



STAFF REPORT ACTION REQUIRED

Preliminary Operating Variance Report for the Year Ended December 31, 2009

Date:	March 9, 2010
To:	Budget Committee
From:	Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	P:\2010\Internal Services\FP\Bc10003Fp

SUMMARY

The purpose of this report is to provide Council with the City of Toronto Preliminary Operating Variance for the year ended December 31, 2009 and to obtain Council's approval of recommendations for the allocation of the 2009 preliminary year-end operating surplus. The approval is required in order to balance the 2010 Operating Budget and provide property tax stabilization funds to manage tax impacts in 2011.

For the year ended December 31, 2009, the preliminary year-end operating surplus (unaudited) amounted to \$354.817 million or 10.3 per cent under the 2009 Council Approved Net Operating Budget. City Operations contributed \$33.405 million towards the preliminary year-end operating surplus due to prudent expense management as well as the implementation of cost savings strategies introduced in the fourth quarter which included a hiring slowdown and expenditure constraints. Agencies, Boards and Commissions (ABCs) collectively reported a favourable net expenditure variance of \$4.188 million.

Corporate Accounts contributed \$317.224 million due to considerable savings in expenditures and higher than budgeted revenues realized within the Non-Program Operating Budget. Through prudent financial management including labour disruption, wage settlement savings, reduced assessment appeals, related tax reductions and higher investment earnings, the Corporate Accounts were reduced by about \$178.0 million. At the same time, other tax and Non-Program revenue increases and expenditure decreases realized about \$139.2 million in budgetary savings.

This report recommends that the 2009 preliminary year-end operating surplus be allocated as follows: \$0.156 million to the Exhibition Place Conference Centre Reserve Fund to help guarantee repayment of a loan for the new conference centre as approved by City Council; \$2.958 million to the Social Assistance Stabilization Reserve Fund to offset future Toronto Employment & Social Services (TESS) Operating Budget pressures and provide funding for the French Language Service Enhancement initiative for 2010; \$250.0 million be utilized as a funding source to balance the 2010 Operating Budget; and that the uncommitted balance of \$101.703 million surplus be transferred to the Property Tax Stabilization Reserve to be utilized for the 2011 Operating Budget in compliance with the new City of Toronto Act, 2006, Section 228 (5b). In addition, this report recommends that a withdrawal of \$1.3 million from the Building Code Act Service Improvement Reserve Fund be made to fund the net revenue shortfall for Toronto Building, resulting from lower building permit volumes due to the economic downturn, as provided for in the Building Code Act Section 7 (2).

With respect to the Non-Levy Operations, this report recommends that the preliminary year-end operating surplus of \$12.986 million in Solid Waste Management Services, after the transfer of the \$2.449 million to fund the Green Lane Reserve Fund to offset the 2009 Green Lane operating deficit, be allocated to the Waste Management Reserve Fund. Solid Waste Management Services will need to reimburse \$2.449 million to the Waste Management Reserve Fund when the Green Lane Landfill Operation generates an operating surplus. Toronto Water reported a 2009 preliminary year-end operating surplus of \$21.949 million which will be contributed to the Water and Wastewater Capital Reserve Funds in the 2009 Final Year-end Operating Variance Report.

Council's approval is also required for amendments to the City of Toronto's 2009 Operating Budget between Programs to ensure accurate reporting and financial accountability with no increase to the 2009 Council Approved Net Operating Budget.

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RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. Council approve the allocation of the 2009 preliminary year-end operating surplus of \$354.817 million to the following: \$0.156 million to the Exhibition Place Conference Centre Reserve Fund to guarantee repayment of a loan for a new conference centre; \$2.958 million to the Social Assistance Stabilization Reserve Fund to offset future Toronto Employment & Social Services budget pressures and provide funding for the French Language Service Enhancement initiative for 2010; \$250.0 million as Prior Year Surplus Revenue to fund the 2010 Operating Budget; and that the unapplied balance \$101.703 million be transferred to the Property Tax Stabilization Reserve.
2. Council approve the withdrawal of \$1.3 million from the Building Code Act Service Improvement Reserve Fund to fund the net revenue shortfall for Toronto Building resulting from lower building permit volumes impacted by the economic downturn.
3. Council approve that after funding the Green Lane Landfill Operations of \$2.449 million, the \$12.986 million of the Solid Waste Management Services' 2009 preliminary net operating surplus be transferred to the Waste Management Reserve Fund.
4. Council approve that \$2.449 million be reimbursed to the Waste Management Reserve Fund when the Green Lane Landfill Operations generates a sufficient operating surplus.
5. Council approve the budget adjustments including the approved position transfers as detailed in Appendix D to amend the 2009 Council Approved Operating Budgets between Programs with no net impact to the 2009 Tax-Levy Operating Budget.
6. The Deputy City Manager and Chief Financial Officer reports back to the Budget Committee on any changes to the City of Toronto's 2009 year-end financial position after the 2009 financial statements are finalized.
7. Budget Committee forward the Preliminary Operating Variance Report for the Year Ended December 31, 2009 to Executive Committee for its consideration.

Financial Impact

The preliminary net expenditures for the year ended December 31, 2009 were under budget by \$354.817 million or 10.3 per cent. Table 1 below summarizes the preliminary year-end net operating results by Cluster and ABC.

Table 1	
2009 Preliminary Year-End Net Expenditure Variance (\$ Millions)	
	Over/(Under) Budget
Citizen Centred Services "A"	(16.2)
Citizen Centred Services "B"	(2.4)
Internal Services	(9.7)
City Manager	(1.3)
Other City Programs	(3.5)
Accountability Offices	(0.4)
Total - City Operations	(33.4)
Agencies, Boards and Commissions	(4.2)
Corporate Accounts	(317.2)
Sub-Total	(321.4)
Total Variance	(354.8)

Table 2 outlines the recommended allocation of the 2009 Preliminary Year-end Net Operating surplus from Tax-Levy Programs as follows:

Table 2	
2009 Preliminary Year-End Net Operating Surplus (\$ Millions)	
Preliminary Operating Tax Levy Surplus	354.817
Recommended Allocation:	
Exhibition Place Conference Centre Reserve Fund	(0.156)
Social Assistance Stabilization Reserve Fund	(2.958)
2010 Operating Budget - Prior Year Surplus Revenue	(250.000)
Unapplied Operating Surplus - Property Tax Stabilization Reserve	<u>101.703</u>

This report recommends that the 2009 preliminary year-end operating surplus be allocated as follows: \$0.156 million to the Exhibition Place Conference Centre Reserve Fund to help guarantee repayment of a loan for the new conference centre as approved by City Council; \$2.958 million to the Social Assistance Stabilization Reserve Fund to offset future Toronto Employment & Social Services (TESS) Operating Budget pressures and provide funding for the French Language Service Enhancement initiative for 2010; \$250.0 million be utilized as a funding source to fund the 2010 Operating Budget; and that the uncommitted balance of \$101.703 million surplus be treated as prior year revenues to be utilized for the 2011 Operating Budget in compliance with the new City of Toronto Act, 2006, Section 228 (5b).

This variance report was prepared based on preliminary accounting information for the year ended December 31, 2009. An annual audit of the City's accounting and financial statements will be completed in May 2009 and any changes to the Preliminary 2009 Year-end Operating Variance will be reported to City Council thereafter.

ISSUE BACKGROUND

This report is provided pursuant to good business practice and budgetary control. As part of the City of Toronto's accountability framework, quarterly and year-end operating variance reports are submitted to Committees and Council, to provide information on how the approved operating funds are being spent, and on an exceptions basis, to identify issues that require direction and / or decisions from Council.

Council approval is required to allocate the 2009 Preliminary Year-End Operating surplus and to amend the 2009 Council Approved Operating Budget between Programs to ensure accurate reporting and financial accountability. These budget adjustments have no incremental impact on the 2009 Approved Net Operating Budget.

COMMENTS

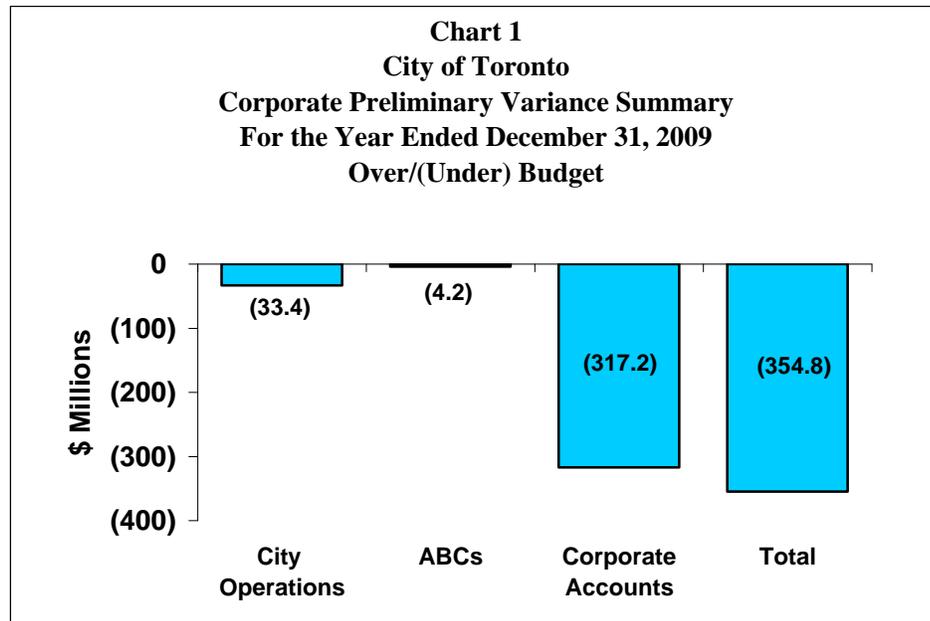
Key Economic and Recession Indicators – 2009 Preliminary Results

Table 3 below illustrates key economic and recessionary indicators that directly impacted the City's 2009 Operating Budget. Toronto Transit Commission ridership was slightly under budget for the twelve months ended December 31, 2009 coming in at a projected 471.2 million riders versus a planned ridership of 473.0 million. Consequently, TTC Conventional services reported an unfavourable revenue variance of \$18.016 million or 2.0 per cent below revenue budget of \$904.310 million as a result of lower than budgeted ridership, with 1.8 million fewer rides compared to budget and a lower than anticipated average fare. Similarly, the social assistance monthly average actual caseload during 2009 is projected at 88,506 below the budget of 90,000, thus resulting in under-expenditures in Toronto Employment and Social Services (TESS). Recent trends demonstrated significant improvements in the housing market. Despite the economic downturn, the Municipal Land Transfer Tax (MLTT) revenues exceeded budget by \$18.3 million for the year ended December 31, 2009. This was due to the higher than expected average home prices, sales activities and low interest rates.

