



City Budget
2012

Facilities Management and Real Estate Operating Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Operating Budget pays the day-to-day operating costs for City services.

2012 Operating Budget

2012 OPERATING BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

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PART I: RECOMMENDATIONS

2012 Recommended Operating Budget (In \$000s)

(In \$000s)	2011		2012 Recommended Operating Budget			Change - 2012 Recommended Operating Budget v. 2011 Appvd. Budget		FY Incremental Outlook	
	2011 Appvd. Budget	2011 Projected Actual	2012 Rec. Base	2012 Rec. New/Enhanced	2012 Rec. Budget			2013	2014
	\$	\$	\$	\$	\$			\$	\$
GROSS EXP.	171,122.2	177,488.7	173,324.8	2,425.1	175,749.9	4,627.7	2.7	1,226.0	287.0
REVENUE	116,879.3	124,773.6	121,023.7	1,960.6	122,984.3	6,105.0	5.2	150.0	
NET EXP.	54,242.9	52,715.1	52,301.1	464.5	52,765.6	(1,477.3)	(2.7)	1,076.0	287.0
Approved Positions	919.8	919.8	790.8	8.8	799.6	(120.2)	(13.1)		

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 10% Reduction vs. 2012 Rec'd Reduction	Target %
2012 Reductions	(5,378.6)	(5,378.6)	0.0%	10.0%

Recommendations

The City Manager and Chief Financial Officer recommend that:

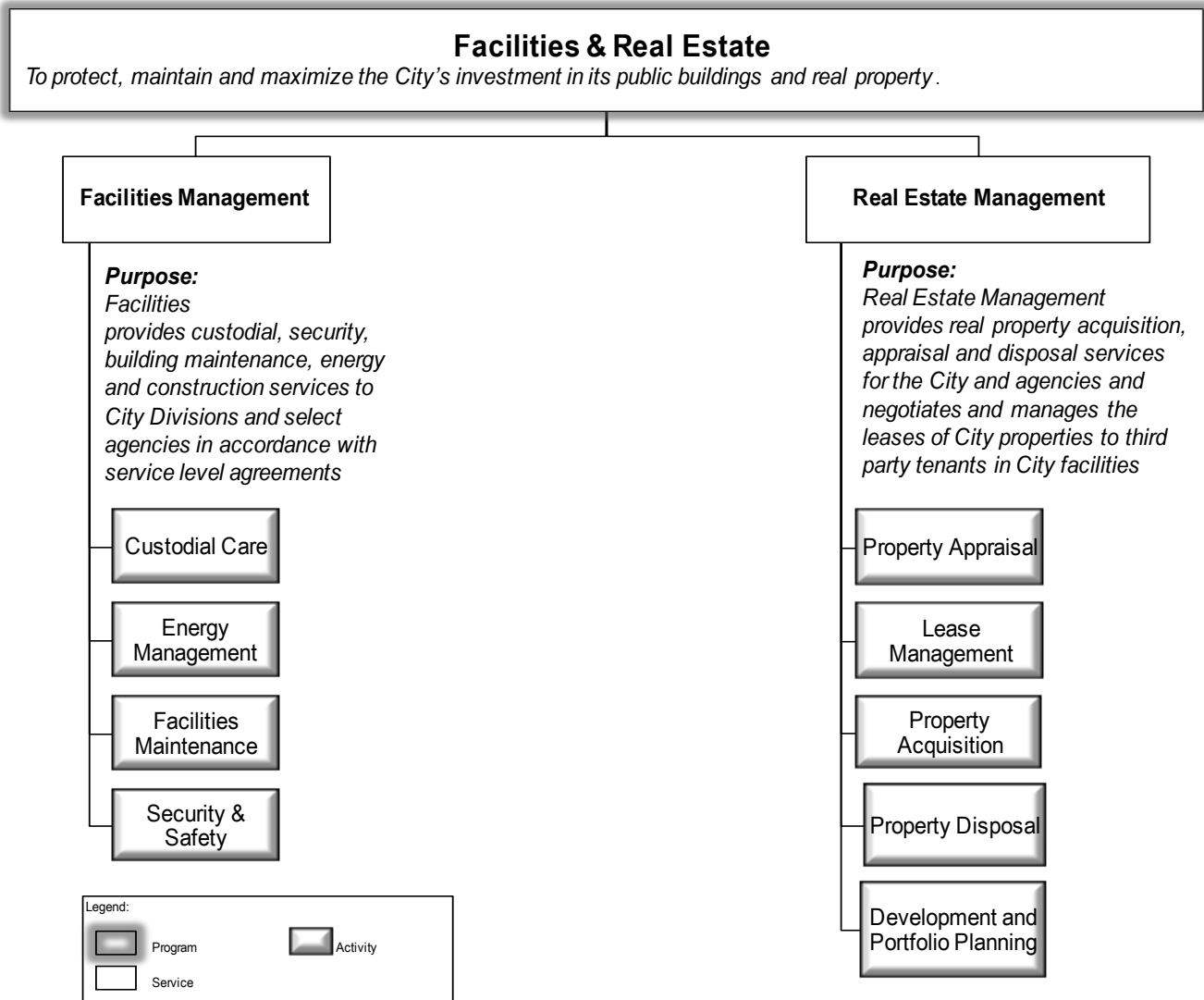
1. City Council approve the 2012 Recommended Operating Budget for Facilities Management and Real Estate of \$175.750 million gross and \$52.766 million net, comprised of the following services:

<u>Service(s)</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Facilities Management	149,706.2	79,399.1
Real Estate	<u>26,043.6</u>	<u>(26,633.3)</u>
Total Program Budget	<u>175,749.8</u>	<u>52,765.8</u>

2. The information contained in Confidential Attachment 1 remain confidential until the outcome of Council's decision has been communicated to the Unions and affected staff.

PART II: 2012 SERVICE OVERVIEW AND PLAN

Program Map and Service Profiles



Facilities Management

- Visitors
- Residents
- City Employees
- Agencies,
- City Divisions
- Community Groups
- Provincial and Federal agencies
- Residential / commercial tenants
- Toronto building owners

Real Estate Management

- Visitors
- Residents
- City employees
- Agencies
- City Divisions
- Community Groups
- Provincial and Federal agencies
- Residential / commercial tenants
- Toronto building owners.

