



## STAFF REPORT ACTION REQUIRED

### Operating Variance Report for the Nine-month Period Ended September 30, 2011

<b>Date:</b>	December 9, 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:\2012\InternalServices\FP\Bc12005Fp (AFS #14253)

#### SUMMARY

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The purpose of this report is to provide Council with the City of Toronto Operating Variance for the nine-month period ended September 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 \$0.307 million gross and \$0 net to the 2011 Toronto Public Health's Operating Budget to reflect confirmed funding from various Provincial ministries and external sources which are less than initially approved by Council on February 23 and 24, 2011.
2. 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, the net expenditures of Tax Supported Operations were under budget by \$135.550 million or 5.3% for the 9-month period ended September 30, 2011 and project a 2011 year-end operating surplus of \$154.044 million or 4.3% of the 2011 Approved Net Operating Budget.

<b>Table 1</b>		
<b>Net Expenditure Variance (\$ Millions)</b>		
	YTD Sep 2011	Projected Y/E 2011
	Over/(Under)	Over/(Under)
Citizen Centred Services "A"	(9.0)	(15.5)
Citizen Centred Services "B"	(4.6)	(4.3)
Internal Services	(8.1)	(7.4)
City Manager	(3.2)	(3.3)
Other City Programs	(2.7)	(1.8)
Council Appointed Programs	(0.5)	(0.4)
<b>Total - City Operations</b>	<b>(28.1)</b>	<b>(32.6)</b>
Agencies	(30.8)	(16.2)
Corporate Accounts	(76.7)	(105.2)
<b>Sub-Total</b>	<b>(107.4)</b>	<b>(121.4)</b>
<b>Total Variance</b>	<b>(135.6)</b>	<b>(154.0)</b>

It is noted that the projected year-end operating surplus of \$154.044 million includes the financial impact of the Voluntary Separation Program (VSP) on the 2011 Operating Budget. The review and analysis of VSP applications for City Operations have just been completed and the review for Toronto Public Library is still underway. The estimated VSP payouts are close to \$20.0 million. The final VSP payout costs will be reported in the year-end operating variance report after all approved applications are processed.

Collectively, Rate Supported Programs were over budget in YTD September by \$12.146 million or 17.5% and projections to year-end indicate that they will be underspent by \$15.294 million or 27.1% of the 2011 Approved Net Operating Budget.

Staff will be reporting out the final surplus amount for 2011 once the 2011 financial statement audit is complete and reported out to Audit Committee in July, at that time, staff will recommend that the surplus be distributed in accordance with the policy approved by Council in 2004 which states that the surplus be applied in priority order to:

- a) Capital Financing Reserve (at least 75% of the surplus) and,
- b) the remainder to fund any underfunded liabilities and/or reserve funds as determined by the Deputy City Manager and Chief Financial Officer.

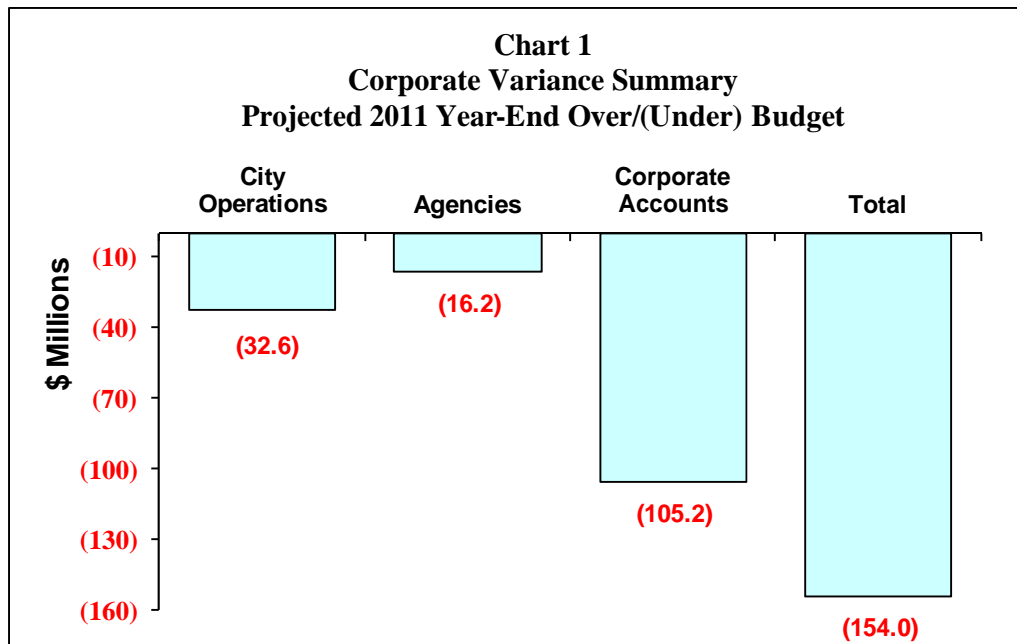
Should the final surplus remain at \$154.044 million, staff would recommend that \$115.5 million be applied to the capital financing reserve as part of the \$700 million in additional financing required in the 2012 to 2021 Capital Budget and Plan. The remaining \$38.544 million would be split between topping up the Tax Rate Stabilization Reserve to 1% of the property tax base (as per Council’s policy established in 2000) and to fund other reserves in need of replenishment which include the Employee Benefit Liability Reserve and the Extreme Weather Reserve. This strategy will ensure that the capital program is properly funded, reduce debt charge increases and protect the City against adverse economic and environmental risks.

Appendices A, B, and C attached summarize net expenditures, gross expenditures, and revenues, respectively and Appendix E provides detailed variance explanations for the nine months ended September 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 \$28.130 million or 2.1% for the nine months ended September 30, 2011 and project a favourable net expenditure variance at year-end of \$32.603 million or 1.8% under the 2011 Approved Net Operating Budget.

The favourable variance is primarily attributed to continuation of the City Manager's hiring slow-down initiative; prudent expenditure controls, under-expenditures in winter maintenance contracts subject to the weather conditions in winter season, lower social assistance costs due to case mix (higher proportion of singles as compared to families), and the additional subsidy resulting from the revised Ontario Works funding model implemented by the Province effective April 1, 2011. The above favourable variance is partially offset by the following:

- Funding shortfall 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 \$1.998 million.
- Overspending of \$3.681 million in Fire Services primarily due to higher than expected fringe benefits and revenue shortfall for chargeable false alarms and elevator/vehicle response fees.

**Agencies** collectively project a year-end favourable net expenditure variance of \$16.225 million or 1.0% under the 2011 Approved Net Operating Budget. Toronto Transit Commission and Wheel-Trans combined net expenditure will be \$13.822 million under budget at year-end. This favourable variance reflects the projected ridership level of 499 million as compared to the budget of 487 million. Also, Toronto Public Health is projecting under spending of \$1.8 million in salaries and benefits by as a result of hiring slow-down.

**Corporate Accounts** had a favourable net variance of \$76.655 million for the nine months ended September 30, 2011. Projections to year-end indicate a favourable variance of \$105.217 million of the 2011 Approved Net Operating Net Budget.

The favourable variances are primarily due to \$96.5 million in Municipal Land Transfer Tax (MLTT) revenue in excess of \$220.5 million; \$30.617 million in supplementary Taxes in excess of the budget of \$35.0 million and an additional \$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.

<b>\$ Million</b>	<b>Actual vs Budget (Favourable)/Unfavourable</b>
Municipal Land Transfer Tax	(96)
Supplementary Taxes	(31)
Interest/Investment Earnings	(15)
Debt Charges	(6)
Street & Expressway Lighting Services	(4)
Payments in Lieu of Taxes	(3)
Toronto Hydro Revenues	(3)
Vacancy Rebate Program	(3)
Solid Waste Management Rebates	(3)
Personal Vehicle Tax	(2)
Tax Deficiencies/Write-offs	32
Other Corporate Expenditures - VSP	19
Third Party Sign Tax	7
Parking Authority Revenues	3
	(105)

### Budget Adjustments

#### **Toronto Public Health**

Council's approval is required to decrease the Toronto Public Health (TPH) 2011 Approved Operating Budget by \$0.307 million gross and \$0 net to reflect the 2011 confirmed funding for fully funded programs from various Provincial Ministries and external sources. Funding confirmation was received after the approval of TPH's 2011 Operating Budget by City Council on February 23, and 24, 2011. The TPH's 2011 Approved Operating Budget currently includes estimates for these programs based on the 2010 approved funding agreements. The table below summarizes the required budget adjustments in 2011.

<b>Toronto Public Health - Confirmed 2011 Funding (\$000)</b>				
<b>Program</b>	<b>Positions</b>	<b>2011 Financial Impact</b>		
		<b>Gross</b>	<b>Revenue</b>	<b>Net</b>
Smoke Free Ontario		101.5	101.5	0.0
Safe Water		100.0	100.0	0.0
Best Practice Continuous Quality Improvement		52.9	52.9	0.0
Diabetes Strategy		(94.4)	(94.4)	0.0
Healthy Babies/Healthy Children		(179.5)	(179.5)	0.0
MOH/AMOH Compensation		(287.9)	(287.9)	0.0
<b>Total</b>		<b>(307.4)</b>	<b>(307.4)</b>	<b>0.0</b>

### Utility Costs

As at September 30, 2011, Tax and Rate supported operations reported actual utility costs of \$121.745 million gross (compared to the planned expenditures of \$136.167 million gross) with a favourable variance of \$14.423 million gross or 10.6%. The under-expenditure in utility costs was primarily the result of lower than planned consumption and rate.

