



2023 Budget Launch Presentation

January 10, 2023



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2023 Budget

Today, we are tabling:

- 2023 Operating Budget of \$16.16 billion
- 2023-2032 Capital Budget & Plan of \$49.26 billion

Given the current financial context, the City faced significant challenges in the development of the budget

- The tabled 2023 Operating and Capital Budgets are balanced.

This budget maintains front-line services and manages affordability.

The City continues to make key investments in transit, housing, public safety, and infrastructure.



2023 Budget Priorities

- Maintain front-line services
(e.g. shelters; roads; long-term care homes)
- Emergency services and public safety
- Transit and transit obligations
- Housing
- Economic recovery
- Manage affordability
- Address COVID-19 impacts
- Legislative requirements

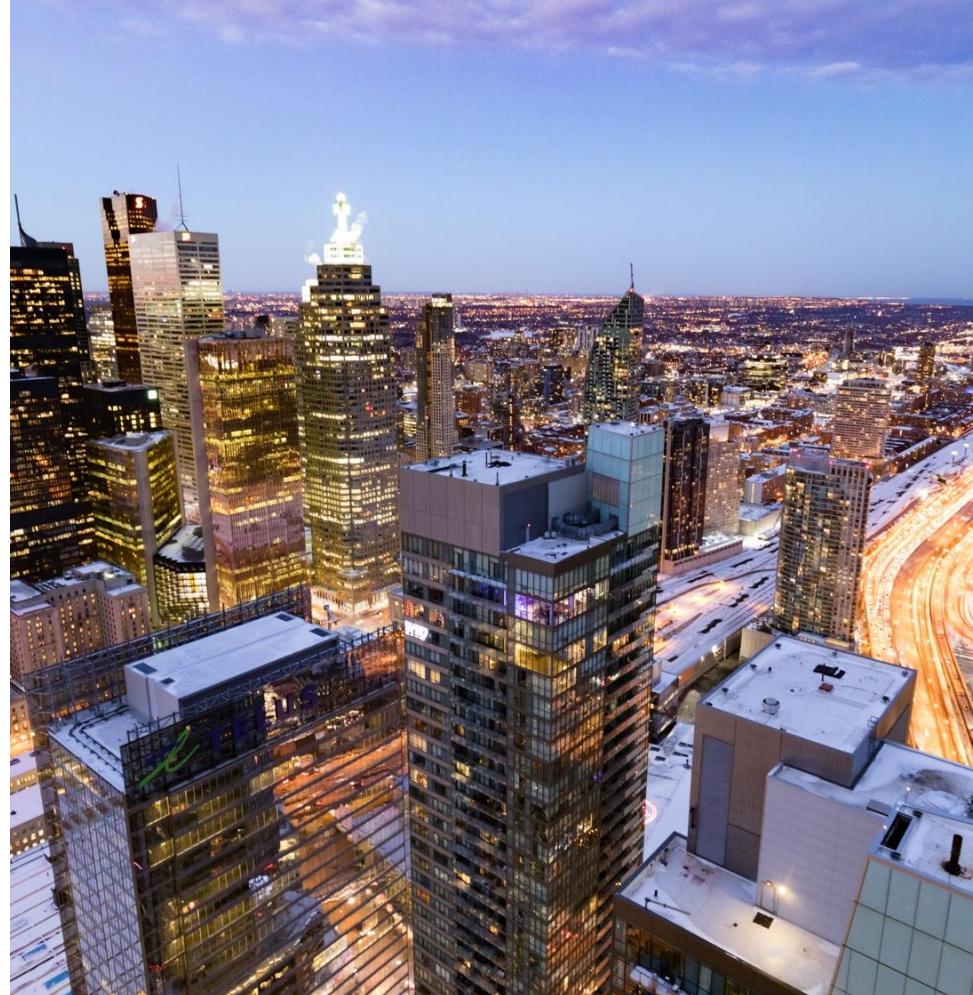


Current Fiscal Context

The City is facing significant and unprecedented financial challenges

- Continued impacts of COVID-19
- Rising inflation
- Increased interest rates
- Supply chain disruptions, specialized labour shortages, competitive labour market
- Obligations associated with transit expansion
- Growing demand for services
- Unanticipated legislative changes

Impacts are being experienced concurrently and across all City Divisions and Agencies.



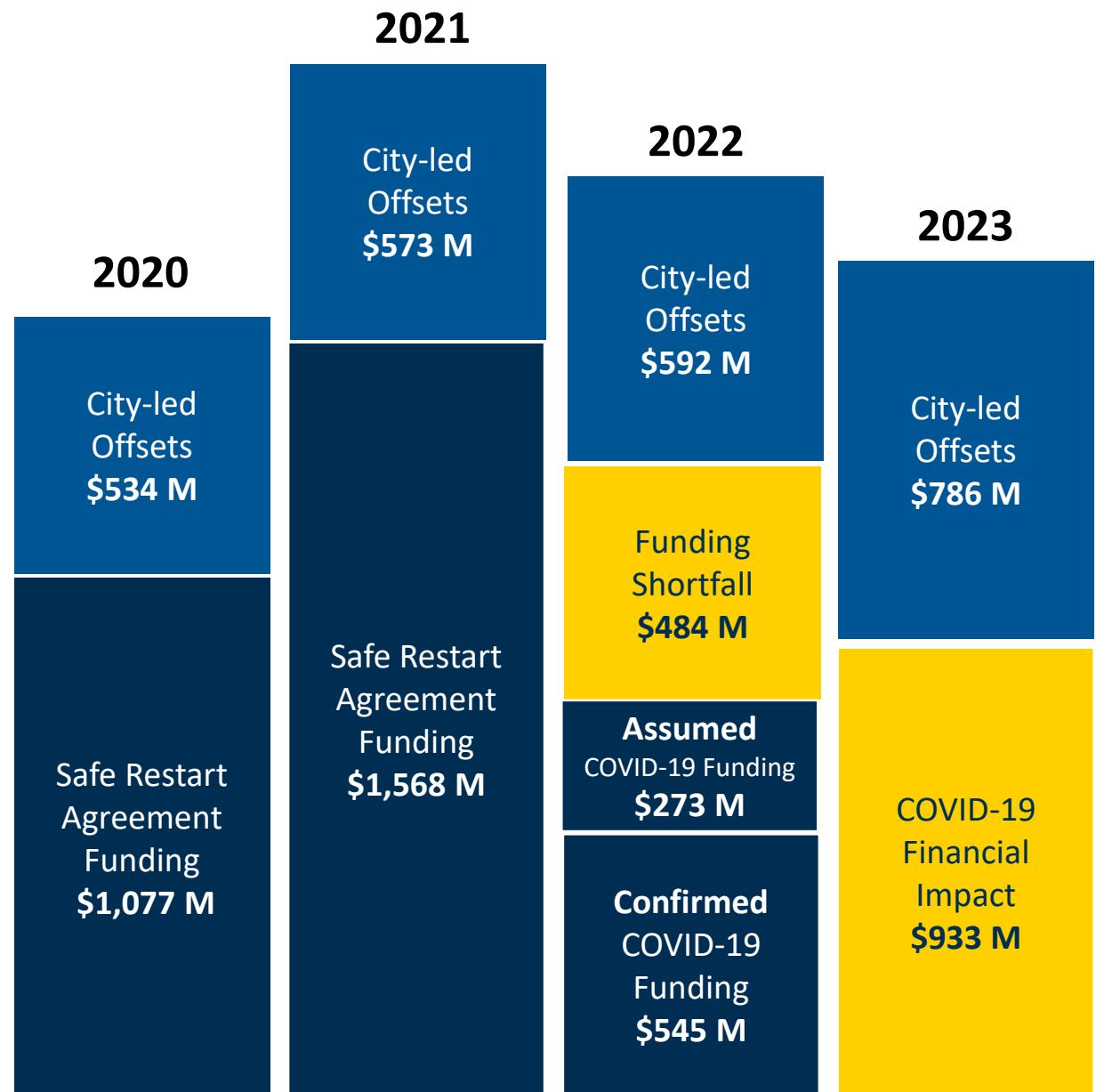
COVID-19 Impacts Continue

The pandemic has had a disproportionate impact on the City of Toronto due to the scope of services delivered such as transit and shelters.

Since 2020, the City has experienced:

- \$5.5 billion in total COVID-19 financial impacts
- \$2.5 billion in City-led offsets and mitigation strategies
- \$3.5 billion in funding received from other orders of government including assumed reimbursement of \$273 million in 2022.

The City requires support from other orders of government towards \$1.4 billion in COVID-19 impacts (\$484 million for 2022 shortfall plus \$933 million for 2023) to address pressures and support the continuance of service delivery.



Whole of Government Approach to Secure Long-Term Recovery

- Continued prudent investments and a renewed whole-of-government approach will set the foundations for a sustainable, long-term recovery for Toronto's residents and businesses.
- For 2023 and beyond, Toronto's response and recovery will require continued funding from our federal and provincial partners for:
 - Transit
 - Housing and shelters
 - Public health
 - Downtown and main street recovery
 - Climate action
 - Infrastructure



Recovery is Essential in Toronto

The City has nearly \$50 billion in capital investments planned over the next 10 years. Any reduction in capital spending will have a direct impact to job growth and economic recovery.

Toronto is Canada's economic engine.

Toronto's social and economic recovery is critical to the success of the region, province, and nation.

Without federal and provincial funding support, there will be profound, material and sustained impacts:

- Reduced capital spending, economic recovery and job growth
- Intergovernmental investments are at risk (i.e. transit, climate action and housing)
- Impacts will be immediate in 2023 and continue into future years



Federal and Provincial Funding is Critical



The City cannot continue to deliver the services that benefit the region and are shared intergovernmental priorities without appropriate funding from other orders of government.

This includes funding support for refugee response and supportive housing.

The City cannot address financial pressures alone through efficiency measures or tax increases.

Toronto welcomes the provincial government's consideration of alternative means of financing cities.

The City requires continued partnerships and immediate funding commitments of \$1.56 billion (2022 & 2023) in total to avoid service impacts or reductions to capital spending.

2023 Operating Budget

BUDGET TC



2023 Tax & Rate Budget

\$ 16.16 B

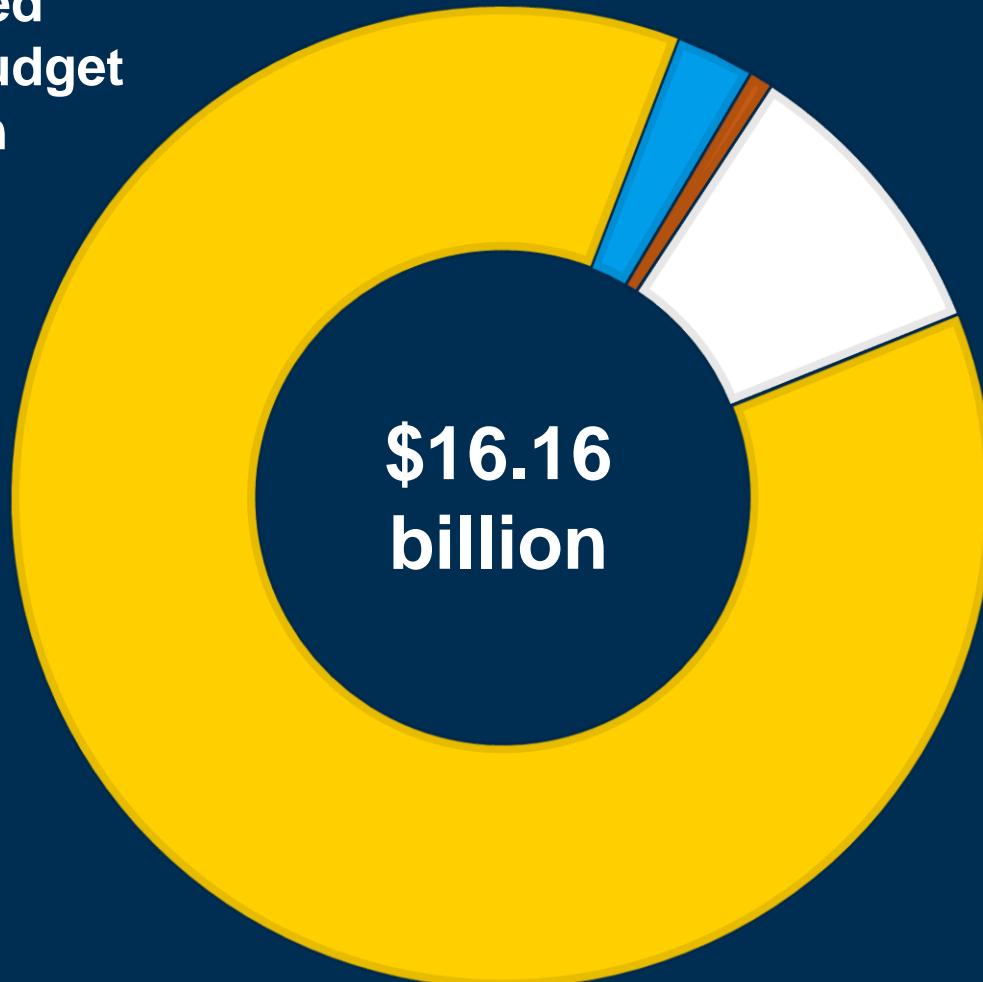
TAX AND RATE SUPPORTED
OPERATING BUDGET

\$ 49.26 B

10-YEAR TAX AND RATE
SUPPORTED CAPITAL BUDGET

2023 Tax & Rate Operating Budget

■ Tax Supported
Operating Budget
\$14.13 billion
(87%)



