



## STAFF REPORT ACTION REQUIRED

### Operating Variance Report for the Six-Month Period Ended June 30, 2011

<b>Date:</b>	October 4, 2011
<b>To:</b>	Budget Committee
<b>From:</b>	Deputy City Manager and Chief Financial Officer
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2011\Internal Services\Fp\Bc11016Fp (AFS#11649)

#### SUMMARY

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The purpose of this report is to provide Council with the City of Toronto Operating Variance for the six-month period ended June 30, 2011 as well as year-end projections and to request Council's approval for amendments to the 2011 Operating Budget between Programs to ensure accurate reporting and financial accountability with no increase to the 2011 Approved Net Operating Budget.

#### RECOMMENDATIONS

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The Deputy City Manager and Chief Financial Officer recommends that:

1. City Council approve a decrease of \$0.547 million gross and \$0 net to the 2011 Operating Budget for Toronto Transit Commission to remove the G20 Summit funding no longer needed.
2. City Council approve an increase of \$62,506.98 gross and \$0 net to the 2011 Operating Budget for the Community Partnership and Investment Program administered by Social Development, Finance and Administration Division, fully funded by Section 37 community benefits related to 650, 672 Sheppard Avenue East (source: XR3026-3700104), to provide a one-time grant of \$62,506.98, including accrued interest, to the property managers, Vertica Resident Services, of the existing rental buildings at 640,642, and 644 Sheppard Avenue East, for the purposes of improvements to exterior landscaping at those existing rental buildings, including, but not limited to, seating areas, gardens and walkways.

3. The funding of \$62,506.98 be forwarded to the property managers of 640,642, and 644 Sheppard Avenue East once Vertica Resident Services signs a 2011 Undertaking governing the use of the funds and the financial reporting requirements, and which specifically referenced the following:
  - a) The future submission by Vertica Resident Services, upon completion of the project or expenditure of all the funds, whichever occurs first, of a brief audited financial statement of expenses, which can be funded from the Section 37 funds.
4. City Council approve the in-year budget adjustments detailed in Appendix D to amend the 2011 Approved Operating Budget between Programs with no impact to the 2011 Approved Net Operating Budget.

## FINANCIAL IMPACT

As shown in Table 1 below, Tax Supported Operations net expenditures were under budget by \$38.690 million or 2.4% for the 6-month period ended June 30, 2011 and projections indicate a 2011 estimated year-end operating surplus of \$139.295 million or 3.9% of the 2011 Approved Net Operating Budget.

<b>Table 1</b>		
<b>Net Expenditure Variance (\$ Millions)</b>		
	June 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Citizen Centred Services "A"	5.2	(5.4)
Citizen Centred Services "B"	(0.2)	(3.1)
Internal Services	(2.0)	(5.4)
City Manager	(1.9)	(1.4)
Other City Programs	(2.0)	(1.2)
Council Appointed Programs	(0.3)	(0.3)
Total - City Operations	(1.2)	(16.9)
Agencies, Boards and Commissions	(7.2)	(1.3)
Corporate Accounts	(30.3)	(121.1)
Sub-Total	(37.4)	(122.4)
Total Variance	(38.7)	(139.3)*
* The final year-end surplus will be affected by economic conditions, particularly in the real estate market and its impact on MLTT and by the cost of voluntary and involuntary separation of the City Programs and Agencies. The next update to the surplus projection will be presented with the budget on November 28, 2011.		

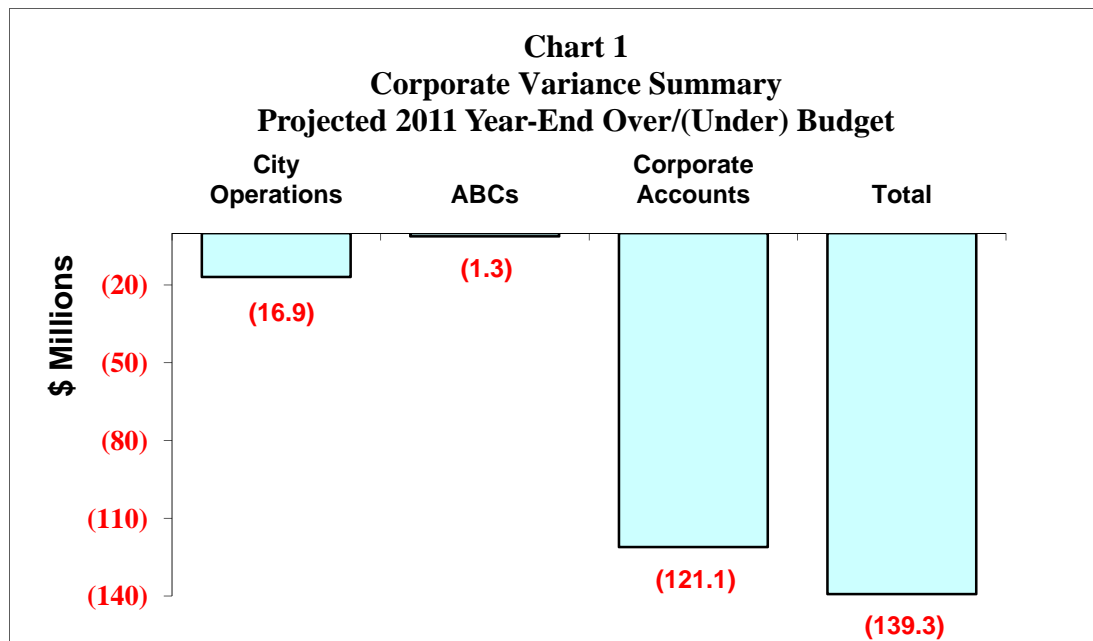
Collectively, Rate Supported Programs were over budget by \$13.479 million or 51.0% and projections to year-end indicate that they will be overspent by \$7.729 million or 13.7% of the 2011 Approved Net Operating Budget.

Appendices A, B, and C attached summarize net expenditures, gross expenditures, and revenues, respectively and Appendix E provides detailed variance explanations for each City Program and Agency for the six months ended June 30, 2011 and projections to year-end.

## ISSUE BACKGROUND

This report is provided pursuant to good financial management practices 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. In addition, Council’s approval is requested for budget adjustments that amend the Council Approved Operating Budget between Programs in accordance with the Financial Control By-law and financial management principles.

## COMMENTS



*City Operations* realized a favourable net expenditure variance of \$1.242 million or 0.1% for the six months ended June 30, 2011 and project a favourable net expenditure variance at year-end of \$16.929 million or 0.9% under the 2011 Approved Net Operating Budget.

Thirty-two out of thirty-four City Programs forecast either a favourable variance or will be on budget at year-end, resulting in a net favourable variance of \$24.727 million. This is primarily

attributed to continuation of the City Manager's hiring slowdown initiative; prudent expenditure controls; under-expenditures in winter maintenance contracts based on the assumption of normal weather conditions in winter season; lower social assistance costs because of case mix (higher proportion of singles as compared to families); and additional subsidy from the revised Ontario Works funding model implemented by the Province effective April, 2011.

The above favourable variance is partially offset by the following:

- Over expenditures in salaries and benefits due to unachieved gapping estimated at \$2.309 million as well as funding shortfall of \$2.861 million in Emergency Medical Services for the Central Ambulance Communication Centre (CACC) Program that is supposed to be 100% funded by the Province, resulting in an unfavourable net variance of \$5.170 million.
- Overspending of \$2.627 million in Fire Services primarily due to higher than expected fringe benefits and revenue shortfall for nuisance and malicious False Alarms.

*Agencies* collectively reported a favourable net expenditure variance of \$7.165 million or 0.9% under planned expenditures for the six months ended June 30, 2011 and project a favourable net expenditure variance of \$1.290 million or 0.1% at year-end. The projected favourable year-end net expenditure variance is largely attributed to under spending of \$1.042 million in salaries and benefits by Toronto Public Health as a result of hiring slow-down. In addition, Toronto Transit Commission and Wheel-Trans combined net expenditure will be \$0.6 million under budget at year-end. This favourable year-end variance reflects the projected ridership level of 491 million as compared to the budget of 487 million. The increase in ridership revenue, however, is partially offset by higher than budgeted fuel prices. If diesel prices continue to rise, TTC may have an unfavourable variance at year-end. TTC staff is continuing work on a fuel hedging strategy in order to mitigate the negative impact of rising fuel costs.

*Corporate Accounts* had a favourable net variance of \$30.283 million for the six months ended June 30, 2011. Projections to year-end indicate a favourable variance of \$121.076 million of the 2011 Approved Net Operating Net Budget. The projected year-end favourable variance is attributed to the following:

- Municipal Land Transfer Tax (MLTT) - higher than expected number of property sales and values is expected to generate \$300.0 million in 2011, representing an overachievement of \$79.5 million of the 2011 Budget of \$220.5 million.
- Supplementary Taxes - the latest supplementary/omitted assessment rolls received to date plus forecast is expected to generate \$57.285 million, representing \$22.285 million in taxation revenues in excess of the budget of \$35.0 million for 2011.
- Interest/Investment Earnings – more robust cash flow during 2011, which allows more funding being generated from short-term investments instead of having to sell longer-term securities that are being held in the Bond Fund yielding at a higher rate, will result in an extra \$15.0 million in Interest/Investment Earnings.

- Debt Charges – debt issuance for 2011 is behind schedule as \$350 million has been issued to date and interest rates are less than budgeted, resulting in savings of \$6.4 million.
- Payments In Lieu – a \$3.417 million favourable budget variance is expected primarily due to lower than expected tax appeals.
- Hydro Dividend – an additional 2010 dividend income of \$3.063 million from Toronto Hydro.
- Vacancy Rebate – a \$3.009 million favourable budget variance after completing a review of the pending vacancy rebates for past years.
- Solid Waste Rebate Program - savings of \$2.902 million in the Solid Waste Rebate Program due to a lower than budgeted number of households and multi-residential units being eligible for rebates under the program.
- Personal Vehicle Tax (PVT) – savings of \$2.0 million net expenditures given that the residual PVT revenues received during the first quarter of 2011 will be enough to offset the required refund administration and provincial charges.

