



REPORT FOR ACTION

Operating Variance Report for the Three Month Period Ended March 31, 2017

Date: May 2, 2017

To: Budget Committee and Executive Committee

From: Deputy City Manager & Chief Financial Officer

Wards: All

SUMMARY

The purpose of this report is to provide City Council with the operating variance for the three-month period ended March 31, 2017 as well as year-end projections. This report also requests City Council's approval for amendments to the 2017 Approved Operating Budget between Programs that have no impact on the City's 2017 Approved Net Operating Budget.

Figure 1: Tax Supported Operating Net Variance Summary (\$ Millions)

Category	March 31, 2017		Projected Y/E 2017	
	Over/(Under)		Over/(Under)	
	\$	%	\$	%
Gross Expenditures	(73.7)	-3.7%	(92.8)	-0.9%
Revenues	(45.0)	-3.5%	(52.0)	-0.8%
Net Expenditures	(28.6)	-3.9%	(40.8)	-1.0%
Less: City Planning	(0.9)	-38.6%	(1.0)	-6.4%
Less: Toronto Building	(1.1)	23.2%	(2.9)	27.3%
Net Expenditures (Excl. City Planning & Toronto Building)	(26.6)	-3.6%	(36.9)	-0.9%

Year-to-Date Spending Results:

As noted in Figure 1 above, for the three month period ended March 31, 2017, Tax Supported Operations reported a favourable net variance or surplus of \$26.567 million or 3.6% and year-end projected surplus of \$36.926 million or 0.9%. It is important to note that the entire projected year-end City surplus is essentially the result of higher Municipal Land Transfer Tax revenues.

The year-to-date net under-spending was primarily driven by:

- Over-achieved Municipal Land Transfer Tax revenue primarily attributed to higher sales and home prices (\$32.482 million net).
- Under-expenditures by the Toronto Transit Commission - Conventional Service (\$11.374 million net) for diesel consumption, depreciation, PRESTO fees and other expenses which were partially off-set by lower ridership revenue.
- Over-achieved revenue from the Third Party Sign Tax as invoices were generated earlier than planned (\$11.070 million net) for the first quarter. Third Party Sign Tax is anticipated to be on budget at year-end.

As per Council's direction at its meeting of October 5, 6, and 7, 2016, City Planning and Toronto Building were separated from the summary section, in order to report directly to City Council on the fee - based portions of City Planning and Toronto Building's operating variances, separate from the tax-based operations.

- City Planning - The Program has reported favourable year-to-date net variance of \$0.945 million and a year-end projected favourable net variance of \$0.978 million. In accordance with City Council's direction, the surplus will be transferred to the Development Application Review Reserve Fund at year-end.
- Toronto Building - The Program has experienced a favourable year-to-date net variance of \$1.133 million, and is projecting a year-end favourable net variance of \$2.932 million to be contributed to the Building Code Act Service Improvement Reserve Fund, in accordance with the Building Code Act.

Under-spending in other Programs and Agencies is primarily due to vacant positions. A large number of the vacant positions are expected to be filled by year-end. More detailed explanations at the Program level can be found in the complement section of this report.

Year-End Spending Projections:

Based on this current trend, the City is projecting a net favourable year-end variance or surplus of \$36.926 million or 0.9%. It is important to note that the projected entire City

surplus is almost entirely the result of higher Municipal Land Transfer Tax revenues. The key drivers for the expected year-end net position is largely due to the following:

- Higher than budgeted Municipal Land Transfer Tax revenues due to higher than expected sales revenue achieved in the first quarter of 2017 (\$32.482 million net).
- Under-spending in Debt Charges as a result of not issuing \$150 million in debt for December of 2016 (\$3.678 million net).
- Under-expenditures within Court Services are attributed to hiring delays for the Toronto Local Appeal Body and the Administrative Penalty System as well as from processing a lower volume of tickets written and filed by enforcement agencies, predominantly by Toronto Police Service which is expected to issue 31,956 fewer charges than planned (\$3.084 million net).

The above favourable variance will be partially offset by projected over-expenditures in the following areas:

- Shelter, Support and Housing Administration forecasts an unfavourable net year-end position resulting from over-spending in Hostel Services as occupancy pressures in the Shelter system are expected to persist throughout 2017. Pressures in Hostel Services will be closely monitored and are expected to be partially offset by under-spending in Social Housing provider subsidies as well as a draw of \$3 million from the Social Housing Stabilization Reserve being a one-time contribution approved by City Council on April 26th, 2017 when it adopted item CD19.11 "Service Level Impact of the 2017 Service Adjustments to Shelter, Support and Housing Administration".
- Under-achieved utility cut repair net revenue due to lower than expected volumes for Transportation Services. This over-expenditure will be mitigated partially by lower contract costs and decreased salt usage in the winter maintenance program due to mild winter conditions in the first quarter of 2017.
- Unfavourable year-end variance for Tax Deficiencies/Write-offs primarily due to a change in the timing for properties being eligible for TIEG grants (\$1.526 million net).

Rate Supported Programs:

Figure 2: Rate Supported Net Variance Summary (\$ Millions)

Rate Supported Programs	March 31, 2017	Projected Y/E 2017
	Over/(Under)	Over/(Under)
Solid Waste Management Services	3.5	(3.6)
Toronto Parking Authority	0.1	0.0
Toronto Water	(9.4)	(14.1)
Total Variance	(5.8)	(17.7)

For rate supported services, the year-to-date favourable net variance of \$5.809 million was driven by the following:

- A year-to-date favourable variance of \$9.436 million net, in Toronto Water, comprised of lower expenditures of \$4.0 million mainly due to under-spending in salaries and benefits as a result of vacancies, lower than anticipated demand for electricity, professional and technical services and lower than anticipated payments in-lieu of taxes. In addition, higher revenues of \$5.4 million primarily from stronger than anticipated volume of water sold and fees for new service connections add to this variance.
- An unfavourable variance of \$0.145 million net, in the Toronto Parking Authority, largely attributed to lower off-street revenues from downtown garages and surface carparks and higher rent expense for managed carparks. This was partially offset by lower utility costs, depreciation and pay and display network communication combined with stronger on-street revenues.
- An unfavourable variance within Solid Waste Management Services of \$3.482 million net due primarily to under-achieved revenues attributed to lower collections from a delay in collecting 2016 accrued billings and lower realized sale of recyclable revenues due to lower volumes at the Arrow Road Mixed Recycle Facility.

Collectively, Rate Supported Programs are projecting a favourable year-end net variance of \$17.733 million. It is primarily driven by Toronto Water (\$14.150 million net) due to ongoing vacancies, lower than anticipated hydro rates and usage and under-spending for parts, materials, professional and technical services. Toronto Water revenues are also forecasted to be higher than budgeted from an increase in new water and sewer service connections. Solid Waste Management Services is anticipating net

under-spending (\$3.583 million) by year-end largely from lower salaries and benefits due to vacancies, offset by higher contracted processing service costs as a result of less than expected tonnages combined with higher inter-divisional charges for fleet maintenance. The Toronto Parking Authority is anticipated to be on budget at year-end.

Complement:

Figure 3: 2017 Year-To-Date Approved Complement by Vacancy Rate

Program/Agency	2017 Year-to-Date			
	Operating Vacancy %	Capital Vacancy %	Budgeted Gapping %	Operating Vacancy Rate (After Gapping)
<i>City Operations</i>	5.4%	20.5%	2.4%	2.9%
<i>Agencies</i>	3.9%	18.4%	3.4%	0.5%
<i>Corporate Accounts*</i>	8.3%	0.0%	0.0%	8.3%
Total Levy Operations	4.6%	19.1%	2.9%	1.7%
<i>Rate Supported Programs</i>	6.1%	46.2%	3.0%	3.2%
Grand Total	4.7%	20.2%	2.9%	1.8%

**Corporate Accounts are largely driven by Parking Enforcement Unit vacancies. Vacancy after Gapping % is based on operating positions only.*

Figure 4: 2017 Year-End Approved Complement Projections by Vacancy Rate.

Program/Agency	2017 Year-End Projection			
	Operating Vacancy %	Capital Vacancy %	Budgeted Gapping %	Operating Vacancy Rate (After Gapping)
<i>City Operations</i>	1.8%	11.0%	2.4%	0.0%
<i>Agencies</i>	3.7%	0.8%	3.4%	0.3%
<i>Corporate Accounts*</i>	10.1%	0.0%	0.0%	10.1%
Total Levy Operations	2.9%	4.2%	2.9%	0.0%
<i>Rate Supported Programs</i>	5.5%	46.2%	3.0%	2.5%
Grand Total	3.0%	5.9%	2.9%	0.1%

**Corporate Accounts are largely driven by Parking Enforcement Unit vacancies. Vacancy after Gapping % is based on operating positions only.*

- As of March 31, 2017, the City recorded an operating vacancy rate of 1.8% after gapping for an approved complement of 50,938.0 operating positions. The year-to-date vacancy rate for capital positions was 20.2% for an approved complement of 3,480.6 positions.
- The year-end operating vacancy rate after gapping is projected to be 0.1% for an approved complement of 50,801.0 operating positions. The forecasted vacancy rate for capital positions is projected to be 5.9% for an approved complement of 3,490.6 positions.

The detailed overview of the third fiscal quarter complement is provided in the Approved Complement Section of this report.

RECOMMENDATIONS

The Deputy City Manager & Chief Financial Officer recommends that:

1. City Council approve the budget adjustments detailed in Appendix F to amend the 2017 Approved Operating Budget between Programs that have no impact to the 2017 Approved Net Operating Budget.

2. City Council approve that all transit expansion positions be reviewed annually through the City's Budgeting process with position approval subject to ongoing third party funding or capital project funding.

FINANCIAL IMPACT

Tax Supported Programs and Agencies reported an under-expenditure of \$73.653 million or 3.7% gross and \$26.567 million or 3.6% net at the end of the first fiscal quarter. By year-end, Tax Supported Programs and Agencies are forecasting a favourable gross-expenditure variance of \$92.846 million or 0.9%, and a net favourable variance of \$36.926 million or 0.9%. It is important to note that the projected surplus is almost entire comprised of higher than planned MLTT revenues.

Figure 5: Tax Supported Expenditure Variance Dashboard (\$ Millions)

	March 31, 2017 Over/(Under)			Projected Y/E 2017 Over/(Under)		
	Gross	Net	Alert	Gross	Net	Alert
Citizen Centred Services "A"	(32.6)	(1.9)	Ⓞ	(16.4)	1.8	Ⓡ
Citizen Centred Services "B"	(6.1)	(9.8)	Ⓞ	(44.8)	(0.8)	Ⓞ
Internal Services	(5.8)	(3.7)	Ⓞ	(14.4)	(0.9)	Ⓞ
City Manager	0.4	(0.0)	Ⓞ	2.1	(0.4)	Ⓞ
Other City Programs	(3.0)	(0.6)	Ⓞ	(2.7)	(0.3)	Ⓞ
Council Appointed Programs	(0.3)	(0.3)	Ⓨ	0.0	0.0	Ⓞ
Total - City Operations	(47.5)	(16.3)	Ⓞ	(76.2)	(0.6)	Ⓞ
Total - Agencies	(20.7)	(16.2)	Ⓞ	(12.2)	(1.9)	Ⓞ
Total - Corporate Accounts	(5.5)	3.8	Ⓞ	(4.5)	(38.3)	Ⓞ
Total Variance	(73.7)	(28.6)	Ⓞ	(92.8)	(40.8)	Ⓞ
Adjusted Variance	(73.7)	(26.6)		(92.8)	(36.9)	

(Legend for City Programs & Agencies)

Year-to-Date Net Variance	Ⓞ 85% to 105%	Ⓨ 0% to 85%	Ⓡ >105%
Year-End Net Variance	Ⓞ ≤100%	Ⓡ >100%	

Note: Adjusted Variance excludes City Planning and Toronto Building.

Appendices A, B and C summarize first quarter results and projections to year-end for Tax and Rate Operating Programs and Agencies detailing the net expenditures, gross expenditures and revenues, respectively. Appendices D and E provide a detailed summary of the complement and strength for the three months ended March 31, 2017 and year-end projections. Appendix F details the recommended in-year budget adjustments to the 2017 Approved Operating Budget.