### Consulting Costs

The 2011 budget for consulting costs was \$5.818 million gross and the reported City's actual consulting costs totalled \$4.934 million gross resulting in a favourable variance of \$0.884 million gross or 15.2% as at September 30, 2011.

### Approved Positions

The City of Toronto budgets and monitors its staff complement based on Approved Positions. As at September 30, 2011, the City reported 45,826.6 full-time approved positions (43,004.3 permanent and 2,822.3 casual/seasonal) and 4,183.3 part-time approved positions (1,655.6 permanent and 2,527.7 casual/seasonal). This reflects a decrease of 1,778.7 positions or 3.4% from the 2011 Council Approved Positions and is primarily attributed to delays in filling vacant positions and seasonal fluctuations within City Programs and Agencies.

## **CONTACT**

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## **SIGNATURE**

Cam Weldon  
Deputy City Manager and Chief Financial Officer

## **ATTACHMENTS**

Appendix A – City of Toronto Net Expenditures for Nine Months Ended Sept 30, 2011

Appendix B – City of Toronto Gross Expenditures for Nine Months Ended Sept 30, 2011

Appendix C – City of Toronto Revenues for Nine Months Ended Sept 30, 2011

Appendix D – City of Toronto Budget Adjustments for Nine Months Ended Sept 30, 2011

Appendix E – City of Toronto Significant City Programs/Agencies Variance Explanations







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

	September 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	1,242.4	1,188.6	(53.8)	-4.3%	1,278.7	1,219.0	(59.7)	-4.7%
Children's Services	63,494.3	63,494.3	0.0	0.0%	74,272.7	74,272.6	(0.0)	0.0%
Court Services	(10,359.6)	(4,347.8)	6,011.8	-58.0%	(12,136.6)	(13,108.8)	(972.2)	8.0%
Economic Development & Culture	18,113.0	18,231.0	118.0	0.7%	26,031.1	25,831.1	(200.0)	-0.8%
Emergency Medical Services	43,074.3	43,752.4	678.1	1.6%	66,151.6	68,149.3	1,997.7	3.0%
Long Term Care Homes and Services	30,780.4	29,624.2	(1,156.2)	-3.8%	46,781.0	44,681.0	(2,100.0)	-4.5%
Parks, Forestry & Recreation	204,196.4	197,672.1	(6,524.3)	-3.2%	274,997.6	269,997.6	(5,000.0)	-1.8%
Shelter, Support & Housing Administration	196,879.8	193,940.7	(2,939.1)	-1.5%	292,419.2	290,841.4	(1,577.8)	-0.5%
Social Development, Finance & Administration	9,475.3	9,413.9	(61.4)	-0.6%	12,911.7	12,823.3	(88.4)	-0.7%
Toronto Employment & Social Services	146,069.6	141,694.6	(4,375.0)	-3.0%	200,674.9	194,014.4	(6,660.5)	-3.3%
311 Customer Service Strategy	6,746.3	6,040.1	(706.2)	-10.5%	9,637.6	8,803.6	(834.0)	-8.7%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>709,712.2</b>	<b>700,704.1</b>	<b>(9,008.1)</b>	<b>-1.3%</b>	<b>993,019.5</b>	<b>977,524.5</b>	<b>(15,495.0)</b>	<b>-1.6%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	8,661.8	8,406.8	(255.0)	-2.9%	12,614.8	12,215.1	(399.7)	-3.2%
Fire Services	267,538.8	269,454.2	1,915.4	0.7%	355,823.9	359,505.2	3,681.3	1.0%
Municipal Licensing & Standards	14,609.4	13,512.3	(1,097.1)	-7.5%	21,506.8	20,944.5	(562.3)	-2.6%
Policy, Planning, Finance and Administration	7,977.6	7,024.2	(953.4)	-12.0%	11,307.1	9,942.6	(1,364.5)	-12.1%
Technical Services	9,176.3	9,939.4	763.1	8.3%	10,500.4	10,471.4	(29.0)	-0.3%
Toronto Building	(6,717.5)	(11,658.0)	(4,940.5)	73.5%	(10,731.3)	(10,731.4)	(0.0)	0.0%
Toronto Environment Office	2,289.7	2,024.7	(265.0)	-11.6%	3,214.2	3,054.2	(160.0)	-5.0%
Transportation Services	144,607.5	144,936.0	328.5	0.2%	173,769.1	168,460.1	(5,309.0)	-3.1%
Waterfront Secretariat	659.2	578.0	(81.2)	-12.3%	931.6	781.6	(150.0)	-16.1%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>448,802.8</b>	<b>444,217.6</b>	<b>(4,585.2)</b>	<b>-1.0%</b>	<b>578,936.7</b>	<b>574,643.4</b>	<b>(4,293.3)</b>	<b>-0.7%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	6,508.3	6,178.5	(329.8)	-5.1%	9,170.5	8,800.2	(370.3)	-4.0%
Office of the Treasurer	20,753.4	18,968.5	(1,784.9)	-8.6%	30,190.0	27,764.0	(2,426.0)	-8.0%
Facilities Management & Real Estate	38,869.5	35,115.7	(3,753.8)	-9.7%	54,242.9	52,715.1	(1,527.8)	-2.8%
Fleet Services	(2,344.4)	(2,200.2)	144.2	-6.2%	31.1	(139.8)	(170.9)	-550.0%
Information & Technology	59,520.5	57,132.2	(2,388.3)	-4.0%	67,455.9	64,543.5	(2,912.4)	-4.3%
<b>Sub-Total Internal Services</b>	<b>123,307.3</b>	<b>115,194.7</b>	<b>(8,112.6)</b>	<b>-6.6%</b>	<b>161,090.3</b>	<b>153,683.0</b>	<b>(7,407.3)</b>	<b>-4.6%</b>
<b>City Manager</b>								
City Manager's Office	27,607.6	24,366.3	(3,241.3)	-11.7%	36,810.1	33,539.3	(3,270.8)	-8.9%
<b>Sub-Total City Manager</b>	<b>27,607.6</b>	<b>24,366.3</b>	<b>(3,241.3)</b>	<b>-11.7%</b>	<b>36,810.1</b>	<b>33,539.3</b>	<b>(3,270.8)</b>	<b>-8.9%</b>
<b>Other City Programs</b>								
City Clerk's Office	22,642.5	22,770.3	127.8	0.6%	30,564.4	30,264.4	(300.0)	-1.0%
Legal Services	14,665.3	13,387.2	(1,278.1)	-8.7%	19,553.7	19,351.9	(201.8)	-1.0%
Mayor's Office	1,459.0	1,144.5	(314.5)	-21.6%	2,011.1	1,696.1	(315.0)	-15.7%
City Council	14,065.7	12,857.8	(1,207.9)	-8.6%	19,145.3	18,192.7	(952.6)	-5.0%
<b>Sub-Total Other City Programs</b>	<b>52,832.5</b>	<b>50,159.8</b>	<b>(2,672.7)</b>	<b>-5.1%</b>	<b>71,274.4</b>	<b>69,505.1</b>	<b>(1,769.3)</b>	<b>-2.5%</b>
<b>Accountability Offices</b>								
Auditor General's Office	3,002.4	2,757.7	(244.7)	-8.2%	4,271.3	4,175.2	(96.1)	-2.2%
Integrity Commissioner's Office	147.3	136.6	(10.7)	-7.3%	202.0	202.0	(0.0)	0.0%
Lobbyist Registrar's Office	749.0	495.8	(253.2)	-33.8%	1,039.0	768.0	(271.0)	-26.1%
Ombudsman's Office	1,019.3	1,017.8	(1.5)	-0.1%	1,409.6	1,409.6	0.0	0.0%
<b>Sub-Total Council Appointed Programs</b>	<b>4,918.0</b>	<b>4,407.9</b>	<b>(510.1)</b>	<b>-10.4%</b>	<b>6,921.9</b>	<b>6,554.8</b>	<b>(367.1)</b>	<b>-5.3%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>1,367,180.4</b>	<b>1,339,050.4</b>	<b>(28,130.0)</b>	<b>-2.1%</b>	<b>1,848,052.9</b>	<b>1,815,450.1</b>	<b>(32,602.8)</b>	<b>-1.8%</b>





