

**Operating Variance Report for the Six-Month Period
Ended June 30, 2013**

Date:	August 19, 2013
To:	Budget Committee
From:	Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	P:\2013\Internal Services\Fp\Bc13024Fp (AFS #16749)

SUMMARY

The purpose of this report is to provide Council with the City of Toronto Operating Variance for the six-month period ended June 30, 2013 as well as year-end projections and to request Council's approval for amendments to the 2013 Approved Operating Budget between Programs to ensure accurate reporting and financial accountability with no increase to the 2013 Approved Net Operating Budget.

For the six-month period ended June 30, 2013, Tax Supported Operations' expenditures were under-spent by \$158.611 million gross or 3.5% (\$99.340 million net or 5.6%) of planned expenditures. Projections indicate that the 2013 year-end under-expenditure is anticipated to be \$167.414 million gross or 1.8% (\$58.544 million net or 1.6%) of the 2013 Approved Operating Budget. The year-to-date under-spending was driven largely by under-expenditures in corporate accounts due to timing for Non-Program Expenditures, salary savings from vacant positions that were not filled and higher than planned revenue from the Municipal Land Transfer Tax and Third Party Sign Tax. The projected year-end favourable variance will result primarily from salary and benefit savings arising from vacant positions and higher than planned revenue from the Municipal Land Transfer Tax.

Rate Supported Programs were under-spent by \$9.252 million gross or 1.5% (\$2.488 million net or 3.2%) compared to planned expenditures for the six-month period ended June 30, 2013. These net savings were driven by Solid Waste Management Services' under-spending of \$2.437 million or 16.1% largely from lower than planned expenditures for salaries and benefits and property taxes for transfer stations. Rate Supported Programs project year-end under-spending of \$14.924 million gross or 1.1% (\$10.315 million net or 16.3%) of the 2013 Approved Net Operating Budget.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. City Council approve the budget adjustments detailed in Appendix D to amend the 2013 Approved Operating Budget between Programs with gross expenditures and revenues of \$8.191 million, and no impact to the 2013 Approved Net Operating Budget.

FINANCIAL IMPACT

As shown in Table 1 below, Tax Supported Programs' and Agencies' expenditures were under-spent by \$158.611 million gross or 3.5% (\$99.340 million net or 5.6%) of planned expenditures for the six-month period ended June 30, 2013 and projections indicate that the year-end under-expenditure is anticipated to be \$167.414 million gross or 1.8% (\$58.544 million net or 1.6%) based on the most current information.

Table 1		
Tax Supported Net Expenditure Variance (\$ Millions)		
	June 2013 Over/(Under)	Projected Y/E 2013 Over/(Under)
Citizen Centred Services "A"	(2.7)	(3.7)
Citizen Centred Services "B"	(14.7)	(15.5)
Internal Services	(9.5)	(10.9)
City Manager	(1.5)	(1.7)
Other City Programs	0.2	(0.3)
Council Appointed Programs	(0.4)	(0.3)
Total - City Operations	(28.6)	(32.3)
Agencies	(9.0)	2.2
Corporate Accounts	(61.8)	(28.5)
Sub-Total	(70.8)	(26.3)
Total Variance	(99.3)	(58.5)

Higher than planned revenues for Toronto Building, mainly from a sustained high volume of permit application intake and lower than planned Ontario Works caseload costs plus under-spending in salaries and benefits due to vacancies that were not filled, has resulted in City Operations being under-spent by \$28.553 million or 3.2% at June 30, 2013 and projecting to be under-spent by \$32.266 million or 1.8% at year-end.

Agencies reported a net under-expenditure of \$8.997 million or 1.1% at the end of the second quarter primarily driven by lower than budgeted diesel fuel prices and timing of certain non-labour expenses as well as workforce gapping for the Toronto Transit Commission. Agencies collectively forecast a net over-expenditure of \$2.178 million or 0.1% for the 2013 Approved Net Operating Budget by year-end primarily from an over-expenditure of \$2.100 million or 0.2% for Toronto Police Service due to an approved unallocated reduction for which actions to meet this target have not yet been

fully identified and have been projected to be unrealized by year-end should further actions not be taken.

Corporate Accounts were under-spent by \$61.790 million as of June 30, 2013. The variance was partially attributed to lower net expenditures of \$37.189 million primarily driven by timing related to the provision of the union agreement with the City of Toronto Professional Firefighters' Association, Local 3888. Council at its meeting of July 16, 17, 18 and 19, 2013 approved the collective agreement between the City of Toronto and the Toronto Professional Firefighters' Association and subsequent funds will be transferred through the Operating Variance Report for the Nine-Month Period Ended September 30, 2013 to the Toronto Fire Services 2013 Approved Operating Budget. In addition, there was a timing difference with transferring the one-time lump sum payment for unionized employees and non-union cost of living allowance payment following Council approval. This budget adjustment is included in the year-end projections. The Non-Program Revenue Budget experienced a variance of \$21.601 million higher than planned, primarily from increased net revenue of \$16.788 million for the Municipal Land Transfer Tax as a result of higher average home prices and sales combined with receipt of Third Party Sign Tax net revenue of \$7.258 million due to issuance of the 2013 Third Party Sign Tax invoices earlier than planned. Corporate Accounts collectively forecast a favourable variance of \$28.456 million for the 2013 Approved Net Operating Budget by year-end primarily from higher than planned revenue of \$24.911 million for the Municipal Land Transfer Tax from stronger average home prices and sales.

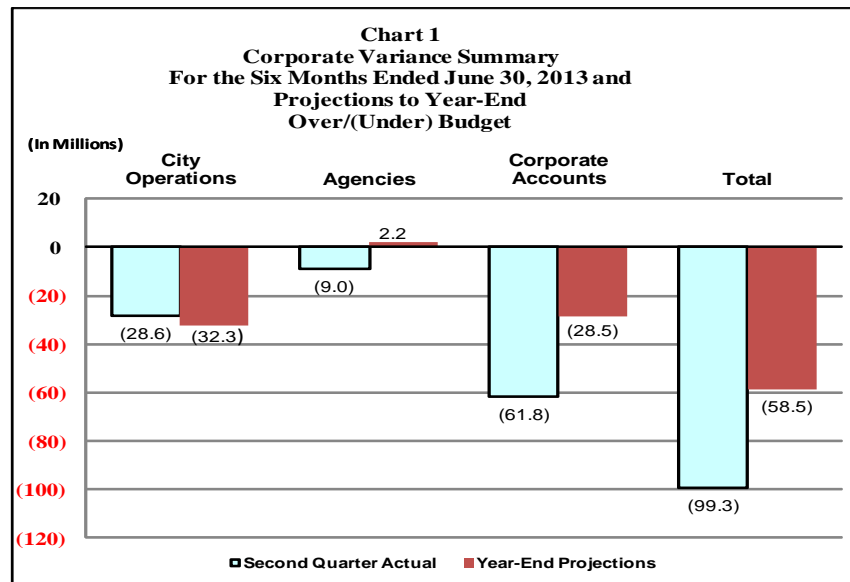
Rate Supported Programs were under-spent by \$2.488 million or 3.2% compared to net planned expenditures for the six-month period ended June 30, 2013 and project year-end under-spending of \$10.315 million or 16.3% of the 2013 Approved Net Operating Budget.

Appendices A, B and C attached summarize net expenditures, gross expenditures, and revenues, respectively. Appendix D provides the in-year budget adjustments for the second quarter ended June 30, 2013. Appendix E provides detailed variance explanations for City Programs and Agencies for the six months ended June, 2013 as well as projections to year-end.

ISSUE BACKGROUND

This report is provided pursuant to financial management best 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 2013 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management principles.

COMMENTS



Tax Supported Programs

City Operations realized net under-spending of \$28.533 million or 3.2% of planned expenditures for the six-month period ended June 30, 2013. Major contributors to net under-spending include the following:

- Toronto Building's net under-spending of \$9.791 million or 162.1% was driven by higher than planned revenues mainly due to the sustained high volume of permit application intake experienced which was driven by the industry's anticipation of development charge increases. On a gross basis the variance is only 4.1% under plan.
- Information and Technology's net under-spending of \$7.189 million or 15.6% was primarily from lower maintenance and telecommunication costs, and salary savings from vacancies that have yet to be filled.
- Toronto Employment and Social Services' net under-spending of \$4.480 million or 5.4% was attributable to lower than planned year-to-date caseload (100,038 actual versus 107,156 budgeted) and lower special diet expenditures.
- City Planning's net under-spending of \$3.753 million or 65.2% was preliminary due to higher than planned revenue from development application review. On a gross basis the variance is only 3.4% under plan.
- Emergency Management Services' net under-spending of \$1.494 million or 5.6% was primarily from savings in salaries and benefits for vacant paramedic and dispatcher positions which have yet to be filled and higher than anticipated attrition in non-paramedic positions.

- The City Manager's Office's net under-spending of \$1.490 million or 8.0% was due largely to salary and benefit savings arising from vacant positions that are yet to be filled.
- Transportation Services' net under-spending of \$1.355 million or 1.2% was driven largely by lower than planned winter maintenance costs for road and sidewalk ploughing due to variable weather conditions.

The year-to-date savings outlined above were partially off-set by the following:

- Court Services reported a net over-expenditure of \$1.862 million or 72.1% from higher than planned off-duty court attendance charges from Toronto Police Service combined with lower than budgeted revenues as a result of a reduction in charges filed by various enforcement agencies.
- City Clerk's Office reported a net over-expenditure of \$1.179 million or 8.5% primarily due to lower than expected revenue from print and mail services.

City Operations forecasts to be below the 2013 Approved Net Operating Budget by \$32.266 million or 1.8% at year-end due largely to the following:

- Transportation Services is projecting net under-spending of \$10.866 million or 5.3% primarily due to lower than budgeted salary and benefit costs arising from vacancies that will not be filled as well as savings in winter maintenance program costs and various road repair and traffic management contracts.
- Toronto Employment and Social Services is forecasting to be under-spent by \$10.382 million or 5.5% based on a continuation of the current experience of lower caseload (8,500 projected actual versus 108,500 budgeted) and special diet expenditures.
- Information and Technology is forecasting a year-end variance of \$7.189 million or 10.6% under the 2013 Approved Net Operating Budget largely arising from vacant positions.
- City Planning is forecasting net under-spending of \$3.696 million or 25.6% primarily due to salary and benefit savings from vacancies that have not been filled and higher development application user fee revenue.
- Emergency Management Services is forecasting to be under-spent by \$2.772 million or 4.0% net primarily due to savings from paramedic positions that have not been filled, higher than anticipated attrition in non-paramedic positions and a hiring freeze implemented in the Central Ambulance Communications Centre (CACC) to address a shortfall in Provincial funding of \$1.500 million.
- Toronto Building is projecting net under-spending of \$2.500 million or 22.7% based largely from savings in salaries and benefits from staff vacancies.

The forecasted 2013 Approved Net Operating Budget under-expenditures outlined above are projected to be partially off-set by the following:

- Court Services forecasts a year-end net over-expenditure of \$7.984 million or 57.9% largely due to a reduction in fine revenues.
- Parks, Forestry and Recreation projects year-end net over-expenditures of \$2.0 million or 0.7% due to major storm damage costs which are estimated at \$3.0 million. The estimated costs are subject to change pending a full assessment of the damages.

Agencies reported net under-spending of \$8.997 million or 1.1% of planned expenditures for the six months ended June 30, 2013. The variance was driven primarily by the Toronto Transit Commission's combined services which reported \$7.111 million or 2.8% in net under-spending. This resulted primarily from lower gross expenditures savings of \$11.850 million or 1.4% largely from diesel fuel prices and timing of certain non-labour expenses as well as workforce gapping coupled with lower than budgeted revenue of \$4.739 million or 0.8% due to lower than expected ridership results and slightly lower average fare revenue stemming from marginally higher monthly pass sales.

Agencies collectively forecast over-expenditures of \$2.178 million or 0.1% of the 2013 Approved Net Operating Budget by year-end. The projected year-end net over-spending will primarily result from the Toronto Police Service which is projecting to be over-spent by \$2.100 million or 0.2%. This projected over-spending for the Service consists of lower than planned expenditures of \$4.200 million and higher than planned revenues of \$0.4 million, off-set by an unallocated budget reduction of \$6.7 million. In addition, the Toronto Transit Commission is forecasting over-expenditures of \$1.109 million or 0.2% all due to Wheel-Trans' operations driven by a 3% higher demand for service which is expected to drive up the costs of sedan taxi services.

Corporate Accounts for the second quarter experienced net under-spending of \$61.790 million. Projections to year-end indicate that the Corporate Accounts will be \$28.456 million under the 2013 Approved Net Operating Budget, as noted below.

Capital and Corporate Financing was under-spent by \$3.000 million or 1.0% as a result of delay in issuing debt and forecasts to be on budget at year-end.

Non-Program Expenditures were under-spent by \$37.189 million or 15.3% for the six-month period ended June 30, 2013. This was largely driven by provision of the union agreement with the City of Toronto Professional Firefighters' Association, Local 3888. Council at its meeting of July 16, 17, 18 and 19, 2013 approved the collective agreement between the City of Toronto and the Toronto Professional Firefighters' Association and subsequent funds will be transferred in the Operating Variance Report for the Nine-Month Period Ended September 30, 2013 to the Toronto Fire Services 2013 Approved Operating Budget. In addition, there was a timing difference with transferring the one-time lump sum payment for unionized employees and non-union cost of living allowance payment following Council approval. This budget adjustment is included in the year-end projections. As result, Non-Program Expenditures are projected to be \$2.350 million or 0.4% under-spent by year-end primarily from Municipal Property Assessment Corporation (MPAC) fees being

\$1.080 million or 2.7% lower than planned and Parking Tag Enforcement and Operations by \$0.731 million or 1.2% from lower than expected Provincial court costs.