The "trend" symbols: "R, Y, G" indicate whether the variance is either "over", "under" or "on budget" for year-to-date as well as for projected year-end gross and net expenditures. The "alert" indicators with Green, Yellow or Red colours are measured by the percentage with the criteria based in the Legend for City Programs and Agencies section.

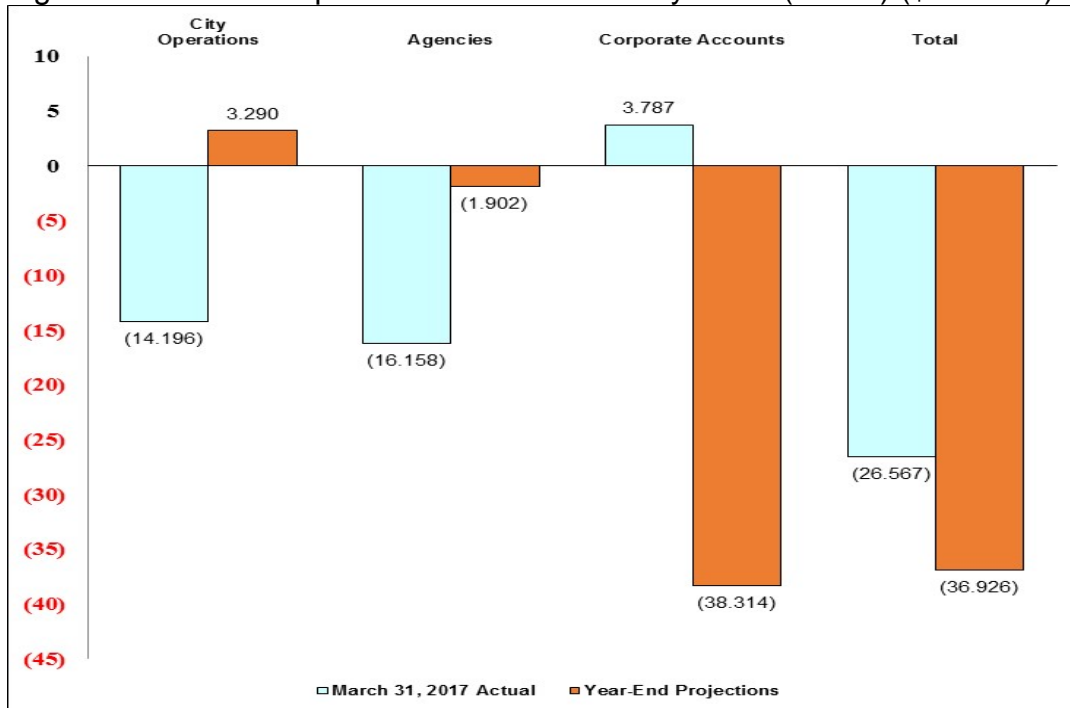
Appendix G includes dashboards and respective narratives explaining individual variances for each City Program and Agency for the three months ended March 31, 2017 as well as projections to year-end.

DECISION HISTORY

This report is provided pursuant to financial management best practices and budgetary control. As part of the City of Toronto's financial accountability framework, quarterly and year-end operating variance reports are submitted to Committees and City Council, to provide financial monitoring information on operating results to date and projections to year end, and on an exception basis, to identify issues that require direction and/or decisions from City Council. In addition, City Council's approval is requested for budget adjustments that amend the 2017 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management policies.

COMMENTS

Figure 6: Net Tax Corporate Variance Summary Over/ (Under) (\$ Millions)



The chart above shows year-to-date and year-end projected operating results by Program area:

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

- City Operations reported a favourable net variance of \$14.196 million for the three month period ended March 31, 2017 and an unfavourable year-end forecast of \$3.290 million net.
- Agencies reported a favourable year-to-date variance of \$16.158 million net, and a favourable year-end forecast of \$1.902 million net.
- Corporate accounts have an unfavourable year-to-date variance of \$3.787 million net, and favourable variance of \$38.314 million net projected for year-end.

City Operations

As of March 31, 2017, City Operations reported a favourable gross expenditure variance of \$47.460 million or 4.3% and a revenue shortfall of \$31.187 million or 4.9%, resulting in a favourable net variance of \$16.273 million or 3.5%. The adjusted net variance after excluding City Planning and Toronto Building favourable variances is \$14.196 million or 3.0%. Key drivers for the year-to-date favourable net variance are:

- Under-spending by Transportation Services of \$4.454 million net or 8.6% as a result of higher right-of-way permit fees due to higher than expected construction activity, higher volume of street occupation application fees, and higher boulevard parking permit fees. This was partially offset by lower than planned temporary permit parking fees and under-achieved utility cut repair net revenue due to lower than expected volumes.
- \$1.980 million net or 7.7% favourable variance within Facilities, Real Estate, Environment and Energy mainly driven by a large number of vacancies across the Division with 56.4% in Facilities Management (FM) due to restructuring as well as under-expenditures in utilities as a result of warmer winter conditions in the first three months of the year. This was partially offset by over-spending in contracted services for external service providers.
- Court Services' favourable variance of \$1.437 million net or 39.7% primarily due to under-spending in salaries and benefits resulting from hiring delays for the
- Toronto Local Appeal Body and the Administrative Penalty System, lower than budgeted expenses for non-salary accounts as well as over-achieved revenues due to the mix of charges filed by enforcement agencies.
- Of the total \$1.266 million or 38.0% favourable net variance for Municipal Licensing and Standards, 70% was due to under-spending in salaries and benefits from vacant positions.

City Operations is projecting a year-end gross expenditure favourable variance of \$76.175 million or 1.4%, with a revenue shortfall of \$75.556 million or 2.4%. As a result, the year-end favourable net variance is forecasted at \$0.619 million. The adjusted net

variance after excluding City Planning and Toronto Building is an unfavourable variance expected to be \$3.290 million or 0.2%. The key drivers for the unfavourable variance include:

- Shelter, Support and Housing Administration forecasts an unfavourable net year-end position resulting from over-spending in Hostel Services as occupancy pressures in the Shelter system are expected to persist throughout 2017. Pressures in Hostel Services will be partially mitigated by under-spending in Social Housing as well as a Council approved one-time draw of \$3 million from the Social Housing Stabilization Reserve.
- Under-achieved utility cut repair net revenue is due to lower than expected volumes for Transportation Services. This is partially offset by lower contract costs and decreased salt usage in the winter maintenance program due to the mild winter conditions.

The year-end projected unfavourable variance within City Operations is partially offset by under-spending in Court Services:

- Under-expenditures within Court Services mainly due to operational under-spending resulting from processing a lower volume of tickets written and filed by enforcement agencies, predominantly by Toronto Police Service which is expected to issue 31,956 fewer charges than planned (\$3.084 million net).

Agencies

As of the three month period ended on March 31, 2017, Agencies reported a favourable gross expenditure variance of \$20.704 million or 2.9%, and revenue shortfall of \$4.545 million or 1.6%, which resulted in a favourable net variance of \$16.158 million or 3.8%.

- The key driver for the net under-expenditure was primarily driven by the Toronto Transit Commission - Conventional Service. The Toronto Transit Commission - Conventional Service reported under-spending for diesel consumption, depreciation, PRESTO fees and other expenses which were partially off-set by lower ridership revenue (\$11.374 million net). Customer journeys (ridership) to the end of February were 1.7 million (2.1%) below planned and 0.7 million (0.9%) below the 2016 comparable actual. Interim results for March indicate similar trends. Ridership will also be impacted later this year by the Government of Canada's recent announcement that it is eliminating the Public Transit Tax Credit (PTTC), effective July, 2017. The Toronto Transit Commission - Conventional Service will monitor ridership during the year.

Agencies are projecting year-end gross under-expenditure of \$12.220 million or 0.3% and revenue shortfall of \$10.318 million or 0.6%, resulting in a net favourable variance of \$1.902 million or 0.1%.

- A favourable variance of \$1.300 million net is expected at year-end as a result of the hiring moratorium and increased separations, 175 projected uniform separations versus budgeted of 160, for the Toronto Police Service. A portion of the salary under-spending is projected to be offset by premium pay spending, necessitated by the large number of vacancies.
- It is important to note that the Toronto Transit Commission - Conventional Service is projecting to be on net budget a year-end. Passenger revenues are forecast to be \$8.5 million below budget at year-end. Ridership could fall approximately 5.5 million rides below the target of 543.8 million (or 538.3 million). Staff will continue to closely monitor and scrutinize additional results and will provide an update on the year-end projected ridership and passenger revenues in due course. The Commission anticipates a favourable variance for diesel fuel consumption (\$2.0 million), depreciation (\$2.0 million), PRESTO (\$2.0 million) and other expenses (\$2.5 million).

Corporate Accounts

As of March 31, 2017, Corporate Accounts experienced gross under-expenditures of \$5.489 million or 2.7% and under-achieved revenue of \$9.277 million or 2.6%, which resulted in an unfavourable net variance of \$3.787 million or 2.3%. The following are the key drivers which have contributed to the year-to-date unfavourable variance:

- Temporary under-achieved Toronto Hydro Dividend net revenue of \$50.000 million or 88.9%. Dividends are expected to be fully restored by year-end when the City finalizes a \$250 million equity contribution to the Toronto Hydro Corporation.
- Higher than planned Solid Waste Management Rebates of \$1.533 million or 4.0% for this period.

The above unfavourable variance was partially offset by the following accounts:

- Over-achieved Municipal Land Transfer Tax revenue, primarily attributed to the increasing growth of sales (\$32.482 million net).
- Over-achieved revenue from Third Party Sign Tax for the first quarter as invoices were generated earlier than planned (\$11.070 million net). The Third Party Sign Tax is anticipated to be on budget at year-end.
- Under-spending in Debt Charges of \$2.089 million net. The favourable variance was mainly due to lower commission costs of issuing debt in April instead of March as planned.

The projected year-end gross under-expenditures of \$4.451 million or 0.3% combined with \$33.863 million or 2.1% in higher than budgeted revenue, is anticipated to result in a net favourable variance of \$38.314 million.

- The continued over-achieved Municipal Land Transfer Tax revenue of \$32.482 million net or 4.9% from higher property sales and prices realized in the first quarter of 2017. The projection for the Municipal Land Transfer Tax revenue remains unchanged from the year-to-date favourable variance due to market uncertainties.
- Under-spending in Debt Charges primarily the result of not issuing \$150 million in debt for December of 2016 (\$3.678 million net).
- Parking Tag Enforcement and Operations forecasted under-spending of \$1.986 million due to Parking Enforcement Officer vacancies resulting from the Toronto Police hiring moratorium.

Consistent with the City's financial management practices and policies, Programs and Agencies projecting an unfavourable year-end variance are required to identify and implement mitigation strategies where possible to address any projected shortfalls.

Approved Complement

Figure 7a provides a detailed overview of the approved complement and strength at March 31, 2017, as well as projections for year-end for both Tax and Rate Supported Programs. At the end of March 31, 2017, the City reported a strength of 51,305.8 operating and capital positions, representing in vacancy rate, after approved gapping, of 1.8%. The year-end projected strength is forecasted to be 52,548.5 capital and operating positions, with a vacancy rate after approved gapping, of 0.1%.