The above favourable variances are partially offset by the \$7.101 million loss of Third Party Sign Tax (TPST) revenues because of the Superior Court ruling that the TPST is not applicable to all pre-existing signs; and an unfavourable variance of \$9.9 million in Tax Deficiencies primarily as a result of higher than budgeted assessment appeals and Tax Increment Equivalent Grants (TIEG) including the Brownsfield Tax Cancellation program. It is noted that the estimate for Tax Deficiencies is preliminary. This unfavourable variance may not be realized if a property owner elects not to apply for the TIEG grant in 2011.

### Budget Adjustments

#### **Toronto Transit Commission - G20 Summit**

Toronto hosted the G20 Summit on June 26 and 27, 2010. Funding was provided by the Government of Canada to various City programs for security and equipment necessary to prepare for and operate a safe and secure event.

Funding of \$0.547 million was provided to TTC in the 2010 budget for the G20 Summit but was not removed as the 2011 Operating Budget was being developed. A technical adjustment is required to remove G20 Summit funding from the TTC 2011 Operating Budget. Therefore, a decrease of \$0.547 million gross and \$0 net is recommended for the 2011 Operating Budget for Toronto Transit Commission.

#### **Community Partnership and Investment Program (CPIP)**

At its meeting of August 25-27, 2010 City Council approved Motion MM52.43 which increased the Community Partnership and Investment Program's (CPIP) 2010 Operating Budget by

\$62,506.98, fully funded by Section 37 community benefits from the development at 650-672 Sheppard Avenue East, to fund exterior landscaping improvements for the tenants at the building existing at 640-644 Sheppard Avenue East. Due to unforeseen delays in commencing the improvements, the tenant amenities were not carried out until the summer of 2011, but the 2010 budget approval was not carried over the 2011 budget. The work has now been completed and the improvements have been inspected and are satisfactory. The property manager at 640-644 Sheppard Avenue East, Vertica Resident Service, has also contributed over \$4,000.00 to the tenant improvements.

### Consulting Costs

The 2011 budget for consulting costs was \$2.403 million gross and the reported City's actual consulting costs totalled \$2.031 million gross resulting in a favourable variance of \$0.372 million gross or 15.5% as at June 30, 2011.

### Approved Positions

The City of Toronto budgets and monitors its staff complement based on Approved Positions. As at June 30, 2011, the City reported 47,459.9 full-time approved positions (44,277.4 permanent and 3,182.5 casual/seasonal) and 4,177.0 part-time approved positions (1,709.6 permanent and 2,467.4 casual/seasonal). This reflects a decrease of 1,967.2 positions or 3.7% from the 2011 Council Approved Positions and is primarily attributed to delays and slowdown in filling vacant positions and seasonal fluctuations within City Programs and Agencies.

## Utility Costs

As at June 30, 2011, Tax and Rate supported operations reported actual utility costs of \$90.322 million gross (compared to the planned expenditures of \$92.421 million gross) with a favourable variance of \$2.099 million gross or 2.3%. The under-expenditure in utility costs was primarily the result of lower than planned consumption, predominantly in Toronto Water, Facilities Management & Real Estate, Exhibition Place, and Transportation.

## **CONTACT**

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## **SIGNATURE**

Cam Weldon  
Deputy City Manager and Chief Financial Officer

## **ATTACHMENTS**

Appendix A – City of Toronto Net Expenditures for Six Months Ended June 30, 2011  
Appendix B – City of Toronto Gross Expenditures for Six Months Ended June 30, 2011  
Appendix C – City of Toronto Revenues for Six Months Ended June 30, 2011  
Appendix D – City of Toronto Budget Adjustments for Six Months Ended June 30, 2011  
Appendix E – City of Toronto Significant City Programs/Agencies Variance Explanations



**CITY OF TORONTO  
CONSOLIDATED NET EXPENDITURES VARIANCE  
FOR THE SIX MONTHS ENDED JUNE 30, 2011  
(\$000s)**

	June 30, 2011				December 31, 2011			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	783.0	719.7	(63.3)	-8.1%	1,278.7	1,181.2	(97.5)	-7.6%
Children's Services	43,974.3	43,974.3	0.0	0.0%	74,272.7	74,272.7	0.0	0.0%
Court Services	(8,009.1)	(4,807.0)	3,202.1	-40.0%	(12,136.6)	(13,086.7)	(950.1)	7.8%
Economic Development & Culture	13,037.9	12,952.5	(85.4)	-0.7%	26,031.1	26,031.1	(0.0)	0.0%
Emergency Medical Services	24,553.4	26,742.0	2,188.6	8.9%	66,151.6	71,322.3	5,170.7	7.8%
Long Term Care Homes and Services	15,983.9	15,833.9	(150.0)	-0.9%	46,781.0	45,481.0	(1,300.0)	-2.8%
Parks, Forestry & Recreation	116,349.7	117,340.1	990.4	0.9%	274,997.6	272,997.6	(2,000.0)	-0.7%
Shelter, Support & Housing Administration	117,135.3	119,056.9	1,921.6	1.6%	292,419.2	292,419.2	(0.0)	0.0%
Social Development, Finance & Administration	6,105.0	6,022.8	(82.2)	-1.3%	12,911.7	12,773.9	(137.8)	-1.1%
Toronto Employment & Social Services	95,101.5	92,812.5	(2,289.0)	-2.4%	200,674.9	194,848.4	(5,826.5)	-2.9%
311 Customer Service Strategy	4,294.6	3,813.1	(481.5)	-11.2%	9,637.6	9,340.6	(297.0)	-3.1%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>429,309.5</b>	<b>434,460.8</b>	<b>5,151.3</b>	<b>1.2%</b>	<b>993,019.5</b>	<b>987,581.3</b>	<b>(5,438.2)</b>	<b>-0.5%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	4,735.1	4,557.0	(178.1)	-3.8%	12,614.8	12,614.8	0.0	0.0%
Fire Services	176,289.1	177,393.5	1,104.4	0.6%	355,823.9	358,451.2	2,627.3	0.7%
Municipal Licensing & Standards	6,956.0	6,950.3	(5.7)	-0.1%	21,506.8	21,066.2	(440.6)	-2.0%
Policy, Planning, Finance and Administration	4,792.0	4,525.4	(266.6)	-5.6%	11,203.1	9,838.6	(1,364.5)	-12.2%
Technical Services	6,344.1	5,206.7	(1,137.4)	-17.9%	10,500.4	10,468.0	(32.4)	-0.3%
Toronto Building	(7,343.5)	(5,136.2)	2,207.3	-30.1%	(10,731.3)	(10,731.3)	0.0	0.0%
Toronto Environment Office	1,434.0	1,380.7	(53.3)	-3.7%	3,214.2	3,054.2	(160.0)	-5.0%
Transportation Services	95,010.2	93,238.5	(1,771.7)	-1.9%	174,029.1	170,285.3	(3,743.8)	-2.2%
Waterfront Secretariat	399.6	345.1	(54.5)	-13.6%	931.6	905.8	(25.8)	-2.8%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>288,616.6</b>	<b>288,461.0</b>	<b>(155.6)</b>	<b>-0.1%</b>	<b>579,092.7</b>	<b>575,952.8</b>	<b>(3,139.9)</b>	<b>-0.5%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	3,985.5	3,889.7	(95.8)	-2.4%	9,170.5	9,013.2	(157.3)	-1.7%
Office of the Treasurer	12,028.3	11,101.7	(926.6)	-7.7%	30,190.0	28,235.8	(1,954.2)	-6.5%
Facilities Management & Real Estate	24,306.4	25,425.2	1,118.8	4.6%	54,242.9	53,042.9	(1,199.9)	-2.2%
Fleet Services	(885.2)	(849.8)	35.4	-4.0%	31.1	(61.5)	(92.6)	-298.0%
Information & Technology	43,833.5	41,671.6	(2,161.9)	-4.9%	67,544.9	65,539.8	(2,005.1)	-3.0%
<b>Sub-Total Internal Services</b>	<b>83,268.5</b>	<b>81,238.4</b>	<b>(2,030.1)</b>	<b>-2.4%</b>	<b>161,179.3</b>	<b>155,770.2</b>	<b>(5,409.0)</b>	<b>-3.4%</b>
<b>City Manager</b>								
City Manager's Office	18,405.0	16,510.8	(1,894.2)	-10.3%	36,810.0	35,394.7	(1,415.3)	-3.8%
<b>Sub-Total City Manager</b>	<b>18,405.0</b>	<b>16,510.8</b>	<b>(1,894.2)</b>	<b>-10.3%</b>	<b>36,810.0</b>	<b>35,394.7</b>	<b>(1,415.3)</b>	<b>-3.8%</b>
<b>Other City Programs</b>								
City Clerk's Office	16,006.0	15,478.7	(527.3)	-3.3%	30,564.4	30,271.4	(293.0)	-1.0%
Legal Services	9,776.8	9,329.5	(447.3)	-4.6%	19,553.7	19,351.9	(201.8)	-1.0%
Mayor's Office	922.0	720.8	(201.2)	-21.8%	2,011.1	1,811.1	(200.0)	-9.9%
City Council	9,034.5	8,229.3	(805.2)	-8.9%	19,160.3	18,634.7	(525.6)	-2.7%
<b>Sub-Total Other City Programs</b>	<b>35,739.3</b>	<b>33,758.3</b>	<b>(1,981.0)</b>	<b>-5.5%</b>	<b>71,289.4</b>	<b>70,069.1</b>	<b>(1,220.3)</b>	<b>-1.7%</b>
<b>Accountability Offices</b>								
Auditor General's Office	1,871.6	1,765.4	(106.2)	-5.7%	4,271.3	4,210.0	(61.3)	-1.4%
Integrity Commissioner's Office	94.7	88.4	(6.3)	-6.7%	202.0	202.0	(0.0)	0.0%
Lobbyist Registrar's Office	472.4	302.8	(169.6)	-35.9%	1,039.0	794.0	(245.0)	-23.6%
Ombudsman's Office	649.1	599.3	(49.8)	-7.7%	1,409.6	1,409.6	0.0	0.0%
<b>Sub-Total Council Appointed Programs</b>	<b>3,087.8</b>	<b>2,755.9</b>	<b>(331.9)</b>	<b>-10.7%</b>	<b>6,921.9</b>	<b>6,615.6</b>	<b>(306.3)</b>	<b>-4.4%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>858,426.7</b>	<b>857,185.2</b>	<b>(1,241.5)</b>	<b>-0.1%</b>	<b>1,848,312.8</b>	<b>1,831,383.7</b>	<b>(16,929.1)</b>	<b>-0.9%</b>
<b>Agencies</b>								
Toronto Public Health	21,770.7	20,976.6	(794.1)	-3.6%	44,777.3	43,735.3	(1,042.0)	-2.3%
Toronto Public Library	83,990.6	83,603.5	(387.1)	-0.5%	170,797.9	170,771.4	(26.5)	0.0%
Association of Community Centres	3,635.0	3,385.3	(249.7)	-6.9%	7,270.1	7,279.4	9.3	0.1%
Exhibition Place	1,760.5	965.8	(794.7)	-45.1%	46.7	46.7	0.0	0.0%





