

Presentation to

Economic Development and  
Parks Committee

2001 Operating Budget

February 16, 2001

# Economic Development, Culture and Tourism

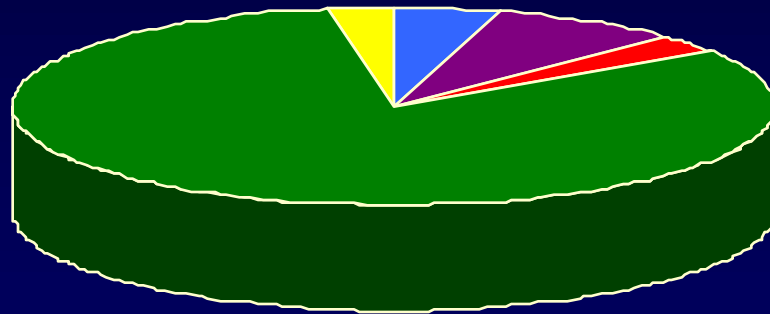
## Programs

- Culture
- Customer & Business Support
- Economic Development
- World Youth Day (new for 2001)
- Special Events
- Parks and Recreation



# 2000 Approved Budget (Gross) by Program

EDCT 2000 Approved Budget  
(000's)  
\$223,835.5

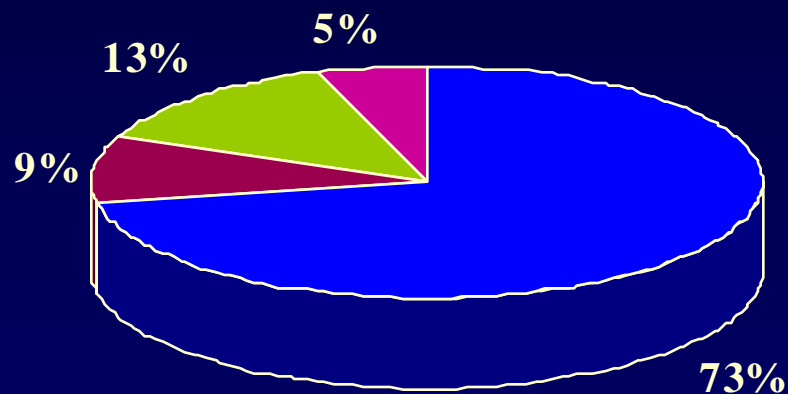


- Culture (\$10,172.4)
- Customer & Business Support (\$17,817.1)
- Economic Development (\$6,979.2)
- Parks & Recreation (\$182,517.8)
- Special Events (\$6,349.0)



# 2000 Approved Budget (Gross) by Expenditure Category

EDCT 2000 Approved Budget  
(000's)  
\$223,835.5



- Salaries & Benefits (\$161,328.6)
- Materials & Supplies (\$20,638.2)
- Services & Rent (\$29,794.4)
- Other (\$12,074.3)





# Efficiencies Since Amalgamation

- Budget reduction of \$23.3 million and 361 FTE's from 1998-2000 with no reduction in services
- Delivered on increasing demands with fewer resources
- Significantly expanded partnership and sponsorship initiatives as new funding sources
- Leveraged City funding on a 1:1 basis to support Economic Development initiatives
- Adopted extensive alternative and innovative revenue generation strategies
- Re-engineered how services are delivered and sought economies of scale to maximize impact of limited resources
- Improved staff efficiency and productivity through job realignments



# Key Messages

- Significant unavoidable pressures impacting operating budget in 2001 including:

◆ Salaries and Benefits	\$12,499
◆ Other Collective Agreement Impacts	\$ 3,217
◆ Fleet Maintenance and Reserve	\$ 6,426
◆ Board of Education Rental	\$ 5,219
◆ Utilities	\$ 3,080
◆ Operating Impact of Capital	\$ 2,116
◆ Council Directed Service Changes	\$ 5,587



# Key Messages

- Have maximized “efficiency” savings
- Lean in administration, only 2.6% of Gross Expenditures
- Increased “gapping” to 2% - impacts on available FTE’s
- Maximizing sponsorship and leveraging opportunities
- Investigating alternate ways of doing business
- Service level adjustment options are required to offset budget pressures
- User Fee policy changes will generate additional revenue
- Prioritized activities to maintain core services
- Difficult to meet demands for new services





# Culture Program

## 2001 Operating Budget

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 **Toronto** Economic Development, Culture & Tourism



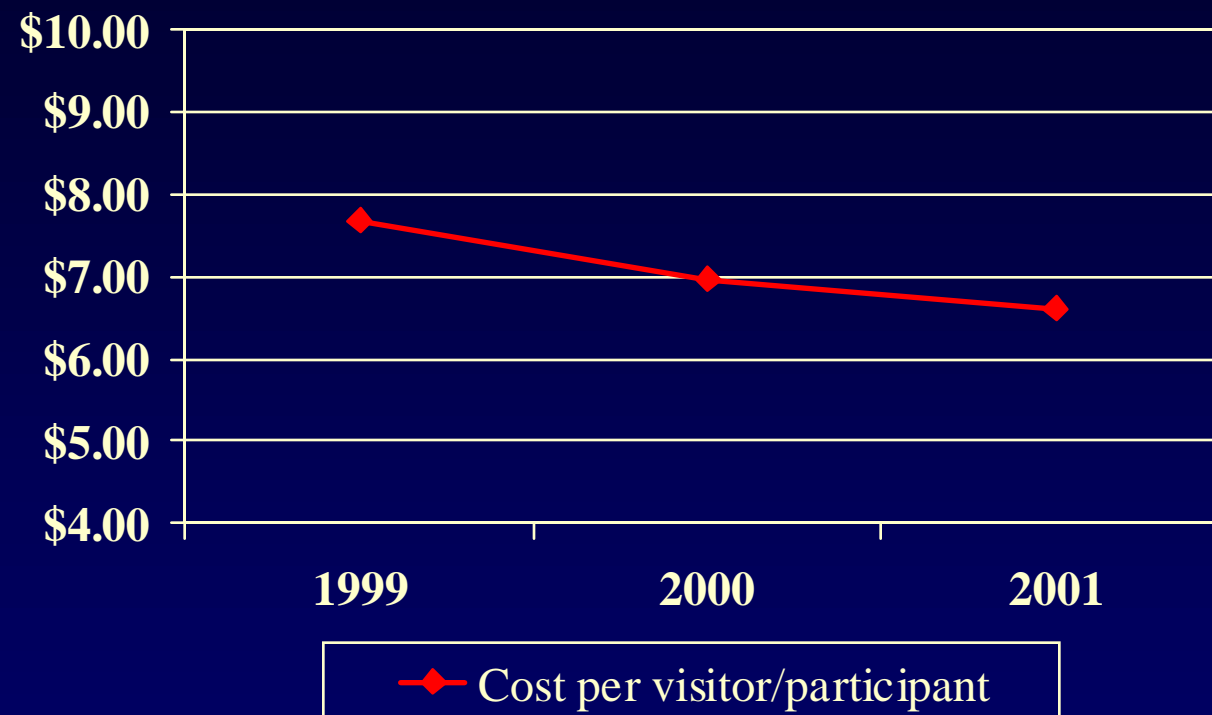
# Culture Program Overview of Services

- Cultural research and policy development
- Operate and program museums, historical sites and cultural centres with 585,000 visitors annually
- Heritage preservation services (5,500 designated or listed heritage buildings, 275 protected buildings)
- Cultural asset management: facilities, fine art and artifact collection (2,900 pieces of art, 219 monuments, 100,000+ historical artifacts)
- Special projects, e.g. Doors Open
- Arts services & community arts development
- Public art projects



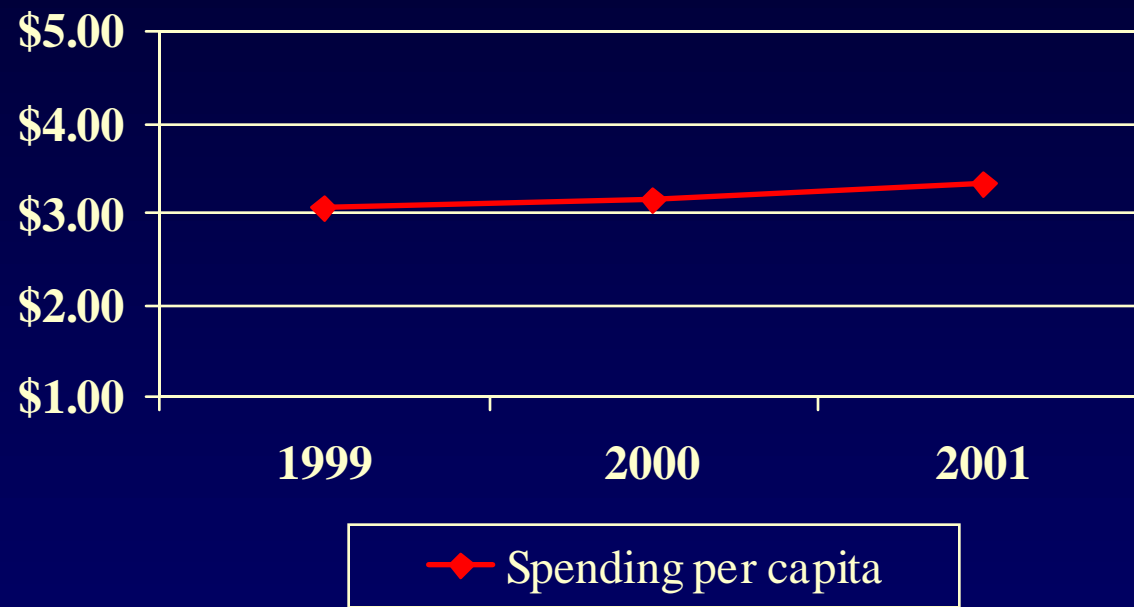
# Culture Program Performance Measures

Efficiency Indicator -- Cost per visitor/participant



# Culture Program Performance Measures

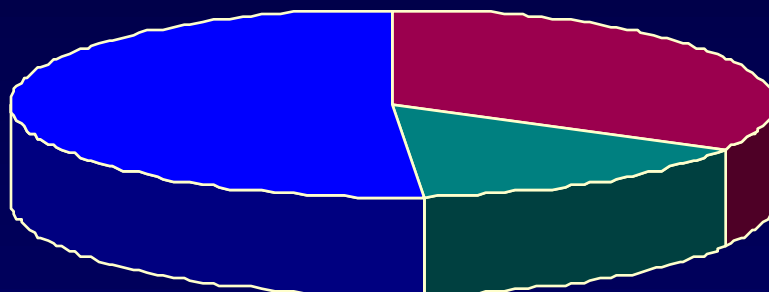
Service Level Indicator -- Spending per Capita on  
Cultural Programs



# Culture Program

## 2001 Net Request by Service

2001 Net Request  
by Service (000's)  
\$9,266.6 (137.0 FTE's)



■ Cultural Development  
\$3,057.6 (26.5 FTE's)

