

# TORONTO

## POPULAR FINANCIAL REPORT

2021



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# Mayor's message



The story of 2021 is one of adversity and hope, a year of rallying together and embracing firsts.

Toronto entered 2021 in the second year of the COVID-19 pandemic, but hope was on the horizon as vaccine doses were arriving in Toronto and we got to work on an ambitious campaign to vaccinate eligible residents - starting with large scale mass vaccination clinics and prioritizing our most vulnerable residents and front-line workers.

In June, we made history with Toronto Vaccine Day, where close to 27,000 vaccines were administered in a single day, surpassing the North American record. The hugely successful event was made possible through private and public sector partnerships and the help of nearly 1,500 staff and volunteers.

From there, smaller, mobile vaccine teams were deployed to high priority neighbourhoods, and we engaged in a micro-targeted, multi-lingual campaign to reach equity-deserving and vaccine hesitant communities to remove any vaccine access barriers.

The goal was to make COVID-19 vaccines as accessible and convenient as possible and to bring vaccines to where residents live, work and play.

Standing by our commitment to Toronto's vulnerable residents, we launched a pilot focused on helping people in crisis using a supportive approach lead by multidisciplinary teams of crisis workers. In partnership with the federal government, we announced the development of 128 modular homes and 334 homes with support services for people in need.

As the City experienced a decline in revenues, particularly a reduction in transit revenue, we worked collaboratively with our partners at the federal and provincial governments to secure much-needed emergency funding. This funding provided relief to small businesses, protected capital investments in transit, enhanced homeless shelters and respite sites and increased affordable housing among other important investments.

Throughout the year we kept our focus on resilience and rebuilding. The City continued to rapidly evolve, modernize and digitize service delivery to improve access to services while providing a consistent service experience. We implemented a 15 per cent property tax reduction for small businesses to help put them on track for success and celebrated expansion in the film, television and digital media sector. The completion of Union Station's Bay concourse - a major infrastructure project - signalled our readiness to welcome people back to downtown Toronto.

The challenges we faced in 2021 pushed us to innovate and collaborate in new ways to meet the needs of our businesses and residents and keep Toronto's spirit alive. I know that in the year ahead Toronto will be focused on moving forward and reopening - where we can celebrate a time of coming together after so long apart. We are committed to coming back stronger than ever and the work done in 2021, including our responsible fiscal management, will ensure that comeback.



**John Tory**  
Mayor (2014-2023)

July 19, 2022

# About Toronto



**Population:**  
2,794,356



**Pop. density:**  
4427.8/km<sup>2</sup>



**Area:**  
630/km<sup>2</sup>



**Green area:**  
81.9 km<sup>2</sup>



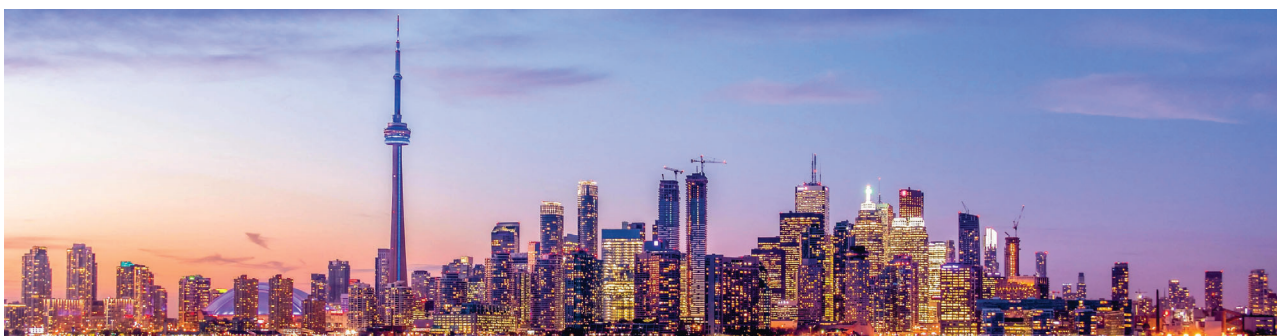
Nestled on the northern shore of Lake Ontario, Toronto is Canada's largest and most populous city. It stands as a vibrant and diverse metropolis that captivates millions of people with its unique blend of cultural richness, economic dynamism, and natural beauty.