**CITY OF TORONTO**  
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**(\$000s)**

	June 30, 2011				December 31, 2011			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Heritage Toronto	346.4	173.2	(173.2)	-50.0%	346.4	346.4	0.0	0.0%
Theatres	908.3	1,291.8	383.5	42.2%	3,300.5	3,695.0	394.5	12.0%
Toronto Zoo	7,719.9	7,629.5	(90.4)	-1.2%	11,577.5	11,577.5	0.0	0.0%
Arena Boards of Management	(2.6)	(154.0)	(151.4)	5823.1%	(5.3)	(5.4)	(0.1)	1.6%
Yonge Dundas Square	257.6	107.4	(150.2)	-58.3%	515.3	499.4	(15.9)	-3.1%
Toronto & Region Conservation Authority	1,975.1	1,975.1	(0.0)	0.0%	3,206.4	3,206.4	0.0	0.0%
Toronto Transit Commission - Conventional	207,477.0	203,335.0	(4,142.0)	-2.0%	429,111.0	428,544.0	(567.0)	-0.1%
Toronto Transit Commission - Wheel Trans	45,574.5	44,958.7	(615.8)	-1.4%	91,011.5	90,968.8	(42.7)	0.0%
Toronto Police Service	450,528.6	450,528.6	0.0	0.0%	929,490.1	929,490.1	(0.0)	0.0%
Toronto Police Services Board	774.5	774.5	0.0	0.0%	2,351.8	2,351.8	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>826,716.1</b>	<b>819,551.0</b>	<b>(7,165.1)</b>	<b>-0.9%</b>	<b>1,693,797.3</b>	<b>1,692,506.9</b>	<b>(1,290.4)</b>	<b>-0.1%</b>
<b>Corporate Accounts</b>								
Community Partnership and Investment Program	23,532.2	23,532.2	0.0	0.0%	47,197.1	47,197.1	0.0	0.0%
Capital & Corporate Financing	304,574.5	304,574.5	0.0	0.0%	609,149.1	602,749.1	(6,400.0)	-1.1%
<b>Non-Program Expenditures</b>								
- Tax Deficiencies/Write-offs	34,150.0	34,145.0	(5.0)	0.0%	73,000.0	82,900.0	9,900.0	13.6%
- Assessment Function (MPAC)	18,300.0	18,297.1	(2.9)	0.0%	36,600.0	36,600.0	0.0	0.0%
- Temporary Borrowing	25.0	0.0	(25.0)	-100.0%	50.0	0.0	(50.0)	-100.0%
- Funding of Employee Related Liabilities	23,591.3	23,591.3	0.0	0.0%	47,467.3	47,467.3	0.0	0.0%
- Contingency	0.0	0.1	0.1	n/a	0.0	0.1	0.1	n/a
- Other Corporate Expenditures	33,066.9	32,592.1	(474.9)	-1.4%	66,133.8	65,184.1	(949.7)	-1.4%
- Insurance Premiums & Claims	150.0	150.0	0.0	0.0%	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	23,199.7	23,199.7	0.0	0.0%	56,068.5	56,068.5	0.0	0.0%
- Vacancy Rebate Program	11,730.0	11,809.1	79.1	0.7%	23,460.0	20,451.2	(3,008.8)	-12.8%
- Heritage Property Taxes Rebate	0.0	0.0	0.0	n/a	2,000.0	2,000.0	0.0	0.0%
- Solid Waste Management Rebates	74,865.7	72,682.3	(2,183.4)	-2.9%	182,391.9	179,490.0	(2,901.9)	-1.6%
- Street & Expressway Lighting Services	21,700.0	28,218.7	6,518.7	30.0%	42,518.7	42,415.3	(103.4)	-0.2%
- Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	1,880.0	1,880.0	0.0	0.0%
Non-Program Expenditures	240,778.6	244,685.4	3,906.8	1.6%	531,870.3	534,756.5	2,886.3	0.5%
<b>Non-Program Revenue</b>								
- Payments in Lieu of Taxes	(79,521.3)	(79,516.3)	5.0	0.0%	(91,781.2)	(95,198.0)	(3,416.8)	3.7%
- Supplementary Taxes	(17,500.0)	(23,100.0)	(5,600.0)	32.0%	(35,000.0)	(57,285.3)	(22,285.3)	63.7%
- Tax Penalties	(14,269.6)	(14,446.5)	(176.9)	1.2%	(30,000.0)	(30,000.0)	0.0	0.0%
- Interest/Investment Earnings	(64,529.1)	(67,529.1)	(3,000.0)	4.6%	(105,058.2)	(120,058.2)	(15,000.0)	14.3%
- Prior Year Surplus	(172,765.7)	(172,765.7)	0.0	0.0%	(345,531.3)	(345,531.3)	0.0	0.0%
- Other Corporate Revenues	(2,149.0)	(2,150.0)	(1.0)	0.0%	(7,623.6)	(7,712.5)	(88.9)	1.2%
- Toronto Hydro Revenues	(15,000.0)	(20,062.5)	(5,062.5)	33.8%	(30,000.0)	(33,062.5)	(3,062.5)	10.2%
- Provincial Revenue	(45,800.0)	(45,800.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
- Municipal Land Transfer Tax	(108,245.5)	(131,019.9)	(22,774.4)	21.0%	(220,500.0)	(300,000.0)	(79,500.0)	36.1%
- Personal Vehicle Tax	2,000.0	0.0	(2,000.0)	-100.0%	2,000.0	0.0	(2,000.0)	-100.0%
- Third Party Sign Tax	(4,395.2)	(285.5)	4,109.7	-93.5%	(8,790.4)	(1,689.1)	7,101.3	-80.8%
- Parking Authority Revenues	(22,157.6)	(22,157.6)	0.0	0.0%	(44,315.2)	(44,315.2)	0.0	0.0%
- Administrative Support Recoveries - Water	(9,486.5)	(9,486.5)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
- Administrative Support Recoveries - Health & EM	(8,163.4)	(8,163.4)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
- Parking Tag Enforcement & Oper.	(38,823.0)	(38,759.9)	63.1	-0.2%	(77,066.4)	(77,066.4)	0.0	0.0%
- Other Tax Revenues	(8,582.8)	(8,552.0)	30.8	-0.4%	(14,813.8)	(14,323.8)	490.0	-3.3%
- Woodbine Slots	(7,750.0)	(7,533.8)	216.2	-2.8%	(15,500.0)	(15,300.0)	200.0	-1.3%
Non-Program Revenues	(617,138.6)	(651,328.6)	(34,190.0)	5.5%	(1,150,879.8)	(1,268,441.9)	(117,562.1)	10.2%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(48,253.3)</b>	<b>(78,536.5)</b>	<b>(30,283.2)</b>	<b>62.8%</b>	<b>37,336.7</b>	<b>(83,739.2)</b>	<b>(121,075.9)</b>	<b>-324.3%</b>
<b>NET OPERATING TAX LEVY</b>	<b>1,636,889.5</b>	<b>1,598,199.7</b>	<b>(38,689.8)</b>	<b>-2.4%</b>	<b>3,579,447</b>	<b>3,440,151.4</b>	<b>(139,295.3)</b>	<b>-3.9%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	9,036.0	11,777.1	2,741.1	30.3%	0.0	(5,526.2)	(5,526.2)	n/a
Toronto Parking Authority	(28,201.5)	(24,571.0)	3,630.5	-12.9%	(56,402.9)	(52,196.0)	4,206.9	-7.5%
Toronto Water	(7,274.4)	(167.4)	7,107.0	-97.7%	0.0	9,047.9	9,047.9	n/a
<b>NON LEVY OPERATING NET EXPENDITURES</b>	<b>(26,439.9)</b>	<b>(12,961.3)</b>	<b>13,478.6</b>	<b>-51.0%</b>	<b>(56,402.9)</b>	<b>(48,674.3)</b>	<b>7,728.6</b>	<b>-13.7%</b>