Non-Program Revenues experienced a 2013 Approved Net Operating Budget variance of \$21.601 million or 4.5% above planned revenues for the period ended June 30, 2013. The year-to-date increase in net revenue was primarily driven by the following:

- Increased Municipal Land Transfer Tax net revenue of \$16.788 million or 11.6% primarily from higher than anticipated average home prices and sales. This trend is expected to continue through the second half of this year.
- The receipt of Third Party Sign Tax net revenue of \$7.258 million in the second quarter due to the issuance of the 2013 Third Party Sign Tax invoices earlier than planned. Net revenue from the Third Party Sign Tax is anticipated to be \$0.969 million above budget at year-end.
- Woodbine Racetrack Slot Machine net revenue was \$2.219 million or 29.8% higher than planned resulting from a new Ontario Lottery and Gaming hosting fee formula, effective April 1, 2013. Revenues are expected to be higher than budgeted in 2013 due to increased payments to be received from April to December.

The favourable year-to-date net revenue noted above was partly off-set by a decline in Toronto Hydro Dividend Income of \$2.004 million or 6.3% reflecting lower than planned Toronto Hydro net income from 2012. The 2013 budgeted revenue was based, in part, on Toronto Hydro's 2012 financial performance. In addition, there was a timing delay of \$2.950 million for Administrative Support Recoveries from Toronto Health and Emergency Management Services and are expected to be on budget by year-end.

The Non-Program Revenue Budget is projected to be above plan by \$26.106 million or 2.7% at year-end largely driven by the higher than budgeted net revenue from the Municipal Land Transfer Tax of \$24.911 million or 7.9% from continued average home prices and sales. Payment in Lieu of Taxes net revenue is projected to be \$2.500 million or 2.7% higher than anticipated from assessment based revenues of \$3.3 million partially off-set by appeals and other adjustments of \$0.800 million. In addition, Woodbine Racetrack Slot Machine net revenue is forecasted to be \$2.100 million or 14.1% higher than budgeted resulting from a new Ontario Lottery and Gaming hosting fee formula, effective April 1, 2013.

The projected increase in year-end net revenue, as outlined above, will be partially off-set by a decline in Toronto Hydro Dividend Income of \$2.000 million or 4.4% reflecting lower than budgeted Toronto Hydro net income from 2012. The 2013 budgeted revenue was based, in part, on Toronto Hydro's 2012 financial performance. In addition, the Toronto Parking Authority revenues are forecast to be \$1.378 million or 2.8% below budget by year-end.

Rate Supported Programs

Rate Supported Programs were under-spent by \$2.488 million or 3.2% compared to net planned expenditures for the six-month period ended June 30, 2013. This under-expenditure was driven by Solid Waste Management Services' under-spending of \$2.437 million or 16.1% largely from lower than planned expenditures for salaries and benefits and property taxes for transfer stations.

Toronto Water reported net over-spending of \$0.406 million or 0.4% from lower than planned gross expenditures of \$4.488 million or 1.0% due mainly to savings in salaries and benefits from vacancies that were not filled, natural gas costs and interdivisional charges. These savings were off-set by under-achieved revenues of \$4.895 million or 1.4% mostly from lower consumption for the Region of York and the City of Toronto.

Rate Supported Programs collectively project net under-spending of \$10.315 million or 16.3% at year-end. This under-expenditure is primarily due to salary and benefit savings arising from vacancies that have not been filled and hydro efficiencies for Toronto Water of \$17.105 million or 1.8%. These savings will partially off-set a projected revenue shortfall of \$6.952 million, mostly from lower sales of water to Region of York due to the delayed reopening of the supply main at Steeles and anticipated lower water consumption. Due to the uncertainty in water consumption and residential sale of water, forecasted revenues from the sale of water and wastewater surcharge will be further revised. Actual water consumption trends will not be known until the summer is over, as July to September is the peak period for consumption. Consumption will continue to be monitored throughout the summer and year-end revenue projections will be revised accordingly, based on actual consumption recorded in the third quarter.

Budget Adjustments

Council approval is required for adjustments to the 2013 Approved Operating Budget. These recommended budget adjustments have no impact to the 2013 Approved Net Operating Budget. The major adjustments are outlined below:

Transfer of Emergency Planning Services from Shelter, Support and Housing Administration to Policy, Planning and Finance Administration:

During the Spring of 2013, following the Auditor General's review of the City's response to the Wellesley Street fire in the summer of 2010, a decision was made to transfer Emergency Planning Services from Shelter, Support and Housing Administration to Policy, Planning and Finance Administration to consolidate emergency services within Cluster B. This report recommends that City Council authorize transfer of seven positions with funding for salaries and benefits and administrative costs of \$1.080 million gross and net.

2013 CUPE Local 1600 Negotiated Settlement and Cost of Living Adjustment (COLA) for Management Staff:

The new collective agreement between the Toronto Zoo Board of Management and CUPE Local 1600, representing workers at the Toronto Zoo, was ratified in the Spring of 2013. The contract is for a four year term with a lump sum payment of 1.5%, which does not form part of an employee's base wages, payable to permanent staff in 2013. In addition, wages for permanent and non-permanent staff will increase April 1 of each year as follows: 2013, 0%; 2014, 0.5%; 2015, 1.75%; and 2016, 2.25% and a five cent increase to premiums on April 1 of each year from 2013 to 2016. This report recommends that City Council approve the transfer of \$0.538 million gross and net from the 2013 Non-Program Expenditure Budget to the Toronto Zoo's 2013 Operating Budget to provide the necessary one-time funding for the 1.5% lump sum payment for union staff and the cost of living adjustment (COLA) and progression pay for management staff.

Increase in the 2013 Approved Operating Budget for Shelter, Support and Housing Administration for Provincial Grant Funding:

This report recommends City Council authorize an increase to the 2013 Approved Operating Budget for Shelter, Support and Housing Administration of \$0.649 million gross to be fully funded by the Province, resulting in a \$0 net impact to the City, with the increased subsidy that expands the Provincial program that funds boarding home operators through Habitat Services.

Increase in the 2013 Approved Operating Budget for Shelter, Support and Housing Administration due to Timing Differences in Funding Affordable Housing Projects:

This report recommends that City Council authorize an increase to the 2013 Approved Operating Budget for Shelter, Support and Housing Administration of \$7.082 million gross and \$0 net for the final allocation of 2009 Federal Stimulus Program funding, and funding of construction advances to housing proponents through the 2009 Affordable Housing Program and the New Affordable Rental Housing Program.

2013 Costs of the Arbitrated Collective Agreement with the Toronto Police Senior Officers' Organization – Toronto Police Service:

On June 13, 2013, the Toronto Police Services Board received an Interest Arbitration Award pertaining to the renewal of the collective agreements for the uniform and civilian Senior Officers' Organization (SOO) bargaining units. The impact of this agreement on the 2013 Approved Operating Budget for Toronto Police Service is \$778,500. This report recommends that City Council authorize staff to transfer \$778,500 gross and net from the 2013 Approved Non-Program Expenditure Budget to the Toronto Police Service's 2013 Approved Operating Budget to provide the necessary funding for the 2013 portion of the arbitrated collective agreement with the Toronto Police Senior Officers' Organization.

2013 Costs of the Arbitrated Collective Agreement with the Toronto Police Senior Officers' Organization – Toronto Police Services Board:

On June 13, 2013, the Toronto Police Services Board received an Interest Arbitration Award pertaining to the renewal of the collective agreements for the uniform and civilian Senior Officers' Organization (SOO) bargaining units. The impact of this agreement on the 2013 Approved Operating Budget for Toronto Police Services Board is \$24,300. This report recommends that City Council authorize staff to transfer \$24,300 gross and net from the 2013 Approved Non-Program Expenditure Budget to the Toronto Police Services Board's 2013 Approved Operating Budget to provide the necessary funding for the 2013 portion of the arbitrated collective agreement with the Toronto Police Senior Officers' Organization.

The City Manager's Office & Office of the Chief Financial Officer:

A Service/Efficiency Review Budget in the Corporate Account was established in 2011 to fund the core and service efficiency studies. Staff is now implementing study recommendations and require appropriate resources to implement the study recommendations and further analysis for continuous improvements. The City Manager is recommending transferring \$2.3 million from the 2013 Service/Efficiency Review Budget to create new positions within the City Manager and Chief Financial Officer offices. The re-purposing of these funds, and the creation of the positions, will supplement further continuous improvement and will enable the transfer of technical expertise within the organization. Key components of work will include: implementation of service efficiencies, shared services, continuous improvement, business process re-engineering, implementation of a common management framework and on-going monitoring and evaluation of performance. Also included are Human Resources staff positions to allow for more efficient filling of vacancies and implementation of strategic recruitment plans and positions to support human rights activities, expediting the backlog/resolution of complaints. These budget transfers will not have a financial or budget impact in 2013 or 2014 (i.e., net zero impacts).

Consulting Costs

As at June 30, 2013, Tax and Rate Supported Operations reported actual consulting costs of \$2.256 million gross resulting in an over-expenditure of \$0.322 million gross or 16.6% of \$1.934 million in planned expenditures. The unfavourable variance was driven largely by City Planning and Economic Development and Culture. City Planning was over-spent by \$0.133 million 67.1%. A purchase order commitment was set up in February of 2013 for the City Planning Strategic Plan, which is expected to be completed in 2013. This variance is not anticipated to carry over to year-end. In addition, Economic Development and Culture reported consulting costs of \$0.110 million for three projects: Creative Initiative; New Casino Located in Toronto; and, Organizational Restructuring Review of the Economic Development and Culture Division.

Approved Positions

The City of Toronto budgets and monitors its staff complement based on Approved Positions. As at June 30 2013, the City reported 45,396.7 full-time approved positions (43,057.2 permanent and 2,339.5 casual/seasonal) and 4,463.0 part-time approved positions (1,525.2 permanent and 2,937.8

casual/seasonal). This strength reflects 2,542.6 vacant positions representing 4.9% of the 2013 Council Approved Complement and is primarily attributed to the timing of hiring for vacant positions and seasonal fluctuations within City Program and Agency workforces.

Utility Costs

As at June 30, 2013, Tax and Rate Supported Operations reported actual utility costs of \$79.552 million gross (compared to the planned expenditures of \$81.420 million gross) resulting in an under-expenditure of \$1.850 million gross or 2.3% compared to plan for the second quarter. The under-expenditure in utility costs was primarily the result of lower than planned consumption, predominantly in Toronto Water and the Toronto Transit Commission.

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SIGNATURE

Roberto Rossini
Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Appendix A – City of Toronto Net Expenditures for Six Months Ended June 30, 2013
Appendix B – City of Toronto Gross Expenditures for Six Months Ended June 30, 2013
Appendix C – City of Toronto Revenues for Six Months Ended June 30, 2013
Appendix D – City of Toronto Budget Adjustments for Six Months Ended June 30, 2013
Appendix E – City of Toronto Significant City Programs/Agencies Variance Explanations



CITY OF TORONTO
CONSOLIDATED NET EXPENDITURES VARIANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2013
 (\$000s)