Rate Supported Operating Budget
\$2.04 billion (13%)*

- Toronto Water
- Solid Waste Management Services
- Toronto Parking Authority

*Rate Budgets include capital contributions

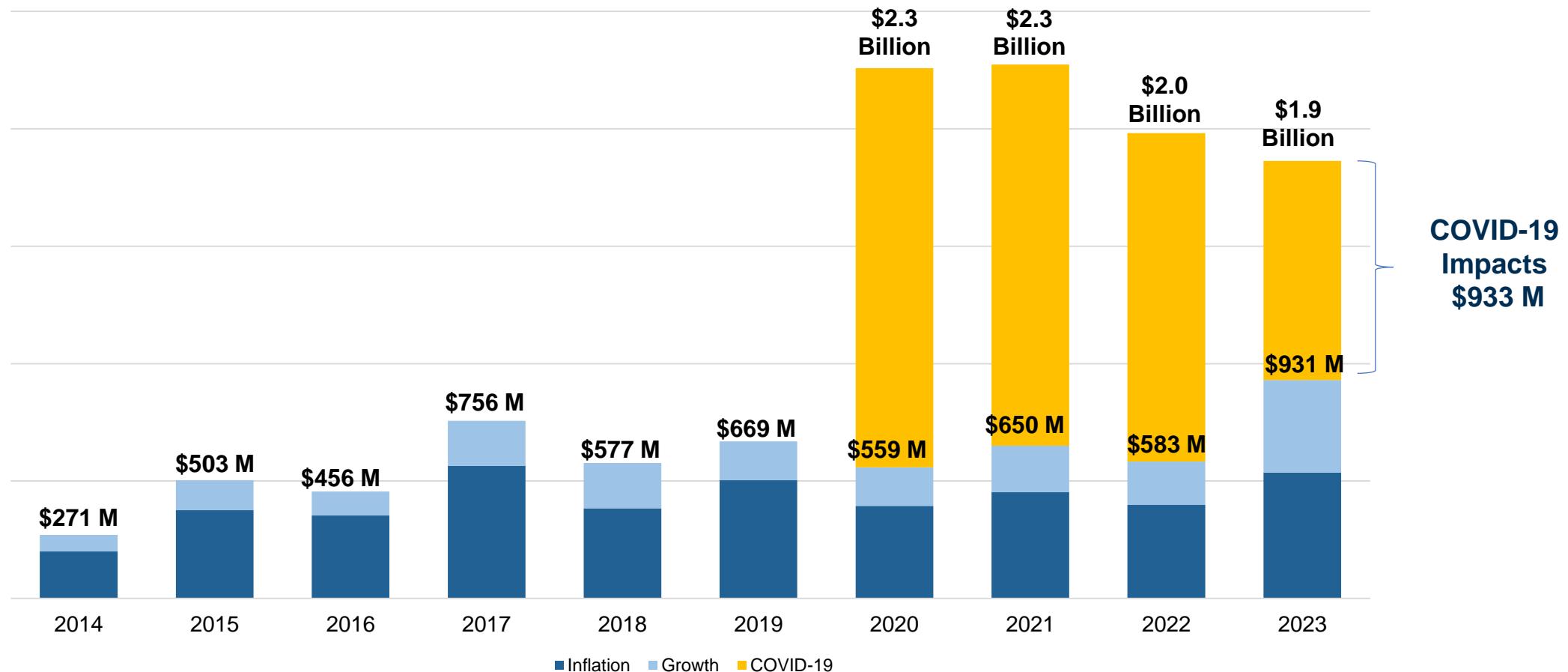
Operating Budget Overview

- Manages affordability
- Focused on maintaining core front-line services
- Includes a 5.5% residential property tax rate increase
- Confirms 3% rate increase for water; wastewater; and solid waste
- Additional revenue generated through the Municipal Accommodation Tax increase (2%) and a 10 cent TTC fare increase (3.1%)
- Responds to key pressures and priorities:
 - Emergency services and public safety
 - Transit and housing
 - Economic recovery
- Requires provincial and federal funding:
 - \$933 million for COVID-19 impacts
 - \$97 million for refugee response
 - \$48 million for supportive housing



Historical Opening Budget Pressures

In addition to continued COVID-19 pandemic impacts, the City faces unprecedented inflationary pressures and significant impacts of growth in 2023:



Economic Impacts by the Numbers



Inflation 2022 year-to-date average: 6.6% (Toronto CPI)



Cost of fuel

- \$0.01 increase to cost / litre for gas and diesel: \$900K impact
- Total incremental pressure in 2023: \$46M
- The City maintains the largest public transit system in Canada



Cost of food

- Long-term care raw food costs up from \$9.92 to \$13 per diem (31% increase): \$3M



Interest rates

- 2021: lowest interest rates ever (0.25%)
- Today: highest interest rates since 2008 (4.25%)
- Total added pressure for capital financing costs in 2023: \$65M

Impacts are being experienced across all City Divisions and Agencies.

Continued Federal and Provincial Support Required

COVID-19 Funding Required*



Transit - \$366 million



Shelters - \$317 million



Public Health - \$87 million



Other Impacts - \$163 million

Other Funding Support Required *



Refugee Response - \$97 million



Supportive Housing - \$48 million

***For 2023, the City requires support towards \$933 million in COVID-19 funding and \$145 million in other funding from the federal and provincial governments.**

\$933 million = 24% tax increase

The City cannot do this alone and welcomes alternative means of financing cities.

Balancing Actions



2023 opening budget pressure of \$1.9 billion including:

Base budget pressure: \$786 million

Revenue Actions: (\$498 million)

- Property tax impacts and assessment growth
- Increased City revenues (Municipal Accommodation Tax; user fees and TTC fares)
- Recovery of corporate revenues

Expenditure Actions: (\$289 million)

- Program and line-by-line review
- Modernization efforts
- Procurement savings

COVID-19 Pressures: \$933 million

- 2023 Budget assumes full funding support from provincial & federal governments towards COVID-19 impacts
- Capital funds set aside as a one-time emergency provision
- Funds would be leveraged, impacting the capital program

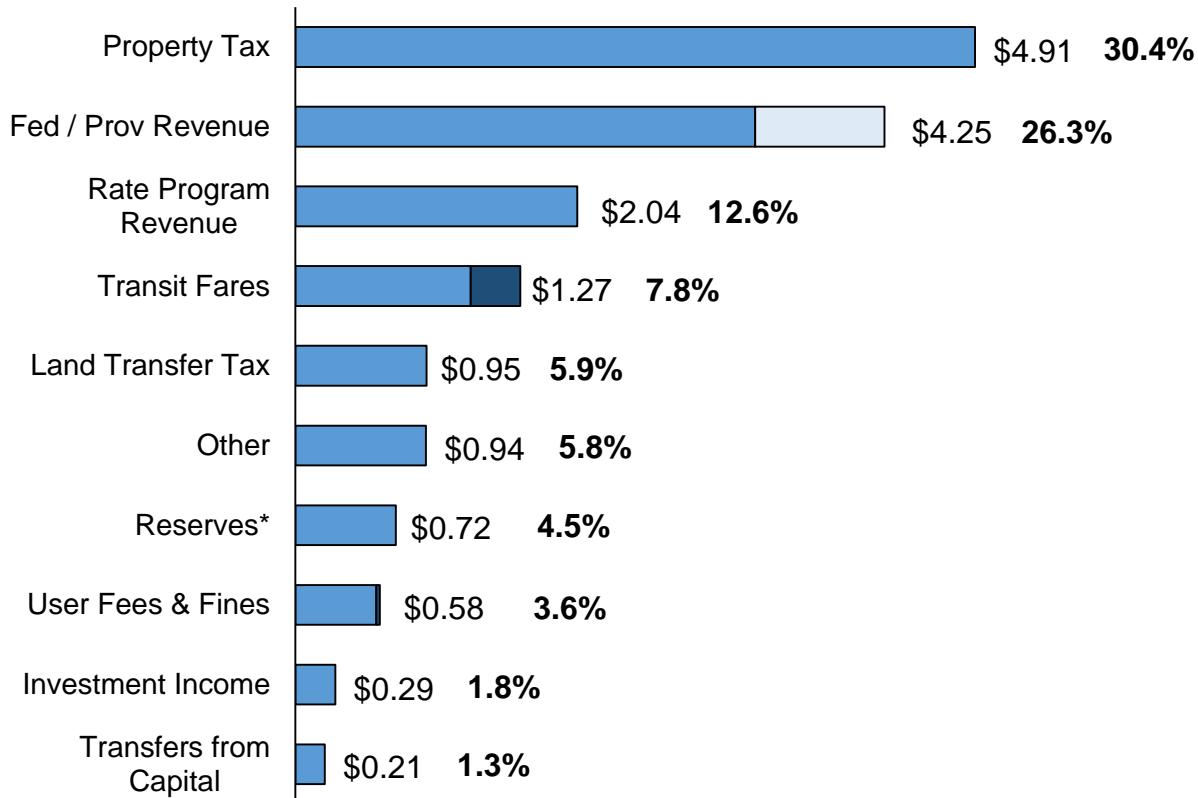
Supportive Housing & Refugee Response: \$145 million

- 2023 Budget assumes full funding support from provincial & federal governments towards supportive housing and refugee response costs
- In absence of sufficient funding, one-time emergency reserves will be depleted

