



City Budget 2012

Association of Community Centres Operating Budget Analyst Notes

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

2012 Operating Budget

2012 OPERATING BUDGET ANALYST BRIEFING NOTES

BUDGET COMMITTEE NOVEMBER 28, 2011

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PART I: RECOMMENDATIONS

2012 Recommended Operating Budget (In \$000s)

	2011		2012 Recommended Operating Budget			Change - 2012 Recommended Operating Budget v. 2011 Appwd. Budget		FY Incremental Outlook	
	2011 Appwd. Budget	2011 Projected Actual	2012 Rec. Base	2012 Rec. New/Enhanced	2012 Rec. Budget	\$	%	2013	2014
	\$	\$	\$	\$	\$	\$	%	\$	\$
GROSS EXP.	7,471.8	7,468.4	6,951.3	-	6,951.3	(520.5)	(7.0)	(0.7)	25.2
REVENUE	201.7	205.9	264.0	-	264.0	62.3	30.9	-	-
NET EXP.	7,270.1	7,262.5	6,687.3	-	6,687.3	(582.8)	(8.0)	(0.7)	25.2
Approved Positions	91.2	91.2	82.7	-	82.7	(8.5)	(9.3)	82.7	82.7

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 10% Reduction vs. 2012 Rec'd Reduction	Target %
2012 Reductions	(722.6)	(722.4)	(0.2)	10.0%

Recommendations

The City Manager and Chief Financial Officer recommend that:

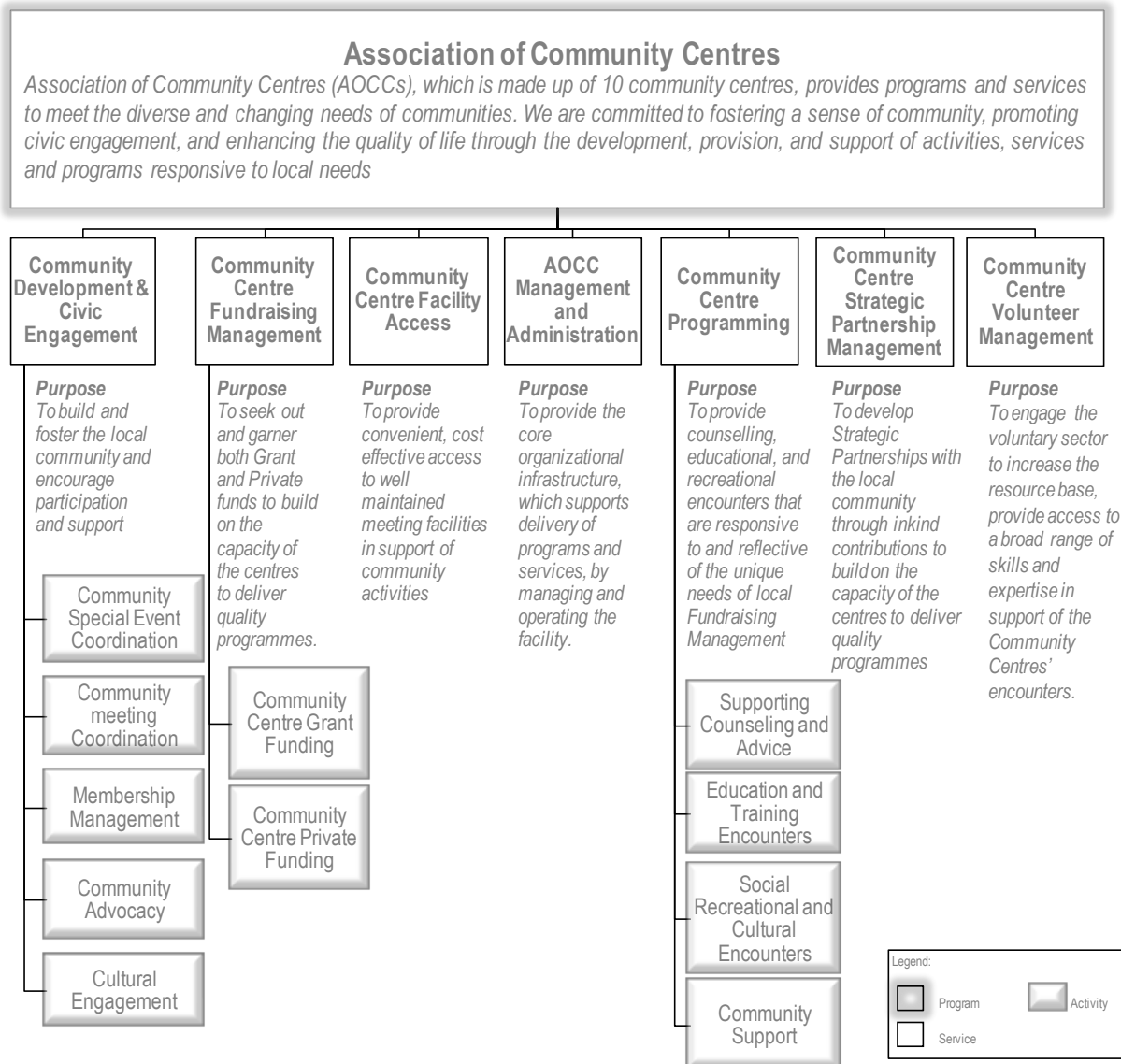
1. City Council approve the 2012 Recommended Operating Budget for the Association of Community Centres (AOCCs) of \$6.951 million gross and \$6.687 million net, comprised of the following services:

<u>Service(s)</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
519 Church Street Community Centre	1,145.8	1,145.8
Applegrove Community Complex	336.5	336.5
Cecil Community Centre	636.3	636.3
Central Eglinton Community Centre	552.2	552.2
Community Centre 55	674.1	674.1
Eastview Neighbourhood Community Centre	529.4	529.4
Harbourfront Community Centre	1,119.1	1,119.1
Ralph Thornton Centre	655.3	615.9
Scadding Court Community Centre	828.7	828.7
Swansea Town Hall	473.9	249.3
Total Program Budget	6,951.3	6,687.3

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

PART II: 2012 SERVICE OVERVIEW AND PLAN

Program Map and Service Profiles



Service Customer

- | | | |
|--|---|--|
| <p>Community Development and Civic Engagement</p> <ul style="list-style-type: none"> •Local Residents •Community Centre Members / Potential Members •Local BIAs <p>Community Centre Fundraising Management</p> <ul style="list-style-type: none"> •Other Orders of Government •Not for Profit Organizations •Corporations •Local Businesses <p>AOCC Management and Administration</p> <ul style="list-style-type: none"> •AOCC Service Providers •AOCC Volunteers •AOCC Partners •AOCC Funders | <p>Community Centre Volunteer Management</p> <ul style="list-style-type: none"> •Local volunteer community •Potential volunteers in the local community <p>Community Centre Programming</p> <ul style="list-style-type: none"> •Families and/or caregivers in local community •Infant to Preschool age children in local community •School age Children in local community •Youth in local community •Adult in local community •Older Adults / Seniors in local community •Community Associations / Chapters (ie Alanon, etc.) | <p>Community Centre Strategic Partnership Management</p> <ul style="list-style-type: none"> •Other Orders of Government •Not for Profit Organizations •Corporations •Local Businesses, Professionals, and Tradespersons <p>Community Centre Facility Access</p> <ul style="list-style-type: none"> •Local Community Groups •Faith Based Organizations •Not for Profit Agencies •Non Government Agencies •Provincial Governments •City of Toronto Government •Federal Government |
|--|---|--|