Table 3 City of Toronto Key Economic and Recession Indicators	
	As at Dec. 30, 2009
TTC Ridership:	
- Budget (Million)	473.0
- Actuals (Million)	471.2
Social Assistance Caseload:	
- Monthly Average - Budget	90,000
- Monthly Average - Actuals	88,506
Land Transfer Tax Revenues:	
- Budget (\$Million)	160.1
- Actuals (\$Million)	178.4
Other Economic Factors:	
- Inflation Rate, Toronto	1.00%
- Interest Rate - 3 month Treasury Bill	0.31%
- Interest Rate - 10 year Gov't of Canada Bond	3.61%
- Unemployment Rate, Toronto (Stats Can, Unadjusted)	9.40%
City of Toronto Resale Home Sales:	
- Units Sold - cumulative	35,180
- Average Monthly Units Sold	2,932
- Average Home Price - cumulative	\$428,643

Preliminary Operating Variance for the Twelve Months Period Ended December 31, 2009

Operating results for year ended December 31, 2009 reflected a very strong favourable net variance of \$354.817 million or 10.3 per cent under the 2009 Approved Net Operating Budget as shown in Chart 1 below.



Corporate Accounts resulted in a favourable net expenditure variance of \$317.224 million significantly under the Approved Operating Budget for the year ended December 31, 2009. The net expenditure variance was attributed to a number of key items within the Non-Program Operating Expenditures and Revenues including as follows:

- Expenditures: \$31.362 million final savings arising from the labour disruption for Tax-Levy Programs; \$32.318 million savings as a result of Council’s decision to adopt the amended compensation policy for management/non-union staff and ratifying the Cost of Living Adjustment (COLA) increase for union staff; \$29.636 million savings due to lower than expected rebates issued for Solid Waste Management Rebate Program; and tax appeal savings of \$53.427 million in Tax Deficiencies Account due to the cancellation or withdrawal of a large number of pending appeals for 2008 and prior tax years. These tax savings were as a result of staff initiatives in challenging assessment appeals over the past 2 – 3 years.
- Revenues: Corporate Accounts reflected Interest & Investment Earnings of \$69.570 million due to higher than forecasted rate of return; higher than anticipated revenues in various tax accounts including \$29.088 million in Supplementary Taxes, \$21.297 million in Payment In Lieu of Taxes (PILs), \$8.4 million in Tax Penalties, \$18.3 million in Municipal Land Transfer Tax, and \$4.914 million in Personal Vehicle Tax; higher than budgeted parking tag revenues of \$13.954 million generated by Parking Tag Enforcement; and a one-time dividend of \$20.0 million from Toronto Parking Authority (TPA) from staff review of TPA’s capital requirements..

City Operations contributed \$33.405 million towards the 2009 preliminary year-end operating surplus. Overall under-expenditures in the majority of City Programs due to the implementation of cost saving strategies exceeded pressures arising from the economic conditions that gave rise to uncertainty in the development industry resulting in a significant

underachievement of revenues for community planning development applications and building permits in City Planning and Toronto Building. In addition, due to lower than budgeted Ontario Works caseload along with a one-time Cost of Administration (COA) provincial funding in the amount of \$2.958 million that was received late in the fourth quarter, Toronto Employment and Social Services (TESS) reported a \$10.937 million net under-expenditure as at December 31, 2009.

Agencies, Boards and Commissions (ABCs) collectively contributed \$4.188 million to the preliminary year-end surplus due to under-spending in Toronto Police Services and Toronto Public Health followed by Toronto Transit Commission – Wheel Trans.

City Operations

Citizen Centred Services “A”

Citizen Centred Services “A” collectively reported a preliminary year-end net expenditure variance of \$16.202 million (1.5 per cent) under the 2009 Approved Operating Budget. As summarized in Table 4 below, the preliminary year-end net expenditure variance was mainly attributed to the significant under-expenditures of \$10.937 million in Toronto Employment & Social Services as a result of savings of \$13.9 million from a lower than budgeted caseload combined with an unanticipated one-time Cost of Administration (COA) provincial funding in the amount of \$2.958 million. These savings were partially offset by the over expenditures of \$5.9 million in Ontario Disability Support Program (ODSP) due to an increasing ODSP caseload.

Table 4 Citizen Centred Services "A" 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
	Over/(Under) Budget
Affordable Housing Office	0.0
Children's Services	0.0
Court Services	2.3
Economic Development & Culture	(0.5)
Emergency Medical Services	2.8
Long Term Care Homes and Services	0.4
Parks, Forestry & Recreation	(3.7)
Shelter, Support & Housing Administration	(3.6)
Social Development, Finance & Administration	(0.8)
Toronto Employment & Social Services	(10.9)
311 Customer Service Strategy	(2.0)
Total	(16.2)

Court Services had a preliminary year-end unfavourable revenue shortfall of \$2.265 million (19.0 per cent) over the 2009 Approved Operating Budget. Most of this unfavourable variance was due to lower than forecasted Red Light Camera (RLC) infractions. As at December 31, 2009, Red Light Camera charges issued in 2009 and filed with the court totalled 27,500 compared to a 2009 full year estimate of 54,737. Thus, the Red Light Camera revenue was underachieved by \$2.385 million, while the deferred fine revenues resulting from the labour disruption are projected to be \$3.2 million. The deferred fine revenues were partially offset by salaries and benefits savings of \$3.2 million resulting from the labour disruption.

Economic Development & Culture reported a favourable net expenditure variance of \$0.521 million (1.9 per cent) for the year ended December 31, 2009 which was primarily due to \$0.1 million under spending as a result of delayed hiring and \$0.425 million under spending in investment attraction and globalization services as the services were delivered and funded by Invest Toronto instead.

Emergency Medical Services realized a preliminary unfavourable net expenditure variance of \$2.752 million (4.3 per cent) over the 2009 Approved Operating Budget mainly due to an unfavourable gross over expenditure of \$0.226 million and a shortfall in cost sharing funding of \$2.526 million primarily for the Central Ambulance Communication Centre (CACC) operation.

- The gross over expenditure of \$0.226 million was mainly attributed to over expenditures in overtime of \$4.4 million partially offset by savings in salaries and benefits due to higher turnover of staff than normal levels.
- Provincial grant revenues, confirmed by the Ministry of Health and Long Term Care (MOHLTC), were lower than budget by \$2.5 million, mainly in the Central Ambulance Communication Centre (CACC) Program that has been historically funded at 100% by the Province. EMS is currently negotiating with MOHLTC to ensure full cost recovery of 100% for CACC.

Long Term Care Homes and Services realized a preliminary year-end favourable gross expenditure variance of \$4.477 million (2.1 per cent) and an unfavourable net expenditure variance of \$0.359 million (0.8 per cent) over the 2009 Approved Operating Budget. The favourable gross variance was a combined result of reduced spending due to Ministry of Health & Long-Term Care (MOHLTC) and Local Health Integration Networks (LHINs) funding delays in the amount of \$4.8 million, offset by an over expenditure due to delays in downsizing Kipling Acres resulting in an unfavourable net variance of \$0.359 million. The delay in downsizing Kipling Acres was due to late Provincial approvals for capital redevelopment which was planned for the 2nd quarter of 2009. It is noted that the Provincial approvals were just received in January 2010.

Parks, Forestry and Recreation (PF&R) reported a favourable net expenditure variance of \$3.745 million (1.5 per cent) under the 2009 Approved Operating Budget. This was attributed to gross expenditure savings of \$7.097 million or 2.1 per cent due to implemented cost restraint measures offset by under realized revenues of \$3.353 million or 3.7 per cent from leases and

agreements and provincial subsidy resulting from under-spending on cost recoverable programs such as After School Recreation Care and Asian Long-Horn Beetle.

Shelter, Support and Housing Administration (SSHA) reported a preliminary year-end favourable net expenditure variance of \$3.595 million (1.3 per cent) under the 2009 Approved Operating Budget. This was primarily attributed to savings in salaries and benefits resulting from delays in hiring staff, due in part to the labour disruption, and an increase in subsidy resulting from higher than budgeted bed night volumes of 33,962 (1,446,058 actual bed nights versus budgeted volumes of 1,412,366), with the increase in volumes primarily attributed to higher refugee claimants in the family sector. As the family shelters are directly operated shelters, the increase in volume results in an increase in subsidy, with marginal increase in costs, as the costs in directly operated shelters are largely fixed.

Social Development, Finance & Administration (SDF) achieved a preliminary year-end favourable net expenditure variance of \$0.755 million (5.5 per cent) under the 2009 Approved Operating Budget, primarily attributed to savings from delayed hiring and general under-spending in discretionary expenditures from cost containment across the Program.

Toronto Employment and Social Services (TESS) reported a favourable net expenditure variance of \$10.937 million (3.4 per cent) under the 2009 Approved Operating Budget attributed to the following:

- Social assistance costs and COA expenditures were under-spent by \$13.9 million mainly due to a higher proportion of singles compared to families in the caseload and actual expenditures and subsidies that emerged in the last quarter of 2009 and in 2010, including lower COA in the three divisions supported by the COA subsidy envelope. The Ontario Works average monthly caseload, was 88,506 in 2009, 1,494 cases lower than the budgeted caseload of 90,000 cases; and,
- An unbudgeted Provincial COA funding of \$2.958 million, which is recommended to be contributed to the Social Assistance Stabilization (SAS) Reserve Fund to partially offset future budget pressures (\$2.458 million) and to provide funding for the French Language Service Enhancement initiative (\$0.500 million).
- Ontario Disability Support Program (ODSP) expenditures were over spent by \$5.9 million due to an increasing ODSP caseload.

Since the Program resulted in an under-expenditure of the 2009 Approved Operating Budget, the 2009 approved budget reserve fund contribution of \$8.1 million from the SAS Reserve Fund was no longer required and maintained in the reserve fund for use in 2010.