2012 Recommended Service Levels

The chart below shows the 2012 Proposed Service Levels which are unchanged from the Approved Service Levels for 2011:

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level	
Facilities Management	Energy Management	Energy supply agreements		Uninterrupted utility service as a result of contracting 100% of the time.	Uninterrupted utility service as a result of contracting 100% of the time.	
		Energy retrofits		Savings up to 25% of building energy use.	Savings up to 25% of building energy use.	
		Administer loan programs		100% loan repayments are received on time with no load defaults.	100% loan repayments are received on time with no load defaults.	
		Funding agreements		Average 22 MW per year.	Average 22 MW per year.	
		Waste management				
		Renewable Energy		2 million kW.h generated and related revenues created.	2 million kW.h generated and related revenues created.	
	Security & Safety	Divisional Security Plans			95% compliance	95% compliance
			Implementation of Security Plans		95% compliance	95% compliance
		Resolve Security threats			95% compliance	95% compliance
	Custodial Care	Cleaning			90% compliance	90% compliance
	Facilities Maintenance	Facilities Maintenance	Scheduled Maintenance-Preventative		95% compliance	95% compliance
			Unscheduled Maintenance-On Demand		90% compliance	90% compliance
		Space planning & accommodation				
		Asset Facility Management / Preservation			90% compliance	90% compliance
		Environmental assessments			95% % compliance	95% % compliance
		Regulatory Compliance			100 % compliance	100 % compliance

Service	Activity	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
Real Estate Services	Property Appraisal	Properties Appraised		90 % compliance	90 % compliance
	Lease Management	Property Leasing		95 % compliance	95 % compliance
		Negotiate new leases		95 % compliance	95 % compliance
		Renew leases		95 % compliance	95 % compliance
		Terminate leases		100% compliance	100% compliance
		Lease Payments		100 % compliance	100 % compliance
		Receive Lease Revenue		95 % compliance	95 % compliance
		Property Assessment	Property Assessment Review	100 % compliance	100 % compliance
		Savings & Revenues	100 % compliance	100 % compliance	
	Development & Portfolio Planning	Planning and Development	Review Property Portfolio	100 % compliance	100 % compliance
	Property Disposal	Real Estate Disposal	Market Rates	100% compliance	100% compliance
Property Acquisition	Real Estate Acquisitions and Expropriations		80 % compliance	80 % compliance	

2012 Service Deliverables

The 2012 Operating Budget of \$175.750 million gross and \$52.766 million net will provide funding to:

- Maintain City facilities in accordance with approved maintenance standards to meet client service requirements.
- Continue to implement key recommendations of the Facilities Governance Review under the Facilities Transformation Project.
- Implement updates to the Service Level Agreements (SLA's) with client programs.
- Monitor and promote the use of standard facilities protocols under the Facilities Maintenance Standards within City programs.
- Develop and implement Council priority capital projects including: Union Station Redevelopment, Nathan Phillips Square Redevelopment and St Lawrence Market North.
- Complete the Yard Property Utilization Study and audit all City-owned properties to determine which are surplus to City needs and can be sold or used for other opportunities.
- Ensure City's property portfolio is optimal and meets program requirements by continuing to work with Build Toronto and Invest Toronto to leverage the City's Real Estate assets in a productive and economically advantageous manner.
- Complete energy efficiency building retrofits under the Better Buildings Partnership.
- Continue to facilitate the development of renewable energy projects on City owned facilities and in the community.
- Assist in reducing greenhouse gas emissions city-wide 30% by 2020 (7.3 million tonnes) from 1990 base year.
- Administer the Sustainable Energy Funds comprised of two distinct funds (Toronto Energy Conservation Fund and Toronto Green Energy Fund).
- Administer the BBP Loan Repayment Reserve Fund.
- Ensure waste diversion rate maintained and exceeds City targets of 70% by reviewing programs to target buildings with low diversion rate and working with ABCDs to implement similar programs to meet City targets.
- Work in partnership with Toronto Hydro to install jointly-owned solar panels on approximately 20 City buildings.

PART III: RECOMMENDED BASE BUDGET

2012 Recommended Base Budget (In \$000s)

(In \$000s)	2011 Appvd. Budget	2012 Recommended Base	Change 2012 Recommended Base v. 2011 Appvd. Budget		FY Incremental Outlook	
			\$	%	2013 \$	2014 \$
GROSS EXP.	171,122.2	173,324.8	2,202.6	1.3	1,226.0	287.0
REVENUE	116,879.3	121,023.7	4,144.4	3.5	150.0	-
NET EXP.	54,242.9	52,301.1	(1,941.8)	(3.6)	1,076.0	287.0
Approved Positions	919.8	790.8	(129.0)	(14.0)	790.8	

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 1Rec'd Reduction vs. 2012 10% Reduction Target	Target %
2012 Reductions	(5,378.6)	(5,378.6)	0.0	10.0%

2012 Recommended Base Budget

- The 2012 Base Budget of \$173.325 million gross and \$52.301 million net represents a \$1.942 million or 3.6% decrease over the 2011 Operating Budget of \$54.243 million net.
- The 2012 Base Budget of \$52.301 million net includes Program budget reductions of \$5.378 million or 10.0% of the 2011 Approved Operating Budget. This is equal to the Facilities Management and Real Estate's 2012 reduction target of \$5.378 million.
- Service changes of \$5.378 million include base budget savings of \$0.487 million net, service efficiency savings of \$3.823 million and revenue adjustments of \$1.069 million.
- Approval of the 2012 Operating Budget reflects the deletion of 129.0 positions. The total staff complement will decrease from 919.8 to 790.8 positions as highlighted below:

2012 Recommended Staff Complement – Base Budget Summary

Changes	Staff Complement
2011 Approved Positions	919.8
- 2011 In-year Adjustments	
2011 Approved Staff Complement	919.8
2012 Recommended Staff Complement Changes	
- 2012 Base Changes	(4.9)
- 2012 Operating Impacts of completed Capital Projects	
- 2012 Service Changes	(124.1)
Total Recommended Positions	790.8

2012 Recommended Service Change Summary

(In \$000s)