**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2011**  
**(\$000s)**

	June 30, 2011				December 31, 2011			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	1,352.5	1,181.7	(170.8)	-12.6%	2,886.5	2,634.4	(252.1)	-8.7%
Children's Services	208,407.4	204,350.6	(4,056.8)	-1.9%	387,902.3	384,102.3	(3,800.0)	-1.0%
Court Services	20,292.5	18,218.3	(2,074.2)	-10.2%	54,339.9	53,308.5	(1,031.4)	-1.9%
Economic Development & Culture	17,222.1	17,290.2	68.1	0.4%	36,244.4	36,244.4	0.0	0.0%
Emergency Medical Services	76,843.4	77,885.8	1,042.4	1.4%	171,191.9	173,501.3	2,309.4	1.3%
Long Term Care Homes & Services	104,718.6	101,868.8	(2,849.8)	-2.7%	224,250.4	219,900.0	(4,350.4)	-1.9%
Parks, Forestry & Recreation	155,362.1	160,215.4	4,853.3	3.1%	375,959.9	371,959.9	(4,000.0)	-1.1%
Shelter, Support & Housing Administration	421,842.8	375,545.7	(46,297.1)	-11.0%	920,554.4	914,040.4	(6,514.0)	-0.7%
Social Development, Finance & Administration	12,326.3	12,578.7	252.4	2.0%	25,605.8	25,446.6	(159.2)	-0.6%
Toronto Employment & Social Services	573,686.2	545,429.6	(28,256.6)	-4.9%	1,208,370.3	1,151,644.9	(56,725.4)	-4.7%
311 Customer Service Strategy	8,128.1	7,084.3	(1,043.8)	-12.8%	19,147.7	16,705.1	(2,442.6)	-12.8%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>1,600,182.0</b>	<b>1,521,649.1</b>	<b>(78,532.9)</b>	<b>-4.9%</b>	<b>3,426,453.5</b>	<b>3,349,487.8</b>	<b>(76,965.7)</b>	<b>-2.2%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	16,665.2	15,261.8	(1,403.4)	-8.4%	36,637.8	34,631.6	(2,006.2)	-5.5%
Fire Services	184,066.4	185,556.8	1,490.4	0.8%	371,254.1	373,500.2	2,246.1	0.6%
Municipal Licensing & Standards	21,302.1	20,491.9	(810.2)	-3.8%	49,540.7	47,978.4	(1,562.3)	-3.2%
Policy, Planning, Finance and Administration	11,091.8	9,876.3	(1,215.5)	-11.0%	23,906.9	20,518.2	(3,388.7)	-14.2%
Technical Services	30,303.1	26,184.7	(4,118.4)	-13.6%	67,971.5	62,331.5	(5,640.0)	-8.3%
Toronto Buildings	19,983.4	19,062.2	(921.2)	-4.6%	46,756.9	46,133.4	(623.5)	-1.3%
Toronto Environment Office	6,293.3	4,445.7	(1,847.6)	-29.4%	11,529.0	11,369.0	(160.0)	-1.4%
Transportation Services	129,767.2	126,318.1	(3,449.1)	-2.7%	291,693.5	286,657.1	(5,036.4)	-1.7%
Waterfront Secretariat	699.6	585.5	(114.1)	-16.3%	1,531.6	1,405.8	(125.8)	-8.2%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>420,172.1</b>	<b>407,783.0</b>	<b>(12,389.1)</b>	<b>-2.9%</b>	<b>900,822.0</b>	<b>884,525.2</b>	<b>(16,296.8)</b>	<b>-1.8%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	7,060.2	6,054.0	(1,006.2)	-14.3%	15,636.3	13,261.3	(2,375.0)	-15.2%
Office of the Treasurer	34,309.5	31,547.0	(2,762.5)	-8.1%	74,752.4	69,489.5	(5,262.9)	-7.0%
Facilities Management & Real Estate	76,859.0	77,227.3	368.3	0.5%	171,122.2	169,182.7	(1,939.5)	-1.1%
Fleet Services	21,939.1	24,126.6	2,187.5	10.0%	48,059.1	48,592.0	532.9	1.1%
Information & Technology	53,356.3	45,615.4	(7,740.9)	-14.5%	101,495.6	93,490.1	(8,005.5)	-7.9%
<b>Sub-Total Internal Services</b>	<b>193,524.1</b>	<b>184,570.3</b>	<b>(8,953.8)</b>	<b>-4.6%</b>	<b>411,065.6</b>	<b>394,015.6</b>	<b>(17,050.0)</b>	<b>-4.1%</b>
<b>City Manager</b>								
City Manager's Office	22,260.4	19,330.7	(2,929.7)	-13.2%	44,520.9	40,903.6	(3,617.3)	-8.1%
<b>Sub-Total City Manager</b>	<b>22,260.4</b>	<b>19,330.7</b>	<b>(2,929.7)</b>	<b>-13.2%</b>	<b>44,520.9</b>	<b>40,903.6</b>	<b>(3,617.3)</b>	<b>-8.1%</b>
<b>Other City Programs</b>								
City Clerk's Office	22,145.1	22,884.3	739.2	3.3%	49,243.5	48,490.6	(752.9)	-1.5%
Legal Services	20,720.8	19,840.8	(880.0)	-4.2%	41,441.6	40,055.4	(1,386.2)	-3.3%
Mayor's Office	922.0	720.8	(201.2)	-21.8%	2,011.1	1,811.1	(200.0)	-9.9%
City Council	9,034.5	8,229.9	(804.6)	-8.9%	19,160.3	18,635.3	(525.0)	-2.7%
<b>Sub-Total Other City Programs</b>	<b>52,822.4</b>	<b>51,675.8</b>	<b>(1,146.6)</b>	<b>-2.2%</b>	<b>111,856.5</b>	<b>108,992.4</b>	<b>(2,864.1)</b>	<b>-2.6%</b>
<b>Accountability Offices</b>								
Auditor General's Office	1,871.6	1,765.4	(106.2)	-5.7%	4,271.3	4,210.0	(61.3)	-1.4%
Integrity Commissioner's Office	94.7	88.4	(6.3)	-6.7%	202.0	202.0	(0.0)	0.0%
Lobbyist Registrar's Office	472.4	302.8	(169.6)	-35.9%	1,039.0	794.0	(245.0)	-23.6%
Ombudsman's Office	649.1	599.3	(49.8)	-7.7%	1,409.6	1,409.6	0.0	0.0%
<b>Sub-Total Council Appointed Programs</b>	<b>3,087.8</b>	<b>2,755.9</b>	<b>(331.9)</b>	<b>-10.7%</b>	<b>6,921.9</b>	<b>6,615.6</b>	<b>(306.3)</b>	<b>-4.4%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,292,048.8</b>	<b>2,187,764.8</b>	<b>(104,284.0)</b>	<b>-4.5%</b>	<b>4,901,640.3</b>	<b>4,784,540.2</b>	<b>(117,100.1)</b>	<b>-2.4%</b>



**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2011**  
**(\$000s)**

	June 30, 2011				December 31, 2011			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	107,672.4	101,702.3	(5,970.1)	-5.5%	233,992.9	226,192.9	(7,800.0)	-3.3%
Toronto Public Library	90,427.2	91,309.8	882.6	1.0%	184,230.7	186,131.2	1,900.5	1.0%
Association of Community Centres	3,735.9	3,503.2	(232.7)	-6.2%	7,471.8	7,481.1	9.3	0.1%
Exhibition Place	24,826.7	24,387.1	(439.6)	-1.8%	64,271.8	64,271.8	0.0	0.0%
Heritage Toronto	845.3	263.4	(581.9)	-68.8%	845.3	845.3	0.0	0.0%
Theatres	11,630.2	8,993.8	(2,636.4)	-22.7%	26,947.3	23,516.8	(3,430.5)	-12.7%
Toronto Zoo	21,247.5	19,239.9	(2,007.6)	-9.4%	46,405.2	46,405.2	0.0	0.0%
Arena Boards of Management	3,268.4	3,142.5	(125.9)	-3.9%	6,536.7	6,532.7	(4.0)	-0.1%
Yonge Dundas Square	943.6	908.5	(35.1)	-3.7%	1,887.3	1,894.4	7.1	0.4%
Toronto & Region Conservation Authority	17,066.4	17,005.0	(61.4)	-0.4%	36,170.0	36,170.0	0.0	0.0%
Toronto Transit Commission - Conventional	715,763.0	714,078.0	(1,685.0)	-0.2%	1,435,892.0	1,442,675.0	6,783.0	0.5%
Toronto Transit Commission - Wheel Trans	48,369.0	47,607.7	(761.3)	-1.6%	96,622.4	96,220.6	(401.8)	-0.4%
Toronto Police Service	477,257.7	477,807.7	550.0	0.1%	1,003,653.0	1,004,753.0	1,100.0	0.1%
Toronto Police Services Board	802.9	802.9	0.0	0.0%	2,962.4	2,962.4	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>1,523,856.2</b>	<b>1,510,751.8</b>	<b>(13,104.4)</b>	<b>-0.9%</b>	<b>3,147,889.0</b>	<b>3,146,052.5</b>	<b>(1,836.5)</b>	<b>-0.1%</b>
<b>Corporate Accounts</b>								
Community Partnership and Investment Program	24,090.4	24,090.4	0.0	0.0%	47,738.3	47,738.3	0.0	0.0%
Capital & Corporate Financing	323,585.4	323,585.4	0.0	0.0%	647,170.7	640,770.7	(6,400.0)	-1.0%
<b>Non-Program Expenditures</b>								
- Tax Deficiencies/Write-offs	34,150.0	34,145.0	(5.0)	0.0%	73,000.0	82,900.0	9,900.0	13.6%
- Assessment Function (MPAC)	18,300.0	18,297.1	(2.9)	0.0%	36,600.0	36,600.0	0.0	0.0%
- Temporary Borrowing	25.0	0.0	(25.0)	-100.0%	50.0	0.0	(50.0)	-100.0%
- Funding of Employee Related Liabilities	23,591.3	23,591.3	0.0	0.0%	47,467.3	47,467.3	0.0	0.0%
- Contingency	0.0	0.1	0.12	n/a	0.0	0.1	0.1	n/a
- Other Corporate Expenditures	33,531.2	33,072.1	(459.1)	-1.4%	67,062.4	66,144.1	(918.3)	-1.4%
- Insurance Premiums & Claims	150.0	150.0	0.0	0.0%	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	23,199.7	23,199.7	0.0	0.0%	56,068.5	56,068.5	0.0	0.0%
- Programs Funded from Reserve Funds	66,555.1	66,555.1	0.0	0.0%	109,638.0	109,638.0	0.0	0.0%
- Vacancy Rebate Program	11,730.0	11,809.1	79.1	0.7%	23,460.0	20,451.2	(3,008.8)	-12.8%
- Heritage Property Taxes Rebate	0.0	0.0	0.0	n/a	2,000.0	2,000.0	0.0	0.0%
- Tax Rebates for Registered Charities	5,162.6	5,162.6	0.0	0.0%	5,161.6	5,161.6	0.0	0.0%
- Solid Waste Management Rebates	74,865.7	72,682.3	(2,183.4)	-2.9%	182,391.9	179,490.0	(2,901.9)	-1.6%
- Street & Expressway Lighting Services	21,700.0	28,218.7	6,518.7	30.0%	43,398.7	43,295.3	(103.4)	-0.2%
- Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	1,880.0	1,880.0	0.0	0.0%
Non-Program Expenditures	312,960.5	316,883.0	3,922.5	1.3%	648,478.4	651,396.1	2,917.7	0.4%
<b>Non-Program Revenue</b>								
- Interest/Investment Earnings	470.9	470.9	0.0	0.0%	941.8	941.8	0.0	0.0%
- Other Corporate Revenues	384.0	377.8	(6.2)	-1.6%	768.0	734.4	(33.6)	-4.4%
- Municipal Land Transfer Tax	2,802.0	2,963.2	161.2	5.8%	5,707.8	5,707.8	0.0	0.0%
- Personal Vehicle Tax	2,000.0	691.9	(1,308.1)	-65.4%	2,000.0	691.9	(1,308.1)	-65.4%
- Third Party Sign Tax	729.8	0.0	(729.8)	-100.0%	1,459.6	1,010.9	(448.7)	-30.7%
- Other Tax Revenues	0.0	25.8	25.8	n/a	0.0	0.0	0.0	n/a
Non-Program Revenues	6,386.7	4,529.6	(1,857.1)	-29.1%	10,877.2	9,086.8	(1,790.3)	-16.5%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>667,023.0</b>	<b>669,088.4</b>	<b>2,065.4</b>	<b>0.3%</b>	<b>1,354,264.6</b>	<b>1,348,992.0</b>	<b>(5,272.6)</b>	<b>-0.4%</b>
<b>LEVY OPERATING GROSS EXPENDITURES</b>	<b>4,482,928.0</b>	<b>4,367,605.0</b>	<b>(115,323.0)</b>	<b>-2.6%</b>	<b>9,403,793.9</b>	<b>9,279,584.6</b>	<b>(124,209.2)</b>	<b>-1.3%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	119,434.0	121,702.5	2,268.5	1.9%	342,631.4	340,439.8	(2,191.6)	-0.6%
Toronto Parking Authority	35,627.0	35,227.0	(400.0)	-1.1%	70,894.7	70,649.0	(245.7)	-0.3%
Toronto Water	395,889.5	394,420.9	(1,468.6)	-0.4%	820,968.8	813,079.7	(7,889.1)	-1.0%
<b>NON LEVY OPERATING GROSS EXPENDITURES</b>	<b>550,950.5</b>	<b>551,350.4</b>	<b>399.9</b>	<b>0.1%</b>	<b>1,234,494.9</b>	<b>1,224,168.5</b>	<b>(10,326.4)</b>	<b>-0.8%</b>



