



BudgetTO: Building a City that Works for You

COMMUNITY CONSULTATION KIT DISCUSSION GUIDE

The City of Toronto is working hard to build a city that works for you.

The 2025 budget made much needed investments to improve public transit, fix roads, extend library hours and open pools and park washrooms earlier than ever, while also tackling a \$1.2 billion shortfall.

Despite this progress, the City still faces financial challenges in 2026 and must make important budget decisions. We need your input to make a budget that delivers on your needs, while building a strong financial future for Toronto.

We want to hear from you about:

- How can the 2026 Budget help build a city that works for you?
- What are your thoughts on federal and provincial funding to support the City?
- How can we help Toronto achieve a strong financial future?

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Thank you for your participation!
Learn more at www.toronto.ca/budget

Ways to Share Your Input

Provide your feedback online

- Answer a short anonymous survey to share what matters to you in the City's 2026 Budget <https://ca.mar.medallia.com/BudgetTO2026>

Participate in public sessions in-person or online

- Meet Councillor Shelley Carroll (Don Valley North), Chair of the Budget Committee, other Members of City Council and senior City staff.
- Ask questions and learn about this year's Budget process.
- Share your ideas and hear the ideas of other Torontonians in breakout discussions.
- Participate in interactive activities.
- Visit toronto.ca/budget for the schedule and to register.

Host your own conversations

- Meet with your neighbours or add a budget conversation to your next community group or organization's meeting.
- Use this guide to support your discussions and ask participants to submit their feedback online.

Stay informed and involved

- Bookmark www.toronto.ca/budget
- Follow the City of Toronto on X at www.x.com/cityoftoronto, on Instagram at www.instagram.com/cityofto, on Facebook at www.facebook.com/cityofto, and on Bluesky at [http://bsky.app/profile/toronto.ca](https://bsky.app/profile/toronto.ca)

What's Happening?

- The **City** is working with the federal and provincial governments to secure agreements and funding to keep Toronto's finances stable for the future.
- **City and [agency](#) staff** are preparing the budget that will be presented in January to the Budget Committee and available for public review.
- **This consultation runs from October 1 to 31** and your input will be provided to the Budget Committee.
- The **Budget Committee**, chaired by Councillor Shelley Carroll (Don Valley North), meets in **January** to review the budget, hear more from the public and make budget recommendations. You can participate in January too - visit toronto.ca/budget.
- By **February 1**, the Mayor will present her Budget. The 2026 Budget Committee members are:
 - Councillor Shelley Carroll, Chair (Don Valley North)
 - Councillor Gord Perks, Vice-Chair (Parkdale-High Park)
 - Deputy Mayor Amber Morley (Etobicoke-Lakeshore)
 - Councillor Lily Cheng (Willowdale)
 - Councillor Chris Moise (Toronto Centre)
- On **February 10**, a Special Meeting of City Council will be held to consider and make amendments to the Mayor's Budget.



To find out who your Councillor is call 311 or visit www.toronto.ca/members-of-council.

Background Information

Toronto faces unique financial challenges

The City tackled a \$1.2 billion operating budget pressure in 2025 while protecting and maintaining services, including transit. We continued to manage our finances and debt responsibly and made progress on important projects. We are advancing the multi-year approach to address challenges and strengthening partnerships with the Government of Canada and Province of Ontario, including the achievement of a landmark agreement with the Federal Government for \$2.55 billion to build more rental homes faster.

However, our challenges are too great to be solved in one year. While we continue to work with the Province of Ontario and the Government of Canada to find a fair way to fund the City of Toronto and implement the City's Long-Term Financial Plan, the City will still face financial challenges in 2026.

Current challenges:

- Growing demand for City services and supports
- Limited revenue tools largely disconnected from economic growth, with heavy reliance on property taxes
- Operates the largest public transit system in Canada
- More than 13,400 positions across four emergency services
- Operates approximately 50% of Ontario's shelter beds, with the highest number of shelter beds per capita in all of Canada

Despite being responsible for more than 60% of infrastructure and the majority of services that residents rely on each day, the City only receives 9% of all tax dollars that you pay to all governments (including federal, provincial and city governments).

