)	(21.7%)
Service and Rent	2,092.0	908.3	1,771.4	1,174.0	2,228.1	1,054.0	89.8%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	25.7	25.7					
Other Expenditures	9.4	5.0	10.0	10.0	7.5	(2.5)	(25.0%)
Inter-Divisional Charges							
<b>Total Gross Expenditures</b>	<b>3,325.5</b>	<b>2,123.9</b>	<b>2,977.2</b>	<b>2,252.6</b>	<b>3,479.5</b>	<b>1,226.9</b>	<b>54.5%</b>
<b>Net Expenditures</b>	<b>76.4</b>	<b>1,575.4</b>	<b>1,314.2</b>	<b>1,683.3</b>	<b>1,165.3</b>	<b>(518.0)</b>	<b>(30.8%)</b>

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Increase in cost of health benefits and anticipating a COLA increase in 2022.

**Materials and Supplies:**

Anticipated increase in 2022 of utilities and equipment (sound, lights, projection etc.) for events due to projected usage of the Square.

**Services and Rents:**

A number of long term contracts for service including cleaning, security are due to renewal through an RFP process in 2022. Office rent is remaining at expected levels.

**Contribution from Reserves/Reserve Funds:**

One-time funding in the amount of \$0.1 million for Yonge-Dundas Square to undertake building condition assessment, audit and study in 2022. Upon completion, the assessment will inform state of good repair requirements at the Square for future capital budget submissions. Yonge-Dundas Square building audit will be funded from the Tax Rate Stabilization Reserve Fund (XQ0703).

**Other Revenue Changes:**

Paid events will return to pre COVID levels but this is not expected that this will happen until well into summer (Q2 & Q3). The appointment of a Sponsorship Consultant should result in new brand partners and revenues.

**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	569.3	2,314.3	3,529.3	3,928.0
Gross Expenditures	2,252.6	3,479.5	3,675.0	3,928.0
<b>Net Expenditures</b>	<b>1,683.3</b>	<b>1,165.3</b>	<b>145.8</b>	
<b>Approved Positions</b>	<b>N/A</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>

**Key drivers**

The 2023 Outlook with total gross expenditures of \$3.675 million reflects an anticipated \$0.195 million or 5.62 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlooks expects a further increase of \$0.253 million or 6.88 per cent above 2023 gross expenditures.

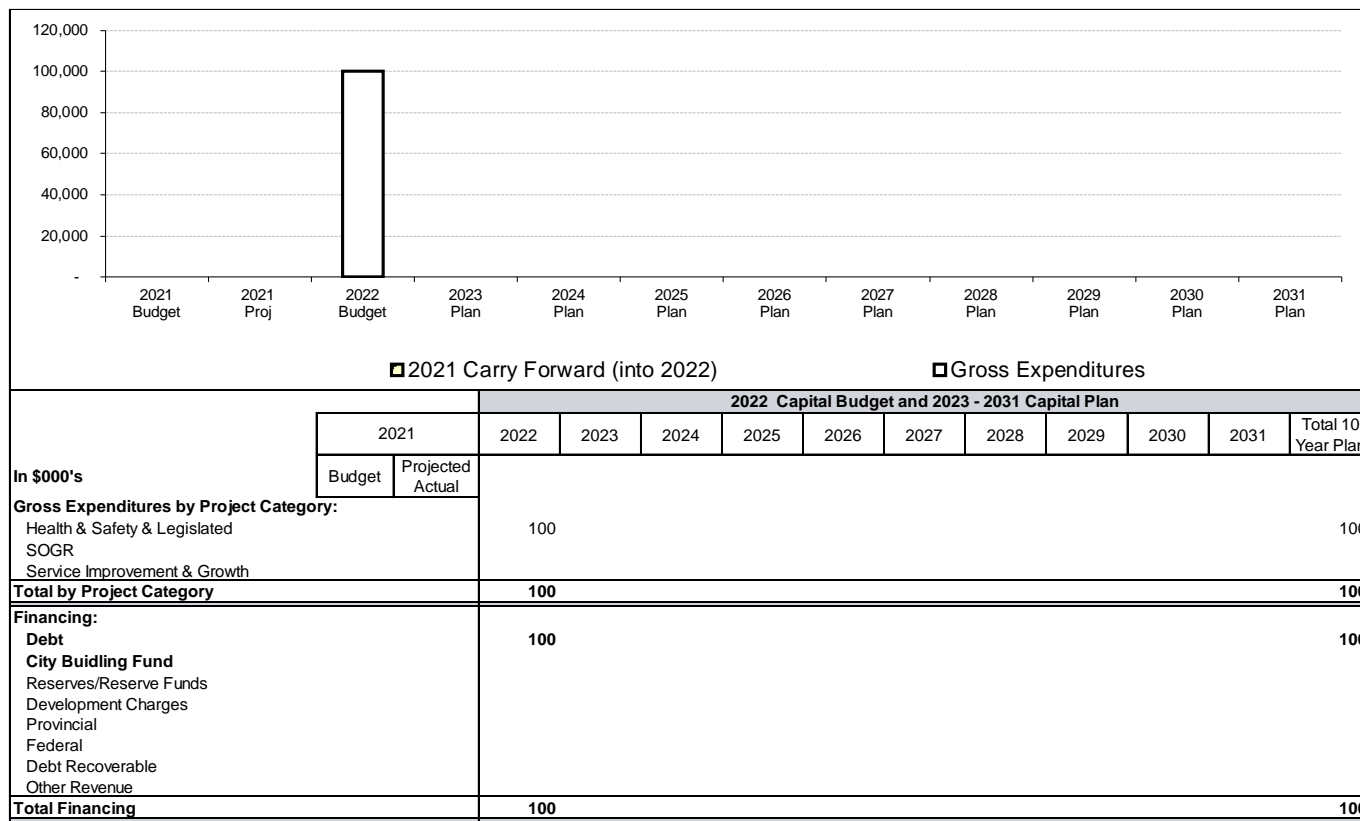
These changes arise from the following:-

- General costs of living and inflationary adjustments.
- Additional marketing support in 2023 – continued over from 2022.
- Reversal of one-time consulting costs for facility audit to be completed in 2022 and the corresponding one-time draw from the Tax Rate Stabilization Reserve Fund.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview

(\$'000)



### Changes to Existing Projects

No changes to existing capital projects as Yonge-Dundas Square previously had no capital projects planned over the 10-year planning horizon since 2020.

### New Projects (\$0.1 Million)

The 2022-2031 Capital Budget and Plan includes one new project.


- The key capital project funded in the 2022 Capital Budget is changing the name of physical signage once there is Council approval for a new name for Dundas Street is obtained.

### Capital Needs Constraints (\$1.1 Million)

Yonge-Dundas Square has one unmet project identified in the Capital Needs Constraints list:

- The *Stage Revitalization* project remains a capital needs constraints project while additional fund sources are explored and the facility audit is completed.

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$0.1 Million 10-Year Gross Capital Program**


Legislated
<b>\$0.1 M</b> <b>100%</b>
<ul style="list-style-type: none"> <li>Yonge-Dundas New Signage</li> </ul>

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☒ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

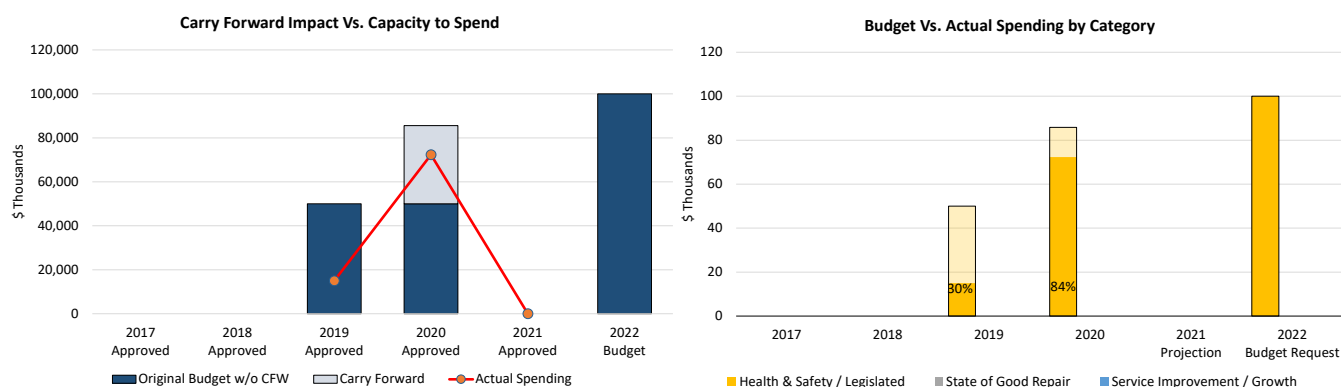
<b>City of Toronto</b>	
<b>\$000 M</b>	
<b>100%</b>	
Debt	\$ 0.1 M

## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Yonge-Dundas Square's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

- Yonge-Dundas Squares completed a health and safety *Plinth Safety Guard* project to replace portable barriers for stage performances with permanent removable safety guard. The project began in 2019 over two years and was completed in 2020. There were no planned capital projects for Yonge-Dundas Square during 2021.

## STATE OF GOOD REPAIR (SGR) FUNDING & BACKLOG

Yonge-Dundas Square currently does not have a backlog of state of good repair projects. Yonge-Dundas Square will undergo a facility audit in late 2021/early 2022 to indicate if repairs are required as the previous facility audit was completed in 2014. The outcome of the facility audit will inform the SOGR backlog and asset value as part of the budget submission in future years.

# 2022 Program Summary

## Toronto Zoo

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at [FPD@toronto.ca](mailto:FPD@toronto.ca).