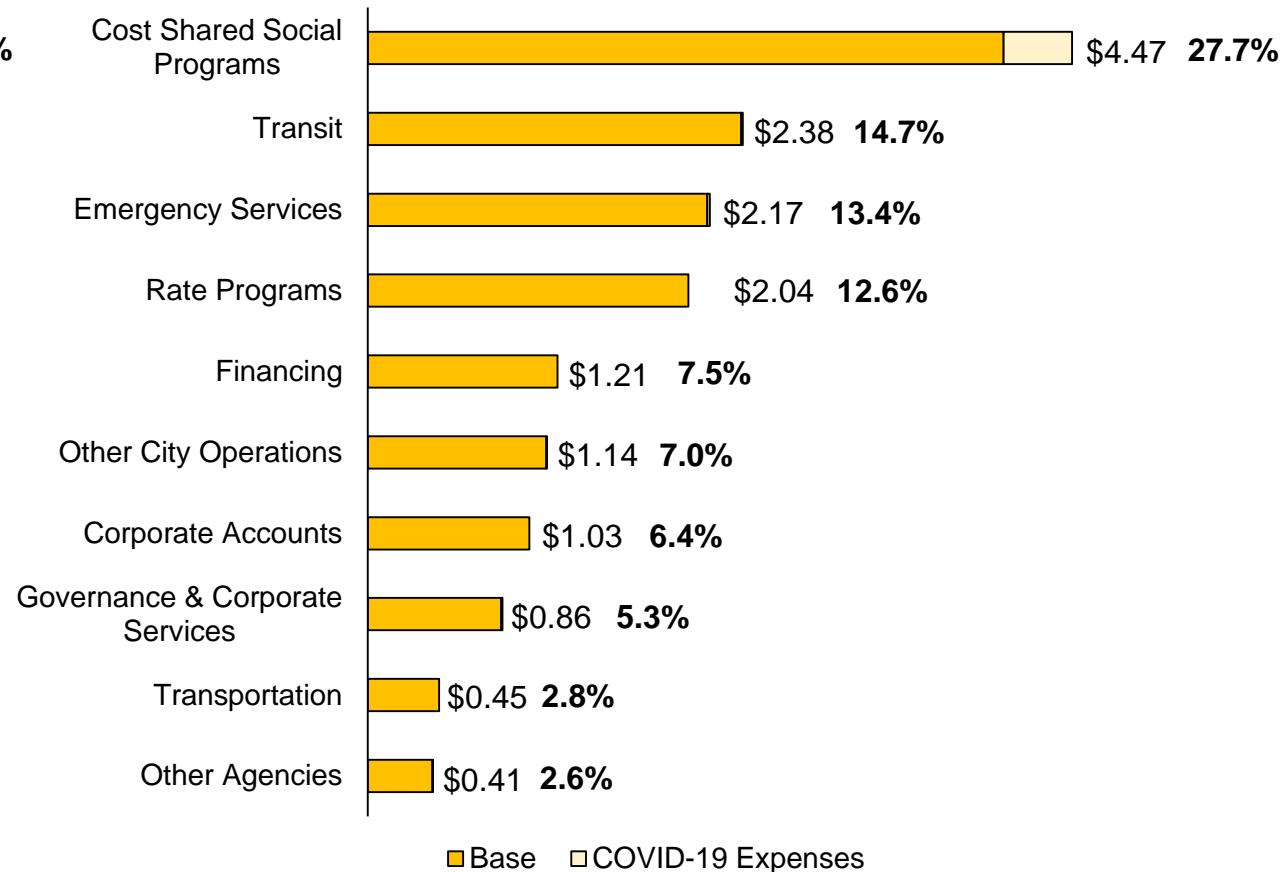
If one-time provisions or emergency funding is used, the backstop strategy will be fully exhausted and no longer available for ongoing commitments and COVID-19 impacts in 2024.

Tax and Rate Supported Operating Budget

WHERE THE MONEY COMES FROM (\$16.16 B)



HOW THE MONEY IS INVESTED (\$16.16 B)



* Reflects annual reserve draws which are supported by annual reserve contributions in order to smooth out expenses that fluctuate or are periodic in nature (e.g. insurance claims, employee benefits and vehicle reserves)

Services Which Extend Beyond Toronto

On an annual and ongoing basis, the City of Toronto invests in extensions of federal and provincial responsibilities.

22%, or \$1.1 billion, of Torontonian's annual property taxes are directly invested in the following services which reduce the financial burden for other governments:

Housing

\$616 M



Homelessness and
Housing First Solutions
Social and Affordable Housing

Social Services

\$247 M



Child Care
Employment Services
Youth Development

Health Services

\$256 M



Infectious Disease Control
Long-Term Care Homes
Family Health

*This excludes the significant capital investments made by the City of Toronto in intergovernmental priorities.

Growing Demand for Shelter Spaces

The housing crisis across Canada, along with current mental health challenges, has a disproportionate impact on major cities and continues to increase demand on shelter services and other services supporting the shelter system.

Toronto has more shelter beds per capita than any other municipal shelter system.



- Pre-pandemic: the City provided **6,000** shelter beds
- In 2022: the City provided **8,500** shelter beds
- 2023 Budget: provides funding for **9,000** shelter beds

Increased Costs: Shelter Space for Refugees

Toronto's shelter system has more dedicated beds for refugees than any other Canadian city.

- January 1, 2021: City provided **500** shelter beds dedicated to refugee claimants
- January 1, 2022: City provided **788** shelter beds dedicated to refugee claimants
- In 2023: the City anticipates demand for up to **2,550** beds per night for refugee claimants



The City has expanded temporary refugee programs to accommodate growing demand however, as of today, demand for refugee-specific beds represents 28% of the City's shelter capacity.

The City needs timely funding support of \$97 million from the federal government in 2023 to be able to continue refugee response.

Supportive Housing: Needs Support from Province



- The City of Toronto provides significant funding and investments in affordable housing infrastructure
- Supportive housing is a key component to ending chronic homelessness, which will reduce costs for the health care system and other community services
- Confirmation of operating funding is needed from the province to support residents in their new homes

The City needs confirmation of ongoing funding support from the provincial government in 2023 including \$48 million for supportive housing costs.

Transit Services

The Toronto Transit Commission operates the largest public transit system in Canada and the third largest system in North America

The 2023 Budget will ensure transit remains safe, accessible, connected, and keeps people moving, through a \$53 million subsidy increase and 10 cent fare increase (3.1%)

- Prepare for Eglinton Crosstown and Finch West opening
- Expansion of the Fair Pass Program
- Enhanced downtown station and streetcar route cleaning
- Additional safety measures (50 additional hires)
- Increased fuel costs to operate transit services
- Prioritized TTC service on routes in Neighbourhood Improvement Areas
- Frozen TTC fares for seniors



Emergency Services



The 2023 Budget includes enhanced investments in emergency services to improve 911 response times and public safety:

Fire Services:

- 52 **new** permanent firefighters, with planned hiring of up to 200 firefighters
- Year 1 of 3 year plan to hire a total of 156 **new** operational firefighters
- Council-approved Operational Service Delivery Model ([2021.EC24.13](#))



Paramedic Services:

- 66 **new** permanent positions, with planned hiring of up to 250 paramedics
- Year 4 of 5 year plan to hire additional paramedics
- Council-approved Multi-Year Staffing and Systems Plan ([2019.EC5.3](#))



Toronto Police Service:

- Planned hiring of 200 uniformed front-line positions (new and vacant)
- Hiring strategy includes hiring 136 civilian officers including 911 operators
- Includes 25 uniformed officers for the downtown core to enhance public safety

Key Initiatives in the 2023 Budget



Focusing on delivery of core, front-line services

- Improve front-line emergency services and 911 times
- Continue expanded sidewalk snow clearing
- Enhance availability of water fountains and washrooms in parks



Promoting supply and safety of housing

- Vacant Home Tax
- Expanding housing options (e.g. legalization of multi-tenant homes)
- Eviction Prevention Intervention in the Community (EPIC)



Investing in economic and downtown recovery

- Downtown recovery initiatives
- Maintain the Small Business Property Tax Rate Reduction (15%)



Ensuring public safety

- Enhance the Toronto Community Crisis Service
- Anti-Violence Programs
- Youth Employment Initiatives
- Additional resources to promote community safety



Maintaining affordability

- Property tax rate increases below inflation
- Continued support for needs-based programs and subsidies
- Expansion of Fair Pass Program
- Frozen TTC fares for seniors

2024 Outlook

The City is anticipating ongoing fiscal challenges into future years including an opening pressure of \$1.5 - \$1.7 billion in 2024.

- Preliminary COVID-19 impacts of up to \$0.9 billion associated with reduced transit ridership revenue and shelter services, which is expected to continue into future years
- As the City recovers from the pandemic, will analyze which impacts are expected to create continued base line operating pressures
- Continued funding support from the federal and provincial governments is critical – we cannot sustain these pressures alone.

In \$ Millions	Estimates	
	Low	High
Base Pressures		
Transit	118	
Salaries and Benefits	187	
Inflation & Growth	296	
Sub-Total	600	

Federal/Provincial Responsibilities		
Refugee Response	97	
Supportive Housing	48	
Sub-Total	145	

COVID-19 Impacts		
Transit	350	420
Public Health	-	44
Shelters	317	352
Corporate Revenues	18	42
Other Costs	35	70
Sub-Total	720	927

Total:	1,465	1,672
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Property Tax Impacts

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Property Tax Rate Increases to Fund Services



Proposed property tax rate increases for 2023:

Residential Properties		Business Properties	
Residential	Multi-residential	Commercial*	Industrial
5.50 %	2.75 %	2.75 %	5.50 %
<i>Assumed at below inflation</i>	<i>Half of residential increase</i>	<i>Half of residential increase per policy & regulation</i>	<i>Assumed at below inflation</i>



***Small Business Subclass**

Continued rate reduction of 15%, established in 2022, supporting 29,000+ small businesses

Annual operating budgetary tax increase to the average home: \$183

City Building Fund: Dedicated to Transit and Housing

1.5%

Increase to
dedicated levy
for 2023*

\$6.1B

Dedicated funding to
support transit and
housing in the 10 Year
Capital Plan



Annual City Building Fund increase to the average home: \$50

*The City Building Fund increase extends to 2035 to continue to support investments in transit and housing

2023 Rate Increases



3.0%

Increase to water and wastewater consumption rates*

Average annual household increase based on 230 cubic metres of water consumed per year: \$29



3.0%

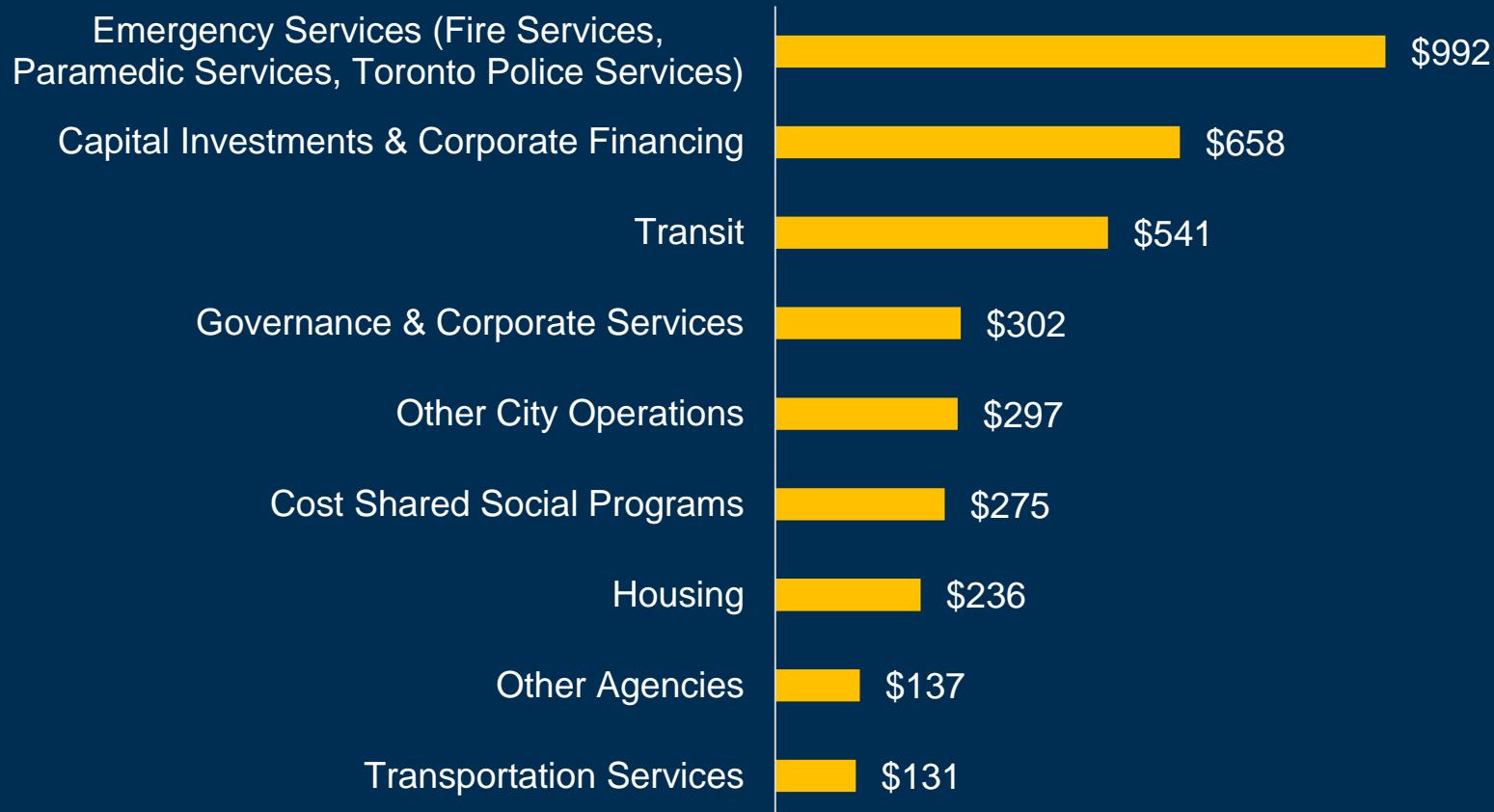
Increase to Solid Waste Management Services rates and fees*

Average annual single-family residential increase will range depending on size of their garbage bin: \$5 - \$16



*Interim rate increases of 3% were approved by City Council on December 14, 2022 for Toronto Water and Solid Waste Management Services.