2012 Recommended Service Levels

Service Types

Service	Activity	Type
Community Neighbourhood and Civic Engagement	Community Meeting Coordination	Local Community / Neighbourhood Initiatives
		Intersectoral/ Networks/ Partnerships
	Community Advocacy (Civic Engagement)	Civic Engagement Community Education Forums
		Local All Candidate Meetings - Town Hall/Open Houses
	Community Special Events	Cultural, Recreational Events
		Community Outreach Events
		Educational Events
	Cultural Engagement Activities	A Cultural Drop-in Activity
		Arts Based Drop-ins/Events
	Membership Management	Membership Recruitment
Membership Retention		
Community Centre Programming	Social, Recreational and Cultural	Drop-in Encounter
		Registered Encounter
	Educational and Training	Workshops/ Training sessions
	Supportive Counselling and Advice	A support intervention
	Community Supports	Drop-in Food/Clothing Encounter
Community Engagement food initiatives		
Public Space and Facility Management		Dedicated Program and Community Meeting Space
		Facilities Operations
		Building Repairs and Maintenance
		Welcome Services and General Information
Community Centre Fundraising Management	Community Centre Grant Funding	Grants
	Community Centre Private Funding	Individual/Private Donor
		Public / Private Foundation
		Corporation / Business
		Special Events/Galas
		Productive/Social Enterprises
Program / Rental Fees		
Community Centre Public/Private Strategic Partnerships		Community Based
		Private/Corporate Partners
		City Partnerships
Community Centre Volunteer Engagement		Community Programs
		Private/Corporate Partnership
		Governance - Board and Board Committees
Community Centre Administration and Management		Financial Management
		Administration
		Resource Development Reporting Compliance
		Communications/Outreach/Promotions/Fundraising/Community Engagement/

The service types for the Centres are as shown on the previous page. The 2012 Recommended Operating Budget contains several service level changes, as shown on page 11. Work is currently underway to establish the AOCCs' service types and levels.

2012 Service Deliverables

The total 2012 Recommended Operating Budget of \$6.951 million gross and \$6.687 net provides AOCCs with administrative funding necessary to support the delivery of programs and services, respond to community requests and local needs, and improve quality of life. In addition, it also supports delivering services to vulnerable areas and at-risk youth.

Each Centre has a unique range of initiatives that the administrative funding in 2012 Recommended Operating Budget will make possible. These initiatives provide programs and services that reflect the unique needs of local communities by involving community members in the decision-making processes and develop partnership with local neighbourhoods and businesses to deliver quality community programs and opportunities. Examples of specific activities at a selection of the Centres include:

- The 519 Church Street Community Centre will provide over 13,000 hours of service and peer group support for Lesbian, Gay, Bisexual, Transgendered, Transsexual, Queer (LGBTQ) refugees fleeing countries that actively persecute, imprison and execute LGBTQ peoples;
- Provide 79 youth, ages 15 to 30, with opportunities for direct community employment, skill training, mentorship and volunteer opportunities through a variety of program activities at the Harbourfront Community Centre;
- Assist nearly 1,000 low income clients with 2010 tax returns through the Income Tax Clinic at Central Eglinton Community Centre;
- Continue to serve over 1,000 local families in the Family Resource Centre at Central Eglinton Community Centre;
- Assist nearly 900 low income families with toys and food during Christmas time at Community Centre 55;
- Provide over 1,200 children with educational and entertainment programs through the Summer Kids Series at Cecil Community Centre; and
- Serve over 2,200 individuals and provide work experience for 360 volunteers at Applegrove Community Complex.

PART III: RECOMMENDED BASE BUDGET

2012 Recommended Base Budget

(In \$000s)

(In \$000s)	2011 Appvd. Budget	2012 Recommended Base	Change 2012 Recommended Base v. 2011 Appvd. Budget		FY Incremental Outlook	
					2013	2014
	\$	\$	\$	%	\$	\$
GROSS EXP.	7,471.8	6,951.3	(520.5)	(7.0)	(0.7)	25.2
REVENUE	201.7	264.0	62.3	30.9		
NET EXP.	7,270.1	6,687.3	(582.8)	(8.0)	(0.7)	25.2
Approved Positions	91.2	82.7	(8.5)	(9.3)	82.7	82.7

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 1Rec'd Reduction vs. 2012 10% Reduction Target	Target %
2012 Reductions	(722.6)	(722.4)	(0.2)	10.0%

2012 Recommended Base Budget

- The 2012 Recommended Base Budget for the AOCCs of \$6.687 million net represents a \$0.583 million or 8.0% decrease compared to the 2011 Operating Budget of \$7.270 million.
- The 2012 Base Budget of \$6.687 million net includes Program budget reductions of \$0.722 million net, which is \$0.200 thousand in Program reductions below the AOCCs' 2012 reduction target of \$0.723 million net or 10.0% of the 2011 Approved Net Operating Budget.
- Recommended Service changes of \$0.722 million include base budget savings of \$0.119 million net, savings from efficiencies of \$0.131 million net, and savings from minor service impacts of \$0.472 million net.