	June 30, 2013				December 31, 2013			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	659.2	659.2	0.0	0.0%	1,194.8	1,194.8	0.0	0.0%
Children's Services	40,304.6	40,304.6	0.0	0.0%	76,716.5	76,716.5	0.0	0.0%
Court Services	(2,582.7)	(720.8)	1,861.9	-72.1%	(13,783.2)	(5,799.2)	7,984.0	-57.9%
Economic Development & Culture	31,134.8	31,573.4	438.6	1.4%	45,401.9	45,601.9	200.0	0.4%
Emergency Medical Services	26,824.1	25,330.6	(1,493.5)	-5.6%	68,575.5	65,803.4	(2,772.1)	-4.0%
Long Term Care Homes and Services	15,114.5	16,581.4	1,466.9	9.7%	45,947.2	45,947.2	0.0	0.0%
Parks, Forestry & Recreation	131,713.4	131,833.2	119.8	0.1%	273,071.4	275,071.5	2,000.0	0.7%
Shelter, Support & Housing Administration	76,368.1	75,978.8	(389.3)	-0.5%	219,024.6	218,592.6	(432.0)	-0.2%
Social Development, Finance & Administration	8,679.3	8,458.4	(220.9)	-2.5%	28,363.3	28,090.8	(272.5)	-1.0%
Toronto Employment & Social Services	82,244.4	77,764.6	(4,479.8)	-5.4%	188,324.8	177,943.0	(10,381.8)	-5.5%
Sub-Total Citizen Centred Services "A"	410,459.7	407,763.4	(2,696.3)	-0.7%	932,836.8	929,162.4	(3,674.4)	-0.4%
Citizen Centred Services "B"								
City Planning	5,753.5	2,000.3	(3,753.3)	-65.2%	14,447.4	10,751.5	(3,695.9)	-25.6%
Fire Services	176,605.9	175,976.8	(629.2)	-0.4%	361,378.8	362,307.6	928.8	0.3%
Municipal Licensing & Standards	5,499.1	6,465.0	965.8	17.6%	20,214.5	20,114.6	(100.0)	-0.5%
Policy, Planning, Finance and Administration	4,284.4	3,615.6	(668.8)	-15.6%	9,594.3	9,384.0	(210.3)	-2.2%
Engineering and Construction Services	4,248.1	4,766.6	518.5	12.2%	7,604.2	8,581.6	977.4	12.9%
Toronto Building	(6,039.5)	(15,830.1)	(9,790.6)	162.1%	(11,031.3)	(13,531.3)	(2,500.0)	22.7%
Transportation Services	115,478.5	114,123.3	(1,355.2)	-1.2%	205,977.4	195,111.4	(10,866.0)	-5.3%
Sub-Total Citizen Centred Services "B"	305,830.0	291,117.3	(14,712.7)	-4.8%	608,185.3	592,719.4	(15,465.9)	-2.5%
Internal Services								
Office of the Chief Financial Officer	3,809.5	3,681.8	(127.7)	-3.4%	9,135.7	8,686.2	(449.5)	-4.9%
Office of the Treasurer	11,900.8	11,563.7	(337.1)	-2.8%	29,766.1	28,766.3	(999.8)	-3.4%
Facilities Management & Real Estate	44,191.4	43,424.2	(767.2)	-1.7%	63,196.3	62,420.4	(775.9)	-1.2%
Fleet Services	527.5	444.7	(82.8)	-15.7%	164.8	(147.2)	(312.0)	-189.3%
Information & Technology	46,206.8	39,017.9	(7,188.9)	-15.6%	67,846.4	60,657.5	(7,188.9)	-10.6%
311 Toronto	4,125.8	3,167.5	(958.3)	-23.2%	10,360.0	9,216.8	(1,143.2)	-11.0%
Sub-Total Internal Services	110,761.8	101,299.7	(9,462.0)	-8.5%	180,469.3	169,600.0	(10,869.3)	-6.0%
City Manager								
City Manager's Office	18,608.5	17,118.0	(1,490.4)	-8.0%	42,820.6	41,151.0	(1,669.6)	-3.9%
Sub-Total City Manager	18,608.5	17,118.0	(1,490.4)	-8.0%	42,820.6	41,151.0	(1,669.6)	-3.9%
Other City Programs								
City Clerk's Office	13,855.9	15,034.8	1,178.9	8.5%	31,039.1	31,039.1	0.0	0.0%
Legal Services	9,438.4	8,982.5	(455.9)	-4.8%	19,353.1	19,052.4	(300.6)	-1.6%
Mayor's Office	872.1	704.6	(167.5)	-19.2%	1,971.3	1,971.3	0.0	0.0%
City Council	9,087.7	8,701.5	(386.2)	-4.2%	19,957.4	19,957.4	0.0	0.0%
Sub-Total Other City Programs	33,254.1	33,423.4	169.3	0.5%	72,320.9	72,020.3	(300.6)	-0.4%
Accountability Offices								
Auditor General's Office	1,803.9	1,672.9	(131.0)	-7.3%	4,177.7	3,981.6	(196.1)	-4.7%
Integrity Commissioner's Office	116.2	103.9	(12.3)	-10.5%	251.2	251.2	0.0	0.0%
Lobbyist Registrar's Office	484.6	392.6	(92.0)	-19.0%	1,087.3	997.3	(90.0)	-8.3%
Ombudsman's Office	716.9	591.2	(125.7)	-17.5%	1,593.3	1,593.3	0.0	0.0%
Sub-Total Council Appointed Programs	3,121.6	2,760.6	(360.9)	-11.6%	7,109.6	6,823.5	(286.1)	-4.0%
TOTAL - CITY OPERATIONS	882,035.6	853,482.6	(28,553.0)	-3.2%	1,843,742.5	1,811,476.5	(32,266.0)	-1.8%



**CITY OF TORONTO
CONSOLIDATED NET EXPENDITURES VARIANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2013
(\$000s)**

	June 30, 2013				December 31, 2013			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	21,118.1	20,695.6	(422.5)	-2.0%	50,420.0	49,420.0	(1,000.0)	-2.0%
Toronto Public Library	80,924.8	80,422.5	(502.3)	-0.6%	165,359.6	164,855.5	(504.1)	-0.3%
Association of Community Centres	3,413.5	3,327.2	(86.3)	-2.5%	6,996.0	7,015.0	19.0	0.3%
Exhibition Place	2,264.9	1,710.0	(554.8)	-24.5%	(100.0)	(100.0)	0.0	0.0%
Heritage Toronto	150.1	150.1	0.0	0.0%	311.8	311.8	0.0	0.0%
Theatres	1,957.7	2,168.9	211.2	10.8%	4,329.2	4,874.1	544.9	12.6%
Toronto Zoo	8,342.0	7,524.0	(818.0)	-9.8%	11,648.3	11,648.3	0.0	0.0%
Arena Boards of Management	(7.9)	(515.1)	(507.2)	6447.5%	(15.7)	15.1	30.8	-195.8%
Yonge Dundas Square	218.3	(37.4)	(255.7)	-117.1%	436.6	314.7	(121.9)	-27.9%
Toronto & Region Conservation Authority	4,765.9	4,765.9	(0.0)	0.0%	3,289.5	3,289.5	0.0	0.0%
Toronto Transit Commission - Conventional	200,871.0	194,160.0	(6,711.0)	-3.3%	410,951.0	410,951.0	0.0	0.0%
Toronto Transit Commission - Wheel Trans	49,511.0	49,111.0	(400.0)	-0.8%	96,823.0	97,932.0	1,109.0	1.1%
Toronto Police Service	466,291.2	467,341.2	1,050.0	0.2%	927,811.2	929,911.2	2,100.0	0.2%
Toronto Police Services Board	909.7	909.7	0.0	0.0%	2,251.6	2,251.6	0.0	0.0%
TOTAL - AGENCIES	840,730.3	831,733.7	(8,996.6)	-1.1%	1,680,512.0	1,682,689.7	2,177.7	0.1%
Corporate Accounts								
Capital & Corporate Financing	308,648.9	305,648.9	(3,000.0)	-1.0%	617,297.8	617,297.8	0.0	0.0%
Non-Program Expenditures								
- Tax Deficiencies/Write-offs	31,531.3	31,526.3	(5.0)	0.0%	72,000.0	72,000.0	0.0	0.0%
- Assessment Function (MPAC)	19,910.0	19,410.5	(499.5)	-2.5%	39,820.0	38,739.9	(1,080.1)	-2.7%
- Temporary Borrowing	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Funding of Employee Related Liabilities	37,958.8	37,950.5	(8.4)	0.0%	75,947.2	75,939.9	(7.3)	0.0%
- Contingency	0.0	0.1	0.1	n/a	0.0	0.1	0.1	n/a
- Other Corporate Expenditures	35,019.0	2,373.3	(32,645.8)	-93.2%	69,832.5	69,301.7	(530.8)	-0.8%
- Insurance Premiums & Claims	3,650.0	3,650.0	0.0	0.0%	7,300.0	7,300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	29,568.6	29,202.9	(365.7)	-1.2%	59,137.1	58,405.7	(731.4)	-1.2%
- Vacancy Rebate Program	11,000.0	11,045.1	45.1	0.4%	22,000.0	22,000.0	0.0	0.0%
- Heritage Property Taxes Rebate	0.0	3.6	3.6	n/a	2,000.0	2,000.0	0.0	0.0%
- Solid Waste Management Rebates	74,070.8	70,357.2	(3,713.6)	-5.0%	182,391.9	182,391.9	0.0	0.0%
- Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Expenditures	242,708.6	205,519.4	(37,189.2)	-15.3%	530,428.7	528,079.2	(2,349.6)	-0.4%
Non-Program Revenue								
- Payments in Lieu of Taxes	(79,585.3)	(79,580.3)	5.0	0.0%	(92,149.2)	(94,649.2)	(2,500.0)	2.7%
- Supplementary Taxes	0.0	0.0	0.0	n/a	(50,000.0)	(50,000.0)	0.0	0.0%
- Tax Penalties	(13,423.6)	(14,254.5)	(830.9)	6.2%	(29,000.0)	(29,000.0)	0.0	0.0%
- Interest/Investment Earnings	(62,113.5)	(62,113.5)	0.0	0.0%	(124,226.9)	(124,226.9)	0.0	0.0%
- Prior Year Surplus	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Other Corporate Revenues	(3,823.0)	(3,210.5)	612.5	-16.0%	(7,514.0)	(6,516.9)	997.1	-13.3%
- Toronto Hydro Revenues	(32,000.0)	(29,996.0)	2,004.0	-6.3%	(45,000.0)	(43,000.0)	2,000.0	-4.4%
- Provincial Revenue	(45,800.0)	(45,800.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
- Municipal Land Transfer Tax	(144,909.2)	(161,697.0)	(16,787.8)	11.6%	(315,088.6)	(340,000.0)	(24,911.4)	7.9%
- Personal Vehicle Tax	0.0	(0.2)	(0.2)	n/a	0.0	(0.2)	(0.2)	n/a
- Third Party Sign Tax	(4,777.7)	(12,035.4)	(7,257.7)	151.9%	(9,555.4)	(10,524.8)	(969.4)	10.1%
- Parking Authority Revenues	(24,212.9)	(24,556.0)	(343.1)	1.4%	(48,425.8)	(47,047.9)	1,377.9	-2.8%
- Administrative Support Recoveries - Water	(9,486.5)	(9,486.5)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	(8,163.4)	(5,213.4)	2,950.0	-36.1%	(16,326.7)	(16,326.7)	0.0	0.0%
- Parking Tag Enforcement & Oper.	(41,067.1)	(41,067.1)	0.0	0.0%	(82,134.1)	(82,134.1)	0.0	0.0%
- Other Tax Revenues	(8,236.5)	(7,969.7)	266.8	-3.2%	(14,200.0)	(14,200.0)	0.0	0.0%
- Woodbine Slots	(7,450.0)	(9,669.2)	(2,219.2)	29.8%	(14,900.0)	(17,000.0)	(2,100.0)	14.1%
Non-Program Revenues	(485,048.6)	(506,649.2)	(21,600.6)	4.5%	(959,093.7)	(985,199.7)	(26,106.0)	2.7%
TOTAL - CORPORATE ACCOUNTS	66,308.9	4,519.1	(61,789.8)	-93.2%	188,632.8	160,177.3	(28,455.5)	-15.1%
NET OPERATING TAX LEVY	1,789,074.8	1,689,735.3	(99,339.5)	-5.6%	3,712,887.3	3,654,343.5	(58,543.8)	-1.6%
NON LEVY OPERATIONS								
Solid Waste Management Services	15,091.8	12,654.9	(2,436.9)	-16.1%	0.0	(1,999.2)	(1,999.2)	n/a
Toronto Parking Authority	(29,233.2)	(29,690.7)	(457.5)	1.6%	(63,181.2)	(61,344.0)	1,837.2	-2.9%
Toronto Water	91,888.5	92,295.0	406.5	0.4%	0.0	(10,153.0)	(10,153.0)	n/a
NON LEVY OPERATING NET EXPENDITURES	77,747.1	75,259.2	(2,487.9)	-3.2%	(63,181.2)	(73,496.2)	(10,315.0)	16.3%



CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2013
(\$000s)

	June 30, 2013				December 31, 2013			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	1,226.1	1,042.6	(183.5)	-15.0%	2,682.2	2,671.0	(11.2)	-0.4%
Children's Services	214,576.4	214,211.4	(365.0)	-0.2%	402,335.5	402,335.5	0.0	0.0%
Court Services	21,650.3	22,463.0	812.7	3.8%	55,130.1	55,467.4	337.3	0.6%
Economic Development & Culture	39,670.8	39,659.3	(11.5)	0.0%	63,430.7	63,430.8	0.1	0.0%
Emergency Medical Services	82,145.4	80,329.7	(1,815.7)	-2.2%	181,367.4	177,740.5	(3,626.9)	-2.0%
Long Term Care Homes & Services	105,649.6	100,342.7	(5,306.9)	-5.0%	228,810.8	223,810.8	(5,000.0)	-2.2%
Parks, Forestry & Recreation	173,777.4	171,166.9	(2,610.5)	-1.5%	395,801.6	394,301.6	(1,500.0)	-0.4%
Shelter, Support & Housing Administration	322,088.8	313,282.9	(8,805.9)	-2.7%	672,376.4	668,641.8	(3,734.6)	-0.6%
Social Development, Finance & Administration	11,868.7	11,680.7	(188.0)	-1.6%	34,797.1	34,442.4	(354.7)	-1.0%
Toronto Employment & Social Services	591,100.6	531,865.8	(59,234.8)	-10.0%	1,246,392.3	1,149,240.4	(97,151.9)	-7.8%
Sub-Total Citizen Centred Services "A"	1,563,754.1	1,486,044.9	(77,709.2)	-5.0%	3,283,124.1	3,172,082.2	(111,041.9)	-3.4%
Citizen Centred Services "B"								
City Planning	17,526.8	16,931.6	(595.2)	-3.4%	40,783.3	39,415.4	(1,367.9)	-3.4%
Fire Services	183,965.1	184,260.9	295.9	0.2%	375,730.8	377,159.6	1,428.8	0.4%
Municipal Licensing & Standards	20,123.4	19,829.9	(293.5)	-1.5%	49,278.4	46,379.9	(2,898.5)	-5.9%
Policy, Planning, Finance and Administration	9,643.3	7,982.7	(1,660.6)	-17.2%	21,105.7	20,322.1	(783.7)	-3.7%
Engineering and Construction Services	29,263.3	26,364.9	(2,898.4)	-9.9%	70,552.7	68,452.7	(2,100.0)	-3.0%
Toronto Buildings	20,880.9	20,024.9	(856.0)	-4.1%	47,090.6	45,490.6	(1,600.0)	-3.4%
Transportation Services	148,777.7	145,680.5	(3,097.2)	-2.1%	331,267.8	314,416.8	(16,851.0)	-5.1%
Sub-Total Citizen Centred Services "B"	430,180.5	421,075.5	(9,104.9)	-2.1%	935,809.3	911,637.1	(24,172.3)	-2.6%
Internal Services								
Office of the Chief Financial Officer	6,982.5	6,485.2	(497.3)	-7.1%	15,944.4	14,643.4	(1,301.0)	-8.2%
Office of the Treasurer	33,583.3	31,318.7	(2,264.6)	-6.7%	73,628.4	70,154.0	(3,474.4)	-4.7%
Facilities Management & Real Estate	83,875.1	79,794.6	(4,080.6)	-4.9%	184,446.3	179,344.9	(5,101.4)	-2.8%
Fleet Services	19,773.6	20,603.9	830.3	4.2%	46,655.8	47,719.1	1,063.3	2.3%
Information & Technology	55,046.8	46,084.8	(8,962.0)	-16.3%	106,815.0	87,245.4	(19,569.6)	-18.3%
311 Toronto	8,314.7	6,667.0	(1,647.7)	-19.8%	18,871.5	16,098.5	(2,773.0)	-14.7%
Sub-Total Internal Services	207,576.0	190,954.1	(16,621.9)	-8.0%	446,361.4	415,205.3	(31,156.1)	-7.0%
City Manager								
City Manager's Office	22,345.4	20,200.5	(2,144.9)	-9.6%	50,825.0	48,750.4	(2,074.6)	-4.1%
Sub-Total City Manager	22,345.4	20,200.5	(2,144.9)	-9.6%	50,825.0	48,750.4	(2,074.6)	-4.1%
Other City Programs								
City Clerk's Office	21,533.9	21,788.6	254.7	1.2%	47,259.2	47,259.2	0.0	0.0%
Legal Services	22,405.5	23,391.4	985.9	4.4%	45,430.9	46,262.8	831.9	1.8%
Mayor's Office	872.1	704.6	(167.5)	-19.2%	1,971.3	1,971.3	0.0	0.0%
City Council	9,102.7	8,706.9	(395.8)	-4.3%	19,987.4	19,987.4	0.0	0.0%
Sub-Total Other City Programs	53,914.2	54,591.6	677.4	1.3%	114,648.8	115,480.8	831.9	0.7%
Accountability Offices								
Auditor General's Office	1,803.9	1,672.9	(131.0)	-7.3%	4,177.7	3,981.6	(196.1)	-4.7%
Integrity Commissioner's Office	116.2	103.9	(12.3)	-10.5%	251.2	251.2	0.0	0.0%
Lobbyist Registrar's Office	484.6	392.6	(92.0)	-19.0%	1,087.3	997.3	(90.0)	-8.3%
Ombudsman's Office	716.9	591.2	(125.7)	-17.5%	1,593.3	1,593.3	0.0	0.0%
Sub-Total Council Appointed Programs	3,121.6	2,760.6	(360.9)	-11.6%	7,109.6	6,823.5	(286.1)	-4.0%
TOTAL - CITY OPERATIONS	2,280,891.7	2,175,627.3	(105,264.4)	-4.6%	4,837,878.2	4,669,979.2	(167,899.0)	-3.5%



CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2013
 (\$000s)

	June 30, 2013				December 31, 2013			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	105,067.8	101,934.9	(3,133.0)	-3.0%	243,687.7	238,587.0	(5,100.6)	-2.1%
Toronto Public Library	88,329.1	88,846.2	517.1	0.6%	182,030.3	183,092.9	1,062.6	0.6%
Association of Community Centres	3,540.6	3,481.0	(59.7)	-1.7%	7,426.8	7,445.8	19.0	0.3%
Exhibition Place	20,763.8	19,911.3	(852.5)	-4.1%	43,650.7	43,650.7	0.0	0.0%
Heritage Toronto	260.3	260.3	0.0	0.0%	740.1	742.6	2.5	0.3%
Theatres	11,869.5	9,370.2	(2,499.3)	-21.1%	23,609.2	20,740.3	(2,868.9)	-12.2%
Toronto Zoo	24,019.1	23,663.6	(355.5)	-1.5%	54,102.9	54,102.9	0.0	0.0%
Arena Boards of Management	3,650.4	3,494.1	(156.3)	-4.3%	7,300.7	7,306.3	5.6	0.1%
Yonge Dundas Square	1,034.6	1,035.3	0.7	0.1%	2,069.2	2,300.1	230.9	11.2%
Toronto & Region Conservation Authority	15,990.4	15,968.8	(21.5)	-0.1%	38,402.0	38,402.0	0.0	0.0%
Toronto Transit Commission - Conventional	779,360.0	767,814.0	(11,546.0)	-1.5%	1,540,948.0	1,537,148.0	(3,800.0)	-0.2%
Toronto Transit Commission - Wheel Trans	52,324.0	52,020.0	(304.0)	-0.6%	102,369.0	103,551.0	1,182.0	1.2%
Toronto Police Service	495,058.1	496,308.1	1,250.0	0.3%	1,018,946.8	1,021,446.8	2,500.0	0.2%
Toronto Police Services Board	917.5	917.5	0.0	0.0%	2,751.6	2,751.6	0.0	0.0%
TOTAL - AGENCIES	1,602,185.1	1,585,025.2	(17,159.9)	-1.1%	3,268,035.0	3,261,268.1	(6,767.0)	-0.2%
Corporate Accounts								
Capital & Corporate Financing	327,509.8	324,509.8	(3,000.0)	-0.9%	655,019.5	655,019.5	0.0	0.0%
Non-Program Expenditures								
- Tax Deficiencies/Write-offs	31,531.3	31,526.3	(5.0)	0.0%	72,000.0	72,000.0	0.0	0.0%
- Assessment Function (MPAC)	19,910.0	19,410.5	(499.5)	-2.5%	39,820.0	38,739.9	(1,080.1)	-2.7%
- Temporary Borrowing	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Funding of Employee Related Liabilities	37,958.8	37,950.5	(8.4)	0.0%	75,947.2	75,939.9	(7.3)	0.0%
- Contingency	0.0	0.1	0.1	n/a	0.0	0.1	0.1	n/a
- Other Corporate Expenditures	37,129.4	4,328.6	(32,800.8)	-88.3%	74,053.2	73,048.0	(1,005.2)	-1.4%
- Insurance Premiums & Claims	3,650.0	3,650.0	0.0	0.0%	7,300.0	7,300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	29,568.6	29,202.9	(365.7)	-1.2%	59,137.1	58,405.7	(731.4)	-1.2%
- Programs Funded from Reserve Funds	63,388.8	67,667.4	4,278.6	6.7%	132,094.5	141,447.0	9,352.5	7.1%
- Vacancy Rebate Program	11,000.0	11,045.1	45.1	0.4%	22,000.0	22,000.0	0.0	0.0%
- Heritage Property Taxes Rebate	0.0	3.6	3.6	n/a	2,000.0	2,000.0	0.0	0.0%
- Tax Rebates for Registered Charities	5,814.5	5,814.5	0.0	0.0%	5,814.5	5,814.5	0.0	0.0%
- Solid Waste Management Rebates	74,070.8	70,357.2	(3,713.6)	-5.0%	182,391.9	182,391.9	0.0	0.0%
- Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Expenditures	314,022.3	280,956.6	(33,065.7)	-10.5%	672,558.4	679,086.9	6,528.5	1.0%
Non-Program Revenue								
- Interest/Investment Earnings	465.3	465.3	0.0	0.0%	930.6	930.6	0.0	0.0%
- Other Corporate Revenues	446.7	1,245.2	798.5	178.8%	894.8	1,617.8	723.0	80.8%
- Municipal Land Transfer Tax	2,936.6	2,072.6	(864.0)	-29.4%	6,385.2	6,385.2	0.0	0.0%
- Personal Vehicle Tax	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Third Party Sign Tax	462.6	0.0	(462.6)	-100.0%	925.2	925.2	0.0	0.0%
- Other Tax Revenues	0.0	407.0	407.0	n/a	0.0	0.0	0.0	n/a
Non-Program Revenues	4,311.2	4,190.1	(121.1)	-2.8%	9,135.8	9,858.8	723.0	7.9%
TOTAL - CORPORATE ACCOUNTS	645,843.2	609,656.5	(36,186.8)	-5.6%	1,336,713.7	1,343,965.2	7,251.5	0.5%
LEVY OPERATING GROSS EXPENDITURES	4,528,920.0	4,370,308.9	(158,611.1)	-3.5%	9,442,626.9	9,275,212.5	(167,414.4)	-1.8%
NON LEVY OPERATIONS								
Solid Waste Management Services	124,770.7	120,827.3	(3,943.5)	-3.2%	349,942.7	350,038.7	96.0	0.0%
Toronto Parking Authority	36,133.4	35,313.0	(820.4)	-2.3%	72,216.9	74,302.2	2,085.3	2.9%
Toronto Water	440,702.0	436,213.7	(4,488.4)	-1.0%	940,797.2	923,691.8	(17,105.3)	-1.8%
NON LEVY OPERATING GROSS EXPENDITURES	601,606.2	592,354.0	(9,252.2)	-1.5%	1,362,956.8	1,348,032.8	(14,924.0)	-1.1%



CITY OF TORONTO
CONSOLIDATED REVENUES VARIANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2013
(\$000s)

	June 30, 2013				December 31, 2013			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	566.9	383.4	(183.5)	-32.4%	1,487.4	1,476.2	(11.2)	-0.8%
Children's Services	174,271.8	173,906.8	(365.0)	-0.2%	325,619.0	325,619.0	0.0	0.0%
Court Services	24,233.0	23,183.8	(1,049.2)	-4.3%	68,913.3	61,266.6	(7,646.7)	-11.1%
Economic Development & Culture	8,536.0	8,085.8	(450.2)	-5.3%	18,028.9	17,828.9	(200.0)	-1.1%
Emergency Medical Services	55,321.3	54,999.1	(322.2)	-0.6%	112,791.9	111,937.1	(854.8)	-0.8%
Long Term Care Homes and Services	90,535.1	83,761.3	(6,773.8)	-7.5%	182,863.6	177,863.6	(5,000.0)	-2.7%
Parks, Forestry & Recreation	42,064.0	39,333.7	(2,730.3)	-6.5%	122,730.2	119,230.2	(3,500.0)	-2.9%
Shelter, Support & Housing Administration	245,720.7	237,304.1	(8,416.6)	-3.4%	453,351.8	450,049.2	(3,302.6)	-0.7%
Social Development, Finance & Administration	3,189.4	3,222.3	32.9	1.0%	6,433.8	6,351.6	(82.2)	-1.3%
Toronto Employment & Social Services	508,856.2	454,101.2	(54,755.0)	-10.8%	1,058,067.5	971,297.4	(86,770.1)	-8.2%
Sub-Total Citizen Centred Services "A"	1,153,294.4	1,078,281.4	(75,012.9)	-6.5%	2,350,287.3	2,242,919.8	(107,367.5)	-4.6%
Citizen Centred Services "B"								
City Planning	11,773.2	14,931.3	3,158.1	26.8%	26,335.9	28,663.9	2,328.0	8.8%
Fire Services	7,359.1	8,284.2	925.0	12.6%	14,352.0	14,852.0	500.0	3.5%
Municipal Licensing & Standards	14,624.3	13,364.9	(1,259.4)	-8.6%	29,063.8	26,265.3	(2,798.5)	-9.6%
Policy, Planning, Finance and Administration	5,358.9	4,367.1	(991.8)	-18.5%	11,511.4	10,938.1	(573.4)	-5.0%
Engineering and Construction Services	25,015.3	21,598.3	(3,417.0)	-13.7%	62,948.5	59,871.1	(3,077.4)	-4.9%
Toronto Building	26,920.4	35,855.0	8,934.6	33.2%	58,121.9	59,021.9	900.0	1.5%
Transportation Services	33,299.2	31,557.3	(1,741.9)	-5.2%	125,290.4	119,305.4	(5,985.0)	-4.8%
Sub-Total Citizen Centred Services "B"	124,350.5	129,958.2	5,607.7	4.5%	327,624.0	318,917.6	(8,706.3)	-2.7%
Internal Services								
Office of the Chief Financial Officer	3,173.0	2,803.4	(369.6)	-11.6%	6,808.7	5,957.2	(851.5)	-12.5%
Office of the Treasurer	21,682.5	19,755.0	(1,927.5)	-8.9%	43,862.3	41,387.7	(2,474.6)	-5.6%
Facilities Management & Real Estate	39,683.7	36,370.4	(3,313.3)	-8.3%	121,250.0	116,924.5	(4,325.5)	-3.6%
Fleet Services	19,246.1	20,159.2	913.1	4.7%	46,491.0	47,866.3	1,375.3	3.0%
Information & Technology	8,840.0	7,066.9	(1,773.1)	-20.1%	38,968.6	26,587.9	(12,380.7)	-31.8%
311 Toronto	4,188.9	3,499.5	(689.4)	-16.5%	8,511.6	6,881.8	(1,629.8)	-19.1%
Sub-Total Internal Services	96,814.2	89,654.4	(7,159.8)	-7.4%	265,892.1	245,605.3	(20,286.8)	-7.6%
City Manager								
City Manager's Office	3,736.9	3,082.5	(654.4)	-17.5%	8,004.4	7,599.4	(405.0)	-5.1%
Sub-Total City Manager	3,736.9	3,082.5	(654.4)	-17.5%	8,004.4	7,599.4	(405.0)	-5.1%
Other City Programs								
City Clerk's Office	7,678.0	6,753.8	(924.2)	-12.0%	16,220.1	16,220.1	0.0	0.0%
Legal Services	12,967.1	14,408.9	1,441.8	11.1%	26,077.8	27,210.4	1,132.5	4.3%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
City Council	15.0	5.4	(9.6)	-63.8%	30.0	30.0	0.0	0.0%
Sub-Total Other City Programs	20,660.1	21,168.2	508.0	2.5%	42,327.9	43,460.5	1,132.5	2.7%
Accountability Offices								
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
Sub-Total Council Appointed Programs	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
TOTAL - CITY OPERATIONS	1,398,856.1	1,322,144.7	(76,711.4)	-5.5%	2,994,135.7	2,858,502.7	(135,633.1)	-4.5%



CITY OF TORONTO
CONSOLIDATED REVENUES VARIANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2013
(\$000s)