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

	September 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	31,678.7	30,291.9	(1,386.8)	-4.4%	44,777.2	42,977.2	(1,800.0)	-4.0%
Toronto Public Library	122,913.4	122,662.8	(250.6)	-0.2%	170,797.9	170,647.7	(150.2)	-0.1%
Association of Community Centres	5,452.6	5,305.8	(146.8)	-2.7%	7,270.1	7,262.5	(7.6)	-0.1%
Exhibition Place	(116.0)	(551.2)	(435.2)	375.2%	46.7	(508.3)	(555.0)	-1187.4%
Heritage Toronto	346.4	259.6	(86.8)	-25.1%	346.4	346.4	(0.0)	0.0%
Theatres	3,068.5	3,326.1	257.6	8.4%	3,300.5	4,215.3	914.8	27.7%
Toronto Zoo	5,290.7	6,327.5	1,036.8	19.6%	11,577.5	12,472.9	895.4	7.7%
Arena Boards of Management	(3.9)	56.4	60.3	-1546.2%	(5.3)	(5.5)	(0.2)	3.5%
Yonge Dundas Square	386.5	170.1	(216.4)	-56.0%	515.3	416.0	(99.3)	-19.3%
Toronto & Region Conservation Authority	2,578.5	2,578.5	0.0	0.0%	3,206.4	3,206.4	0.0	0.0%
Toronto Transit Commission - Conventional	321,149.0	295,120.0	(26,029.0)	-8.1%	429,111.0	416,603.0	(12,508.0)	-2.9%
Toronto Transit Commission - Wheel Trans	68,284.1	66,665.9	(1,618.2)	-2.4%	91,011.5	89,697.0	(1,314.5)	-1.4%
Toronto Police Service	664,496.4	662,546.4	(1,950.0)	-0.3%	929,490.1	927,890.1	(1,600.0)	-0.2%
Toronto Police Services Board	1,202.0	1,202.0	0.0	0.0%	2,351.8	2,351.8	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>1,226,726.9</b>	<b>1,195,961.8</b>	<b>(30,765.1)</b>	<b>-2.5%</b>	<b>1,693,797.2</b>	<b>1,677,572.5</b>	<b>(16,224.7)</b>	<b>-1.0%</b>
<b>Corporate Accounts</b>								
Community Partnership and Investment Program	42,876.4	42,876.4	0.0	0.0%	47,197.1	47,197.1	0.0	0.0%
Capital & Corporate Financing	456,861.8	456,861.8	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	104,642.8	31,642.8	43.3%
- Assessment Function (MPAC)	27,450.0	27,445.6	(4.4)	0.0%	36,600.0	36,594.1	(5.9)	0.0%
- Temporary Borrowing	37.5	0.0	(37.5)	-100.0%	50.0	0.0	(50.0)	-100.0%
- Funding of Employee Related Liabilities	35,600.5	35,600.5	0.0	0.0%	47,467.3	47,467.3	0.0	0.0%
- Contingency	0.0	0.5	0.5	n/a	0.0	0.5	0.5	n/a
- Other Corporate Expenditures	49,795.4	49,083.1	(712.3)	-1.4%	66,393.8	85,430.4	19,036.5	28.7%
- Insurance Premiums & Claims	225.0	225.0	0.0	0.0%	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	35,870.0	35,772.5	(97.5)	-0.3%	56,068.5	56,851.7	783.2	1.4%
- Vacancy Rebate Program	17,595.0	16,424.9	(1,170.1)	-6.7%	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	116,359.5	114,881.2	(1,478.3)	-1.3%	182,391.9	179,490.0	(2,901.9)	-1.6%
- Street & Expressway Lighting Services	32,549.0	29,879.0	(2,670.0)	-8.2%	42,518.7	38,958.7	(3,560.0)	-8.4%
- Pandemic Influenza Stockpiling	3.7	3.7	0.0	0.0%	1,880.0	1,880.0	0.0	0.0%
<b>Non-Program Expenditures</b>	<b>349,635.5</b>	<b>343,461.0</b>	<b>(6,174.6)</b>	<b>-1.8%</b>	<b>532,130.3</b>	<b>574,066.7</b>	<b>41,936.4</b>	<b>7.9%</b>
<b>Non-Program Revenue</b>								
- Payments in Lieu of Taxes	(91,781.2)	(91,786.2)	(5.0)	0.0%	(91,781.2)	(95,198.0)	(3,416.8)	3.7%
- Supplementary Taxes	(17,849.9)	(36,885.3)	(19,035.4)	106.6%	(35,000.0)	(65,617.4)	(30,617.4)	87.5%
- Tax Penalties	(23,396.7)	(23,227.9)	168.8	-0.7%	(30,000.0)	(30,000.0)	0.0	0.0%
- Interest/Investment Earnings	(78,793.6)	(78,793.6)	0.0	0.0%	(105,058.2)	(120,058.2)	(15,000.0)	14.3%
- Prior Year Surplus	(259,148.5)	(259,148.5)	0.0	0.0%	(345,531.3)	(345,531.3)	0.0	0.0%
- Other Corporate Revenues	(3,223.4)	(2,924.2)	299.2	-9.3%	(7,623.6)	(7,598.1)	25.5	-0.3%
- Toronto Hydro Revenues	(22,500.0)	(20,062.5)	2,437.5	-10.8%	(30,000.0)	(33,062.5)	(3,062.5)	10.2%
- Provincial Revenue	(68,700.0)	(68,700.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
- Municipal Land Transfer Tax	(175,397.7)	(236,213.2)	(60,815.5)	34.7%	(220,500.0)	(317,000.0)	(96,500.0)	43.8%
- 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	(6,592.8)	(281.1)	6,311.7	-95.7%	(8,790.4)	(1,689.1)	7,101.3	-80.8%
- Parking Authority Revenues	(33,236.4)	(30,887.3)	2,349.1	-7.1%	(44,315.2)	(41,183.0)	3,132.2	-7.1%
- Administrative Support Recoveries - Water	(14,229.8)	(14,229.8)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
- Administrative Support Recoveries - Health & EM	(12,245.0)	(12,245.0)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
- Parking Tag Enforcement & Oper.	(58,420.5)	(58,864.9)	(444.4)	0.8%	(77,066.4)	(77,761.4)	(695.0)	0.9%
- Other Tax Revenues	(14,813.8)	(14,808.8)	5.0	0.0%	(14,813.8)	(14,934.4)	(120.6)	0.8%
- Woodbine Slots	(11,625.0)	(11,376.6)	248.4	-2.1%	(15,500.0)	(15,100.0)	400.0	-2.6%
<b>Non-Program Revenues</b>	<b>(889,954.3)</b>	<b>(960,434.8)</b>	<b>(70,480.6)</b>	<b>7.9%</b>	<b>(1,150,879.8)</b>	<b>(1,291,633.1)</b>	<b>(140,753.3)</b>	<b>12.2%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(40,580.6)</b>	<b>(117,235.7)</b>	<b>(76,655.1)</b>	<b>188.9%</b>	<b>37,596.7</b>	<b>(67,620.3)</b>	<b>(105,216.9)</b>	<b>-279.9%</b>
<b>NET OPERATING TAX LEVY</b>	<b>2,553,326.7</b>	<b>2,417,776.5</b>	<b>(135,550.2)</b>	<b>-5.3%</b>	<b>3,579,447</b>	<b>3,425,402.4</b>	<b>(154,044.4)</b>	<b>-4.3%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	(2,137.2)	5,937.5	8,074.7	-377.8%	0.0	(18,246.9)	(18,246.9)	n/a
Toronto Parking Authority	(41,061.9)	(38,325.6)	2,736.3	-6.7%	(56,402.9)	(52,225.0)	4,177.9	-7.4%
Toronto Water	(26,182.8)	(24,847.6)	1,335.2	-5.1%	0.0	(1,225.2)	(1,225.2)	n/a
<b>NON LEVY OPERATING NET EXPENDITURES</b>	<b>(69,381.9)</b>	<b>(57,235.7)</b>	<b>12,146.2)</b>	<b>-17.5%</b>	<b>(56,402.9)</b>	<b>(71,697.1)</b>	<b>(15,294.2)</b>	<b>27.1%</b>