311 Customer Service Strategy realized a preliminary year-end favourable variance of \$3.880 million gross (25.1 per cent) and \$2.025 million net (27.0 per cent) under the 2009 Approved Operating Budget. The favourable expenditure variance was mainly due to delays in staff hiring and staff transfers from other City Divisions into 311 due to the labour disruption and project timelines were adjusted accordingly. In addition, significant spending constraints with the deferrals of conferences, training and other discretionary expenses were implemented in the last quarter. Consequently, recoveries were under-achieved by \$1.855 million mainly due to

lower than budgeted capital recoveries for approved positions due to adjusted project deadlines.

Citizen Centred Services “B”

Citizen Centred Services “B” collectively reported a favourable net expenditure variance of \$2.362 million (0.4 per cent) below Approved Operating Budget for the year ended December 31, 2009. As outlined in Table 5 below, the favourable net variance contributed by Technical Services and Transportation Services was somewhat offset by the revenue losses in City Planning and Toronto Building as a direct result of the recessionary climate; as well as over expenditures in Fire Services owing to Workplace Safety and Insurance Board (WSIB) claims.

Table 5 Citizen Centred Services "B" 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
	Over/(Under) Budget
City Planning	3.5
Fire Services	2.1
Municipal Licensing & Standards	1.7
Policy, Planning, Finance and Administratio	(1.7)
Technical Services	(4.7)
Toronto Building	1.8
Toronto Environment Office	(0.2)
Transportation Services	(4.7)
Waterfront Secretariat	(0.2)
Total	(2.4)

City Planning reported an unfavourable 2009 preliminary year-end net expenditure variance of \$3.526 million (25.3 per cent) above the 2009 Approved Operating Budget of \$13.932 million. This unfavourable variance resulted from a revenue shortfall of \$8.635 million (36.4 per cent), which was somewhat offset by salary and non-salary savings due to cost savings strategies. Of the revenue shortfall, \$7.957 million was the result of under recovered fees and service charges as the current economic conditions gave rise to uncertainty in the development industry, thus resulting in a reduction in project sizes and a significant under achievement in revenues for community planning development applications

Fire Services was over spent by \$2.117 million net (0.6 per cent) above the 2009 Council Approved Operating Budget. This was primarily the result of higher than budgeted gross expenditures of \$4.7 million for fringe benefits in addition to lower fee revenues. The variance

for salaries & benefits consisted of under spending of \$2.6 million in salaries due to the delayed hiring of a new class of recruits. Currently, there are 41 vacancies, of which 39 are for new recruits and 2 represent capital positions including the Project Manager for the Radio Replacement project and the Quality Assurance position. Hiring is expected to be completed in 2010. Offsetting under spending in salaries was unbudgeted spending of \$3.8 million for fringe benefits due to Workplace Safety and Insurance Board (WSIB) claims. Overspending in non-salary accounts of \$0.180 million was mainly driven by refunds of false alarm fees.

As at December 31, 2009, lower user fees of \$0.4 million were mainly driven by lower than budgeted chargeable false alarm fees of \$0.798 million. Offsetting these lower user fees was a surplus in provincial funding for Heavy Urban Search and Rescue (HUSAR) / Chemical, Biological, Radiological, and Nuclear (CBRN) activities, resulting in a favourable revenue variance of 2.6 per cent or \$0.201 million. As a result, Fire Services was over spent at year-end by 0.6 per cent or \$2.117 million net.

Municipal Licensing and Standards reported a \$1.678 million or 8.7 per cent preliminary year-end unfavourable net expenditure variance as a result of lower than anticipated volume for new and renewal of business licenses (\$2.891 million), cat and dog licenses (\$1.127 million) and lower permit and fee revenues (\$0.944 million) due to the recession and labour disruption. The loss in licensing revenues were somewhat offset by expenditure savings of \$3.366 million from over achieving gapping targets and cost restraint.

Policy, Planning, Finance and Administration (PPF&A) reported a favourable net expenditure variance of \$1.712 million (13.5 per cent) under the 2009 Council Approved Operating Budget. The favourable variance was mainly attributed to savings in salaries and benefits due to the large number of vacancies. These vacancies were new positions created in the 2009 Operating Budget to support Capital Projects and Financial & Administrative enhancements in Toronto Water and Solid Waste Management. Under expenditures were also identified as a result of the restructuring of the Office of Emergency Management (OEM). The office was restructured in 2009 which resulted in the hiring of a Director to oversee the OEM which previously was under the leadership of a single Manager. With a new Director in place, these savings will likely not exist in 2010 as PPF&A is actively recruiting to fill these vacancies hence eliminating most of the favourable expenditure variance going forward.

Technical Services (TS) reported a preliminary year-end favourable variance of \$7.719 million (12.1 per cent) gross and \$4.661million (35.5 per cent) net expenditure under the 2009 Approved Budget of \$13.127 million. The under-spending in gross expenditures included \$4.5 million savings from unfilled vacancies and gapping and \$1.0 million savings in other discretionary expenditures, as a result of unfilled vacancies and cost restraint measures that were in place in 2009. This favourable variance was partially offset by an overall shortfall in revenues of \$3.0 million due to the loss of capital recoveries for unfilled vacancies (\$6.4 million) and an increase in fees/other recoveries (\$3.4 million) including prior-year's engineering and inspection fees that were not recognized until 2009.

Toronto Building reported a preliminary year-end unfavourable net variance of \$3.104 million (28.7 per cent) above the 2009 Council Approved Operating Budget. This unfavourable variance was largely attributed to lower than budgeted building permit revenues due to the

economic downturn (\$7.4 million) and the summer labour disruption (\$4.6 million). The revenue shortfall was partially offset by expenditure savings from cost containment and the management of staffing resources to align with workload requirements (\$6.1 million) and salary and benefit savings from the labour disruption (\$2.9 million). The strike related loss was \$1.8 million.

Section 7 of the Building Code Act (BCA) stipulates that the total amount of authorized fees collected must not exceed the anticipated reasonable costs to administer and enforce this Act; and requires the establishment of an obligatory reserve to manage fluctuations in volumes of permit activity and allow for investments in service delivery improvements to meet new legislative requirements of the Act regarding the collection of permit fees, expenditures and related reporting requirements. Therefore, the Deputy City Manager and Chief Financial Officer recommends that \$1.3 million be withdrawn from the Building Code Act Services Improvement Reserve Fund (XR13025) to offset the net revenue shortfall (excluding the strike-related loss), thus reducing the unfavourable net expenditure variance to \$1.804 million or 16.7 per cent over approved expenditures at year-end.

Toronto Environment Office (TEO) reported a preliminary year-end favourable net expenditure variance of \$0.213 million (6.0 per cent) under the 2009 Council Approved Operating Budget. This favourable variance was attributed to under-spending for salaries and benefits due to delayed hiring for 4.6 vacant positions and under-spending for services and rents which was offset by unrealized revenues due to the delay in launching a portion of the Live Green Toronto Program as a result of the labour disruption.

Transportation Services reported a preliminary year-end favourable net expenditure variance of \$4.711 million (2.5 per cent) under the 2009 Approved Budget of \$185.588 million net. The gross expenditure was under budget by \$12.040 million or 4.2 per cent, primarily due to savings in salaries and benefits resulting from vacancies (\$7.219 million), under-spending in winter maintenance services (\$0.703 million), Utility Cut Repair activities (\$3.407 million), and other programs including Roadside Cleaning and Red Light Camera programs (\$2.042 million) and lower fleet fuel charges (\$0.727 million). These favourable variances were partially offset by increased expenditures of \$1.983 million for de-icing salt arising from the winter conditions earlier this year as well as the increasing commodity price of salt. Increased costs of \$1.239 million were also incurred for fleet maintenance.

Transportation Services reported an unfavourable revenue variance of \$7.328 million or 7.5 per cent. This was mainly due to under achieved revenues of \$4.233 million from the recovery of utility cut costs, reduced revenues in Public Realm section of \$4.111 million caused by hiring delay and \$2.816 million from reserve funds due to the under-spending in the area of road and sidewalk maintenance attributed to the spending restraints, which was partially offset by \$3.831 million in over achieved revenues from various Right-of-Way user fees and permit revenues.

Waterfront Secretariat reported a preliminary year-end favourable net expenditure variance of \$0.190 million (19.1 per cent) under the 2009 Council Approved Operating Budget. This favourable variance was due primarily to lower than anticipated needs in external services and salary and benefits savings from higher gapping.

Internal Services

For the year ended December 31, 2009, Internal Services reported a favourable net expenditure variance of \$9.678 million (6.2 per cent) under the 2009 Approved Net Operating Budget as presented in Table 6 below.

Table 6 Internal Services 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
	Over/(Under) Budget
Office of the Chief Financial Officer	(0.6)
Office of the Treasurer	(2.9)
Facilities & Real Estate	(1.4)
Fleet Services	(1.8)
Information & Technology	(3.1)
Total	(9.7)

The ***Office of the Chief Financial Officer*** (inclusive of Financial Planning, Special Projects, Corporate Finance and Finance & Administration Divisions) reported a favourable year-end net expenditure variance of \$0.561 million (6.3 per cent) under the 2009 Approved Operating Budget. These savings were mainly attributed to delays in filling vacant positions.

The ***Office of the Treasurer*** (inclusive of Revenue Services, Accounting Services, Pensions, Payroll & Employee Benefits and Purchasing & Materials Management Divisions) reported a favourable year-end net expenditure variance of \$2.927 million (9.6 per cent) below the 2009 Approved Operating Budget. The year-end favourable variance was primarily due to savings in salaries & benefits arising from delays in filling vacant positions which included positions supporting the sustainment of new corporate revenue initiatives such as the Utility Billing, Municipal Land Transfer Tax (MLTT) and Personal Vehicle Tax (PVT). Savings in non-salary expenditures related to the delays in stockpiling for the Pandemic Influenza supplies in the warehouse also contributed to the favourable variance. However, these savings were partially offset by a revenue shortfall of \$5.575 million as a result of lower recoveries associated with lower in staff costs for new capital initiatives and lower than anticipated volume of tax/utility certificate revenue.

Facilities & Real Estate reported a preliminary year-end favourable net expenditure variance of \$1.382 million (2.5 per cent) below the 2009 Approved Operating Budget. This favourable variance was primarily due to savings in salaries and benefits of \$3.3 million from vacancies and a hiring slow down as well as savings in utilities of \$1.5 million from seasonal weather patterns. These savings were somewhat offset by lower than anticipated spending in capital projects that limited the amount of project management fees that could be collected by \$2 million and a reduction in revenue collected from clients of \$1.5 million.