	June 30, 2013				December 31, 2013			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	83,949.7	81,239.2	(2,710.5)	-3.2%	193,267.7	189,167.1	(4,100.6)	-2.1%
Toronto Public Library	7,404.3	8,423.7	1,019.4	13.8%	16,670.8	18,237.4	1,566.6	9.4%
Association of Community Centres	127.1	153.7	26.6	20.9%	430.8	430.8	0.0	0.0%
Exhibition Place	18,498.9	18,201.2	(297.7)	-1.6%	43,750.7	43,750.7	0.0	0.0%
Heritage Toronto	110.2	110.2	0.0	0.0%	428.3	430.8	2.5	0.6%
Theatres	9,911.8	7,201.3	(2,710.5)	-27.3%	19,280.0	15,866.2	(3,413.8)	-17.7%
Toronto Zoo	15,677.1	16,139.6	462.5	3.0%	42,454.6	42,454.6	0.0	0.0%
Arena Boards of Management	3,658.2	4,009.2	350.9	9.6%	7,316.4	7,291.3	(25.2)	-0.3%
Yonge Dundas Square	816.3	1,072.7	256.4	31.4%	1,632.6	1,985.4	352.8	21.6%
Toronto & Region Conservation Authority	11,224.4	11,202.9	(21.5)	-0.2%	35,112.5	35,112.5	0.0	0.0%
Toronto Transit Commission - Conventional	578,489.0	573,654.0	(4,835.0)	-0.8%	1,129,997.0	1,126,197.0	(3,800.0)	-0.3%
Toronto Transit Commission - Wheel Trans	2,813.0	2,909.0	96.0	3.4%	5,546.0	5,619.0	73.0	1.3%
Toronto Police Service	28,766.9	28,966.9	200.0	0.7%	91,135.6	91,535.6	400.0	0.4%
Toronto Police Services Board	7.8	7.8	0.0	0.0%	500.0	500.0	0.0	0.0%
TOTAL - AGENCIES	761,454.8	753,291.5	(8,163.3)	-1.1%	1,587,523.0	1,578,578.3	(8,944.6)	-0.6%
Corporate Accounts								
Capital & Corporate Financing	18,860.9	18,860.9	0.0	0.0%	37,721.7	37,721.7	0.0	0.0%
Non-Program Expenditures								
- Other Corporate Expenditures	2,110.3	1,955.3	(155.0)	-7.3%	4,220.7	3,746.3	(474.4)	-11.2%
- Programs Funded from Reserve Funds	63,388.8	67,667.4	4,278.6	6.7%	132,094.5	141,447.0	9,352.5	7.1%
- Tax Rebates for Registered Charities	5,814.5	5,814.5	0.0	0.0%	5,814.5	5,814.5	0.0	0.0%
- Solid Waste Management Rebates	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Expenditures	71,313.7	75,437.2	4,123.5	5.8%	142,129.7	151,007.8	8,878.1	6.2%
Non-Program Revenue								
- Payments in Lieu of Taxes	79,585.3	79,580.3	(5.0)	0.0%	92,149.2	94,649.2	2,500.0	2.7%
- Supplementary Taxes	0.0	0.0	0.0	n/a	50,000.0	50,000.0	0.0	0.0%
- Tax Penalties	13,423.6	14,254.5	830.9	6.2%	29,000.0	29,000.0	0.0	0.0%
- Interest/Investment Earnings	62,578.8	62,578.8	0.0	0.0%	125,157.5	125,157.5	0.0	0.0%
- Prior Year Surplus	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Other Corporate Revenues	4,269.7	4,455.7	186.0	4.4%	8,408.8	8,134.7	(274.1)	-3.3%
- Toronto Hydro Revenues	32,000.0	29,996.0	(2,004.0)	-6.3%	45,000.0	43,000.0	(2,000.0)	-4.4%
- Provincial Revenue	45,800.0	45,800.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
- Municipal Land Transfer Tax	147,845.8	163,769.6	15,923.8	10.8%	321,473.8	346,385.2	24,911.4	7.7%
- Personal Vehicle Tax	0.0	0.2	0.2	n/a	0.0	0.2	0.2	n/a
- Third Party Sign Tax	5,240.3	12,035.4	6,795.1	129.7%	10,480.6	11,450.0	969.4	9.2%
- Parking Authority Revenues	24,212.9	24,556.0	343.1	1.4%	48,425.8	47,047.9	(1,377.9)	-2.8%
- Administrative Support Recoveries - Water	9,486.5	9,486.5	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	8,163.4	5,213.4	(2,950.0)	-36.1%	16,326.7	16,326.7	0.0	0.0%
- Parking Tag Enforcement & Oper.	41,067.1	41,067.1	0.0	0.0%	82,134.1	82,134.1	0.0	0.0%
- Other Tax Revenues	8,236.5	8,376.7	140.2	1.7%	14,200.0	14,200.0	0.0	0.0%
- Woodbine Slots	7,450.0	9,669.2	2,219.2	29.8%	14,900.0	17,000.0	2,100.0	14.1%
Non-Program Revenues	489,359.8	510,839.3	21,479.5	4.4%	968,229.5	995,058.5	26,829.0	2.8%
TOTAL - CORPORATE ACCOUNTS	579,534.3	605,137.4	25,603.1	4.4%	1,148,080.9	1,183,788.0	35,707.1	3.1%
LEVY OPERATING REVENUES	2,739,845.2	2,680,573.5	(59,271.7)	-2.2%	5,729,739.6	5,620,869.0	(108,870.6)	-1.9%
NON LEVY OPERATIONS								
Solid Waste Management Services	109,678.9	108,172.4	(1,506.6)	-1.4%	349,942.7	352,037.9	2,095.2	0.6%
Toronto Parking Authority	65,366.6	65,003.7	(362.9)	-0.6%	135,398.1	135,646.2	248.1	0.2%
Toronto Water	348,813.5	343,918.7	(4,894.8)	-1.4%	940,797.2	933,844.9	(6,952.3)	-0.7%
NON LEVY OPERATING REVENUES	523,859.1	517,094.7	(6,764.3)	-1.3%	1,426,137.9	1,421,529.0	(4,609.0)	-0.3%

CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2013
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Service "A"				
Parks, Forestry & Recreation				
Reallocation of 2013 Approved Budget within Parks, Forestry & Recreation to better align with services with no net impact to the program; transfer budget from Urban Forestry and Policy & Service Planning to Parks Services.	427.5	389.6	37.9	0.0
Reallocation of 2013 Approved Budget within Parks, Forestry & Recreation to better align with services with no net impact to the program; transfer budget from Urban Forestry to Parks Services.	(38.0)	0.0	(38.0)	0.0
Reallocation of 2013 Approved Budget within Parks, Forestry & Recreation to better align with services with no net impact to the program; transfer budget from Policy & Service Planning to Parks Services.	(389.5)	(389.6)	0.1	0.0
Total Parks, Forestry & Recreation	0.0	0.0	0.0	0.0
Shelter Support & Housing Administration				
In-year technical adjustment to increase the 2013 Shelter, Support & Housing Administration (SSHA) budget to reflect the additional provincial subsidy received to fund boarding home operators through Habitat Services.	649.0	649.0	0.0	0.0
In-year technical adjustment to reflect final allocation of the 2009 Economic Stimulus Program, and funding to housing proponents through allocations from the 2012 Affordable Housing Program.	7,082.2	7,082.2	0.0	0.0
In-year technical adjustment to reflect the transfer of the budget for printing the Rent Reduction Notices from SSHA, Cluster A to Revenue Services in Office of Treasurer, Internal Services to better align program responsibilities.	(131.6)	0.0	(131.6)	0.0
Transfer of the Emergency Human Services unit from Shelter, Support & Housing Administration, Cluster A to the Office of Emergency Management (OEM) in Policy, Planning, Finance & Admin, Cluster B to align with OEM's emergency response. This adjustment includes funding for seven (7.0) approved permanent positions.	(1,079.9)	(0.9)	(1,079.0)	(7.0)
Total Shelter Support & Housing Administration	6,519.7	7,730.3	(1,210.6)	(7.0)
Social Development Finance & Administration				
To eliminate temporary funding provided by Facilities Management & Real Estate, Internal Services associated with the transfer of the Tower Renewal Office to Social Development, Finance & Admin, Cluster A.	0.0	(150.0)	150.0	0.0
Total Social Development Finance & Administration	0.0	(150.0)	150.0	0.0
Total Citizen Centred Service "A"	6,519.7	7,580.3	(1,060.6)	(7.0)

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2013
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Service "B"				
Policy, Planning, Finance & Administration				
Transfer two (2.0) Support Assistant C positions and related budget from Policy, Planning, Finance & Admin to Transportation Services in Cluster B.	(129.1)	0.0	(129.1)	(2.0)
Transfer of the Emergency Human Services unit from Shelter, Support & Housing Administration, Cluster A to the Office of Emergency Management (OEM) in Policy, Planning, Finance & Admin, Cluster B to align with OEM's emergency response. This adjustment includes funding for seven (7.0) approved permanent positions.	1,079.9	0.9	1,079.0	7.0
Total Policy, Planning, Finance & Administration	950.8	0.9	949.9	5.0
Transportation Services				
Reallocation of utility cut repair budget from Roadway Services in Etob-York District to Roadside Services in Scarborough and TEY to cover shortfalls in contract awards.	(170.5)	(170.5)	0.0	0.0
Reallocation of utility cut repair budget from Roadway Services in Etob-York District to Roadside Services in Scarborough and TEY to cover shortfalls in contract awards.	170.5	170.5	0.0	0.0
Transfer two (2.0) Support Assistant C positions and related budget from Policy, Planning, Finance & Admin to Transportation Services in Cluster B.	129.1	0.0	129.1	2.0
Total Transportation Services	129.1	0.0	129.1	2.0
Total Citizen Centred Service "B"	1,079.9	0.9	1,079.0	7.0

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2013
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
City Manager				
City Manager's Office				
An increase of 4 new permanent Management Consultant positions to work on a variety of corporate projects which include business process re-engineering and the implementation of the common management framework within the organization. Also, an increase of 1 new permanent Senior Performance Management Advisor to expand the monitoring and reporting results across all programs including, customer service (311 results and customer complaints). An Administrative Assistant position will support these functions. Funding is available from the 2013 Service/Efficiency Review Non-Program Account.	794.0	0.0	794	6.0
An increase of 5 new permanent and 5 temporary positions for Strategic Recruitment and Employment Services. Funding is available from the 2013 Service/Efficiency Review Non-Program Account.	982.0	0.0	982.0	10.0
An increase of 2 new positions to support the Human Rights activities. The two positions will assist in expediting the backlog/resolution of complaints. Funding is available from the 2013 Service/Efficiency Review Non-Program Account.	214.3	0.0	214.3	2.0
Total City Manager's Office	<u>1,990.3</u>	<u>0.0</u>	<u>1,990.3</u>	<u>18.0</u>
Total City Manager	<u>1,990.3</u>	<u>0.0</u>	<u>1,990.3</u>	<u>18.0</u>

CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2013
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Internal Services				
Office of the DCM and Chief Financial Officer				
To adjust 2013 Operating Budget in Corporate Finance and Financial Planning to reconcile to approved position complement.	57.9	0.0	57.9	0.0
One Project Manager for Shared Services and 1 Senior Performance Measurement Analyst position to support on-going monitoring and reporting of service performance through FPARS. Funding is available from the 2013 Service/Efficiency Review Non-Program Account.	310.0	0.0	310.0	2.0
Total Office of the DCM and Chief Financial Officer	367.9	0.0	367.9	2.0
Office of the Treasurer				
In-year technical adjustment to reflect the transfer of the budget for printing the Rent Reduction Notices from Shelter, Support & Housing Admin, Cluster A to Revenue Services in the Office of Treasurer, Internal Services to better align program responsibilities.	131.6	0.0	131.6	0.0
Total Office of the Treasurer	131.6	0.0	131.6	0.0
Facilities Management & Real Estate				
To eliminate temporary funding provided by Facilities Management & Real Estate, Internal Services associated with the transfer of the Tower Renewal Office to Social Development, Finance & Admin, Cluster A.	(150.0)	0.0	(150.0)	0.0
Total Facilities Management & Real Estate	(150.0)	0.0	(150.0)	0.0
Fleet Services				
To adjust Fleet Services' 2013 Approved Operating Budget to reflect the Toronto Community Housing Corporation (TCHC) contribution to its Vehicle Reserve, XQ1707, with no net impact.	610.0	610.0	0.0	0.0
Total Fleet Services	610.0	610.0	0.0	0.0
Total Internal Services	959.5	610.0	349.5	2.0

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2013
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Agencies				
Toronto Zoo				
Transfer of budget from Non-program to Toronto Zoo per Collective Agreement ratified in April 30, 2013 for 2013 non-union 1.9% Cost of Living Adjustment as well as the unionized one-time 1.5% lump sum payment.	537.6	0.0	537.6	0.0
Total Toronto Zoo	537.6	0.0	537.6	0.0
Toronto Police Service				
To transfer \$778.5k gross and net from the 2013 Non-Program Expenditure Budget to the Toronto Police Service's 2013 Operating Budget to provide for the 2013 portion of the arbitrated collective agreement with the Toronto Police Senior Officers' Organization.	778.5	0.0	778.5	0.0
Total Toronto Police Service	778.5	0.0	778.5	0.0
Toronto Police Services Board				
To transfer \$24.3k gross and net from the 2013 Non-Program Expenditure Budget to the Toronto Police Services Board's 2013 Operating Budget to provide for the 2013 portion of the arbitrated collective agreement with the Toronto Police Senior Officers' Organization.	24.3	0.0	24.3	0.0
Total Toronto Police Services Board	24.3	0.0	24.3	0.0
Total Agencies	1,340.4	0.0	1,340.4	0.0