**CITY OF TORONTO**  
**CONSOLIDATED REVENUES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2011**  
**(\$000s)**

	June 30, 2011				December 31, 2011			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	569.5	462.0	(107.5)	-18.9%	1,607.8	1,453.2	(154.6)	-9.6%
Children's Services	164,433.1	160,376.3	(4,056.8)	-2.5%	313,629.6	309,829.6	(3,800.0)	-1.2%
Court Services	28,301.6	23,025.3	(5,276.3)	-18.6%	66,476.6	66,395.2	(81.4)	-0.1%
Economic Development & Culture	4,184.2	4,337.7	153.5	3.7%	10,213.3	10,213.3	0.0	0.0%
Emergency Medical Services	52,290.0	51,143.8	(1,146.2)	-2.2%	105,040.4	102,179.0	(2,861.4)	-2.7%
Long Term Care Homes and Services	88,734.7	86,034.9	(2,699.8)	-3.0%	177,469.5	174,419.0	(3,050.5)	-1.7%
Parks, Forestry & Recreation	39,012.4	42,875.3	3,862.9	9.9%	100,962.3	98,962.3	(2,000.0)	-2.0%
Shelter, Support & Housing Administration	304,707.5	256,488.8	(48,218.7)	-15.8%	628,135.2	621,621.2	(6,514.0)	-1.0%
Social Development, Finance & Administration	6,221.3	6,555.9	334.6	5.4%	12,694.1	12,672.7	(21.4)	-0.2%
Toronto Employment & Social Services	478,584.7	452,617.1	(25,967.6)	-5.4%	1,007,695.3	956,796.5	(50,898.8)	-5.1%
311 Customer Service Strategy	3,833.5	3,271.2	(562.3)	-14.7%	9,510.0	7,364.5	(2,145.5)	-22.6%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>1,170,872.5</b>	<b>1,087,188.3</b>	<b>(83,684.2)</b>	<b>-7.1%</b>	<b>2,433,434.0</b>	<b>2,361,906.5</b>	<b>(71,527.5)</b>	<b>-2.9%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	11,930.1	10,704.8	(1,225.3)	-10.3%	24,023.0	22,016.8	(2,006.2)	-8.4%
Fire Services	7,777.3	8,163.3	386.0	5.0%	15,430.2	15,049.0	(381.2)	-2.5%
Municipal Licensing & Standards	14,346.1	13,541.6	(804.5)	-5.6%	28,033.9	26,912.2	(1,121.7)	-4.0%
Policy, Planning, Finance and Administration	6,299.8	5,350.9	(948.9)	-15.1%	12,703.8	10,679.6	(2,024.2)	-15.9%
Technical Services	23,959.0	20,978.0	(2,981.0)	-12.4%	57,471.1	51,863.5	(5,607.6)	-9.8%
Toronto Building	27,326.9	24,198.4	(3,128.5)	-11.4%	57,488.3	56,864.7	(623.6)	-1.1%
Toronto Environment Office	4,859.3	3,065.0	(1,794.3)	-36.9%	8,314.8	8,314.8	(0.0)	0.0%
Transportation Services	34,757.0	33,079.6	(1,677.4)	-4.8%	117,664.3	116,371.8	(1,292.5)	-1.1%
Waterfront Secretariat	300.0	240.4	(59.6)	-19.9%	600.0	500.0	(100.0)	-16.7%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>131,555.5</b>	<b>119,322.0</b>	<b>(12,233.5)</b>	<b>-9.3%</b>	<b>321,729.3</b>	<b>308,572.4</b>	<b>(13,156.9)</b>	<b>-4.1%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	3,074.7	2,164.3	(910.4)	-29.6%	6,465.7	4,248.1	(2,217.6)	-34.3%
Office of the Treasurer	22,281.2	20,445.3	(1,835.9)	-8.2%	44,562.4	41,253.7	(3,308.7)	-7.4%
Facilities Management & Real Estate	52,552.6	51,802.1	(750.5)	-1.4%	116,879.3	116,139.8	(739.5)	-0.6%
Fleet Services	22,824.3	24,976.4	2,152.1	9.4%	48,028.0	48,653.5	625.5	1.3%
Information & Technology	9,522.8	3,943.8	(5,579.0)	-58.6%	33,950.7	27,950.3	(6,000.4)	-17.7%
<b>Sub-Total Internal Services</b>	<b>110,255.6</b>	<b>103,331.9</b>	<b>(6,923.7)</b>	<b>-6.3%</b>	<b>249,886.3</b>	<b>238,245.4</b>	<b>(11,640.9)</b>	<b>-4.7%</b>
<b>City Manager</b>								
City Manager's Office	3,855.4	2,819.9	(1,035.5)	-26.9%	7,710.8	5,508.9	(2,201.9)	-28.6%
<b>Sub-Total City Manager</b>	<b>3,855.4</b>	<b>2,819.9</b>	<b>(1,035.5)</b>	<b>-26.9%</b>	<b>7,710.8</b>	<b>5,508.9</b>	<b>(2,201.9)</b>	<b>-28.6%</b>
<b>Other City Programs</b>								
City Clerk's Office	6,139.1	7,405.6	1,266.5	20.6%	18,679.1	18,219.2	(459.9)	-2.5%
Legal Services	10,944.0	10,511.3	(432.7)	-4.0%	21,887.9	20,703.5	(1,184.4)	-5.4%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
City Council	0.0	0.6	0.6	n/a	0.0	0.6	0.6	n/a
<b>Sub-Total Other City Programs</b>	<b>17,083.1</b>	<b>17,917.5</b>	<b>834.4</b>	<b>4.9%</b>	<b>40,567.1</b>	<b>38,923.3</b>	<b>(1,643.8)</b>	<b>-4.1%</b>
<b>Accountability Offices</b>								
Auditor General's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Integrity Commissioner's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Lobbyist Registrar's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Ombudsman's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
<b>Sub-Total Council Appointed Programs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>n/a</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>n/a</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>1,433,622.1</b>	<b>1,330,579.6</b>	<b>(103,042.5)</b>	<b>-7.2%</b>	<b>3,053,327.5</b>	<b>2,953,156.5</b>	<b>(100,171.0)</b>	<b>-3.3%</b>