- The 2012 Recommended Base Budget will result in the AOCCs reducing their total staff complement by 8.5 positions from the 2011 Approved Budget approved staff complement of 91.2 as shown in the chart below:

2012 Recommended Staff Complement – Base Budget Summary

Changes	Staff Complement
2011 Approved Positions	91.2
- 2011 In-year Adjustments	
2011 Approved Staff Complement	91.2
2012 Recommended Staff Complement Changes	
- 2012 Temporary Positions - Capital Project Delivery	
- 2012 Operating Impacts of completed Capital Projects	
- 2012 Service Changes	(8.5)
Total Recommended Positions	82.7

2012 Recommended Service Change Summary

(In \$000s)

Description	2012 Recommended Service Changes				Net Incremental Impact			
	Position Changes	Gross Expense	Net Expense	% of 2012 Budget Reduction Target	2013		2014	
	#	\$	\$	%	\$	# Pos.	\$	# Pos.
Base Changes:								
Base Expenditure Changes								
Reduction in Materials & Supplies and Services & Rents		(65.4)	(65.4)	(0.9%)				
Base Expenditure Changes		(65.4)	(65.4)	(0.9%)				
Base Revenue Changes								
Swansea Town Hall - Increase in Revenues		8.7	(53.6)	(0.7%)				
Base Revenue Changes		8.7	(53.6)	(0.7%)				
Sub-Total Base Budget Changes		(56.7)	(119.0)	(1.6%)				
Service Efficiencies								
Service Efficiencies	(0.7)	(131.4)	(131.4)	(1.8%)				
Sub-Total Service Efficiencies	(0.7)	(131.4)	(131.4)	(1.8%)				
Minor Service Impact:								
Service Changes	(7.8)	(472.0)	(472.0)	(6.5%)				
Sub-Total Minor Service Impacts	(7.8)	(472.0)	(472.0)	(6.5%)				
Major Service Impact:								
Sub-Total Major Service Impacts				0.0%				
Total Service Changes	(8.5)	(660.1)	(722.4)	(10.0%)				

2012 Recommended Service Changes

- The 2012 service changes consist of base budget changes, base revenue changes, service efficiencies and minor service impacts that total \$0.722 million net.

Base Expenditure Changes *(savings of \$0.065 million gross and net)*

Reductions in Materials & Supplies and Services & Rents

- The Centres have reduced their Materials & Supplies and Services & Rents budgets based on actual expenditures in previous years, resulting in \$0.065 million of base expenditure savings

Base Revenue Changes *(savings of \$0.009 million gross and (\$0.054 million) net)*

Swansea Town Hall – Increase in Revenues

- 2012 revenue for Swansea Town Hall is being increased by \$0.054 million, that comprise the following: an increase in volume for rentals (\$0.010 million), new recovery of utility and maintenance costs from a Toronto Public Health Dental Clinic tenant located on Swansea's premises (\$0.016 million), and an increase in space use revenues with a new day care centre to be located at the facility (\$0.027 million).

Service Efficiencies *(savings of \$0.131 million gross and net)*

Service Efficiencies

- Savings totalling \$0.131 million and the reduction of 0.7 positions are recommended for 2012. (Please see Confidential Attachment 1 under separate cover).

Minor Service Impacts *(savings of \$0.472 million gross and net)*

Service Changes

- Savings totalling \$0.472 million and 7.8 positions are recommended for 2012. (Please see Confidential Attachment 1 under separate cover).