Description	2012 Recommended Service Changes				Net Incremental Impact			
	Position Changes	Gross Expense	Net Expense	% of 2012 Budget Reduction Target	2013		2014	
	#	\$	\$	%	\$	# Pos.	\$	# Pos.
Base Changes:								
Base Expenditure Changes								
Absorb Economic Factors		(100.0)	(100.0)	-0.2%				
Revise Capping		(58.0)	(58.0)	-0.1%				
Adjustments to Non-Salary Expenses Based on Actual Experience		(300.0)	(300.0)	-0.6%				
Base Expenditure Changes	(4.9)	(458.0)	(458.0)	-0.8%				
Base Revenue Changes								
User Fees			(28.7)	-0.1%				
Base Revenue Changes	0.0	0.0	(28.7)	-0.1%				
Sub-Total Base Budget Changes	(4.9)	(458.0)	(486.7)	-0.9%				
Service Efficiencies								
Service Efficiencies - Confidential	(97.1)	(1,250.0)	(1,250.0)	-2.3%				
Service Efficiencies - Confidential	(7.0)	(423.5)	(423.5)	-0.8%	(71.0)			
86 Ingram		(14.0)	(414.0)	-0.8%				
Utility Energy Demand Forecast and Efficiencies		(1,594.0)	(1,240.1)	-2.3%				
Service Efficiencies - Confidential	0.0	(300.0)	(300.0)	-0.6%				
Service Efficiencies - Confidential	(14.0)	(100.0)	(100.0)	-0.2%	(100.0)			
Reduction of 2 Positions	(2.0)	(135.5)	(95.5)	-0.2%				
Sub-Total Service Efficiencies	(120.1)	(3,817.0)	(3,823.1)	-7.0%	(171.0)			
Revenue Adjustments:								
Toronto Port Authority Parking Lease			(300.0)	-0.6%				
Increased Leasing Revenue			(500.0)	-0.9%				
Revenue Generating Initiative - Confidential	(4.0)		(268.8)	-0.5%	(150.0)			
Sub-Total Revenue Adjustments	(4.0)	0.0	(1,068.8)	-2.0%	(150.0)			
Minor Service Impact:								
Sub-Total Minor Service Impacts	0.0	0.0	0.0	0.0%	0.0			
Major Service Impact:								
Sub-Total Major Service Impacts	0.0	0.0	0.0	0.0%	0.0			
Total Service Changes	(129.0)	(4,275.0)	(5,378.6)	-9.9%	(321.0)			

2012 Recommended Service Changes

- The 2012 service changes consist of base budget changes, service efficiencies and revenue changes that total \$5.378 million net. These service changes will not impact 2011 approved service levels provided by Facilities Management and Real Estate.

Base Expenditure Changes (*savings of \$0.458 million gross and net*)*Absorb Economic Factors*

- The Program adjusted their budget for economic factors to absorb \$0.100 million of these additional operating costs.

Revise Gapping

- The gapping provision was adjusted to maintain the 2011 gapping rate of 3.6%. This resulted in a budget reduction of \$0.058 million.

Adjustment to Non-Salary Expenses Based on Actual Experience

- Based on a detailed review of actual spending, the Program has reduced their non-salary expenses by \$0.300 million. This reduction will be in miscellaneous materials (\$0.100 million); uniform costs (\$0.100 million) and in metrage/mileage (\$0.100 million).

Base Revenue Changes (*savings of \$0.029 million net*)*User Fees*

- The Program has proposed to increase user fees generating potential incremental revenue of \$0.029 million.
 - User fee increases relate to full cost recovery from services provided to film shoots.
 - The Program also proposes a small increase to the rental rates of rooms at North York Memorial Hall. Current rates range from \$40.00 to \$126.50 per hour, these rates will increase by up to \$2.03 per hour.

Service Efficiencies (*savings of \$3.817 million gross and \$3.823 million net*)*Service Efficiencies – Confidential*

- An estimated savings of \$1.250 million gross, \$0 net will be achieved by Facilities Management and Real Estate. An annualized gross amount of \$0.480 million will be realized in 2013.
- As these services are fully cost-recovered from various other City Programs, the savings will be realized in other budgets. The efficiency efforts are being recognized as savings towards Facilities Management and Real Estate's 2012 reduction target. Details are presented in Confidential Attachment 1 under separate cover.

Service Efficiencies – Confidential

- An estimated savings of \$0.424 million gross and net will be achieved by Facilities Management Services. Incremental savings of \$0.071 million gross and net will be realized in 2013. As these services are fully cost-recovered from various other City

Programs, the savings will be realized in other budgets. The efficiency efforts are being recognized as savings towards Facilities Management and Real Estate's 2012 reduction target. Details are presented in Confidential Attachment 1 under separate cover.

86 Ingram

- Solid Waste Management Services will no longer need space at 86 Ingram, as curb-side collection will be contracted out in District 2 (west of Yonge). Facilities Management and Real Estate is seeking alternate users for this facility to generate revenues of approximately \$0.400 million and reduce expenses by \$0.014 million in 2012.

Utilities Energy Demand Forecast and Efficiencies

- Based on a detailed review of actual spending on utilities over the past few years, savings of \$1.594 million gross, \$1.240 million net have been identified.

Service Efficiencies – Confidential

- Savings for services in other City programs will be achieved by Facilities Management services, for a savings of \$0.300 million gross, \$0 million net. As these services are fully cost-recovered from various City Programs or Agencies, the savings will be realized in other budgets. The efficiency efforts are being recognized as savings towards Facilities Management and Real Estate's 2012 reduction target. Details are presented in Confidential Attachment 1 under separate cover.

Service Efficiencies – Confidential

- An estimated savings of \$0.100 million gross and net will be achieved by Facilities Management Services. Details are presented in Confidential Attachment 1 under separate cover.

Reduction of 2 Positions

- As a result of detailed review, Facilities Management and Real Estate identified further opportunities to streamline some of the processes in various areas of operation which will result in savings of two positions, for savings of \$0.095 million.

Revenue Adjustments (*savings of \$1.069 million net*)

Toronto Port Authority Parking Lease

- The Toronto Port Authority (TPA) will be constructing a new pedestrian tunnel linking the mainland and the Toronto Island Airport. During this process, the TPA will require alternative parking and construction staging areas. A lease of space for TPA use at the Bathurst silo site will generate approximately \$0.300 million per year net, starting in 2012, for the duration of the project.

Increased Leasing Revenue

- The Program will research and establish new leasing opportunities to generate an additional \$0.500 million in net annual revenue starting in 2012. This will include:
 - increased focus on under-used City-owned properties;
 - partnering with other divisions to identify opportunities for properties under their operational management;
 - investing resources to maximize returns on existing high-value and/or long-term leases that are coming up for renewal; and
 - investing resources to establish new frameworks and agreements for new unique opportunities, for example: sign-boards.