Your Property Tax Investment



The average home in Toronto has an assessed value of \$695,268.

The 2023 Property tax on this home would be \$3,569.

This includes an increase of \$183 for City operations and \$50 for the City Building Fund.



**Does not include education taxes*

The current reassessment cycle reflects a January 1, 2016 valuation date for the period of 2017-2020. As the Province postponed the 2021 reassessment, 2023 property values are the same assessment values as 2020, unless the property experienced relevant changes (e.g. renovations, improvements or demolitions).

2023 Capital Budget

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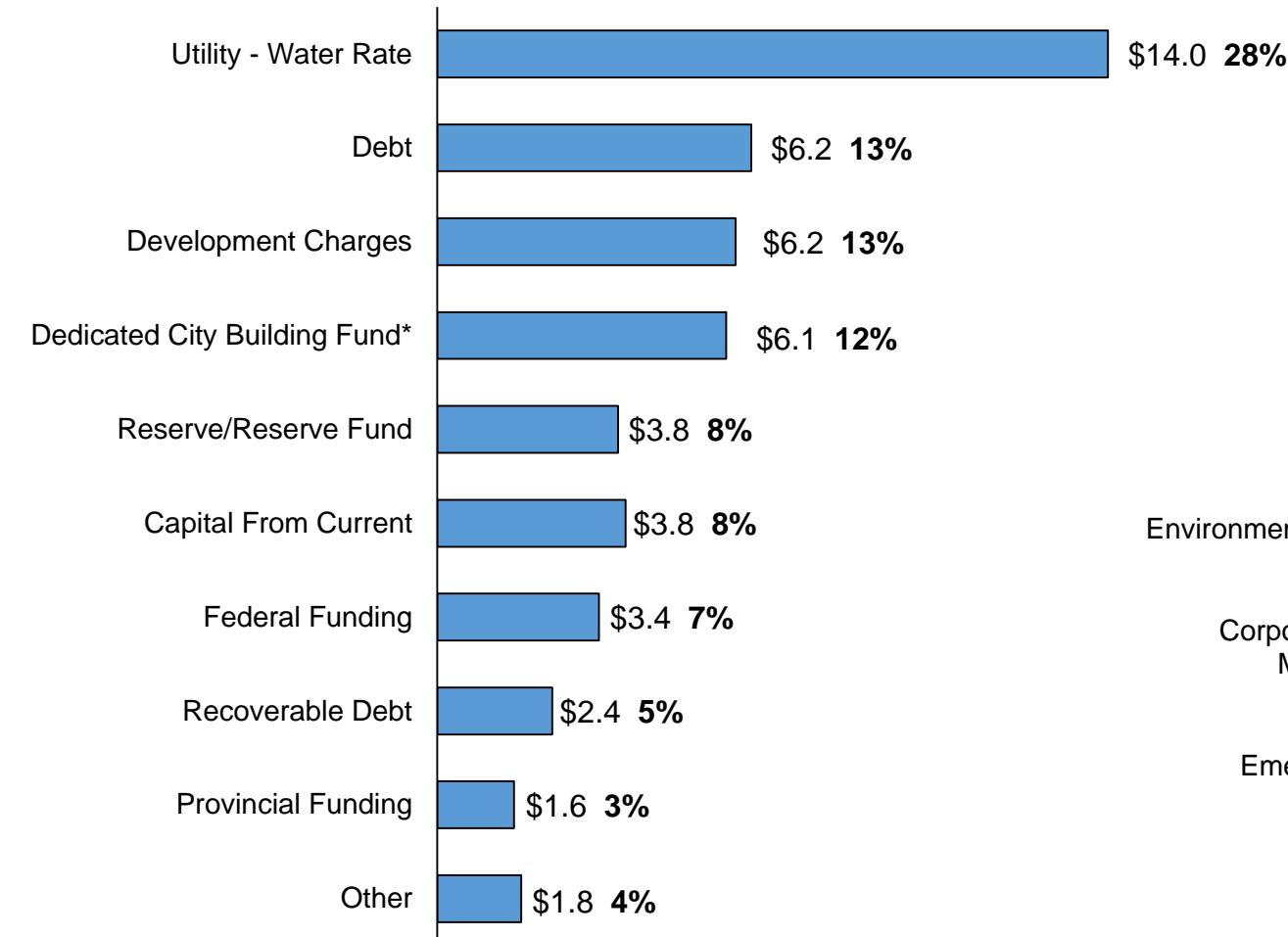
Capital Budget Overview

- 2023 Capital Budget of \$4.45 billion
- Largest 10-Year Capital Plan introduced: \$49.26 billion
- Prioritizes investments in transit; housing, and advancing the City's climate action goals
- Experiencing significant challenges
 - Supply chain disruption and cost escalations
 - Specialized labour shortages
 - Increased cost of borrowing
- Supported by extension of the City Building Fund
- Will leverage Sustainable Debenture Program
- Maximizes use of development charges
- Assumes full reimbursement of Bill 23 impacts
- Supports job growth and provincial / national economy

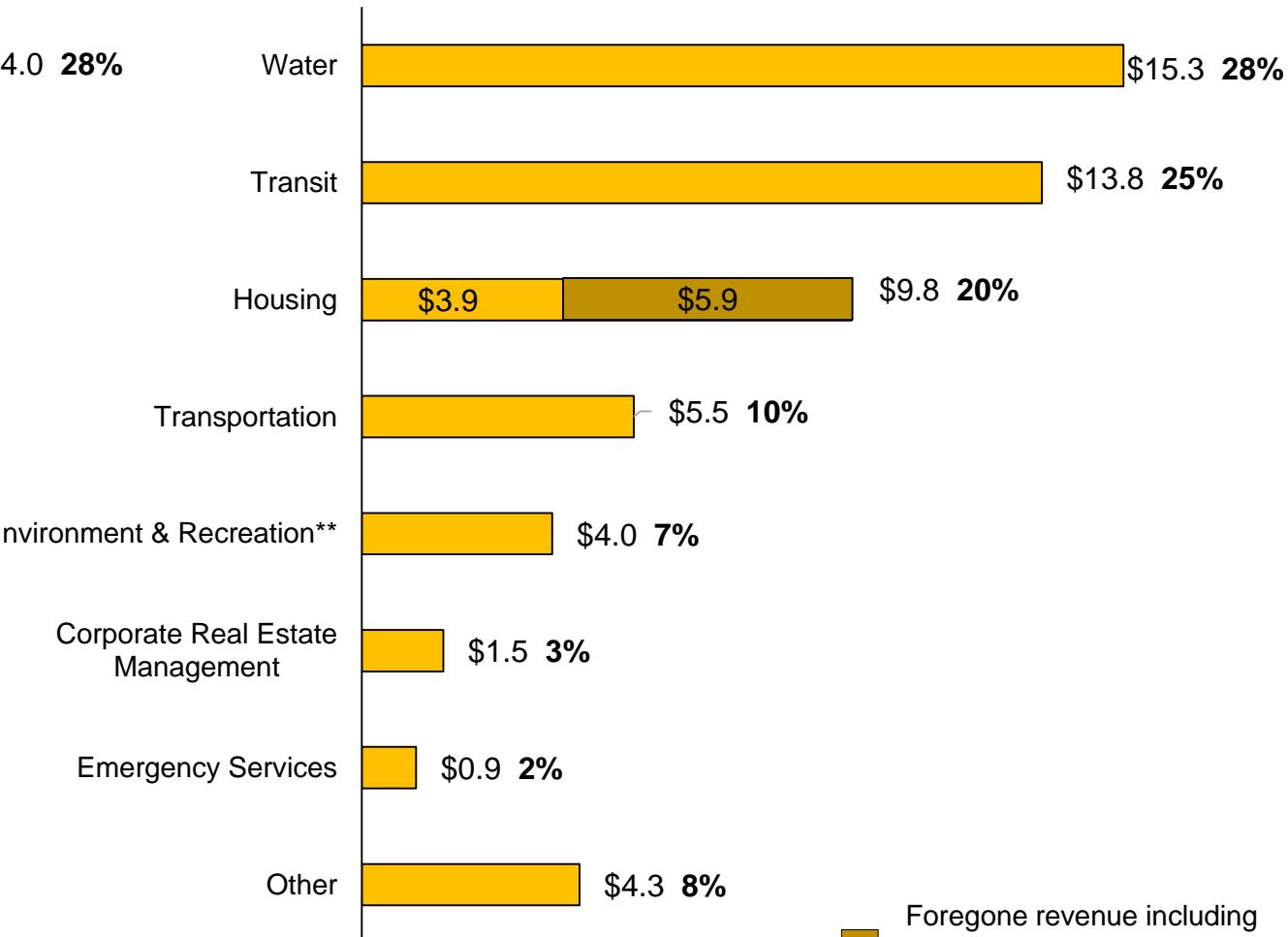


Tax and Rate Supported 10-Year Capital Plan

WHERE THE MONEY COMES FROM (\$49.26 B)



HOW THE MONEY IS INVESTED (\$49.26 B)



The 10 Year Capital Plan assumes full reimbursement of any impacts from Bill 23.

* City Building Fund is dedicated to Transit and Housing projects

** Projects that support Council-approved sustainability outcomes are included in all spending categories

Enhanced Investments in the Capital Plan



MOBILITY: \$1.2 B



- Transit Fleet
- State of Good Repair Investments
- Capacity Enhancement (Line 1 & 2)
- Roadway Extension (Broadview Avenue)
- 4 Year Bike Share Expansion

FLOOD PROTECTION & PARKLAND: \$0.7 B



- Parks and Community Recreation Facilities
- Flood Protection (Broadview/ Eastern; Rockcliffe)

HOUSING: \$0.9 B



- Rental Development
- Emergency Housing Action
- Housing Now
- TCHC Development Projects

INFRASTRUCTURE / OTHER: \$2.1 B



- Quayside
- Water & Wastewater Infrastructure
- Library Construction, Expansion and Renovation
- Technology Infrastructure Investments

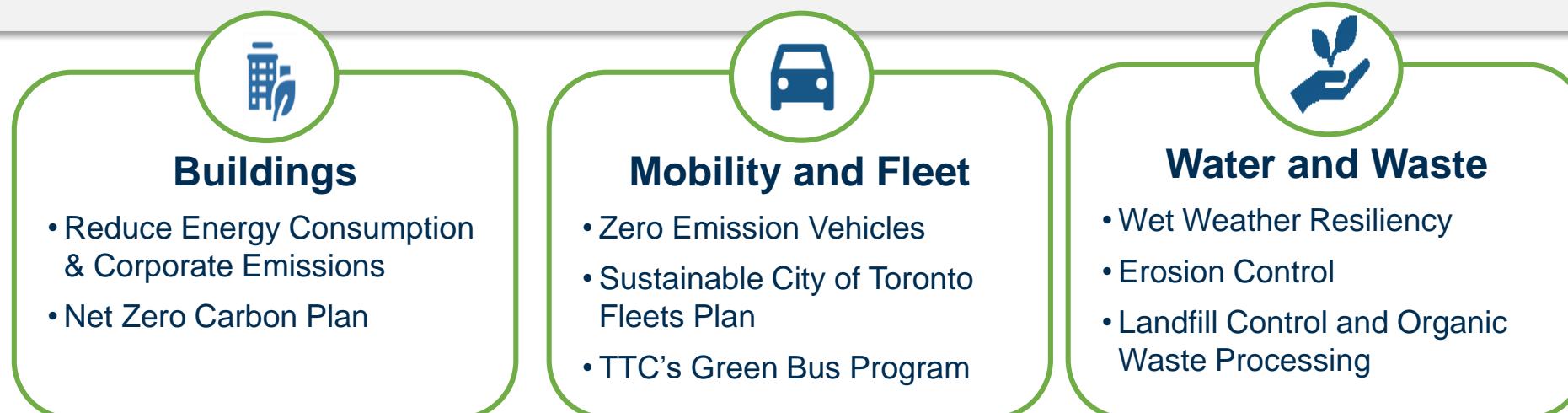
Investments which include components that support Council-approved sustainability outcomes are embedded throughout the Capital Plan. The 2023 10-Year Capital Plan includes an **additional \$2.1 B** towards these outcomes vs. 2022.