Fleet Services reported a favourable net expenditure variance of \$1.752 million (527.7 per cent) under the Council Approved Operating Budget for the year ended December 31, 2009. This was mainly attributed to under spending of \$1.1 million in salaries and benefits associated with 5 new positions not filled in 2009, hiring slowdown, and additional gapping achieved. This resulted in a savings of \$0.6 million in vehicle parts, contracted services, and maintenance costs.

Information & Technology reported a year-end favourable net expenditure variance of \$3.055 million (5.1 per cent) under the 2009 Approved Operating Budget. This was mainly due to savings in salaries and benefits as many vacant positions remained unfilled pending the service review, the hiring slowdown, and the recruitment challenges faced by the division. Due to the vacancies, training and other staff related costs were also under budget. In addition, efficient contract negotiations further resulted in lower spending on maintenance.

City Manager’s Office

The **City Manager’s Office** (which includes Human Resources) reported a preliminary year-end favourable net expenditure variance of \$1.260 million (3.3 per cent) under the Approved Operating Budget for the year ended December 31, 2009. This was a result of savings in external training, postage and higher than expected revenues due to unexpected funding contributions from Local Boards and Provincial Grants towards the publication of the city wide newsletter “Our Toronto”, the Mayor’s Tower Renewal Project and the recovery of labour costs associated with informal HR service arrangements with other City Programs.

Table 7 City Manager Office 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
Over/(Under) Budget	
City Manager's Office	(1.3)

Other City Programs

Other City Programs (see Table 8 below) reported a favourable net expenditure variance of \$3.486 million (4.5 per cent) under the 2009 Approved Operating Budget. The favourable year-end variance was largely due to under expenditures in salaries and benefits resulting from vacant positions across the Programs, particularly in Legal Services and City Council.

Table 8 Other City Programs 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
Over/(Under) Budget	
City Clerk's Office	0.4
Legal Services	(2.6)
Mayor's Office	(0.3)
City Council	(1.0)
Total	(3.5)

The **City Clerk's Office** reported an unfavourable net expenditure variance of \$0.413 million (1.2 per cent) over the 2009 Approved Operating Budget. This was mainly due to a recovery shortfall of \$3.449 million related largely to less than expected service demand from City Divisions, Agencies and Boards for the Design, Print and Mail (DPM) services, which was exacerbated by the labour disruption. The relocation of the Election Operations to 89 Northline Road resulted in higher than budgeted purchases of furnishings and equipment in preparation for the 2010 Municipal election. The preceding was mostly offset by savings of \$3.036 million in salaries and benefits due to delay in filling vacant positions and planned gapping.

Legal Services reported a preliminary year-end favourable net expenditure variance of \$2.633 million (13.0 per cent) under the 2009 Approved Operating Budget. This was primarily attributed to under spending in salaries and benefits as a result of vacant positions and higher than expected revenues from work completed on insurance claims, planning fees, title searches and conveyancing fees.

The **Mayor's Office** reported a preliminary year-end favourable net expenditure variance of \$0.257 million (9.9 per cent) under the 2009 Approved Operating Budget. This was mainly due to delays in hiring of staff, staff vacancies and lower than expected spending in services and rents for professional services and business travel.

City Council realized a preliminary year-end favourable net expenditure variance of \$1.009 million (5.2 per cent) below the 2009 Approved Operating Budget. This favourable net variance was mainly due to savings in salaries and benefits, and higher than budgeted revenues from cost reimbursement and donations for Councillor-organized community events.

Accountability Offices

The Accountability Offices collectively reported a net favourable variance of \$0.418 million (6.2 per cent) under the 2009 Approved Operating Budget entirely attributed to the Office of the Lobbyist Registrar as indicated in Table 9 below. This favourable variance was mainly

due to delays in hiring staff and lower than expected expenditures on discretionary spending such as advertising, professional services, trainings, and interdepartmental charges.

Table 9 Accountability Offices 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
Over/(Under) Budget	
Office of the Auditor General	(0.0)
Office of the Integrity Commissioner	(0.0)
Office of the Lobbyist Registrar	(0.4)
Office of the Ombudsman	(0.0)
Total	(0.4)

Agencies, Boards and Commissions (ABCs)

Agencies, Boards and Commissions (ABCs) collectively reported a favourable variance of \$4.188 million (0.3 per cent) under the 2009 Approved Operating Budget. This favourable variance was attributed to Toronto Police Services, Toronto Public Health and Toronto Transit Commission – Wheel Trans.

Table 10 Agencies, Boards and Commissions 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
Over/(Under) Budget	
Toronto Public Health	(0.7)
Toronto Public Library	(0.1)
Association of Community Centres	0.0
Exhibition Place	(0.2)
Heritage Toronto	0.0
Theatres	(0.4)
Toronto Zoo	(0.2)
Arena Boards of Management	(0.0)
Yonge Dundas Square	(0.0)
Toronto & Region Conservation Authority	0.0
Toronto Transit Commission - Conventional	0.3
Toronto Transit Commission - Wheel Trans	(0.6)
Toronto Police Service	(2.5)
Toronto Police Services Board	0.1
Total	(4.2)

Toronto Public Health (TPH) reported a preliminary favourable year-end net expenditure variance of \$0.732 million (1.7 per cent) below the 2009 Approved Operating Budget. This was mainly attributed to under spending in provincially cost shared programs resulting from the labour disruption and H1N1 Outbreak planning and response. The favourable gross variance of \$7.021 million was attributed to the following: savings in payroll of \$4.1 million (including savings in capital funded positions of \$1.2 million) partially offset by over expenditure in overtime of \$3.4 million due to H1N1 Outbreak planning and response requirements; non payroll under expenditures of \$4.4 million primarily in the 100% Provincially funded Expansion of the Children In Need of Dental Treatment (CINOT) Program that was delayed; reduced public health cost shared programs/services delivered by TPH resulting from the labour disruption; and the temporary re-allocation of staff to support the City-wide H1N1 planning and response totalling \$1.9 million. The gross under spending resulted in a corresponding reduction in provincial subsidies.

Toronto Public Library (TPL) reported a favourable net expenditure variance of \$0.061 million for the year ended December 31, 2009. It was the result of slow-down in filling vacancies, weather related savings in utilities and snow removal, as well as higher than budgeted funding from external grants and other revenue. The favourable variance was partially offset by higher than expected costs in repairs and maintenance of library facilities.

Exhibition Place reported a preliminary year-end favourable net expenditure variance of \$0.156 million (567.9 per cent) below the 2009 Approved Operating Budget. The net variance was due to greater than budgeted revenues arising from six additional Lacrosse games, additional club seat sales, and sponsorships at the Bank of Montreal (BMO) Field. The Canadian National Exhibition (CNE) also performed better than expected with a favourable net expenditure variance of \$0.066 million due to excellent weather and strong programming.

The Deputy City Manager and Chief Financial Officer recommends that the 2009 net operating surplus of \$0.156 million be allocated to the Exhibition Place Conference Centre Reserve Fund to help guarantee repayment of a loan for the new conference centre as approved by Council.

Theatres reported a favourable net expenditure variance of \$0.361 million (9.8 per cent) below the 2009 Approved Operating Budget. The net favourable variance was due to higher net revenues and recoveries at the Toronto Centre for the Arts arising from the successful staging of "Jersey Boys" (\$0.378 million), and greater than expected revenues from sponsorships and the external sign (\$0.122 million) at the Sony Centre for the Performing Arts. These favourable variances, however, were offset by lower than expected rental and ancillary revenues (\$0.139 million) at the St. Lawrence Centre of the Arts.

Toronto Zoo reported a favourable net expenditure variance of \$0.202 million (1.7 per cent) below the 2009 Approved Operating Budget at year-end which was primarily due to favourable revenues of \$0.083 million from increased attendance and under spending of \$0.119 million due to reduced utility costs as a result of moderate weather conditions.

Toronto Transit Commission (Conventional and Wheel Trans) reported a favourable preliminary year-end net expenditure variance of \$0.307 million (0.1 per cent) below the 2009 Approved Operating Budget of \$378.396 million for TTC Conventional and Wheel-Trans

combined. The favourable variance was primarily the result of increased ridership of 123,000 and a higher average fare for Wheel-Trans services.

TTC reported an unfavourable revenue variance of \$18.016 million (2.0 per cent) below the 2009 Approved Operating Budget of \$904.310 million for its conventional services as a result of lower than anticipated ridership, with 1.8 million fewer rides compared to budget of 473.0 million ridership and a lower than anticipated average fare. The drop in the average fare was primarily due to higher Adult pass sales and increased usage of concession fares. The revenue variance was almost completely offset by a favourable expenditure variance of \$17.730 million (1.5 per cent) below Approved Operating Budget of \$1.281 billion, resulting from energy costs savings arising from lower than anticipated rates and a reduction in accident claims expenses.

Toronto Police Services (TPS) reported a favourable 2009 preliminary year-end net expenditure variance of \$2.483 million (0.3 per cent) below the 2009 Approved Operating Budget of \$854.799 million. The favourable variance was primarily the result of savings experienced in benefits and gasoline costs, arising from lower than anticipated inflationary increases.

Toronto Police Services Board reported an unfavourable 2009 preliminary year-end net expenditure variance of \$0.107 million (4.6 per cent) above the 2009 Approved Operating Budget of \$2.301 million. The unfavourable variance was the result of over spending in legal consulting costs resulting from an increase in the number of grievances filed along with an increase in the complexity of the filed grievances, creating additional pressure for the Board to defend its position during arbitration and human rights tribunal hearings.

Corporate Accounts

For the period ended December 31, 2009, the **Corporate Accounts** realized a favourable net expenditure variance of \$317.224 million of the 2009 Approved Operating Budget as summarized in Table 11 below.

Table 11 Corporate Accounts 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
	Over/(Under) Budget
Community Partnership and Investment Program	(0.2)
Capital & Corporate Financing	9.1
Non-Program Expenditures	(129.8)
Non-Program Revenues	(196.4)
Total	(317.2)

Community Partnership and Investment Program (CPIP) resulted in a favourable net expenditure variance of \$0.174 million (0.4 per cent) for the year ended December 31, 2009 due to the following:

- Cancellation of 2008 carry-forward funding to programs within the Community Services envelope as projects failed to comply with program conditions or funding no longer required (\$0.072 million); and,
- Under-expenditure of the snow clearing and lawn cutting for seniors due to the mild winter in 2009 (\$0.087 million).