Revenue Generating Initiative – Confidential

- An initiative is being recommended to increase Revenues as part of the Real Estate Services within the Facilities Management and Real Estate Division. This initiative will generate \$0.269 million in 2012 and an additional \$0.150 million in 2013. Details are presented in Confidential Attachment 1 under separate cover.

2013 and 2014 Outlook:

- Approval of the 2012 Recommended Base Budget for Facilities Management and Real Estate will result in a net incremental increase in 2013 of \$1.076 million and \$0.287 million in 2014. Future year costs are primarily attributable to the following:
 - The 2013 Outlook anticipates an incremental net expenditure increase of \$0.538 million for progression and step pay increase of \$0.287 million, an increase of \$0.572 million for the OMERS premium rate increase (0.9%) and the annualization of 2012 service efficiency savings in the amount of \$(0.321) million.
 - The 2014 Outlook includes an incremental increase of \$0.287 million net for progression pay and step increases.
- No Cost of Living Allowance (COLA) has been projected as 2012 will be a bargaining year.

PART IV: RECOMMENDED NEW/ENHANCED SERVICE PRIORITY ACTIONS

2012 Recommended New/Enhanced Service Priority Actions
(In \$000s)

Description	2012 Recommended			Net Incremental Impact			
	Gross Exp.	Net Exp.	New Position	2013		2014	
	\$	\$	#	\$	# Pos	\$	# Pos
Enhanced Services:							
Police 14 Div. 12 St. Anne's Rd.	288.3		3.0				
Police New Property and Evidence Div.	50.0						
Social Services Add'l. Locations	84.8						
40 Regent St. Childrens' Services	50.4		0.8				
Toronto Hydro Initiative - Solar Photovoltaic	400.0						
Fire Services - 3 Dohme	10.0						
Real Estate Development Audit Specialists	464.5	464.5	5.0				
Sub-Total Enhanced Services	1,414.6	464.5	8.8	0.0	0.0	0.0	0.0
New Services:							
(a) New Services							
21 Panorama Ct.	1,010.5						
Sub-Total New Services	1,010.5	0.0	0.0	0.0	0.0	0.0	0.0
Total Enhanced/New Services	2,425.1	464.5	8.8	0.0	0.0	0.0	0.0

2012 Recommended New/Enhanced Service Priority Actions

Enhanced Service Priority Actions

- The 2012 recommended new/enhanced service priorities require \$2.425 million gross, \$0.464 million net in additional funding, as well as an addition of 8.8 positions for the following:
 - 3.8 permanent positions for additional client caretaking, cleaning, security and other client service demands, for Toronto Police Service, and Children's Services, funded from clients; and
 - 5.0 temporary positions for Real Estate Services to address the Yard Property Utilization Study and the City-wide audit of approximately 5,650 City-owned properties, funded from savings resulting from Real Estate Services' review of taxable facilities for leased properties.

Toronto Police Services 14 Division – 12 St. Anne's Road

- The Toronto Police Services new location for 14 Division at 12 St. Anne's Road replaces the building at 150 Harrison St. The new building is approximately 40,000 square feet larger than the existing building and will require an additional 3 permanent Heavy Duty Cleaners, at a cost of \$0.288 million, effective January 1, 2012. Expenses will be fully recoverable from Toronto Police Services.

Toronto Police Services New Property and Evidence Building at 330 Progress

- The new Property and Evidence Building at 330 Progress is almost complete. Initial clean up costs at the renovation site are estimated to be \$0.050 million; recoverable from Toronto Police Services. Increased operating costs for full operations will be reported during the 2013 Budget process.

Social Services Additional Locations

- Toronto Employment and Social Services (TESS) has added 5 new leased locations and requires services such as office and window cleaning, entrance matting and pest control. This will require an increase of \$0.085 million to the existing custodial contracts which will be recovered from TESS.

40 Regent Street Children's Services

- Children's Services has opened this new facility and will require custodial services at a cost of \$0.050 million for 2012. This will result in the need for .8 of one position, effective January 1, 2012.

Toronto Hydro Initiative – Solar Photovoltaic

- In July, 2010 the report entitled 'Solar Photovoltaic Program for City Facilities' was adopted by City Council. This partnership between the City and Toronto Hydro will install jointly-owned solar panels on approximately 20 City buildings.
- The costs to maintain this program will be fully offset from the sale of electricity generated by the solar panels. The City will receive revenue for approximately 20 years from the Ontario Power Authority from the sale of electricity.

Real Estate Development Audit Specialists

- It is recommended that 5.0 temporary positions for Real Estate Services be approved to address the Yard Property Utilization Study and the City-wide audit of approximately 5,650 City-owned properties. This unit will assist the City in determining properties to that are surplus to City needs and can be sold or used for other opportunities.
- The additional positions will allow these initiatives to be completed within approximately 3 years, rather than the approximate 8 years that would be possible with existing staff levels.

- In May, 2011, City Council approved a report entitled 'Municipal Capital Facilities' from the Chief Corporate Officer. That report detailed the work undertaken by the Real Estate Division to review the tax status of properties leased by the City of Toronto for various program areas. The result was to recognize a corporate-wide savings of \$1.038 million gross, approximately \$0.587 million net (when cost-shared reductions are factored in). The 2012 Recommended Operating Budgets for the affected programs have been reduced to reflect these savings. It is recommended that the savings be used to offset funding for the 5 positions for a term of three years.

Toronto Water - 51 Beechgrove

- Services have been provided and paid for by Toronto Water since 2010. The 2012 Recommended Operating Budget is being adjusted to reflect actual costs and recoveries in the amount of \$0.067 million.

New Service Priority Actions

21 Panorama Court

- The new Rexdale Community Hub at 21 Panorama Court is a new community facility that will house: the Rexdale Community Health Centre; Albion Neighbourhood Services; Rexdale Women's Centre; Big Brothers and Sisters and various other community groups. Operating costs include custodial, maintenance, security services and utilities. The operating costs of these services will be recovered from the clients based on the client's proportion of space used in this 73,000 square foot facility. These services are estimated at \$1.010 million per year and will be contracted out.

PART V: ISSUES FOR DISCUSSION

2012 and Future Year Issues

2012 Issues and Future Year Issues

Core Service Review Approvals

- At its meeting of September 26 and 27, 2011 City Council approved the report 'Core Service Review – Final Report to Executive Committee' from the City Manager. The City Manager was directed to review efficiency related opportunities for various program areas to determine whether and in what manner implementation is appropriate through the 2012, 2013 and 2014 Operating Budgets.
- The following reviews were recommended for Facilities Management and Real Estate:
 - Consider increasing a shared service approach to facility management with agencies.
 - Consider strategic sourcing of custodial and security activities.
 - Consider increasing a shared service approach for real estate services with agencies.
- These reviews are pending and the City Manager will be reporting, as appropriate, to Standing Committee and/or City Council or through the City's operating budget processes.