*The 10 Year Capital Plan assumes full reimbursement of any impacts from Bill 23

2023-2032 Capital Plan – Funded Climate Action

Reduce Greenhouse Gas Emissions and
Improve Climate Resilience

10 Year Tax and Rate Supported Capital Budget and Plan analyzed using the Climate Lens:
\$17.62 billion in investments include components that support Council-approved sustainability outcomes



Council Priorities and Decisions

TransformTO: Toronto Climate Strategy; Toronto's Climate Action Strategy; Toronto's Resilience Strategy; Corporate Strategic Plan

Of the \$17.6 B in investments: **\$4.2 B** supports GHG emission reductions; **\$5.4 B** supports climate resilience; **\$8.0 B** supports both GHG emission reductions and climate resilience

Investments in State of Good Repair (SOGR)

Since 2014, the City of Toronto has made increased investments in SOGR:

- 2014 10-Year Capital Plan: \$16.6 billion invested in SOGR
- 2023 10-Year Capital Plan: \$24.7 billion invested in SOGR
- **Increase of 49% in funds dedicated to addressing SOGR needs**

During this time period, the City has significantly invested in various SOGR projects to address infrastructure needs including:

- Transit and transit system upgrades
- TCHC building repairs
- Fleet replacements
- Water and wastewater

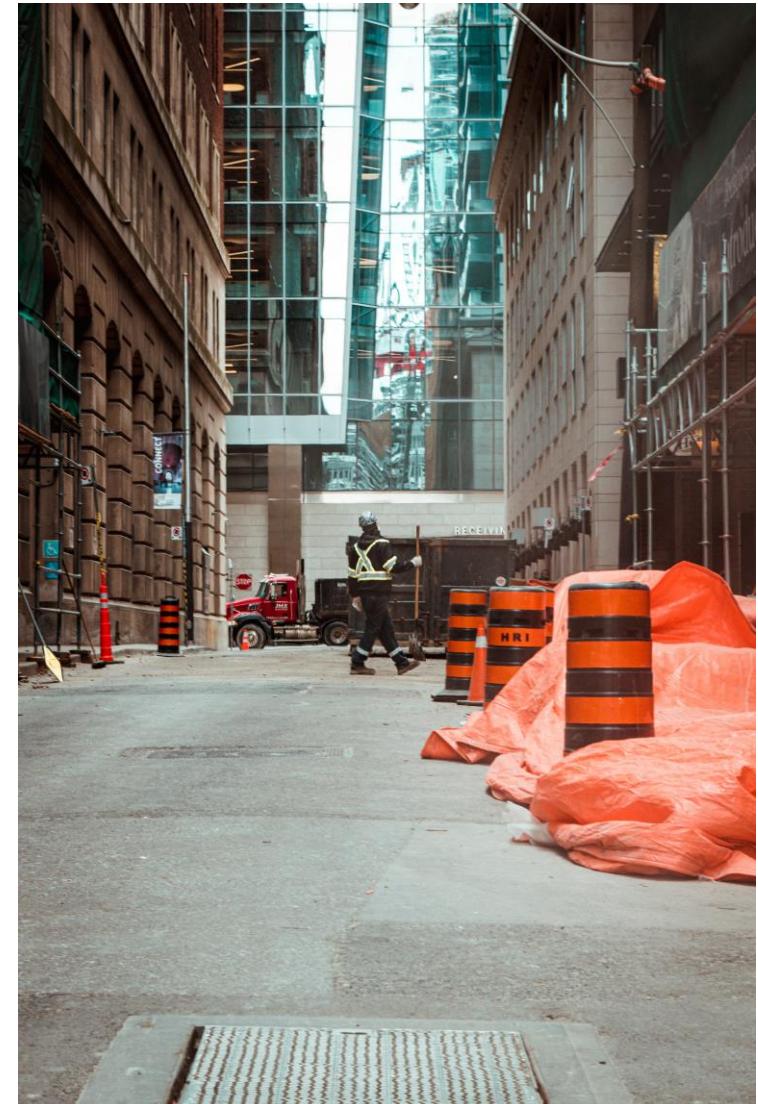


Photo by: Juan Rojas on Unsplash

SOGR will continue to be a City priority



- Investing in SOGR continues to be a priority, reflecting \$24.2 billion or 49% of planned capital over the next 10 years
- SOGR has been negatively impacted since the onset of COVID-19
 - Paused capital projects due to COVID-19 funding shortfalls
 - Supply chain issues and cost escalations
 - Specialized labour shortages
 - Increased cost of borrowing
- Further impacted by aging infrastructure and assets
- Despite added investments in SOGR, the backlog is expected to grow from \$9.5 billion in 2023 to \$18.8 billion in 2032
 - Greatest impacts in transit; transportation; recreation and City buildings
- The extension of the City Building Fund will help to mitigate growing pressures for transit and housing
- The City continues to enhance asset management planning

The City will conduct a review of remaining SOGR challenges and return with a strategy and opportunities to increase SOGR investments and reduce the expected backlog for the 2024 budget process.

Bill 23: Impact to Development Revenues



- Bill 23 was announced with the intention of increasing affordable housing, however it has a direct negative impact on the City's ability to deliver the HousingTO Plan
- The current 10-Year Capital Plan assumes full reimbursement of \$2.3 billion in expected impacts. If the City is not reimbursed, the following is at risk:
 - \$1.9 billion (93%) will impact housing; transit; roads; water; and parks and recreation
 - \$1.3 billion (57%) will directly reduce the City's investments in the HousingTO Plan (40,000 units)
- The City anticipates an ongoing deficit far beyond the 10-year period, while also expecting the City to grow by more than 250,000 people in the next 10 years
- A reduction in annual capital spending of \$230 million could result in 2,000 job losses in the greater economy.

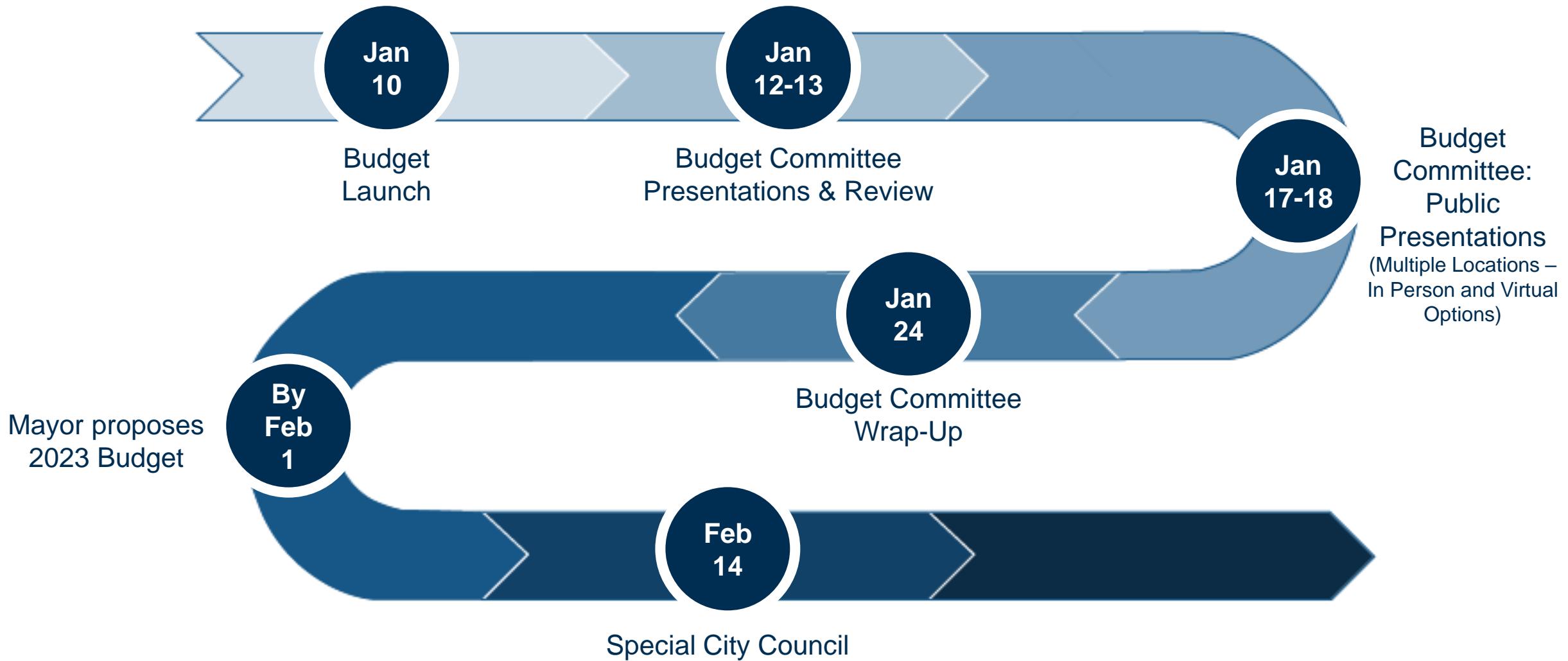
Consistent with the provincial announcement, the City of Toronto is expecting to be fully reimbursed for the revenue losses or else capital projects will be postponed or canceled.

2023 Budget Summary

- Experiencing significant financial challenges and continued COVID-19 impacts
- Budget manages affordability and focuses on maintaining core front-line services
- Leverages new funding mechanisms and extension of City Building Fund
- Makes key investments in emergency services and public safety, transit, housing, and climate action
- Promotes economic recovery
- Requires continued support and partnerships with other orders of government



2023 Budget Schedule



Get Involved!

The budget is about setting goals and building a great city – together.