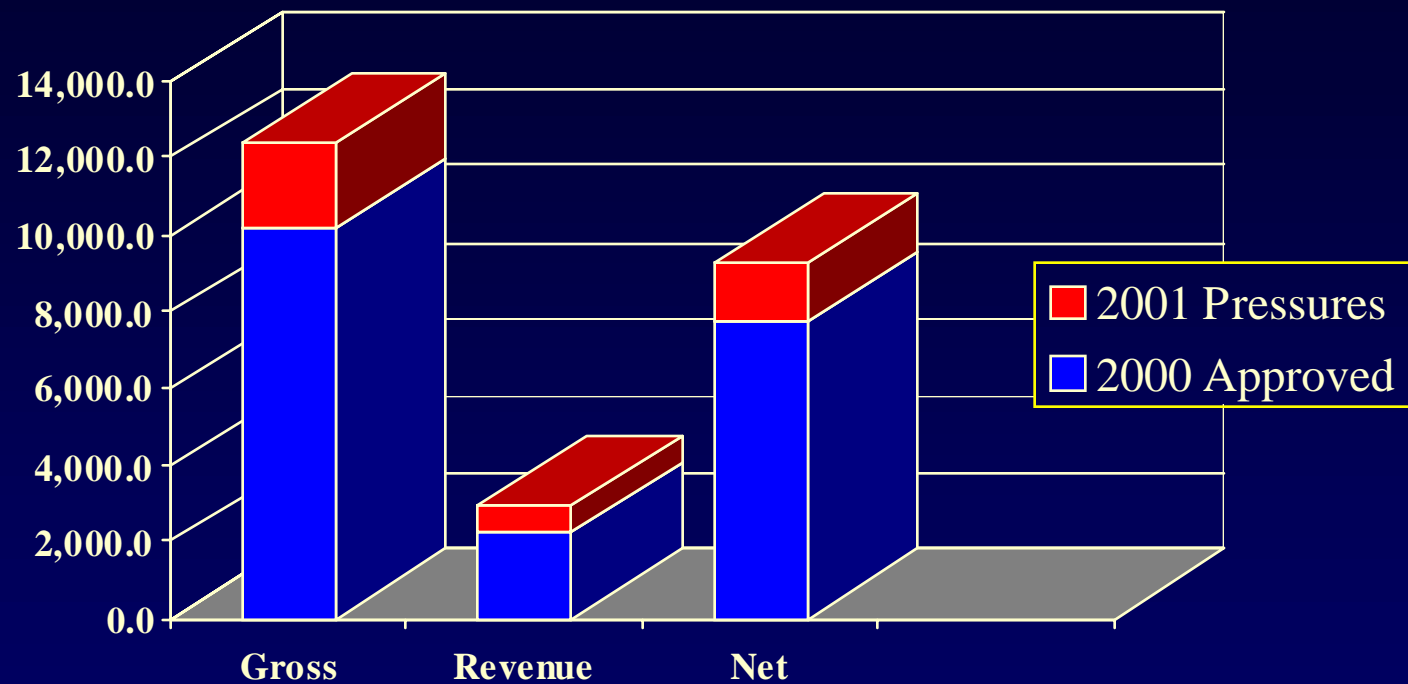
■ Arts Services \$1,441.8  
(23.5 FTE's)

■ Heritage Services  
\$4,767.2 (87.0 FTE's)



# Culture Program 2000 Approved vs. 2001 Request

Culture Program (000's)  
2001 Net Request (\$9,266.6)





# Culture Program

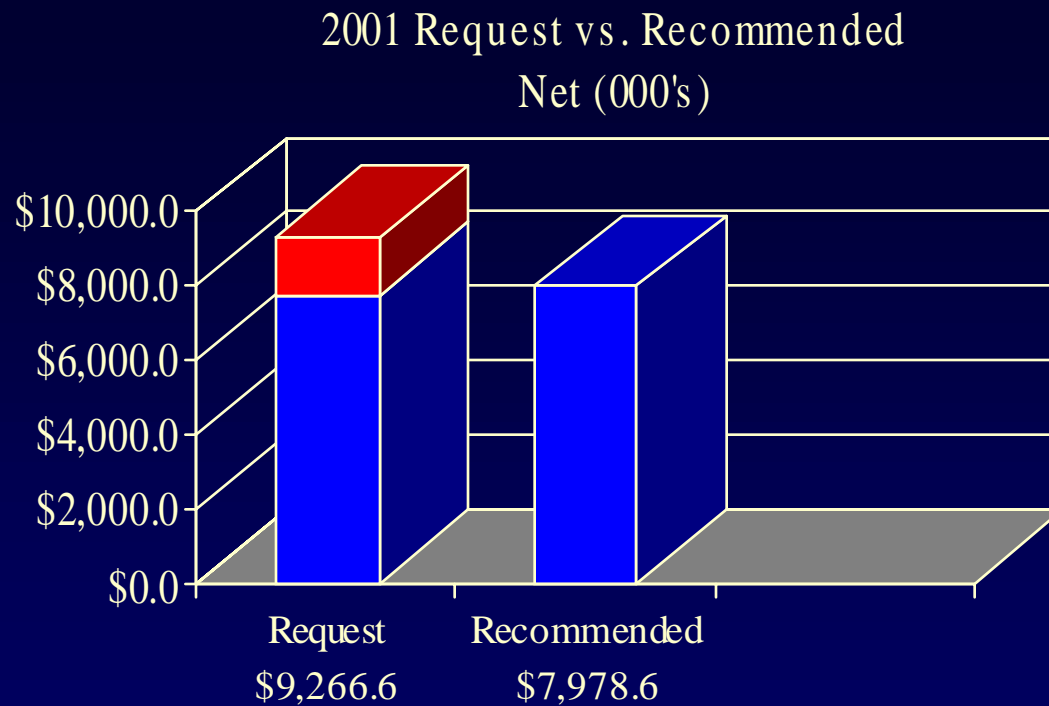
## 2001 Program Pressures (Net)

Pressure	Request (000's)	Recommended (000's)
Salaries & Benefits Adjustments	\$1,039.9	\$879.3
Utility Increases	\$40.3	\$40.3
New Heritage Toronto Funding	\$75.5	\$0.0
New Preservation and Museum Staff	\$156.2	\$0.0
Culture Plan Research	\$30.0	\$30.0
Heritage & Archeological Master Plan Consultants	\$100.0	\$0.0
Museum Needs Study & Merchandising Plan	\$55.0	\$0.0
Lakeshore Assembly Hall	\$135.4	\$17.4
Other	(\$89.4)	(\$167.4)
Totals	\$1,542.9	\$799.6



# Culture Program

## 2001 Request vs. Recommended (Net)



### Summary of Reductions (\$1,288.0 Net)

- Services Level Adjustments (\$662.7)
- Existing Service Changes (\$231.7)
- New Services (\$160.0)
- Other (\$233.6)

# Culture Program Reduction Option Highlights

## *Existing Service Changes*

- Delete New Funding for Heritage Toronto \$ 75.5
- Delete Additional Staffing Request \$156.2

## *New Service Requests*

- Delete Heritage Master Plan \$100.0
- Delete Museum Needs Study \$ 55.0



# Culture Program Reduction Option Highlights

## Service Level Adjustments

- Rationalize Museum & Artifact storage site operations \$217.7
- Remove TAC Administrative Support \$ 60.0
- Defer Lakeshore Assembly Hall opening \$118.0
- Reduction in Heritage Toronto base funding \$ 25.8
- Relocate 205 Yonge St. staff/ Rent Facility \$190.7
- Reduce Heritage Services Programs \$ 32.6
- Reduction in public art maintenance \$ 17.9



# Culture Program Challenges & Future Issues

- Culture Plan to come forward in early 2002 with Culture Agenda for the City for the next decade
- Objective to explore and develop new models for delivery of cultural services
- Increasing need for private sector partnerships to fund programs, strategic studies and facility operations
- Limited resources to meet City's needs in heritage services and public art maintenance







# Customer & Business Support Program

## 2001 Operating Budget

Presentation to  
Economic Development and Parks Committee

February 16, 2001

 **TORONTO** Economic Development, Culture & Tourism



# Customer & Business Support Program Overview of Services

## *Policy & Development*

- Capital Projects
  - ◆ Co-ordination and development of 5 year Capital Plan
  - ◆ Project management and supervision
- Parks and Recreation Planning
  - ◆ Long-term plan for park, cultural & recreational facilities
  - ◆ Review development applications; land acquisition
  - ◆ Park planning & landscape design
- Policy & Research
  - ◆ Development of new department policies
  - ◆ Maintain databases on Users and Facilities
  - ◆ Conduct research projects



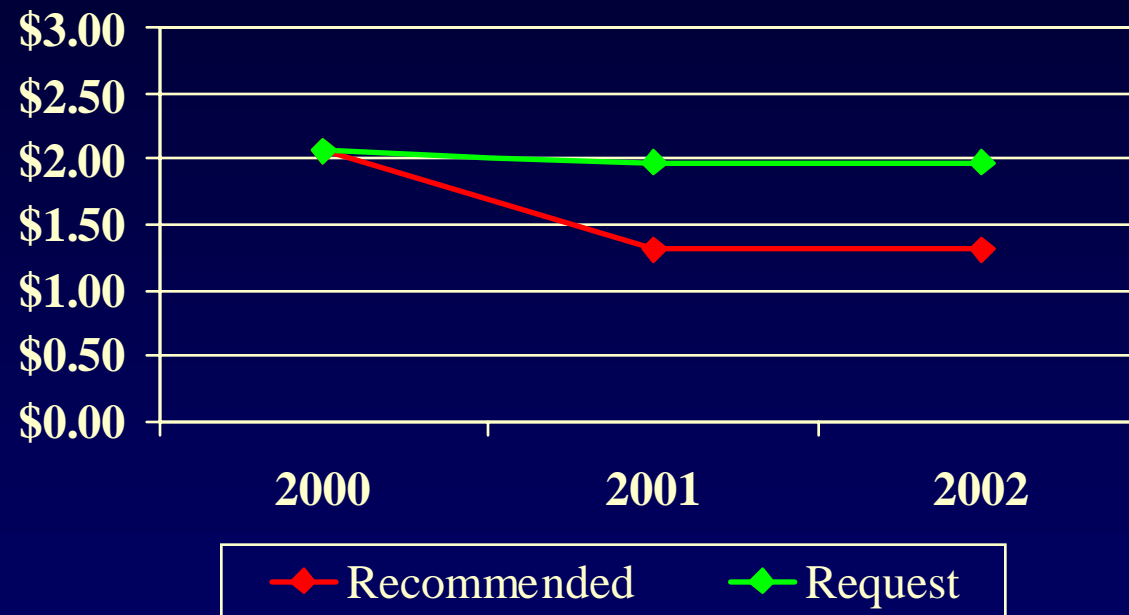
# Customer & Business Support Program Overview of Services

## *Technical Support & Administrative Services*

- Financial Services and Planning
- Business Applications Support
- Customer Service
- Promotion and Communications
- Staff Support
- Compliance
- In partnership with Corporate Services and Finance Departments