Capital & Corporate Financing had an unfavourable net expenditure variance of \$9.136 million (2.5 per cent) above the 2009 Approved Operating Budget. The savings achieved through the delays in issuing new debt were offset by lower than budgeted recoverable debt from Solid Waste Management Services due to delays in implementing capital projects in 2009.

Non-Program Expenditures overall resulted in a favourable net expenditure variance of \$129.786 million (26.8 per cent) under the 2009 Approved Operating Budget. The favourable net position was due to the following:

- Tax Deficiencies/Assessment Appeals were \$53.457 million under budget due to the fact that a large number of pending appeals for 2008 and prior tax years were closed by the Appraisal Review Board (ARB) or withdrawn by the appellants. The tax savings were as a result of staff initiatives in challenging assessment appeals over the past 2 – 3 years. These savings were partially offset by the higher than expected provisions required to fund future processing of appeals for the 2009 tax year into account.
- Savings of \$32.318 million as a result of Council's decision of adopting the amended compensation policy for management/non-union staff at its meeting of April 29 and 30, 2009 and ratifying the COLA increase for union staff in accordance with the Memoranda of Agreement and Settlement at its meeting of July 31, 2009.
- The net expenditure savings of \$31.362 million arising from the labour disruption for Tax-Levy Programs.
- Solid Waste Management Rebate Program issued lower than expected rebates, thus resulting in a saving of \$29.636 million.
- The favourable under-expenditures, as noted above, were partially offset by a \$10.0 million provision required for Parks, Forestry & Recreation (PF&R) part-time employee harmonization; higher than expected Hydro costs of \$5.946 million for Street Lighting; as well as a \$3.394 million provision in the Vacancy Rebate Program for vacant commercial and industrial building applications for the years 2005 to 2008.

Non-Program Revenues resulted in a significant favourable variance of \$196.400 million (23.1 per cent) higher than the Council Approved Operating Budget for the year ended December 31, 2009. The favourable revenue variance was attributed to the following:

- Interest and Investment earnings of \$69.570 million were realized in 2009 mainly due to the decline of the 3-month Treasury Bill interest rate which was used to allocate investment interest and earnings to the Reserves and Reserve Funds compared to the much higher actual rate of return earned by Corporate Finance staff on the City's investment portfolio in 2009.
- Higher than anticipated revenues realized in various tax accounts including Supplementary Taxes of \$29.088 million as a result of the City's staff efforts to work with MPAC to reduce its backlog; Payment in Lieu of Taxes (PILs) in the amount of \$21.297 million because of lower than anticipated levels of appeals; and an additional \$8.4 million interest charges in Tax Penalties on outstanding balances due to the recessionary environment experienced during 2009, totalling \$58.786 million.
- Personal Vehicle Tax (PVT) and Municipal Land Transfer Tax (MLTT) exceeded the revenue budget by \$4.914 million and \$18.300 million respectively, totalling \$23.214 million as a result of strong reported sales activities and higher than anticipated average home prices.
- Special \$20.0 million dividend from the Toronto Parking Authority (TPA) as a result of reduced capital requirements associated with the 2010 – 2019 Approved Capital Plan for TPA.
- Higher than budgeted revenues generated by parking tags in the amount of \$13.954 million.
- Additional 2008 final year-end net operating surplus of \$7.982 million which Council approved at its meeting of October 26 and 27, 2009 would be utilized as a funding source for the 2010 Operating Budget.

Non Levy Operations

For the period ended December 31, 2009, the Non Levy Operations reported a favourable net expenditure variance of \$34.772 million under the 2009 Approved Operating Budget as summarized in Table 11 below.

Table 12 Non Levy Operations 2009 Preliminary Year-End Net Expenditure Variance (\$ Million)	
Over/(Under) Budget	
Solid Waste Management Services	(13.0)
Toronto Parking Authority	0.2
Toronto Water	(21.9)
Total	(34.8)

Solid Waste Management Services (SWMS) was under-spent by \$26.931 million gross (8.4 per cent) of the 2009 Approved Operating Budget. This was primarily the result of receiving lower tonnages for recyclables, organics and residual waste. Contracted costs of processing recyclables were lower by \$1.5 million, source separated organics (SSO) and Leaf & Yard Waste processing costs were \$10.8 million less; costs for haulage and disposal of waste in Michigan were lower by \$8.5 million; and costs related to contracted collections costs were lower by \$2.4 million. The overall slowdown in the economy affected the production of waste and resulted in lower than expected tonnage. In addition, savings of \$5.6 million was realized from the delay in purchasing multi-residential unit containers for SSO, advertising and communications for multi-residential buildings and in implementing enhanced bylaw enforcement. Savings of \$7.192 million in debt charges were also achieved due to delayed capital projects in 2009.

Year-end revenues were \$13.945 million (4.4 per cent) lower than expected mainly due to reduced revenue of \$13.4 million from the sale of recyclable materials resulting from lower associated commodity prices as well as lower tonnage for resale. In addition, revenues expected from the sale of multi-unit organics containers were \$2 million lower due to implementation delays. Fewer tonnes of public paid waste at transfer stations were received, also reducing revenues by an additional \$2.0 million. Revenue from bin fees and yellow bag fees was also \$2.0 million lower than budgeted. Green Lane Operations experienced a \$2.449 million net revenue loss mainly caused by fewer tonnes than expected of Toronto Water biosolids and less than expected tonnage diverted from the Michigan to Green Lane Landfill.

On November 6, 2008, City Council approved the 2009 Operating Budget for Solid Waste Management Services and in so doing approved recommendation 2 of clause EX25.5: "The General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer report to Budget Committee, as part of the 2009 Year-End Variance Report, on the actual net contribution to the Waste Management Reserve Fund as a result of the first full year implementation of new residential Solid Waste rate." It is recommended that after funding the Green Lane Landfill operational deficit of \$2.449 million, \$12.986 million be contributed to the Waste Management Reserve Fund. When Green Lane Landfill Operations generates a sufficient operational surplus, \$2.449 million will be reimbursed to the Waste Management Reserve Fund.

Toronto Parking Authority (TPA) reported a preliminary year-end unfavourable net expenditure variance of \$0.163 million (0.3 per cent) over the 2009 Council Approved Operating Budget of \$54.546 million. The preliminary year-end gross expenditures of \$65.649 million were under budget by \$0.012 million (0.02 per cent), representing in large part, savings from the Authority's management of private car parks. However, the unfavourable variance was mainly due to the economic downturn and other factors such as the summer labour disruption and road construction activity which caused many pay-and-display machines to be out of service.

Toronto Water reported a preliminary year-end favourable net expenditure variance of \$21.949 million as at December 31, 2009. The surplus was due to gross expenditure savings of \$24.683 million largely from unfilled vacancies, lower cost for road repairs managed by Transportation Services, and utility savings from efficiencies. These savings were partially off-set by lower than budgeted revenue of \$2.734 million mainly from water sales revenue and sewer surcharges. The projected decline in water sales and sewer surcharge revenue can be attributed to lower consumption throughout the summer months due to the cool wet weather. The Program's operating surplus will be contributed to the Water and Wastewater Capital Reserve Funds in the 2009 Final Year-end Operating Variance Report.

Consulting Costs

The total 2009 Approved Budget for consulting expenses was \$7.608 million gross and the reported City's actual consulting costs totalled \$6.278 million gross with a favourable variance of \$1.330 million gross or 17.5 per cent as at December 31, 2009.

Approved Positions

The City of Toronto budgets and monitors its staff complement based on Approved Positions. As at December 31, 2009, the City reported 47,789.2 full-time approved positions (44,954.6 permanent and 2,834.6 casual/seasonal) and 4,001.5 part-time approved positions (1,542.1 permanent and 2,459.4 casual/seasonal). This reflects a decrease of 838.5 positions or 1.6 per cent from the 2009 Council Approved Positions and was primarily attributed to delays and slowdown in filling vacant positions and seasonal fluctuations within City Programs/ABCs.

Utility Costs

As at December 31, 2009, levy and rate operations reported actual utility costs of \$141.571 million gross (compared to the budget of \$156.906 million gross) with a favourable variance of \$15.334 million gross or 9.8 per cent. The under-expenditure in utility costs was primarily the result of lower than planned consumption, predominantly in Toronto Water, Toronto Transit Commission (TTC), followed by Facilities & Real Estate.

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SIGNATURE



Cam Weldon
Deputy City Manager and Chief Financial Officer

ATTACHMENTS

- Appendix A – Preliminary Operating Net Expenditure Variance for Year Ended Dec 31, 2009
- Appendix B – Preliminary Operating Gross Expenditure Variance for Year Ended Dec 31, 2009
- Appendix C – Preliminary Revenue Variance for Year Ended Dec 31, 2009
- Appendix D – Budget Adjustments for the Fourth Quarter Ended Dec 31, 2009



CITY OF TORONTO
PRELIMINARY OPERATING NET EXPENDITURE VARIANCE
FOR THE YEAR ENDED DECEMBER 31, 2009
(\$000s)