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

	September 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	2,108.9	1,830.8	(278.1)	-13.2%	2,886.5	2,713.8	(172.7)	-6.0%
Children's Services	306,630.2	298,470.8	(8,159.4)	-2.7%	387,902.3	379,754.7	(8,147.5)	-2.1%
Court Services	34,243.5	31,622.9	(2,620.6)	-7.7%	54,339.9	52,082.3	(2,257.6)	-4.2%
Economic Development & Culture	26,235.1	26,929.0	693.9	2.6%	36,699.5	36,599.5	(100.0)	-0.3%
Emergency Medical Services	121,617.7	121,436.5	(181.2)	-0.1%	171,191.9	171,457.4	265.5	0.2%
Long Term Care Homes & Services	163,882.5	159,098.8	(4,783.7)	-2.9%	224,250.4	217,900.0	(6,350.4)	-2.8%
Parks, Forestry & Recreation	277,565.5	271,386.0	(6,179.5)	-2.2%	375,959.9	369,459.9	(6,500.0)	-1.7%
Shelter, Support & Housing Administration	645,575.5	560,155.2	(85,420.3)	-13.2%	922,866.3	869,456.8	(53,409.5)	-5.8%
Social Development, Finance & Administration	19,122.9	18,878.3	(244.6)	-1.3%	25,605.8	25,328.4	(277.4)	-1.1%
Toronto Employment & Social Services	886,876.1	840,699.5	(46,176.6)	-5.2%	1,208,370.3	1,144,317.1	(64,053.2)	-5.3%
311 Customer Service Strategy	13,403.3	11,446.8	(1,956.5)	-14.6%	19,147.7	16,116.8	(3,030.9)	-15.8%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>2,497,261.2</b>	<b>2,341,954.6</b>	<b>(155,306.6)</b>	<b>-6.2%</b>	<b>3,429,220.5</b>	<b>3,285,186.7</b>	<b>(144,033.8)</b>	<b>-4.2%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	26,473.0	24,192.6	(2,280.4)	-8.6%	36,637.8	33,616.0	(3,021.8)	-8.2%
Fire Services	279,143.9	281,597.3	2,453.4	0.9%	371,254.1	374,981.4	3,727.3	1.0%
Municipal Licensing & Standards	34,161.3	32,634.0	(1,527.3)	-4.5%	49,540.7	47,546.8	(1,993.9)	-4.0%
Policy, Planning, Finance and Administration	17,374.2	15,332.9	(2,041.3)	-11.7%	23,906.9	20,518.2	(3,388.7)	-14.2%
Technical Services	48,427.0	43,190.1	(5,236.9)	-10.8%	67,971.5	60,271.5	(7,700.0)	-11.3%
Toronto Buildings	32,292.1	30,436.4	(1,855.7)	-5.7%	46,756.9	46,133.5	(623.5)	-1.3%
Toronto Environment Office	8,618.6	5,918.0	(2,700.6)	-31.3%	11,529.0	11,369.0	(160.0)	-1.4%
Transportation Services	209,673.3	195,067.0	(14,606.3)	-7.0%	292,693.5	285,628.6	(7,064.9)	-2.4%
Waterfront Secretariat	1,109.2	909.2	(200.0)	-18.0%	1,531.6	1,261.6	(270.0)	-17.6%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>657,272.6</b>	<b>629,277.5</b>	<b>(27,995.1)</b>	<b>-4.3%</b>	<b>901,822.0</b>	<b>881,326.6</b>	<b>(20,495.5)</b>	<b>-2.3%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	11,260.2	9,363.1	(1,897.1)	-16.8%	15,636.3	13,292.9	(2,343.4)	-15.0%
Office of the Treasurer	54,175.2	48,528.6	(5,646.6)	-10.4%	74,752.4	68,124.8	(6,627.6)	-8.9%
Facilities Management & Real Estate	122,914.9	125,715.1	2,800.2	2.3%	171,122.2	177,488.7	6,366.5	3.7%
Fleet Services	33,363.5	35,489.4	2,125.9	6.4%	48,059.1	49,906.2	1,847.1	3.8%
Information & Technology	77,011.9	64,879.9	(12,132.0)	-15.8%	101,510.6	92,597.8	(8,912.8)	-8.8%
<b>Sub-Total Internal Services</b>	<b>298,725.7</b>	<b>283,976.1</b>	<b>(14,749.6)</b>	<b>-4.9%</b>	<b>411,080.6</b>	<b>401,410.4</b>	<b>(9,670.2)</b>	<b>-2.4%</b>
<b>City Manager</b>								
City Manager's Office	33,390.7	28,877.9	(4,512.8)	-13.5%	44,593.7	39,808.2	(4,785.5)	-10.7%
<b>Sub-Total City Manager</b>	<b>33,390.7</b>	<b>28,877.9</b>	<b>(4,512.8)</b>	<b>-13.5%</b>	<b>44,593.7</b>	<b>39,808.2</b>	<b>(4,785.5)</b>	<b>-10.7%</b>
<b>Other City Programs</b>								
City Clerk's Office	35,593.6	34,744.2	(849.4)	-2.4%	49,327.6	48,777.6	(550.0)	-1.1%
Legal Services	31,081.2	30,345.7	(735.5)	-2.4%	41,441.6	40,055.4	(1,386.2)	-3.3%
Mayor's Office	1,459.0	1,144.5	(314.5)	-21.6%	2,011.1	1,696.1	(315.0)	-15.7%
City Council	14,065.7	12,860.4	(1,205.3)	-8.6%	19,145.3	18,195.3	(950.0)	-5.0%
<b>Sub-Total Other City Programs</b>	<b>82,199.5</b>	<b>79,094.8</b>	<b>(3,104.7)</b>	<b>-3.8%</b>	<b>111,925.6</b>	<b>108,724.4</b>	<b>(3,201.2)</b>	<b>-2.9%</b>
<b>Accountability Offices</b>								
Auditor General's Office	3,002.4	2,757.7	(244.7)	-8.2%	4,271.3	4,175.2	(96.1)	-2.2%
Integrity Commissioner's Office	147.3	136.6	(10.7)	-7.3%	202.0	202.0	(0.0)	0.0%
Lobbyist Registrar's Office	749.0	495.8	(253.2)	-33.8%	1,039.0	768.0	(271.0)	-26.1%
Ombudsman's Office	1,019.3	1,017.8	(1.5)	-0.1%	1,409.6	1,409.6	0.0	0.0%
<b>Sub-Total Council Appointed Programs</b>	<b>4,918.0</b>	<b>4,407.9</b>	<b>(510.1)</b>	<b>-10.4%</b>	<b>6,921.9</b>	<b>6,554.8</b>	<b>(367.1)</b>	<b>-5.3%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>3,573,767.7</b>	<b>3,367,588.8</b>	<b>(206,178.9)</b>	<b>-5.8%</b>	<b>4,905,564.3</b>	<b>4,723,011.1</b>	<b>(182,553.2)</b>	<b>-3.7%</b>

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

	September 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	168,868.6	159,663.4	(9,205.2)	-5.5%	234,506.7	224,806.7	(9,700.0)	-4.1%
Toronto Public Library	132,539.7	133,985.5	1,445.8	1.1%	184,230.7	186,380.5	2,149.8	1.2%
Association of Community Centres	5,603.9	5,459.1	(144.8)	-2.6%	7,471.8	7,468.4	(3.4)	0.0%
Exhibition Place	48,414.9	49,154.2	739.3	1.5%	64,271.8	64,271.8	0.0	0.0%
Heritage Toronto	845.3	460.1	(385.2)	-45.6%	845.3	693.5	(151.8)	-18.0%
Theatres	15,176.8	12,248.4	(2,928.4)	-19.3%	26,947.3	20,860.1	(6,087.2)	-22.6%
Toronto Zoo	35,741.9	32,978.0	(2,763.9)	-7.7%	46,405.2	43,988.1	(2,417.1)	-5.2%
Arena Boards of Management	4,902.6	4,514.1	(388.5)	-7.9%	6,536.7	6,521.4	(15.3)	-0.2%
Yonge Dundas Square	1,415.5	1,577.2	161.7	11.4%	1,887.3	2,188.2	300.9	15.9%
Toronto & Region Conservation Authority	25,715.9	25,517.4	(198.5)	-0.8%	36,170.0	36,170.0	0.0	0.0%
Toronto Transit Commission - Conventional	1,074,856.0	1,058,847.0	(16,009.0)	-1.5%	1,435,892.0	1,440,134.0	4,242.0	0.3%
Toronto Transit Commission - Wheel Trans	72,477.0	70,565.1	(1,911.9)	-2.6%	96,622.4	94,912.0	(1,710.4)	-1.8%
Toronto Police Service	710,816.3	710,066.3	(750.0)	-0.1%	1,003,653.0	1,004,653.0	1,000.0	0.1%
Toronto Police Services Board	1,305.5	1,305.5	0.0	0.0%	2,962.4	2,962.4	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>2,298,679.9</b>	<b>2,266,341.3</b>	<b>(32,338.6)</b>	<b>-1.4%</b>	<b>3,148,402.8</b>	<b>3,136,010.1</b>	<b>(12,392.7)</b>	<b>-0.4%</b>
<b>Corporate Accounts</b>								
Community Partnership and Investment Program	44,644.4	44,644.4	0.0	0.0%	48,930.7	48,930.7	0.0	0.0%
Capital & Corporate Financing	485,378.1	485,378.1	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	104,642.8	31,642.8	43.3%
- Assessment Function (MPAC)	27,450.0	27,445.6	(4.4)	0.0%	36,600.0	36,594.1	(5.9)	0.0%
- Temporary Borrowing	37.5	0.0	(37.5)	-100.0%	50.0	0.0	(50.0)	-100.0%
- Funding of Employee Related Liabilities	35,600.5	35,600.5	0.0	0.0%	47,467.3	47,467.3	0.0	0.0%
- Contingency	0.0	0.5	0.5	n/a	0.0	0.5	0.5	n/a
- Other Corporate Expenditures	51,129.3	50,440.6	(688.7)	-1.3%	68,172.4	87,240.4	19,068.0	28.0%
- Insurance Premiums & Claims	225.0	225.0	0.0	0.0%	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	35,870.0	35,772.5	(97.5)	-0.3%	56,068.5	56,851.7	783.2	1.4%
- Programs Funded from Reserve Funds	103,851.6	103,851.6	0.0	0.0%	109,638.0	109,638.0	0.0	0.0%
- Vacancy Rebate Program	17,595.0	16,424.9	(1,170.1)	-6.7%	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	5,161.6	5,202.0	40.4	0.8%	5,161.6	5,202.0	40.4	0.8%
- Solid Waste Management Rebates	116,359.5	114,881.2	(1,478.3)	-1.3%	182,391.9	179,490.0	(2,901.9)	-1.6%
- Street & Expressway Lighting Services	32,549.0	29,879.0	(2,670.0)	-8.2%	43,398.7	39,838.7	(3,560.0)	-8.2%
- Pandemic Influenza Stockpiling	3.7	3.7	0.0	0.0%	1,880.0	1,880.0	0.0	0.0%
Non-Program Expenditures	459,982.6	453,872.0	(6,110.6)	-1.3%	649,588.4	691,596.7	42,008.3	6.5%
<b>Non-Program Revenue</b>								
- Interest/Investment Earnings	706.4	706.4	0.0	0.0%	941.8	941.8	0.0	0.0%
- Other Corporate Revenues	576.0	628.8	52.8	9.2%	768.0	747.6	(20.4)	-2.7%
- Municipal Land Transfer Tax	4,540.3	4,168.3	(372.0)	-8.2%	5,707.8	5,293.0	(414.8)	-7.3%
- Personal Vehicle Tax	2,000.0	702.8	(1,297.2)	-64.9%	2,000.0	702.8	(1,297.2)	-64.9%
- Third Party Sign Tax	1,094.7	0.0	(1,094.7)	-100.0%	1,459.6	1,010.9	(448.7)	-30.7%
- Other Tax Revenues	0.0	43.6	43.6	n/a	0.0	0.0	0.0	n/a
Non-Program Revenues	8,917.4	6,249.9	(2,667.5)	-29.9%	10,877.2	8,696.1	(2,181.0)	-20.1%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>998,922.5</b>	<b>990,144.4</b>	<b>(8,778.1)</b>	<b>-0.9%</b>	<b>1,356,567.1</b>	<b>1,389,994.3</b>	<b>33,427.2</b>	<b>2.5%</b>
<b>LEVY OPERATING GROSS EXPENDITURES</b>	<b>6,871,370.1</b>	<b>6,624,074.5</b>	<b>(247,295.6)</b>	<b>-3.6%</b>	<b>9,410,534.1</b>	<b>9,249,015.5</b>	<b>(161,518.6)</b>	<b>-1.7%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	184,056.4	192,203.1	8,146.7	4.4%	342,631.4	332,169.1	(10,462.3)	-3.1%
Toronto Parking Authority	52,918.5	52,210.8	(707.7)	-1.3%	70,894.7	70,620.0	(274.7)	-0.4%
Toronto Water	603,876.9	592,675.2	(11,201.7)	-1.9%	820,968.8	805,976.6	(14,992.2)	-1.8%
<b>NON LEVY OPERATING GROSS EXPENDITURES</b>	<b>840,851.8</b>	<b>837,089.1</b>	<b>(3,762.7)</b>	<b>-0.4%</b>	<b>1,234,494.9</b>	<b>1,208,765.7</b>	<b>(25,729.2)</b>	<b>-2.1%</b>