With its history dating back to its Indigenous roots and European settlement in the late 18th century, Toronto has evolved into a global powerhouse, renowned for its cosmopolitan atmosphere and multicultural fabric.

From iconic landmarks like the CN Tower to the ever-expanding skyline, Toronto beckons as a city that seamlessly balances its rich heritage with a forward-looking, innovative spirit.

With an array of cultural attractions, a thriving arts scene, and a welcoming and inclusive atmosphere, Toronto embodies the spirit of a truly global city, making it a destination where tradition and modernity converge harmoniously.

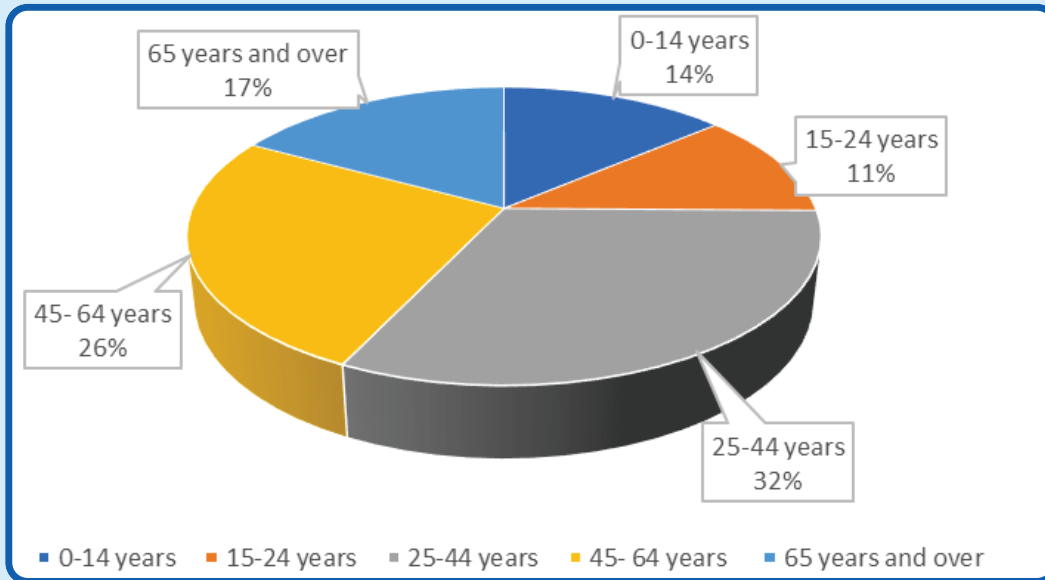
In this report, we will explore Toronto's cultural and economic landscape in a transparent and accessible way, divulging valuable insights into the city's financial health and potential.