**CITY OF TORONTO**  
**CONSOLIDATED REVENUES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2011**  
**(\$000s)**

	June 30, 2011				December 31, 2011			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	85,901.7	80,725.7	(5,176.0)	-6.0%	189,215.6	182,457.6	(6,758.0)	-3.6%
Toronto Public Library	6,436.6	7,706.3	1,269.7	19.7%	13,432.8	15,359.8	1,927.0	14.3%
Association of Community Centres	100.9	117.9	17.0	16.8%	201.7	201.7	0.0	0.0%
Exhibition Place	23,066.2	23,421.3	355.1	1.5%	64,225.1	64,225.1	0.0	0.0%
Heritage Toronto	498.9	90.2	(408.7)	-81.9%	498.9	498.9	0.0	0.0%
Theatres	10,721.9	7,702.0	(3,019.9)	-28.2%	23,646.8	19,821.8	(3,825.0)	-16.2%
Toronto Zoo	13,527.6	11,610.4	(1,917.2)	-14.2%	34,827.7	34,827.7	0.0	0.0%
Arena Boards of Management	3,271.0	3,296.5	25.5	0.8%	6,542.1	6,538.1	(4.0)	-0.1%
Yonge Dundas Square	686.0	801.1	115.1	16.8%	1,372.0	1,395.0	23.0	1.7%
Toronto & Region Conservation Authority	15,091.3	15,029.9	(61.4)	-0.4%	32,963.6	32,963.6	0.0	0.0%
Toronto Transit Commission - Conventional	508,286.0	510,743.0	2,457.0	0.5%	1,006,781.0	1,014,131.0	7,350.0	0.7%
Toronto Transit Commission - Wheel Trans	2,794.5	2,649.0	(145.5)	-5.2%	5,610.9	5,251.8	(359.1)	-6.4%
Toronto Police Service	26,729.1	27,279.1	550.0	2.1%	74,162.9	75,262.9	1,100.0	1.5%
Toronto Police Services Board	28.4	28.4	0.0	0.0%	610.6	610.6	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>697,140.1</b>	<b>691,200.8</b>	<b>(5,939.3)</b>	<b>-0.9%</b>	<b>1,454,091.7</b>	<b>1,453,545.6</b>	<b>(546.1)</b>	<b>0.0%</b>
<b>Corporate Accounts</b>								
Community Partnership and Investment Program	558.2	558.2	0.0	0.0%	541.2	541.2	0.0	0.0%
Capital & Corporate Financing	19,010.8	19,010.8	0.0	0.0%	38,021.7	38,021.7	0.0	0.0%
<b>Non-Program Expenditures</b>								
- Other Corporate Expenditures	464.3	480.0	15.7	3.4%	928.5	960.0	31.5	3.4%
- Programs Funded from Reserve Funds	66,555.1	66,555.1	0.0	0.0%	109,638.0	109,638.0	0.0	0.0%
- Tax Rebates for Registered Charities	5,162.6	5,162.6	0.0	0.0%	5,161.6	5,161.6	0.0	0.0%
- Street & Expressway Lighting Services	0.0	0.0	0.0	n/a	880.0	880.0	0.0	0.0%
<b>Non-Program Expenditures</b>	<b>72,181.9</b>	<b>72,197.7</b>	<b>15.7</b>	<b>0.0%</b>	<b>116,608.1</b>	<b>116,639.6</b>	<b>31.5</b>	<b>0.0%</b>
<b>Non-Program Revenue</b>								
- Payments in Lieu of Taxes	79,521.3	79,516.3	(5.0)	0.0%	91,781.2	95,198.0	3,416.8	3.7%
- Supplementary Taxes	17,500.0	23,100.0	5,600.0	32.0%	35,000.0	57,285.3	22,285.3	63.7%
- Tax Penalties	14,269.6	14,446.5	176.9	1.2%	30,000.0	30,000.0	0.0	0.0%
- Interest/Investment Earnings	65,000.0	68,000.0	3,000.0	4.6%	106,000.0	121,000.0	15,000.0	14.2%
- Prior Year Surplus	172,765.7	172,765.7	0.0	0.0%	345,531.3	345,531.3	0.0	0.0%
- Other Corporate Revenues	2,533.0	2,527.8	(5.2)	-0.2%	8,391.6	8,446.9	55.3	0.7%
- Toronto Hydro Revenues	15,000.0	20,062.5	5,062.5	33.8%	30,000.0	33,062.5	3,062.5	10.2%
- Provincial Revenue	45,800.0	45,800.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
- Municipal Land Transfer Tax	111,047.5	133,983.1	22,935.6	20.7%	226,207.8	305,707.8	79,500.0	35.1%
- Personal Vehicle Tax	0.0	691.9	691.9	n/a	0.0	691.9	691.9	n/a
- Third Party Sign Tax	5,125.0	285.5	(4,839.5)	-94.4%	10,250.0	2,700.0	(7,550.0)	-73.7%
- Parking Authority Revenues	22,157.6	22,157.6	0.0	0.0%	44,315.2	44,315.2	0.0	0.0%
- Administrative Support Recoveries - Water	9,486.5	9,486.5	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	8,163.4	8,163.4	0.0	0.0%	16,326.7	16,326.7	0.0	0.0%
- Parking Tag Enforcement & Oper.	38,823.0	38,759.9	(63.1)	-0.2%	77,066.4	77,066.4	0.0	0.0%
- Other Tax Revenues	8,582.8	8,577.8	(5.0)	-0.1%	14,813.8	14,323.8	(490.0)	-3.3%
- Woodbine Slots	7,750.0	7,533.8	(216.2)	-2.8%	15,500.0	15,300.0	(200.0)	-1.3%
<b>Non-Program Revenues</b>	<b>623,525.3</b>	<b>655,858.2</b>	<b>32,332.9</b>	<b>5.2%</b>	<b>1,161,757.0</b>	<b>1,277,528.8</b>	<b>115,771.8</b>	<b>10.0%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>715,276.3</b>	<b>747,624.9</b>	<b>32,348.6</b>	<b>4.5%</b>	<b>1,316,927.9</b>	<b>1,432,731.2</b>	<b>115,803.3</b>	<b>8.8%</b>
<b>LEVY OPERATING REVENUES</b>	<b>2,846,038.5</b>	<b>2,769,405.3</b>	<b>(76,633.2)</b>	<b>-2.7%</b>	<b>5,824,347.0</b>	<b>5,839,433.3</b>	<b>15,086.2</b>	<b>0.3%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	110,398.0	109,925.4	(472.6)	-0.4%	342,631.4	345,966.0	3,334.6	1.0%
Toronto Parking Authority	63,828.5	59,798.0	(4,030.5)	-6.3%	127,297.6	122,845.0	(4,452.6)	-3.5%
Toronto Water	403,163.9	394,588.3	(8,575.6)	-2.1%	820,968.8	804,031.8	(16,937.0)	-2.1%
<b>NON LEVY OPERATING REVENUES</b>	<b>577,390.4</b>	<b>564,311.7</b>	<b>(13,078.7)</b>	<b>-2.3%</b>	<b>1,290,897.8</b>	<b>1,272,842.8</b>	<b>(18,055.0)</b>	<b>-1.4%</b>

**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2011  
(\$000s)**

**Appendix D**

	<b>Gross Expenditure</b>	<b>Revenue</b>	<b>Net Expenditure</b>	<b>Position</b>
<b>Citizen Centred Service "A"</b>				
<b>Economic Development, Culture &amp; Tourism</b>				
One time funding from Tourism Toronto	500.0	500.0	0.0	
One time Provincial funding for Celebrate Ontario	300.0	300.0	0.0	
<b>Total Economic Development, Culture &amp; Tourism</b>	<b>800.0</b>	<b>800.0</b>	<b>0.0</b>	
<b>Emergency Medical Services</b>				
Transfer Budget for 50% of Supervisor of Admin Serv. to PPF&A	(57.3)		(57.3)	
<b>Total Emergency Medical Services</b>	<b>(57.3)</b>		<b>(57.3)</b>	
<b>Social Development Finance &amp; Administration</b>				
Unspent Provincial funding from 2010 to be utilized in 2011 as agreed with the Province	61.2	61.2	0.0	
Transfer of Telecommunications Supervisor to IT as part of IT Transformation, reduce salaries and set up IDC	0.0		0.0	(1.0)
<b>Total Social Development Finance &amp; Administration</b>	<b>61.2</b>	<b>61.2</b>	<b>0.0</b>	<b>(1.0)</b>
<b>Total Citizen Centred Service "A"</b>	<b>803.9</b>	<b>861.2</b>	<b>(57.3)</b>	<b>(1.0)</b>
<b>Citizen Centred Service "B"</b>				
<b>City Planning</b>				
Transfer Manager, DARP from Technical Services as per Program Review	116.9		116.9	1.0
<b>Total City Planning</b>	<b>116.9</b>		<b>116.9</b>	<b>1.0</b>
<b>Policy, Planning, Finance &amp; Administration</b>				
Transfer Budget for 50% of Supervisor of Admin Serv. from EMS	57.3		57.3	
Transfer 5 positions to Toronto Water for Community Outreach program	(326.7)	(326.7)	0.0	(5.0)
<b>Total Policy, Planning, Finance &amp; Administration</b>	<b>(269.4)</b>	<b>(326.7)</b>	<b>57.3</b>	<b>(5.0)</b>
<b>Technical Services</b>				
Transfer Manager, DARP to City Planning as per Program Review	(116.9)		(116.9)	(1.0)
<b>Total Technical Services</b>	<b>(116.9)</b>		<b>(116.9)</b>	<b>(1.0)</b>

**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2011  
(\$000s)**

**Appendix D**

	<b>Gross Expenditure</b>	<b>Revenue</b>	<b>Net Expenditure</b>	<b>Position</b>
<b>Transportation Services</b>				
Transfer from Planning Act RF for installation of branded street name signs in the Upper Jarvis Neighbourhood	5.0	5.0	0.0	
Transfer budget of Railway Level crossing maintenance to Roadway Services	(121.0)		(121.0)	
Transfer budget of Railway Level crossing maintenance from Traffic and Safety Services	121.0		121.0	
<b>Total Transportation Services</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>	
<b>Total Citizen Centred Service "B"</b>	<b>(264.4)</b>	<b>(321.7)</b>	<b>57.3</b>	<b>(5.0)</b>
<b>Internal Services</b>				
<b>Facilities &amp; Real Estate</b>				
Transfer rent from Applegrove Community Centre as agreed during CM/CFO review	47.8		47.8	
<b>Total Facilities &amp; Real Estate</b>	<b>47.8</b>		<b>47.8</b>	
<b>Information &amp; Technology</b>				
Transfer of Telecommunications Supervisor from SDF&A as part of IT Transformation, increase salaries and set up IDR	101.8	101.8	0.0	1.0
<b>Total Information &amp; Technology</b>	<b>101.8</b>	<b>101.8</b>	<b>0.0</b>	<b>1.0</b>
<b>Total Internal Services</b>	<b>149.6</b>	<b>101.8</b>	<b>47.8</b>	<b>1.0</b>
<b>Agencies, Boards and Commissions</b>				
<b>Toronto Public Health</b>				
One time funding from Ministry of Ontario for Infant Hearing	20.0	20.0	0.0	
One time funding from Ministry of Ontario for CDLU	8.0	8.0	0.0	
One time funding from Ministry of Ontario for STI Promotion	7.0	7.0	0.0	
<b>Total Toronto Public Health</b>	<b>35.0</b>	<b>35.0</b>	<b>0.0</b>	
<b>Association of Community Centers</b>				
Transfer Applegrove Community Centre's rent to FR&E as agreed during CM/CFO review	(47.8)		(47.8)	
<b>Total Association of Community Centers</b>	<b>(47.8)</b>		<b>(47.8)</b>	
<b>Total Agencies, Boards and Commissions</b>	<b>(12.8)</b>	<b>35.0</b>	<b>(47.8)</b>	

**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2011  
(\$000s)**

**Appendix D**

	<b>Gross Expenditure</b>	<b>Revenue</b>	<b>Net Expenditure</b>	<b>Position</b>
<b>Non-Levy Operations</b>				
<b>Toronto Water</b>				
Transfer 5 positions from PPF&A for Community Outreach program	326.7		326.7	5.0
Adjusting associated IDC/IDR between PPF&A and Toronto Water	(277.7)	49.0	(326.7)	
<b>Total Toronto Water</b>	<b>49.0</b>	<b>49.0</b>	<b>0.0</b>	<b>5.0</b>
<b>Total Non-Levy Operations</b>	<b>49.0</b>	<b>49.0</b>	<b>0.0</b>	<b>5.0</b>
<b>Total</b>	<b>725.3</b>	<b>725.3</b>	<b>0.0</b>	<b>0.0</b>



**Operating Variance Report  
For Six-Month Period Ended June 30, 2011  
Significant Variance by Program and Agency**

**City Operations**

Citizen Centred Services "A"

As shown in Table 2 below, Citizen Centred Services "A" reported an unfavourable net variance of \$5.151 million or 1.2% for the six-month period ended June 30, 2011 and projects a year-end favourable net variance of \$5.438 million or 0.5% under the 2011 Approved Net Operating Budget. The reasons for these variances are discussed below.