Residents and businesses are encouraged to get involved in the budget process:

- Speak at a public meeting on January 17 or January 18, 2023 (in-person at multiple locations or virtually)
- Submit written feedback to the Budget Committee
- Contact Members of Council



Thank you

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Appendices

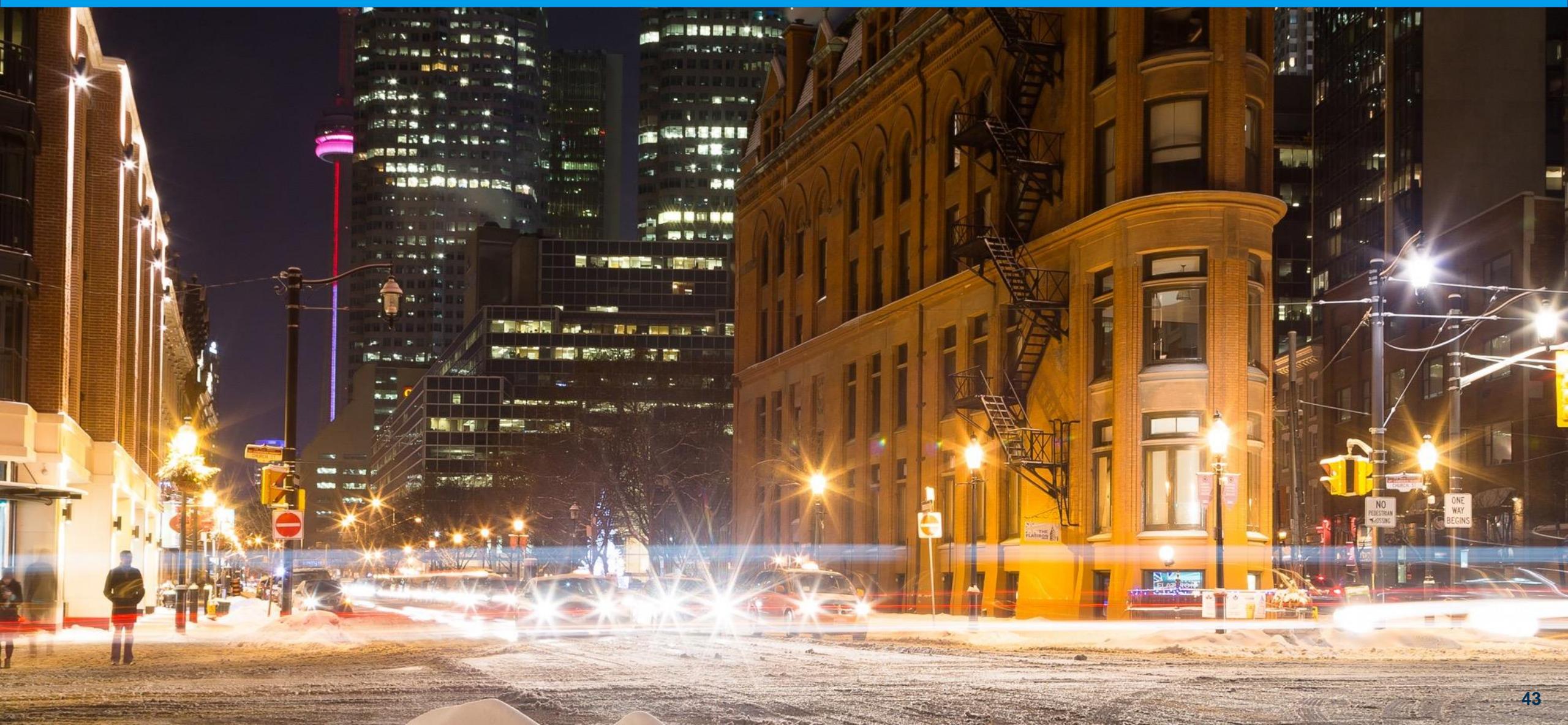


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Glossary

Actuals: An actual financial amount paid (or received) for the delivery of City services.

Achievability: Refers to goals or objectives that are able to be brought about or reached successfully. The capital budget is achievable means that the City can realistically spend and deliver capital projects consistent with the plan.

Affordability: Refers to the City's capacity to pay for its investments.

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

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

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

City Building Fund: A special dedicated property tax levy called the 'City Building Fund' for priority transit and housing capital projects.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

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

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

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

Sustainability: Refers to the City's ability to maintain a certain rate or level (e.g. spending rate).

Tax Supported Budget: Budget funded by property taxes.

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

Property Tax Ratios



Tax Class	Actual										Projected and Target	
Year:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Commercial				2.85	2.81	2.74	2.65	2.61	2.58	2.497		
Industrial	3.07	3.00	2.90	2.83	2.76	2.71	2.62	2.59	2.51	2.513	2.50	
Multi-Residential				2.66	2.46	2.28	2.10	2.05	1.96	1.899		
Small Business	2.63	2.50	2.50	2.49	2.44	2.43	2.43	2.43	2.19	2.120		

For tax ratios above the provincial thresholds (1.98 for Commercial; 2.63 for Industrial; and 2.00 for Multi-Residential), the regulations allow for a maximum tax increase of $\frac{1}{2}$ of the Residential tax rate increase.

2023 Tax Increase for Average Home



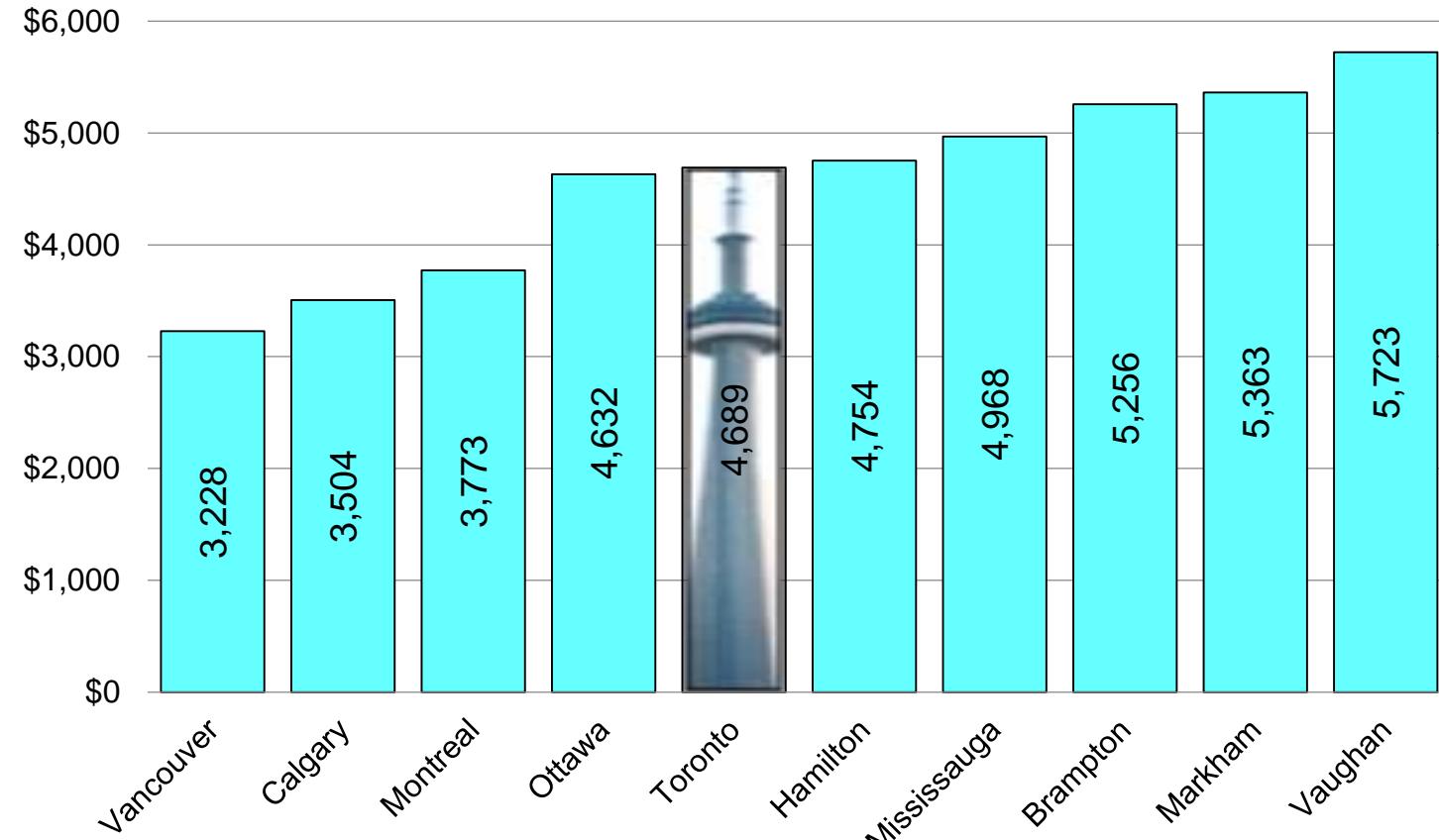
Average Home Value: \$695,268

	\$	%
2022 Municipal Taxes*	3,335	
Budgetary Levy Increase	183	5.50%
City Building Fund	50	1.50%
Total Impact for 2023:	233	7.00%
2023 Municipal Taxes	3,569	

*There is no Current Value Assessment (CVA) shift for 2023. The 2022 Municipal Property Tax amount includes a technical adjustment of 0.16% (\$5 for the average home) which represents adjustments for assessment appeals.

2022 Comparison of Residential Property Taxes

Large GTHA Municipalities, Vancouver, Ottawa, Montreal & Calgary



*Includes education property taxes and excludes land transfer tax values

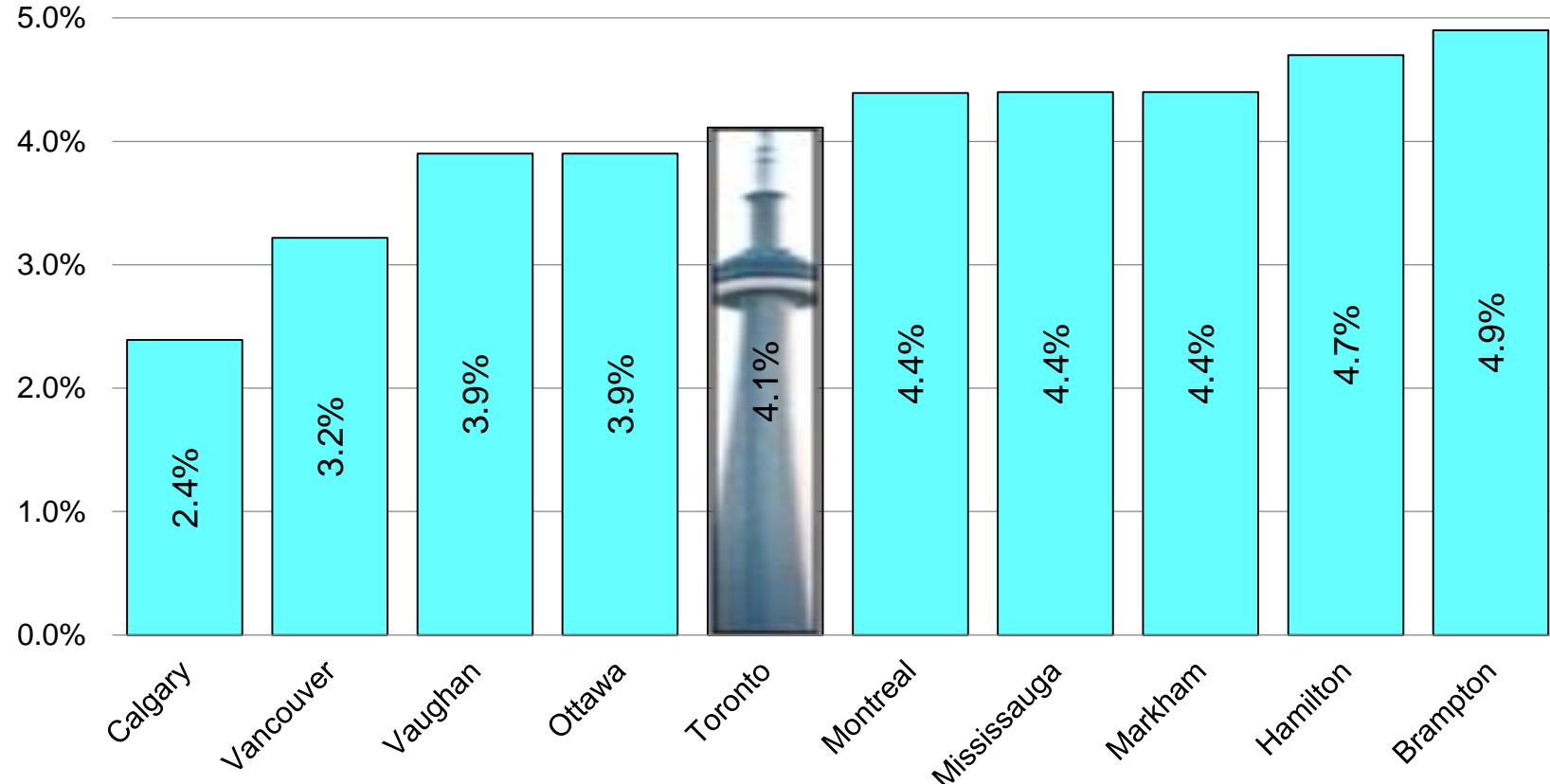
**For Toronto, it also includes provision of average solid waste collection and the City Building Fund levy

Sources: 2022 Municipal Study – BMA Consulting Inc., City of Vancouver, Montreal & Calgary websites, World of Web Advertising (WOWA); 2022 Housing Market Reports (Vancouver & Calgary Markets).