# Toronto in numbers

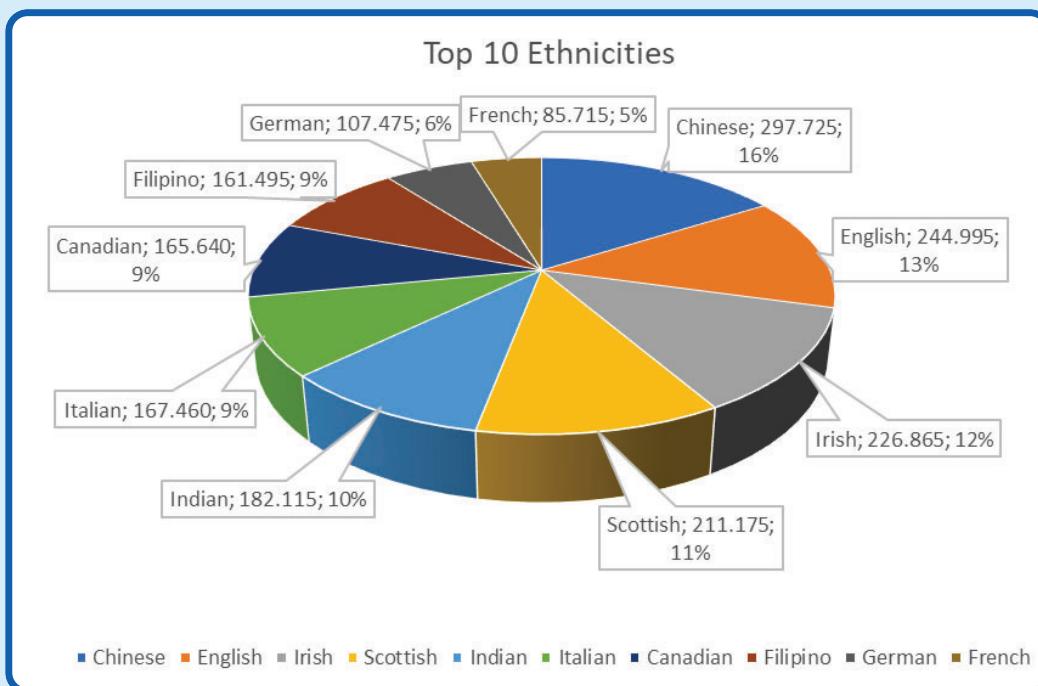


## POPULATION CHARACTERISTICS Age Distribution



## Percentage of Foreign-Born Residents

- Non-Canadian citizens: 477,230 (17.3%)



# City vision



Toronto's vision attests a strong commitment to improve quality of life, while concurrently promoting financial and ecological sustainability.

Torontonians stand out as a welcoming and vibrant community, reflecting their city's dedication to becoming a place where residents and visitors can thrive.

A series of sensitive investments certify Toronto's effort to preserve the environment and develop an urban fabric that embodies warmth and inclusivity.

The path tracing Toronto's future can be outlined through a handful of fundamental statements.

## **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 wellpositioned 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.



# Financial data

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<b>FINANCIAL ASSETS</b>	<b>2021</b>	<b>2020</b>
Cash and cash equivalents	<b>\$ 6,642</b>	<b>\$ 5,355</b>
Accounts and taxes receivable	2,076	2,598
Loans receivable	194	187
Other assets	44	50
Investments	3,691	3,685
Investments in Government Business Enterprises	2,294	2,238
<b>Total financial assets</b>	<b>14,941</b>	<b>14,113</b>
<b>LIABILITIES</b>		
Bank indebtedness	99	69
Accounts payable and accrued liabilities	3,408	4,280
Deferred revenue	5,823	5,216
Provisions for property and liability claims	480	456
Environmental and contaminated site liabilities	468	393
Mortgages payable	389	349
Long-term deb	8,146	7,654
Employee benefit liabilities	4,507	4,301
<b>Total liabilities</b>	<b>23,320</b>	<b>22,718</b>
<b>Net debt</b>	<b>(8,379)</b>	<b>(8,605)</b>

(in millions of dollars)

**NON-FINANCIAL ASSETS**

	<b>2021</b>	<b>2020</b>
Prepaid expenses	150	171
Inventories	269	334
Tangible capital assets	38,386	36,528
<b>Total non-financial assets</b>	<b>38,805</b>	<b>37,033</b>