The City, federal and provincial governments [work together](#) but have different responsibilities. A large percentage—26%—of the City's property tax funding goes towards federal and provincial responsibilities, including housing, social services and health services.

- **Municipal: City of Toronto**

The City of Toronto is responsible for water treatment, parks, libraries, waste collection, public transit, land use planning, traffic signals, police, paramedics, fire services, Toronto Community Crisis Services, sewers, storm water management, shelters, childcare, recreation centres and more. Powers are defined by the City of Toronto Act, 2006.

- **Provincial: Government of Ontario**

The Government of Ontario is responsible for: health, education, energy, human rights, natural resources, environment, social services, driver and vehicle licensing and more. Powers are defined by the Constitution Act, 1867.

- **Federal: Government of Canada**

The Government of Canada is responsible for: national defence and Canadian Armed Forces, postal service, banking, employment, citizenship and immigration, census, foreign affairs and international trade, agriculture and more. Powers are defined by the Constitution Act, 1867.

Resources

- www.toronto.ca/budget – introductory information as well as detailed budget documents, notes, reports and presentations for every City service as they become available through the budget process
- www.toronto.ca/council – for current information on City Council and Committee meetings including the Budget Committee
- www.toronto.ca/intergovernmental-affairs - for information on key agreements, programs and relationships between the City of Toronto and other levels of government
- www.toronto.ca/subscribe - to receive email notices about the City including Council and Committees

Budget Terms

Balancing the Budget: The City is required by provincial law to balance the operating budget each year – which means that we must plan to spend only what we expect to bring in.

- To **balance** the budget, the City has two main options:
 - Bring in more money by increasing taxes and/or fees
 - Spend less by changing or reducing the cost or amount of some services
- This helps make sure the City doesn't spend more than we can afford.

Surpluses and Deficits:

- If the City collects more money or spends less than expected during a year, that's called a **surplus**. By policy, 75% of the operating surplus goes towards infrastructure projects (such as roads, buildings and bridges), and 25% is saved in reserves to help with future needs.
- By law, the City is not allowed to run a **deficit**. In other words, the City cannot spend more than we collect in the year.

Operating Budget: The Operating Budget covers day-to-day spending on services such as recreation programs, parks maintenance, public health, roads, transit, police and other emergency services. Approximately 30% of the Operating Budget comes from property taxes, the rest from provincial and federal grants and subsidies, user fees, reserves and other income such as income from investments.

Capital Budget: The Capital Budget pays for the City's assets that we own and manage, such as infrastructure, transit, roads, bridges, parks and public buildings including libraries, community centres and fire stations. The 10-year Capital Budget and Plan is updated and presented each year as part of the budget process. The Capital Budget is primarily funded from reserves, development charges, partnerships with other orders of government and borrowing. Ontario municipalities may issue long-term debt **only for capital** expenses and not operating expenses.

Cost-shared Services: Several City services are paid for through agreements between the City and other orders of government. For example, shelters, daycare, emergency medical services, public health and income support programs are funded by all three orders of government – the City, the Province of Ontario and the Government of Canada.

Gross and Net: The **Gross** budget is the total cost of running all City programs and services. It's the large number that includes everything—the full cost to keep the City operating. The **Net**

budget is the amount the City still needs to pay for after we get help from other funding sources, such as subsidies for cost-shared services and program fees. The **Net** budget is the part of the budget that is funded by property taxes.

Rate-supported Programs: The City also has three rate supported programs funded almost entirely by **user fees**: Solid Waste Management, the Toronto Parking Authority and Toronto Water. User fees, based on rate models, pay for all or some of the services and the infrastructure to deliver them. For example, water fees are based on how much water is used, and households pay different fees depending on the size of the garbage bin.