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2013
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Corporate Accounts				
Other Corporate Expenditures				
Transfer of budget from Non-program to the 2013 Operating Budget for Corporate Finance and Financial Planning to reconcile the approved position complement.	(57.9)	0.0	(57.9)	0.0
To transfer \$802.8k gross and net from the 2013 Non-Program Expenditure Budget to the Toronto Police Services and TPS Board's 2013 Operating Budgets to provide for the 2013 portion of the arbitrated collective agreement with the Toronto Police Senior Officers' Organization.	(802.8)	0.0	(802.8)	0.0
Transfer of budget from Non-program to Toronto Zoo per Collective Agreement ratified in April 30, 2013 for 2013 non-union 1.9% Cost of Living Adjustment as well as the unionized one-time 1.5% lump sum payment.	(537.6)	0.0	(537.6)	0.0
Transfer of budget from Non-program (Service/Efficiency Review) to the Office of the DCM and CFO for 1 Project Manager for Shared Services and 1 Senior Performance Measurement Analyst position to support on-going monitoring and reporting of service performance.	(310.0)	0.0	(310.0)	0.0
Transfer of \$794.0k gross and net from the 2013 Non-Program Budget (Service/Efficiency Review) to the City Manager's Office for 4 Management Consultants, 1 Senior Performance Management Advisor and 1 Administrative position.	(794.0)	0.0	(794.0)	0.0
Transfer of \$214.3k gross and net from the 2013 Non-Program Budget (Service/Efficiency Review) to the City Manager's Office for 2 positions to support human rights activities.	(214.3)	0.0	(214.3)	0.0
Transfer of \$982.0k gross and net from the 2013 Non-Program Budget (Service/Efficiency Review) to the City Manager's Office for 5 new permanent and 5 temporary positions for Strategic Recruitment and Employment Services.	(982.0)	0.0	(982.0)	0.0
Total Other Corporate Expenditures	(3,698.6)	0.0	(3,698.6)	0.0
Total Corporate Accounts	(3,698.6)	0.0	(3,698.6)	0.0
Total	8,191.2	8,191.2	0.0	20.0

**Operating Variance Report
For Six-Month Period Ended June 30, 2013
Significant Variance by Program and Agency**

City Operations

Citizen Centred Services "A"

As shown in Table 2 below, Citizen Centred Services "A" reported a net under-expenditure of \$2.696 million or 0.7% of planned expenditures for the six-month period ended June 30, 2013 and projects year-end under-spending of \$3.674 million or 0.4% compared to the 2013 Approved Net Operating Budget of \$932.837 million. The reasons for these variances are discussed below.

Table 2 Citizen Centred Services "A" Net Expenditure Variance (\$ Million)		
	June 2013 Over/(Under)	Projected Y/E 2013 Over/(Under)
Affordable Housing Office	0.0	0.0
Children's Services	0.0	0.0
Court Services	1.9	8.0
Economic Development and Culture	0.4	0.2
Emergency Medical Services	(1.5)	(2.8)
Long Term Care Homes and Services	1.5	0.0
Parks, Forestry & Recreation	0.1	2.0
Shelter, Support & Housing Administration	(0.4)	(0.4)
Social Development, Finance & Administration	(0.2)	(0.3)
Toronto Employment & Social Services	(4.5)	(10.4)
Total	(2.7)	(3.7)

Court Services (CS) reported net over-spending of \$1.862 million or 72.1% of planned expenditures for the six-month period ended June 30, 2013. The unfavourable variance of \$0.813 million or 3.8% is primarily due to higher than planned off duty court-attended cases by Toronto Police Service, combined with lower than planned revenues of \$1.049 million or 4.3%, resulting from a reduction in charges filed by various enforcement agencies.

Court Services is projecting to be \$7.984 million or 57.9% above the 2013 Approved Net Operating Budget, reflecting a reduction in revenues of \$7.5 million, with filed charges forecast to be 125,000, or 19% lower than plan.

Economic Development and Culture (EDC) reported net over-spending of \$0.439 million or 1.4% of planned expenditures for the six-month period ended June 30, 2013. The over-expenditure was mainly attributed to a delay in the receipt of Provincial grants and subsidies that will be received later in the year than initially anticipated.

Economic Development and Culture is currently projecting an unfavourable net variance of \$0.200 million or 0.4% at year-end. Tourism Toronto is not in a position to provide the budgeted funding to the City in 2013. The Program is working on strategies to mitigate this pressure and anticipates that the variance will be eliminated by year-end.

Emergency Medical Services (EMS) reported net under-spending of \$1.494 million or 5.6% of planned expenditures for the six-month period ended June 30, 2013. The savings consisted mainly of under-expenditures in salaries and benefits due to vacancies for paramedics and dispatchers, and higher than anticipated attrition in non-paramedic positions.

Emergency Medical Services forecasts a year-end variance of \$2.772 million or 4.0% under the 2013 Approved Net Operating Budget. EMS projects gross under-expenditures of \$3.627 million or 2.0%, reflecting savings in salaries and benefits resulting from vacant paramedic positions, higher than anticipated attrition in non-paramedic positions, and a hiring freeze implemented in the Central Ambulance Communications Centre (CACC) to address a shortfall in Provincial funding for this program. Revenues are projected to be below budget by \$0.854 million, mainly due to the funding shortfall in CACC. While negotiations are on-going with the Ministry of Health and Long-Term Care to resolve this issue, EMS will continue to implement cost containment measures in the CACC program.

Long-Term Care Homes and Services (LTCHS) reported net over-spending of \$1.467 million or 9.7% of planned expenditures for the six-month period ended June 30, 2013 due to the negotiated 1.5% one-time lump sum payment paid to unionized staff. The variance reflects lower than planned gross expenditures of \$5.307 million or 5.0% and lower than budgeted revenue of \$6.774 million or 7.5% primarily for both homes and community based programs due to the Ministry of Health and Long-Term Care delayed confirmation of LTCHS's 2013 program costs.

At this time, Long-Term Care Homes and Services is projecting to be on budget at year-end.

Parks, Forestry and Recreation (PF&R) reported net over-spending of \$0.120 million or 0.1% of planned expenditures for the six-month period ended June 30, 2013. This variance consisted of lower than budgeted gross expenditures of \$2.610 million or 1.5% and lower than planned revenues of \$2.730 million or 6.5% primarily attributed to the discontinuation of the Federally funded Asian Long-Horn Beetle program which has no impact on the Program's Net Operating Budget.

Prior to the July storm, Parks, Forestry and Recreation was projecting a \$1.0 million favourable year-end variance due to delays in filling permanent and seasonal positions. However, the Program now forecasts year-end net over-spending of \$2.0 million or 0.7% as a result of the major storm in July that has an estimated cost of \$3.0 million which is subject to change pending a full assessment of the damages.

Shelter, Support and Housing Administration (SSHA) experienced net under-spending of \$0.389 million or 0.5% for the six-month period ended June 30, 2013. The net under-spending was primarily the result of savings in salaries and benefits from vacant positions. The variance was comprised of \$8.806 million or 2.7% in gross under-spending, with \$4.170 million in savings for social housing, (saving in property taxes, mortgage payments, operating and rent geared to income

subsidies); delays in grant distribution for the Affordable Housing Program; and, other grant programming. Revenues were \$8.417 million or 3.4% lower than planned, reflecting a lower withdrawal of reserve funding for social housing subsidies, and temporary delays in the payment of housing and homelessness grants.

Shelter, Support and Housing Administration forecasts year-end net under-spending of \$0.432 million or 0.2%, reflecting savings in salary and benefits and operations. Under-spending of approximately \$9.5 million is forecast for the Social Housing Program, resulting in a \$9.5 million reduction in reserve funding.

Social Development, Finance and Administration (SDF&A) reported net under-spending of \$0.221 million or 2.5% for the six-month period ended June 30, 2013. Expenditures were \$0.188 million below plan, with the variance attributed to a combination of under-spending in the Tower Renewal Program and saving in non-payroll expenditures. Revenue was \$0.033 million or 1.0% above plan, reflecting the receipt of additional Ontario Works (OW) revenue, due to the application of the corporate full-costing methodology.

Social Development, Finance and Administration forecasts net under-spending of \$0.273 million or 1.0% by year-end, resulting from \$0.355 million in unplanned gapping and other operational savings, off-set by lower revenue of \$0.082 million, mainly due to reduced grant funding associated with the Tower Renewal Program.

Toronto Employment and Social Services (TESS) reported a net under-spending of \$4.480 million or 5.4% of planned expenditures for the six-month period ended June 30, 2013. Lower planned gross expenditures of \$59.235 million or 10.0% and lower than budgeted revenue of \$54.755 million or 10.8% reflect a reduction in caseload (100,038 actual versus 107,156 budgeted) and lower special diet expenditures than budgeted.

Toronto Employment and Social Services is forecasting a year-end variance of \$10.382 million or 5.5% based on a continuation of a lower than budgeted caseload, and lower special diet expenditures to year-end, as the caseload of 108,500 is projected to be 8,500 lower than the budget. The caseload will continue to be closely monitored in relation to the current labour market, economic conditions and recent Provincial policy changes. These policy changes, including a \$14 monthly top-up for single adults without children, a \$200 earning exemption, and an increase in asset limits, will take effect in the fourth quarter, and are expected to have an upward pressure on caseloads well into next year.

Citizen Centred Services “B”

As indicated in Table 3 below, Citizen Centred Services “B” Programs collectively reported net under-spending of \$14.713 million or 4.8% for the six months ended June 30, 2013, and project an under-expenditure of \$15.466 million or 2.5% of the 2013 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)		
	June 2013	Projected Y/E 2013
	Over/(Under)	Over/(Under)
City Planning	(3.8)	(3.7)
Fire Services	(0.6)	0.9
Municipal Licensing & Standards	1.0	(0.1)
Policy, Planning, Finance and Administration	(0.7)	(0.2)
Engineering and Construction Services	0.5	1.0
Toronto Building	(9.8)	(2.5)
Transportation Services	(1.4)	(10.9)
Total	(14.7)	(15.5)

City Planning reported net under-spending of \$3.753 million or 65.2% for the six-month period ended June 30, 2013. This variance reflects lower than budgeted gross expenditures of \$0.595 million or 3.4% primarily due to savings in salaries and benefits for unfilled vacancies and lower than expected non-payroll costs; partially off-set by \$0.133 million in over-spending for commitments related to the City Planning Strategic Plan. Revenues have exceeded planned receipts by \$3.158 million or 26.8%, mainly due to higher than expected development application intake. The volume trend will likely not continue into the rest of year, as applicants submitted and paid for development applications earlier than anticipated.

For year-end, City Planning is projecting under-spending of \$3.696 million or 25.6% compared to the 2013 Approved Net Operating Budget. Gross expenditures savings are forecasted to be \$1.368 million or 3.4% primarily due to savings in salary and benefit costs for positions not filled. The Program is making every effort to fill key positions in order to deliver service levels. Revenues at year-end revenue are projected to exceed budget by \$2.328 million or 8.8%.

Toronto Fire Services (TFS) reported net under-spending of \$0.629 million or 0.4% of planned expenditures for the six-month period ended June 30, 2013. The savings were comprised of higher than planned revenues of \$0.925 million, primarily from fees for false alarms, off-set by a gross over-expenditure of \$0.296 million from higher benefit costs and Workplace Safety Insurance Board (WSIB) payments.

Toronto Fire Services is projecting to be \$0.929 million or 0.3% over the 2013 Approved Net Operating Budget, as a result of the fringe benefit costs and WSIB payments of \$1.429 million, partially off-set by an increase in revenues of \$0.500 million from user fees for false fire alarms and sale of scrap parts.

Municipal Licensing and Standards (MLS) reported net over-spending of \$0.966 million or 17.6% of planned expenditures for the six-month period ended June 30, 2013. This was the result of lower than planned expenditures of \$0.433 million for salaries and benefits due to vacancies that were not filled. Non-salary costs were over-spent by \$0.160 million mainly for contracted services. Most of the net over-spending of \$0.966 million was the result of lower than planned revenue of \$1.259 million or 8.6%. This was due to under-achieved revenue of \$0.508 million from fewer than planned licences sold for Toronto Animal Services, lower numbers of owner surrendered dogs and

cats and a significant decrease in dog adoptions. Licensing revenues from business licences, registration and user fees were also under-achieved by \$0.188 million, while property standards revenues were under-achieved by \$0.563 million.

For year-end, MLS is projecting a net under-expenditure of \$0.100 million or 0.5%. Due to the on-going process of filling staff vacancies and non-staff under-spending the Program is projecting gross under-spending of \$2.899 million or 5.9%. These savings will off-set under-achieved revenues of \$2.799 million or 9.6% due to overstatement of base budget revenues. As approved by Council, this unachieved revenue issue will be addressed through the 2014 Operating Budget process with a comprehensive user fee and revenue review.

Policy, Planning, Finance and Administration (PPF&A) experienced net under-spending of \$0.669 million or 15.6% of planned expenditures for the six-month period ended June 30, 2013. This was the result of lower than planned gross expenditures of \$1.661 million or 17.2% arising from salary and benefit cost savings due to staff vacancies, restraint in spending for non-salary accounts, reduced recoveries for interdivisional charges, and lower than planned costs for utilities.

At year-end, PPF&A is projecting under-spending of \$0.210 million or 2.2% compared to the 2013 Approved Net Operating Budget. This is comprised of projected under-spending of \$0.784 million in gross expenditures reflecting the impact of staff vacancies off-set by under-achieved recoveries of \$0.573 million from client divisions resulting from vacant positions. PPF&A will continue to contain costs and is currently working with Human Resources staff to fill vacant positions.