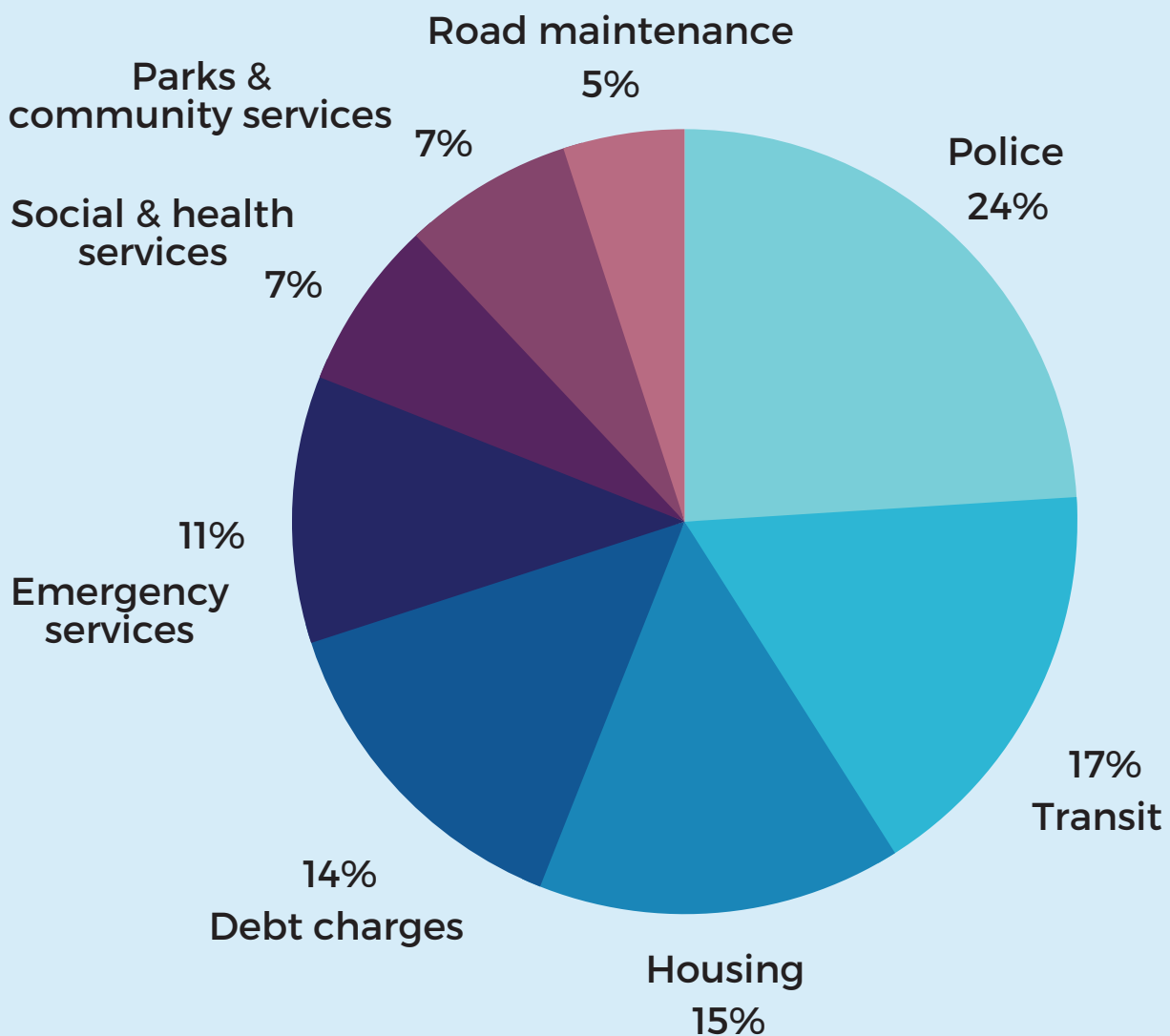
**Accumulated surplus****\$ 30,426****\$ 28,428****TANGIBLE CAPITAL ASSETS**

<b>GENERAL (Net book value)</b>	<b>2021</b>	<b>2020</b>
Land	4,203	4,188
Land improvements	1,234	1,082
Buildings and building improvements	8,430	7,930
Machinery and equipment	1,498	1,447
Motor vehicles	1,136	1,241
<b>Total general</b>	<b>16,501</b>	<b>15,888</b>
<b>INFRASTRUCTURE (Net book value)</b>		
Land	140	140
Buildings and building improvements	723	728
Machinery and equipment	1,607	1,618
Water and wastewater linear	4,668	4,693
Roads linear	2,645	2,562
Transit	5,779	5,758
<b>Total infrastructure</b>	<b>15,562</b>	<b>15,499</b>
Assets under construction	6,323	5,141

**Total tangible capital assets****\$ 38,386****\$ 36,528**



# How the money is invested



The budget allocation for 2021 stands as a testament to Toronto's flexibility and responsiveness in the face of the COVID-19 pandemic.

The city displays mindful financial judgment by swiftly identifying the urgent need for supplementary funding in the sectors under pressure, notably transit, public health, and shelter services. This financial approach not only strengthens the city's preparedness to tackle potential future uncertainties, but also underscores its unwavering dedication to safeguarding the welfare of all its residents. It places a specific focus on the most vulnerable segments of the population, emphasizing the city's effort to ensure that no one is left behind in these challenging times.