### Description

Canada's premiere Zoo and a leading conservation organization dedicated to fighting extinction and Climate Change; the Toronto Zoo hosted over 700,000 guests in 2021. Your Zoo is home to 4,200 animals, representing 340 species and is surrounded by Canada's new Rouge National Urban Park. The Zoo is open year-round, is divided into seven zoogeographic regions, and boasts over 10 kilometers of walking trails. The Zoo also includes gift shops, rides, zip-line and canopy tours, food services and guest services. Toronto Zoo has stewardship over buildings, infrastructure, natural resource assets, and the wildlife population.

### Why We Do It

Your Toronto Zoo's mission is *connecting people, animals and conservation science to fight extinction*. The 2020 strategic plan outlines our commitment to evolving to represent and serve our community, and be a recognized leader in conservation science, addressing climate change and protecting nature for future generations.

Your Zoo is an iconic guest destination and the largest conservation tourism organization in the City, employing 700 full time/part time staff and 400 volunteers, while serving as a critical economic driver in the east end of the City, catering to a wide range of communities.

*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

### Zoo Visitor Services

**Who We Serve:** Community Groups, Schools, New Canadians and Indigenous Communities, Tour Groups, Tourists

**What We Deliver:** Educational programming, connections with nature and wildlife, engaging experiences

**How Much Resources (gross 2022 operating budget): \$34.1 Million**

### Zoo Conservation & Science

**Who We Serve:** Colleges and Universities, Educators and Scientists, Wildlife Researchers and Societies, Indigenous Communities, Zoological Institutions, Accrediting Bodies

**What We Deliver:** Conservation breeding and reintroduction programs, conservation research programs, reproductive services, Biodiversity and Climate Change programming

**How Much Resources (gross 2022 operating budget): \$20.8 Million**

### Zoo Fundraising and Strategic Partnerships

**Who We Serve:** Toronto Zoo Wildlife Conservancy

**What We Deliver:** Seconded unionized employees to the Wildlife Conservancy for their fundraising initiatives benefiting the Toronto Zoo. Raised \$4.3 million in 2020

**How Much Resources (gross 2022 operating budget): \$0.3 Million**

## Budget at a Glance

### 2022 OPERATING BUDGET

<u>\$Million</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$37.8	\$39.4	\$40.0
Gross Expenditures	\$55.2	\$56.4	\$57.4
Net Expenditures	\$17.4	\$17.0	\$17.4
Approved Positions	423.2	423.2	423.2

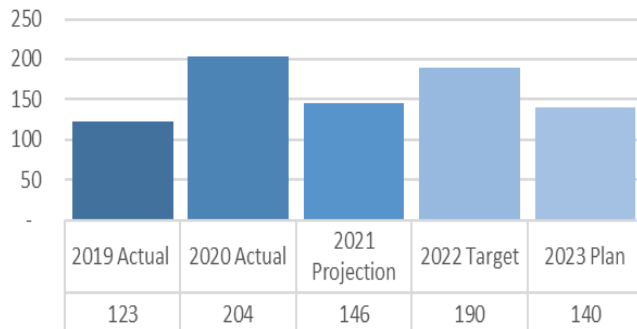
### 2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Million</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$21.4	\$126.6	\$148.0
Debt	\$17.7	\$114.6	\$132.3

Note: Includes 2021 carry forward funding

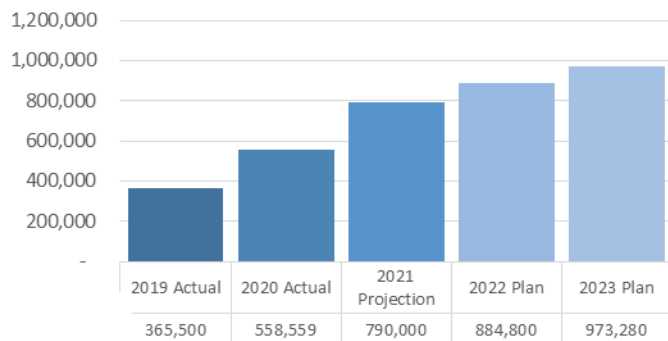
## How Well We Are Doing – Behind the Numbers

### Animals Released into Canadian Wild Habitats



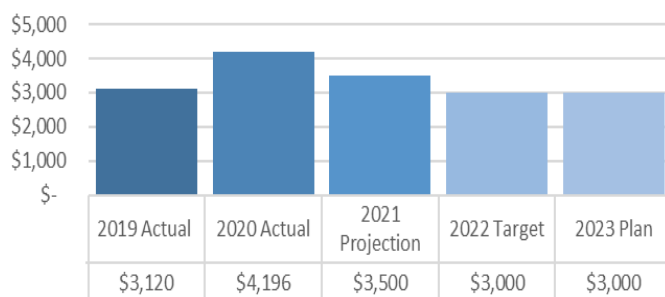
- Animals released from captive breeding programs and subsequently released into Canadian wild habitats include the following:
  - Wood turtles
  - Eastern loggerheaded shrikes
  - Vancouver Island marmots
  - Black-footed ferrets
  - Blanding's turtles

### Social Media Fanbase (#)



- New onsite Wi-Fi will be used to increase connections.
- Continue strategy to build the Zoo's reputation and profile to drive attendance, increase revenues, and awareness of conservation issues.

### External Fundraising (\$000)



- Build the reputation and profile of the Toronto Zoo Wildlife Conservancy to enhance experiences for Zoo guests, serve the animals and to support conservation science.
- Historical fundraising component was completed by the Toronto Zoo and included in the operational budget. In 2019, the Toronto Zoo Wildlife Conservancy was established to fundraise.



## How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Zoo Conservation & Science	# of Day and Overnight Camp Participants (modified operations in 2021)	5,207	1,579	3,220	762	●	4,450	4,805
Zoo Conservation & Science	# of "Zoo School" Students Enrolled	36	0	36	18	●	72	72
Zoo Conservation & Science	# of Impressions of Volunteer Engagement with Visitors and Public	1,033,138	500,000	700,000	423,334	●	1,000,000	1,100,000
Zoo Conservation & Science	# of Volunteer Hours Contributed	39,088	22,000	28,000	15,291	●	35,000	41,000
Zoo Conservation & Science	# of Students Educated about the Great Lakes Conservation	21,000	18,000	20,000	20,000	●	21,000	21,000
<span>● 80% - 100%</span> <span>● 64 - 79%</span> <span>● 63% and Under</span>								

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Service Level Measures								
Zoo Conservation & Science	External fundraising revenues raised	\$3,120,000	\$4,196,000	\$3,000,000	\$3,500,000	●	\$3,000,000	\$3,000,000
Zoo Conservation & Science	# of Blandings turtles released into Rouge National Urban Park	48	120	60	48	●	100	50
Zoo Visitor Service	Social Media Fans	365,500	558,559	544,734	850,000	●	884,800	973,280
Other Measures								
Zoo Visitor Service	# of Attendance at the Zoo	1,210,224	431,517	838,229	729,259	●	1,158,456	1,225,000
Zoo Visitor Service	# of Membership Subscriptions	27,266	24,486	27,000	33,000	●	25,806	27,500
Zoo Visitor Service	\$ of Retail Sales per Visitor	2.10	1.63	2.20	2.10	●	2.20	2.25
Zoo Visitor Service	\$ of Food Sales per Visitor	\$5.59	\$3.06	5.57	5.45	●	5.57	5.60
<span>● 80% - 100%</span> <span>● 64 - 79%</span> <span>● 63% and Under</span>								

**COVID-19 IMPACT AND RECOVERY****2022 Impact and Recovery****Operating Budget Impact****Revenue impact**

- COVID-19 pandemic continues to impact attendance levels with the loss of school groups. Base attendance estimation for 2022 is at 1.158 million, representing an increase of 0.320 million compared to 2021 budgeted attendance levels. This is based on the 2020 and 2021 actual experience and estimates for safe COVID-19 operations during 2022, subject to provincial health guidelines.
- Limited peak day volume due to capacity limit.
- Significant shift in guest mix with increasing number of members.

**Expenditure Impact**

- Additional resources to manage pandemic operations, including additional cleaning, sanitization, staffing and personal protective equipment purchases.
- To avoid overcrowding on Zoo site, the Zoo will implement extended hours which allows for capacity expansion due to restriction of COVID-19 to ensure health of guests and animals. Toronto Zoo has implemented timed ticketing, to limit the number of guests on site, during any period of time.
- Increased staff and technological support to enhance digitization engagement during COVID-19. Digital experience becomes essential to maintain guest spacing, engagement and to deliver an improved experience for our guests.