Table 2 Citizen Centred Services "A" Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Affordable Housing Office	(0.1)	(0.1)
Children's Services	0.0	0.0
Court Services	3.2	(1.0)
Economic Development and Culture	(0.1)	(0.0)
Emergency Medical Services	2.2	5.2
Long Term Care Homes and Services	(0.2)	(1.3)
Parks, Forestry & Recreation	1.0	(2.0)
Shelter, Support & Housing Administration	1.9	(0.0)
Social Development, Finance & Administration	(0.1)	(0.1)
Toronto Employment & Social Services	(2.3)	(5.8)
311 Customer Service Strategy	(0.5)	(0.3)
<b>Total</b>	<b>5.2</b>	<b>(5.4)</b>

**Court Services** reported a favourable gross variance of \$2.074 million and an unfavourable net variance of \$3.202 million, or 10.2% and 40.0% respectively of planned expenditures for the six-month period ended June 30, 2011. The favourable gross variance was primarily related to lower than budgeted payments to the Province, and delays in courthouse renovation work and hiring of staff for vacant positions. The unfavourable net variance was due to lower than expected fine revenues. Court Services is anticipating a favourable year-end net variance of \$0.950 million or 7.8% under the 2011 Approved Net Operating Budget due to lower than budgeted payments to the Province.

**Emergency Medical Services (EMS)** reported an unfavourable net variance of \$2.189 million or 8.9% over planned expenditures during the six-month period ended June 30, 2011. The

unfavourable net variance was the combined result of an unfavourable gross expenditure of \$1.042 million and a revenue shortfall of \$1.146 million.

- The gross over expenditure of \$1.042 million was mainly attributed to salaries, given that EMS has not been able to achieve its budgeted gapping, as well as increased cost of fuel.
- The revenue shortfall of \$1.146 million was mainly due a shortfall in provincial funding for the Central Ambulance Communication Centre (CACC). The CACC program is currently funded at approximately 89% compared to the agreed cost sharing formula of 100%. Negotiations are continuing with the Ministry of Health and Long Term Care to resolve this issue.

EMS is projecting an unfavourable net variance of \$5.171 million or 7.8% at year-end. The over expenditure is attributed to unachieved gapping estimated at \$2.309 million and unrealized CACC provincial revenues of approximately \$2.861 million.

***Long Term Care Homes and Services*** reported a favourable variance of \$2.850 million gross or 2.7% and \$0.150 million net or 0.9% under planned expenditures for the 6-month period ending June 30, 2011 due to lower than budgeted claims for High Intensity Needs and lower than budgeted Provincial Subsidies and Grants for Supportive Housing. Long Term Care Homes & Services is anticipating a favourable year-end net variance of \$1.3 million as a result of savings generated through the attrition management process and a favourable adjustment related to Provincial claims from 2008.

***Parks, Forestry and Recreation (PF&R)*** reported an unfavourable net variance of \$0.990 million or 0.9% over planned expenditures for the six-month period ended June 30, 2011. The unfavourable gross expenditure variance of \$4.9 million or 3.4% due to an increase in utilities charges and timing differences in capital transfers, and a favourable revenue variance of \$3.9 million or 9.9% due to timing difference in draws from reserves. Parks, Forestry and Recreation anticipates a favourable year-end net variance of \$2.0 million or 0.7% attributed to unfilled seasonal positions and internal cost containment on supplies, equipment and contracted services.

***Toronto Employment and Social Services (TESS)*** reported a favourable net expenditure of \$2.289 million or 2.4% under planned expenditures during the six-month period ended June 30, 2011. TESS is projecting a favourable net variance of \$5.827 million or 2.9% at year-end attributed to lower social assistance costs (case mix higher proportion of singles as compared to families), lower special diet expenditures, and the additional subsidy resulting from the revised Ontario Works funding model implemented by the Province effective April 1, 2011.

The average actual monthly caseload for the six-months ended June 30, 2011, was 98,661 compared to the budget of 98,650. Because of continuing economic and labour market uncertainty in certain sectors of the domestic and global economy, TESS will carefully monitor caseloads during the remainder of the year.

## Citizen Centred Services “B”

As indicated in Table 3 below, Citizen Centred Services “B” Programs collectively reported a favourable net expenditure variance of \$0.156 million or 0.1% under planned expenditures for the six months ended June 30, 2011, and projects a favourable net expenditure variance of \$3.140 million or 0.5% under the 2011 Approved Net Operating Budget by year-end. Major causes of the variances are discussed below.

	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
City Planning	(0.2)	0.0
Fire Services	1.1	2.6
Municipal Licensing & Standards	(0.0)	(0.4)
Policy, Planning, Finance and Administration	(0.3)	(1.4)
Technical Services	(1.1)	(0.0)
Toronto Building	2.2	0.0
Toronto Environment Office	(0.1)	(0.2)
Transportation Services	(1.8)	(3.7)
Waterfront Secretariat	(0.1)	(0.0)
<b>Total</b>	<b>(0.2)</b>	<b>(3.1)</b>

**Fire Services** was over spent by \$1.104 million net or 0.6% of planned expenditures as of June 30, 2011. This was primarily the result of higher than budgeted gross expenditures of \$2.5 million for fringe benefits and non-salary unbudgeted spending of \$0.4 million for demolition of the old Empress Hotel on Yonge Street after the January fire. These variances were partially offset by under-spending of \$0.9 million in salaries due to the number of firefighter vacancies and \$0.5 million under-spending in other material & supplies, equipment and contracted services. At June 30<sup>th</sup> vacancies totalled 99 positions. These positions are comprised of 66 operations staff including new recruits and 33 non-operations staff. Revenues were 5% or \$0.386 million higher than planned mainly due to surplus Provincial funding for HUSAR/CBRN activities of \$0.2 million and other unplanned revenue of 0.2 million including early recoveries from Ontario Hydro for radio services, recoveries for insured losses and sales of scrap. Accrued unbudgeted revenue of \$0.4 million for the recovery of demolition costs from the Yonge St. building owner are generally offset by lower than estimated revenue from chargeable false alarms.

Over-spending of \$2 million for fringe benefits offset by additional gapping of \$0.6 million and revenue shortfalls of \$0.8 million for nuisance and malicious False Alarms are anticipated by year-end so that the projected net expenditure variance for Fire Services is 0.7% or \$2.627

million above the 2011 Approved Net Operating Budget. This projection includes a potential liability for assuming the \$0.4 million cost of the Yonge Street fire.

**Policy, Planning, Finance and Administration (PPFA)** reported a favourable gross expenditure variance for the six-month period ended June 30, 2011 of \$1.216 million or 11.0% under planned expenditures and a favourable net expenditure variance of \$0.267 million or 5.6%. PPF&A projects a favourable net variance of \$1.365 million or 11.9% by year-end. This favourable variance is mainly attributed to the under-expenditure in salaries and benefits due to the large number of vacancies attributed to hiring slow-down.

**Transportation Services** reported a favourable net variance of \$1.772 million or 1.9 % under planned expenditures as at June 30, 2011. Subject to the winter weather conditions, the Program is projecting a favourable net variance of \$3.744 million or 2.2% at year-end under the 2011 Approved Net Operating Budget. The year-end gross expenditure is projected to be under budget by \$5.036 million or 1.7%, mainly due to anticipated savings in salaries and benefits and winter maintenance costs, partially offset by over expenditure in de-icing salt and interdivisional charges. Projected year-end revenues will be \$1.293 million below budget due to unfavourable recoveries in the Public Realm section.

#### Internal Services

As show in Table 4 below, during the six months ended June 30, 2011, Internal Services Programs collectively reported an unfavourable net expenditure variance of \$0.662 million or 1.3% over planned expenditures, and project a year-end favourable variance of \$4.157 million or 2.6% under the 2011 Approved Operating Net Budget due to the following:

Table 4 Internal Services Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Office of the Chief Financial Officer	(0.1)	(0.2)
Office of the Treasurer	(0.9)	(2.0)
Facilities Management & Real Estate	1.1	(1.2)
Fleet Services	0.0	(0.1)
Information & Technology	(2.2)	(2.0)
<b>Total</b>	<b>(2.0)</b>	<b>(5.4)</b>

The **Office of the Treasurer** (inclusive of Revenue Services, Accounting Services, Pensions, Payroll & Employee Benefits and Purchasing & Materials Management Divisions) reported a favourable net expenditure variance of \$0.927 million or 7.7% under the planned spending for the period ending June 30, 2011 and projects a favourable year-end net expenditure variance of \$1.954 million or 6.5% less than the 2011 Approved Net Operating Budget. The favourable

year-end variance is primarily attributed to delays in filling vacant positions due to deferral in start-up of program review initiatives, as well as savings achieved because of curtailing discretionary spending.

**Facilities Management & Real Estate (FM&RE)** reported an unfavourable net expenditure variance of \$1.119 million or 4.6% over planned expenditures during the six-month period ended June 30 and projects a favourable net expenditure variance of \$1.198 million or 2.2% below the 2011 Approved Operating Budget at year-end because of savings from hiring delays, lower Realty Tax costs, and higher recoveries from project management fees related to capital projects.

**Information & Technology (I&T)** reported a favourable a net variance of \$2.162 million or 4.9% under planned expenditures for the six-month period ended June 30, 2011. I&T projects a favourable net variance at year-end of \$2.005 million or 3.0%. This is largely due to lower spending for salaries and benefits attributed to vacancies resulting from the hiring slow-down and various difficulties in recruiting suitable staff. In addition, lower software maintenance and telephone costs were achieved through better pricing and terms resulting from effective contract negotiations. Conscious control of discretionary expenses also contributes to the surplus.

City Manager's Office (CMO)

The **City Manager's Office** reported a favourable net variance of \$1.894 million or 10.3% under planned expenditures for the six-month period ended June 30, 2011. The CMO projects a favourable net variance at year-end of \$1.415 million or 3.8% under the 2011 Approved Net Operating Budget primarily due to hiring delays due to cost containment measures.