# Rankings and positioning



## CREDIT RATINGS

Credit ratings are essential financial indicators that provide insights into a city's fiscal health. These ratings, determined by independent rating agencies, testify proficiency in meeting financial obligations and repaying investors. They are reviewed annually by pre-eminent institutions in the field, factoring in a wide range of financial and non-financial factors.

In the case of Toronto, credit rating agencies acknowledged the city's resilience to pandemic-related financial challenges, emphasizing prudent financial management practices, a broad tax base, and ongoing support from provincial and federal governments.



## ECONOMIC RANKINGS



**1st**

### Business for women

According to Bloomberg rankings, Toronto is the leading city in the world for providing quality of life for pursuing careers.

The American business publication has drafted a list of the top 15 global cities for working women, based on the following factors: safety, mobility, maternity, equality, and wealth.

Bloomberg ranking	City name	Five Pillars					Overall score
		Safety	Mobility	Maternity	Equality	Wealth	
#1	Toronto	4.07	2.63	3.77	4.15	3.67	3.66
#2	Sydney	3.14	3.12	3.52	4.09	4.11	3.59
#3	Singapore	4.22	3.52	4.24	3.34	2.64	3.59
#4	Paris	2.99	3.31	3.87	3.87	3.82	3.57
#5	London	2.91	3.49	3.1	4.14	3.96	3.52



**1st**

**Startup ecosystem**

Recognized as the best Canadian city for startup companies.



**8th**

**Financial hotspot**

Recognized as one of the top 10 financial centres in the world.



**4th**

**Tech talent**

Considered to be one of the best cities that attracts and develops tech talent.

**OVERALL RANKINGS**



**2nd**

**Safety**

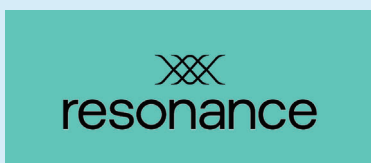
Recognized as one of the safest cities in the world.



**8th**

**Future**

Recognized as a city that has potential for long-term success.



**18th**

**Appeal**

Considered as one of the most desirable cities in the world for locals, visitors and businesspeople.

**SUSTAINABILITY RANKINGS**



**7th**

**Sustainable future**

Assessed as one of the top global cities that is proactively preparing for a sustainable future.



**A**

**Climate change strategy**

Recognized for the city's actions in developing a robust climate change strategy, and tracking and reporting GHG emissions.

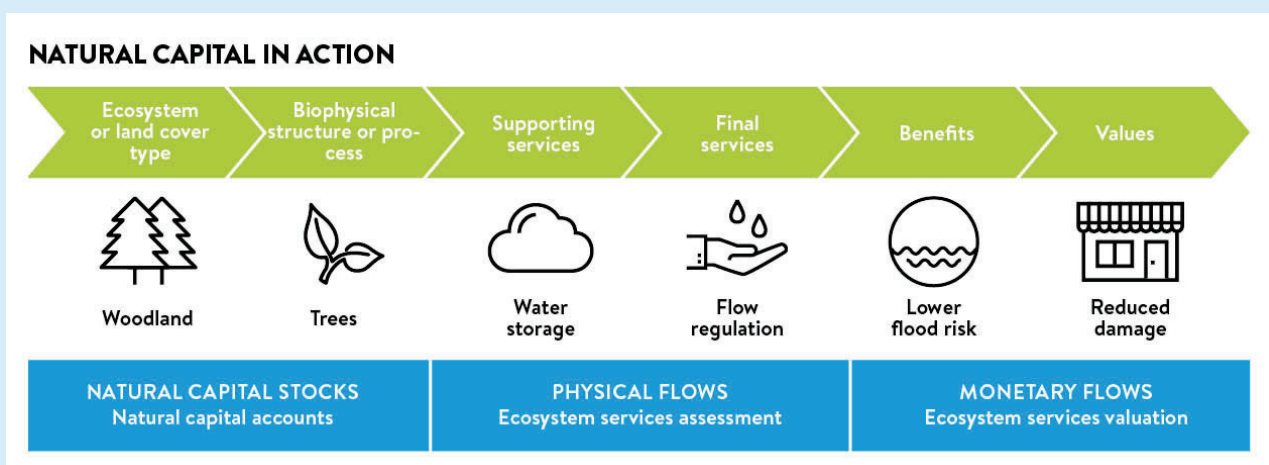


# Natural capital

The city has various natural assets, including ravines and urban forests that are used to mitigate and address climate-related risks, as well as provide services to residents and businesses.