**Service Level Changes**

- COVID-19 variance is expected to continue to affect our regular operations. The Zoo will adjust operations as deemed necessary to keep staff, animals, guests, and business operations safe.
- Modification of service offerings to online environment (Zoo FacebookLives, Zoo ConnectionZ educational programs, ShoutOutz education programs, Classroom Connectionz education programs, Meet & Greet education programs, Bats virtual programs, Snakes virtual programs, Zoo School virtual programs).
- Modified onsite camp programs and added community marketplaces.
- Demand continues for remote service offerings, extending reach and impact in previously underserved communities.
- Also offered Zoo Camp, Edu-Treks school programs, Edu-Expeditions volunteer programs, Snakes in-person programs, Big Day Off PD (professional development) day programs in 2021. These programs will also be offered in 2022

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- Welcomed an estimated 80% of our attendance targets in 2021 by the end of Q3, recovering from the November 23, 2020 to June 11, 2021 pandemic site closure
- Offered additional on-site experiences including Wild Encounters, VIP Tours, Marketplaces, and summer operations of Terra Lumina
- Commitment to serving our communities by establishing partnerships including Toronto Community Housing, Woodgreen Settlement Services, Native Child and Family Services, Scarborough East Storefront, Toronto Symphony Orchestra and Canadian Geographic, Development of an equity, diversity, and inclusion strategy to ensure your Zoo reflects our community
- Supported our frontline workers in our community by holding Scarborough Hero Awards, hosted Indigenous People's Day and Virtual Pride Day in June, ran 3 vaccine clinics in collaboration with the Scarborough Health Network, hosted National Day of Truth & Reconciliation in partnership with Native Child & Family Services Toronto, hosted Remembrance Day ceremony and ran Parents Engaged in Education - a school supply donation drive
- Continued the new online platforms to serves guests locally and internationally
- Achieved a record number of memberships, 35,994 by November
- Implemented fundraising initiatives such as planned giving including bequests, tap to donate, virtual Zoo Oasis Run and Move Your Paws Run, enrichment tree giving, staff campaigns, on-line auctions and direct mail campaigns
- Successfully delivered on our species recovery work on programs including ferrets, marmots, Blandings turtles (released into the Rouge National Urban Park), Massasauga rattlesnakes, Oregon spotted frogs, Eastern loggerhead shrikes, bats and Great Lakes Programs (in class education programs focusing on freshwater species at risk)

### Key Challenges and Risks

#### COVID-19 Pandemic Risk

- Reduced revenue due to public health policy and increased expenditure due to implementing health and safety measures
- Offer alternative revenue programs to partially offset loss in revenue

#### Supply Chain Challenges

- Supply shortage and delay in shipment
- Procure strategically through different channels and reserve extra time in planning process

#### Weather

- Attendance and revenue are subject to weather in our primarily outdoor site
- Monitor attendance and introduce programs to smooth attendance demand on site

### Priority Actions

- Implementation of the 2020 Strategic Plan with a focus on saving wildlife, igniting passion among the team, creating wow, connecting our Zoo and our community and revolutionizing Zoo technology, making your Zoo an even greater force for conservation. Your Zoo will provide unparalleled animal care, while advancing our understanding of conservation science, to support the fight against climate change and species extinction
- Continued implementation of revenue maximization and cost management activities
- Achieve attendance targets of 1.158 million and a high level of guest satisfaction resulting in positive revenue impact. 2022 plan assumes onsite school group attendance will not return until 2023
- Site upgrades to ensure compliance and exceed standards - Association of Zoos & Aquariums (AZA) and Canada's Accredited Zoos and Aquariums (CAZA) accreditation year
- Implement EDI strategies to become an inclusive site that reflects our Toronto community

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**Priority Actions (Continued)**

- Embrace our local community, especially those neighborhoods in our surrounding area, and introduce young diverse families to wildlife conservation and Climate Change, to develop future environmental and conservation leaders
  - Celebrate the Year of the Tiger and the Orangutan Outdoor Habitat opening
  - Further develop organizational culture including talent acquisition, and Equity, Diversity and Inclusion initiatives that serve our City
  - Drive guests to our gate while building increased understanding of our conservation work, and encouraging more philanthropy on site
  - Implementation of the new Zoo Master Plan
  - Implement energy retrofit program to support the TransformTO net zero 2040 plan and reduce our greenhouse gas emissions and achieve operating cost savings
  - Engagement with indigenous partners: Turtle Island Conservation Program: partner with First Nation communities to preserve community knowledge and significant natural and cultural landscape; First Nations Conservation Technician Trainees Program: hired to work with Adopt-A-Pond and the Turtle Island Conservation program
-

## 2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
Zoo Visitor Services	16,383.0	25,786.8	20,305.2	35,469.2		35,469.2	15,164.1	74.7%
Zoo Fundraising & Strategic Partnerships	69.5							N/A
Zoo Conservation & Science	156.0	1,168.8	2,251.8	2,371.3		2,371.3	119.5	5.3%
<b>Total Revenues</b>	<b>16,608.4</b>	<b>26,955.5</b>	<b>22,557.0</b>	<b>37,840.5</b>		<b>37,840.5</b>	<b>15,283.6</b>	<b>67.8%</b>
<b>Expenditures</b>								
Zoo Visitor Services	27,482.0	28,811.6	25,225.3	34,094.3		34,094.3	8,869.0	35.2%
Zoo Fundraising & Strategic Partnerships	132.0	327.2	70.5	346.4		346.4	276.0	391.7%
Zoo Conservation & Science	14,032.2	17,261.0	15,683.3	20,818.9		20,818.9	5,135.6	32.7%
<b>Total Gross Expenditures</b>	<b>41,646.2</b>	<b>46,399.8</b>	<b>40,979.0</b>	<b>55,259.6</b>		<b>55,259.6</b>	<b>14,280.6</b>	<b>34.8%</b>
<b>Net Expenditures</b>	<b>25,037.8</b>	<b>19,444.3</b>	<b>18,422.1</b>	<b>17,419.1</b>		<b>17,419.1</b>	<b>(1,023.0)</b>	<b>(5.4%)</b>
<b>Approved Positions**</b>	<b>403.2</b>	<b>404.2</b>	<b>N/A</b>	<b>423.2</b>		<b>423.2</b>	<b>N/A</b>	<b>N/A</b>

\*2021 Projection based on Q3 Variance Report

\*\*YoY comparison based on approved positions

## COSTS TO MAINTAIN EXISTING SERVICES

**Total 2022 Base Budget** expenditures of \$55.259 million gross reflecting an increase of \$14.280 million in spending above 2021 projected year-end actuals, predominantly arising from:

- Increased expenditures and revenue to reflect expected operations for full calendar year (subject to provincial health guidelines and capacity restrictions), extended hours operation, and the implementation of the 2019 organizational restructuring.
- Additional costs associated with health and safety arising from the ongoing pandemic to ensure appropriate physical distancing measures and provide a safe environment for guests, staff and volunteers.
- Additional cost requirements to help address the deferred maintenance and accreditation needs of the Zoo including increased digitization costs.
- Inflationary adjustments to utilities based on economic factors which will be offset by anticipated energy savings from the energy retrofit program.

Given the financial impacts of COVID-19 on 2021 actuals, a further comparison of the 2022 Base Budget (excluding 2022 COVID-19 impacts) to the 2021 Council approved Budget (excluding 2021 COVID-19 impact) is provided below:

- 2022 Base Budget of \$17.419 million in net expenditures represents a status quo or zero net increase from the 2021 Council approved Budget, when excluding \$4.671 million in estimated COVID-19 financial impacts.**

## EQUITY IMPACTS OF BUDGET CHANGES

**No significant equity impacts:** The changes in Toronto Zoo's 2022 Operating Budget do not have any significant equity impacts.

**2022 OPERATING BUDGET KEY DRIVERS**

The 2022 Operating Budget change for the Toronto Zoo is \$14.280 million gross or 34.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

**Table 2a: 2022 Operating Budget by Revenue / Expenditure Category**

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies	165.9	50.0	1,011.5	1,204.0	1,011.5	(192.5)	(16.0%)
User Fees & Donations	33,755.0	14,460.3	25,105.3	19,690.6	35,410.3	15,719.7	79.8%
Transfers From Capital	171.0	171.0	171.0	171.0	171.0		
Contribution From Reserves/Reserve Funds	386.0	386.0	400.0	746.0	400.0	(346.0)	(46.4%)
Sundry and Other Revenues	1,354.7	1,541.1	267.7	745.1	847.7	102.7	13.8%
<b>Total Revenues</b>	<b>35,832.6</b>	<b>16,608.4</b>	<b>26,955.5</b>	<b>22,556.7</b>	<b>37,840.5</b>	<b>15,283.9</b>	<b>67.8%</b>
Salaries and Benefits	30,214.1	29,264.5	27,779.8	25,771.2	33,909.9	8,138.7	31.6%
Materials & Supplies	6,871.2	5,340.6	8,296.7	6,802.0	8,463.4	1,661.4	24.4%
Equipment	365.9	225.4	914.3	418.9	1,155.5	736.7	175.9%
Service and Rent	10,524.1	5,321.4	8,492.3	7,220.1	10,814.0	3,593.9	49.8%
Contribution To Reserves/Reserve Funds	1,146.2	1,015.4	916.8	766.8	916.8	150.0	19.6%
Other Expenditures	171.0	478.9	0.0		0.0	0.0	
<b>Total Gross Expenditures</b>	<b>49,292.5</b>	<b>41,646.2</b>	<b>46,399.8</b>	<b>40,979.0</b>	<b>55,259.6</b>	<b>14,280.6</b>	<b>34.8%</b>
<b>Net Expenditures</b>	<b>13,459.9</b>	<b>25,037.8</b>	<b>19,444.3</b>	<b>18,422.4</b>	<b>17,419.1</b>	<b>(1,003.3)</b>	<b>(5.4%)</b>

\*Projection based on 9 Month Variance

\*2021 Projection based on Q3 Variance Report

**Key Base Drivers:****Salaries & Benefits:**

Salaries and benefits include cost of living adjustments and are aligned to reflect higher attendance and expected full year operations in 2022, subject to provincial health guidelines. The Zoo will review the efficiency in operating processes and guest services, to optimize staffing requirements, without impacting health & safety and service levels. The optimization is expected to generate savings based on hiring backlog and vacancy experience.

**Materials and Supplies:**

With plans to open full year with higher attendance capacities, an increase in materials and supplies to support appropriate physical distancing measures and inflationary and optimization adjustments to utilities are budgeted in 2022. Expenditures are adjusted as the Zoo focuses on recovery from 2-years of minimal investment due to COVID.

**Services and Rents:**

Attendance driven expenditures are increased in relation to additional cost requirements, to help continuing the rebuilding of the Zoo post-COVID, including directly attributable COVID costs, and increased digitization costs for enhancing guest experience.

**User Fees & Donations:**

Anticipated recovery of operations, including full year of on-site services and improved guest capacity, compared to 2021 Projection. Base attendance is estimated at 1.158 million for 2022, representing an increase of 0.429 million compared to 2021 projection. Revenues will be increased due to anticipated increases in attendance levels as vaccination rolls out for COVID-19 allow for greater occupancy.