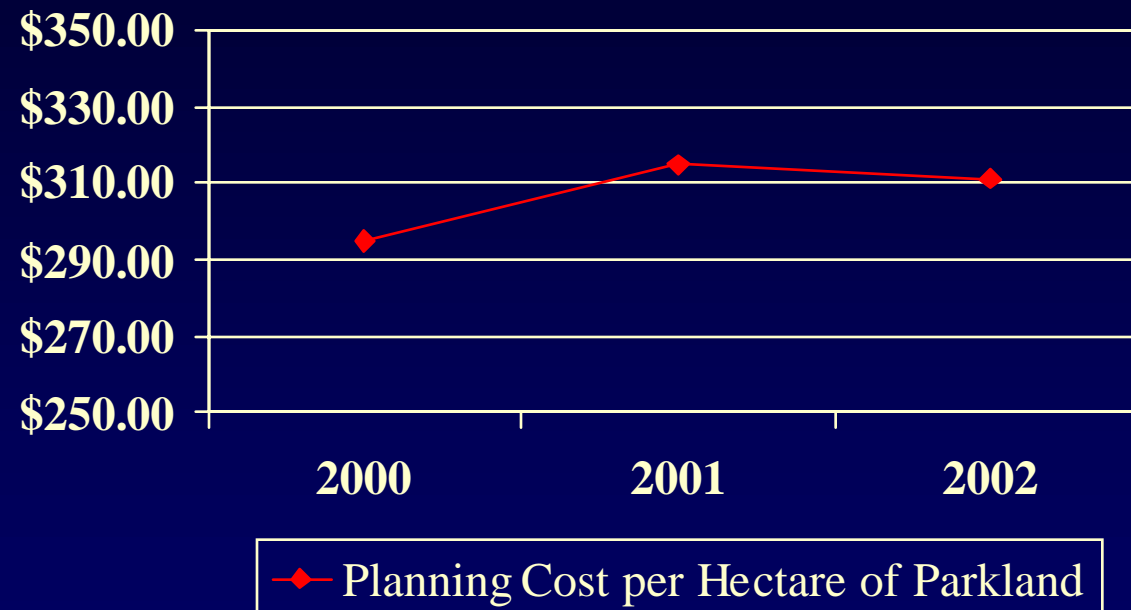
# Customer & Business Support Program Performance Measures

Efficiency Indicator --  
Cost Per Program Registration



# Customer & Business Support Program Performance Measures

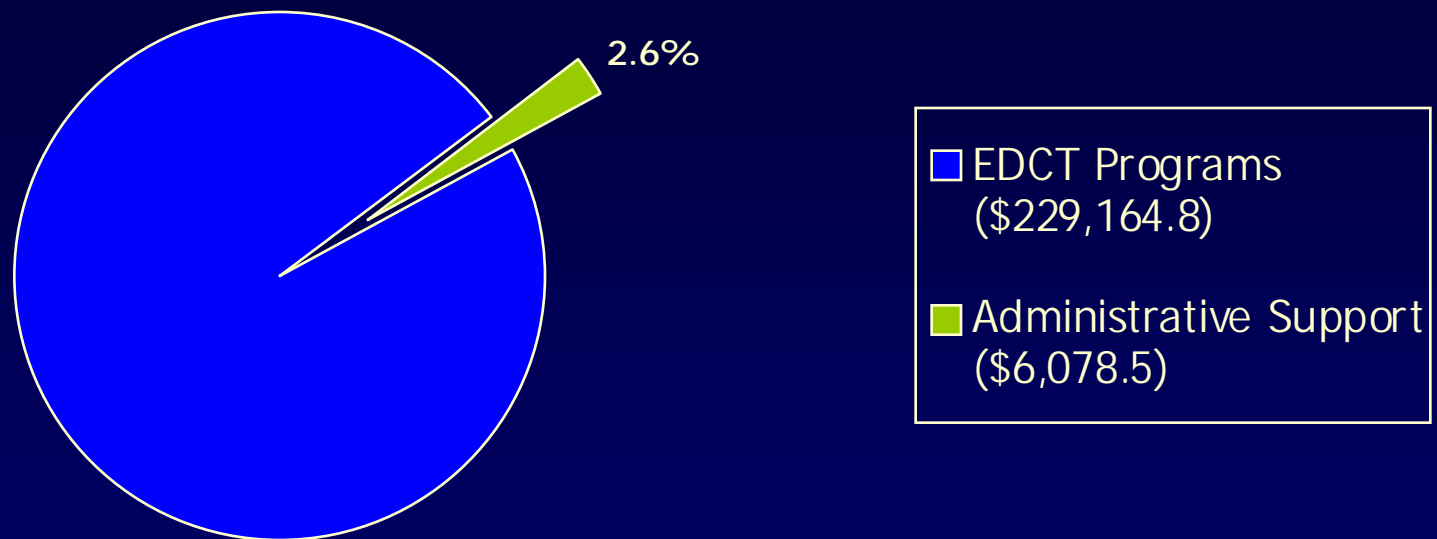
Efficiency Indicator -- Planning Cost Per Hectare  
of Parkland





# Customer & Business Support Program Analysis of Administration

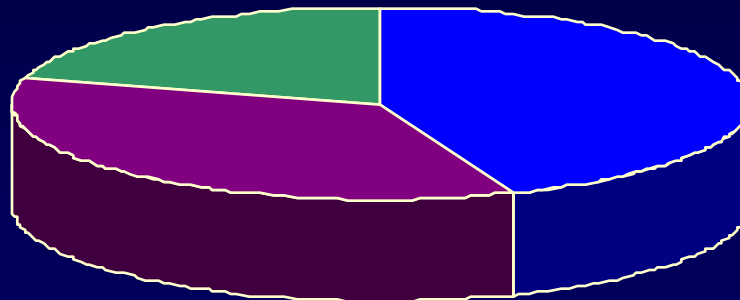
Recommended 2001 EDCT  
Gross Expenditures (000's)  
Administrative Support represents  
2.6% of EDCT Gross Expenditures



# Customer & Business Support Program

## 2001 Net Request by Service

2001 Net Request by Service (000's)  
\$17,461.4 (225.0 FTE's)

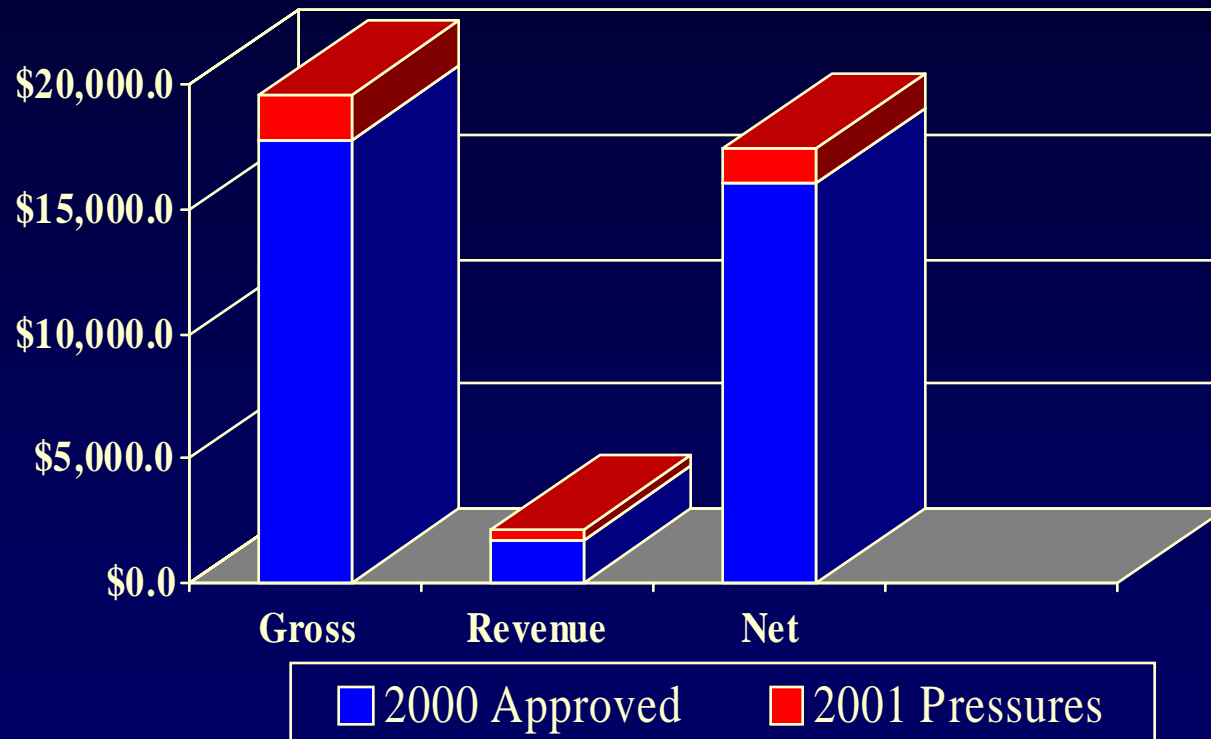


- Customer Support  
\$7,723.9 (79 FTE's)
- Administrative Support  
\$6,150.5 (85 FTE's)
- Policy & Development  
\$3,587.0 (61 FTE's)



# Customer & Business Support Program 2000 Approved vs. 2001 Request

Customer and Business Support Program  
2001 Net Request (000's)  
(\$17,461.4)



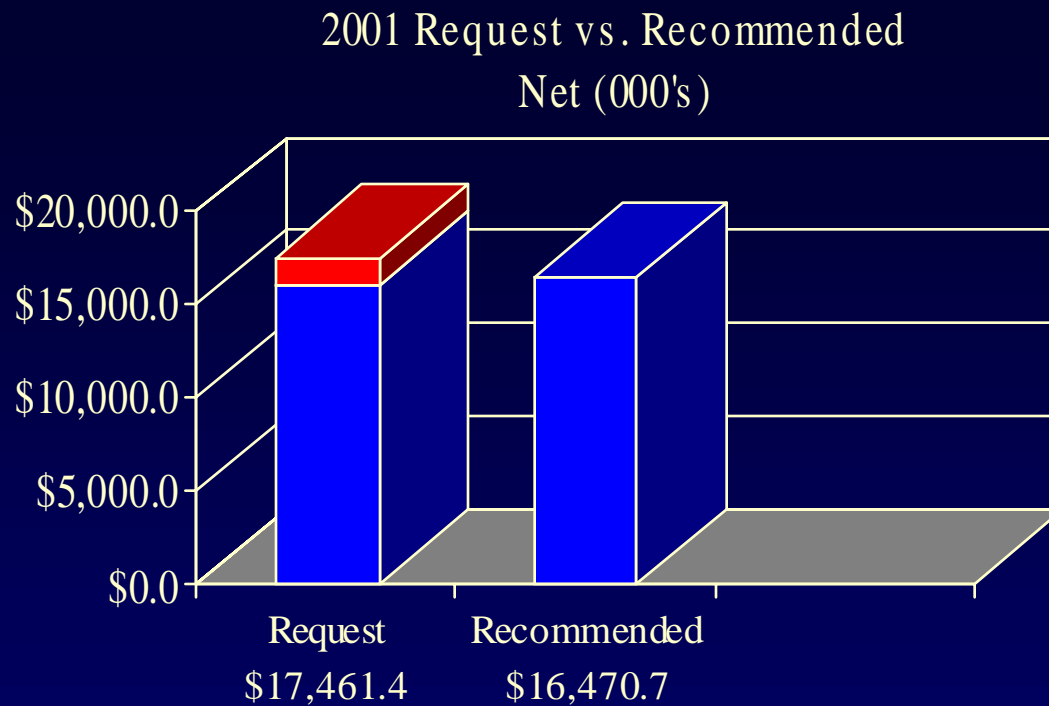
# Customer & Business Support Program

## 2001 Program Pressures (Net)

Pressure	Request (000's)	Recommended (000's)
Salary and Benefits Adjustment	\$634.9	\$463.8
Other Collective Agreement Impacts	\$246.0	\$246.0
Funding for Registration Staff	\$400.0	\$0
Consulting Support – EDCT Strategic Plan	\$100.0	\$0
Other	\$7.5	\$0
Totals	\$1,388.4	\$709.8