Appendix A

	December 31, 2009			
	Preliminary Year-End Budget	Actual	Actual vs Budget Over / (Under) %	
Citizen Centred Services "A"				
Affordable Housing Office	1,305.1	1,305.1	0.0	0.0%
Children's Services	67,775.3	67,775.2	(0.1)	0.0%
Court Services	(11,924.5)	(9,659.9)	2,264.5	-19.0%
Economic Development & Culture	27,347.2	26,826.3	(520.9)	-1.9%
Emergency Medical Services	64,297.1	67,049.0	2,751.9	4.3%
Long Term Care Homes and Services	44,684.3	45,043.7	359.4	0.8%
Parks, Forestry & Recreation	248,861.6	245,116.5	(3,745.1)	-1.5%
Shelter, Support & Housing Administration	266,639.7	263,044.9	(3,594.8)	-1.3%
Social Development, Finance & Administration	13,623.6	12,869.0	(754.6)	-5.5%
Toronto Employment & Social Services	319,278.2	308,341.3	(10,936.9)	-3.4%
311 Customer Service Strategy	7,501.0	5,476.1	(2,024.9)	-27.0%
Sub-Total Citizen Centred Services "A"	1,049,388.7	1,033,187.2	(16,201.5)	-1.5%
Citizen Centred Services "B"				
City Planning	13,932.2	17,458.2	3,526.0	25.3%
Fire Services	359,254.0	361,371.0	2,117.0	0.6%
Municipal Licensing & Standards	19,312.0	20,990.4	1,678.4	8.7%
Policy, Planning, Finance and Administration	12,646.7	10,935.0	(1,711.7)	-13.5%
Technical Services	13,126.6	8,465.2	(4,661.4)	-35.5%
Toronto Building	(10,800.6)	(8,996.3)	1,804.3	-16.7%
Toronto Environment Office	3,549.2	3,335.9	(213.3)	-6.0%
Transportation Services	185,587.9	180,876.6	(4,711.3)	-2.5%
Waterfront Secretariat	993.9	803.6	(190.3)	-19.1%
Sub-Total Citizen Centred Services "B"	597,601.9	595,239.6	(2,362.3)	-0.4%
Internal Services				
Office of the Chief Financial Officer	8,949.8	8,389.1	(560.7)	-6.3%
Office of the Treasurer	30,464.2	27,536.9	(2,927.3)	-9.6%
Facilities & Real Estate	54,923.9	53,542.4	(1,381.4)	-2.5%
Fleet Services	332.1	(1,420.4)	(1,752.5)	-527.7%
Information & Technology	60,302.4	57,246.8	(3,055.6)	-5.1%
Sub-Total Internal Services	154,972.5	145,294.8	(9,677.6)	-6.2%
City Manager				
City Manager's Office	37,646.7	36,387.2	(1,259.5)	-3.3%
Sub-Total City Manager	37,646.7	36,387.2	(1,259.5)	-3.3%
Other City Programs				
City Clerk's Office	34,544.4	34,957.1	412.7	1.2%
Legal Services	20,234.9	17,602.3	(2,632.6)	-13.0%
Mayor's Office	2,595.7	2,338.5	(257.2)	-9.9%
City Council	19,451.5	18,442.5	(1,009.0)	-5.2%
Sub-Total Other City Programs	76,826.5	73,340.4	(3,486.1)	-4.5%
Accountability Offices				
Auditor General's Office	4,379.9	4,364.7	(15.2)	-0.3%
Integrity Commissioner's Office	203.9	190.2	(13.7)	-6.7%
Lobbyist Registrar	941.9	582.4	(359.5)	-38.2%
Office of the Ombudsman	1,218.3	1,188.8	(29.5)	-2.4%
Sub-Total Council Appointed Programs	6,744.0	6,326.1	(417.9)	-6.2%
TOTAL - CITY OPERATIONS	1,923,180.2	1,889,775.2	(33,404.9)	-1.7%
Agencies, Boards and Commissions				
Toronto Public Health	43,819.2	43,087.7	(731.5)	-1.7%
Toronto Public Library	163,913.9	163,853.3	(60.6)	0.0%
Association of Community Centres	6,986.7	6,997.7	11.0	0.2%



CITY OF TORONTO
PRELIMINARY OPERATING NET EXPENDITURE VARIANCE
FOR THE YEAR ENDED DECEMBER 31, 2009
(\$000s)

Appendix A

	December 31, 2009			
	Preliminary Year-End		Actual vs Budget	
	Budget	Actual	Over / (Under)	%
Exhibition Place	27.4	(128.2)	(155.6)	-567.9%
Heritage Toronto	385.0	385.0	0.0	0.0%
Theatres	3,698.8	3,338.0	(360.8)	-9.8%
Toronto Zoo	11,676.5	11,475.0	(201.5)	-1.7%
Arena Boards of Management	10.1	8.4	(1.7)	-16.6%
Yonge Dundas Square	572.4	567.6	(4.8)	-0.8%
Toronto & Region Conservation Authority	3,269.4	3,269.4	0.0	0.0%
Toronto Transit Commission - Conventional	302,054.6	302,341.0	286.4	0.1%
Toronto Transit Commission - Wheel Trans	76,341.40	75,748.6	(592.8)	-0.8%
Toronto Police Service	854,798.5	852,315.4	(2,483.1)	-0.3%
Toronto Police Services Board	2,301.2	2,407.7	106.5	4.6%
TOTAL - AGENCIES, BOARDS & COMMISSIONS	1,469,854.9	1,465,666.6	(4,188.3)	-0.3%
Corporate Accounts				
Community Partnership and Investment Program	45,229.5	45,055.7	(173.8)	-0.4%
Capital & Corporate Financing	364,918.0	374,054.1	9,136.1	2.5%
Non-Program Expenditures				
- Tax Deficiencies/Assessment Appeals	81,900.0	28,442.8	(53,457.2)	-65.3%
- Assessment Function (MPAC)	34,300.0	33,952.8	(347.2)	-1.0%
- Temporary Borrowing	400.0	0.0	(400.0)	-100.0%
- Funding of Employee Related Liabilities	43,502.1	43,475.8	(26.2)	-0.1%
- Labour Disruption Savings	0.0	(31,361.7)	(31,361.7)	n/a
- Other Corporate Expenditures	41,896.4	19,578.2	(22,318.2)	-53.3%
- Insurance Premiums & Claims	349.8	349.8	0.0	0.0%
- Parking Tag Enforcement & Oper.	48,207.2	48,545.7	338.5	0.7%
- Vacancy Rebate Program	20,000.0	23,394.2	3,394.2	17.0%
- Heritage Property Taxes Rebate	3,500.0	1,581.8	(1,918.2)	-54.8%
- Solid Waste Management Rebates	182,391.9	152,756.0	(29,635.9)	-16.2%
- Street & Expressway Lighting Services	24,980.9	30,927.2	5,946.3	23.8%
- Pandemic Influenza Stockpiling	2,705.0	2,705.0	0.0	0.0%
Non-Program Expenditures	484,133.3	354,347.7	(129,785.6)	-26.8%
Non-Program Revenue				
- Payments in Lieu of Taxes	(77,427.0)	(98,723.8)	(21,296.8)	27.5%
- Supplementary Taxes	(25,000.0)	(54,088.4)	(29,088.4)	116.4%
- Tax Penalties	(28,000.0)	(36,400.4)	(8,400.4)	30.0%
- Interest/Investment Earnings	(82,416.3)	(151,986.4)	(69,570.1)	84.4%
- Prior Year Surplus	(74,178.4)	(82,160.0)	(7,981.6)	10.8%
- Other Corporate Revenues	(7,892.6)	(11,860.1)	(3,967.5)	50.3%
- Toronto Hydro Revenues	(71,900.0)	(70,088.6)	1,811.4	-2.5%
- Provincial Revenue	(91,600.0)	(91,600.0)	0.0	0.0%
- Municipal Land Transfer Tax	(160,134.4)	(178,434.5)	(18,300.1)	11.4%
- Personal Vehicle Tax	(46,000.0)	(50,913.7)	(4,913.7)	10.7%
- Parking Authority Revenues	(35,973.3)	(56,294.8)	(20,321.5)	56.5%
- Administrative Support Recoveries - Water	(19,033.0)	(18,973.0)	60.0	-0.3%
- Administrative Support Recoveries - Health & EMS	(16,651.7)	(16,640.0)	11.7	-0.1%
- Parking Tag Enforcement & Oper.	(81,815.0)	(95,768.5)	(13,953.5)	17.1%
- Other Tax Revenues	(15,105.0)	(15,424.7)	(319.7)	2.1%
- Woodbine Slots	(15,900.0)	(16,070.0)	(170.0)	1.1%
Non-Program Revenues	(849,026.6)	(1,045,426.9)	(196,400.3)	23.1%
TOTAL - CORPORATE ACCOUNTS	45,254.2	(271,969.5)	(317,223.6)	-701.0%
NET OPERATING TAX LEVY	3,438,289.3	3,083,472.4	(354,816.8)	-10.3%
NON LEVY OPERATIONS				
Solid Waste Management Services	0.0	(12,986.3)	(12,986.3)	n/a
Toronto Parking Authority	(54,546.0)	(54,382.7)	163.3	-0.3%
Toronto Water	0.0	(21,949.2)	(21,949.2)	n/a
NON LEVY OPERATING NET EXPENDITURES	(54,546.0)	(89,318.2)	(34,772.2)	63.7%



CITY OF TORONTO
PRELIMINARY OPERATING GROSS EXPENDITURE VARIANCE
FOR THE YEAR ENDED DECEMBER 31, 2009
(\$000s)

	December 31, 2009			
	Preliminary Budget	Year-End Actual	Actual vs Budget Over / (Under)	%
Citizen Centred Services "A"				
Affordable Housing Office	3,209.4	2,742.3	(467.1)	-14.6%
Children's Services	370,004.8	365,298.6	(4,706.2)	-1.3%
Court Services	47,824.4	44,529.9	(3,294.5)	-6.9%
Economic Development & Culture	36,854.5	35,633.9	(1,220.6)	-3.3%
Emergency Medical Services	161,180.4	161,406.3	225.9	0.1%
Long Term Care Homes & Services	215,833.4	211,356.7	(4,476.7)	-2.1%
Parks, Forestry & Recreation	340,178.5	333,080.6	(7,097.9)	-2.1%
Shelter, Support & Housing Administration	925,056.7	797,234.7	(127,822.0)	-13.8%
Social Development, Finance & Administration	25,093.4	22,380.3	(2,713.1)	-10.8%
Toronto Employment & Social Services	1,204,456.9	1,134,511.8	(69,945.1)	-5.8%
311 Customer Service Strategy	15,444.3	11,564.8	(3,879.5)	-25.1%
Sub-Total Citizen Centred Services "A"	3,345,136.7	3,119,739.9	(225,396.8)	-6.7%
Citizen Centred Services "B"				
City Planning	37,641.6	32,532.6	(5,109.0)	-13.6%
Fire Services	367,106.9	369,425.1	2,318.2	0.6%
Municipal Licensing & Standards	50,075.2	45,392.6	(4,682.6)	-9.4%
Policy, Planning, Finance and Administration	25,214.2	21,357.0	(3,857.2)	-15.3%
Technical Services	63,646.5	55,927.9	(7,718.6)	-12.1%
Toronto Buildings	46,158.1	36,402.1	(9,756.0)	-21.1%
Toronto Environment Office	9,414.2	6,867.2	(2,547.0)	-27.1%
Transportation Services	283,503.3	271,463.7	(12,039.6)	-4.2%
Waterfront Secretariat	1,578.9	1,221.1	(357.8)	-22.7%
Sub-Total Citizen Centred Services "B"	884,338.8	840,589.3	(43,749.5)	-4.9%
Internal Services				
Office of the Chief Financial Officer	12,719.8	11,983.0	(736.8)	-5.8%
Office of the Treasurer	73,355.2	64,852.9	(8,502.3)	-11.6%
Facilities & Real Estate	164,872.5	148,487.3	(16,385.2)	-9.9%
Fleet Services	46,768.6	49,684.9	2,916.3	6.2%
Information & Technology	78,282.1	70,307.4	(7,974.7)	-10.2%
Sub-Total Internal Services	375,998.1	345,315.5	(30,682.6)	-8.2%
City Manager				
City Manager's Office	40,950.6	40,276.9	(673.7)	-1.6%
Sub-Total City Manager	40,950.6	40,276.9	(673.7)	-1.6%
Other City Programs				
City Clerk's Office	52,821.0	49,785.2	(3,035.8)	-5.7%
Legal Services	39,593.5	38,843.0	(750.5)	-1.9%
Mayor's Office	2,599.7	2,340.2	(259.5)	-10.0%
City Council	19,451.5	18,502.2	(949.3)	-4.9%
Sub-Total Other City Programs	114,465.7	109,470.6	(4,995.1)	-4.4%
Accountability Offices				
Auditor General's Office	4,379.9	4,364.7	(15.2)	-0.3%
Integrity Commissioner's Office	203.9	190.2	(13.7)	-6.7%
Lobbyist Registrar	941.9	582.4	(359.5)	-38.2%
Office of the Ombudsman	1,218.3	1,188.8	(29.5)	-2.4%
Sub-Total Council Appointed Programs	6,744.0	6,326.1	(417.9)	-6.2%
TOTAL - CITY OPERATIONS	4,767,634.0	4,461,718.3	(305,915.7)	-6.4%