Reserves and reserve funds: These funds are set aside by City Council to save over time to pay for big projects, protect against market changes, or handle unexpected costs. Some of these funds can be used for general needs or specific purposes, depending on what Council decides, but many are restricted and can only be used for obligations based on laws, policies or agreements with other parties.

Toronto's Actions for Long-Term Financial Sustainability

The City of Toronto has taken important steps to ensure we can continue to support key services while strengthening our financial future.

A major shift was the move to a multi-year budgeting approach, which means the City plans ahead for several years instead of just one. This helps Toronto make strategic decisions and manage costs better over time.

Toronto is continuing to implement the [New Deal with the Province](#), which provided \$1.2 billion in operating support over three years, along with \$1.9 billion in capital relief through the upload of the Gardiner Expressway and Don Valley Parkway. These actions allowed the City to redirect funds toward pressing urban issues like housing, transit and public safety.

The City continues to work collaboratively with the Province of Ontario and Government of Canada to find more long-term funding solutions for critical services unique to the challenges faced by the country's largest city.

As part of the 2025 budget process, the City identified \$680 million in reductions and offsets through program reviews, efficiencies and reprioritizing investments. These steps helped balance the budget while maintaining core services.

Toronto is committed to managing money responsibly and finding better ways to fund the services that people count on. By doing this, the City is building a strong and stable financial future, ensuring we can continue to grow and provide important services for residents now and in the years ahead.

Questions

The consultation asks the same questions whether you choose to participate online, at a public meeting, or if you are hosting your own discussions. Below is the full list of questions for review - you are invited to respond anonymously [online](#).

Section A: What matters most to you in the 2026 budget

*Each year, City Council makes important decisions about the services you rely on every day. Some services get more money, some get less, and some stay the same. **By law, the City is required to balance its operating budget each year – it cannot spend more money than it brings in.** That’s why your input is critical. We need to know what matters most to you to help City Council make informed decisions.*

Question 1

For 2026, which City services are the most important to you?

(Select top three choices and rank in order of importance to you. "1" is the most important.)

	Animal services (such as animal shelters and adoption)
	Arts, culture, entertainment and attractions
	Building affordable housing and shelters
	Childcare services
	Employment and social services (such as distributing Ontario Works, training and skills development programs)
	Enforcement of bylaws and licensing (such as tenant protection, noise and property standards)
	Environmental and climate action programs (such as flood protection, building energy and tree canopy)
	Festival Funding
	Fire services
	Improved school food programs
	Improving traffic
	Libraries
	Maintaining roads, bike lanes and sidewalks
	Management and maintenance of community housing
	Paramedics
	Parks and recreational services
	Police services
	Promoting and supporting Toronto businesses
	Public Health (such as food safety and immunization clinics)
	Senior Services (such as long-term care homes)
	TTC and Wheel-Trans
	Violence prevention and programs for youth
	Other, please specify: -----

Question 2

For 2026, which City services are the least important to you?

(Select top three choices and rank in order of least importance to you. "1" is the least important.)

	Animal services (such as animal shelters and adoption)
	Arts, culture, entertainment, and attractions
	Building affordable housing and shelters
	Childcare services
	Employment and social services (such as distributing Ontario Works, training and skills development programs)
	Enforcement of bylaws and licensing (such as tenant protection, noise and property standards)
	Environmental and climate action programs (such as flood protection, building energy and tree canopy)
	Festival Funding
	Fire services
	Improved school food programs
	Improving traffic
	Libraries
	Maintaining roads, bike lanes and sidewalks
	Management and maintenance of community housing
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	Police services
	Promoting and supporting Toronto businesses
	Public Health (such as food safety and immunization clinics)
	Senior Services (such as long-term care homes)
	TTC and Wheel-Trans
	Violence prevention and programs for youth
	Other, please specify: -----

Question 3

Property taxes are the main way the City pays for everyday essential services and infrastructure, such as transit, parks and emergency services. Property taxes are payments made by property owners to the City, based on how much their property is worth.

Unlike other orders of government, the City has very few sources of funding that grow with the economy. The City must consider how property taxes might change to keep services running and meet growing needs.