Service Efficiency Studies

- At its meeting of April 12, 2011, City Council approved a report from the City Manager titled 'Service Review Program, 2012 Budget Process and Multi-Year Financial Planning Process', dated March, 2011. The report directed that, in addition to other reviews, a service efficiency review be undertaken for Facilities Management and Real Estate.
- The service efficiency review is near completion. The City Manager will report to Standing Committee and/or City Council or through the City's operating budget processes, as appropriate.

Appendix 1

2011 Performance

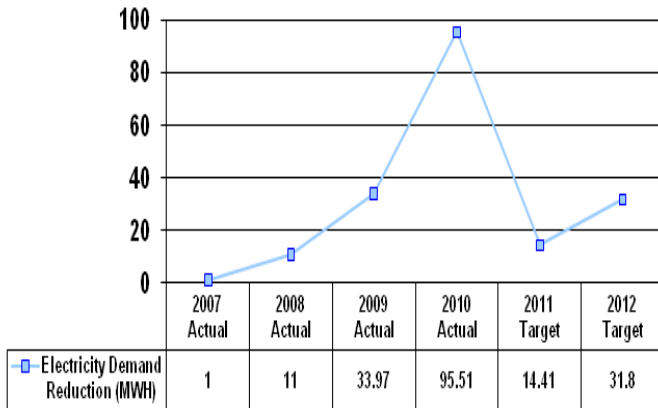
2011 Key Accomplishments:

In 2011, Facilities Management and Real Estate achieved the following results:

- ✓ Stage 1 progress on the construction phase of the \$640 million renovation of Union Station.
- ✓ Implemented a new client service model with multiple client contact points and methods.
- ✓ Implemented the Custodial Workload Measurement System
- ✓ Completed building condition assessments on 20% all facilities in the FM & RE portfolio
- ✓ Completed Federal Infrastructure stimulus projects by the prescribed Federal deadline
- ✓ Secured all property requirements for the Toronto–York Spadina Subway Extension project.
- ✓ Identified 75 properties for transfer or turnover to Build Toronto.

Efficiency

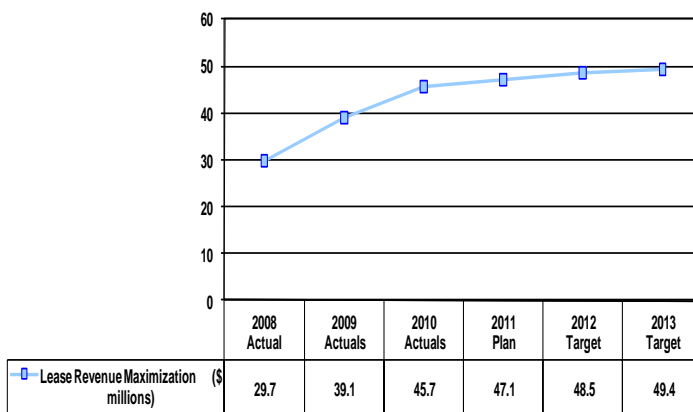
Electricity Demand Reduction (Megawatt)



- Implemented 95.51 MW of conservation representing 107% of the City's commitment to Better Buildings Partnership–Energy Conservation Program
- The targeted electricity demand reduction by 2010 was 89 MW. The City has exceeded the target by 6.51 MW.
- 2011 and 2012 electricity demand reduction targets are 14.41 MW and 31.8 MW respectively and include Better Buildings Partnership Energy Conservation _ New Construction targets, Demand Response 3 and Toronto Hydro–Conservation and Demand Management programs.

Effectiveness

Lease Revenue Maximization (\$ millions)



- This measure demonstrates the revenue generation maximized for the lease of City properties.
- The large increase in 2008 to 2009 reflects the new revenue generated from Union Station operations.
- Increase in 2010 by \$5.700 million from 2009 is for various new leases and lease renewals.

2011 Budget Variance Analysis

2011 Budget Variance Review (In \$000s)

(In \$000s)	2009 Actuals	2010 Actuals	2011 Approved Budget	2011 Projected Actuals*	2011 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	\$	%
GROSS EXP.	148,882.0	165,147.1	171,122.2	177,488.7	6,366.5	3.7
REVENUES	94,969.6	113,348.9	116,879.3	124,773.6	7,894.3	6.8
NET EXP.	53,912.4	51,798.2	54,242.9	52,715.1	(1,527.8)	(2.8)
Approved Positions	895.3	907.9	919.8	919.8	0.0	0.0

* Based on the Third Quarter Operating Budget Variance Report.

2011 Experience

- Facilities Management and Real Estate is currently projecting under-spending of \$1.528 million for 2011 based on the third quarter variance report.
- This is mostly attributed to the Better Building Partnerships–Energy Conservation Program. The Better Buildings Partnerships Program is funded from the Ontario Power Authority (OPA). Financial incentives are provided for the Program, fully funded from OPA. The expenditures and revenues flow through the Facilities Management and Real Estate's operating budget. In 2012 a larger number of participants than anticipated were in the Program. This has resulted in overspending (financial incentives) and recoveries (from OPA).

Impact of 2011 Operating Variance on the 2012 Recommended Budget

- There is no impact on the 2012 Recommended Operating Budget as a result of the 2011 variance.