Figure 7a: Summary of Approved Complement (Includes Capital and Operating Positions)

Program/Agency	Year-To-Date					Year-End Projections				
	Approved Complement	Strength	Vacancies	Vacancy %	Operating Vacancy After Gapping	Approved Complement	Strength	Vacancies	Vacancy %	Vacancy After Gapping
Citizen Centred Services "A"	12,776.2	12,149.0	(627.2)	4.9%	2.7%	12,760.2	12,604.7	(155.5)	1.2%	0.0%
Citizen Centred Services "B"	6,391.3	6,071.8	(319.4)	5.0%	1.5%	6,391.3	6,167.2	(224.0)	3.5%	0.0%
Internal Services	2,978.2	2,603.2	(375.0)	12.6%	7.1%	2,978.2	2,827.8	(150.4)	5.1%	0.7%
City Manager's Office	432.0	404.0	(28.0)	6.5%	0.0%	432.0	426.0	(6.0)	1.4%	0.0%
Other City Programs	961.5	876.9	(84.6)	8.8%	5.2%	961.5	951.5	(10.0)	1.0%	0.0%
Accountability Offices	55.3	56.0	0.8	-1.4%	0.0%	55.3	70.0	14.8	-26.7%	0.0%
Total City Operations	23,594.3	22,160.9	(1,433.4)	6.1%	2.9%	23,578.3	23,047.2	(531.1)	2.3%	0.0%
Agencies	27,251.9	25,856.8	(1,395.2)	5.1%	0.5%	27,140.9	26,200.9	(940.0)	3.5%	0.3%
Corporate Accounts	397.0	364.0	(33.0)	8.3%	8.3%	397.0	357.0	(40.0)	10.1%	10.1%
Total Levy Operations	51,243.3	48,381.7	(2,861.6)	5.6%	1.7%	51,116.3	49,605.1	(1,511.2)	3.0%	0.0%
Rate Supported Programs	3,175.4	2,924.2	(251.2)	7.9%	3.2%	3,175.4	2,943.4	(232.0)	7.3%	2.5%
Grand Total	54,418.6	51,305.8	(3,112.8)	5.7%	1.8%	54,291.6	52,548.5	(1,743.2)	3.2%	0.1%

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31th, 2017

Appendices D and E provide a detailed overview of the approved operating and capital complement, and strength for the three months ended March 31, 2017 as well as projections to year-end.

City Operations

- Year-to-date, City Operations reported a strength of 22,160.9, resulting in 1,433.4 positions below the approved complement of 23,594.3 positions. The vacancy rate for operating positions, after approved gapping, was 2.9%. The key Program areas which contributed to the operating vacancy rate were: Facilities, Real Estate, Environment and Energy, Long Term Care Homes and Services and Parks, Forestry and Recreation and Long-Term Care.
- The year-end projection for City Operations is forecasted to be 23,047.2 positions, or 531.1 positions under the approved complement of 23,578.3 positions. After approved gapping, the projected vacancy rate for operating positions is expected to be on target or full complement.

Agencies

- The year-to-date strength reported by Agencies was 25,856.8 positions which was 1,395.2 positions below the approved complement of 27,251.9 positions. It represents a vacancy rate for operating positions, after approved gapping, of 0.5%. The following Agencies were the major contributors to the year-to-date operating vacancies: Toronto Police Service and Toronto Transit Commission - Conventional Service.
- The year-end strength projection for Agencies is anticipated to be 26,200.9 positions, or 940.0 positions below the approved complement of 27,140.9 positions, after approved gapping, the vacancy rate is projected to be 0.3% or at near full complement.

Rate Supported Programs

- As of March 31, 2017, Rate Supported Programs reported a strength of 2,924.2 positions, which is 251.2 positions under the approved complement of 3,175.4 positions. The vacancy rate for operating positions, after approved gapping, is 3.2%.
- Rate Supported Programs are forecasting a strength of 2,943.4 positions by year-end. After approved gapping, the projected vacancy rate for operating positions is expected to be 2.5%.

Budget Adjustments

City Council approval is required for the in-year budget adjustments detailed in Appendix F. These recommended adjustments do not impact the 2017 Approved Net Operating Budget. The major adjustments are outlined below.

Conversion of 12.0 Temporary Council Approved HR Positions to Permanent Positions to Support Cluster B Programs

There are 12 Human Resources strategic recruitment positions serving Cluster B divisions which are currently in HR's complement, funded through inter-divisional recoveries. The Cluster B divisions are requesting these positions, which are all filled and currently classified as temporary, be made permanent, providing 4 for Toronto Water, 2 for Solid Waste Management, 3 for Transportation Services and 3 for Engineering and Construction Services.

The incumbents are responsible for managing the entire strategic recruitment process for the client divisions, working closely with the clients in developing effective recruitment strategies for hard-to-fill, high volume jobs. The HR knowledge and expertise required to manage the recruitment is integral to ensure these vacancies are filled in an efficient and effective manner. In addition to recruitment, these positions also support client divisions in workforce transition, provide required training to divisional staff, provide strategic advice, consultation and interpretation of collective agreement language as well as participate in grievance hearings/resolution.

Due to the temporary nature of the jobs, retaining experienced and knowledgeable HR staff that understand the operations in the Divisions which they support, has been challenging. This constant turnover of experienced HR staff results in delays in the staffing process. With the number of increasing retirements anticipated in the next few years and the impact of all the turnover in the temporary HR staff, this effect will compound and require significant support from Strategic Recruitment to meet the basic Human Resources needs of the Division.

Two examples of the need in Cluster B are the Transportation Services Division and the Solid Waste Management Services Division.

Transportation Services has had approximately 199 retirements between the years 2013 – 2016, and by 2021 it is anticipated to have 139 employees who will be eligible for unreduced pension and another 435 employees eligible for reduced pension. These numbers represent approximately 53% of their entire workforce.

Similarly, the Solid Waste Management Services (SWMS) Division requires dedicated HR personnel because they have a significant churn rate in their operations. As such, it is necessary to maintain a constant level of HR services. When dedicated staff become familiar with the skill and experience profiles of successful candidates in different SWMS roles, it improves Solid Waste's ability to manage their talent pipeline.

SWMS has a significant percentage of its workforce within five years of retirement: 34.2% of staff are projected to retire within the next 3-5 years and 36% annual turnover of Solid Waste Collection Operators in 2016. These levels of retirement and turnover require the constant use of significant HR time for recruitment. The lack of ability to fill current vacant positions results in additional overtime, health and safety issues, and capital delivery issues.

The conversion of these 12 temporary positions to permanent will ensure stability in recruitment staff who are well-versed in the hiring of specialized personnel, such as engineers, avoiding the additional overtime, health and safety issues, and capital delivery issues which will arise if these positions remain temporary. The budget adjustments are set out in Appendix F1.

Additional 6 Temporary City Planning and 1 Temporary PPF&A Staff to Support PTIF Funded Transit Expansion Projects

It is recommended that City Planning add 6 additional temporary positions, including a Program Manager, 3 Senior Planners and 2 planners along with 1 temporary position in PPF&A to support community consultations, to the 2017 Operating Budgets required to ensure the delivery of PTIF related transit project milestones given the funding timelines that end March 31, 2018. These positions will support the technical and planning analysis on a number of major transit initiatives including Smart Track, Eglinton LRT East and West, Relief Line and the Scarborough Subway extension. Given the expanded transit work program approved by Council over 2016 and 2017, and the very aggressive timelines for implementation, additional staff resources are required. In the absence of the positions, the City is at risk of not meeting project and PTIF timelines for the Eglinton West LRT and Eglinton East LRT extensions, and also not meeting Metrolinx deadlines for the delivery of SmartTrack as part of the GO Regional Express Rail improvements. This includes significant planning and technical work required for the East Harbour/Unilever station and employment lands, and station area planning for all new SmartTrack stations. The temporary position requests funded from one time PTIF funding will be reviewed as part of the 2018 Budget process and similar to other temporary positions continuation will be dependent on identifying future funding sources beyond the end of PTIF timelines. The budget adjustments are set out in Appendix F1.

Additional 6 Temporary Real Estate and Legal Services Staff to Support Metrolinx Funded Transit Expansion Projects

It is recommended that an additional 6 temporary positions be added to the 2017 Operating Budget within an integrated Real Estate and Legal Services unit. These additional temporary positions, which will include 4.0 positions in Facilities, Real Estate, Environment and Energy (FREEE) and 2.0 positions in Legal Services will support in expediting progress on the Regional Express Rail (RER) and SmartTrack transit initiatives as it related to real estate and land acquisition requirements. These additional temporary positions will be fully funded through a contribution from Metrolinx. These

Staff report for action on Operating Variance Report for the Three Month Period
Ended March 31th, 2017

position will be reviewed during the annual Budget Process with position approval subject to ongoing third party funding. The budget adjustments are set out in Appendix F1.

Conversion of Existing Temporary Staff to Permanent Positions Supporting Transit Expansion Initiatives

It is recommended that City Planning convert 5 existing temporary positions to permanent positions, including 2 Program Managers, 2 Senior Planners and 1 Planner that have been primarily supporting technical and planning analysis for the Scarborough Subway Extension and bus terminal. These positions were part of the 2017 Approved Budget for City Planning with funding from TTC helping to offset the operating pressure. The Program has experienced difficulty in attracting and retaining staff in temporary positions as the skill sets for these roles are in demand with competing transit authorities and consulting firms. The loss of continuity from turnover and the continuing recruitment and training of new temporary staff is impacting project deliverables, including technical and planning studies mandated by Council to advance the Eglinton West and Eglinton East LRT extensions, and potential development associated with the construction of the Scarborough Centre subway station and bus terminal. Other emerging projects, including further work related to the Relief Line, could also be negatively impacted.

It is also recommended that 13.0 temporary positions within the integrated Real Estate and Legal Services transit unit be converted to permanent positions to also address loss of continuity from turnover and the continuing recruitment and training of new temporary staff that has resulted from the use of long term temporary positions within these roles. This will include the conversion to permanent staff of 1.0 position within FREEE and 12.0 positions within Legal Services. These positions will continue to be funded from a combination of a contribution from Metrolinx and City capital funding from approved transit expansion projects. The budget adjustments are set out in Appendix F1.

It is recommended that all transit expansion positions be reviewed annually during the City's Budgeting process with position approval subject to ongoing third party funding or capital project funding.

Savings Allocation for the Implementation of the Fleet Alternative Service Delivery Model

During the 2017 Budget process, Council approved savings of \$0.172 million resulting from the implementation of the Alternative Service Delivery Model for Tax Supported Programs. These savings were initially captured in the 2017 Approved Fleet Services Operating Budget, with the direction to transfer to the Divisions/Agencies in the 2017 First Quarter Operating Variance Report. Pursuant to Council direction, the transfer to Divisions/Agencies is set out in Appendix F2.

Allocation of Insurance Funding in the 2017 Approved Non-Program Expenditure Budget to City Programs and Agencies

For 2017, the Approved Non-Program Expenditure Budget includes \$4.0 million to fund insurance and claims costs. This report recommends that Council authorize the transfer of \$4.0 million gross and net from the 2017 Approved Non-Program Expenditure Budget for insurance claims to the City Programs and Agencies pursuant to the Insurance Allocation Algorithm adopted by Council, as outlined in Appendix F3.

Parks, Forestry and Recreation

Parks, Forestry and Recreation requires two technical amendments to correct the user fees adopted as part of the 2017 Budget process as follows:

- City Council adopted new user fees to support a pilot project to issue permits to individuals or organizations at four City of Toronto public tennis court locations where there are no Community Tennis Clubs. These fees were adopted inclusive of HST. The technical amendment will amend the fees to values without HST to be consistent with all other user fees for the City of Toronto; and,
- Golf fees at the Humber Valley and Don Valley golf courses were incorrectly listed in the 2017 Operating Budget Notes – Appendix 7a - User Fees Adjusted for Inflation and Other. This technical amendment will amend the fees to the market based rates consistent with what has been charged.

There is no financial impact from this revision as the 2017 revenues estimates associated with these fees were calculated using the correct rate. Please refer to Appendix F4 for a detailed listing of fees that require adjustment.

Establishment of an Investment Board

Council at its meeting of March 28 and 29, 2017 approved the establishment of an Investment Board and delegated its authority to the Board to manage and oversee the City's investments and funds not immediately required by the City. The Board is required to exercise its investment authorities pursuant to the prudent investment standard and in compliance with an Investment Policy approved by the City. Council further directed that the Investment Board be funded from added 2017 incremental Non-Program Investment Income of \$557,500 anticipated to be generated from increased investment returns, with no net impact to the 2017 Approved Operating Budget. Approximately \$135,000 will be recovered by other City Programs providing support to the Board through inter-divisional recoveries. The budget adjustments to establish the Board are detailed in Appendix F5.