# Customer & Business Support Program 2001 Request vs. Recommended (Net)



## Summary of Reductions (\$990.7 Net)

- Service Level Adjustments (\$658.5)
- New Service Reduction (\$100.0)
- Other (\$232.2)





# Customer & Business Support Program Reduction Option Highlights

## *Service Level Adjustments*

- Reduce staffing level in customer service (registration) \$400.0
- Eliminate summer student research program \$ 31.0
- Reduce scope of pre-capital development projects \$ 50.1
- Reduce staffing level in Policy and Development \$151.4
- Reduce Support to Part-Time Staff Training \$ 26.0

## *Other*

- Eliminate budget for trade books/magazines/monitors \$ 15.1
- Eliminate direct charge to conduct police checks \$ 46.0

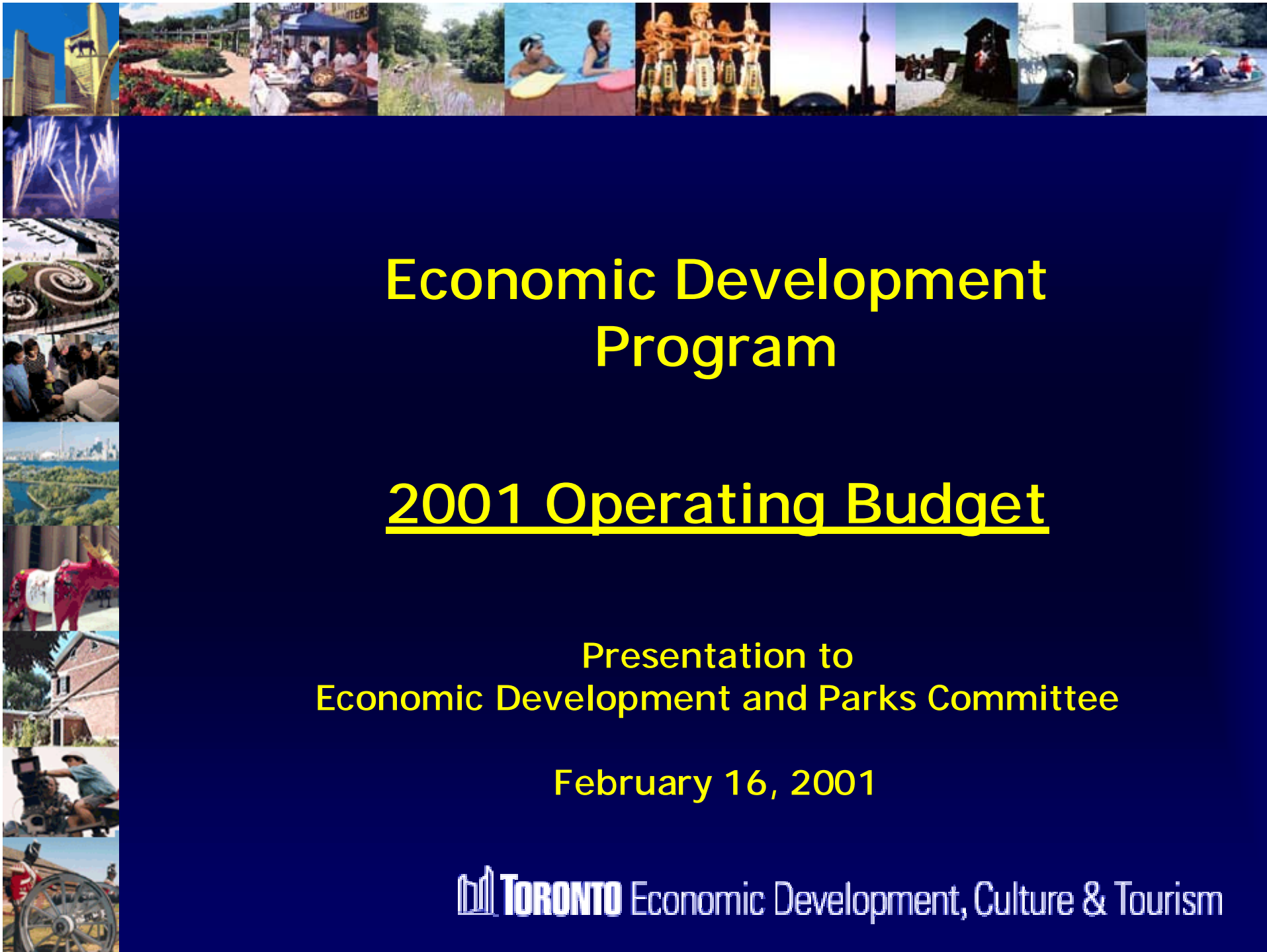
## *New Services*

- Eliminate EDCT Strategic Plan Development \$100.0

# Customer & Business Support Program Challenges & Future Issues

- 17% reduction in FTE's and 14% reduction in net budget from 1998-2000
- Increasing customer and business demands for technology, registration and permitting systems
- Impact of potential economic downturn on sponsorship and advertising revenue
- Contribution to inter-departmental, corporate and departmental policies with limited resources
- Resource restrictions on department's property, development and mapping functions
- Continued pressure to reduce support services with increasing expectations





# Economic Development Program

## 2001 Operating Budget

Presentation to  
Economic Development and Parks Committee

February 16, 2001

 **Toronto** Economic Development, Culture & Tourism

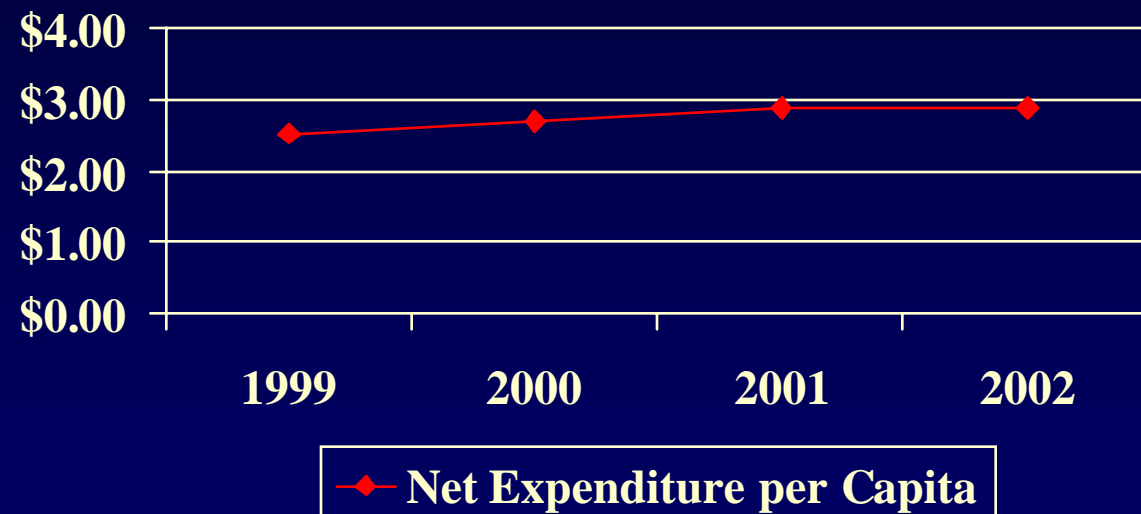
# Economic Development Program Overview of Services

- Business Development & Retention
  - ◆ Key Sector Development
  - ◆ Services to Business/Customer Support
- Investment Marketing
  - ◆ Film & Television Office
  - ◆ Investment Services/Marketing
  - ◆ International City-to-City Program
- Local Partnerships
  - ◆ BIA Business Development
  - ◆ Employment Area Revitalization
- Entrepreneurship & Small Business Development
  - ◆ Enterprise Centres
- Economic Research & Business Information



# Economic Development Program Performance Measures

## Service Level Indicator: Economic Development Net Expenditure per Capita





# Economic Development Program

## Key Outcomes

	1999 Actual	2000 Projected	2001 Forecast	2002 Outlook
Jobs Created through Bus. Retention	5,331.0	5,500.0	5,000.0	5,000.0
New Industrial Space (thousands sq.ft.)	3,700.0	4,888.6	3,000.0	3,000.0
Value of Film Productions (\$millions)	1,200.0	1,322.0	1,500.0	1,5000.0
Investment generated per film permit issued (\$000's)	342.4	406.0	406.0	406.0





# Economic Development Program Benchmarks

<u>US Centres</u>	<u>Budget</u>	<u>Per Capita</u>
Chicago	\$ 31M US	\$ 16.59
Boston	\$ 40M US	\$108.02
Miami	\$ 96M US	\$ 66.90
New York	\$170M US	\$ 34.37

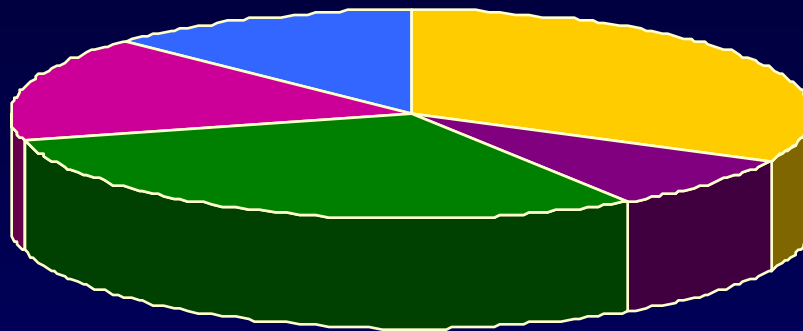
## Canadian Centres

Montreal	\$ 20.0 M	\$ 19.05
Calgary	\$ 8.023 M	\$ 9.32
Toronto	\$ 6.3 M	\$ 2.89

# Economic Development Program

## 2001 Net Request by Service

**2001 Net Request by  
Service (000's)  
\$7,412.0 (77.0 FTE's)**

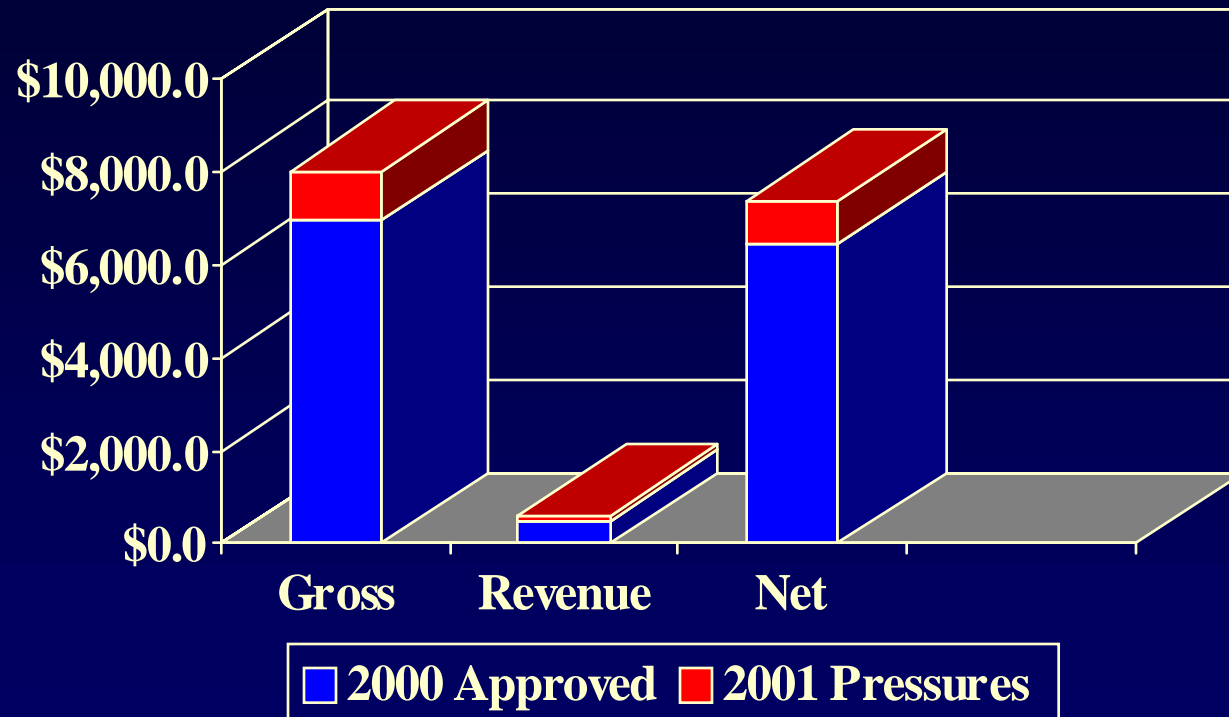


- Business Development & Retention \$2,383.2 (24.0 FTE's)
- Entrepreneurship & Small Business \$641.5 (9.0 FTE's)
- Investment Marketing \$2,218.30 (19.0 FTE's)
- Economic Research & Business Development \$1,241.6 (12.0 FTE's)
- Local Partnerships \$927.4 (13.0 FTE's)