Note: BMA Comparison (Ontario municipalities) based on the weighted average median residential assessment of seven residential property types per MPAC Municipal Status Report 1st Quarter, 2022.

2022 Residential Property Taxes as a Percentage of Household Income

Large GTHA Municipalities, Vancouver, Ottawa, Montreal & Calgary



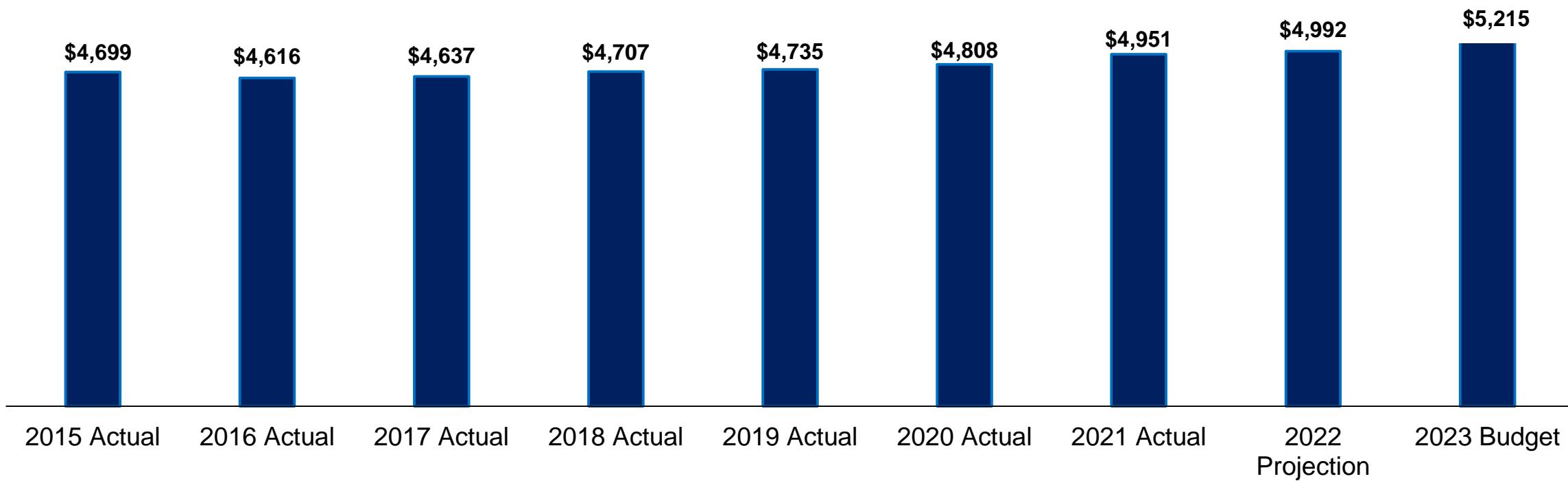
*Includes education property taxes and excludes land transfer tax values

**For Toronto, it also includes provision of average solid waste collection and the City Building Fund levy

City's Operating Spending Per Capita



**Increased Operating Spending Per Capita (2015 to 2023)
When Adjusted for Inflation and Population Growth**



* Based on Q3 Variance Report

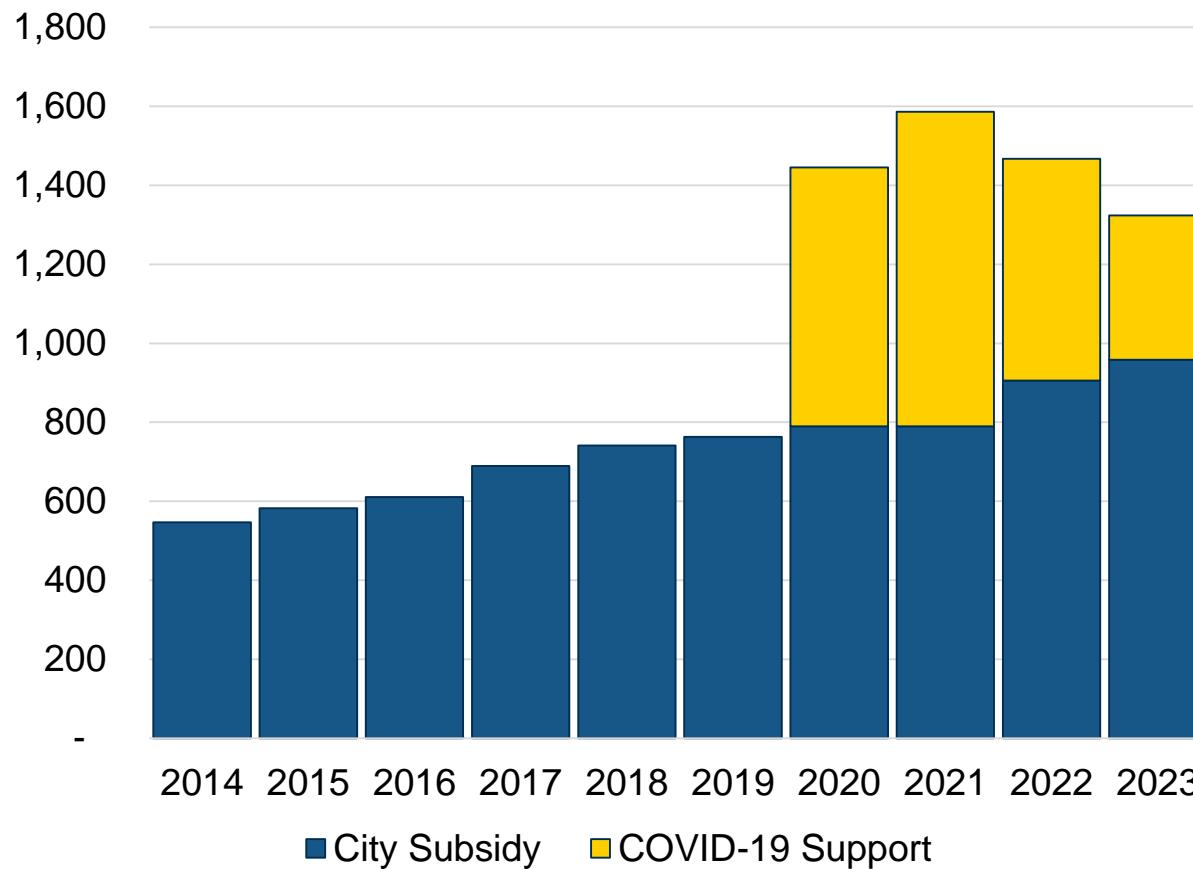
** Indexed to 2023 dollars

*** Prior year actuals adjusted for revised IDC/IDR methodology

City Subsidies to the TTC (2014 – 2023)

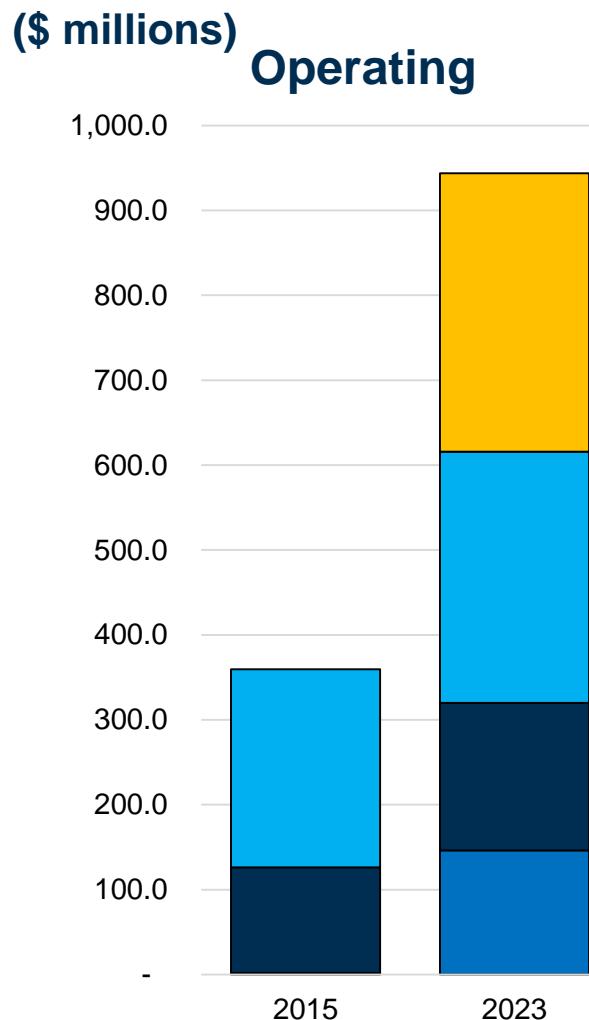


City Subsidies Provided to the TTC (\$ millions)



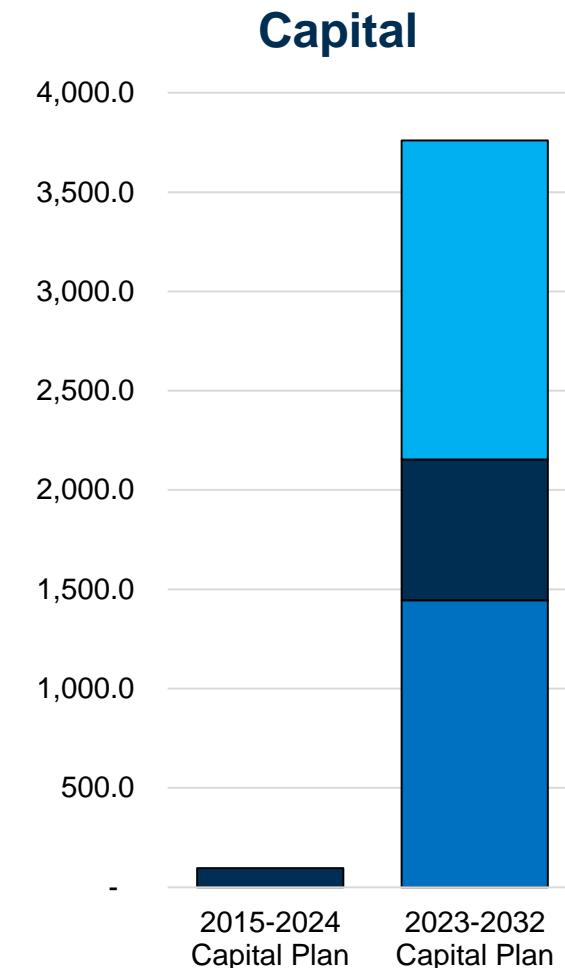
- City subsidies to the TTC have increased from \$546.9 million in 2014 to \$958.7 million in 2023, excluding COVID-19 funding (increase of 75%)
- When including COVID-19 impacts, the City's subsidy has increased by \$776.8 million (increase of 142%)

City-Funded Investments in Housing (2015 to 2023)



Operating Investments:

- Since 2015, the City has increased direct funding from \$359 million to \$616 million in 2023, when excluding COVID-19 (an increase of 71%)



Capital Investments:

- The 2015-2024 Capital Plan included \$96 million in City funding for housing-related budgets.
- The 2023-2032 Capital Plan includes \$3.76 billion in direct City funding for housing-related budgets (an increase of 3817%)
- This excludes additional support of \$5.9 billion planned in foregone revenue such as land value and financial incentives.