**AZA (Association of Zoos & Aquariums) Accreditation:**

As a leader in wildlife conservation and science, locally *and* globally, the Zoo is an accredited institution of the AZA, which sets standards relating to wildlife conservation efforts and animal protection. Ongoing investments to support the AZA re-accreditation process, to ensure high standards in animal welfare and care, are included in the 2022 budget.

**Offsets and Efficiencies:**

**The 2022 Operating Budget** includes \$1.868 million in gross expenditure and \$1.466 million in net expenditures reductions attributed to:

- Technology enhancement and process optimization and improvement result in savings of \$0.721 million
- Internal cost mitigation strategy to reduce overall expenditure by \$0.746 million while maintaining service level demand



**2023 & 2024 OUTLOOKS****Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	22,557.0	37,840.5	39,393.5	40,013.9
Gross Expenditures	40,979.0	55,259.6	56,368.2	57,413.2
<b>Net Expenditures</b>	<b>18,422.1</b>	<b>17,419.1</b>	<b>16,974.7</b>	<b>17,399.3</b>
<b>Approved Positions</b>	<b>N/A</b>	<b>423.2</b>	<b>423.2</b>	<b>423.2</b>

**Key drivers**

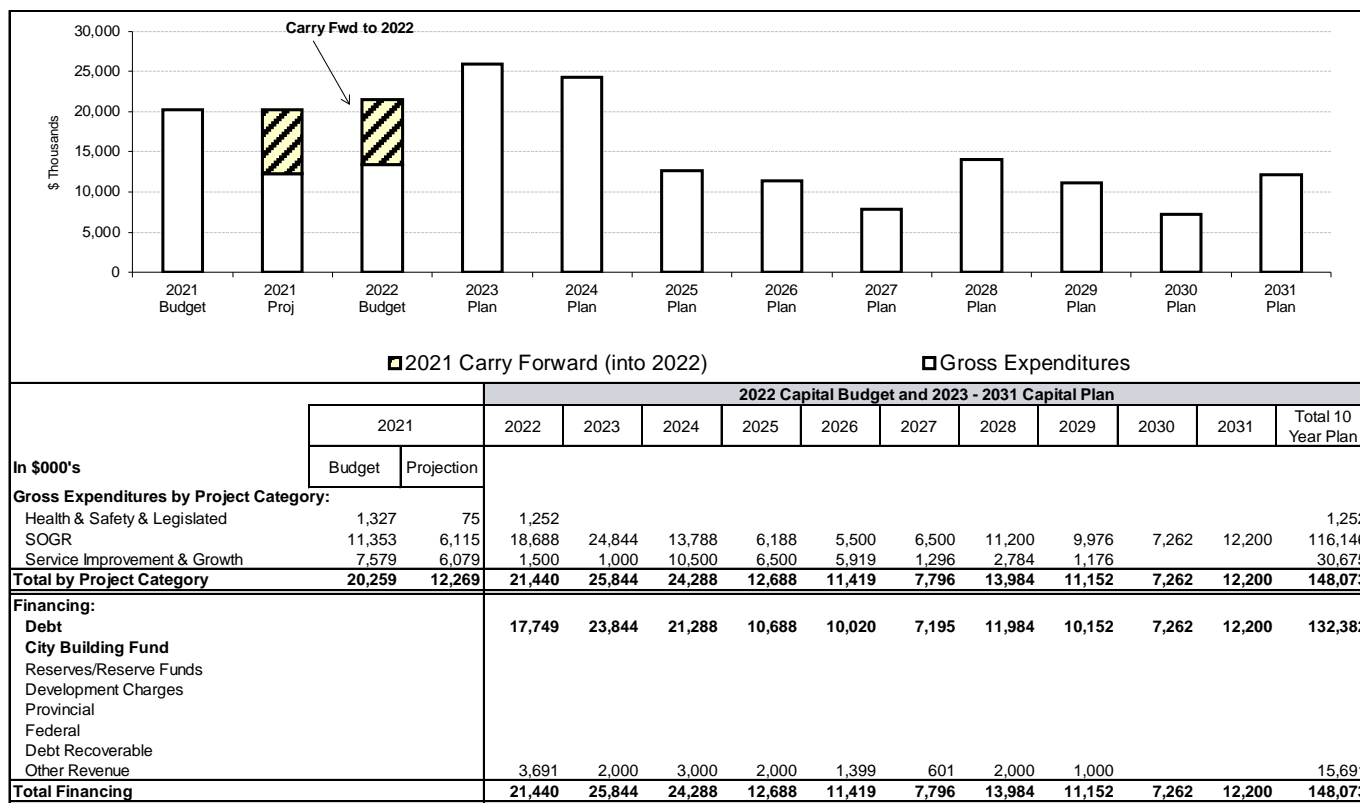
The 2023 Outlook with total gross expenditures of \$56.368 million reflects an anticipated \$1.109 million or 2.01 per cent increase in gross expenditures above the 2022 Operating Budget. The 2024 Outlook expects a further increase of \$1.045 million or 1.85 per cent above 2023 gross expenditures.

These changes arise from the following impacting both 2023 and 2024:

- **Impacts of 2022 decisions**
  - to strategic plan and implementation of new master plan
  - Planning COVID recovery and revitalization factors still influencing budget plan
  - Increasing digitization across the Zoo
  - Update for Zoo's 50<sup>th</sup> birthday in 2024
- **Salaries and Benefits**
  - Salary and benefit increases related to collective agreement
  - Escalation in line with increased attendance level and animal care standards
- **Inflationary Impact**
  - Corporately applied and adjusted to meet program expectations
  - Economic increases for service contracts, utilities and materials and supplies
- **Growth**
  - Anticipated economic recovery from COVID and increased attendance levels.
  - Attendance is anticipated to reach 1.225 million in 2023 and 1.295 million in 2024.

## 2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview (\$000)



### Changes to Existing Projects (-\$6.2 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):





- \$7.8 million – Increase in *Welcome Area* due to increased costs related to COVID-19 (additional measures taken to ensure safety of guests in the space) and change of scope (opportunities to partner with educational institutions to generate additional revenue in future years). Cash flow for construction is extended to 2024. Project cost is increased to \$30.3 million
- \$3.7 million – Increase in *Exhibit Refurbishment* for major renovations to old exhibits to extend the life of the existing exhibits
- \$3.3 million – Increase in *Information Systems* due to increase in costs and digitization efforts guided by 2021 Technology Master Plan which includes building a new internet network and new Wi-Fi services, the upgrade of the implementation of Enterprise Resource Planning (ERP), and the admission/ticketing system
- \$(17.5) million – Decrease in *Wilderness North / Canadian Pavilion* to defer cash flow to 2031 to accommodate additional spending in Welcome Area and other projects
- \$(3.5) million – Decrease in *Insects and Oceania Pavilion* due to removal of these projects as they are not part of the master plan that is currently in development

### New Projects (\$15.0 Million)

The 2022-2031 Capital Budget and Plan includes the following new project:

- \$15.0 million – New cash flow funding for design and construction costs of the *Savanna Indoor Winter Holding and Viewing* area is added to the 10-Year Capital Plan commencing in 2023

**2022 – 2031 CAPITAL BUDGET AND PLAN****\$148.1 Million 10-Year Gross Capital Program**

			
<b>Aging Infrastructure</b>	<b>Information Technology</b>	<b>Wildlife Habitats</b>	<b>Accessibility and Service</b>
<b>\$50.4 M</b> <b>34%</b>	<b>\$10.3 M</b> <b>7%</b>	<b>\$41.6 M</b> <b>28%</b>	<b>\$45.8 M</b> <b>31%</b>
Toronto Zoo Community Conservation Campus <input checked="" type="checkbox"/> SOGR	System upgrades On-site digitization	Orangutan Outdoor SOGR	Winter Improvements <input checked="" type="checkbox"/> SOGR

☒ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction\*

☒ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

\*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately

**How the Capital Program is Funded**

<b>City of Toronto</b>		<b>Toronto Zoo Wildlife Conservancy</b>	
<b>\$136.1 M</b> <b>92%</b>		<b>\$12.0 M</b> <b>8%</b>	
Debt	\$ 132.4 M	Donations	\$ 12.0 M
Other	\$ 3.7 M		

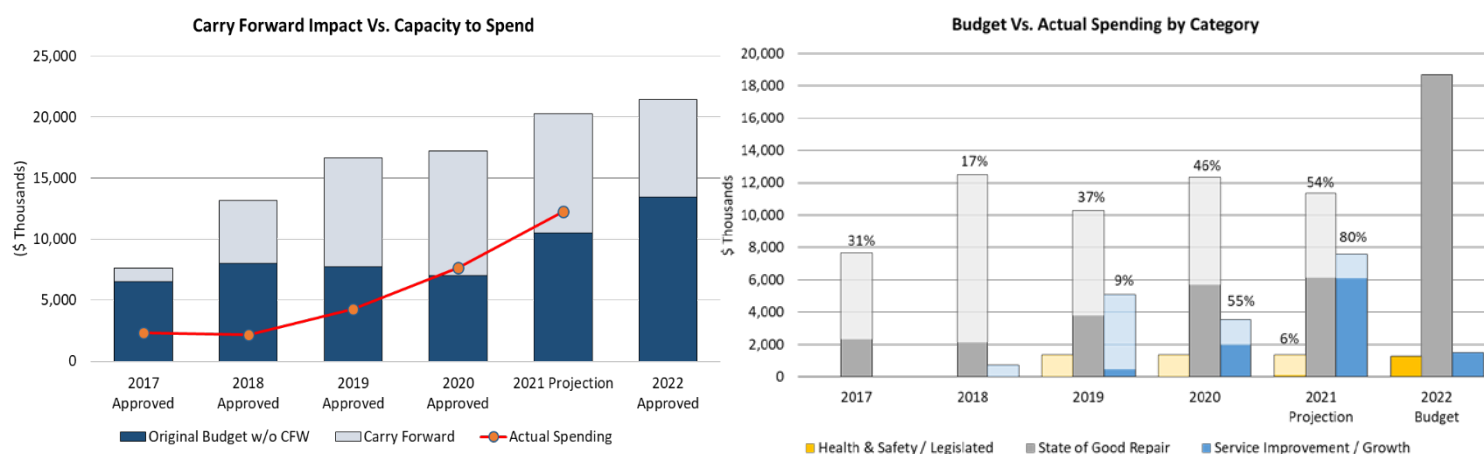
## CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with Toronto Zoo's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

Toronto Zoo's actual spending over the previous five years, from 2017 to 2021, has averaged \$5.7 million per year or 36% spend rate.