# Economic Development Program 2000 Approved vs. 2001 Request

2001 Net Request (000's)  
(\$7,412.0)



# Economic Development Program

## 2001 Program Pressures (Net)

Pressure	Request (000's)	Recommended (000's)
Salaries & Benefits Adjustments	\$263.3	\$205.9
City share of TradeLink export officers	\$35.0	\$0.0
Reinstate outbound portion of City to City Program	\$150.0	\$150.0
Harmonization of Film Office (transfer from Works)	\$ 55.0	\$55.0
New BIA & Community Development Staffing	\$147.6	\$0.0
Strategy Implementation – Financial Sector & Mobilization	\$212.8	\$0.0
Economic Impact Studies	\$30.0	\$0.0
Labour Force Data Purchases	\$20.0	\$0.0
Other	\$47.0	\$2.5

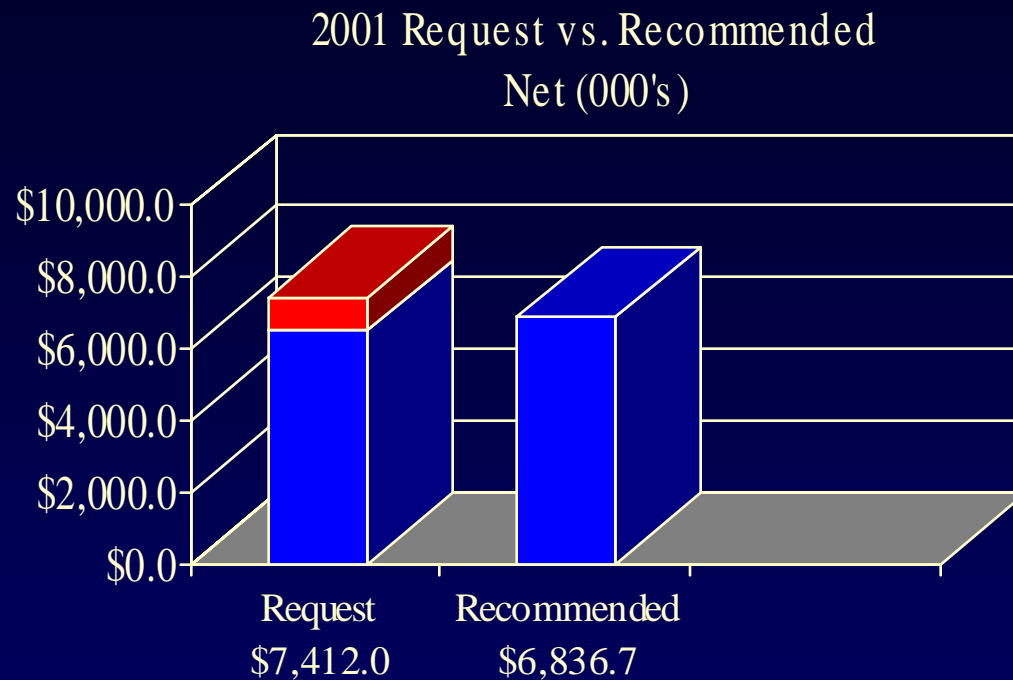
**Totals**

**\$960.7**

**\$413.4**



# Economic Development Program 2001 Request vs. Recommended (Net)



## Summary of Reductions ( \$575.3 Net)

- Service Level Adjustments (\$59.5)
- Existing Service Changes (\$147.6)
- New Services (\$272.8)
- Other (\$95.4)



# Economic Development Program Reduction Option Highlights

## *Existing Service Change*

- Eliminate new BIA Office staffing \$147.6

## *New Services*

- Delete new staff -- Finance Sector \$ 90.0
- Delete Labour Force data purchases \$ 20.0
- Delete ED Strategy implementation \$122.8
- Delete Economic Impact studies \$ 30.0

## *Service Level Adjustments*

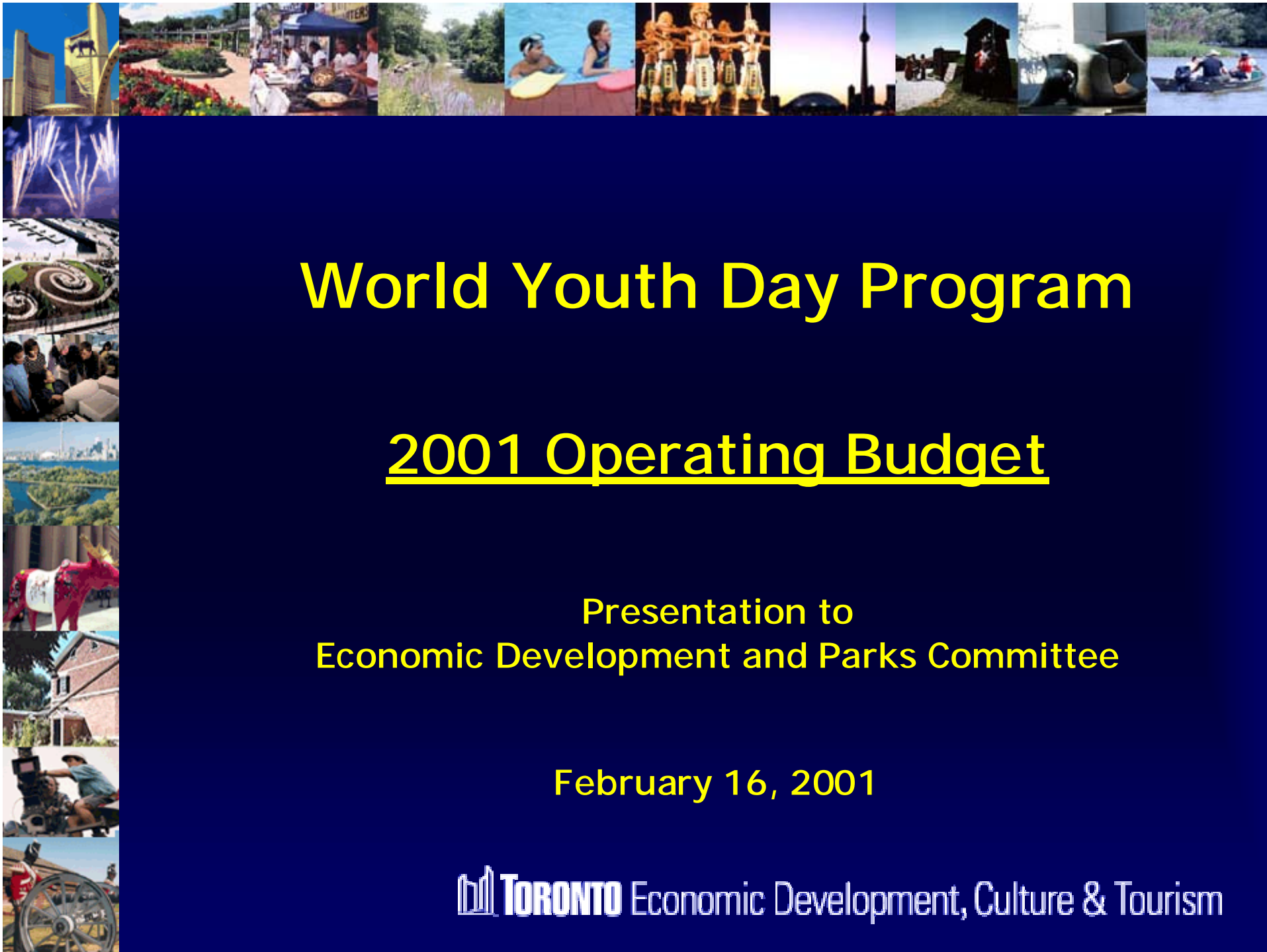
- Reduce funding to generate investment \$ 24.5
- Discontinue Toronto Export Development \$ 35.0



# Economic Development Program Challenges

- Seek alternative resources to implement Economic Development strategy
- High Increase in demand for formation of new and servicing of existing BIA's
- Competitiveness: taxes and quality of life
- HRDC funding - changes impact Toronto
- Economic conditions/may impact retention effort
- Tourism Toronto funding - need to invest more in destination marketing
- Industrial/Manufacturing tax impacts
- Need to address changes in the Financial Service Sector





# World Youth Day Program

## 2001 Operating Budget

Presentation to  
Economic Development and Parks Committee

February 16, 2001

 **Toronto** Economic Development, Culture & Tourism

# World Youth Day Program Overview of Services

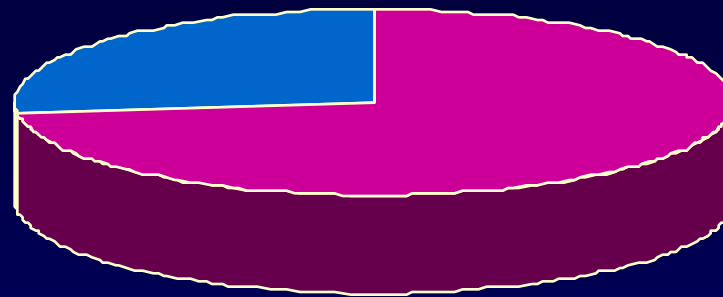
- Coordinate the planning and delivery of City services to facilitate the World Youth Day 2002 Conference and Papal visit
- Act as point of contact for World Youth Day Council; negotiate operating agreement terms and conditions
- Coordinate activities and resources with Provincial and Federal Governments
- Coordinate the detailed planning of public safety, security and transportation measures
- Coordinate communications strategy for residents, businesses and media to maximize world-wide promotional opportunities
- Staff seconded from Fire, Emergency Medical Services and Transportation