CITY OF TORONTO
PRELIMINARY OPERATING GROSS EXPENDITURE VARIANCE
FOR THE YEAR ENDED DECEMBER 31, 2009
(\$000s)

	December 31, 2009			
	Preliminary Year-End Budget	Actual	Actual vs Budget Over / (Under)	%
Agencies, Boards and Commissions				
Toronto Public Health	222,876.1	215,855.1	(7,021.0)	-3.2%
Toronto Public Library	177,675.8	178,533.0	857.2	0.5%
Association of Community Centres	7,165.0	7,176.0	11.0	0.2%
Exhibition Place	59,765.3	63,152.6	3,387.3	5.7%
Heritage Toronto	714.0	703.1	(10.9)	-1.5%
Theatres	11,863.8	14,577.9	2,714.1	22.9%
Toronto Zoo	44,242.6	44,124.0	(118.6)	-0.3%
Arena Boards of Management	6,272.6	6,173.2	(99.4)	-1.6%
Yonge Dundas Square	1,618.5	1,790.7	172.2	10.6%
Toronto & Region Conservation Authority	35,425.9	34,145.9	(1,280.0)	-3.6%
Toronto Transit Commission - Conventional	1,206,364.7	1,188,635.0	(17,729.7)	-1.5%
Toronto Transit Commission - Wheel Trans	80,169.1	79,968.9	(200.2)	-0.2%
Toronto Police Service	929,361.0	925,387.5	(3,973.5)	-0.4%
Toronto Police Services Board	2,301.2	2,419.5	118.3	5.1%
TOTAL - AGENCIES, BOARDS & COMMISSIONS	2,785,815.5	2,762,642.4	(23,173.1)	-0.8%
Corporate Accounts				
Community Partnership and Investment Program	45,991.7	45,743.5	(248.2)	-0.5%
Capital & Corporate Financing	628,229.6	620,631.1	(7,598.5)	-1.2%
Non-Program Expenditures				
- Tax Deficiencies/Assessment Appeals	81,900.0	28,442.8	(53,457.2)	-65.3%
- Assessment Function (MPAC)	34,300.0	33,952.8	(347.2)	-1.0%
- Temporary Borrowing	400.0	0.0	(400.0)	-100.0%
- Funding of Employee Related Liabilities	43,502.1	43,475.8	(26.2)	-0.1%
- Labour Disruption Savings	0.0	25,009.5	25,009.5	n/a
- Other Corporate Expenditures	49,989.1	20,801.0	(29,188.0)	-58.4%
- Insurance Premiums & Claims	349.8	349.8	0.0	0.0%
- Parking Tag Enforcement & Oper.	48,207.2	48,545.7	338.5	0.7%
- Programs Funded from Reserve Funds	91,455.7	106,153.9	14,698.2	16.1%
- Vacancy Rebate Program	20,000.0	23,394.2	3,394.2	17.0%
- Heritage Property Taxes Rebate	3,500.0	1,581.8	(1,918.2)	-54.8%
- Tax Rebates for Registered Charities	4,150.0	6,657.2	2,507.2	60.4%
- Solid Waste Management Rebates	182,391.9	152,756.0	(29,635.9)	-16.2%
- Street & Expressway Lighting Services	25,860.9	31,807.2	5,946.3	23.0%
- Pandemic Influenza Stockpiling	6,263.0	3,405.5	(2,857.5)	-45.6%
Non-Program Expenditures	592,269.6	526,333.1	(65,936.5)	-11.1%
Non-Program Revenue				
- Interest/Investment Earnings	583.7	836.4	252.7	43.3%
- Prior Year Surplus	0.0	6,417.0	6,417.0	n/a
- Other Corporate Revenues	778.8	8,643.4	7,864.5	1009.8%
- Municipal Land Transfer Tax	5,215.6	5,560.3	344.7	6.6%
- Personal Vehicle Tax	350.0	803.2	453.2	129.5%
- Administrative Support Recoveries - Health & EMS	0.0	0.6	0.6	n/a
- Other Tax Revenues	0.0	321.7	321.7	n/a
Non-Program Revenues	6,928.2	22,582.7	15,654.5	226.0%
TOTAL - CORPORATE ACCOUNTS	1,273,419.1	1,215,290.4	(58,128.7)	-4.6%
LEVY OPERATING GROSS EXPENDITURES	8,826,868.6	8,439,651.2	(387,217.4)	-4.4%
NON LEVY OPERATIONS				
Solid Waste Management Services	318,986.7	292,055.8	(26,930.9)	-8.4%
Toronto Parking Authority	65,661.0	65,649.0	(12.0)	0.0%
Toronto Water	698,703.4	674,020.6	(24,682.8)	-3.5%
NON LEVY OPERATING GROSS EXPENDITURES	1,083,351.1	1,031,725.4	(51,625.7)	-4.8%



**CITY OF TORONTO
PRELIMINARY REVENUE VARIANCE
FOR THE YEAR ENDED DECEMBER 31, 2009
(\$000s)**

	December 31, 2009			
	Preliminary Year-End Budget	Actual	Actual vs Budget Over / (Under)	%
Citizen Centred Services "A"				
Affordable Housing Office	1,904.3	1,437.2	(467.1)	-24.5%
Children's Services	302,229.5	297,523.4	(4,706.1)	-1.6%
Court Services	59,748.8	54,189.8	(5,559.0)	-9.3%
Economic Development & Culture	9,507.4	8,807.6	(699.8)	-7.4%
Emergency Medical Services	96,883.3	94,357.3	(2,526.0)	-2.6%
Long Term Care Homes and Services	171,149.1	166,313.0	(4,836.1)	-2.8%
Parks, Forestry & Recreation	91,316.9	87,964.1	(3,352.8)	-3.7%
Shelter, Support & Housing Administration	658,417.0	534,189.8	(124,227.2)	-18.9%
Social Development, Finance & Administration	11,469.8	9,511.3	(1,958.5)	-17.1%
Toronto Employment & Social Services	885,178.7	826,170.5	(59,008.2)	-6.7%
311 Customer Service Strategy	7,943.3	6,088.7	(1,854.6)	-23.3%
Sub-Total Citizen Centred Services "A"	2,295,748.0	2,086,552.7	(209,195.3)	-9.1%
Citizen Centred Services "B"				
City Planning	23,709.4	15,074.4	(8,635.0)	-36.4%
Fire Services	7,852.9	8,054.1	201.2	2.6%
Municipal Licensing & Standards	30,763.2	24,402.2	(6,361.0)	-20.7%
Policy, Planning, Finance and Administration	12,567.4	10,422.0	(2,145.4)	-17.1%
Technical Services	50,519.8	47,462.7	(3,057.1)	-6.1%
Toronto Building	56,958.7	45,398.4	(11,560.3)	-20.3%
Toronto Environment Office	5,865.0	3,531.3	(2,333.7)	-39.8%
Transportation Services	97,915.3	90,587.1	(7,328.2)	-7.5%
Waterfront Secretariat	585.0	417.5	(167.5)	-28.6%
Sub-Total Citizen Centred Services "B"	286,737.0	245,349.7	(41,387.3)	-14.4%
Internal Services				
Office of the Chief Financial Officer	3,769.9	3,593.9	(176.0)	-4.7%
Office of the Treasurer	42,891.1	37,316.0	(5,575.1)	-13.0%
Facilities & Real Estate	109,948.6	94,944.9	(15,003.7)	-13.6%
Fleet Services	46,436.4	51,105.3	4,668.9	10.1%
Information & Technology	17,979.6	13,060.6	(4,919.0)	-27.4%
Sub-Total Internal Services	221,025.7	200,020.7	(21,005.0)	-9.5%
City Manager				
City Manager's Office	3,304.0	3,889.7	585.7	17.7%
Sub-Total City Manager	3,304.0	3,889.7	585.7	17.7%
Other City Programs				
City Clerk's Office	18,276.6	14,828.1	(3,448.5)	-18.9%
Legal Services	19,358.5	21,240.7	1,882.2	9.7%
Mayor's Office	4.0	1.7	(2.3)	-57.4%
City Council	0.0	59.7	59.7	n/a
Sub-Total Other City Programs	37,639.2	36,130.2	(1,508.9)	-4.0%
Accountability Offices				
Auditor General's Office	0.0	0.0	0.0	n/a
Integrity Commissioner's Office	0.0	0.0	0.0	n/a
Lobbyist Registrar	0.0	0.0	0.0	n/a
Office of the Ombudsman	0.0	0.0	0.0	n/a
Sub-Total Council Appointed Programs	0.0	0.0	0.0	n/a
TOTAL - CITY OPERATIONS	2,844,453.7	2,571,943.0	(272,510.7)	-9.6%