**Chart 2 – Capacity to Spend**



### Capacity to Spend Review Impact on the 10-Year Plan

Toronto Zoo is projecting to spend \$12.269 million or 60.6% of its 2021 Council Approved Capital Budget by the end of 2021. Procurement issues have delayed many projects as vendors do not have sufficient supplies to fill increased demand due to the pandemic. The COVID-19 pandemic has created significant challenges for supply chains around the world and this is expected to continue into 2022.

The 2022 Capital Budget of \$21.4 million (including carry forward funding of \$8.0 million) is higher than historic 5-year average budget of \$13.5 million. Based on the review of historical capital spending constraints and a capacity to spend review, \$12.3 million in capital spending originally cash flowed in 2022 has been deferred to 2023 and beyond for the following projects:

- *Welcome Area* project - deferred by \$10.75 million to future years to reflect updated construction timelines.
- *Wilderness North* project - deferred by \$1.0 million to 2027 based on project readiness.
- *Zoomobile* project – deferred by \$0.5 million to 2024 as a result of updated delivery timelines.

Despite the adjustment noted above, Toronto Zoo still requires cash flow funding of \$21.4 million in 2022 to continue the capital work. The 2022 cash flow is higher than the historic 5-year average spending and is attributed to the requirements below:

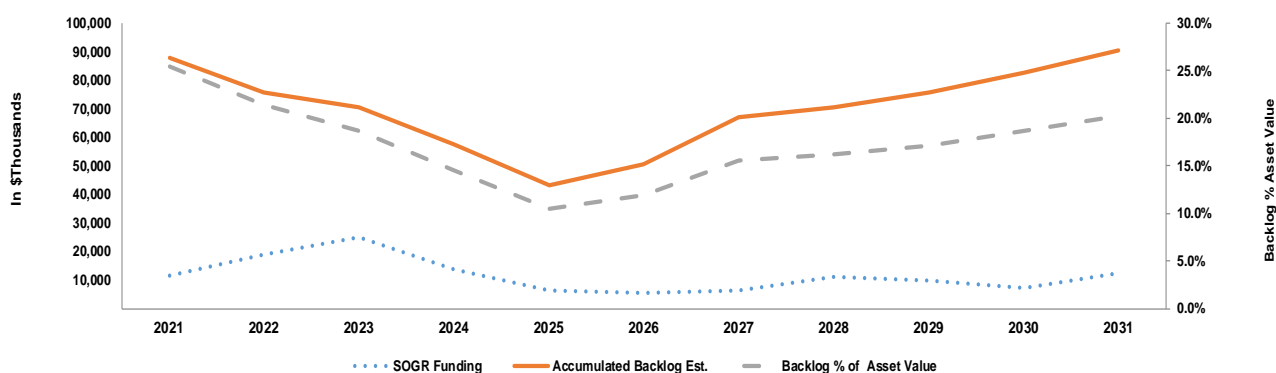
- To improve *Winter Accessibility* to the boardwalk ramp from the Indo-Malaya Pavilion to the African Rainforest Pavilion to address AODA legislative requirements.
- To upkeep the facility and enhance guest experiences by redesigning the Conservation Campus (Welcome Area), repairing and replacing building components, and improving site circulation and public concerning visitor amenities.

- To upgrade information systems by expanding the current network to improve performance and enhance efficiency.
- To renovate smaller exhibits throughout the Zoo site as well as completion of the new *Orangutan Outdoor Exhibit*

## STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for Toronto Zoo:

**Chart 3: Total SOGR Funding & Backlog**



\$ Thousands	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>SOGR Funding</b>	11,353	18,688	24,844	13,788	6,188	5,500	6,500	11,200	9,976	7,262	12,200
<b>Accumulated Backlog Est.</b>	87,937	75,696	70,451	57,690	43,167	50,413	67,076	70,576	75,526	82,576	90,376
<b>Backlog % of Asset Value</b>	25.4%	21.4%	18.7%	14.6%	10.5%	11.9%	15.6%	16.2%	17.2%	18.6%	20.3%
<b>Total Asset Value</b>	346,450	353,450	376,900	395,744	411,588	424,224	429,724	435,224	440,274	443,224	445,424

- The foundation of the 10-Year Capital Plan is guided by the Toronto Zoo's 2016 Master Plan, as reprioritized. Recommendations from the Wayfinding Study, the Building Audit Report and Site Services Study are taken into consideration in establishing the Toronto Zoo's 10-Year Capital Plan. The capital program is also consistent with the directions provided in the new Strategic Plan previously adopted by the Board of Management.
- The 2022-2031 Capital Budget and Plan will fund \$116.146 million of SOGR projects within Toronto Zoo over the 10-year period, providing an average of \$11.615 million annually to address Toronto Zoo's aging infrastructure. Based on this plan, the accumulated backlog will increase from \$87.937 million at the end of 2021 to an anticipated \$90.376 million by 2031.
- As mentioned in previous section, Toronto Zoo is committed to reducing barriers to accessibility through implementing two accessibility improvement projects that include the boardwalk ramp from the Indo-Malaya Pavilion to the African Rainforest Pavilion to meet AODA requirements. It is anticipated that these projects will be partially supported by funding from other levels of government which will be approved in 2022 through the Investing in Canada Infrastructure Program. In the immediate future, Building & Service Refurbishment projects will place a higher priority on those that depend on AODA compliance when prioritizing projects.

The 10-Year Capital Plan is expected to change significantly to align SOGR projects with the revised Master Plan and the Facility Condition Assessment Project scheduled for completion in 2022, which will inform SOGR requirements to be included in the 2023 Budget submission.

# Tools and Resources

## Acronyms and Abbreviations

Acronym/ Abbreviation	Description
ABCs	Agencies, Boards and Commissions
AD	Anaerobic Digestion
AED	Automatic External Defibrillators
AHA	Arts & Heritage Awareness
AHO	Affordable Housing Office
ALS	Advanced Life Support
AMO	Association of Municipalities of Ontario
AOCC	Association of Community Centres
AODA	Accessibility for Ontarians with Disabilities Act
AQHI	Air Quality Health Index
ASD	Alternative Service Delivery
AYS	Access to Your Supervisor
AZA	Association of Zoos and Aquariums
BCPV	Black Creek Pioneer Village
BET	Business Education Tax
BIA	Businesses Improvement Areas
BMO	Bank of Montreal
BRT	Bus Rapid Transit
BSC	Budget Sub-Committee
CAMS	Capital Asset Management System
CATS	Cross Application Time Sheets
CAZA	Canadian Association of Zoos and Aquariums
CCAC	Canadian Council on Animal Care

Acronym/ Abbreviation	Description
CCAC	Community Care Access Centres
CBR	Cellular and Bimolecular Research
CCTU	Critical Care Transportation Unit
CCTV	Closed Circuit Television
CDP	Chronic Disease Prevention
CFC	Capital from Current
CFO	Chief Financial Officer
CHIN	Refers to a multicultural/multilingual radio station
CIP	Corporate Identity Program
CLRV	Canadian Light Rail Vehicles
CM	City Manager
CMA	Census Metropolitan Area
CNE	Canadian National Exhibition
CNEA	Canadian National Exhibition Association
COLA	Cost of Living Allowance
COTA	City of Toronto Act, 2006
CPI	Consumer Price Index
CPIP	Community Partnership and Investment Program
CREMS	Community Referrals by EMS
CVA	Current Value Assessment
CVOR	Commercial Vehicle Operators Registration
DARP	Development Application Review Project
DBRS	Dominion Bond Rating Service
DC	Development Charge
DCM	Deputy City Manager
DEC	Direct Energy Centre



Acronym/ Abbreviation	Description
DOT	Directly Observed Therapy
DSI	District Service Improvements
DVP	Don Valley Parkway
E&LR	Employee and Labour Relations
EA	Environment Assessment
EDCT	Economic Development Culture and Tourism
EDRMS	Enterprise Document & Records Management Solution
EDS	Electronic Data Systems
EEO	Energy Efficiency Office
EFFS	Electronic Financial Filing System
ETS	Environmental Tobacco Smoke
FIFA	Fédération Internationale de Football Association
EMS	Emergency Medical Services
EPA	Environment Protection Agency
ERCs	Employment Resource Centres
ESS	Employee Self Service
FMRE	Facilities Management and Real Estate
FDI	Foreign Direct Investment
FOI	Freedom of Information
FPARS	Financial Planning and Reporting System
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GFOA	Government Finance Officers Association
GMAC	General Managers Advisor Committee
GR	Growth Related