Canadian accounting standards (PSAS) do not currently recognize natural assets as assets that must be recognized and reflected as part of public sector entities' financial statements. Separate disclosure, however, has been added for completeness purposes, as well as to demonstrate the city's ongoing commitments in maintaining its natural assets.

Toronto's system of parks and ravines covers approximately 13% of the total land area of the city, across more than 1,500 parks encompassing 8,000 hectares of land.



# Intellectual and human capital

Toronto boasts a wealth of intellectual, human, productive, and social capital, all of which contribute to its status as a cultural and economic hub. The city's dedication to celebrating its rich cultural diversity and nurturing creative talent has made it a thriving hotspot of intellectual and human capital.

## INTELLECTUAL CAPITAL

One of Toronto's most significant assets is its intellectual capital. The city hosts major educational establishments such as the University of Toronto, Ryerson University, and OCAD University. Besides producing a steady stream of skilled graduates, these institutions also foster a culture of innovation and research.

In the cultural sector, Toronto's commitment to nurturing intellectual capital is evident in its support for creative clusters. The city recognizes the importance of artistic creation, expression, and criticism. This emphasis on cultural production, combined with academic institutions offering programs in creative domains, positions Toronto as a global hub for originality and innovation.



## HUMAN CAPITAL

The diverse population of Toronto is a testament to its rich human capital. People from all corners of the world have chosen to call this city home, bringing with them a wide range of skills, perspectives, and experiences. This human capital forms Toronto's backbone, contributing to its dynamism and multicultural vibrancy.

In the arts and entertainment industry, local talents, such as musicians, actors, filmmakers, and designers, have achieved global recognition. Notable figures like Drake, The Weeknd, and Shawn Mendes have emerged from Toronto, demonstrating the city's capacity to nurture and showcase human capital.

Moreover, the city's commitment to fostering the next generation of professionals is evident through its support for educational institutions that offer a vast range of formative programs. These not only equip students with the skills they need to succeed, but also encourage ingenuity and entrepreneurship.

# Productive and social capital

## PRODUCTIVE CAPITAL

Toronto's productive capital is most prominently displayed in its thriving cultural and creative industries. The city is recognized as a global center of excellence for film production, post-production, and digital media. These sectors contribute significantly to the local economy, generating over a billion dollars annually and employing tens of thousands of people. Toronto's creative cluster brings together intellectual, creative, and financial capital, creating a fertile ground for collaboration and innovation. Additionally, the city's commitment to nurturing cultural entrepreneurs is a testament to its productive capital. Art galleries, craft shops, bookstores, and entertainment venues are essential components of Toronto's unique character. Supporting these businesses not only enriches the local culture but also enhances the quality of life in the city.

## SOCIAL CAPITAL

Toronto's social capital is a vital component of its vibrant and balanced economic landscape. What sets this city apart is not only its cultural richness, but also the profound sense of inclusivity and the welcoming nature of its residents. Torontonians embrace diversity, creating a cohesive community that, in turn, yields a strong and harmonious economic environment. Toronto's commitment to recognizing and honoring the various cultures within its boundaries strengthens the social fabric, encouraging interactions and exchanges between different communities. This inclusivity not only fosters a sense of belonging, but also contributes to the prosperity of the city. This approach allows for the development of a balanced and thriving cultural economy that benefits all its residents. Toronto's social capital, driven by inclusivity and a welcoming spirit, is a cornerstone of its strong and balanced economic landscape. The city's commitment to building a cohesive community sets an inspiring example for other cities, illustrating the profound connection between social capital and economic success.