Utility Costs

Tax and Rate Supported Operations reported actual utility costs of \$42.202 million resulting in over-spending of \$0.415 million or 1.0% compared to the plan for the first quarter. The year-to-date over-expenditures in utilities were primarily experienced by Long Term Care Homes and Services, Parks, Forestry and Recreation and Transportation Services. The variances were in large part due to timing differences between planned and actual expenses.

Tax and Rate Supported Operations are projecting under-spent utilities by \$1.286 million or 0.6% by year-end, primarily in Toronto Water.

Consulting Costs

As of March 31, 2017 Tax and Rate Supported Operations reported actual consulting costs of \$1.259 million resulting in over-spending of \$0.101 million or 8.7% of the \$1.158 million plan-to-date. Year-to-date unfavourable variance was primarily attributed to Shelter, Support and Housing Administration. Consultants were used to advance projects to address AODA compliance, housing allowance studies and a new model for Shelter openings. Shelter, Support and Housing Administration will offset the over-spending in consulting costs with funding from the Federal Homelessness Partnering Strategy program (HPS).

Tax and Rate Supported Operations are forecasting an unfavourable year-end variance of \$0.413 million or 6.0% for consulting costs. The projected consulting over-expenditures are primarily due to over-spending by Shelter, Support and Housing Administration for the studies noted above. Shelter, Support and Housing Administration will offset the over-spending in consulting costs with funding from the Federal Homelessness Partnering Strategy program (HPS).

Donations

The City Donations Policy delegates receipt of donations under \$50,000 to Division Heads and also requires that donations be reported as part of the quarterly variance process. As set out in Figure 7b below, the City received donations amounting to \$47,874 in the first quarter of 2017.

Figure 7b: Summary of Donations Received Less than \$50,000
 For the Three Months Ended March 31, 2017
 (In Thousands)

Donor	Amount	Purpose
Economic Development And Culture		
Pay-What-You-Can Donation Box	1.00	Various Museum and Heritage Sites
Private Donor	1.00	Various Museum and Heritage Sites (65% of which comes from Market Gallery)
Private Donor	0.50	Mackenzie House
Sub-Total	2.50	
Parks, Forestry And Recreation		
Designated I Ltd.	1.50	G. Ross Lord Park improvements
Gilead Productions Inc.	1.00	Sunnybrook Park improvements
Wish Upon Canada Productions Inc.	1.00	Sunnybrook Park improvements
Killijoys li Productions Inc.	0.50	Sunnybrook Park improvements
GEP Machine Inc.	1.50	Sunnybrook Park improvements
NJA-CAM Inc.	0.50	Improvements to Spadina Park beside Casa Loma
Toronto Herb Society	1.00	For the High Park Teaching Centre to Children's Garden
Benevity Community	3.00	Refurbishment of the gazebo structures at Glen Park, located in Ward 3.
Sub-Total	10.00	
Municipal Licensing & Standards		
Multiple Private Donors	29.22	Use to directly benefit the animals in Toronto Animal Services' care or for spay/neuter programs
Sub-Total	29.22	
Social Development Finance And Administration		
Service Employees International Union	0.75	Identify N Impact Qwards
Sub-Total	0.75	
Toronto Police Service		
Division 51 - Fund Raising in Honour of Deceased Member	3.70	To purchase police service dog.
Voluntary Contributions Program	1.50	General police funding.
Private Donor	0.20	Stop crime in Toronto.
Sub-Total	5.40	
Grand Total	47.874	

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SIGNATURE

Roberto Rossini
Deputy City Manager & Chief Financial Officer

ATTACHMENTS

- Appendix A – City of Toronto Net Expenditures for Three Months Ended March 31, 2017
- Appendix B – City of Toronto Gross Expenditures for Three Months Ended March 31, 2017
- Appendix C – City of Toronto Revenues for Three Months Ended March 31, 2017
- Appendix D – Approved Complement for Three Months Ended March 31, 2017
- Appendix E – Approved Complement Projections for 2017 Year-End
- Appendix F – Recommended Budget Adjustments
- Appendix G – Operating Dashboards for City Programs and Agencies

Appendix A

CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE THREE MONTHS ENDED MARCH 31, 2017 (\$000s)

	March 31, 2017				December 31, 2017			
	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	607.5	508.1	(99.5)	-16.4%	1,169.6	1,169.6	0.0	0.0%
Children's Services	21,992.3	21,378.3	(614.0)	-2.8%	82,980.9	82,980.9	0.0	0.0%
Court Services	3,616.3	2,178.9	(1,437.4)	-39.7%	9,235.2	6,150.9	(3,084.3)	-33.4%
Economic Development & Culture	10,975.1	11,406.3	431.1	3.9%	61,500.5	62,058.0	557.4	0.9%
Toronto Paramedic Services	7,925.8	7,748.8	(177.0)	-2.2%	78,189.1	77,775.0	(414.1)	-0.5%
Long Term Care Homes and Services	11,385.8	11,277.3	(108.5)	-1.0%	47,323.4	46,820.6	(502.8)	-1.1%
Parks, Forestry & Recreation	65,764.4	65,764.4	0.0	0.0%	318,654.4	318,654.4	(0.0)	0.0%
Shelter, Support & Housing Administration	88,009.1	88,311.7	302.7	0.3%	407,061.8	412,413.6	5,351.8	1.3%
Social Development, Finance & Administration	4,830.5	4,634.9	(195.6)	-4.0%	32,194.2	32,094.2	(100.0)	-0.3%
Toronto Employment & Social Services	23,380.9	23,379.6	(1.3)	0.0%	110,551.2	110,553.4	2.2	0.0%
Sub-Total Citizen Centred Services "A"	238,487.7	236,588.3	(1,899.4)	-0.8%	1,148,860.4	1,150,670.6	1,810.2	0.2%
Citizen Centred Services "B"								
City Planning	2,444.8	1,500.3	(944.5)	-38.6%	15,291.9	14,313.9	(978.0)	-6.4%
Fire Services	92,222.0	90,975.3	(1,246.7)	-1.4%	422,724.6	423,174.6	450.0	0.1%
Municipal Licensing & Standards	3,330.6	2,064.8	(1,265.8)	-38.0%	19,375.8	19,375.8	0.0	0.0%
Policy, Planning, Finance and Administration	1,692.9	1,687.1	(5.8)	-0.3%	9,108.3	8,876.6	(231.7)	-2.5%
Engineering and Construction Services	1,380.9	672.0	(708.9)	-51.3%	4,055.5	3,874.6	(180.9)	-4.5%
Toronto Building	(4,889.8)	(6,022.6)	(1,132.8)	23.2%	(10,754.5)	(13,686.1)	(2,931.5)	27.3%
Transportation Services	51,863.0	47,409.1	(4,453.8)	-8.6%	211,497.5	214,582.4	3,084.8	1.5%
Sub-Total Citizen Centred Services "B"	148,044.4	138,286.0	(9,758.4)	-6.6%	671,299.1	670,511.8	(787.3)	-0.1%
Internal Services								
Office of the Chief Financial Officer	1,622.5	1,546.7	(75.8)	-4.7%	9,711.0	9,454.0	(257.0)	-2.6%
Office of the Treasurer	5,508.2	5,417.8	(90.4)	-1.6%	28,688.3	28,515.1	(173.2)	-0.6%
Facilities, Real Estate, Environment & Energy	25,726.9	23,747.2	(1,979.7)	-7.7%	67,889.7	67,743.9	(145.7)	-0.2%
Fleet Services	(266.3)	(535.7)	(269.4)	101.2%	(172.0)	(344.0)	(172.0)	100.0%
Information & Technology	25,685.7	24,563.1	(1,122.7)	-4.4%	74,689.2	74,689.2	(0.0)	0.0%
311 Toronto	1,384.5	1,238.8	(145.7)	-10.5%	9,638.1	9,471.1	(167.0)	-1.7%
Sub-Total Internal Services	59,661.5	55,977.9	(3,683.7)	-6.2%	190,444.3	189,529.4	(914.9)	-0.5%
City Manager								
City Manager's Office	9,034.1	9,032.5	(1.6)	0.0%	46,947.0	46,524.8	(422.2)	-0.9%
Sub-Total City Manager	9,034.1	9,032.5	(1.6)	0.0%	46,947.0	46,524.8	(422.2)	-0.9%
Other City Programs								
City Clerk's Office	6,523.1	6,312.5	(210.6)	-3.2%	32,438.1	32,438.1	0.0	0.0%
Legal Services	2,626.7	2,432.1	(194.6)	-7.4%	19,297.9	18,993.0	(304.9)	-1.6%
Mayor's Office	458.6	437.2	(21.4)	-4.7%	2,251.0	2,251.0	0.0	0.0%
City Council	4,373.4	4,174.9	(198.5)	-4.5%	20,354.7	20,354.7	0.0	0.0%
Sub-Total Other City Programs	13,981.8	13,356.6	(625.1)	-4.5%	74,341.7	74,036.8	(304.9)	-0.4%
Accountability Offices								
Auditor General's Office	981.0	698.1	(283.0)	-28.8%	5,902.4	5,902.4	0.0	0.0%
Integrity Commissioner's Office	99.0	99.6	0.6	0.6%	506.6	506.6	0.0	0.0%
Lobbyist Registrar's Office	222.9	217.3	(5.6)	-2.5%	1,154.0	1,154.0	0.0	0.0%
Ombudsman's Office	348.4	331.3	(17.1)	-4.9%	1,810.1	1,810.1	0.0	0.0%
Sub-Total Council Appointed Programs	1,651.3	1,346.2	(305.1)	-18.5%	9,373.1	9,373.1	0.0	0.0%
TOTAL - CITY OPERATIONS	470,860.9	454,587.5	(16,273.4)	-3.5%	2,141,265.6	2,140,646.4	(619.1)	0.0%

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix A

CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE THREE MONTHS ENDED MARCH 31, 2017 (\$000s)