Acronym/ Abbreviation	Description
GST	Goods and Services Tax
GTA	Greater Toronto Area
GTTA	Greater Toronto Transit Authority
H&S	Health and Safety
HBHC	Healthy Babies Healthy Children
HE	Healthy Environment
HF/HL	Health Families / Healthy Living
HPS	Homelessness Partnering Strategy
HUSAR	Heavy Urban Search & Rescue
HVAC	Heating, Ventilation and Air Conditioning
IAEMD	International Academies of Emergency Medical Dispatch
IBMS	Integrated Business Management System
ICON	Integrated Court Offences Network
IDC	Inter Divisional Charges
IP	Injury Prevention
IPHIS	Integrated Public Health Information System
ISCIS	Integrated Services for Children Information Systems
ISF	Infrastructure Stimulus Fund
IT	Information Technology
ITDS	In the Driver Seat
IVR	Interactive Voice Response
JDA	Joint-Default Analysis
JEPP	Joint Emergency Preparedness Program
LED	Light Emitting Diodes
LEED	Leadership in Energy and Environmental Design

Acronym/ Abbreviation	Description
LHIN	Local Health Integrated Networks
LIMS	Laboratory Information Management System
LRT	Light-rail Transit
LRV	Light Rail Vehicle
LTCA	Long Term Care Act
LTCHS	Long Term Care Homes and Services
LTC	Long Term Care
MBT	Mechanical Biological Treatment
MCCS	Municipal Child Care Services
MFIPPA	Municipal Freedom of Information and Protection of Privacy Act
MLEO	Municipal Law Enforcement Office
MLS	Municipal Licensing Standards
ML&S	Municipal Licensing & Standards division
MLTT	Municipal Land Transfer Tax
MMAH	MMAH - Ministry of Municipal Affairs and Housing
MOE	Ministry of the Environment
MOHLTC	Ministry of Health and Long Term Care
MPAC	Municipal Property Assessment Corporation
MPMP	Municipal Performance Measurement Program
MRAB	Multi Residential Apartment Building
MRF	Material Recovery Facility
MUSH	Municipalities, Universities, Schools and Hospitals
MW	Megawatt
OBCA	Ontario Business Corporation Act

Acronym/ Abbreviation	Description
ODSP	Ontario Disability Support Program
OECD	Organization for Economic Co-operation and Development
OMBI	Ontario Municipal CAOs Benchmarking Initiative
OMB	Ontario Municipal Board
OMPF	Ontario Municipal Partnership Fund
OPHS	Ontario Public Health Standards
OPP	Ontario Provincial Police
OW	Ontario Works
PAD	Public Access Defibrillation
PASO	Pan American Sports Organization
PAYE	Partnership to Advance Youth Employment
PBP	Better Building Partnership Program
PC	Police Constable
PHI	Public Health Inspector
PHIPA	Personal Health Information Privacy Act
PMFSDR	Provincial Municipal Fiscal and Service Delivery Review
POA	Provincial Offences Act
POS	Purchase of Service
PPF&A	Policy, Planning, Finance and Administration
PSAB	Public Sector Accounting Board
PSS	Personal Service Setting
PTMS	Parking Tag Management System
PTOC	Paramedic Transfer of Care
PVT	Personal Vehicle Ownership Tax
RACS	Road Allowance Control System

Acronym/ Abbreviation	Description
RAWF	RAWF - Royal Agricultural Winter Fair
RFP	Request for Proposal
RRAP	Residential Rehabilitation Assistance Program
RT	Rapid Transit
S&P'sd	Standards and Poor's Canada
SAMS	Social Assistance Management System
SARS	Severe Acute Respiratory Syndrome
SASRF	Social Assistance Stabilization Reserve Fund
SCPI	Supporting Communities Partnership Initiatives
SDFA	Social Development, Finance and Administration
SDMT	Service Delivery Model Technology
SHAS	Social Housing Administration System
SLAs	Service Level Agreements
SMIS	Shelter Management Information System
SMP	Substance Misuse Prevention
SOGR	State of Good Repair
SRT	Scarborough Rapid Transit
SSHA	Shelter, Support and Housing Administration
SSO	Source Separated Organics
STEP	Sustainable Technology Evaluation Program
SWM	Solid Waste Management
TAC	Toronto Arts Council
TAF	Toronto Atmospheric Fund
TAMP	Technology Assisted Management Program
TAS	Toronto Animal Shelter

Acronym/ Abbreviation	Description
TAVIS	Toronto Anti-Violence Intervention Strategy
TCEU	Toronto Civic Employees' Union Local
TCHC	Toronto Community Housing Corporation
TCHIS	Toronto Community Health Information System
TDSB	Toronto District School Board
TEDCO	Toronto Economic Development Corporation
TEIS	Toronto Elections Information System
TEO	Toronto Environment Office
TESS	Toronto Employment and Social Services
THEIS	Toronto Healthy Environments Information System
THESI	Toronto Hydro Energy Services Inc.
TKN	Total Kjeldahl Nitrogen
TMMIS	Toronto Meeting Management Information System
TPA	Toronto Port Authority
TPH	Toronto Public Health
TPL	Toronto Public Library
TPS	Toronto Police Service
TRCA	Toronto and Region Conservation Authority
TTC	Toronto Transit Commission
UofT	University of Toronto
WAYS	Web Access to Your Service
WBPP	Works Best Practice Program
WSIB	Workplace Safety and Insurance Board

Acronym/ Abbreviation	Description
YIPI	Youth in Police Initiative
YUS ATO	Yonge-University-Spadina Automatic Train Operation

## Glossary of Terms

**Actuals:** An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

**Accrual** - Accounting method that records revenues and expenses when they are incurred, regardless of when cash is exchanged.

**Activity** - A sub-set of the defined service, which includes unique processes and a discrete output delivered to the client(s).

**Agency** - An agency is an organization associated with the City, but operating at arm's-length. An Agency usually operates under a Board of Management appointed by City Council. An agency is referred to in the acronym ABC - Agencies, Boards and Commissions.

**Allocable Service** – A category that will be available when posting financial transactions in SAP. The "allocable service" designation allows costs incurred for multiple services on the same purchase order or cheque request to be temporarily charged to a designated functional area until the split among services can be determined by the division.

**Amortization** – The accounting process of allocating the cost less the residual value of a tangible capital asset to operating periods as an expense over its useful life in a rational and systematic manner appropriate to its nature and use. Depreciation accounting is another commonly used term to describe the amortization of tangible capital assets.

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

**Approved Position Year** - An Approved Person Year is an equivalent for a temporary, seasonal, casual or trade position that is calculated in one of three ways:

- A single 35 hour per week position
- A single 40 hour per week position, or
- A combination of part-time positions (less than 35 hours per week) equating to 1820 hours per year (35 hours per week x 52 weeks), or 2080 hours per year for positions less than 40 hours per week (40 hours per week by 52 weeks).

**Assessment** – Value of property determined by Municipal Property Assessment (MPAC) and used by the City as a basis for property taxation.

**Audit** – A systematic and independent examination of books, accounts or statutory records.

**Balanced Budget** – The City of Toronto Act, 2006, states that the budget shall provide that the estimated revenues are equal to the estimated expenditures.

**Benchmarking** - An exercise whereby one organization's results are compared to those of another comparable organization providing the same or similar services based on similar methods of accounting for costs.

**Bonds** – A debt obligation that must be repaid over time.

**Budget** - The financial, operating and management plan for the City that establishes annual appropriations in accordance with the Municipal Act.



**Budget Committee** - The standing committee of City Council, established as part of the new City governance structure, which is mandated to review and recommend on budget matters. The Budget Committee's mandate includes Capital and Operating Budgets, variance reports, and adjustments to budgets during the year. The Committee also plays a key role in coordinating the budget process and submitting a final budget to Council for its consideration. The Budget Advisory Committee carried this mandate in years from the amalgamation of Toronto in 1998 to 2006.

**Budget Scenario** - The term used in SAP to describe a particular data set reflecting all budget detail at a particular point in the review process (as submission, Council approved, etc.). Each scenario includes a number of budget versions in the CO SAP module that represent such analytical categories as projected actuals, adjusted base, base budget changes, new service changes, total budget, future year outlook. For ABCs not using SAP, Forms 14 and 15 provide the Budget Scenario.

**Budget Versions** - In each budget scenario in SAP, the categories of analysis and presentation are in separate structures in the budget module known as versions. The projected actuals, the prior year base budget, the categories of change, service changes, new services, total request, and future year outlook, all exist as separate versions in the SAP CO budget module.

**Business Intelligence (BI)** - The reporting, analysis, and interpretation of business data. When used in the context of the City's SAP system, Business Intelligence (BI) refers to the analytical, reporting and data warehousing solution produced by SAP, also known as Business Objects, or BOBJ (see below).

**Business Process** - A collection of related, structured activities or tasks that produce a specific service or product (serve a particular goal) for a particular customer or customers.

**Business Objects (BOBJ)** - SAP Business Intelligence solution that simplifies data manipulation, allowing users to access, navigate, analyze, format, and share information across a corporate environment.

**Business Transformation** - A key focus area of the FPARS project. The scope of Business Transformation is to:

- 1) develop and evolve the City's service inventory;
- 2) establish a service performance measurement framework;
- 3) modify select processes and policies to support multi-year planning, budgeting and monitoring in a service view; and
- 4) support the organization through a change management strategy and tactics.

**Business Warehouse (BW)** - Related to SAP Business Intelligence (BI), "BW" is used to describe the underlying Data Warehouse Area and its components.

**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 Asset** – A capital asset for capital budget purpose: has physical substance; is owned by the City; is used for the production or delivery of goods or City services; and meet the minimum capital threshold and useful life.

**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 (Debt) Financing** - Represents the portion of the operating budget required to service the debt assumed by the City from capital expenditures of the current and previous years. It is composed of Capital from Current expenditures and debt charges.

**Capital from Current (CFC)** - Tax levy funds allocated from the current Operating Budget for the funding of capital projects in the Capital Budget.

**Capital Positions** - The term referring to positions funded by Capital projects, funding staff who are working to specifically deliver those projects. The expenditures for Capital Positions are included in the Operating Budget with full recovery from Capital projects.