# World Youth Day Program 2001 Net Request by Activity

2001 Net Request by Activity (000's)  
\$870.8

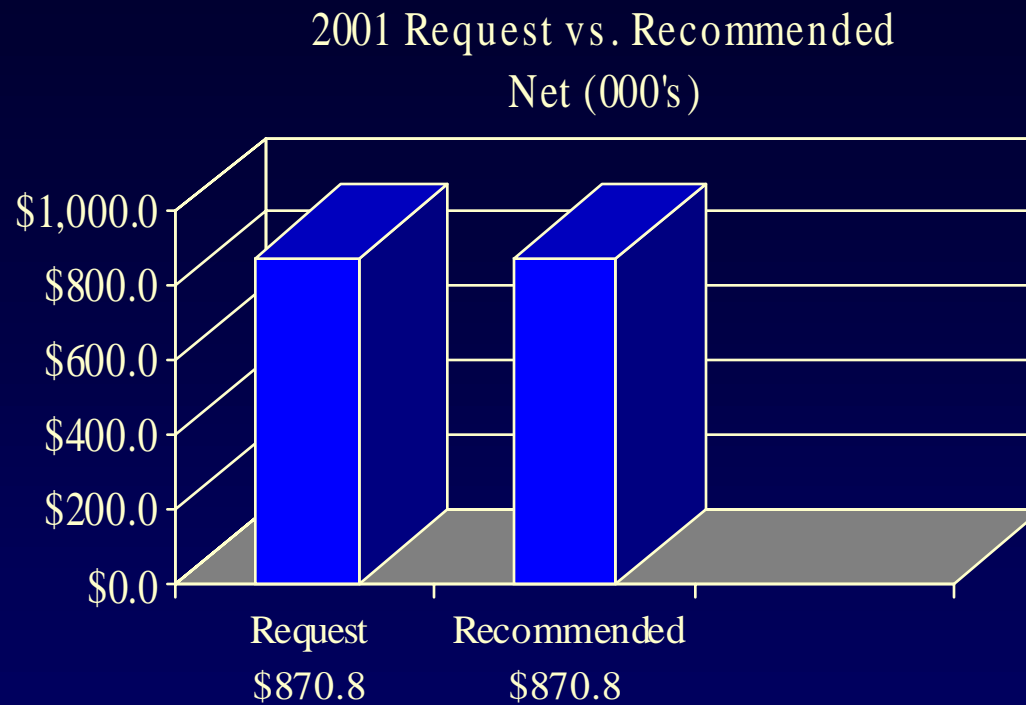


■ Secretariat (\$636.8)

■ Public Safety (\$234.0)

***\*Note: This is a new program approved by Council for 2001 and 2002***

# World Youth Day Program 2001 Request vs. Recommended (Net)



No reductions are  
recommended



# World Youth Day Program Challenges

- Largest event the City has hosted; 750,000 international delegates and 3,000 international journalists
- Immense logistical and service delivery challenge for City Departments and ABC's
- Detailed program and operations plan forthcoming in March
- Additional resources will be required in 2002 to support the delivery of city services for World Youth Day







# Special Events Program

## 2001 Operating Budget

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 **Toronto** Economic Development, Culture & Tourism

# Special Events Program

## Overview of Services

### ■ Signature Events & Festivals

- ◆ City-developed signature events are seasonal tourism products. These anchor events are designed to showcase the City as an enticing tourist destination

### ■ Blockbuster Celebrations

- ◆ Production of large scale events, attractions and campaigns that boost the tourism economy such as Moose in the City

### ■ Major Community Events

- ◆ City-produced events include major holiday celebrations, summer concert series and attractions/activities

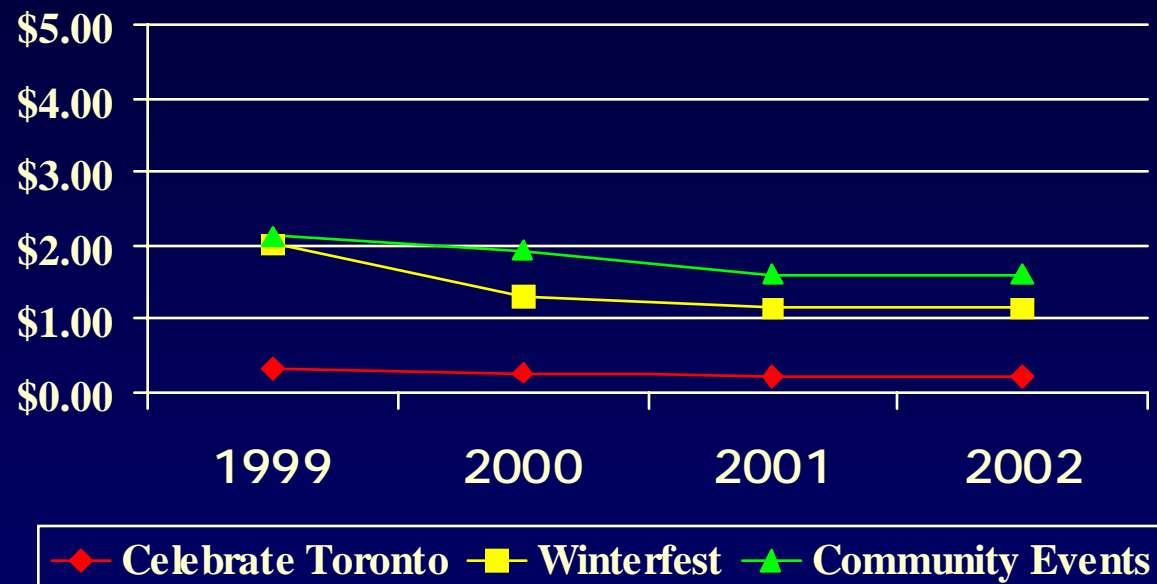
### ■ Festival Consulting

- ◆ Toronto Special Events expedites related City processes for outside festival producers and consults on all aspects of event production



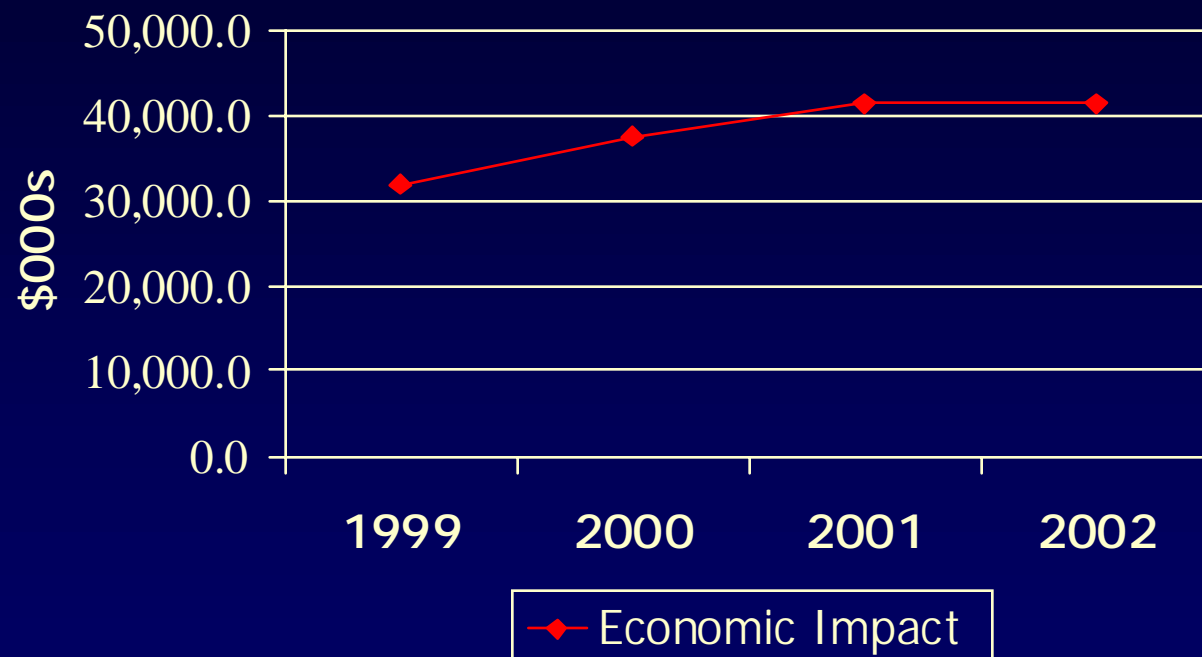
# Special Events Program Performance Measures

Efficiency Indicator -- Cost of Festival  
Experience per Attendee



# Special Events Program Performance Measures

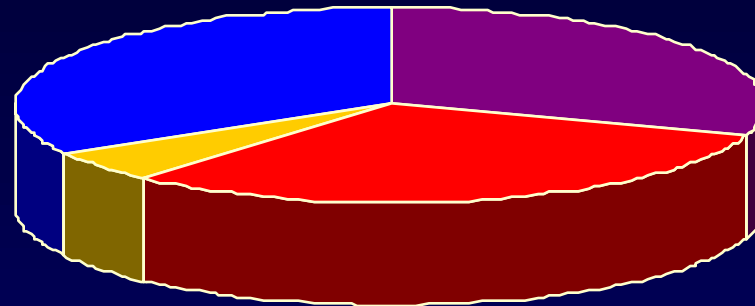
Community Impact Indicator -- Economic  
Impact



*\* In 2000 the Moose in the City exhibition generated an additional \$400M in economic impact*

# Special Events Program 2001 Gross Request by Activity

2001 Gross Request by Activity (000's)  
\$6,689.8 (30.0 FTE's)



■ Signature Events \$1,998.6

■ Blockbuster \$2,114.4

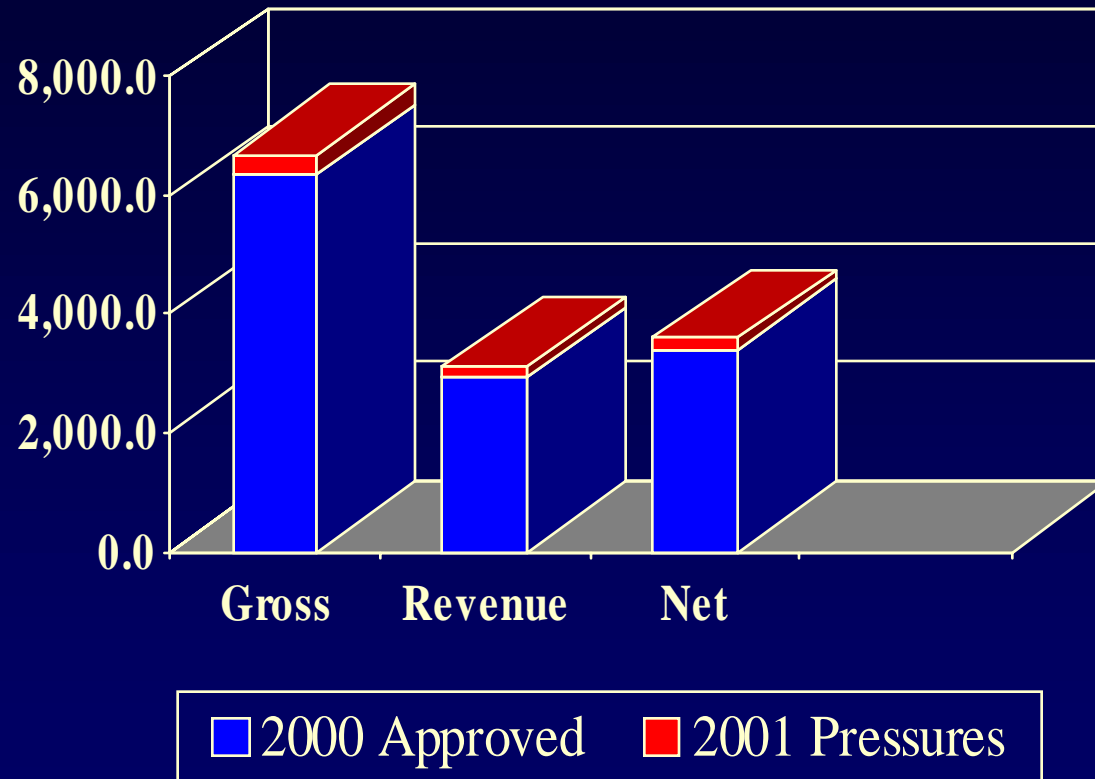
■ Community Events \$368.1

■ Operations \$2,208.7



# Special Events Program 2000 Approved vs. 2001 Request

Special Events Program  
2001 Net Request (000's)  
(\$3,581.4)