In your opinion, how should property taxes be adjusted in 2026? *(Select one)*

	Keep property taxes low, maintaining most services at about the same level with some reductions
	Increase property taxes to improve services and support growing service needs
	Unsure

Question 4

What is the most important action the City should take to make Toronto more affordable and livable for everyone? *(Please do not include any personal information in your response.)*

Section B: Your views on federal and provincial funding to support Toronto

Although the City is responsible for more than 60% of the services and infrastructure residents rely on daily, it receives only 9% of the total tax dollars paid to all orders of government—federal, provincial and municipal.

Question 5

Should the Province of Ontario work more closely with the City to fully fund the services it is responsible for in Toronto starting in 2026 and beyond? *(Select one)*

1	2	3	4	5
Strongly Agree	Agree	Undecided/Don't Know	Disagree	Strongly Disagree

Question 6

Should the Government of Canada work more closely with the City to fully fund the services it is responsible for in Toronto starting in 2026 and beyond? *(Select one)*

1	2	3	4	5
Strongly Agree	Agree	Undecided/Don't Know	Disagree	Strongly Disagree

Question 7

Which of the following areas do you think the Province of Ontario and the Government of Canada should partner or collaborate with the City on to provide greater support for Toronto residents? *(Select all that apply)*

	Federal government	Provincial government
Funding transit construction		
Funding the running of transit		
Emergency services (police, paramedics, fire, Toronto Community Crisis Service)		
Flood protection		
Maintaining roads and buildings		
Refugee/asylum seeker supports		
Housing and shelters		
Food Security (such as support for school food programs, food banks, community meal programs)		
Social Services (such as childcare, <u>long term</u> care, mental health services)		
Allowing a Municipal Sales Tax for goods and services purchased in Toronto		
Sharing a portion of the existing Harmonized Sales Tax (HST) with Toronto		
Allowing a progressive property tax, where more expensive properties are taxed at a higher rate		
Other, please specify:		

Question 8

What actions would you be willing to take, on your own or with your neighbours, to encourage the Province of Ontario and the Government of Canada to work more closely with the City and better support Toronto residents? *(Select all that apply)*

<input type="checkbox"/>	Meet and speak with my local Member of Provincial Parliament (MPP) and Member of Parliament (MP)
<input type="checkbox"/>	Ask friends to also contact their MPP and MP
<input type="checkbox"/>	Participate in the provincial budget consultations
<input type="checkbox"/>	Participate in the federal budget consultations
<input type="checkbox"/>	Sign a petition to the provincial and federal governments
<input type="checkbox"/>	Not willing to take any action
<input type="checkbox"/>	Other, please specify:

Question 9

To help inform our future work, what supports might you need to take any of the actions listed in Question 8? *(Select all that apply)*

<input type="checkbox"/>	Workshops and training
<input type="checkbox"/>	Newsletter/email updates on upcoming opportunities to have input
<input type="checkbox"/>	Templates for letters/emails
<input type="checkbox"/>	Information from my Councillor
<input type="checkbox"/>	I don't know
<input type="checkbox"/>	Other, please <u>specify</u> :

The online survey also includes optional demographic questions. Complete the survey here: <https://ca.mar.medallia.com/BudgetTO2026>

Tips for Hosting Your Own Discussion

Use these tips to help host discussions in your community.

Tips for Hosting a Discussion

- Contact your neighbours, members of your organization or community to see what time and meeting format works best for them.
- Set a time, place and objective.
- Determine who you would like to participate in the meeting and what you would like to discuss.
- Review this Discussion Guide, including the backgrounder and questions. You can discuss all the questions, only those that interest you, or split your group into smaller groups and divide up the sections among them.
- Determine if you will meet in-person, online or in a hybrid format. If online or hybrid, decide which platform you will use.
- Consider hosting more than one session to accommodate shifts, childcare or other commitments.
- Give invitees enough notice to increase the chances that people can participate.
- Ask invited participants to confirm if they will attend. If you have a larger group, consider dividing your meeting into smaller groups or host multiple meetings to work through the questions in sections.
- Ensure participants have any background material or have access to any materials you will reference during the meeting.
- Set an agenda and share with participants before the meeting.