**Capital Needs Constraints** - The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

**Capital Program** - A multi-year plan adopted by Council for long-term capital investments in assets and entails the financing of such long term expenditures with capital assessment and assumption of appropriate funding sources. This program lets Council determine long term expenditure priorities, and enables the City to plan long-term debt requirements. The capital program should be linked to individual Program Business Plan.

**Capital Project** - Expenditure for major rehabilitation, replacement and/or expansion of existing assets and infrastructure, and acquisition or creation of new assets. A capital project is a one-time activity with a well-defined set of desired outcomes or end results. It must bring benefit to the organization at least 10-years or longer, the decision usually cannot be changed, and investments are over \$50K. A capital project can be divided into capital sub-projects or sub-tasks that must be performed in order to achieve the desired result. Capital Projects are classified according to the following five categories listed in the order of importance – Health and Safety, Legislated/City Policy, State of Good Repair, Service Improvement and Enhancement, and Growth Related.

**Capital Sub-Project** - Subset or logical components/stages of a major capital project. Individual sub-projects could vary depending on the nature of the project. Example a Park Improvement project could have sub-projects showing individual parks at which the improvement work will be undertaken.

**Cash Flow Carry Forwards** - The projected year-end unspent amount of Council approved previous year cash flow that is necessary to carry forward, in full or part, to complete the capital sub-project / project in the subsequent budget year.

**Categories of Change** - Descriptive categories are used in analysis of the 2009 Operating Budget at the submission phase, as well as analysis and reporting during the review and approval phases of the process. In SAP each category of change is maintained as a separate budget version and a particular stage in the budget version is referred to as a budget scenario. The Operating Budget Impact of Capital Projects will be included in these categories according to how the definitions apply to the nature of these costs. Examples of categories of change are: Base Budget, Adjusted Base Budget, Revenue Change, etc.

**Clerical / Technical / Professional Position** - A clerical / technical / professional position is an Approved Position, which is generally affiliated with CUPE Local 79. A clerical / technical / professional position may be either Full-time or Part-time in status.

**City of Toronto Act, 2006** – Passed by the legislature in June, 2006. The Act allows the City to establish its own governance structure, with enhanced delegation authorities. The Act secures a more enabling legislative framework, commensurate with the City's responsibilities, size and significance. The Act recognizes Toronto as an economic engine of Ontario and Canada with a democratic government that is responsible and accountable. The Act further endorses building a mature relationship with the province based on mutual respect, consultation and cooperation. The Act recognizes the City's authority to enter into agreements with other governments, including the government of Canada.

**Complement** - Positions that support the delivery of City services and service levels as approved by Council.

**Complement Management:** The administration and reporting of the approved and operational complement, including organizational structures, jobs and cost centre assignments (as understood before FPARS), as well as the tracking of vacancies and the impact on positions throughout the year of the funding status (capital vs. operating) and of funding-related changes (e.g. downsizing programs, re-organizations, re-evaluations, pay equity, job and wage grade harmonization).

**Complement Planning:** The business processes for forecasting and establishing the approved complement, including salary dollars and benefits, on an annual and multi-year basis.

**Commitments** – Projected cash flow expenditures beyond the Council approved budget year which require future year cash flow to complete the approved project. In essence it allows a project tender to be executed in the current budget year that requires future year cash flows to complete.

**Community Impact** - Community impact is the measurable change in the level of need of an individual client or the aggregate need of a customer group, directly attributable to the delivery of a service or a program.

**Community Impact Measures** – A performance indicator measuring the impact or benefit that the program / service is having on the communities in relation to the intended purpose or societal outcomes expected.

**Complement** - The number of permanent-equivalent positions including temporary, seasonal, casual and / or trade positions, all expressed in Approved Positions that are required to provide the approved level of service for a particular Program or Agency of the City.

**Complement Management** - Complement Management is the administration of the range of positions, people and structures related to the City as an organization in adherence to its established business processes and operational needs.

**Consumer Price Index (CPI)** – A statistical description of price levels provided by Statistics Canada. The index is used to measure the cost of living.

**Cost Element** - A cost element is a numerical reference to a particular kind of expense or revenue. For instance, 6030 is the cost element denoting "contributions to reserve funds".

**Cost of Living Adjustment (COLA)** – An increase in salaries to offset the adverse effect of inflation on compensation.

**Council Priorities** - Council priorities are outcomes or project outcomes which are to be delivered during the term of Council to support a vibrant and growing city which guides the 2009 Operating and Capital budgets.

**CUPE** – Canadian Union of Public Employees.

**Customers** - In terms of service profiles, customers define a segment of the population that the service is intended to benefit. Public Services have target customers external to the government – individuals, businesses and not-for-profits. Internal Services have public services as their target customers.

**Customer Service Quality Measure** - Measure of customer satisfaction with the service that they receive relative to their needs and expectations.

**Current Value Assessment (CVA)** – The amount of money a willing seller can expect to receive for their property as of date from a prospective buyer.

**Debt** - The amount of all obligations for the payment of interest and principal due by certain agreements and by-laws as incurred by the City of Toronto such as debentures, promissory notes, leases, letters of credit and other financial commitments and guarantees.

**Debt Charges** – The amount of principal and interest payments necessary to retire outstanding debt arising from capital expenditures.

**Debt Financing** - The amount of capital project gross cost that is to be financed with long-term debentures. This is the net amount determined after all other financing sources including GST refunds are considered.

**Development Charges** – Development charges are imposed against new development both residential and non-residential and are the primary funding source for financing Regional growth related capital such as the road network, water and sewer. The rates imposed to Developers are based upon a Council approved Development Charge By-law.

**Efficiencies** - Reductions in the cost of delivering a service without a reduction in service level.

**Effectiveness / Customer Service Measures** - Effectiveness is a measure of the value or benefit of a service, expressed as the actual change in the specified outcome achieved by delivery of the service. More broadly, an effectiveness measure compares the output of a service, process or resource to its intended contribution to a higher level goal (e.g. the effectiveness of a resource with respect to its contribution to a process, etc.).

**Encumbrance** - Upon approval of projects/sub-projects, programs can begin the RFP process to determine the vendor that will provide goods / services required. Once the vendor's bid is approved, it becomes a legally binding contract hence the value of the bid is an encumbrance and considered spent.

**Estimated Useful Life** - This is an estimation of the time period, usually expressed in years, that the capital asset (project) brings benefit to the organization or a community. This may apply to new sub-project/projects or an addition, alteration or improvement of an existing capital asset.

**Exempt Professional / Clerical Position (individual contributors)** - Any position which is not affiliated with a union, acts as an individual contributor and does not have direct staff reports.

**Expenditure Category (Cost Element) Group** - Expenditure Categories, now called Cost Element Groups in the SAP environment are the high level categories of expenditure and revenue as seen on the budget templates. They are Salaries & Benefits, Materials & Supplies, Equipment, Services and Rents, Contributions and Transfers, Interdivisional Charges and Other on the Expenditure side. On the Revenue side they are Grants from Others, Interdivisional recoveries, User Fees and Other.

**External Financing** - Financing from sources external to the City of Toronto (such as Provincial or Federal subsidy, Corporate Sponsorships, etc.). In addition it includes debt financing as well (see Debt Financing definition below).

**Financial Efficiency** - A measure of the cost of resources per unit of output. In this case, resources are the inputs (e.g, dollars, FTE, employee hours, time). Calculation: input divided by output.

**Fiscal Policy** – A government’s policies with respect to revenues, spending and debt management as these relate to government services, programs and capital investment. Fiscal Policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

**Fiscal Year** – A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. The fiscal year for the City is the calendar year (January 1<sup>st</sup> to December 31<sup>st</sup>).

**Fixed Assets** – Assets that are long-term in nature that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

**Frontline Positions** - Frontline Positions are those approved positions that provide direct service to the public or other consumers.

**Full Time Position** - A full-time position is a position approved as part of the organizational structure for a particular service or program working 35 or 40 hours per week for the full year.

**Fund** – A sum of money made available for a particular purpose

**GAAP** – Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

**Gas Tax** – A share of Provincial and Federal gas tax that is transferred to municipalities to fund public transit systems and other infrastructure.

**Goals** - Goals specify where the organization desires to be in the future within the scope of the stated key business service as it relates to the Program’s mission. Goals provide a framework for the identification of specific, well-defined objectives to be accomplished within specific time frames. Goals are to be pursued over time. The goals that a Program develops should be in support of the key business services and help establish the Program’s direction. These goals provide a unifying theme for activities. Each goal should have at least one objective.

**Grant** - A contribution to the City from a federal or provincial government source to support a particular function, service or program. Grants from other sources should be reported as “Other Income.”

**Growth Related** - A capital project is categorized as growth related if it supports growth and development across the City. Potential development charge revenues could apply to, and be identified for these projects.

**Head Count** - The total number of staff individuals employed by a unit at a particular time, regardless of the nature of their employment: full-time, part-time, seasonal or casual / trades. Currently, the City is using the terminology ‘Approved Position’ to uniformly report its staffing complement of all statuses.

**Health and Safety** - A capital project is categorized as health and safety if there is an urgent requirement for repairs due to demonstrated concerns for a health and safety hazard.

**Hourly / Operations** - Positions which is either paid on an hourly basis or works directly in operations (maintenance, waste collection, etc.) and that are often associated with TCEU Local 416.

**Internal Financing** - Financing from sources internal to the division or program submitting a capital project including reserve funds, development charges, and other program generated revenues.

**Key Services** - These are the fundamental services critical to the Program's mandate and success. Performance of these services in an exemplary manner will result in the Program achieving its mission.

**Key Customers** - Key Customers are the direct beneficiaries of the service or product provided by a particular program or agency. Key customers may be clients or customer groups, either inside or outside the City, including members or the public or other external entities.

**Legislated or City Policy** - Capital Expenditures required by Provincial or Federal legislation or compliance with City Policy (i.e., environmental initiatives). In the capital project justification section of each business case, the specific legislative or City Council reference will be provided as well as the action required to meet the requirements and timeframe.