2013 and 2014 Outlook:

- Approval of the 2012 Base Budget for the Association of Community Centres will result in incremental costs of \$(0.700 thousand) and \$0.025 million in 2013 and 2014 respectively to maintain the 2012 level of service. Future year costs are primarily attributable to the following:
 - For 2013, the incremental expenditures are forecasted to be (\$0.700 thousand). The 2013 Outlook includes \$36.000 thousand for OMERS rate increases, step, progression and fringe benefit increases, offset by the reversal of one-time employee payouts of \$36.700 thousand.
 - For 2014, the incremental expenditures are projected to be \$0.025 million. The 2014 Outlook includes OMERS rate increases, step, progression and fringe benefit increases.

Part V: ISSUES FOR DISCUSSION

2012 and Future Year Issues

2012 Issues

- 2011 Recommended Operating Budget vs. Guideline
- The Association of Community Centres' 2012 Recommended Operating Budget of \$6.687 million net, represents a decrease of 8.0% or \$0.583 million below the 2011 Approved Operating Budget. Below is a table summarizing the 2012 Recommended Operating Budget for each Centre in comparison to the 2011 Approved Operating Budget:

amounts in \$'000s

Centre	2011 Approved Operating Budget (Net)	2012 Recommended Operating Budget (net)	2012 Recommended Operating Budget (net) vs. 2011 Approved Operating Budget (net)		Reduction Achieved %
			\$	%	
519 Church Street Community Centre	1,256.1	1,145.8	(110.3)	(8.8%)	8.4%
Applegrove Community Complex	375.1	336.5	(38.6)	(10.3%)	11.6%
Community Centre 55	718.7	674.1	(44.6)	(6.2%)	10.1%
Cecil Community Centre	685.6	636.3	(49.3)	(7.2%)	10.1%
Central Eglinton Community Centre	605.8	552.2	(53.6)	(8.8%)	8.5%
Eastview Neighbourhood Community Centre	551.8	529.4	(22.4)	(4.1%)	12.2%
Harbourfront Community Centre	1,231.5	1,119.1	(112.4)	(9.1%)	10.2%
Ralph Thornton Centre	663.4	615.9	(47.5)	(7.2%)	9.9%
Scadding Court Community Centre	885.0	828.7	(56.3)	(6.4%)	8.0%
Swansea Town Hall	297.2	249.3	(47.9)	(16.1%)	18.6%
TOTAL	7,270.2	6,687.4	(582.8)	(8.0%)	10.0%

- Achieving a budget reduction of 10% (or a reduction of \$0.723 million) is difficult for AOCCs without impacting core service program delivery and overall public service. Budget pressures in 2012 are mainly a result of increased staffing costs, which are not directly controlled by the Centres. However, as shown in the above table, most Centres have reduced base expenditures resulting in savings necessary to achieve overall budget reductions of 8%. Any additional reductions would be derived from further Centre closures and/or staff eliminations, which would greatly impact service delivery and the Centre's ability to meet community needs.
- The key issue for the AOCCs in 2012 and in the future, is their ability to continue maintaining the level of service and performance in the face of increasing expectations and demand for service. The City funds 100% of the Centres' Core Administrations costs or approximately 50% of the total AOCC Operating Budget with the remaining funding coming from a combination of City and non-City grants and user fees.
- The AOCCs have thus far, managed to maintain the current level of programming and activities through fundraising, staff training, and networking with other organizations,

however, this has presented an on-going challenge to meet their expectations without an increase in staffing and budget resources where required. Third party funding to the Community Centres is unpredictable, making planning for a 3-year horizon difficult.

- The demand for resources required to achieve program goals and provide the same level of service as in past years presents challenges and opportunities that need to be addressed in light of the 2012 and future year budget targets which will result in providing funding that does not adequately cover key base budget pressures.

Core Service Review

On September 26, 27, 2011 City Council adopted a report from the City Manager with his recommendations that addressed the results of the detailed Core Service review conducted by KPMG. Council approved specific recommendations regarding LTCHS and service levels; namely:

- Refer the following KPMG opportunities to the City Manager for inclusion in broader service, organizational studies to be reported to Standing Committees and Council as required:
 1. 8P – Community Centres (Directly Operated and Board Operated): Consider examining the existing business and governance models currently in place at all community centres (internally operated and association operated).