Appendix 2

2012 Recommended Operating Budget by Expenditure Category and Key Cost Drivers

Program Summary by Expenditure Category (In \$000s)

Category of Expense	2009 Actual	2010 Actual	2011 Budget	2011 Projected Actual	2012 Recommended Budget	2012 Change from 2011 Approved Budget		2013 Outlook	2014 Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	62,384.8	69,672.3	78,218.0	73,560.6	73,334.8	(4,883.2)	-6.2%	71,141.8	71,428.8
Materials and Supplies	26,305.2	27,628.9	31,411.8	29,244.4	30,899.7	(512.1)	-1.6%	30,899.7	30,899.7
Equipment	650.0	596.4	1,223.2	1,043.8	1,259.7	36.5	3.0%	1,259.7	1,259.7
Services & Rents	49,880.2	55,970.0	52,894.9	56,983.6	64,326.7	11,431.8	21.6%	67,105.7	67,105.7
Contributions to Capital	3,936.2	6,707.9	3,798.1	3,798.1	2,522.8	(1,275.3)	-33.6%	2,522.8	2,522.8
Contributions to Reserve/Res Funds	1,091.5	1,789.1	1,746.9	2,082.0	1,452.1	(294.8)	-16.9%	1,452.1	1,452.1
Other Expenditures	8.2	516.1	10.6	8,957.5	10.6	0.0	0.0%	10.6	10.6
Interdivisional Charges	4,625.8	2,266.3	1,818.7	1,818.7	1,943.3	124.6	6.9%	1,943.3	1,943.3
TOTAL GROSS EXPENDITURES	148,881.9	165,147.0	171,122.2	177,488.7	175,749.7	4,627.5	2.8%	176,335.7	176,622.7
Interdivisional Recoveries	44,813.9	50,248.2	50,632.8	52,558.8	52,928.8	2,296.0	4.5%	52,288.8	52,288.8
Provincial Subsidies	150.0						n/a		
Federal Subsidies		408.2	220.5	220.5	220.5	0.0	0.0%	220.5	220.5
Other Subsidies							n/a		
User Fees & Donations	30,484.6	38,259.8	37,976.5	37,976.5	38,186.2	209.7	0.6%	38,186.2	38,186.2
Transfers from Capital Fund	5,483.8	8,842.4	8,004.5	6,827.1	10,042.3	2,037.8	25.5%	10,042.3	10,042.3
Contribution from Reserve Funds	6,290.5	9,506.1	11,077.0	20,012.7	10,970.6	(106.4)	-1.0%	10,970.6	10,970.6
Contribution from Reserve							n/a		
Sundry Revenues	7,747.0	6,100.5	8,968.0	7,178.0	10,635.7	1,667.7	18.6%	10,785.7	10,785.7
TOTAL REVENUE	94,969.8	113,365.2	116,879.3	124,773.6	122,984.1	6,104.8	5.4%	122,494.1	122,494.1
TOTAL NET EXPENDITURES	53,912.1	51,781.8	54,242.9	52,715.1	52,765.6	(1,477.3)	-2.6%	53,841.6	54,128.6
APPROVED POSITIONS	895.3	907.9	919.8	919.8	799.6	(120.2)	-13.1%		

2012 Key Cost Drivers

- Salaries and Benefits are the largest expenditure category and account for 41.7% of the total expenditures, followed by Services and Rents at 36.5% and Materials and Supplies at 17.6%.
- The 2012 budget for Salaries and Benefits of \$73.334 million is \$4.883 million or 6.2% lower than the 2011 Operating Budget.
 - Service efficiencies account for most of the reduction and total \$6.444 million. This is mainly due to confidential service efficiency proposals. These reductions are offset by increases for progression pay of \$0.245 million; step increase of \$0.042 million; and additional working day of \$0.234 million and OMERS premium rate increases (1%) of \$0.710 million

- New and enhanced services increase Salaries and Benefits by \$0.638 million. The Real Estate Development Audit Specialists account for \$0.464 million of this increase.
- The 2012 budget for Services and Rents of \$64.327 million is \$11.453 million or 21.7% higher than the 2011 Operating Budget.
 - Confidential Service efficiencies account for \$4.274 million of this increase.
 - New services for the Rexdale Community Hub and the new Toronto Police 14 Division facility account for approximately \$1.099 million of the
 - Approximately \$2.000 million is attributed to inflationary factors.
- The Contribution to Capital decreases by \$1.275 million or 33.6% of the 2011 Approved Budget of \$3.798 million.
 - This is mainly accounted for by the elimination of the financial incentives due to the end of the Energy Conservation Program which reduces capital contribution by \$1.625 million.
- Interdivisional Recoveries increase by \$2.296 million or 4.5% compared to the 2011 Approved Budget of \$50.633 million.
 - This is mainly due to base changes such as adjustments to the IDRs of clients which increase Interdivisional Recoveries by over \$3.000 million.
- Transfers from the Capital Fund increase by \$2.038 million or 25.5% compared to the 2011 Approved Budget of \$8.004 million.
 - Prior year impacts result in an increase of \$0.692 million.
- Sundry Revenues have increased by \$1.668 million or 18.6%.
 - The Solar Photovoltaic Program accounts for \$0.400 million of this increase.
 - \$0.500 million is a result of increased leasing revenue
 - The leasing out of the 86 Ingram facility is expected to increase revenue by \$0.400 million in 2012.
 - The Parking for the Toronto Port Authority result in additional sundry revenues of \$0.300 million.