Table 5 City Manager Office Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
City Manager's Office	(1.9)	(1.4)

Other City Programs

**Other City Programs** collectively (see Table 6 below) reported a favourable variance of \$1.981 million or 5.5% under planned expenditures for the six-month period ended June 30, 2011; and project a year-end favourable net variance of \$1.220 million or 1.7% under the 2011 Approved Net Operating Budget. The favourable year-end projected variance is due to savings from vacant positions because of hiring delays, higher than expected staff leaves of absence across Programs, and savings from non-payroll expenditures in the Mayor's and Councillors' Office budgets.

Table 6 Other City Programs Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
City Clerk's Office	(0.5)	(0.3)
Legal Services	(0.4)	(0.2)
Mayor's Office	(0.2)	(0.2)
City Council	(0.8)	(0.5)
Total	(2.0)	(1.2)

### Accountability Offices

**Accountability Offices** collectively realized a net under expenditure of \$0.332 million or 10.7% below planned expenditures for the six-month period ended June 30, 2011. Overall, these Offices project under-spending of \$0.306 million net or 4.4% of the 2011 Approved Net Operating Budget at year-end mainly due to the delay in staff hiring and vacancies.

Table 7 Accountability Offices Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Auditor General's Office	(0.1)	(0.1)
Integrity Commissioner's Office	(0.0)	(0.0)
Lobbyist Registrar's Office	(0.2)	(0.2)
Ombudsman's Office	(0.0)	0.0
Total	(0.3)	(0.3)

### Agencies

Agencies collectively reported a favourable variance of \$7.165 million or 0.9% below planned net expenditures for the six-month period ended June 30, 2011 and project under expenditure at year-end of \$1.290 million or 0.1% below the 2011 Approved Net Operating Budget mainly due to Toronto Public Health as outlined in Table 8 below.

Table 8 Agencies Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Toronto Public Health	(0.8)	(1.0)
Toronto Public Library	(0.4)	(0.0)
Association of Community Centres	(0.2)	0.0
Exhibition Place	(0.8)	0.0
Heritage Toronto	(0.2)	0.0
Theatres	0.4	0.4
Toronto Zoo	(0.1)	0.0
Arena Boards of Management	(0.2)	(0.0)
Yonge Dundas Square	(0.2)	(0.0)
Toronto & Region Conservation Authority	(0.0)	0.0
Toronto Transit Commission - Conventional	(4.1)	(0.6)
Toronto Transit Commission - Wheel Trans	(0.6)	(0.0)
Toronto Police Service	0.0	(0.0)
Toronto Police Services Board	0.0	0.0
<b>Total</b>	<b>(7.2)</b>	<b>(1.3)</b>

**Toronto Public Health (TPH)** reported favourable gross and net expenditure variances of \$5.970 million and \$0.794 million, representing 5.5% and 3.6% under planned expenditures respectively during the six-month period ended June 30, 2011. The favourable gross variance was mainly attributable to under spending in salaries and benefits in provincially cost-shared programs as a result of the hiring slow-down, combined with the delays in the opening of dental clinics under the 100% Provincially-funded Healthy Smiles Ontario Program. The Program is projecting favourable gross and net expenditure variances of \$7.800 million gross and \$1.042 million net respectively at year-end.

**Toronto Transit Commission (TTC)** reported a favourable net expenditure variance of \$4.758 million or 1.9% (Conventional and Wheel-Trans combined) for the period ending June 30, 2011. The majority of this favourable variance resulted from 4.6 million more passengers than budgeted to June 30 on the Conventional service.

It is currently projected that the TTC and Wheel-Trans combined net expenditures will be \$0.6 million or 0.1% under budget at year-end. This favourable year end variance reflects the projected ridership level of 491 million, compared to the budget of 487 million. The passenger revenue increase of \$7.3 million is mainly offset by an increase of \$4.2 million in vehicle fuel costs. Rising crude oil prices have caused diesel fuel spot market prices to climb above the budgeted level. The projected revenue is also offset by increased costs for bus maintenance of \$1.8 million and for additional service of \$0.8 million due to the City's construction plans. Further on diesel costs, if the highest weekly price paid to date continued through to the end of

the year, it is expected that an additional \$4.2 million (reflected above) will be required. However, if the forecast of futures prices is assumed for the balance of the year, then the projected increase over the budget may grow upwards to \$8 million. Staff continues to closely monitor fuel prices and is working on a fuel hedging strategy with the City of Toronto.

### Corporate Accounts

For the period ended June 30, 2011, Corporate Accounts reported a favourable net expenditure variance of 30.283 million under planned expenditures and is projected to have a favourable net expenditure variance of \$107.276 million at year-end, as shown in Table 9 below.

Table 9 Corporate Accounts Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Community Partnership and Investment Program	0.0	0.0
Capital & Corporate Financing	0.0	(6.4)
Non-Program Expenditures	3.9	2.9
Non-Program Revenues	(34.2)	(117.3)
<b>Total</b>	<b>(30.3)</b>	<b>(120.8)</b>

**Capital & Corporate Financing** is projected to be \$6.4 million under the 2011 Approved Net Operating Budget at year-end. Debt issuance for 2011 is behind schedule and interest rates are lower than budgeted.

**Non-Program Expenditures** is projected to be \$2.886 million over the 2011 Approved Net Operating Budget at year-end. The savings of \$3.009 million in the Vacancy Rebates based on a review of the pending vacancy rebate applications, savings of \$2.902 million in the Solid Waste Rebate Program due to a lower than budgeted number of households and multi-residential units being eligible for rebates, and under-spending of \$0.950 million related to other corporate expenditures are offset by an unfavourable variance of \$9.9 million in Tax Deficiencies primarily due to higher than budgeted assessment appeals and Tax Increment Equivalent Grants (TIEGS) including the Brownsfield Tax Cancellation program.

**Non-Program Revenues** realized a favourable variance of \$34.190 million or 5.5% above planned revenues for the period ended June 30, 2011; and it is projected that Non-Program Revenues will be \$117.310 million or 10.2% above the 2011 Approved Operating Budget at year-end due to \$79.5 million in Municipal Land Transfer Tax revenue in excess of the budget of \$220.5 million; \$22.285 million in Supplementary Taxes in excess of the budget of \$35.0 million; extra \$15.0 million in Interest/Investment Earnings due to a more robust cash flow during 2011 which allowed more funding being generated from short-term investments instead



of having to sell longer-term securities that are being held yielding at a high rate of return; \$3.417 million favourable budget variance in Payments In Lieu due to less appeals than budgeted; additional dividend income of \$3.063 million from Toronto Hydro; and savings of \$2.0 million expenditures in Personal Vehicle Tax (PVT) as the residual PVT revenues received during the first quarter will be enough to offset the required refund administration and provincial charges.

The favourable variances, as noted above, are partially offset by the loss of \$7.101 million Third Party Sign Tax (TPST) revenues because of the recent court ruling that the TPST is not applicable to all pre-existing Signs.

### Non Levy Operations

Table 10 Non Levy Operations Net Expenditure Variance (\$ Million)		
	Jun 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Solid Waste Management Services	2.7	(5.5)
Toronto Parking Authority	3.6	4.2
Toronto Water	7.1	9.0
Total	13.5	7.7

**Solid Waste Management Services (SWMS)** was over spent by \$2.741 million net or 30.3% of planned expenditures as of June 30, 2011. This was primarily the result of higher than budgeted gross expenditures of:

- \$1.3 million for salaries & benefits, specifically for modified duties and due to the need for temporary backfill of workers in order to support collection services;
- \$1.8 million for early posting of Green Lane debt charges;
- \$0.9 million in offsetting savings from lower interdepartmental charges for Revenue Services, PPFA and 311 due to the on-going hiring slow-down.

Actual positions were 1,448 compared to approved positions of 1,342 mainly being over-strength in temporary staff in order to maintain collection schedules. Year- to-date revenues were \$0.473 million under budget due to lower than estimated recoveries for waste services from ABCDs and Transportation Services based on waste volumes. This variance was partially offset by surplus revenue gained through the sale of used waste transfer trailers.

Year-end expenditures are projected to be under-spent by 0.6% or \$2.192 million attributable to the following:

- Lower costs of \$4.1million for contracted processing recyclables and of \$2.6 million for contracted collection due to lower tonnage;
- Lower costs of \$0.3 million for computers and equipment due to discretionary spending reductions;
- These lower expenditures will be partially offset by higher costs of \$4.9 million mainly attributable to higher salaries & benefits for staff on modified duties and the resultant temporary backfill of workers in collections.

Year-end revenues are projected to have a favourable variance of 1% or \$3.3 million due to:

- Increased revenue of \$3.4 million from sales of materials including recyclables and whitegoods;
- Surplus revenue of \$0.4 million from the sale of transfer trailers; and
- Offsetting lower revenue of \$0.5 million due to the Service Level Agreement with Transportation Services which budgeted the recovery of staff costs for litter crews used for winter maintenance. The interdepartmental charge for 2011 was subsequently reduced within Transportation Services resulting in an unbudgeted shortfall for SWMS.

As a result, Solid Waste Management Services is projecting a net surplus of \$5.526 million at year-end.

***Toronto Parking Authority*** reported an unfavourable net expenditure variance of \$3.631 million below budget for the six-month period ended June 30, 2011. The projected year-end net unfavourable variance is anticipated to be \$4.207 million or 7.5% below the 2011 Approved Operating Budget of \$56.403 million. The unfavourable net variance projection is primarily the result lower than anticipated revenues from parking activities and investment revenues of \$4.453 million or 3.5% which include a net revenue target of \$4.653 million approved as part of the 2011 operating budget process. Gross expenditures are tracking \$0.246 million or 0.3% below the 2011 Approved Operating Budget of \$70.895 million.

***Toronto Water*** is projecting that budgeted year-end water sales and sewer surcharges will not be achieved and are forecasted to be 2.1% or \$16.937 million below the 2011 Approved Operating Budget of \$820.920 million. The projected revenue loss reflects lower consumption arising from water efficiency. Water revenues will continue to be monitored with year-end projections updated based on rain fall and temperatures over the summer months. The forecasted year-end gross expenditures are expected to be \$7.889 million or 1.0% lower than the 2011 Approved Operating Budget of \$820.920 million. This decrease reflects savings from unfilled vacancies and savings in utility expenses based on efficiencies in the use of electricity. The contribution to capital is projected to be \$9.048 million or 2.1% below plan, largely representing gross expenditure savings that have been fully offset by anticipated revenue losses.