	March 31, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	10,091.5	9,829.9	(261.6)	-2.6%	60,796.9	60,297.2	(499.7)	-0.8%
Toronto Public Library	45,920.7	45,239.2	(681.5)	-1.5%	179,051.8	179,051.8	0.0	0.0%
Association of Community Centres	1,837.0	1,751.7	(85.3)	-4.6%	7,808.1	7,808.0	(0.1)	0.0%
Exhibition Place	(1,765.6)	(2,337.7)	(572.1)	32.4%	(162.8)	(162.8)	0.0	0.0%
Heritage Toronto	74.5	78.0	3.5	4.6%	298.3	298.3	0.0	0.0%
Theatres	1,593.9	1,037.9	(556.0)	-34.9%	5,886.0	5,996.4	110.4	1.9%
Toronto Zoo	5,697.5	6,013.3	315.8	5.5%	11,574.1	11,574.1	0.0	0.0%
Arena Boards of Management	(123.4)	(669.7)	(546.3)	442.7%	(19.7)	(20.7)	(1.0)	4.9%
Yonge Dundas Square	264.6	200.8	(63.8)	-24.1%	377.2	234.5	(142.7)	-37.8%
Toronto & Region Conservation Authority	957.2	957.2	0.0	0.0%	3,561.3	3,561.3	0.0	0.0%
Toronto Transit Commission - Conventional	81,528.0	70,154.0	(11,374.0)	-14.0%	546,845.9	546,836.4	(9.5)	0.0%
Toronto Transit Commission - Wheel Trans	19,727.7	17,745.4	(1,982.3)	-10.0%	142,677.8	142,677.8	0.0	0.0%
Toronto Police Service	253,225.3	252,900.3	(325.0)	-0.1%	1,004,464.6	1,003,164.6	(1,300.0)	-0.1%
Toronto Police Services Board	792.6	762.8	(29.8)	-3.8%	2,309.1	2,249.6	(59.5)	-2.6%
TOTAL - AGENCIES	419,821.5	403,663.1	(16,158.4)	-3.8%	1,965,468.5	1,963,566.5	(1,902.0)	-0.1%
Corporate Accounts								
Capital Financing - Capital from Current	418.5	418.5	0.0	0.0%	293,902.0	293,902.0	0.0	0.0%
Technology Sustainment	4,478.0	4,478.0	0.0	0.0%	17,911.6	17,911.6	0.0	0.0%
Debt Charges	26,835.8	24,746.7	(2,089.0)	-7.8%	505,349.2	501,671.2	(3,678.0)	-0.7%
Capital & Corporate Financing	31,732.3	29,643.3	(2,089.0)	-6.6%	817,162.9	813,484.8	(3,678.0)	-0.5%
Non-Program Expenditures								
Tax Deficiencies/Writeoffs	20,791.8	20,989.2	197.4	0.9%	76,499.4	78,025.2	1,525.8	2.0%
Assessment Function (MPAC)	10,567.5	10,576.0	8.5	0.1%	42,270.0	42,303.8	33.8	0.1%
Funding of Employee Related Liabilities	17,707.2	17,706.4	(0.7)	0.0%	70,828.6	70,828.6	0.0	0.0%
Other Corporate Expenditures	8,022.0	7,901.2	(120.8)	-1.5%	44,498.1	44,008.2	(489.9)	-1.1%
Insurance Premiums & Claims	75.0	75.0	0.0	0.0%	4,300.0	4,300.0	0.0	0.0%
Parking Tag Enforcement & Oper.	15,087.5	14,724.1	(363.4)	-2.4%	69,623.2	67,637.0	(1,986.2)	-2.9%
Programs Funded from Reserve Funds	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Vacancy Rebate Program	4,375.0	4,227.8	(147.2)	-3.4%	17,500.0	17,500.0	0.0	0.0%
Heritage Property Taxes Rebate	437.5	421.6	(15.9)	-3.6%	1,750.0	1,750.0	0.0	0.0%
Tax Rebates for Registered Charities	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Solid Waste Management Rebates	38,696.3	40,228.9	1,532.6	4.0%	144,301.9	144,301.9	0.0	0.0%
Pandemic Influenza Stockpiling	125.0	125.0	0.0	0.0%	500.0	500.0	0.0	0.0%
Non-Program Expenditures	115,884.8	116,975.3	1,090.5	0.9%	472,071.2	471,154.7	(916.5)	-0.2%
Non-Program Revenue								
Payments in Lieu of Taxes	(39,668.0)	(39,662.9)	5.1	0.0%	(100,523.0)	(100,523.0)	0.0	0.0%
Supplementary Taxes	0.0	0.0	0.0	0.0%	(35,000.0)	(35,000.0)	0.0	0.0%
Tax Penalty Revenue	(6,188.6)	(6,527.1)	(338.5)	5.5%	(29,000.0)	(29,000.0)	0.0	0.0%
Interest/Investment Earnings	(22,817.6)	(22,989.6)	(172.0)	0.8%	(100,406.0)	(100,406.0)	0.0	0.0%
Other Corporate Revenues	(1,460.8)	(2,621.8)	(1,161.1)	79.5%	(7,981.1)	(8,504.7)	(523.6)	6.6%
Dividend Income	(56,250.0)	(6,250.0)	50,000.0	-88.9%	(75,000.0)	(75,700.0)	(700.0)	0.9%
Provincial Revenue	(22,900.0)	(22,900.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
Municipal Land Transfer Tax	(108,268.0)	(140,750.0)	(32,482.0)	30.0%	(668,000.0)	(700,482.0)	(32,482.0)	4.9%
Third Party Sign Tax	(280.5)	(11,350.4)	(11,069.9)	3945.9%	(11,035.7)	(11,035.7)	0.0	0.0%
Parking Authority Revenues	(12,258.6)	(12,381.8)	(123.2)	1.0%	(49,034.5)	(49,034.5)	0.0	0.0%
Administrative Support Recoveries - Water	(4,743.3)	(4,743.3)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
Administrative Support Recoveries - Health & EMS	(2,606.7)	(2,606.7)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
Parking Tag Enforcement & Operations Rev	(28,141.8)	(27,959.6)	182.2	-0.6%	(112,567.3)	(112,581.1)	(13.8)	0.0%
Other Tax Revenues	(3,820.7)	(3,825.7)	(5.0)	0.1%	(13,094.5)	(13,094.5)	0.0	0.0%
Hotel & Lodging Tax	0.0	0.0	0.0	0.0%	(5,000.0)	(5,000.0)	0.0	0.0%
Woodbine Slots Revenues	(850.0)	(899.9)	(49.9)	5.9%	(16,000.0)	(16,000.0)	0.0	0.0%
Non-Program Revenues	(310,254.6)	(305,468.8)	4,785.8	-1.5%	(1,349,541.8)	(1,383,261.2)	(33,719.4)	2.5%
TOTAL - CORPORATE ACCOUNTS	(162,637.5)	(158,850.2)	3,787.3	-2.3%	(60,307.7)	(98,621.6)	(38,314.0)	63.5%
NET OPERATING TAX LEVY	728,044.9	699,400.3	(28,644.5)	-3.9%	4,046,426.4	4,005,591.3	(40,835.1)	-1.0%
NON LEVY OPERATIONS								
Solid Waste Management Services	5,456.9	8,939.0	3,482.2	63.8%	0.0	(3,583.4)	(3,583.4)	n/a
Toronto Parking Authority	(13,193.2)	(13,048.3)	144.9	-1.1%	(63,414.3)	(63,414.3)	0.0	0.0%
Toronto Water	27,196.8	17,761.2	(9,435.6)	-34.7%	0.0	(14,150.0)	(14,150.0)	n/a
NON LEVY OPERATING NET EXPENDITURES	19,460.5	13,651.9	(5,808.6)	-29.8%	(63,414.3)	(81,147.7)	(17,733.4)	n/a

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix B

CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)

	March 31, 2017				December 31, 2017			
	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	632.6	535.0	(97.5)	-15.4%	3,473.8	3,473.8	0.0	0.0%
Children's Services	93,033.0	93,033.0	0.0	0.0%	483,674.4	484,288.4	614.0	0.1%
Court Services	10,005.8	9,186.2	(819.5)	-8.2%	51,959.0	50,185.9	(1,773.1)	-3.4%
Economic Development & Culture	12,556.1	13,282.1	726.0	5.8%	81,054.3	82,909.7	1,855.5	2.3%
Toronto Paramedic Services	39,487.9	39,261.0	(226.9)	-0.6%	210,483.6	210,069.5	(414.1)	-0.2%
Long Term Care Homes and Services	52,379.3	47,829.4	(4,549.9)	-8.7%	256,981.4	250,970.0	(6,011.4)	-2.3%
Parks, Forestry & Recreation	87,066.5	86,273.7	(792.8)	-0.9%	457,328.4	449,651.6	(7,676.8)	-1.7%
Shelter, Support & Housing Administration	177,922.0	154,805.8	(23,116.2)	-13.0%	829,583.2	834,935.0	5,351.8	0.6%
Social Development, Finance & Administration	7,496.3	7,112.1	(384.2)	-5.1%	49,607.6	44,087.4	(5,520.2)	-11.1%
Toronto Employment & Social Services	261,481.6	258,117.3	(3,364.3)	-1.3%	1,083,233.8	1,080,436.6	(2,797.2)	-0.3%
Sub-Total Citizen Centred Services "A"	742,061.0	709,435.7	(32,625.4)	-4.4%	3,507,379.4	3,491,007.9	(16,371.5)	-0.5%
Citizen Centred Services "B"								
City Planning	9,209.7	8,480.7	(729.0)	-7.9%	48,074.9	47,746.9	(328.0)	-0.7%
Fire Services	95,824.5	95,574.3	(250.2)	-0.3%	439,825.9	440,829.4	1,003.5	0.2%
Municipal Licensing & Standards	10,265.1	9,194.6	(1,070.5)	-10.4%	53,121.9	53,121.9	0.0	0.0%
Policy, Planning, Finance and Administration	4,843.9	4,019.7	(824.1)	-17.0%	23,300.7	21,936.2	(1,364.5)	-5.9%
Engineering and Construction Services	15,439.6	13,416.1	(2,023.5)	-13.1%	73,246.7	68,439.0	(4,807.7)	-6.6%
Toronto Building	10,797.7	9,486.2	(1,311.6)	-12.1%	56,036.8	53,105.3	(2,931.5)	-5.2%
Transportation Services	68,625.4	68,710.7	85.3	0.1%	399,439.0	363,089.2	(36,349.8)	-9.1%
Sub-Total Citizen Centred Services "B"	215,005.9	208,882.2	(6,123.7)	-2.8%	1,093,045.9	1,048,267.9	(44,778.0)	-4.1%
Internal Services								
Office of the Chief Financial Officer	3,442.5	3,056.6	(385.9)	-11.2%	16,991.2	16,176.9	(814.3)	-4.8%
Office of the Treasurer	14,154.8	13,752.2	(402.6)	-2.8%	73,102.2	72,641.3	(460.9)	-0.6%
Facilities, Real Estate, Environment & Energy	40,371.6	38,221.2	(2,150.4)	-5.3%	194,979.5	188,476.6	(6,502.9)	-3.3%
Fleet Services	8,727.0	9,344.8	617.9	7.1%	53,906.9	56,925.1	3,018.2	5.6%
Information & Technology	34,805.5	31,567.3	(3,238.2)	-9.3%	127,814.9	118,573.8	(9,241.2)	-7.2%
311 Toronto	3,300.9	3,054.2	(246.7)	-7.5%	17,624.3	17,184.3	(440.0)	-2.5%
Sub-Total Internal Services	104,802.3	98,996.4	(5,805.9)	-5.5%	484,419.0	469,978.0	(14,441.0)	-3.0%
City Manager								
City Manager's Office	10,795.0	11,213.8	418.8	3.9%	55,530.9	57,654.2	2,123.2	3.8%
Sub-Total City Manager	10,795.0	11,213.8	418.8	3.9%	55,530.9	57,654.2	2,123.2	3.8%
Other City Programs								
City Clerk's Office	10,754.6	10,483.0	(271.6)	-2.5%	50,587.7	50,587.7	0.0	0.0%
Legal Services	12,247.9	9,639.2	(2,608.7)	-21.3%	57,783.0	55,055.0	(2,728.0)	-4.7%
Mayor's Office	458.6	437.2	(21.4)	-4.7%	2,251.0	2,251.0	0.0	0.0%
City Council	4,373.4	4,236.2	(137.2)	-3.1%	20,626.7	20,626.7	0.0	0.0%
Sub-Total Other City Programs	27,834.5	24,795.6	(3,038.9)	-10.9%	131,248.4	128,520.4	(2,728.0)	-2.1%
Accountability Offices								
Auditor General's Office	981.0	698.1	(283.0)	-28.8%	5,902.4	5,902.4	0.0	0.0%
Integrity Commissioner's Office	99.0	99.6	0.6	0.6%	506.6	506.6	0.0	0.0%
Lobbyist Registrar's Office	222.9	217.3	(5.6)	-2.5%	1,154.0	1,154.0	0.0	0.0%
Ombudsman's Office	348.4	351.4	3.0	0.9%	1,810.1	1,830.2	20.1	1.1%
Sub-Total Council Appointed Programs	1,651.3	1,366.3	(285.0)	-17.3%	9,373.1	9,393.2	20.1	0.2%
TOTAL - CITY OPERATIONS	1,102,150.0	1,054,690.0	(47,460.0)	-4.3%	5,280,996.7	5,204,821.5	(76,175.2)	-1.4%

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix B

CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)