Status:

- In 2003, City Council approved the Governance Review of Community Centres (AOCCs) and directed staff to develop operating principles and guidelines in consultation with the AOCC Boards that is consistent with the form and content of frameworks under development for all City agencies. The Relationship Framework for Community Centres (AOCCs) was developed with input from the Executive Directors of Community Centres, Boards of Management and applicable internal divisions of the City of Toronto. As part of the 2011 Approved Operating Budget, it was recommended that the 2003 Governance Review of Community Centres be reviewed.
- A governance review is currently underway by the City Manager's Office and the Director of SDF&A. The initial phase of this review is to conduct a review of administrative services and determine if the centres could benefit by sharing services or centralizing certain functions. The second phase will review overall governance and services provided by the 10 centres. The outcome of the review will be reported to the Community Development and Recreation Committee on the recommended changes in 2012.

Appendix 1

2011 Performance

2011 Key Accomplishments:

In 2011, the AOCCs achieved the following results:

- The AOCCs sponsored various large public community events and educational activities that raised awareness of the issues impacting communities and celebrated the diversity of neighbourhoods including events such as Black History Month, Earth Day, Eid, Diwali, Chanukah and Christmas and LGBTQ Pride Celebrations.
- The 519 Street Community Centre worked together with the local BIA and Parks, Forestry and Recreation to deliver more than 20 neighbourhood-led community events in Cawthra Square Park including movie nights, yoga, concerts and pride events which brought over 40,000 people into our neighbourhood park to meet, participate and celebrate. They also served an additional 30,000 meals (33% increase from 2010) in their community programs for seniors, youth and homeless, under-housed members.
- Applegrove Community Complex increased its After-School programs by 25% and the number of visits to the Centre by 10% from 33,549 visits in 2010 to a projected number of 39,533 in 2011.
- Community Centre 55 organized a Christmas parade with over 12,000 attendees, and had over 1,000 children attend their summer camp.
- Cecil Community Centre's Sunday's Children's Program saw an increase of over 15% in children attending the craft and drop-in program. Cecil's partnership project with Service Canada brought multilingual counsellors (mainly Cantonese, Mandarin & English-speaking) into the Centre to offer information and support services directly to the public. The level of services provided this past year increased by over 40%.
- Central Eglinton Community Centre worked with community Income Tax Clinic volunteers to help low-income families and increased the number of income tax returns by volunteers from 1,014 in 2010 to 1,148 in 2011, an increase of 13%.
- Eastview Neighbourhood Community Centre provided enriching after-school, evening and summer Boys and Girls Clubs programs daily for 890 children aged 6 to 12 years, and 997 youth aged 13-17 years.
- Harbourfront Community Centre offered new skills training to 15,118 individuals including 3,249 participants who engaged in food access programming which involved food preparation in their kitchens and participated in gardening activities at their Community Connect Gardens. They also partnered with 255 funders, donors and

supporters in providing 390 individual programs, attracting 346,160 diverse resident visits from across Toronto.

- The Ralph Thornton Centre marked its 30th anniversary in 2011, with over 600 community residents coming out to celebrate the accomplishments of the Centre. There were 1,300 visits per month at the Centre's Computer Resource Centre to receive job search support and assistance.
- Scadding Court Community Centre presented 40 accomplished high school graduates received a total of \$110,000 at the 10th anniversary of the Investing in our Diversity Scholarship, co-presented by SCCC and TCHC. SCCC also launched its economic development initiative, the Live Local Marketplace. Shipping containers have been retrofitted into 11 year-round vending stalls that form entrepreneurial employment opportunities for start-up or experimental businesses at very low overhead cost.
- Swansea Town Hall entered into an agreement with a new daycare located on their premises for up to 28 children. Swansea has also increased utilization of their Centre by 30%.
- There were over 6,400 community volunteers participating in ensuring that AOCCs provide a welcoming accessible space for the community.