# Special Events Program

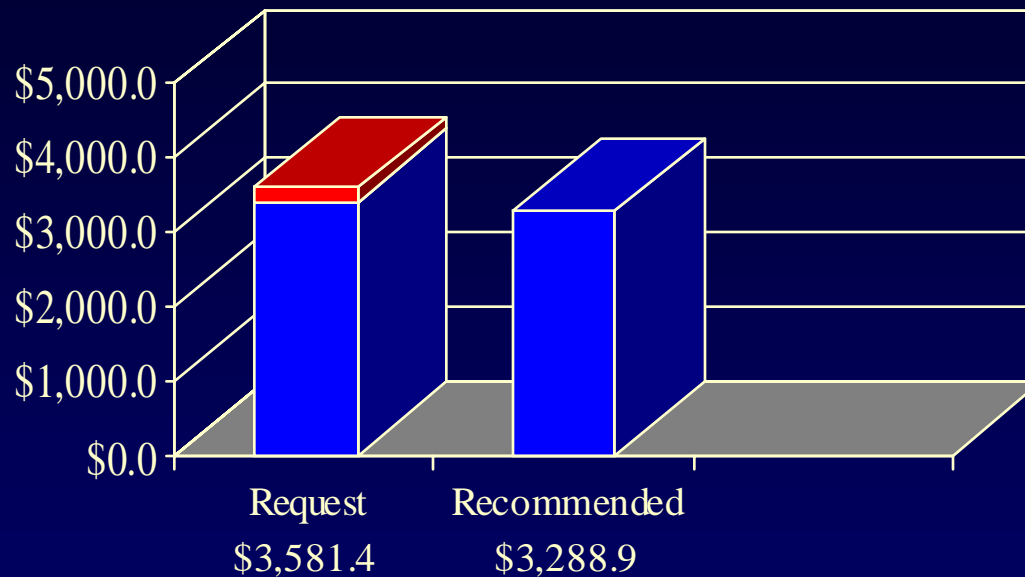
## 2001 Program Pressures (Net)

Pressure	Request (000's)	Recommended (000's)
Salary and Benefits Adjustment	\$184.7	\$162.2
Reverse Funding for Millennium Events	(\$170.1)	(\$170.1)
Reverse New Year's Eve Funding	(\$100.0)	(\$100.0)
Service Changes (including New Year's Eve)	\$134.2	(\$15.8)
Destination Marketing	\$120.0	\$0.0
Totals	\$168.8	(\$123.7)



# Special Events Program 2001 Request vs. Recommended (Net)

2001 Request vs. Recommended  
Net (000's)



## Summary of Reductions (\$292.5 Net)

- New Year's Eve Event (\$150.0)
- Destination Marketing (\$120.0)
- Other (\$22.5)

# Special Events Program Challenges & Future Issues

## *Base Program Funding*

- Increased demands/pressures with limited resources
- City support is critical to leverage sponsorships and maintain title ownership

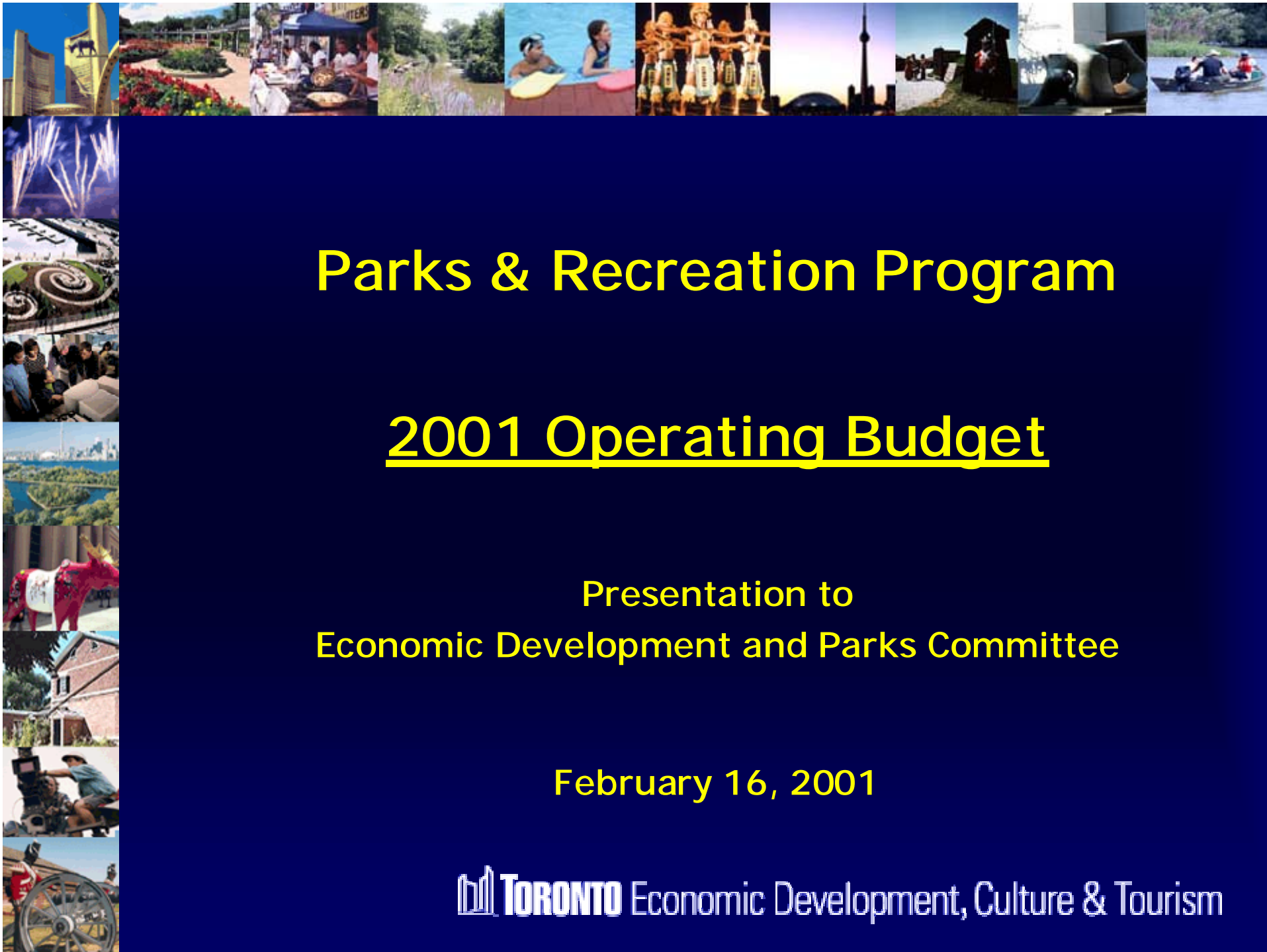
## *Corporate Sponsorship*

- Innovative public/private partnerships
- Achieved \$3.1M in cash sponsorships and \$3.4M of in-kind in 2000
- Corporate Economic Climate
- Competitive Marketplace
- Event Ceiling and Sponsor Fatigue

## *Destination Marketing*

- Limited impact of Toronto's presence as a tourism & leisure destination without direct marketing for festivals, events, and cultural experiences





# Parks & Recreation Program

## 2001 Operating Budget

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 **Toronto** Economic Development, Culture & Tourism

# Parks & Recreation Program

## Overview of Services

### *Parks and Open Space*

- 7325 Hectares of maintained greenspace; 1500 named parks; 3 million public trees; 1084 horticultural displays; and a range of specialty facilities
- Toronto Island Ferry Service

### *Sports and Recreation*

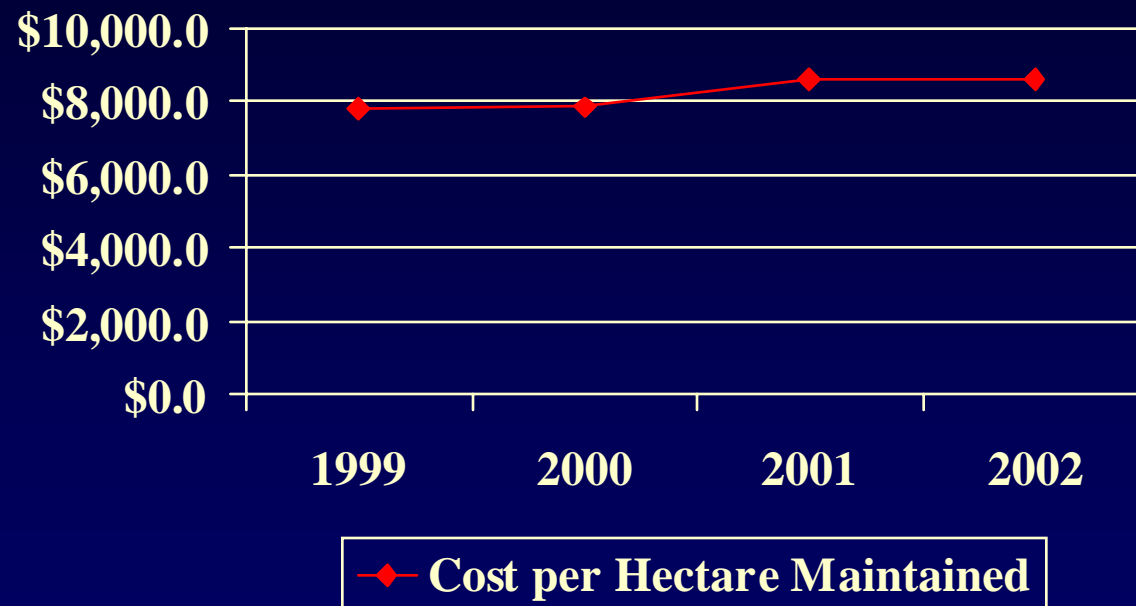
- 140 community centres; 80 indoor pools; 64 outdoor pools; 61 arenas; 67 outdoor ice rinks; 833 playgrounds; and 642 active sportsfields
- Community development support to 6000 organizations; operate 3000 local special events
- Broad spectrum of recreation activities