	March 31, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	46,155.7	45,112.0	(1,043.7)	-2.3%	245,071.4	242,382.3	(2,689.1)	-1.1%
Toronto Public Library	50,451.7	49,952.8	(498.9)	-1.0%	199,047.2	199,318.1	270.9	0.1%
Association of Community Centres	1,911.1	1,834.5	(76.6)	-4.0%	8,104.5	8,104.4	(0.1)	0.0%
Exhibition Place	12,314.0	9,761.3	(2,552.6)	-20.7%	50,073.5	50,073.5	0.0	0.0%
Heritage Toronto	198.6	143.2	(55.4)	-27.9%	794.8	794.8	0.0	0.0%
Theatres	6,447.7	6,649.6	201.9	3.1%	29,058.5	28,623.6	(434.9)	-1.5%
Toronto Zoo	9,506.3	8,948.4	(557.9)	-5.9%	52,086.1	52,086.1	0.0	0.0%
Arena Boards of Management	2,485.9	2,411.5	(74.4)	-3.0%	9,013.1	9,012.1	(1.0)	0.0%
Yonge Dundas Square	367.6	413.7	46.1	12.5%	2,352.3	2,655.5	303.2	12.9%
Toronto & Region Conservation Authority	10,883.0	10,883.0	0.0	0.0%	43,532.0	43,532.0	0.0	0.0%
Toronto Transit Commission - Conventional	272,746.0	258,981.0	(13,765.0)	-5.0%	1,798,481.8	1,789,972.3	(8,509.5)	-0.5%
Toronto Transit Commission - Wheel Trans	20,906.8	18,884.4	(2,022.4)	-9.7%	151,169.3	151,169.3	0.0	0.0%
Toronto Police Service	274,031.0	273,756.0	(275.0)	-0.1%	1,127,817.0	1,126,717.0	(1,100.0)	-0.1%
Toronto Police Services Board	792.6	762.8	(29.8)	-3.8%	2,809.1	2,749.6	(59.5)	-2.1%
TOTAL - AGENCIES	709,197.9	688,494.2	(20,703.7)	-2.9%	3,719,410.7	3,707,190.7	(12,220.0)	-0.3%
Corporate Accounts								
Capital Financing - Capital from Current	418.5	418.5	0.0	0.0%	293,902.0	293,902.0	0.0	0.0%
Technology Sustainment	4,478.0	4,478.0	0.0	0.0%	17,911.6	17,911.6	0.0	0.0%
Debt Charges	31,837.1	29,960.8	(1,876.3)	-5.9%	529,529.2	526,040.0	(3,489.2)	-0.7%
Capital & Corporate Financing	36,733.7	34,857.3	(1,876.3)	-5.1%	841,342.8	837,853.6	(3,489.2)	-0.4%
Non-Program Expenditures								
Tax Deficiencies/Writeoffs	20,791.8	20,989.2	197.4	0.9%	105,394.6	106,920.4	1,525.8	1.4%
Assessment Function (MPAC)	10,567.5	10,576.0	8.5	0.1%	42,270.0	42,303.8	33.8	0.1%
Funding of Employee Related Liabilities	17,707.2	17,706.4	(0.7)	0.0%	70,828.6	70,828.6	0.0	0.0%
Other Corporate Expenditures	9,588.1	10,759.0	1,170.9	12.2%	52,260.0	51,770.4	(489.6)	-0.9%
Insurance Premiums & Claims	75.0	75.0	0.0	0.0%	4,300.0	4,300.0	0.0	0.0%
Parking Tag Enforcement & Oper.	15,087.5	14,724.1	(363.4)	-2.4%	69,623.2	67,637.0	(1,986.2)	-2.9%
Programs Funded from Reserve Funds	35,384.6	28,649.2	(6,735.4)	-19.0%	140,881.3	140,881.3	0.0	0.0%
Vacancy Rebate Program	4,375.0	4,227.8	(147.2)	-3.4%	17,500.0	17,500.0	0.0	0.0%
Heritage Property Taxes Rebate	437.5	421.6	(15.9)	-3.6%	1,750.0	1,750.0	0.0	0.0%
Tax Rebates for Registered Charities	2,732.1	3,559.5	827.4	30.3%	5,918.1	5,918.1	0.0	0.0%
Solid Waste Management Rebates	38,696.3	40,228.9	1,532.6	4.0%	144,301.9	144,301.9	0.0	0.0%
Pandemic Influenza Stockpiling	125.0	125.0	0.0	0.0%	500.0	500.0	0.0	0.0%
Non-Program Expenditures	155,567.5	152,041.7	(3,525.8)	-2.3%	655,527.8	654,611.6	(916.2)	-0.1%
Non-Program Revenue								
Payments in Lieu of Taxes	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Supplementary Taxes	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Tax Penalty Revenue	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Interest/Investment Earnings	287.8	199.8	(88.0)	-30.6%	1,151.0	1,151.0	0.0	0.0%
Other Corporate Revenues	255.2	190.1	(65.1)	-25.5%	5,470.9	5,470.9	0.0	0.0%
Dividend Income	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Provincial Revenue	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Municipal Land Transfer Tax	8,242.4	8,197.1	(45.3)	-0.5%	47,809.6	47,764.3	(45.3)	-0.1%
Third Party Sign Tax	0.0	0.0	0.0	n/a	1,116.1	1,116.1	0.0	0.0%
Parking Authority Revenues	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Administrative Support Recoveries - Water	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Administrative Support Recoveries - Health & EMS	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Parking Tag Enforcement & Operations Rev	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Other Tax Revenues	0.0	111.3	111.3	n/a	0.0	0.0	0.0	n/a
Hotel & Lodging Tax	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Woodbine Slots Revenues	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Revenues	8,785.4	8,698.2	(87.1)	-1.0%	55,547.6	55,502.3	(45.3)	-0.1%
TOTAL - CORPORATE ACCOUNTS	201,086.5	195,597.3	(5,489.2)	-2.7%	1,552,418.2	1,547,967.5	(4,450.7)	-0.3%
LEVY OPERATING GROSS EXPENDITURES	2,012,434.5	1,938,781.5	(73,653.0)	-3.7%	10,552,825.6	10,459,979.6	(92,846.0)	-0.9%
NON LEVY OPERATIONS								
Solid Waste Management Services	70,094.5	68,613.2	(1,481.3)	-2.1%	398,123.7	391,635.3	(6,488.4)	-1.6%
Toronto Parking Authority	23,155.2	22,574.9	(580.3)	-2.5%	91,812.0	91,812.0	0.0	0.0%
Toronto Water	279,574.6	275,579.1	(3,995.5)	-1.4%	1,231,928.2	1,219,878.2	(12,050.0)	-1.0%
NON LEVY OPERATING GROSS EXPENDITURES	372,824.3	366,767.2	(6,057.1)	-1.6%	1,721,863.9	1,703,325.5	(18,538.4)	-1.1%

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix C

CITY OF TORONTO CONSOLIDATED REVENUE VARIANCE FOR THE THREE MONTHS ENDED MARCH 31, 2017 (\$000s)

	March 31, 2017				December 31, 2017			
	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	25.0	27.0	1.9	7.7%	2,304.2	2,304.2	0.0	0.0%
Children's Services	71,040.8	71,654.8	614.0	0.9%	400,693.4	401,307.4	614.0	0.2%
Court Services	6,389.5	7,007.3	617.8	9.7%	42,723.8	44,035.1	1,311.2	3.1%
Economic Development & Culture	1,580.9	1,875.8	294.9	18.7%	19,553.8	20,851.8	1,298.0	6.6%
Toronto Paramedic Services	31,562.1	31,512.2	(49.9)	-0.2%	132,294.5	132,294.5	0.0	0.0%
Long Term Care Homes and Services	40,993.5	36,552.1	(4,441.4)	-10.8%	209,658.0	204,149.4	(5,508.6)	-2.6%
Parks, Forestry & Recreation	21,302.1	20,509.2	(792.8)	-3.7%	138,674.0	130,997.2	(7,676.8)	-5.5%
Shelter, Support & Housing Administration	89,912.9	66,494.0	(23,418.9)	-26.0%	422,521.4	422,521.4	0.0	0.0%
Social Development, Finance & Administration	2,665.8	2,477.2	(188.6)	-7.1%	17,413.4	11,993.2	(5,420.2)	-31.1%
Toronto Employment & Social Services	238,100.7	234,737.7	(3,363.0)	-1.4%	972,682.6	969,883.2	(2,799.4)	-0.3%
Sub-Total Citizen Centred Services "A"	503,573.3	472,847.4	(30,725.9)	-6.1%	2,358,519.0	2,340,337.3	(18,181.7)	-0.8%
Citizen Centred Services "B"								
City Planning	6,764.8	6,980.4	215.6	3.2%	32,783.1	33,433.1	650.0	2.0%
Fire Services	3,602.5	4,599.0	996.5	27.7%	17,101.3	17,654.8	553.5	3.2%
Municipal Licensing & Standards	6,934.5	7,129.8	195.3	2.8%	33,746.1	33,746.1	0.0	0.0%
Policy, Planning, Finance and Administration	3,150.9	2,332.6	(818.3)	-26.0%	14,192.4	13,059.6	(1,132.8)	-8.0%
Engineering and Construction Services	14,058.7	12,744.1	(1,314.6)	-9.4%	69,191.1	64,564.3	(4,626.8)	-6.7%
Toronto Building	15,687.5	15,508.7	(178.8)	-1.1%	66,791.4	66,791.4	0.0	0.0%
Transportation Services	16,762.5	21,301.6	4,539.1	27.1%	187,941.4	148,506.8	(39,434.6)	-21.0%
Waterfront Secretariat			0.0	n/a			0.0	n/a
Sub-Total Citizen Centred Services "B"	66,961.5	70,596.2	3,634.8	5.4%	421,746.8	377,756.1	(43,990.7)	-10.4%
Internal Services								
Office of the Chief Financial Officer	1,820.0	1,509.9	(310.1)	-17.0%	7,280.2	6,722.9	(557.3)	-7.7%
Office of the Treasurer	8,646.6	8,334.4	(312.2)	-3.6%	44,413.9	44,126.2	(287.7)	-0.6%
Facilities, Real Estate, Environment & Energy	14,644.7	14,474.0	(170.7)	-1.2%	127,089.8	120,732.7	(6,357.1)	-5.0%
Fleet Services	8,993.2	9,880.6	887.3	9.9%	54,078.9	57,269.1	3,190.2	5.9%
Information & Technology	9,119.8	7,004.3	(2,115.5)	-23.2%	53,125.7	43,884.6	(9,241.1)	-17.4%
311 Toronto	1,916.4	1,815.4	(101.0)	-5.3%	7,986.2	7,713.2	(273.0)	-3.4%
Sub-Total Internal Services	45,140.7	43,018.5	(2,122.2)	-4.7%	293,974.7	280,448.6	(13,526.1)	-4.6%
City Manager								
City Manager's Office	1,760.9	2,181.3	420.4	23.9%	8,584.0	11,129.4	2,545.4	29.7%
Sub-Total City Manager	1,760.9	2,181.3	420.4	23.9%	8,584.0	11,129.4	2,545.4	29.7%
Other City Programs								
City Clerk's Office	4,231.5	4,170.6	(60.9)	-1.4%	18,149.6	18,149.6	0.0	0.0%
Legal Services	9,621.3	7,207.2	(2,414.1)	-25.1%	38,485.1	36,062.0	(2,423.1)	-6.3%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
City Council	0.0	61.3	61.3	n/a	272.0	272.0	0.0	0.0%
Sub-Total Other City Programs	13,852.7	11,439.0	(2,413.7)	-17.4%	56,906.7	54,483.6	(2,423.1)	-4.3%
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	20.1	20.1	n/a	0.0	20.1	20.1	n/a
Sub-Total Council Appointed Programs	0.0	20.1	20.1	n/a	0.0	20.1	20.1	n/a
TOTAL - CITY OPERATIONS	631,289.2	600,102.5	(31,186.6)	-4.9%	3,139,731.2	3,064,175.1	(75,556.1)	-2.4%

Staff report for action on Operating Variance Report for the Three Month Period
Ended March 31st, 2017

Appendix C

CITY OF TORONTO
CONSOLIDATED REVENUE VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)