Appendix 3
Summary of 2012 Recommended Service Changes



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
2012 Recommended Base Budget Before Service Change:			176,841.7	121,198.8	55,642.9	914.9	0.0	0.0
Z1	2	Service Efficiencies Confidential	(1,250.0)	(1,250.0)	0.0	(43.3)	0.0	0.0
<small>(FA-Z002)</small> Service / Activity: Facilities / Custodial Care Description: Reduction of a net 97.1 positions will result in savings of \$1.250 million gross and \$0 net in 2012 and incremental savings of \$0.480 million gross and \$0 net in 2013. The services are fully cost-recovered from various other City programs/agencies. Affected programs will realize net savings. The timing of these changes is staggered throughout 2012. Please refer to Confidential Attachment 1 under separate cover. Service Level Change: There will be no change in service levels. ADMIN: Recommended			(1,250.0)	(1,250.0)	0.0	(97.1)	0.0	0.0
Z1	3	Service Efficiencies Confidential	(423.5)	0.0	(423.5)	(4.0)	(71.0)	0.0
<small>(FA-Z003)</small> Service / Activity: Facilities / Security and Life Safety Description: Deletion of 8 permanent positions and the addition of 1 new position for a net reduction of 7 positions will result in savings of \$0.424 million gross and net in 2012 and an incremental savings of \$0.071 million gross and net in 2013. These changes will occur after June, 2012. Please refer to Confidential Attachment 1 under separate cover. Service Level Change: ADMIN: Recommended			(423.5)	0.0	(423.5)	(7.0)	(71.0)	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
Z1	3	86 Ingram Service / Activity: Facilities / N/A Description: Solid Waste Management Division (SW) currently operates a waste transfer station and accompanying administrative and support space at 86 Ingram. Council approval has been granted to outsource the collection of Solid Waste west of Yonge Street. As this location will no longer be required by Solid Waste, Real Estate Services will seek other tenants resulting in \$0.400 million revenue net from the lease of this facility. Eliminating operating maintenance at Ingram Yard will result in a further savings of \$0.014 million gross and net. Changes in expenses and revenue are effective January 1, 2012. Real Estate Services will work with Legal Services staff to prepare the requisite leasing documents to achieve the desired objective. Other divisions currently located at Ingram Yard will be relocated. Service Level Change: There will be no change in service levels. ADMIN: Recommended	(14.0)	400.0	(414.0)	0.0	(500.0)	0.0
Z1	5	Utility Energy Demand Forecast and Efficiencies Service / Activity: Facilities / N/A Description: The budget for energy utilities for City buildings will be reduced by \$1.594 million gross and \$1.241 million net effective January 1, 2012 based on the historical consumption patterns. Energy efficiency projects and energy conservation efforts have resulted in a steady decline in energy consumption by the City. Service Level Change: There will be no change in service levels. ADMIN: Recommended	(1,594.0)	(353.9)	(1,240.1)	0.0	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
Z1	6	Service Efficiencies Confidential (FA-Z004) Service / Activity: Facilities / N/A Description: Savings of \$0.300 million gross and net are expected by reducing 4 positions. Please refer to Confidential Attachment 1 under separate cover. Service Level Change: There will be no change in service levels. ADMIN: Recommended	0.0	0.0	0.0	0.0	0.0	0.0
Z1	7	Service Efficiencies Confidential (FA-Z021) Service / Activity: Real Estate / N/A Description: This service efficiency will result in savings of \$0.100 million gross and net in 2012 and further savings of \$0.100 million gross and net in 2013. Please refer to Confidential Attachment 1 under separate cover. Service Level Change: N/A. ADMIN: Recommended	(100.0)	0.0	(100.0)	(16.0)	(300.0)	0.0
Z1	8	Reduction of 2 Positions (FA-VSP001) Service / Activity: Facilities / N/A Description: This is a staff reduction of 1 permanent and 1 temporary position with a gross savings of \$0.135 million and a net savings of \$0.095 million effective January 1, 2012. These positions work in the capital project area and this reduction may have minimal impact on service. Service Level Change: There will be a small impact on service in the delivery of small capital projects and in responding to client requests on those projects. ADMIN: Recommended	(135.5)	(40.0)	(95.5)	(2.0)	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
Z2	2	Toronto Port Authority Parking Lease Service / Activity: Facilities / N/A Description: The Toronto Port Authority is constructing a new pedestrian tunnel linking the mainland and the island airport. To undertake this project, the TPA requires alternative parking and staging areas during the construction. The TPA will lease space at the silo site at the foot of Bathurst St. This will result in \$0.300 million net new revenue. Changes in revenue are effective January 1, 2012. Service Level Change: There will be no change in service levels. ADMIN: Recommended	0.0	300.0	(300.0)	0.0	0.0	0.0
Z2	3	Increased Leasing Revenue Service / Activity: Facilities / N/A Description: Facilities Management and Real Estate staff will research and establish new locations and opportunities to generate new or increased lease revenue, including: - increased focus on under-used City-owned corporate properties - partnering with other divisions to identify opportunities for properties under their operational management - invest resources toward maximizing returns on existing high value and/or long-term leases that are coming up for renewal - invest resources toward establishing new frameworks and agreements for unique opportunities (ie. sign-boards) (note: specific locations are not identified due to confidentiality of current and future negotiations). This initiative will result in an increase of revenue of \$0.500 million net effective January 1, 2012. Service Level Change: There will be no change in service levels. ADMIN: Recommended	0.0	500.0	(500.0)	0.0	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
Z2	4	Revenue Generating Initiative Confidential	0.0	268.8	(268.8)	0.0	(150.0)	0.0
<small>(FA-Z022)</small>		Service / Activity: Real Estate / N/A						
		Description:	A revenue generating initiative will be undertaken in May 2012 resulting in an additional \$0.269 million in revenue to the City in 2012 and an incremental \$0.150 million in 2013 . Please refer to Confidential Attachment 1 under separate cover.					
		Service Level Change:						
		ADMIN: Recommended	0.0	268.8	(268.8)	(4.0)	(150.0)	0.0
Total Recommended Service Level Reductions:			(3,517.0)	(175.1)	(3,341.9)	(124.1)	(321.0)	0.0
Total Recommended Base Budget:			173,324.7	121,023.7	52,301.0	790.8	(321.0)	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change

Appendix 4

Summary of 2012 Recommended New/Enhanced Service Priority Actions



2012 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N4	1	21 Panorama Court Service / Activity: MULTIPLE / N/A Description: Facilities has been asked to provide services including custodial, maintenance, utilities and security for the newly renovated Rexdale Community Hub at 21 Panorama Ct effective 2012. The size of this facility is 73,000 Sq. Ft. with multiple tenants. Total operating costs will be \$1.010 million and services include: custodial, maintenance, utilities and security as well as landscaping and preventative maintenance. The tenants include: Rexdale Community Health Centre, Albion Neighbourhood Services, Rexdale Womens' Centre and 8 other agencies. The tenants have agreed to pay their proportionate share of the operating costs and the resulting budget impact is a gross expenditure increase of \$1.010 million and \$0 net effective January 1, 2012. Service Level Change: Current service levels are to be provided as this is a new facility. ADMIN: Recommended	1,010.5	1,010.5	0.0	0.0	0.0	0.0
N2	2	Police 14 Division - 12 St.. Anne's Road Service / Activity: Facilities / Custodial Care Description: Toronto Police Services is opening a new location at 12 St. Anne's Rd. to replace the current Police 14 Division building at 150 Harrison St. The new facility at 12 St. Anne's will be approximately 40,000 square feet larger than the existing 14 Division facility. TPS expect substantial completion of the building by January 2012, and occupancy shortly after. It is recommended that 3 additional FTE's (Heavy Duty Cleaners) be added to clean the facility once it becomes fully operational. This will be a Leadership in Energy and Environmental Design (LEEDS) certified building. LEEDS compliant equipment will need to be purchased. The additional expenditure will be \$0.288 million gross with a net of \$0 since costs will be fully recovered from Toronto Police Services. Service Level Change: Current service levels are to be provided as this is a new facility. ADMIN: Recommended	288.3	288.3	0.0	3.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2010 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2010 Capital
- N4 - New Services
- N5 - New Revenues