**Mature Budget Process** - A budget process that is based on a multi-year view, emphasizes upfront strategic enterprise priority setting, service reviews and public consultation, and focuses on a link between resource allocation decisions and results and outcomes.

**New / Enhanced** - New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

**Objectives** - Objectives are linked directly to Program goals and are specified, quantified, time-based statements of accomplishments or outcomes which should clearly state the specific results the Program seeks to accomplish. The development of objectives aids decision-making and accountability by focusing on issues and the accomplishment of outcomes and sets the direction for strategies. A Program may have multiple objectives under a single goal. The target indicated for each objective should focus on budgeted results. Example of an objective – develop and implement a cross-shelter case management plan for homeless clients that tracks their visits to all Toronto shelters in a given year by end of the fiscal year.

**Outcome (Results)** - The impacts or consequences for the community, of the activities of government. Outcome reports the results of the service. It can be short-term (immediate success), intermediate-term (success by three-to-six month periods) or long-term (one year or more). OMBI refers to The Ontario Municipal CAO's Benchmarking Initiative; created to make municipalities across Ontario more innovative and effective through the tracking and sharing of performance statistics and operational best practices.

**Output (Workload)** - The final products or goods and services produced by the organization for delivery to the customer. Output represents the number of units produced or services provided. It represents a measure of the amount of products or services delivered, and quantifies

**OMERS** – Ontario Municipal Employees Retirement System. OMERS is a defined benefit plan that provides pension benefits to the Region's full-time employees. Employees and employers normally make equal contributions to the plan.

**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; an example of an operating cost would be the cost to run the TTC subways.

**Ontario Disability Support Program (ODSP)** - An income and employment support program designed to help people with disabilities live comfortable and productive lives.

**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.

**Other Revenue** - Represents all revenues other than property tax levy, provincial and federal grants, interdivisional recoveries and prior year's surplus. Other Revenue is made up of user fees, fines, interest earnings, and revenues from any other source.

**Outlook** - The Outlook is the anticipated financial plan for a future fiscal year, based on Council approved decisions for the current fiscal year. Outlook information for two future years is part of the Operating Budget submission. Outlooks include the annualized impacts of new / enhanced services, revenue changes or service adjustments approved in a prior year, known cost increments arising from approved multi-year contracts, non-recurring expenditure or revenue adjustments, operating impacts of approved capital projects, step /merit increases, and known Cost of Living adjustments.

**Output** - An output defines the result of a service delivered to a client, measured by quantitative 'units of service delivery'.

**Output Measure** - Measure the number of units of a service or product produced. An example is the tons of curbside waste recycled or cubic metres of water pumped at Pumping Station X.

**Planner Profile** - The Planner Profile determines the planning layout used in planning (SAP). The initial planning screen appears based on the first planning layout defined for a planning area. You can choose "Go to----Next layout" to proceed to the next layout. The Planner Profile is assigned to different user groups and thus controls what objects they are allowed to plan (for example, given cost center and cost element groups).

**Part-Time Position** - A part-time position is a position approved as part of the organizational structure for a particular service or program working less than 35 / 40 hours per week.

**Performance Measure:** Performance measures quantitatively tell us something important about our products, services and the processes that deliver them. They are a tool to help us understand, manage, and improve what our divisions do. Performance measures let us know:

- How well we are doing;
- If we are meeting our goals;
- If our customers are satisfied
- If and where improvements are necessary; and
- If our processes are in the statistical control

**Personnel Expenditure Planning (PEP)** - Functionality in the Public Budget Formulation (PBF) tool that projects salary and benefit costs based on timely HR information (including positions, employees, job profiles, and salary and benefit costs). Using PEP projections, analysts can

compare and plan for various contingencies regarding personnel costs during the budget formulation process and mid-year analysis.

**Planned Complement** - The total number of proposed positions before Council approval that are required to provide a level of service for planning and forecasting.

**Presto** – An electronic transit fare card to be used across various GTA transit systems.

**Priority Project** - A degree of important a project is to the Program in achieving the Program's objectives for the planning period. Prioritization may differ from Ranking such that any two projects cannot have the same priority preference number though they may have an equal ranking. Priority shows which projects the Program would prefer over the others if not all projects were allowed for approval. Priorities also show the areas of focus and the strategic direction the Program is heading to. Prioritization should be consistent with the mission and goals of the Program and any deficient areas that need to be addressed during the budget period. Priority numbers should only consist of integers other than zero. Assignments like 0, 1A, 1B, 1.5, 1.75 are not valid priority numbers.

**Product/Types** - This represents a classification of service deliverables.

**Program** - A Division of a Department or an Agency, Board or Commission, which constitutes a service delivery unit and may encompass one or more related municipal services (e.g., the Solid Waste Management program includes a number of services and is a division of Works and Emergency Services Department) and satisfies the following:

- aimed at one or more target groups (e.g., households);
- has program goals defined in social terms with outcomes of public good (e.g., public health); and
- is either mission-driven, (e.g., recreation, or mandate-driven, law-enforcement).

**Program Map** - The visual representation of the services, activities and sub-activities used to reflect the current service output business model. For each division or agency, there is a mission statement. For each identified service, there is a purpose statement.

**Projected Actuals** - Refers to the expected, or anticipated, outcome of the year's expenditure and revenue activities. A recommended approach for departments is to combine actuals year to date as of June 30, plus the balance of the calendarized Council-approved current fiscal year budget. Departments can adjust and update the projected actuals as they see fit. The Projected Actuals are often compared with the current year Budget to determine variances.

**PSAB** - Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (CICA) issues standards and guidance with respect to matters of accounting in the public sector.

**PSAB Section 3150** - Municipal requirement to account for and report on non-financial assets of local governments.

**Ranking Projects** - Ranking is an evaluation of a capital project based on certain criteria. It incorporates and quantifies five Capital Project Categories, (i.e., Health and Safety, Legislated/City Policy, State of Good Repair, Service Improvement and Enhancement, and Growth Related).

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



**Replacement Cost** - Is the cost of replacing the original asset on the basis of current prices (cost). It is not related to the original asset cost.

**Reserve / Reserve Funds** - Reserves and reserve funds have designated purposes and are created through the specific authorizations of Council. All earnings from the investment of reserve funds must form part of the reserve fund, whereas the earnings from reserves flow to the operating budget. The assets of reserve funds are segregated and restricted to the purpose of the reserve funds.

**Revenue** - Income received by an organization for the fiscal year. In the City of Toronto revenue includes tax payments, service (user) fees, transfers from other governments, fines, interest income, etc.

**Salary Gapping** - Unspent salary dollars resulting from position vacancies (e.g. the time a position is unfilled after resignations, unpaid leaves, etc.) Annual unspent salary gapping savings are applied to reduce the corporate tax levy.

**Service** - A detailed account of key offerings that are associated with each program currently delivered by a division.

**Service Level Indicators** - Service Level Indicators express the level and the standard of service provided to key customers or customer groups. Service level indicators may reflect an agreed standard of service (e.g., processing time), a quantitative level of resources or the frequency of service provided (e.g., hectares of parkland per capita), or the supply of service as a percentage of need (e.g., number of subsidized day care spaces provided as a percentage of the number of children in low income families).

**Service Improvement and Enhancement** - A capital project is categorized as service improvement and enhancement if it improves service delivery above the current Council-approved standard or provides for the introduction of new services.

**Service Objective** - A service objective sets out an achievable/measurable action that can be taken in delivering a service in support of the program goal.

**Service Planning** - Service Planning is a key management tool that supports informed operational decisions about: services and service levels; best use of available resources to achieve corporate goals; and cost effective delivery approaches.

**State of Good Repair** - The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes.

**Strength** - The number of actual filled staff positions at a specific point in time, whether permanent, seasonal or casual expressed as approved position years.

**Student / Recreation Worker** - A student or recreation worker is one who is employed on a temporary, seasonal or casual basis.

**Support Positions** - Support Positions are those approved positions that are professional, technical or managerial and provide support to the provision of a direct service.

**Targeted Outcomes** - A description or performance measure of the projected result of the implementation or continuance of an Objective or Council Priority within a program service or activity.

**Tax Supported Budget:** Budget funded by property taxes.

**Tax Rate** - A rate used to determine the amount of property tax payable. Taxes on individual properties are calculated by multiplying a property's current value assessment (CVA) by the applicable tax rate.

**Total Gross Expenditures** - Includes all expenditures properly incurred by the Program Area and charged to the Program Area's Budget.

**Total Revenues** - Includes all program-generated revenues (e.g., User Fees), grants and subsidies, internal recoveries and internal financing (e.g., Funding from reserves).

**Units of Service** - Reflects the measurable components of each service deliverable, which illustrates how much service is being provided. These can be identified both in terms of costs and volumes.

**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).

**Vacancy** - A funded, unoccupied position with no commitment (i.e., no base holder or financial commitment).

**Vacancy Management** - The business process to track and report on vacancies.

**Value** - In terms of Service Profiles, value deals with the contribution of a service toward the desired impact on the Customer Group associated with the Service.

**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.

**Variances** - Programs / agencies are expected to clearly detail all assumptions with respect to year-over-year changes, which are greater than \$250,000 or 5% of total gross expenditures. The rationale provided should be based on changes in service levels, objectives or funding requirements.

**WBS (Work Breakdown Structure)** - The Work Breakdown Structure is the hierarchy that is used within SAP for recording the approved project/sub-project transactions including the budget, plan, expenditures and revenues. It is within these WBS Elements that the financial status of a project/sub-project can be monitored through system generated reports.

**Zero Based** - The requirement for all expenditures to be fully justified each year without reference to the prior year budget level. All office furniture and consultants are zero based and must be fully supported and justified by supporting documentation.