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

	September 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	866.5	642.2	(224.3)	-25.9%	1,607.8	1,494.8	(113.0)	-7.0%
Children's Services	243,135.9	234,976.5	(8,159.4)	-3.4%	313,629.6	305,482.1	(8,147.5)	-2.6%
Court Services	44,603.1	35,970.7	(8,632.4)	-19.4%	66,476.6	65,191.1	(1,285.5)	-1.9%
Economic Development & Culture	8,122.1	8,698.0	575.9	7.1%	10,668.4	10,768.4	100.0	0.9%
Emergency Medical Services	78,543.4	77,684.1	(859.3)	-1.1%	105,040.4	103,308.1	(1,732.3)	-1.6%
Long Term Care Homes and Services	133,102.1	129,474.6	(3,627.5)	-2.7%	177,469.5	173,219.0	(4,250.5)	-2.4%
Parks, Forestry & Recreation	73,369.1	73,713.9	344.8	0.5%	100,962.3	99,462.3	(1,500.0)	-1.5%
Shelter, Support & Housing Administration	448,695.7	366,214.5	(82,481.2)	-18.4%	630,447.1	578,615.4	(51,831.7)	-8.2%
Social Development, Finance & Administration	9,647.6	9,464.4	(183.2)	-1.9%	12,694.1	12,505.1	(189.0)	-1.5%
Toronto Employment & Social Services	740,806.5	699,004.9	(41,801.6)	-5.6%	1,007,695.3	950,302.7	(57,392.6)	-5.7%
311 Customer Service Strategy	6,657.0	5,406.7	(1,250.3)	-18.8%	9,510.0	7,313.2	(2,196.8)	-23.1%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>1,787,549.0</b>	<b>1,641,250.5</b>	<b>(146,298.5)</b>	<b>-8.2%</b>	<b>2,436,201.0</b>	<b>2,307,662.2</b>	<b>(128,538.8)</b>	<b>-5.3%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	17,811.2	15,785.8	(2,025.4)	-11.4%	24,023.0	21,400.9	(2,622.1)	-10.9%
Fire Services	11,605.1	12,143.1	538.0	4.6%	15,430.2	15,476.2	46.0	0.3%
Municipal Licensing & Standards	19,551.9	19,121.7	(430.2)	-2.2%	28,033.9	26,602.3	(1,431.6)	-5.1%
Policy, Planning, Finance and Administration	9,396.6	8,308.7	(1,087.9)	-11.6%	12,599.8	10,575.6	(2,024.2)	-16.1%
Technical Services	39,250.7	33,250.7	(6,000.0)	-15.3%	57,471.1	49,800.1	(7,671.0)	-13.3%
Toronto Building	39,009.6	42,094.4	3,084.8	7.9%	57,488.3	56,864.8	(623.5)	-1.1%
Toronto Environment Office	6,328.9	3,893.3	(2,435.6)	-38.5%	8,314.8	8,314.8	(0.0)	0.0%
Transportation Services	65,065.8	50,131.0	(14,934.8)	-23.0%	118,924.3	117,168.5	(1,755.8)	-1.5%
Waterfront Secretariat	450.0	331.2	(118.8)	-26.4%	600.0	480.0	(120.0)	-20.0%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>208,469.8</b>	<b>185,059.9</b>	<b>(23,409.9)</b>	<b>-11.2%</b>	<b>322,885.3</b>	<b>306,683.2</b>	<b>(16,202.1)</b>	<b>-5.0%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	4,751.9	3,184.6	(1,567.3)	-33.0%	6,465.7	4,492.7	(1,973.0)	-30.5%
Office of the Treasurer	33,421.8	29,560.1	(3,861.7)	-11.6%	44,562.4	40,360.8	(4,201.6)	-9.4%
Facilities Management & Real Estate	84,045.4	90,599.4	6,554.0	7.8%	116,879.3	124,773.6	7,894.3	6.8%
Fleet Services	35,707.9	37,689.6	1,981.7	5.5%	48,028.0	50,046.0	2,018.0	4.2%
Information & Technology	17,491.4	7,747.7	(9,743.7)	-55.7%	34,054.7	28,054.3	(6,000.4)	-17.6%
<b>Sub-Total Internal Services</b>	<b>175,418.4</b>	<b>168,781.4</b>	<b>(6,637.0)</b>	<b>-3.8%</b>	<b>249,990.3</b>	<b>247,727.4</b>	<b>(2,262.9)</b>	<b>-0.9%</b>
<b>City Manager</b>								
City Manager's Office	5,783.1	4,511.6	(1,271.5)	-22.0%	7,783.6	6,268.9	(1,514.7)	-19.5%
<b>Sub-Total City Manager</b>	<b>5,783.1</b>	<b>4,511.6</b>	<b>(1,271.5)</b>	<b>-22.0%</b>	<b>7,783.6</b>	<b>6,268.9</b>	<b>(1,514.7)</b>	<b>-19.5%</b>
<b>Other City Programs</b>								
City Clerk's Office	12,951.1	11,973.9	(977.2)	-7.5%	18,763.2	18,513.2	(250.0)	-1.3%
Legal Services	16,415.9	16,958.5	542.6	3.3%	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	2.6	2.6	n/a	0.0	2.6	2.6	n/a
<b>Sub-Total Other City Programs</b>	<b>29,367.0</b>	<b>28,935.0</b>	<b>(432.0)</b>	<b>-1.5%</b>	<b>40,651.2</b>	<b>39,219.3</b>	<b>(1,431.9)</b>	<b>-3.5%</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>2,206,587.3</b>	<b>2,028,538.4</b>	<b>(178,048.9)</b>	<b>-8.1%</b>	<b>3,057,511.4</b>	<b>2,907,561.0</b>	<b>(149,950.4)</b>	<b>-4.9%</b>