2012 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N2	3	Police New Property & Evidence Division - 330 Progress Ave. Service / Activity: Facilities / Custodial Care Description: Toronto Police Services is relocating their Property and Evidence Division along with other departments to a new location at 330 Progress Ave. The partial opening of this 287,000 square foot building is planned for December 2012. It is expected that they will require one-time post renovation/construction clean up, estimated at about \$0.050 million gross and \$0 net with costs recovered from TPS. Service Level Change: No change. ADMIN: Recommended	50.0	50.0	0.0	0.0	0.0	0.0
N4	4	Social Services Additional Leased Sites Service / Activity: Facilities / N/A Description: Toronto Employment and Social Services has added 5 new leased locations and requires services such as entrance matting, window cleaning, pest control and office cleaning. This will require an increase to the current custodial contracts of approximately \$0.085 million gross, \$0 net with cost recovery from TESS. Service is effective January 1, 2012. Service Level Change: Current service levels are to be provided as these are new facilities. ADMIN: Recommended	84.8	84.8	0.0	0.0	0.0	0.0
N4	5	40 Regent St. - Children's Services Service / Activity: Facilities / Custodial Care Description: Children's Services has opened a new facility at 40 Regent St. and is requesting Facilities Management to provide Custodial Services. This will require an additional new 0.8 FTE Heavy Duty Cleaner to be added at a cost of \$0.050 gross and \$0 net with costs to be recovered from Children's Services. Service is effective January 1, 2012. Service Level Change: Current service levels are to be provided as this is a new facility. ADMIN: Recommended	50.4	50.4	0.0	0.8	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2010 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2010 Capital
- N4 - New Services
- N5 - New Revenues



2012 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N4	6	Toronto Hydro Initiative - Solar Photovoltaic Program Service / Activity: Facilities / Energy Management Description: In July 2010, Council approved a partnership program between the City and Toronto Hydro whereby jointly-owned solar panels will be installed on approximately 20 City buildings. The City will invest up to \$8 million in the program, funded by the Sustainable Energy Program, and receive revenue from the Ontario Power Authority from the sale of the electricity generated by the panels plus rental revenue for the roof space used for the panels for 20 years. In 2012, only about 10 installation projects are forecast to be completed . The Solar Photovoltaic Program for City Facilities report (EX 45.39) recommended that a portion of the annual revenues generated would contribute towards the program's operating expenses (\$0.050 million) and the remainder would be used to repay the Sustainable Energy Fund (\$0.350 million). Expenses and revenues for 2012 are effective January 1, 2012. Service Level Change: N/A ADMIN: Recommended	400.0	400.0	0.0	0.0	0.0	0.0
N2	8	Toronto Water - 51 Beechgrove Service / Activity: Facilities / Custodial Care Description: Toronto Water requested custodial service at this location in late 2010. Contracted custodial service is currently being provided. The cost of providing this service is \$0.067 million gross and \$0 net since the costs will be recovered from Toronto Water effective January 1, 2012. Service Level Change: N/A ADMIN: Recommended	66.6	66.6	0.0	0.0	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2010 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2010 Capital
- N4 - New Services
- N5 - New Revenues



2012 Operating Budget - Recommended New and Enhanced Services Summary of Administrative Review

TYPE	PRIORITY	INTERNAL FOCUSED SERVICES Facilities Management and Real Estate	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
N4	10	Fire Services - 3 Dohme Service / Activity: Facilities / Custodial Care Description: Fire Services moved from 112 Elizabeth Street to 3 Dohme Ave. Additional custodial services at this location total \$0.010 million fully recovered from Toronto Fire Services effective January 1, 2012. Service Level Change: N/A. ADMIN: Recommended	10.0	10.0	0.0	0.0	0.0	0.0
N1	12	Real Estate Development Audit Specialists Service / Activity: Real Estate / Manage Real Estate Portfolio Description: The addition of four temporary Real Estate Development Audit Specialists (Wage Grade 11), plus a temporary Administrative Assistant for a period of three years is recommended to permit the Yards Study and the City-wide, audit of approximately 5,650 City-owned properties to proceed. These additions of staff will be effective February, 2012. Staff contracts will end at the end of project, approximately 3 years. The cost of this initiative is \$0.464 million gross and \$0 net with funding from savings resulting from the Real Estate Municipal Capital Facilities report adopted by Council on May 17, 2011. These savings were the result of a Real Estate Services initiative to find opportunities to reduce expenses. The 2011 report achieved Gross savings of \$1.037 million. The total saved by some programs may be reduced if they are subsidized services and the savings result in a reduction of their subsidy. The Municipal Capital Facilities report was adopted by Council in May 2011 and resulted in gross corporate savings of \$1.038 million, the savings were in the following programs: TESS - \$0.900 million, Children's Services - \$0.049 million, Health - \$0.053 million, Facilities Management - \$0.030 million and WES - \$0.005 million. Their 2012 Recommended Operating Budgets have been reduced to recognize the savings. It is recommended that these savings fund the 5 positions for a period of 3 years. Service Level Change: N/A. ADMIN: Recommended	464.5	0.0	464.5	5.0	0.0	0.0
Total Recommended New/Enhanced:			2,425.1	1,960.6	464.5	8.8	0.0	0.0

Category Legend - Type

- N1 - Enhanced Services - Operating Impact of 2010 Capital
- N2 - Enhanced Services - Service Expansion
- N3 - New Service - Operating Impact of 2010 Capital
- N4 - New Services
- N5 - New Revenues

Appendix 5

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve/Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	Projected Balance as of December 31, 2011	2013	2014
			\$	\$	\$
Vehicle Reserve - Facilities and Real Estate	XQ1502	Projected Beginning Balance	980.8	1,207.0	1,207.0
		Proposed Withdrawals (-)	0.0		
		Contributions (+)	226.2		
Balance at Year-End			1,207.0	1,207.0	1,207.0

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of December 31, 2011 *	Proposed Withdrawals (-) / Contributions (+)		
			2012	2013	2014
			\$	\$	\$
Land Acquisition Reserve Fund	XR1012	129,599.0	(328.5)		
Insurance Reserve Fund	XR1010	31,693.0	959.4		
Energy Conservation	XR1715	1,958.0	(788.0)		
	XR1716				
Union Station	XR2501	7,720.0	(3,314.4)		
Conservation management Reserve Fund (OPA Funding)	XR3029		(5,569.3)		
Total Reserve / Reserve Fund Draws / Contributions			(9,040.8)	0.0	0.0

* Based on 3rd Quarter Variance Report