	March 31, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	36,064.2	35,282.1	(782.1)	-2.2%	184,274.5	182,085.1	(2,189.4)	-1.2%
Toronto Public Library	4,531.0	4,713.6	182.6	4.0%	19,995.4	20,266.3	270.9	1.4%
Association of Community Centres	74.1	82.8	8.7	11.7%	296.4	296.4	(0.0)	0.0%
Exhibition Place	14,079.5	12,099.0	(1,980.5)	-14.1%	50,236.4	50,236.4	0.0	0.0%
Heritage Toronto	124.1	65.2	(58.9)	-47.5%	496.5	496.5	0.0	0.0%
Theatres	4,853.8	5,611.7	757.9	15.6%	23,172.5	22,627.2	(545.3)	-2.4%
Toronto Zoo	3,808.8	2,935.1	(873.7)	-22.9%	40,512.0	40,512.0	0.0	0.0%
Arena Boards of Management	2,609.3	3,081.2	471.9	18.1%	9,032.8	9,032.7	(0.1)	0.0%
Yonge Dundas Square	103.0	212.9	109.9	106.8%	1,975.1	2,421.0	445.9	22.6%
Toronto & Region Conservation Authority	9,925.8	9,925.8	0.0	0.0%	39,970.7	39,970.7	0.0	0.0%
Toronto Transit Commission - Conventional	191,218.0	188,827.0	(2,391.0)	-1.3%	1,251,635.9	1,243,135.9	(8,500.0)	-0.7%
Toronto Transit Commission - Wheel Trans	1,179.1	1,139.0	(40.1)	-3.4%	8,491.5	8,491.5	0.0	0.0%
Toronto Police Service	20,805.7	20,855.7	50.0	0.2%	123,352.4	123,552.4	200.0	0.2%
Toronto Police Services Board	0.0	0.0	0.0	n/a	500.0	500.0	0.0	0.0%
TOTAL - AGENCIES	289,376.4	284,831.1	(4,545.3)	-1.6%	1,753,942.2	1,743,624.2	(10,318.0)	-0.6%
Corporate Accounts								
Capital Financing - Capital from Current	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Technology Sustainment	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Debt Charges	5,001.4	5,214.1	212.7	4.3%	24,179.9	24,368.8	188.8	0.8%
Capital & Corporate Financing	5,001.4	5,214.1	212.7	4.3%	24,179.9	24,368.8	188.8	0.8%
Non-Program Expenditures								
Tax Deficiencies/Writeoffs	0.0	0.0	0.0	n/a	28,895.2	28,895.2	0.0	0.0%
Assessment Function (MPAC)	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Funding of Employee Related Liabilities	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Other Corporate Expenditures	1,566.1	2,857.8	1,291.7	82.5%	7,761.9	7,762.2	0.3	0.0%
Insurance Premiums & Claims	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Parking Tag Enforcement & Oper.	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Programs Funded from Reserve Funds	35,384.6	28,649.2	(6,735.4)	-19.0%	140,881.3	140,881.3	0.0	0.0%
Vacancy Rebate Program	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Heritage Property Taxes Rebate	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Tax Rebates for Registered Charities	2,732.1	3,559.5	827.4	30.3%	5,918.1	5,918.1	0.0	0.0%
Solid Waste Management Rebates	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Expenditures	39,682.8	35,066.5	(4,616.3)	-11.6%	183,456.5	183,456.8	0.3	0.0%
Non-Program Revenue								
Payments in Lieu of Taxes	39,668.0	39,662.9	(5.1)	0.0%	100,523.0	100,523.0	0.0	0.0%
Supplementary Taxes	0.0	0.0	0.0	n/a	35,000.0	35,000.0	0.0	0.0%
Tax Penalty Revenue	6,188.6	6,527.1	338.5	5.5%	29,000.0	29,000.0	0.0	0.0%
Interest/Investment Earnings	23,105.4	23,189.4	84.0	0.4%	101,557.0	101,557.0	0.0	0.0%
Other Corporate Revenues	1,716.0	2,811.9	1,095.9	63.9%	13,452.0	13,975.6	523.6	3.9%
Dividend Income	56,250.0	6,250.0	(50,000.0)	-88.9%	75,000.0	75,700.0	700.0	0.9%
Provincial Revenue	22,900.0	22,900.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
Municipal Land Transfer Tax	116,510.4	148,947.1	32,436.7	27.8%	715,809.6	748,246.3	32,436.7	4.5%
Third Party Sign Tax	280.5	11,350.4	11,069.9	3945.9%	12,151.8	12,151.8	0.0	0.0%
Parking Authority Revenues	12,258.6	12,381.8	123.2	1.0%	49,034.5	49,034.5	0.0	0.0%
Administrative Support Recoveries - Water	4,743.3	4,743.3	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
Administrative Support Recoveries - Health & EMS	2,606.7	2,606.7	0.0	0.0%	16,326.7	16,326.7	0.0	0.0%
Parking Tag Enforcement & Operations Rev	28,141.8	27,959.6	(182.2)	-0.6%	112,567.3	112,581.1	13.8	0.0%
Other Tax Revenues	3,820.7	3,937.0	116.3	3.0%	13,094.5	13,094.5	0.0	0.0%
Hotel & Lodging Tax	0.0	0.0	0.0	n/a	5,000.0	5,000.0	0.0	0.0%
Woodbine Slots Revenues	850.0	899.9	49.9	5.9%	16,000.0	16,000.0	0.0	0.0%
Non-Program Revenues	319,039.9	314,167.0	(4,872.9)	-1.5%	1,405,089.4	1,438,763.5	33,674.1	2.4%
TOTAL - CORPORATE ACCOUNTS	363,724.1	354,447.5	(9,276.5)	-2.6%	1,612,725.8	1,646,589.1	33,863.3	2.1%
LEVY OPERATING REVENUES	1,284,389.6	1,239,381.2	(45,008.5)	-3.5%	6,506,399.2	6,454,388.3	(52,010.8)	-0.8%
NON LEVY OPERATIONS								
Solid Waste Management Services	64,637.6	59,674.2	(4,963.4)	-7.7%	398,123.7	395,218.7	(2,905.0)	-0.7%
Toronto Parking Authority	36,348.4	35,623.2	(725.2)	-2.0%	155,226.3	155,226.3	0.0	0.0%
Toronto Water	252,377.8	257,817.9	5,440.1	2.2%	1,231,928.2	1,234,028.2	2,100.0	0.2%
NON LEVY OPERATING REVENUES	353,363.8	353,115.3	(248.5)	-0.1%	1,785,278.2	1,784,473.2	(805.0)	0.0%

Staff report for action on Operating Variance Report for the Three Month Period
 Ended March 31st, 2017

Appendix F1

CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Services "A"				
Children's Services				
To amend the Service Level Agreement between Facilities, Real Estate, Environment & Energy (FREEE) and Children's Services (CS) with the implementation of the new Facilities Transformation Project (FTP) that eliminates the inter-divisional cost and recovery by transferring the 2017 Operating Budget of \$2.119 million to FREEE for the provision of security and custodial services for City owned facilities operated by CS; and transfers custodial supplies and services for \$0.236 million previously funded directly by CS.	(2,356.2)	0.0	(2,356.2)	0.0
Total Children's Services	(2,356.2)	0.0	(2,356.2)	0.0
Court Services				
In year technical adjustment between services (Functional Area), to eliminate the negative line. These adjustments have net zero impact.				
Court Case Management	0.0	0.0	0.0	0.0
Provincial Offences/Licencing Tribunal Dispute Resolution	1.3	0.0	1.3	0.0
Default Fine Collection Management	(1.3)	0.0	(1.3)	0.0
Total Court Services	(0.0)	0.0	(0.0)	0.0
Economic Development & Culture				
In 2017, Economic Development & Culture will complete the delivery of Canada 150 celebrations and the Pan Am showcase project, both budgeted in 2016 with full funding from the Major Special Events Reserve.				
Pan Am Showcase	16.9	16.9	0.0	0.0
Canada 150	62.1	62.1	0.0	0.0
Transfer between services to fully allocate the cost of 4 Program Support marketing positions to Museum and Heritage Services to properly reflect actuals (ED0152 to AH0068).				
Business Services	(76)	0.0	(76.0)	(0.8)
Entertainment Industry Services	(38)	0.0	(38.0)	(0.4)
Arts Services	(190)	0.0	(189.9)	(2.0)
Museum & Heritage Services	304	0.0	303.8	3.2
Total Economic Development & Culture	79.0	79.0	(0.0)	0.0
Toronto Paramedic Services				
Adjustment of \$0.799 million gross and \$0 net to adjust 100% Provincial base CACC Grant Funding. The additional funds will be used to add four CACC Support positions and reduce gapping. There is no net impact as a result of this change.	799.4	799.4	0.0	4.0
Adjustment of \$0.349 million gross and \$0 net for one-time 100% Provincial CACC Grant Funding for CAD Upgrade Training costs. There is no net impact as a result of this change.	349.2	349.2	0.0	0.0

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix F1

**CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Adjustment of \$0.123 million gross/ \$0 net to reflect increased cost recovery for professional services from Metrolinx - LRT Project. There is no net impact as a result of this change.	123.1	123.1	0.0	0.0
Total Toronto Paramedic Services	1,271.7	1,271.7	0.0	4.0
Parks, Forestry & Recreation				
To approve the change in the resource requirements for the Permitting, Licensing and Registration capital project in order to secure the skillset needed to complete the delivery of this project. A temporary Supervisor, Facility Services, previously approved for this project will be replaced with a temporary Standards Co-ordinator position at the same wage grade. There is no financial impact or approved position change.	0.0	0.0	0.0	0.0
Total Parks, Forestry & Recreation	0.0	0.0	0.0	0.0
Shelter Support & Housing Administration				
Adjustment to increase the 2017 Operating Budget by \$0.540 million gross, \$0 net fully funded from the Capital Revolving Reserve Fund-XR1058 (for \$0.500 million) and the Development Charges Reserve Fund-XR2114 (for \$0.040) for the development of 26 affordable artist live/work rentals units at 33 King Street per EX10.6 " <i>The Weston Community/Cultural Hub: Final Funding Report</i> ".	540.0	540.0	0.0	0.0
Adjustment to increase the 2017 Operating Budget by \$0.026 million gross, \$0 net, fully funded from Social Housing Stabilization Reserve Fund - XQ1106 to fund a sole-source agreement between the City and Neighbourhood Information Post (NIP) for the administration of rent-gap funding for residents of 77 Mutual Street, pursuant to the redevelopment of the property as directed by Council in TE21.4 " <i>Rental Housing Demolition Application Under Municipal Code 667 - 77</i> ".	25.6	25.6	0.0	0.0
Adjustment to increase the 2017 Operating Budget by \$0.646 million gross, \$0 net fully funded from the Social Housing Stabilization Reserve Fund-XQ1106 to support an additional month of cold weather drop-in programs at Margaret's Toronto East Drop-in and St. Lawrence Community Center per Council direction in CD15.7 " <i>2016-17 Winter Readiness and Update on Shelter Occupancy</i> ".	646.0	646.0	0.0	0.0
Adjustment increases the 2017 approved staff complement as a result of transferring 1 temporary Community Development Officer position from S DFA to support the 731 Runnymede Shelter project which will now be administered by SSHA. The increase in salaries and benefits will be offset by equivalent reduction to the interdivisional charges. Net impact zero.	0.0	0.0	0.0	1.0
Total Shelter Support & Housing Administration	1,211.6	1,211.6	0.0	1.0

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix F1

CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Social Development, Finance & Administration				
Adjustment reduces the 2017 approved staff complement as a result of transferring 1 temporary Community Development Officer position to SSHA, as the 731 Runnymede Shelter project which will now be administered by SSHA. The decrease in salaries and benefits will be offset by equivalent reduction to the interdivisional recoveries. Net impact zero.	(123.5)	(123.5)	0.0	(1.0)
Total Social Development, Finance & Administration	(123.5)	(123.5)	0.0	(1.0)
Total Citizen Centred Services "A"	82.8	2,438.9	(2,356.2)	4.0
Citizen Centred Services "B"				
City Planning				
Adjustment of \$0.386M gross and \$0M net to fund 6 temp positions required to deliver and support the technical and planning analysis of major rapid transit projects including: Smart Track, Eglinton LRT East and West, Relief Line North and the Scarborough Subway Extension. The positions will be funded from capital projects approved as part of the Public Transit Infrastructure Fund (PTIF) and be comprised of; 1 Program Manager, 3 Sr Planner and 2 Planners.	386.3	386.3	0.0	6.0
To convert 5 temporary positions in the Transportation Planning section approved in the 2017 Operating Budget process consisting of 2 Program Managers, 2 Senior Planners and 1 Planner, into permanent positions. The positions are required to deliver and support the technical and planning analysis for the Scarborough Subway Extension and other rapid transit projects. City Planning has had difficulty attracting and retaining staff with the required expertise and experience. Converting the positions to permanent will help to address this challenge, and better position Transportation Planning to deliver on its mandate.	0.0	0.0	0.0	0.0
Total City Planning	386.3	386.3	0.0	6.0
Policy, Planning, Finance & Administration				
Adjustment of \$0.054M gross and \$0M net to fund 1 temp Sr. Consultation Coordinator required to support the public consultation process for City Planning's technical and planning analysis of major rapid transit projects. The position will be funded from capital projects approved as part of the Public Transit Infrastructure Fund (PTIF).	53.7	53.7	0.0	1.0
Total Policy, Planning, Finance & Administration	53.7	53.7	0.0	1.0