# ESG Performance Report

## ENVIRONMENTAL, SOCIAL & GOVERNANCE

The ESG Report assesses a city's fulfillment of environmental, social, and governance objectives. It signifies a pledge to ecological sustainability and public welfare, all while maintaining strong governance.

Toronto's ESG performance measures its advancement in creating a balanced urban ecosystem, fostering an inclusive community, and steering towards economic stability.

City of Toronto's ESG Score					
Agency	Score	Scale			
Moody's Investor Service*	Credit Impact Score: CIS-2 (neutral to low impact)  ESG Issuer Profile Scores: E-2, S-2, G-2 (Neutral to low)	1 - 5 (positive to very highly negative)			
Objective	Performance Metrics	Targets (if any)	2021	2020	2019
Environment					
Address climate change by achieving net-zero greenhouse gas (GHG) emissions across all sectors in Toronto by 2040 (new target adopted in December 2021 which is 10 years earlier than the previous target)	Total GHG emissions (Mega-tonnes CO <sub>2</sub> e)	Community-Wide: Reduce GHG emissions by: 30% by 2020 (to 17.3 MT), 45% by 2025 (13.6 MT) and 65% by 2030 (to 8.6 MT) relative to 1990 levels, and to net zero by 2040	Not Currently Available	16.0	16.3
		Per capita GHG emissions (tonnes CO <sub>2</sub> e/person)	Not Currently Available	5.4	5.3
		Corporate-wide: Reduce corporate GHG emissions by 65 per cent over 2008 base year (914,951 Tonnes) by 2030 (320,583 Tonnes)	Not Currently Available	743,191	758,383
Social and Economic Inclusion					
Transportation accessibility: Improve connection to cycling routes in the city	% of people and employment within prescribed access to a cycling route	100%	67.1%	65.7%	63.1%

Objective	Performance Metrics	Targets (if any)	2021	2020	2019
<b>Social and Economic Inclusion: HousingTO</b>					
Prevent Homelessness and Improve Pathways to Housing Stability	Prevent evictions for low-income households	10,000** Households	3,101 (Cumulative 2020-2021)		
Maintain and Increase Access to Affordable Rents	Improve housing affordability for 40,000 renter households	40,000** (9,000 housing allowances + 31,000 Canada - Ontario Housing)	3,626 (Cumulative 2020-2021)		
Create New Rental Housing Responsive to Residents' Needs	New affordable rental and supportive homes approvals	40,000** homes	17,278 (Cumulative 2020-2021)		
<b>Governance and Workplace Culture</b>					
Engagement of Decision Makers	City Councillor attendance		94%	95%	92%
Governance: Decision Making - be diverse and inclusive	% Women councillors		31%	31%	31%
	% Women Senior Management (Division Head or Above)		43%	41%	44%
	% Racialized Senior Management (Division Head or Above)		22%	14%	21%
Reflect diversity and be inclusive of the city we serve	<b>TPS Workforce:</b>				
	% Women		50.3%	49.3%	49.4%
	% Racialized People		47.8%	38.0%	37.2%
	% Indigenous Peoples		1.4%	1.4%	1.3%
	% Persons with Disabilities		5.7%	5.3%	2.3%
Attract & retain a diverse and inclusive workforce	<b>Turnover Rates:</b>				
	All Active Employees (excl. Toronto Recreation Division Workers)		11.8%	7.9%	8.1%
	<b>Growth Opportunities:</b>				
	Promotion and Internal Hires (% Total Hires)		23%	26%	27%

Toronto's ESG performance evaluation reveals the city's commitment to ambitious overarching goals.

While the objective of cutting down greenhouse gas emissions entirely by 2040 remains audacious, the gradual decline in both individual and corporate emissions indicates promising progress. Additionally, the increased accessibility of cycling routes aligns with Toronto's pursuit of sustainable transportation.

The housing demand continues to surge, emphasizing a significant challenge, as many more dwellings are needed to meet the city's targets.

As for the public sector, women now make up over half of the Police workforce.

The increasing diversity among police officers reflects the city's inclusive values.

On the other hand, the rise in turnover rates and the drop in growth opportunities signal the urgency of improving workplace culture.



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## Images

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