**CITY OF TORONTO
PRELIMINARY REVENUE VARIANCE
FOR THE YEAR ENDED DECEMBER 31, 2009
(\$000s)**

	December 31, 2009			
	Preliminary Budget	Year-End Actual	Actual vs Budget Over / (Under)	% %
Agencies, Boards and Commissions				
Toronto Public Health	179,056.9	172,767.4	(6,289.5)	-3.5%
Toronto Public Library	13,761.9	14,679.7	917.8	6.7%
Association of Community Centres	178.3	178.3	0.0	0.0%
Exhibition Place	59,737.9	63,280.8	3,542.9	5.9%
Heritage Toronto	329.0	318.1	(10.9)	-3.3%
Theatres	8,165.0	11,239.9	3,074.9	37.7%
Toronto Zoo	32,566.1	32,649.0	82.9	0.3%
Arena Boards of Management	6,262.5	6,164.8	(97.7)	-1.6%
Yonge Dundas Square	1,046.1	1,223.1	177.0	16.9%
Toronto & Region Conservation Authority	32,156.5	30,876.5	(1,280.0)	-4.0%
Toronto Transit Commission - Conventional	904,310.0	886,294.0	(18,016.0)	-2.0%
Toronto Transit Commission - Wheel Trans	3,827.7	4,220.3	392.6	10.3%
Toronto Police Service	74,562.5	73,072.1	(1,490.4)	-2.0%
Toronto Police Services Board	0.0	11.8	11.8	n/a
TOTAL - AGENCIES, BOARDS & COMMISSIONS	1,315,960.5	1,296,975.8	(18,984.7)	-1.4%
Corporate Accounts				
Community Partnership and Investment Program	762.2	687.8	(74.4)	-9.8%
Capital & Corporate Financing	263,311.7	246,577.1	(16,734.6)	-6.4%
Non-Program Expenditures				
- Labour Disruption Savings	0.0	56,371.2	56,371.2	n/a
- Other Corporate Expenditures	8,092.7	1,222.8	(6,869.9)	-84.9%
- Programs Funded from Reserve Funds	91,455.7	106,153.9	14,698.2	16.1%
- Tax Rebates for Registered Charities	4,150.0	6,657.2	2,507.2	60.4%
- Street & Expressway Lighting Services	880.0	880.0	0.0	0.0%
- Pandemic Influenza Stockpiling	3,558.0	700.5	(2,857.5)	-80.3%
Non-Program Expenditures	108,136.3	171,985.5	63,849.1	59.0%
Non-Program Revenue				
- Payments in Lieu of Taxes	77,427.0	98,723.8	21,296.8	27.5%
- Supplementary Taxes	25,000.0	54,088.4	29,088.4	116.4%
- Tax Penalties	28,000.0	36,400.4	8,400.4	30.0%
- Interest/Investment Earnings	83,000.0	152,822.9	69,822.9	84.1%
- Prior Year Surplus	74,178.4	88,577.0	14,398.6	19.4%
- Other Corporate Revenues	8,671.4	20,503.5	11,832.1	136.4%
- Toronto Hydro Revenues	71,900.0	70,088.6	(1,811.4)	-2.5%
- Provincial Revenue	91,600.0	91,600.0	0.0	0.0%
- Municipal Land Transfer Tax	165,350.0	183,994.8	18,644.8	11.3%
- Personal Vehicle Tax	46,350.0	51,716.9	5,366.9	11.6%
- Parking Authority Revenues	35,973.3	56,294.8	20,321.5	56.5%
- Administrative Support Recoveries - Water	19,033.0	18,973.0	(60.0)	-0.3%
- Administrative Support Recoveries - Health & EMS	16,651.7	16,640.6	(11.1)	-0.1%
- Parking Tag Enforcement & Oper.	81,815.0	95,768.5	13,953.5	17.1%
- Other Tax Revenues	15,105.0	15,746.4	641.4	4.2%
- Woodbine Slots	15,900.0	16,070.0	170.0	1.1%
Non-Program Revenues	855,954.8	1,068,009.6	212,054.8	24.8%
TOTAL - CORPORATE ACCOUNTS	1,228,164.9	1,487,259.9	259,095.0	21.1%
LEVY OPERATING REVENUES	5,388,579.2	5,356,178.8	(32,400.4)	-0.6%
NON LEVY OPERATIONS				
Solid Waste Management Services	318,986.7	305,042.1	(13,944.6)	-4.4%
Toronto Parking Authority	120,207.0	120,031.7	(175.3)	-0.1%
Toronto Water	698,703.4	695,969.8	(2,733.6)	-0.4%
NON LEVY OPERATING REVENUES	1,137,897.1	1,121,043.6	(16,853.5)	-1.5%

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FOURTH QUARTER ENDED DECEMBER 31, 2009
(\$000s)**

Appendix D

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Service "A"				
Economic Development, Culture & Tourism				
Transfer 1 position from SDF&A due to SDF&A Reorganization	68.8		68.8	1.0
Total Economic Development, Culture & Tourism	68.8		68.8	1.0
Parks, Forestry & Recreation				
Transfer 5 positions from SDF&A	404.4		404.4	5.0
Total Parks, Forestry & Recreation	404.4		404.4	5.0
Social Development Finance & Administration				
Transfer \$73.2K to Financial Oversight & Control as part of SDF&A restructuring	(73.2)		(73.2)	
Transfer \$73.2K from Strategic Policy as part of SDF&A restructuring	73.2		73.2	
Transfer 1 position to EDCT due to SDF&A Reorganization	(68.8)		(68.8)	(1.0)
Transfer non-salary budget for 1 position from CPIP to SDF&A	11.0	(91.5)	102.5	
Transfer from Financial Oversight & Control due to restructuring	73.2		73.2	
Transfer to Strategic Pol. & Program Support due to restructuring	(73.2)		(73.2)	
Transfer 5 positions to PF&R	(404.4)		(404.4)	(5.0)
Transfer Grants administration functions from Strategic & Corporate Policy Div. as per City Manager	165.3		165.3	
Total Social Development Finance & Administration	(296.9)	(91.5)	(205.4)	(6.0)
Total Citizen Centred Service "A"	176.3	(91.5)	267.8	0.0
Citizen Centred Service "B"				
City Planning				
Program Review of City Planning to be funded from Innovation RF	5.5	5.5	0.0	
Total City Planning	5.5	5.5	0.0	

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FOURTH QUARTER ENDED DECEMBER 31, 2009
(\$000s)**

Appendix D

	Gross Expenditure	Revenue	Net Expenditure	Position
Fire Services				
Training budget for 34.38 positions transferred from PPF&A to Fire Services	4.1		4.1	34.4
Total Fire Services	4.1		4.1	34.4
Policy, Planning, Finance & Administration				
Training budget for 34.38 positions transferred from PPF&A to Fire Services	(4.1)		(4.1)	(34.4)
Total Policy, Planning, Finance & Administration	(4.1)		(4.1)	(34.4)
Total Citizen Centred Service "B"	5.5	5.5	0.0	0.0
Internal Services				
Facilities & Real Estate				
Transfer budget from Custodial Services & Facilities Operations to St. Lawrence Market	(960.7)		(960.7)	
Transfer budget from Custodial Services & Facilities Operations to St. Lawrence Market	960.7		960.7	
Total Facilities & Real Estate	0.0		0.0	
Information & Technology				
Transfer additional maintenance budget from IT for Library's CA Unicenter desktop suite of products	(2.0)		(2.0)	
Transfer to Library, PST associated with licenses for Unicenter desktop	(6.1)		(6.1)	
Total Information & Technology	(8.1)		(8.1)	
Total Internal Services	(8.1)		(8.1)	
City Manager				
City Manager's Office				
Transfer Grants administration functions to SDF&A as per City Manager	(165.3)		(165.3)	
Total City Manager's Office	(165.3)		(165.3)	
Total City Manager	(165.3)		(165.3)	

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FOURTH QUARTER ENDED DECEMBER 31, 2009
(\$000s)**

Appendix D

	Gross Expenditure	Revenue	Net Expenditure	Position
Agencies, Boards and Commissions				
Toronto Public Health				
Federal funding for Peer Nutrition Aboriginal Strategy	45.0	45.0	0.0	
To align SAP with Ministry approved funding for SFO Youth Action Alliance & Youth Engagement programs and to reverse Cola increase, which will not be funded by the Province	(108.8)	(108.8)	0.0	
To reverse 2008 one time funding for overtime and to align SAP with Ministry approved funding for the Smoke Free Ontario Enforcement program	21.9	21.9	0.0	
To align SAP with Ministry approved funding for the SFO Tobacco Control Coordination program and to reverse COLA increase, which will not be funded by the Province	(11.1)	(11.1)	0.0	
Funding for H1N1 outbreak from the Province, approved by Board of Health	135.0	135.0	0.0	
Total Toronto Public Health	82.0	82.0	0.0	
Toronto Public Library				
Transfer additional maintenance budget from IT for Library's CA Unicentre desktop suite of products	2.0		2.0	
Transfer COLA from Non Program as per CUPE Local 4948 settlement	2,024.6		2,024.6	
Transfer from IT, PST associated with licenses for Unicenter desktop	6.1		6.1	
Total Toronto Public Library	2,032.7		2,032.7	
Total Agencies, Boards and Commissions	2,114.7	82.0	2,032.7	
Corporate Accounts				
Community Partnership and Investment Program				
Transfer non-salary budget for 1 position from CPIP to SDF&A	(102.5)		(102.5)	
Total Community Partnership and Investment Program	(102.5)		(102.5)	

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FOURTH QUARTER ENDED DECEMBER 31, 2009
(\$000s)**

Appendix D

	Gross Expenditure	Revenue	Net Expenditure	Position
Programs Funded from Reserve Fund				
Council approved increase of Non Program budget for the City of York Employee Pension Fund (\$559.6K) and Metro Toronto Police Fund (\$3508.6) to be funded by the Employee Benefits Res. Fund	4,068.1	4,068.1	0.0	
Total Programs Funded from Reserve Fund	4,068.1	4,068.1	0.0	
Other Corporate Expenditures				
Transfer COLA to Library as per CUPE Local 4948 settlement	(2,024.6)		(2,024.6)	
City Solicitor to pay court orders and legal settlements, to be funded from the Arbitration and Legal Awards Reserve	300.0	300.0	0.0	
Total Other Corporate Expenditures	(1,724.6)	300.0	(2,024.6)	
Total Corporate Accounts	2,241.0	4,368.1	(2,127.1)	
Total	4,364.1	4,364.1	0.0	0.0