2011 Budget Variance Analysis

2011 Budget Variance Review

(In\$000s)

(In \$000s)	2009 Actuals	2010 Projected*	2011 Approved Budget	2011 Projected Actuals*	2011 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	\$	%
GROSS EXP.	7,387.4	7,555.2	7,427.4	7,468.4	41.0	0.6
REVENUES	228.7	223.3	201.7	205.9	4.2	2.1
NET EXP.	7,158.7	7,331.9	7,225.7	7,262.5	36.8	0.5
Approved Positions	91.2	91.2	91.2	91.2	-	-

* Based on draft 2010 audited Financial Statements

** 2011 Projected Actuals based on 9 month Year-End Projections

2011 Experience

- As of September 30, 2011 the Association of Community Centres is projecting a year-end net unfavourable variance of \$0.037 million.
 - Year-end expenditures are projected to be \$0.037 million or 0.5% higher than budgeted. The projected increase in expenditures of \$0.041 million is partially offset by a project year-end favourable variance in revenues of \$0.004 million or 2.1% primarily due to increased room rental revenue at Swansea Town Hall.

Impact of 2011 Operating Variance on the 2012 Recommended Budget

- There is no impact of the 2011 Operating Variance on the 2012 Recommended Operating Budget.

Appendix 2

2012 Recommended Operating Budget by Expenditure Category and Key Cost Drivers

Program Summary by Expenditure Category

(In \$000s)

Category of Expense	2009 Actual	2010 Projected*	2011 Budget	2011 Projected Actual **	2012 Recommended Budget	2012 Change from 2011 Approved Budget		2013 Outlook	2014 Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	6,112.4	5,127.9	6,412.6	6,412.6	5,924.2	(488.5)	(7.6%)	5,921.7	5,945.1
Materials and Supplies	526.5	1,229.3	514.6	514.6	497.3	(17.3)	(3.4%)	499.1	500.9
Equipment	4.0	489.6	4.0	4.0	4.0	(0.0)	(0.2%)	4.0	4.0
Services & Rents	737.0	704.6	508.3	504.9	485.0	(23.3)	(4.6%)	485.0	485.0
Contributions to Capital									
Contributions to Reserve/Res Funds	7.5		25.1	25.1	25.0	(0.1)	(0.4%)	25.0	25.0
Other Expenditures		3.7	7.1	7.1	15.8	8.7	122.5%	15.8	15.8
Interdivisional Charges									
TOTAL GROSS EXPENDITURES	7,387.4	7,555.2	7,471.8	7,468.3	6,951.3	(520.5)	(6.9%)	6,950.6	6,975.9
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations	220.1	214.0	192.4	196.6	254.7	62.3	32.4%	254.7	254.7
Transfers from Capital Fund									
Contribution from Reserve Funds									
Contribution from Reserve									
Sundry Revenues	8.6	9.3	9.3	9.3	9.3			9.3	9.3
TOTAL REVENUE	228.7	223.3	201.7	205.9	264.0	62.3	27.9%	264.0	264.0
TOTAL NET EXPENDITURES	7,158.7	7,331.9	7,270.1	7,262.4	6,687.3	(582.8)	(34.8%)	6,686.6	6,711.9
APPROVED POSITIONS	91.2	91.2	91.2	91.2	82.7	(8.5)	(9.3%)	82.7	82.7

* Based on draft 2010 audited Financial Statements

** 2011 Projected Actuals based on 9 month Year-End Projections

2012 Key Cost Drivers

- Salaries and Benefits are the largest expenditures category and account for 85% of the total expenditures, followed by Materials and Supplies at 7% and Services and Rents at 7%
- The 2012 budget for Salaries and Benefits of \$5.924 million is \$0.489 million or 7.6% lower than the 2011 Operating Budget due to initiatives such as Service Efficiencies,

Realignment of Management Positions, and reductions due to Centre operating hour reductions

- The 2012 budget for Materials and Supplies is \$0.017 million or 3.4% lower than the 2011 budget. This is mainly attributable to the Centres undertaking Service Efficiencies.
- The 2012 budget for Services and Rents is \$0.023 million or 4.6% lower than the 2011 budget. This is mainly attributable to the Centres undertaking Service Efficiencies.

Appendix 3

Summary of 2012 Recommended Service Changes