█ Shelter Support & Housing Administration █ Housing Secretariat
█ Toronto Community Housing Corporation █ COVID-19 support

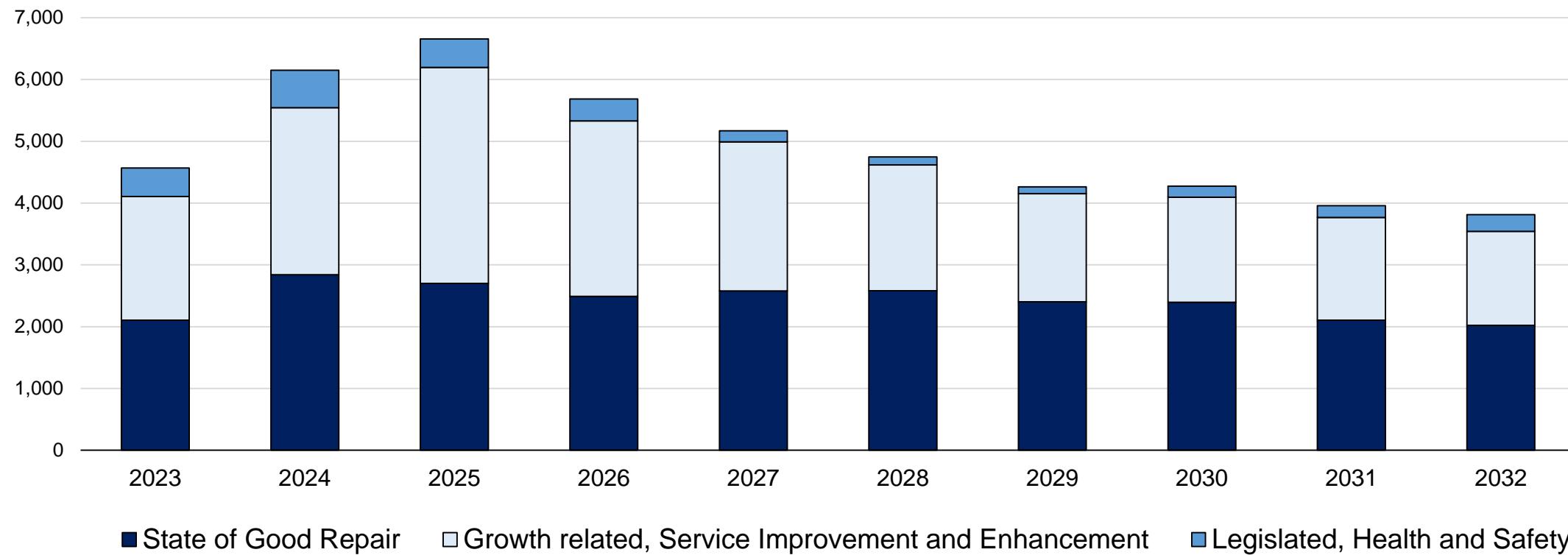
This provides an update to the [information requested](#) as part of the 2022 Budget Process which compared the 2015 and 2022 Housing-Related Budgets.

*The city-funded portion of the 10-Year Capital assumes full collection of the City's forecasted development charges.

2023-2032 Capital Budget & Plan



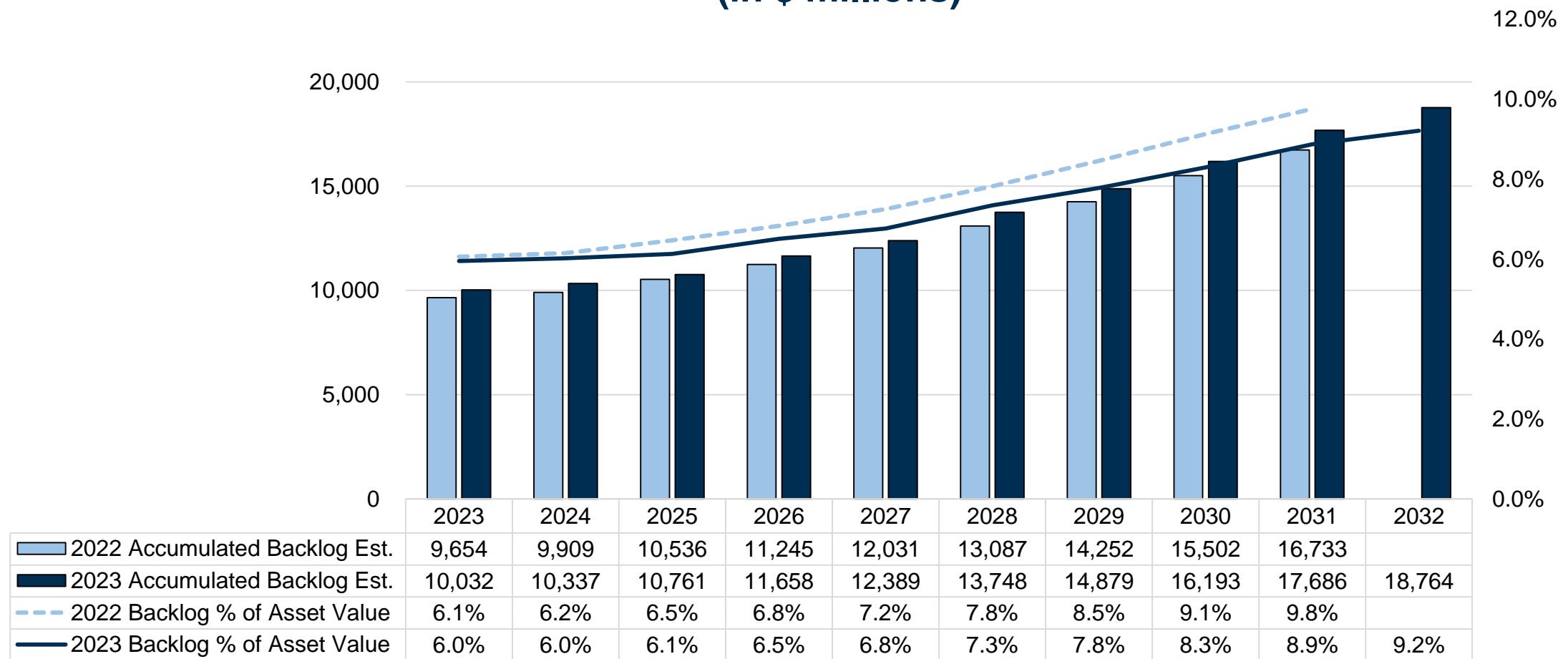
10-Year Tax & Rate Supported Capital Plan by Category (in \$ millions)



State of Good Repair (SOGR) Backlog



**Tax & Rate Supported SOGR Backlog
(in \$ millions)**



2023 SOGR Backlog as % Total Asset Value

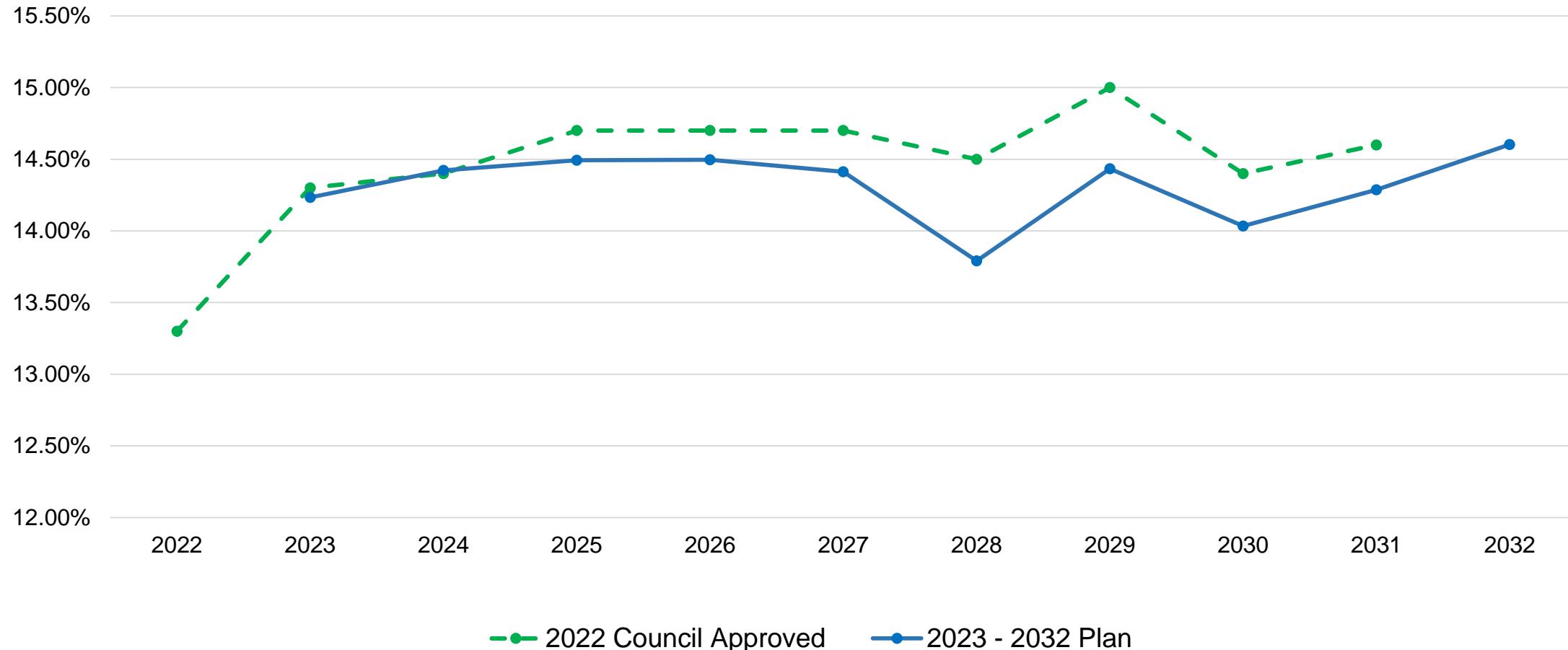


SOGR Backlog (\$ millions)	2023 (beg. bal.)	2023 (1 Year)	2027 (5 Year)	2032 (10 Year)	2022-2032 Change
Toronto Transit Commission	0	92	2,646	6,285	6,285 ▲
Transportation Services	1,816	2,147	3,725	7,013	5,197 ▲
Corporate Real Estate Management	911	927	1,157	1,282	371 ▲
Parks, Forestry & Recreation	773	805	1,089	1,179	406 ▲
Exhibition Place	53	55	74	157	104 ▲
Technology Services	0	0	16	49	49 ▲
Other	944	930	792	740	(204) ▼
Total City Backlog (excl. Gardiner, Water & TCHC)	4,496	4,957	9,499	16,705	12,208 ▲
F. G. Gardiner Expressway Rehabilitation	1,888	1,828	748	80	(1,807) ▼
Toronto Water	1,592	1,748	879	492	(1,100) ▼
Toronto Community Housing Corporation	1,549	1,500	1,264	1,487	(62) ▼
Total SOGR Backlog (Tax & Rate)	9,525	10,032	12,389	18,764	9,239 ▲
Total Asset Value	160,725	168,440	183,030	203,612	42,887
SOGR as % Asset Value	5.9%	6.0%	6.8%	9.2%	

2023-2032 Capital Plan: Debt Service Ratio



Tax Supported Debt Ratio Comparison



Reserves and Reserve Funds



City Reserves \$ Millions	Balance Sept. 30/22
Legally Mandated Reserve Funds	
Deferred Revenue (Externally Restricted)*	6,560.7
10-Year Capital Plan Commitments	
Reserves Committed in Capital & Operating Plans	4,365.0
Mandated / Committed Reserves	10,925.7
Remaining Reserves	
Emergency Reserves	290.3
Total City Reserves / Reserve Funds	11,216.0

\$11.2 billion in deferred revenues and reserves balances as of September 30, 2022

97.4% of these balances are fully committed:

- Legally mandated reserves with legislated, contractually bound, capital plan or Council-directed commitments (\$6.6 billion)
 - For example, provincial legislation restricts use of growth-related funds to specific purposes (e.g. *Development Charges Act, Planning Act*)
- Committed reserves further supporting 10 year capital and operating plans (\$4.4 billion)
- The remaining amount (\$290.3 million) is required to be reserved for:
 - emergency purposes such as extreme weather events; or
 - one-time backstop purposes in the event funding is not received such as refugee response or supportive housing (which comprises 78% of the emergency reserve balance).

*Also represents commitments in Capital Plan

The uncommitted amount represents 1.8% of the total 2023 Operating Budget.