Engineering and Construction Services reported net over-spending of \$0.519 million or 12.2% of planned net expenditures for the six-month period ended June 30, 2013. Gross expenditures were lower than planned by \$2.898 million or 9.9% due primarily to savings in salaries and benefits from vacancies that were not filled (\$1.379 million) and lower than planned contracted services (\$1.415 million) as a result of delays in executing third party work. These lower expenditures were more than off-set by under achieved revenues of \$3.417 million or 13.7% mostly attributed to a reduction in capital recoveries resulting from the vacant positions (\$2.438 million) and delays in filling positions for Rapid Transit Implementation (\$0.425 million). The reduced revenues were also driven by under-achieved third party review fee revenue (\$0.667 million) that will be off-set by lower spending in the related contracted services budget by year-end.

Engineering and Construction Services forecasts a year-end variance of \$0.977 million or 12.9% over the 2013 Approved Net Operating Budget due to savings in salaries and benefits from vacancies that have not been filled (\$2.100 million). However, these lower expenditures are more than off-set by lower than budgeted recoveries from client capital projects (\$1.900 million) resulting from vacant positions and lower than budgeted revenues from fewer utility applications (\$1.200 million).

Toronto Building experienced net under-spending of \$9.791 million or 162.1% for the six-month period ended June 30, 2013. This variance was driven by higher than planned revenues of \$8.935 million or 33.2% mainly due to a higher volume of permit application intake which was driven by industry anticipation of development charge increases. Gross expenditures were lower than planned by \$0.856 million or 4.1% primarily due to \$0.570 million in savings for salaries and benefits from

staff vacancies that were not filled and an under-expenditure of \$0.149 million in services and rents, costs for parking and metrage, contracted services, phone networks, and consultants.

At year-end, Toronto Building is projecting net expenditure savings of \$2.500 million or 22.7% arising from reduced salary and benefit costs due to ongoing vacant positions. The Program anticipates that year-end revenue will exceed budget by \$0.900 million or 1.5% due to the level of permit application intake experienced to date.

Transportation Services reported net under-spending of \$1.355 million or 1.2% of planned expenditures for the six-month period ended June 30, 2013. This variance is the result of lower than planned gross expenditures of \$3.097 million or 2.1% mainly due to lower than expected contractor costs for road and sidewalk ploughing required for winter maintenance (\$5.239 million) and savings in salaries and benefits from delays in filling vacant positions (\$0.872 million). These lower expenditures were partially off-set by higher salt usage (\$1.540 million) and higher than planned utility costs which will be corrected by year-end (\$1.716 million). Revenues were \$1.742 million or 5.2% lower than planned primarily due to lower parking fee revenues (\$0.227 million) and lower than planned recoveries (\$1.354 million) from Toronto Water for utility cut repairs as contract awards were issued later than expected.

Transportation Services is forecasting a year-end variance of \$10.866 million or 5.3% under the 2013 Approved Net Operating Budget due to full year savings in salaries and benefits from vacancies that will not be filled (\$4.928 million) and lower contractor costs (\$11.923 million) for utility cut repairs (due to the assumption of contracts for the permanent cut repair component by Engineering and Constructions Services) as well as reduced contractor costs for the winter maintenance program. These lower expenditures are partially off-set by projected lower than budgeted recoveries (\$5.985 million) from Toronto Water and external utility companies for utility cut repairs.

Internal Services

As shown in Table 4 below, during the six months ended June 30, 2013, Internal Services Programs collectively reported a net under-expenditure of \$9.462 million or 8.5% and project year-end under-spending of \$10.869 million or 6.0% compared to the 2013 Approved Operating Net Budget as discussed below.

Table 4		
Internal Services		
Net Expenditure Variance (\$ Million)		
	June 2013	Projected Y/E 2013
	Over/(Under)	Over/(Under)
311 Toronto	(1.0)	(1.1)
Office of the Chief Financial Officer	(0.1)	(0.4)
Office of the Treasurer	(0.3)	(1.0)
Facilities Management & Real Estate	(0.8)	(0.8)
Fleet Services	(0.1)	(0.3)
Information & Technology	(7.2)	(7.2)
Total	(9.5)	(10.9)

311 Toronto reported net under-spending of \$0.958 million or 23.2% of planned expenditures for the six-month period ended June 30, 2013. This favourable variance was mainly attributed to savings from vacancies that were not filled. The savings arising from vacant positions will continue to year-end with an annualized impact of \$1.143 million or 11.0% under the 2013 Approved Net Operating Budget.

The **Office of the Treasurer** reported net under-spending of \$0.337 million or 2.8% for the six-month period ended June 30, 2013. Gross expenditures were lower than planned by \$2.265 million or 6.7%. The favourable variance was due to savings of \$1.800 million from vacant capital and service delivery positions, as well as lower expenditures for hardware and software maintenance, external printing and a lower than planned postage costs totalling \$0.456 million. Revenues were under-achieved by \$1.928 million from lower recoveries due to delays in the staffing of capital initiatives of \$0.800 million (FPARS, e-Procurement and Cross Application Time Sheet), and delays in hiring for Utility Billing and Municipal Land Transfer Tax (MLTT) initiatives, other dedicated staffing arrangements and associated non-salary costs totalling \$1.400 million. This was partially off-set by higher than anticipated revenue earned through volume rebates and the late payment charge program (\$0.300 million).

The Office of the Treasurer is forecasting a year-end variance of \$1.000 million or 3.4% under the 2013 Approved Net Operating Budget mainly due to the deferral of hiring staff resources to support capital and corporate initiatives (\$0.400 million) and reduced operational requirements for the MLTT initiative and deferred purchases (\$0.600 million).

Facilities Management and Real Estate (FM&RE) reported a net under-expenditure of \$0.767 million or 1.7% for the six-month period ended June 30, 2013. Gross expenditures were lower than planned by \$4.081 million or 4.9% mainly due to vacant positions (\$3.6 million) as well as lower than anticipated utility expenses (\$0.510 million) due to a mild winter along with energy efficiency measures. Revenues were lower by \$3.313 million or 8.3% due to the vacancies resulting in a corresponding decrease in inter-departmental recoveries for services.

Projections to year-end indicate that utility savings will continue with an annualized net impact of \$0.776 million or 1.2% under the 2013 Approved Net Operating Budget.

Fleet Services reported net under-spending of \$0.083 million or 15.7% for the six months ended June 30, 2013. This was primarily due to savings of \$0.502 million in salaries and benefits from vacancies that were not filled, off-set by a timing difference of \$0.290 million in adjustments for management cost of living allowance and lump sum payment for union staff.

At this time, it is projected that Fleet Services will have a year-end net favourable variance of \$0.312 million primarily due to savings from vacant positions that have not been filled.

Information and Technology reported net under-spending of \$7.189 million or 15.6% of planned expenditures for the six-month period ended June 30, 2013 primarily due to lower maintenance and telecommunication costs, and salary savings as recruitment challenges continue to delay filling vacant positions.

Information and Technology is forecasting a year-end variance of \$7.189 million or 10.6% under the 2013 Approved Net Operating Budget. Although there is a process to expedite hiring to fill all urgent positions in 2013, some vacancies will remain until year-end, resulting in salary and benefit savings of \$5.910 million. Further savings of \$1.279 million are expected from lower prices obtained for hardware and software maintenance and lower telephone costs achieved through the continuing telecommunication project.

City Manager's Office

The **City Manager's Office** reported net under-spending of \$1.490 million or 8.0% of planned expenditures for the six-months ended June 30, 2013. This was primarily due to savings of \$2.378 million in salaries and benefits from vacant positions that were not filled, off-set by a timing difference in adjustments for management cost of living allowance and lump sum payment for union staff. Revenues were under-achieved by \$0.655 million as a result of vacant capital delivery positions for which funding is recovered from the respective Program.

At this time, it is projected that the City Manager's Office will have a year-end net favourable variance of \$1.670 million or 3.9%, mainly attributable to vacant positions that have not been filled.

Table 5		
City Manager's Office		
Net Expenditure Variance (\$ Million)		
	June 2013 Over/(Under)	Projected Y/E 2013 Over/(Under)
City Manager's Office	(1.5)	(1.7)

Other City Programs

Other City Programs (see Table 6 below) reported an over-expenditure of \$0.169 million or 0.5% for the six-month period ended June 30, 2013; and projects year-end under-spending of \$0.301 million or 0.4% compared to the 2013 Approved Net Operating Budget.

Table 6		
Other City Programs		
Net Expenditure Variance (\$ Million)		
	June 2013	Projected Y/E 2013
	Over/(Under)	Over/(Under)
City Clerk's Office	1.2	0.0
Legal Services	(0.5)	(0.3)
Mayor's Office	(0.2)	0.0
City Council	(0.4)	0.0
Total	0.2	(0.3)

The **City Clerk's Office** reported net over-spending of \$1.179 million or 8.5% of planned expenditures for the six months ended June 30, 2013. Salaries and benefits were over-spent by \$0.346 million or 2.2% mostly due to a timing difference in adjustments for the lump sum payment for union staff and increased costs for staff awaiting redeployment as a result of position deletions. Additionally, revenues were less than planned for the period by \$0.924 million or 12.0% partially due to lower revenues generated from print and mail services reflecting City Programs' lower actual spending compared to budget.

Due to the implementation of a new fee structure and the anticipated higher demand for print services in the fourth quarter, it is expected that the City Clerk's Office will be on budget at year-end.

Legal Services reported net under-spending of \$0.456 million or 4.8% of planned expenditures for the six-month period ended June 30, 2013. This variance consisted of greater than planned gross expenditures of \$0.986 million or 4.4% primarily for professional, technical and planning services, partially off-set by savings from delays in filling vacancies. Higher than planned revenue of \$1.442 million or 11.1% was realized as a result of Legal Services undertaking additional client work for which costs were recovered from Court Services (\$1.130 million) and Risk Management (\$0.152 million).

Legal Services is forecasting a year-end net variance of \$0.301 million or 1.6% under the 2013 Approved Net Operating Budget due to salary and benefit savings from vacancies that have not been filled.

The **Mayor's Office** reported net under-spending of \$0.168 million or 19.2% for the six months ended June 30, 2013. This was due largely to under-spending in salaries and benefits of \$0.138 million related to staff vacancies during the period.

At this time, it is expected that the Mayor's Office will be on budget at year-end.

City Council reported net under-spending of \$0.386 million or 4.2% of planned expenditures for the six months ended June 30, 2013. This was attributed to an under-expenditure of \$0.435 million in the Council Members Office Budget and \$0.256 million in salaries and benefits arising from the use of different staffing strategies adopted by various Councillors, which partially off-set over-spending of \$0.245 million in the Council's general expense budget due to the replacement of staff for illness and paternal/maternity leave and payments for constituency offices.

At this time, it is expected that City Council will be on budget at year-end.

Accountability Offices

Accountability Offices collectively realized net under-spending of \$0.361 million or 11.6% below planned expenditures for the six-month period ended June 30, 2013. Overall, these Offices project under-spending of \$0.286 million or 4.0% of their 2013 Approved Net Operating Budget at year-end.

Table 7		
Accountability Offices		
Net Expenditure Variance (\$ Million)		
	June 2013	Projected Y/E 2013
	Over/(Under)	Over/(Under)
Auditor General's Office	(0.1)	(0.2)
Integrity Commissioner's Office	(0.0)	0.0
Lobbyist Registrar's Office	(0.1)	(0.1)
Ombudsman's Office	(0.1)	0.0
Total	(0.4)	(0.3)

The **Office of the Auditor General** reported net under-spending of \$0.131 million or 7.3% of planned expenditures for the six months ended June 30, 2013. This was mainly attributed to under-spending in salaries and benefits due to vacant positions.

It is projected that the Office of the Auditor General will be under-budget by \$0.196 million or 4.7% at year-end.

The **Office of the Lobbyist Registrar** reported net under-spending of \$0.092 million or 19.0% of planned expenditures for the six months ended June 30, 2013. This was mainly the result of savings in salaries and benefits from vacancies that were not filled (\$0.060 million) and lower services and rents costs (\$0.030 million).

The Office of the Lobbyist Registrar forecasts a year-end variance of \$0.090 million or 8.3% under the 2013 Approved Net Operating Budget.

The *Office of the Ombudsman* reported a net under-expenditure of \$0.126 million or 17.5% of planned expenditures for the six months ended June 30, 2013. This was mainly due to under-spending in services and rents for investigative expenses and professional services.

At this time, it is projected that the Office of the Ombudsman will be on budget at year-end.

Agencies

Agencies collectively reported under-spending of \$8.997 million or 1.1% above planned net expenditures for the six-month period ended June 30, 2013 and project an over-expenditure at year-end of \$2.178 million or 0.1% compared to their combined 2013 Approved Net Operating Budget, as outlined in Table 8 below.

Table 8		
Agencies		
Net Expenditure Variance (\$ Million)		
	June 2013 Over/(Under)	Projected Y/E 2013 Over/(Under)
Toronto Public Health	(0.4)	(1.0)
Toronto Public Library	(0.5)	(0.5)
Association of Community Centres	(0.1)	0.0
Exhibition Place	(0.6)	0.0
Heritage Toronto	0.0	0.0
Theatres	0.2	0.5
Toronto Zoo	(0.8)	0.0
Arena Boards of Management	(0.5)	0.0
Yonge Dundas Square	(0.3)	(0.1)
Toronto & Region Conservation Authority	(0.0)	0.0
Toronto Transit Commission - Conventional	(6.7)	0.0
Toronto Transit Commission - Wheel Trans	(0.4)	1.1
Toronto Police Service	1.1	2.1
Toronto Police Services Board	0.0	0.0
Total	(9.0)	2.2

Toronto Public Health (TPH) reported net under-spending of \$0.423 million or 2.0% for the six-month period ended June 30, 2013. This variance was driven by lower than planned gross expenditures of \$3.133 million mainly attributed to under-spending in salaries and benefits (\$3.110 million) from vacant positions that were not filled and under-spending in non-payroll expenditures (\$0.023 million) across various Provincially cost shared and fully funded programs with a corresponding reduction in revenues (\$2.711 million).