# Parks & Recreation Program Performance Measures

Efficiency Indicator -- Cost Per Hectare  
Maintained

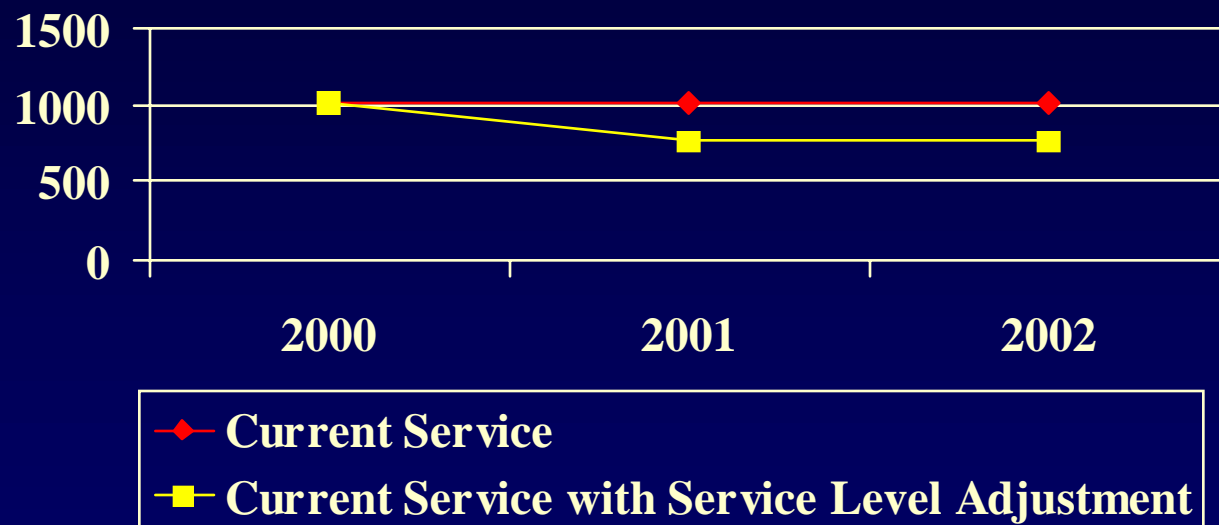






# Parks & Recreation Program Performance Measures

Service Level Indicator:  
Available Participant Hours  
per 100,000 population in 000s

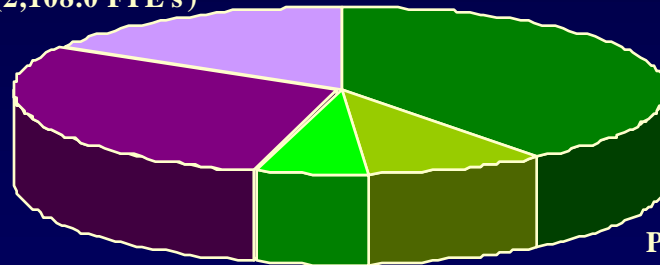


# Parks & Recreation Program

## 2001 Net Request by Activity

2001 Net Request by Activity (000's)  
\$158,898.1 (3,375.0 FTE's)

Sports & Recreational  
Programming  
\$72,848.8  
(2,108.0 FTE's)



Parkland & Open Space  
\$86,049.3  
(1,267.0 FTE's)

■ Parks \$63,207.4

■ Forestry \$14,110.3

■ Other \$8,731.6

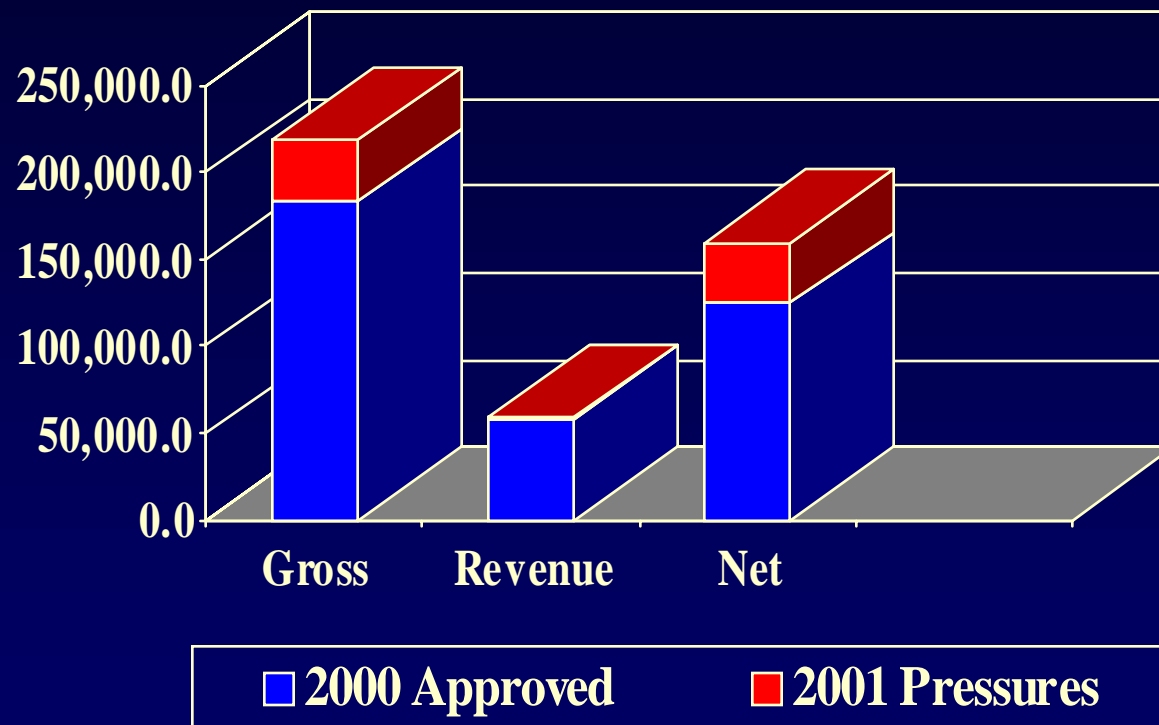
■ Programming \$46,810.7

■ Facility Operations & Other  
\$26,038.1



# Parks & Recreation Program 2000 Approved vs. 2001 Request

Parks & Recreation Program  
2001 Net (000's)  
(\$158,898.1)



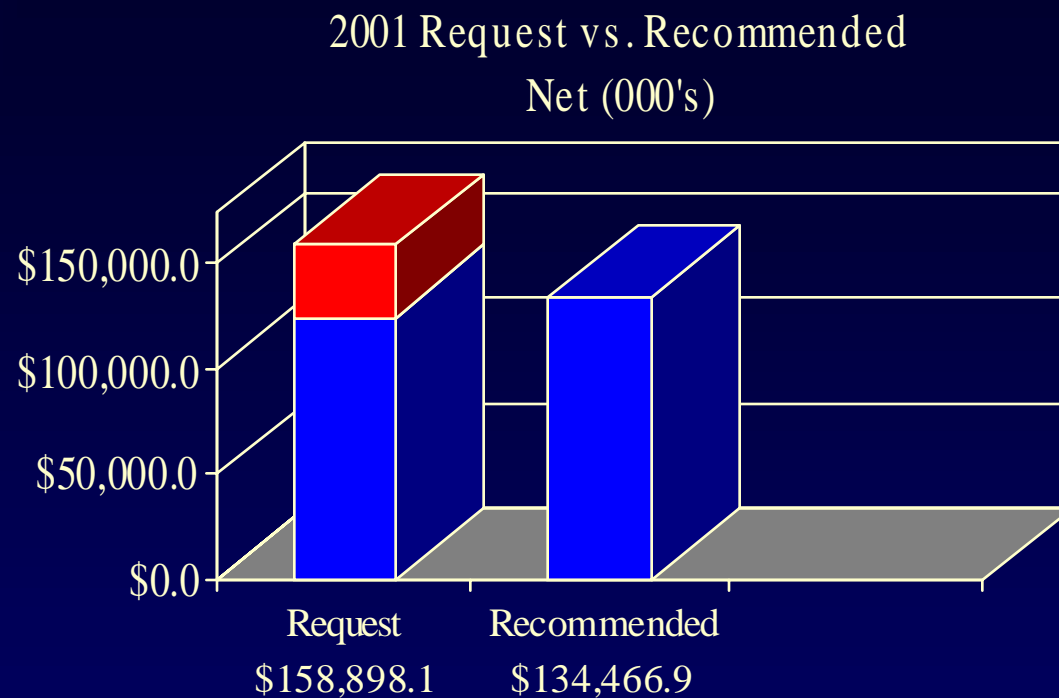
# Parks & Recreation Program

## Program Pressures (Net)

Pressure	Request (000's)	Recommended (000's)
Salaries & Benefits	\$10,532.7	\$6,301.0
Other Collective Agreement Impacts	\$2,970.7	\$2,970.7
Fleet	\$6,426.4	\$6,426.4
Board of Education Rentals	\$5,218.7	\$5,218.7
Utilities	\$1,138.8	\$1,138.8
Water Exemption	\$1,900.0	\$522.0
Operating Impact of Capital	\$1,980.7	\$1,830.7
Service Changes	\$828.4	\$828.4
New Services	\$3,293.0	\$0.0
Other	\$329.1	(\$150.5)
Totals	\$34,618.5	\$25,086.2



# Parks & Recreation Program 2001 Request vs. Recommended (Net)



## Summary of Reductions (\$24,431.2 Net)

- Deferrals (\$1,350.0)
- Revenue Initiatives (\$2,960.0)
- New Services (\$3,293.0)
- Service Level Adjust. (\$10,450.0)
- Other (\$6,378.2)



# Parks and Recreation Program Reduction Option Highlights

## *Deferrals*

- Defer May-Dec Mayor's Youth Action Plan \$ 550.0
- Defer May-Dec Children's Report Card Program \$ 400.0
- Defer May-Dec funding of forestry backlog \$ 400.0

## *Revenue Initiatives*

- Increase ice permit fees \$ 780.0
- Adjust User Fees \$2,180.0

## *New Services*

- Environmental Plan \$ 270.0
- Integrated Plant Health Care \$ 500.0
- Clean Park Initiative \$2,423.0
- Encroachment Program \$ 100.0





# Parks and Recreation Program Reduction Option Highlights

## General

- Harbour User Fees \$ 479.6
- Salary and Benefits \$4,231.7
- Water Rate Exemption (phase over 3 years) \$1,378.0

## Service Level Adjustments

- Reduction in park maintenance \$1,100.0
- Close 12 outdoor and 11 indoor pools of 144 \$1,470.0
- Close 12 community centres of 140 \$1,800.0
- Reduce recreation program opportunities by 25% \$6,080.0

# Parks and Recreation Program Challenges

- *Our Benefits are clear:*
  - ◆ Development of children and youth
  - ◆ Health and wellness of our citizens
  - ◆ Environmental stewardship
- User satisfaction is high; 98% of program users would recommend our programs to others
- The community is highly engaged



# Parks and Recreation Program Future Direction

## *Develop a three-year budget plan*

- The division is developing a three-year budget strategy to assist in predicting expenditures and revenue levels and develop short and longer term approaches to address budget

## *Embark on a strategic planning process*

- The division will be embarking on a strategic plan in order to address issues, trends, community expectations and future directions



# Economic Development, Culture and Tourism Challenges & Future Issues

- Budget impact of job harmonization
- Impact of community council/operation district boundaries re-alignment
- Collective agreement harmonization
- Continued high price of utilities
- Market tolerance on User Fees
- Alternative service delivery and revenue generation options essential
- Increased importance of community/corporate partnerships
- Economic competitiveness will impact on business retention



# Economic Development, Culture and Tourism Challenges & Future Issues

- Slowdown in economic conditions will affect growth and investment
- Economic climate restricts revenue generation and sponsorship opportunities
- Aging demographics and tourist preferences will impact on service demands
- Unique program opportunities for EDCT, such as World Youth Day, and the 2008 Olympic Bid
- Resource demands to support significant corporate initiatives, i.e., the Waterfront Plan, the Environmental Plan, and the Official Plan