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

	September 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	137,189.9	129,371.5	(7,818.4)	-5.7%	189,729.5	181,829.5	(7,900.0)	-4.2%
Toronto Public Library	9,626.3	11,322.7	1,696.4	17.6%	13,432.8	15,732.8	2,300.0	17.1%
Association of Community Centres	151.3	153.3	2.0	1.3%	201.7	205.9	4.2	2.1%
Exhibition Place	48,530.9	49,705.4	1,174.5	2.4%	64,225.1	64,780.1	555.0	0.9%
Heritage Toronto	498.9	200.5	(298.4)	-59.8%	498.9	347.1	(151.8)	-30.4%
Theatres	12,108.3	8,922.3	(3,186.0)	-26.3%	23,646.8	16,644.8	(7,002.0)	-29.6%
Toronto Zoo	30,451.2	26,650.5	(3,800.7)	-12.5%	34,827.7	31,515.2	(3,312.5)	-9.5%
Arena Boards of Management	4,906.5	4,457.7	(448.8)	-9.1%	6,542.1	6,526.9	(15.2)	-0.2%
Yonge Dundas Square	1,029.0	1,407.1	378.1	36.7%	1,372.0	1,772.2	400.2	29.2%
Toronto & Region Conservation Authority	23,137.4	22,938.9	(198.5)	-0.9%	32,963.6	32,963.6	0.0	0.0%
Toronto Transit Commission - Conventional	753,707.0	763,727.0	10,020.0	1.3%	1,006,781.0	1,023,531.0	16,750.0	1.7%
Toronto Transit Commission - Wheel Trans	4,192.9	3,899.2	(293.7)	-7.0%	5,610.9	5,215.0	(395.9)	-7.1%
Toronto Police Service	46,319.9	47,519.9	1,200.0	2.6%	74,162.9	76,762.9	2,600.0	3.5%
Toronto Police Services Board	103.5	103.5	0.0	0.0%	610.6	610.6	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>1,071,953.0</b>	<b>1,070,379.5</b>	<b>(1,573.5)</b>	<b>-0.1%</b>	<b>1,454,605.6</b>	<b>1,458,437.6</b>	<b>3,832.0</b>	<b>0.3%</b>
<b>Corporate Accounts</b>								
Community Partnership and Investment Program	1,768.1	1,768.1	0.0	0.0%	1,733.6	1,733.6	0.0	0.0%
Capital & Corporate Financing	28,516.3	28,516.3	0.0	0.0%	38,021.7	38,021.7	0.0	0.0%
<b>Non-Program Expenditures</b>								
- Other Corporate Expenditures	1,333.9	1,357.5	23.6	1.8%	1,778.5	1,810.0	31.5	1.8%
- Programs Funded from Reserve Funds	103,851.6	103,851.6	0.0	0.0%	109,638.0	109,638.0	0.0	0.0%
- Tax Rebates for Registered Charities	5,161.6	5,202.0	40.4	0.8%	5,161.6	5,202.0	40.4	0.8%
- 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>110,347.1</b>	<b>110,411.1</b>	<b>64.0</b>	<b>0.1%</b>	<b>117,458.1</b>	<b>117,530.0</b>	<b>71.9</b>	<b>0.1%</b>
<b>Non-Program Revenue</b>								
- Payments in Lieu of Taxes	91,781.2	91,786.2	5.0	0.0%	91,781.2	95,198.0	3,416.8	3.7%
- Supplementary Taxes	17,849.9	36,885.3	19,035.4	106.6%	35,000.0	65,617.4	30,617.4	87.5%
- Tax Penalties	23,396.7	23,227.9	(168.8)	-0.7%	30,000.0	30,000.0	0.0	0.0%
- Interest/Investment Earnings	79,500.0	79,500.0	0.0	0.0%	106,000.0	121,000.0	15,000.0	14.2%
- Prior Year Surplus	259,148.5	259,148.5	0.0	0.0%	345,531.3	345,531.3	0.0	0.0%
- Other Corporate Revenues	3,799.4	3,553.0	(246.4)	-6.5%	8,391.6	8,345.7	(45.9)	-0.5%
- Toronto Hydro Revenues	22,500.0	20,062.5	(2,437.5)	-10.8%	30,000.0	33,062.5	3,062.5	10.2%
- Provincial Revenue	68,700.0	68,700.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
- Municipal Land Transfer Tax	179,938.0	240,381.5	60,443.5	33.6%	226,207.8	322,293.0	96,085.2	42.5%
- Personal Vehicle Tax	0.0	702.8	702.8	n/a	0.0	702.8	702.8	n/a
- Third Party Sign Tax	7,687.5	281.1	(7,406.4)	-96.3%	10,250.0	2,700.0	(7,550.0)	-73.7%
- Parking Authority Revenues	33,236.4	30,887.3	(2,349.1)	-7.1%	44,315.2	41,183.0	(3,132.2)	-7.1%
- Administrative Support Recoveries - Water	14,229.8	14,229.8	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
- Administrative Support Recoveries - Health &	12,245.0	12,245.0	0.0	0.0%	16,326.7	16,326.7	0.0	0.0%
- Parking Tag Enforcement & Oper.	58,420.5	58,864.9	444.4	0.8%	77,066.4	77,761.4	695.0	0.9%
- Other Tax Revenues	14,813.8	14,852.4	38.6	0.3%	14,813.8	14,934.4	120.6	0.8%
- Woodbine Slots	11,625.0	11,376.6	(248.4)	-2.1%	15,500.0	15,100.0	(400.0)	-2.6%
<b>Non-Program Revenues</b>	<b>898,871.7</b>	<b>966,684.7</b>	<b>67,813.1</b>	<b>7.5%</b>	<b>1,161,757.0</b>	<b>1,300,329.2</b>	<b>138,572.3</b>	<b>11.9%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,039,503.0</b>	<b>1,107,380.1</b>	<b>67,877.0</b>	<b>6.5%</b>	<b>1,318,970.4</b>	<b>1,457,614.5</b>	<b>138,644.1</b>	<b>10.5%</b>
<b>LEVY OPERATING REVENUES</b>	<b>4,318,043.3</b>	<b>4,206,298.0</b>	<b>(111,745.4)</b>	<b>-2.6%</b>	<b>5,831,087.3</b>	<b>5,823,613.1</b>	<b>(7,474.2)</b>	<b>-0.1%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	186,193.6	186,265.6	72.0	0.0%	342,631.4	350,416.0	7,784.6	2.3%
Toronto Parking Authority	93,980.4	90,536.4	(3,444.0)	-3.7%	127,297.6	122,845.0	(4,452.6)	-3.5%
Toronto Water	630,059.7	617,522.8	(12,536.9)	-2.0%	820,968.8	807,201.8	(13,767.0)	-1.7%
<b>NON LEVY OPERATING REVENUES</b>	<b>910,233.7</b>	<b>894,324.8</b>	<b>(15,908.9)</b>	<b>-1.7%</b>	<b>1,290,897.8</b>	<b>1,280,462.8</b>	<b>(10,435.0)</b>	<b>-0.8%</b>



**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE THIRD QUARTER ENDED SEPTEMBER 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 &amp; Culture</b>				
One time Provincial OTPM Grant for Scotiabank Nuit Blanche	100.2	100.2	0.0	
One time Provincial Celebrate Ontario Grant for Scotiabank Nuit Blanche	355.0	355.0	0.0	
<b>Total Economic Development &amp; Culture</b>	<b>455.2</b>	<b>455.2</b>	<b>0.0</b>	
<b>Total Citizen Centred Service "A"</b>	<b>455.2</b>	<b>455.2</b>	<b>0.0</b>	
<b>Agencies</b>				
<b>Toronto Public Health</b>				
Increase Ministry funding for Infection Prevention & Control program (\$2.5K) and Children in Need of Treatment program (\$34.8K)	37.3	37.3	0.0	
<b>Total Toronto Public Health</b>	<b>37.3</b>	<b>37.3</b>	<b>0.0</b>	
<b>Total Agencies</b>	<b>37.3</b>	<b>37.3</b>	<b>0.0</b>	
<b>Total</b>	<b>492.5</b>	<b>492.5</b>	<b>0.0</b>	



**Operating Variance Report  
For Nine-Month Period Ended September 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 a favourable net variance of \$9.008 million or 1.3% for the nine-month period ended September 30, 2011 and projects a year-end favourable net variance of \$15.495 million or 1.6% 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)		
	YTD Sep 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	6.0	(1.0)
Economic Development and Culture	0.1	(0.2)
Emergency Medical Services	0.7	2.0
Long Term Care Homes and Services	(1.2)	(2.1)
Parks, Forestry & Recreation	(6.5)	(5.0)
Shelter, Support & Housing Administration	(2.9)	(1.6)
Social Development, Finance & Administration	(0.1)	(0.1)
Toronto Employment & Social Services	(4.4)	(6.7)
311 Customer Service Strategy	(0.7)	(0.8)
<b>Total</b>	<b>(9.0)</b>	<b>(15.5)</b>

**Court Services** reported a favourable gross variance of \$2.621 million or 7.7% and an unfavourable net variance of \$6.012 million or 58.0% respectively of planned expenditures for the nine-month period ended September 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. On the revenue side, there were delays between when fines were imposed and collected, thus resulting in the unfavourable net expenditure variance. Court Services is anticipating a favourable year-end net variance of \$0.972 million or 8.0% primarily due to lower than budgeted payments to the Province.

**Emergency Medical Services (EMS)** reported unfavourable net expenditure variance of \$0.678 million representing 1.6 per cent of planned expenditures for the nine-month period ended

September 30, 2011. The unfavourable net variance is largely attributed to a shortfall in cost share funding for the Central Ambulance Communication Centre (CACC) operation.

EMS is projecting an unfavourable gross expenditure variance of \$0.266 million or 0.2 per cent and an unfavourable net variance of \$1.998 million or 3.0 per cent of the 2011 Approved Budget at year-end.

- The projected gross over expenditure of \$0.266 million is mainly attributed to over expenditure in salaries and benefits of \$1.2 million (as gapping of \$3.9 million was not fully achieved) and cost increases in fuel and utilities of \$0.5 million, partially offset by combined savings of \$0.8 million in overtime and \$0.600 in materials and supplies and contracted services.
- The revenue shortfall of \$1.732 million is mainly due a Provincial base funding shortfall for the Central Ambulance Communication Centre (CACC) that has been historically funded at 100% by the Province. EMS is currently negotiating with the Ministry of Health and Long-Term Care to ensure full cost recovery of 100% for CACC for 2011.

**Long Term Care Homes and Services** reported a favourable variance of \$1.156 million or 3.8% under planned net expenditures for the 9-month period ending September 30, 2011 and is anticipating a favourable year-end net variance of \$2.1 million or 4.5% of the 2011 Approved Net Operating Budget 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 a favourable net variance of \$6.524 million or 3.2% of net planned expenditures for the nine-month period ended September 30, 2011. The variance reflecting a favourable gross expenditure variance of \$6.180 million or 2.2% due to internal cost containment measures and unfilled seasonal positions and a favourable revenue variance of \$0.345 million or 0.5% due to over-achieved revenue for recreation program and ice permits. PF&R anticipates a favourable year-end net variance of \$5.0 million or 1.8% due to savings as a result of unfilled seasonal positions, internal cost containment on supplies, equipment and contracted services, as well as over-achieved revenues for recreation programs. The difference in savings reported in the Third Quarter variance report and at year-end is due to Facilities Interdepartmental Charges (IDCs) that are paid at year-end.

**Shelter, Support and Housing Administration (SSHA)** is projecting a favourable year-end variance of \$1.578 million or 0.5% of the 2011 Approved Net Operating Budget. The projected favourable variance is primarily the result of the following activities:

- unfavourable net variance of \$3.566 million in Shelter Services, reflecting reduced subsidy due to lower than budgeted bed night volumes;
- net savings of \$10.767 million reflecting savings from under spending in Social Housing, the result of savings in property taxes, garbage levy, and rent supplement costs. These gross savings, however, are partially offset by a reduction of \$6.465 million in reserve revenue, as the savings eliminated the need to use reserve funding; and
- additional net savings of \$0.842 million in other services is primarily the result of savings in salaries, due to delays in hiring staff.