Toronto Public Health is projecting a year-end variance of \$1.000 million or 2.0% under the 2013 Approved Net Operating Budget due to savings in salaries and benefits arising from vacancies that have not been filled.

Toronto Public Library (TPL) reported net under-spending of \$0.502 million or 0.6% of planned expenditures for the six-month period ended June 30, 2013. The net variance was primarily due to savings in salaries and benefits from the temporary closure of the Fairview District Library for renovations and sick leave cost savings due to fewer staff departures.

Toronto Public Library is projecting that these savings will continue to year-end net resulting in a year-end variance of \$0.504 million or 0.3%.

Theatres reported net over-spending of \$0.211 million or 10.8% for the six-month period ended June 30, 2013. The year-to-date variance was primarily attributed to low ticket sales and ancillary revenues for a show at Sony Centre for the Performing Arts (\$0.213 million) and revenue losses from show cancellations and one-off bookings affecting ancillary revenues and crew recoveries at St. Lawrence Centre for the Arts (\$0.147 million), which were partially off-set by higher than planned crew recovery revenues at Toronto Centre for the Arts (\$0.149 million).

For year-end, all three theatres are projecting net over-spending: Sony Centre for the Performing Arts of \$0.060 million, St. Lawrence Centre for the Arts of \$0.323 million and Toronto Centre for the Arts of \$0.162 million due to continued under-achievement of revenues.

The **Toronto Zoo** reported net under-spending of \$0.818 million or 9.8% for the six-month period ended June 30, 2013 due to the timing of expenditures and higher-than-expected visitor revenue resulting from greater than anticipated interest in the Giant Panda Experience for this period.

At this time, it is forecasted that the Toronto Zoo will be on budget at year-end.

The **Arena Boards of Management** reported net under-spending of \$0.507 million for the six-month period ended June 30, 2013, driven by seasonal fluctuations in revenues and expenditures. The Arena Boards of Management are projecting to be over-spent by \$0.031 million at year-end primarily due to the need to incur \$0.030 million in unexpected refrigeration equipment and boiler repair and maintenance costs for the Bill Bolton Arena.

The **Yonge-Dundas Square** reported net under-spending of \$0.256 million for the six-month period ended June 30, 2013 due to higher than planned event support services and sponsorship and signage revenues.

The Yonge-Dundas Square expects net under-spending of \$0.122 million or 27.9% at year-end driven by the trends noted above.

Toronto Transit Commission (TTC) reported net under-spending of \$7.111 million or 2.84% (Conventional and Wheel-Trans combined services) of planned expenditures for the six-month period ended June 30, 2013. This resulted primarily from lower gross expenditures savings of \$11.850 million or 1.4% largely from diesel fuel prices and timing of certain non-labour expenses as well as workforce gapping coupled with lower than planned revenue of \$4.739 million or 0.8% due to lower than expected ridership results and slightly lower average fare revenue stemming from marginally higher monthly pass sales.

The Toronto Transit Commission is forecasting year-end over-spending of \$1.108 million or 0.2% all due to a 3% higher demand for Wheel Trans service which is expected to increase sedan taxi service requirements and costs. This increased cost will be partially off-set by reduced accessible taxi service costs because more trips can be accommodated by less-expensive sedan taxis, and savings from lower diesel fuel costs, workforce gapping and associated benefits in the administrative areas.

The **Toronto Police Service (TPS)** reported net over-spending of \$1.050 million or 0.2% for the six-month period ended June 30, 2013 due to an approved unallocated reduction in the amount of \$6.7 million for which a permanent reduction strategy has yet to be identified and implemented.

The Toronto Police Service is projecting a year-end variance of \$2.100 million or 0.2% over the 2013 Approved Net Operating Budget of \$927.811 million. This projected over-spending consists of lower than planned expenditures for salaries and benefits in the amount of \$3.5 million due to hiring slowdown and higher number of members on unpaid leave, lower than planned expenditures for materials and equipment in the amount of \$0.5 million from projected savings for gasoline, lower than planned expenditures for services in the amount of \$0.2 million as a result of the Service's initiative to reduce spending where operationally feasible and higher than planned revenues for fees in the amount of \$0.4 million; off-set by an unallocated budget reduction of \$6.7 million.

The unallocated budget reduction of \$6.7 million was approved as part of the 2013 Operating Budget process. Some of the one-time savings achieved to date have helped to cover a portion of the approved \$6.7 million reduction. Should the Service not identify further reductions, it will have a net unfavourable variance in the amount of \$2.1 million at year-end. The Service will be reporting regularly to the Toronto Police Services Board on the status of achieving the unallocated reduction.

Corporate Accounts

Corporate Accounts for the second quarter experienced net under-spending of \$61.790 million. Projections to year-end indicate that Corporate Accounts will be \$28.456 million under the 2013 Approved Net Operating Budget, as noted below.

Table 9		
Corporate Accounts		
Net Expenditure Variance (\$ Million)		
	June 2013	Projected Y/E 2013
	Over/(Under)	Over/(Under)
Capital & Corporate Financing	(3.0)	0.0
Non-Program Expenditures	(37.2)	(2.3)
Non-Program Revenues	(21.6)	(26.1)
Total	(61.8)	(28.5)

Capital and Corporate Financing was under-spent by \$3.000 million or 1.0% as a result of delay in issuing debt but is forecasted to be on budget at year-end.

Non-Program Expenditures were under-spent by \$37.189 million or 15.3% for the six-month period ended June 30, 2013. This was largely driven by provision of the union agreement with the City of Toronto Professional Firefighters' Association, Local 3888. Council at its meeting of July 16, 17, 18 and 19, 2013 approved the collective agreement between the City of Toronto and the Toronto Professional Firefighters' Association and subsequent funds will be transferred in the Operating Variance Report for the Nine-Month Period Ended September 30, 2013 to the Toronto Fire Services 2013 Approved Operating Budget. In addition, there was a timing difference with transferring the one-time lump sum payment for unionized employees and non-union cost of living allowance payment following Council approval. This budget adjustment is included in the year-end projections. As result, Non-Program Expenditures are projected to be \$2.350 million or 0.4% under-spent by year-end primarily from Municipal Property Assessment Corporation (MPAC) fees being \$1.080 million or 2.7% lower than planned and Parking Tag Enforcement and Operations by \$0.731 million or 1.2% from lower than expected Provincial court costs.

Non-Program Revenues realized \$21.601 million or 4.5% above planned revenues for the period ended June 30, 2013. The year-to-date increase in net revenue was primarily driven by the following:

- Higher than planned Municipal Land Transfer Tax net revenue of \$16.788 million or 11.6% primarily due to higher than anticipated average home prices and sales. The trend is expected to continue through the second half of this year.
- The receipt of higher than planned Third Party Sign Tax net revenue of \$7.258 million in the second quarter due to the issuance of the 2013 Third Party Sign Tax invoices earlier than planned. Net revenue from the Third Party Sign Tax is anticipated to be \$0.969 million above budget at year-end.
- Higher than planned Woodbine Racetrack Slot Machine net revenue of \$2.219 million or 29.8% from a new Ontario Lottery and Gaming hosting fee formula, effective April 1, 2013. Revenues will be higher in 2013 due to higher payments in April to December.

The favourable year-to-date net revenue noted above was partly off-set by a decline in Toronto Hydro Dividend Income of \$2.004 million or 6.3% reflecting lower than planned Toronto Hydro net income from 2012. The 2013 budgeted revenue was based, in part, on Toronto Hydro's 2012 financial performance. In addition, there was a timing delay of \$2.950 million for Administrative Support Recoveries from Toronto Health and Emergency Management Services and is forecast to be on budget by year-end.

The Non-Program Revenue Budget is projected to be higher than budget by \$26.106 million or 2.7% at year-end, largely driven by the higher than budgeted net revenue from the Municipal Land Transfer Tax of \$24.911 million or 7.9% from continued average home prices and sales. Payment in Lieu of Taxes net revenue is projected to be \$2.500 million or 2.7% higher than anticipated from assessment based revenues of (\$3.3 million) partially off-set by appeals and other adjustments of \$0.800 million. In addition, Woodbine Racetrack Slot Machine net revenue is forecasted to be \$2.100 million or 14.1% higher than budgeted resulting from a new Ontario Lottery and Gaming hosting fee formula, effective April 1, 2013.

The projected increase in year-end net revenue, as outlined above, will be partially off-set by a decline in Toronto Hydro Dividend Income of \$2.000 million or 4.4% reflecting lower than budgeted Toronto Hydro net income from 2012. In addition, Toronto Parking Authority budgeted revenues are forecast to be \$1.378 million or 2.8% lower than budget.

Rate Supported Programs

Rate Supported Programs, which include Solid Waste Management Services, Toronto Parking Authority and Toronto Water, collectively reported net under-spending of \$2.488 million or 3.2% for the six-month period ended June 30, 2013 and are projecting an under-expenditure at year-end of \$10.315 million or 16.3%, as outlined in Table 10 below.

Table 10		
Non Levy Operations		
Net Expenditure Variance (\$ Million)		
	June 2013 Over/(Under)	Projected Y/E 2013 Over/(Under)
Solid Waste Management Services	(2.4)	(2.0)
Toronto Parking Authority	(0.5)	1.8
Toronto Water	0.4	(10.2)
Total	(2.5)	(10.3)

Solid Waste Management Services (SWMS) reported net under-spending of \$2.437 million or 16.1% of planned expenditures for the six-month period ended June 30, 2013. This variance primarily consisted of lower than planned salary and benefit expenditures of \$2.768 million driven by various divisional vacancies including temporary seasonal workers, as well as lower than planned expenditures of \$2.809 million for contracted processing, reserve contributions and transfer station operations. These under-expenditures were partially off-set by \$2.149 million in increased processing contract costs for recyclable material and organics. Revenue was 1.4% or \$1.507 million lower than planned primarily due to later than expected revenue from the Industrial Stewardship funding for the Blue Box Program of \$1.684 million, lower Toronto Water bio-solid disposal fees due to less tonnage disposed at Green Lane Landfill of \$0.835 million, and later receipt of revenues from collection services for schools and residual disposal fees of \$0.906 million. This decrease was partially off-set by increased revenues from the late receipt of residential 2012 volume based user fees of \$1.664 million, as well as one-time Stewardship Ontario funding for Parks collection of \$0.360 million.

For year-end, SWMS is projecting to exceed net revenue by \$1.999 million. This variance is mainly due to over-achieved revenue from Industry Stewardship Funding for the Blue Box program and surplus in residential volume based user fees, which partially mitigate revenue shortfall from the sale of recyclable material, bio-solid disposal fees, and the sale of yellow tags. This year-end position is dependent on achieving budgeted collection, processing, transfer and disposal tonnages of organics, recyclable material and residual waste and achieving projected revenue levels from volume based user fees (bin fees) and the sale of recyclable materials. Both of these revenue determinants in 2013

will be dependent on the volume of waste produced and broader resale markets for commodities. The Program will monitor these activities and provide an update in the Third Quarter Variance Report.

The **Toronto Parking Authority (TPA)** reported a net favourable variance of \$0.457 million or 1.6% for the six month-period ended June 30, 2013. Gross under-spending of \$0.820 million or 2.3% related to major maintenance work that did not commence until later in the spring, which was partially off-set by under-achieved parking revenues of \$0.363 million or 0.6% due to the large number of snow days in March and February.

The Toronto Parking Authority is projecting an unfavourable variance of \$1.837 million or 2.9% below the 2013 Approved Net Operating Budget of \$63.181 million. The unfavourable net variance is primarily due to higher rent expense for new, previously unplanned locations that are managed for third parties of \$2.085 million or 2.9%. At this point in the year, it is not clear whether revenues from these locations will be sufficient to fully off-set the lower parking revenues from the TPA owned locations, attributed to the large number of snow days in February and March.

Toronto Water reported net over-spending of \$0.406 million or 0.4% of planned expenditures for the six-month period ended June 30, 2013. This variance results from lower than budgeted gross expenditures of \$4.488 million or 1.0%, mainly due to salary and benefit savings of \$4.953 million arising from vacancies that have not been filled, \$1.096 million in under-spending for natural gas costs due to lower prices and lower consumption resulting from warmer winter weather and higher utilization efficiency, and \$2.174 million in lower than planned interdivisional charges. These savings were partially off-set by higher expenditures for transfer and haulage of bio-solids of \$3.657 million. Year-to-date revenues were under-achieved by \$4.895 million or 1.4% mostly as a result of lower consumption from the Region of York (\$4.1 million) and the City of Toronto (\$1.7 million). This was partially off-set by higher than expected user fee revenue of \$0.826 million from industrial waste and private water agreements.

Toronto Water is forecasting under-spending of \$10.153 million by year end. Expenditure savings of \$17.105 million or 1.8% are primarily due to savings in salaries and benefits arising from vacant positions that have not been filled (\$10.438 million), hydro efficiencies (\$3.0 million) and savings from the delay in the operating costs to be incurred from completed odour and corrosion control projects (\$2.4 million). These savings will partially off-set a projected revenue shortfall of \$6.952 million, mostly from lower sales of water to Region of York due to the delayed reopening of the supply main at Steeles (\$5.399 million) and anticipated lower water consumption (\$4.371 million). Due to the uncertainty in water consumption and residential sale of water, forecasted revenues from the sale of water and wastewater surcharge will be further revised. Actual water consumption trends will not be known until the summer is over, as July to September is the peak period for consumption. Consumption will continue to be monitored throughout the summer and year-end revenue projections will be revised accordingly, based on actual consumption recorded in the third quarter.