For Online or Hybrid Discussions – Practice Using the Technology

- Ensure you feel comfortable using the online tool you plan to use.
- Consider asking a volunteer to run the technology while you host the discussion.
- Hold a practice session a day or two ahead of time to work out any problems.
- Test both the audio and video connections.

Hosting

The meeting host is responsible for:

- Starting and ending the meeting
- Facilitating the meeting - keeping the meeting flowing, following the agenda and providing an opportunity for as many participants as possible to contribute (see facilitation tips below).
- Directing participants to submit their feedback using the [online survey](#). The survey is anonymous.
- The host does not need to be an expert on the subject being discussed, but they should familiarize themselves with the content, the agenda and questions in advance.

Facilitation tips

- Ask everyone to introduce themselves and share one or two words on why they chose to attend, if time permits.
- Start by describing the agenda or process you have chosen for the discussion and ask if there are any questions.

- Start or end by doing a go-around that lets everyone share a first or final thought, if time permits.
- Keep the conversation focused, remind people of the discussion questions if they get off track.
- Draw quiet participants into the conversation by asking if they have thoughts they want to add, while giving them the option to pass. Ask people who are speaking a lot to let others who haven't spoken yet contribute.
- Suggest that people provide comments or feedback through alternative means, such as chat functions or in emails to the host during the meeting.
- Repeat what you hear and ask for clarity when needed.
- Keep things moving and on time – watch the clock!
- Don't allow intimidation or disrespectful language. Participants should be respectful of others' opinions, but if someone says something disrespectful, remind the group that the discussion should be welcoming and inclusive.
- In virtual meetings, it's sometimes hard to know who wants to speak when everyone is muted or everyone is talking at once. With cameras on, you can ask people to raise their hand or hold up a sign asking to speak. Some online meeting platforms have a built-in hand raising function or allow participants to privately chat with a moderator. For smaller groups, you might consider calling each person out by name at least once to ensure everyone gets a chance to speak.

Designate other roles

In addition to the host, you may consider having a:

- **Note taker:** Takes notes during the meeting, reports back to participants during and/or after the meeting. If you break into smaller groups for discussion, try to have a note taker in every group. Some virtual meeting software includes built-in note taking – utilize this tool if available.
- **Technical support person:** Helps with technical troubleshooting. Ensure that the contact information for the technical support is available for participants in case there are issues during the meeting.

Decide how you will organize the discussion

- There are two main elements of this discussion:
 - 1) Reviewing the background information on the budget in this guide (pages 4 to 6)
 - 2) Reviewing the questions from the online survey (pages 7 to 11)
- Decide whether you'll ask participants to complete the online survey during your meeting or afterwards.
- If you have a larger group (9 or more people) consider dividing into smaller break-out groups to work through the questions in sections, leaving time to 'report back' to each other about what was discussed.

Provide Background Materials

- Provide an electronic version of this Discussion Guide for your participants. Suggest attendees read the guide thoroughly prior to the meeting.

Host Your Discussion

- You don't need to work toward consensus or agreement on any of the questions as participants will be submitting their own feedback through the survey.
- The key part of this discussion is to ensure that people have an understanding of the upcoming City budget and know how they can provide their input.
- You may provide prompting questions on the background materials to help participants start to think about what feedback they want to provide in the survey.

Sharing Feedback

- Summarize your group's discussion and share back with participants.
- Ask participants to submit their feedback individually and anonymously via the [online survey](#).

Closing the Meeting

- Thank all participants for their contributions to the discussion.
- Remind participants to provide their answers to the online survey if they haven't in the meeting. The survey is anonymous.
 - Online survey link: <https://ca.mar.medallia.com/BudgetTO2026>
- The City will be collecting all input until October 31, 2025.
- All input will be summarized and presented to the Mayor, Budget Committee, members of City Council and the public.