**Toronto Employment and Social Services (TESS)** reported a favourable net expenditure of \$4.375 million or 3.0% under planned expenditures during the nine-month period ended September 30, 2011. TESS is projecting a favourable net variance of \$6.661 million or 3.3% at year-end mainly as a result of lower social assistance costs due to 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 nine-months ended September 30, 2011, was 99,563 compared to the budget of 99,922. Due to the 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.

**311 Toronto** reported a favourable net expenditure variance of \$0.706 million or 10.5% under the 2011 approved planned expenditures for the period ending September 30, 2011 and projects a favourable year-end net expenditure variance of \$0.834 million or 8.7% less than the 2011 Approved Operating Budget. The favourable variance is primarily from delays in filling vacant positions due to the hiring slow-down, as well as savings achieved because of curtailing discretionary spending.

#### Citizen Centred Services “B”

As indicated in Table 3 below, Citizen Centred Services “B” Programs collectively reported a favourable net expenditure variance of \$4.585 million or 1.0% under planned expenditures for the nine months ended September 30, 2011, and projects a favourable net expenditure variance of \$4.293 million or 0.7% under the 2011 Approved Net Operating Budget by year-end. Major causes of the variances are discussed below.

Table 3 Citizen Centred Services "B" Net Expenditure Variance (\$ Million)		
	YTD Sep 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
City Planning	(0.3)	(0.4)
Fire Services	1.9	3.7
Municipal Licensing & Standards	(1.1)	(0.6)
Policy, Planning, Finance and Administration	(1.0)	(1.4)
Technical Services	0.8	(0.0)
Toronto Building	(4.9)	(0.0)
Toronto Environment Office	(0.3)	(0.2)
Transportation Services	0.3	(5.3)
Waterfront Secretariat	(0.1)	(0.2)
<b>Total</b>	<b>(4.6)</b>	<b>(4.3)</b>

**Fire Services** was over spent by \$1.915 million net or 0.7% of planned expenditures as of September 30, 2011. This was primarily the result of higher than budgeted gross expenditures of \$4.6 million for fringe benefits due to OMERS costs and WSIB claims 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 \$1.9 million in salaries due to the number of firefighter vacancies and \$0.3 million under-spending in other material & supplies, equipment and contracted services. At September 30th, vacancies total 114 positions. These positions are comprised of 86 operations staff including new recruits and 28 non-operations staff. Due to affordability issues no new classes of recruits have yet been scheduled for 2011.

As of September 30th, revenue was 4.6% or \$0.538 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. Unbudgeted revenue of \$0.4 million for the recovery of demolition costs received from the Yonge St. building owner are generally offset by lower than estimated revenue from chargeable false alarms.

For year-end, over-spending of \$5.8 million for fringe benefits offset by continued gapping for \$2.5 million and revenue shortfalls of \$0.4 million (for the combined impact of chargeable false alarms and elevator/vehicle response fees) are anticipated to result in an unfavourable net expenditure variance of 1.0% or \$3.681 million for Fire Services.

**Policy, Planning, Finance and Administration (PPFA)** reported a favourable gross expenditure variance for the nine-month period ended September 30, 2011 of \$2.041 million or 11.7% under planned expenditures and a favourable net expenditure variance of \$0.953 million or 12.0%.

PPF&A projects a favourable net variance of \$1.365 million or 12.1% by year-end. This favourable variance is mainly attributed to the under-expenditure in salaries and benefits as a result of hiring slow-down.

**Transportation Services** reported a year-to-date unfavourable net variance of \$0.329 million or 0.2% above planned expenditures as at September 30, 2011. The gross expenditures were under budget by \$14.606 million or 7%, primarily due to savings in salaries and benefits resulting from vacant positions (\$4.243 million), winter maintenance contracts (\$5.735 million), road operations and pavement marking contracts (\$0.881 million) and Utility Cut Repair program (\$6.603 million), which were partially offset by over expenditure in de-icing salt (\$6.151 million). For revenues, the Program reported an unfavourable variance of \$14.935 million or 23% as of September 30, 2011. This was due to under achieved revenues from the recovery of utility cut and surface repair costs (\$13.874 million) due to unanticipated fluctuation of utility cut repair work and under budget recoveries from the Public Realm Reserve Fund (\$1.614 million), which were partially offset by a favourable variance in Right of Way user fees (\$1.444 million).

Subject to the winter weather conditions, the year-end gross expenditure is projected to be under budget by \$7.065 million or 2.4%, mainly due to anticipated savings in salaries and benefits and lower than planned winter maintenance costs, partially offset by over expenditure in de-icing salt and interdivisional charges. Year end revenue is projected to be \$1.756 million under budget due to lower than planned recoveries in the Public Realm unit, since the 2011 budget was based on projections, as the Public Realm unit was operating below staffing levels required to carry out full operations and no actual experience was available, resulting in the projected year-end favourable net variance of \$5.309 million or 3.1%.

### Internal Services

As show in Table 4 below, during the nine months ended September 30, 2011, Internal Services Programs collectively reported a favourable net expenditure variance of \$8.113 million or 6.6% under planned expenditures, and project a year-end favourable variance of \$7.407 million or 4.6% under the 2011 Approved Operating Net Budget due to the following:

Table 4 Internal Services Net Expenditure Variance (\$ Million)		
	YTD Sep 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Office of the Chief Financial Officer	(0.3)	(0.4)
Office of the Treasurer	(1.8)	(2.4)
Facilities Management & Real Estate	(3.8)	(1.5)
Fleet Services	0.1	(0.2)
Information & Technology	(2.4)	(2.9)
<b>Total</b>	<b>(8.1)</b>	<b>(7.4)</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 \$1.785 million or 8.6% under the Approved Net Operating Budget for the period ending September 30, 2011 and projects a favourable year-end net expenditure variance of \$2.426 million or 8.0% less than the 2011 Approved Operating Budget. The favourable variance is primarily from delays in filling vacant positions due to the deferred start-up of program review initiatives, as well as savings achieved because of curtailing discretionary spending.

**Facilities Management & Real Estate (FM&RE)** reported a favourable net expenditure variance of \$3.754 million or 9.7% under planned expenditures as at September 30, 2011. This favourable variance was primarily due to under-expenditure of \$3.070 in utilities and collecting \$2.8 million in additional revenues attributed to the Energy Efficiency Office energy incentives program. Maintenance contracts were outsourced, thus resulting in over expenditures of \$2.8 million due to delays in hiring maintenance staff, however, these costs were mitigated by salary savings. FM&RE projects a favourable net variance at year-end of \$1.528 million or 2.8% below the 2011 Approved Operating Budget. The under-spending will be reduced to \$1.5 million primarily due to property tax payments of \$3.4 million by year-end.

**Information & Technology (I&T)** reported a favourable net variance of \$2.388 million or 4.0% of planned expenditures as at September 30, 2011. The Program is projecting a favourable net variance at year-end of \$2.912 million or 4.3%. This is largely due to lower spending for salaries and benefits attributed to vacancies resulting from resignations, retirements, the hiring slow-down, and recruitment challenges faced by the Division. 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 contributed to the surplus.

City Manager's Office (CMO)

The **City Manager's Office** reported a favourable net variance of \$3.241 million or 11.7% of planned expenditures for the nine-month period ended September 30, 2011. The favourable variance was primarily due to hiring delays and savings in non-labour expenditures due to the implementation of cost containment measures. The Program is projecting a favourable net variance at year-end of \$3.271 million or 8.9% of the 2011 Approved Net Operating Budget.

Table 5 City Manager Office Net Expenditure Variance (\$ Million)		
	YTD Sep 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
City Manager's Office	(3.2)	(3.3)

### Other City Programs

**Other City Programs** collectively (see Table 6 below) reported a favourable net variance of \$2.673 million or 5.1% under planned expenditures for the nine-month period ended September 30, 2011, and project a year-end favourable net variance of \$1.769 million or 2.5% under the 2011 Approved Net Operating Budget. The favourable year-end projected variance is mainly due to savings from vacant positions because of hiring slow-down across Programs as well as savings in non-payroll expenditures from the Mayor's and Councillors' Office budgets.

Table 6 Other City Programs Net Expenditure Variance (\$ Million)		
	YTD Sep 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
City Clerk's Office	0.1	(0.3)
Legal Services	(1.3)	(0.2)
Mayor's Office	(0.3)	(0.3)
City Council	(1.2)	(1.0)
Total	(2.7)	(1.8)

### Accountability Offices

**Accountability Offices** collectively realized a net under expenditure of \$0.510 million or 10.4% below planned expenditures for the nine-month period ended September 30, 2011. Overall, these Offices project under-spending of \$0.367 million net or 5.3% of the 2011 Approved Net Operating Budget at year-end mainly due to staff vacancies and hiring delays.

Table 7 Accountability Offices Net Expenditure Variance (\$ Million)		
	YTD Sep 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Auditor General's Office	(0.2)	(0.1)
Integrity Commissioner's Office	(0.0)	(0.0)
Lobbyist Registrar's Office	(0.3)	(0.3)
Ombudsman's Office	(0.0)	0.0
Total	(0.5)	(0.4)

## Agencies

Agencies collectively reported a favourable variance of \$36.365 million or 3.0% below planned net expenditures for the nine-month period ended September 30, 2011 and project under expenditure at year-end of \$5.574 million or 0.3% below the 2011 Approved Net Operating Budget as outlined in Table 8 below.

Table 8 Agencies Net Expenditure Variance (\$ Million)		
	YTD Sep 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Toronto Public Health	(1.4)	(1.8)
Toronto Public Library	(0.3)	(0.2)
Association of Community Centres	(0.1)	(0.0)
Exhibition Place	(0.4)	(0.6)
Heritage Toronto	(0.1)	(0.0)
Theatres	0.3	0.9
Toronto Zoo	1.0	0.9
Arena Boards of Management	0.1	(0.0)
Yonge Dundas Square	(0.2)	(0.1)
Toronto & Region Conservation Authority	0.0	0.0
Toronto Transit Commission - Conventional	(26.0)	(12.5)
Toronto Transit Commission - Wheel Trans	(1.6)	(1.3)
Toronto Police Service	(2.0)	(1.6)
Toronto Police Services Board	0.0	0.0
<b>Total</b>	<b>(30.8)</b>	<b>(16.2)</b>

**Toronto Public Health (TPH)** reported favourable gross and net expenditure variances of \$9.205 million and \$1.387 million representing 5.5% and 4.4% under planned expenditures respectively during the nine-month period ended September 30, 2011. The favourable gross variance was mainly attributed to under spending in salaries and benefits 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 due to legal issues with finalizing the lease agreements with potential landlords. The Program is projecting favourable gross and net expenditure variances of \$9.700 million gross and \$1.800 million net respectively at year-end.

**Theatres** (Toronto Centre for the Arts, St Lawrence Centre for the Arts, Sony Centre for the Performing Arts) are all reporting 3rd quarter unfavourable variances totalling \$0.258 million or 8.4% of planned expenditures for the group for the nine-month period ended September 30, 2011. The Theatre group collectively projects that these unfavourable variances will increase to



\$0.915 million by year-end representing 27.7% of the consolidated 2011 Theatre Operating Budget of \$3.3 million. The projected unfavourable variances are mainly due to a reduction in show bookings, show cancellations, and reduced stage and facility utilization.

**Toronto Zoo** reported an unfavourable net expenditure variance of \$1.037 million or 19.6% above budget for the 9 months ended September 30, 2011. This unfavourable variance was primarily the result of an 8.6% shortfall in general admissions (115,047 visits). The lower attendance resulted in \$3.8 million lower revenues including parking, admission retail and rides sales. Implementation of cost containment and hold backs contributed \$2.7 million expenditure reductions to partially offset the impact of the revenue shortfall. The overall economic climate has impacted consumer spending on leisure / recreational activities with visitor traffic to cultural attractions in the GTA down by 8.2% over the prior year to the end of September. The reduced spending is expected to continue through 2011, with a projected year-end unfavourable net expenditure variance of \$0.895 million or 7.7% above the 2011 Approved Net Operating Budget. The Toronto Zoo will continue to closely monitor expenditures and revenues, endeavouring to remain within the Council 2011 Approved Operating Budget.

**Toronto Transit Commission (TTC)** reported a favourable net expenditure variance of \$27.647 million or 7.1% (Conventional and Wheel-Trans combined) for the period ending September 30, 2011. This favourable year-to-date variance primarily reflects better than expected ridership results to date and lower non-labour expenses largely attributable to reduced bus and streetcar maintenance requirements, lower natural gas prices, delayed leased space commencements, property tax exemptions for administrative facilities and lower depreciation expenses. It must be noted, however, that this favourable year-to-date variance will be partially offset by projected requirements for the balance of the year for corporate restructuring severance-related expenses, anticipated higher accident claims settlement costs and the loss associated with the transfer of the TTC's Yonge/York Mills property to Build Toronto.

It is currently projected that the TTC and Wheel-Trans combined net expenditures will be \$13.8 million or 2.7% under budget at year-end. This favourable year end variance reflects the projected TTC ridership level of 499 million, compared to the budget of 487 million. The passenger revenue increase of \$18.1 million as well as other favourable expenditure results will be partially offset by the aforementioned increases for corporate restructuring, accident claims settlements and the Yonge/York Mills property transfer.

**Toronto Police Services (TPS)** reported a favourable net variance of \$1.950 million, representing 0.3% under planned expenditures for the 9 month period ended September 30, 2011. This favourable variance was attributed to an unfavourable salary variance resulting from less than budgeted attrition which is more than offset by greater than expected fees and recoveries. The Toronto Police Services currently project a favourable net variance at year-end of \$1.6 or 0.2% of their 2011 Approved Net Operating Budget.

## Corporate Accounts

For the period ended September 30, 2011, Corporate Accounts reported a favourable net expenditure variance of 76.655 million under planned expenditures and is projected to have a favourable net expenditure variance of \$105.217 million at year-end, as shown in Table 9 below.

	YTD Sep 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	(6.2)	41.9
Non-Program Revenues	(70.5)	(140.8)
Total	(76.7)	(105.2)

**Capital & Corporate Financing** is projected to be \$7.619 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 \$41.936 million or 7.9% over the 2011 Approved Net Operating Budget at year-end. The savings of \$3.009 million in the Vacancy Rebate Program based on a review of the pending vacancy rebate applications, \$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 \$3.560 million in electricity costs associated with street and expressway lighting are more than offset by an unfavourable variance of \$31.643 million in Tax Deficiencies primarily due to higher than budgeted assessment appeals and unbudgeted Voluntary Separation Program (VSP) payouts with an estimate of \$19.986 million for the City Operations and Toronto Public Library.

**Non-Program Revenues** realized a favourable variance of \$70.481 million or 7.9% above planned for the period ended September 30, 2011; and it is projected that Non-Program Revenues will be \$140.753 million or 12.2% above the 2011 Approved Net Operating Budget at year-end. The favourable variances are largely due to \$96.5 million in Municipal Land Transfer Tax (MLTT) revenue in excess of the budget of \$220.5 million; \$30.617 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; additional \$3.417 million in Payments In Lieu of Taxes due to less appeals than budgeted; additional \$3.063 million from Toronto Hydro dividend income; and savings of \$2.0 million expenditures in Personal Vehicle Tax (PVT) since the late 2010 PVT renewal payments collected in 2011 by the Ministry of

Transportation 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 in Third Party Sign Tax (TPST) revenues because of the recent court ruling that the TPST is not applicable to all pre-existing Signs and the underachievement of \$3.132 million in parking activity revenues by Toronto Parking Authority.

### Rate Supported Programs

Table 10 Rate Supported Programs Net Expenditure Variance (\$ Million)		
	YTD Sep 2011 Over/(Under)	Projected Y/E 2011 Over/(Under)
Solid Waste Management Services	8.1	(18.2)
Toronto Parking Authority	2.7	4.2
Toronto Water	1.3	(1.2)
Total	12.1	(15.3)

***Solid Waste Management Services (SWMS)*** was over spent by \$8.075 million net of planned expenditures as of September 30, 2011. This was primarily the result of higher than budgeted gross expenditures of:

- \$3.5 million over-spent for salaries & benefits, specifically for modified duties and due to the need for temporary backfill of workers in order to support collection services.
- \$6 million over-spent due to early posting of Green Lane debt charges.
- \$1.6 million in offsetting savings from lower interdepartmental charges for Revenue Services, PPFAs and 311 due to the on-going hiring slow-down as well as lower costs for contracted collection and processing due to lower volumes.

Actual positions were 1,311 compared to approved positions of 1,342 mainly being over-strength in temporary staff in order to maintain collection schedules and being slightly understaffed for permanent employees.

Revenues were \$0.072 million over budget as of September 30, 2011 due to slightly higher than estimated recoveries for waste services based on volumes.

Year-end gross expenditures are projected to be 3.1% or \$10.462 million lower than budgeted mainly due to contracted collection, contracted processing of recyclables and lower tonnages of waste being transferred, hauled and disposed at Green Lane:

- Lower costs of \$5.6 million for contracted processing recyclables and of \$3.4 million for contracted front-end collection and Etobicoke collection due to lower tonnage as well savings of \$1.4 million in discretionary non payroll savings;
- Delays in capital expenditures are forecasted to yield savings of \$4 million
- Lower overall tonnages received at the Transfer Stations resulted in a savings of \$0.4 million on hydro needed for compactors
- 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 \$4.8 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 2.3% or \$7.785 million due to:

- Increased revenue of \$7.9 million from sales of materials including recyclables (\$7.5 million and whitegoods (\$0.4 million);
- 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 \$18.247 million at year-end.

**Toronto Parking Authority** reported an unfavourable net expenditure variance of \$2.736 million or 6.7% below budget for the nine month period ended September 30, 2011. The projected year-end net unfavourable variance is anticipated to be \$4.178 million or 7.4% below the 2011 Approved Operating Budget of \$56.403 million. The unfavourable net variance projection is primarily the result of lower than anticipated revenues from parking activities 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 \$0.275 million or 0.4% 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. The revenues are forecasted to be 1.7% or \$13.767 million below the 2011 Approved Operating Budget of \$820.969 million. The projected revenue loss reflects lower consumption arising from continued reductions in water consumption, occurring primarily through water efficiency measures. Forecasted year-end gross expenditures are expected to be \$14.992 million or 1.8% lower than the 2011 Approved Operating Budget. This favourable variance reflects savings from unfilled vacancies and lower than anticipated Hydro costs. At year-end, the contribution to capital is projected to be \$1.225 million above plan, largely as a result of gross expenditure savings partially offset by revenue losses.