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix F1

CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Transportation Services				
Adjustment of \$0.014 million gross and net to reflect the increase of interdivisional recovery (IDR) from Fleet Services due to the reallocation of insurance costs from Non-Program.	14.0	0.0	14.0	0.0
Adjustment of \$0.130 million gross and \$0M net to fund 2 existing temporary positions (not an increase to Council approved complement) required to support work associated with the Eglinton Crosstown and Finch West Light Rail Transit projects. Fully funded by Metrolinx.	130.2	130.2	0.0	0.0
Adjustment of \$0.116 million gross and \$0M net to fund 2 existing temporary positions (not an increase to Council approved complement) required to support approval, construction coordination and inspections associated with the Bell Smart City Program. Fully funded by Bell Canada.	116.4	116.4	0.0	0.0
Total Transportation Services	260.6	246.6	14.0	0.0
Total Citizen Centred Services "B"	700.6	686.6	14.0	7.0
Internal Services				
Office of the Treasurer				
To convert a temporary Sr. Corporate Buyer position in the Purchasing & Materials Management Division into a permanent Sr. Corporate Buyer position. The position, approved in the 2017 Operating Budget is funded by Solid Waste Management (SWM). Due to an oversight, the position was created as temporary instead of a permanent position. This position has a long-term funding commitment from SWM. Experience has shown that recruitment for this type of positions is very difficult as new hires often take permanent positions that arise.	0.0	0.0	0.0	0.0
Total Office of the Treasurer	0.0	0.0	0.0	0.0
Facilities, Real Estate, Environment & Energy				
Facilities Transformation Project (FTP) elimination of inter-divisional cost and recovery (IDC/IDR) and transfer of Operating Budget from Children's Services to FREEE, for custodial services and supplies, to provide complete custodial and security services to City-owned facilities of Children's Services in accordance with the Service Level Agreement.	236.5	(2,119.7)	2,356.2	0.0

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix F1

**CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Conversion of 1 of a total of 13 temporary positions to permanent, and the creation 4 out of the 6 total new temporary positions within the Real Estate Services (RES) group funded 100% from Metrolinx and future transit capital projects in support of expediting progress on the Regional Express Rail (RER) and Smart Track transit initiatives. The remainder of the total positions reside in Legal Services.	229.1	229.1	0.0	4.0
Creation of an Inter-Divisional Cost and Recovery (IDC/IDR) agreement with Solid Waste Management (SWM) to fund a temporary Research Analyst 3 (RA3) position within the Environment & Energy group for a period of 12 months starting April 21. The RA3 position is currently funded by the Home Energy Assistance Toronto Reserve Fund (XR1719) and will be responsible for administering the new Waste Reduction Community Investment Program (WCRIP). The goal of the program is to build capacity within the community to identify, develop and initiate collective actions that promote residential waste reduction and increase residential participation in the City of Toronto's waste diversion programs. This change will reduce current reserve funding by \$0.048 million for the RA3 position, and increase in inter-divisional recoveries of the same amount.	0.0	0.0	0.0	0.0
Total Facilities, Real Estate, Environment & Energy	465.6	(1,890.5)	2,356.2	4.0
Fleet Services				
In year technical adjustment between services (Functional Area), to eliminate the negative budget revenue estimate. These adjustments have net zero impact.				
Fleet Management	0.0	(38.9)	38.9	0.0
Fuel Management	0.0	38.9	(38.9)	0.0
Fleet Insurance Costs Recovery (from Transportation Services)	0.0	14.0	(14.0)	0.0
Extension of 5 temporary capital positions for Fleet Management & Fuel System Integration Project, from October 1, 2017 to December 31, 2018. These positions were deleted according to the Council approved 2017 budget upon the original expected completion date of September 30, 2017. However, this project has been delayed and these positions are required to be extended until the completion of the project which is expected to be December 31, 2018. There will be no net financial impact to the Fleet Services' Operation Budget, as the costs for these positions will be fully recovered from the Fleet Services Capital Project.	123.9	123.9	0.0	5.0
Total Fleet Services	123.9	137.9	(14.0)	5.0
Total Internal Services	589.5	(1,752.7)	2,342.2	9.0

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix F1

**CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
City Manager's Office				
Conversion of 12.0 temporary Council Approved HR positions to permanent positions funded from budgeted Interdivisional Recoveries from Toronto Water (4.0 positions), Engineering & Construction Services (3.0 positions), Solid Waste Management (2.0 positions) and Transportation Services (3.0 positions), to continue to provide on-going HR strategic recruitment support to Cluster B divisions.	0.0	0.0	0.0	0.0
Total City Manager's Office	0.0	0.0	0.0	0.0
Other City Programs				
Legal Services				
Conversion of 12.0 of the 13.0 total temporary positions to permanent positions, and the creation 2.0 out of the 6.0 total new temporary positions within Legal Services funded 100% from Metrolinx and future transit capital projects in support of expediting progress on the Regional Express Rail (RER) and Smart Track transit initiatives. The remainder of the total positions reside in FREEE.	137.0	137.0	0.0	2.0
Total Legal Services	137.0	137.0	0.0	2.0
Total Other City Programs	137.0	137.0	0.0	2.0
Total City Programs	1,509.8	1,509.8	0.0	22.0
Agencies				
Toronto Public Health				
One-time budget increase of \$0.417 million gross and \$0 net for the Toronto Infant Hearing Program (IHP), fully funded by the Province for the purchase of hearing screening consumables, equipment repairs and Audiology services as well as the purchase of seven diagnostic Auditory Brainstem Response (ABR) testing units.	417.1	417.1	0.0	0.0
Adjustment to move staff complement between Environmental Health and Infectious Diseases, and between Chronic Diseases and Injuries and Family Health. There is no net impact.				
Chronic Diseases and Injuries	(83.6)	(62.7)	(20.9)	(0.9)
Family Health	83.6	62.7	20.9	0.9
Environmental Health	46.3	34.7	11.6	0.3
Infectious Diseases	(46.3)	(34.7)	(11.6)	(0.3)
Adjustment of \$0.041 million gross and \$0 net funding 0.4 position for Toronto Food Strategy to account for new grant from the Ontario Ministry of Citizenship and Immigration for a new project entitled "Community Food Works for Newcomer Settlement".	40.8	40.8	0.0	0.4

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix F1

**CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Adjustment to reduce the 2017 Operating Budget by \$0.347 million gross and \$0 net in the PHAC Healthy Neighborhood Apartments Program to reflect City's calendar year (April to December).	(347.2)	(347.2)	0.0	0.0
Adjustment of \$0.100 million gross and \$0 net funding 1 temporary position to reflect one-time funding from St. Michael's Hospital for a needs-based health assessment program between TPH and the Toronto Central Local Health Integration Network (TC LHIN) in order to support population health and health equity strategy.	100.0	100.0	0.0	1.0
Total Toronto Public Health	210.7	210.7	0.0	1.4
Exhibition Place				
Technical adjustment of event support cost recoveries to revenue				
Exhibition Place Asset Management	519.5	519.5	0.0	0.0
Exhibition Place Parking Access	40.9	40.9	0.0	0.0
Exhibitions & Events	12,231.0	12,231.0	0.0	0.0
Total Exhibition Place	12,791.4	12,791.4	0.0	0.0
Total Agencies	13,002.1	13,002.1	0.0	1.4
Total Tax Supported Operations	14,511.9	14,511.9	0.0	23.4
Solid Waste Management Services				
Adjustment realigns the service view for funds centre SW0662 as there was a coding error on the Functional Service Area during the 2017 budget process. Transfer amount is \$7.783K, net impact zero.	0.0	0.0	0.0	0.0
The adjustment increases the interdivisional charge to SWMS as part of the LTWMS to fund a temporary Research Analyst 3 (RA3) position within the Environment & Energy group for a period of 12 months. The RA3 position will be responsible for administering the new Waste Reduction Community Investment Program (WCRIP). The goal of the program is to build capacity within the community to identify, develop and initiate collective actions that promote residential waste reduction and increase residential participation in the City of Toronto's waste diversion programs. There is \$0 gross and \$0 net impact as there will be a reduction to Waste Management reserve funding of \$0.048 million and a corresponding increase to inter-divisional charge to SWMS for the same amount.	0.0	0.0	0.0	0.0
The adjustment realigns the salary budget between funds centre SW0666 to SW0703 as required by an internal re-organization. Transfer amount is \$1.256M in expenditures and \$1.158M in revenue, moving from one funds centre to another within SWMS, net impact zero.	0.0	0.0	0.0	0.0

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix F1

**CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Adjustment increases operating expenditure budget to facilitate award of two contracts in 2017, one for Mobile Radios and one for GPS equipment for SWMS vehicles. Increase of \$0.222M will be offset by equivalent reduction to the contribution to the Waste Management reserve fund. Net impact zero.	0.0	0.0	0.0	0.0
Adjustment removes the capital recovery for 6.0 Project Leads for the LTWMS and instead funds them through the Operating Budget. Increase of \$0.655M will be offset by equivalent reduction to the contribution to the Waste Management reserve fund. Net impact zero.	0.0	0.0	0.0	0.0
Total Solid Waste Management Services	0.0	0.0	0.0	0.0
Total Non Levy Operations	0.0	0.0	0.0	0.0
Total City Operations	14,511.9	14,511.9	0.0	23.4

Appendix F2

**CITY OF TORONTO
REALLOCATION OF FLEET SAVINGS
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(In \$)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Services "A"				
Economic Development, Culture				
Fleet Savings Allocation	(269)	0	(269)	0
Total Economic Development, Culture	(269)	0	(269)	0
Parks, Forestry & Recreation				
Fleet Savings Allocation	(75,850)	0	(75,850)	0
Total Parks, Forestry & Recreation	(75,850)	0	(75,850)	0
Shelter Support & Housing Administration				
Fleet Savings Allocation	(10,016)	0	(10,016)	0
Total Shelter Support & Housing Administration	(10,016)	0	(10,016)	0
Total Citizen Centred Services "A"	(86,135)	0	(86,135)	0
Citizen Centred Services "B"				
Municipal Licensing & Standards				
Fleet Savings Allocation	(8,294)	0	(8,294)	0
Total Municipal Licensing & Standards	(8,294)	0	(8,294)	0
Policy, Planning, Finance & Administration				
Fleet Savings Allocation	(442)	0	(442)	0
Total Policy, Planning, Finance & Administration	(442)	0	(442)	0
Engineering & Construction Services				
Fleet Savings Allocation	(3,264)	0	(3,264)	0
Total Engineering & Construction Services	(3,264)	0	(3,264)	0
Toronto Building				
Fleet Savings Allocation	(737)	0	(737)	0
Total Toronto Building	(737)	0	(737)	0
Transportation Services				
Fleet Savings Allocation	(58,798)	0	(58,798)	0
Total Transportation Services	(58,798)	0	(58,798)	0
Total Citizen Centred Services "B"	(71,535)	0	(71,535)	0
Internal Services				
Office of the Treasurer				
Fleet Savings Allocation for Purchasing & Materials Management	(1,275)	0	(1,275)	0
Fleet Savings Allocation for Revenue Services	(31)	0	(31)	0
Total Office of the Treasurer	(1,306)	0	(1,306)	0

Staff report for action on Operating Variance Report for the Three Month Period
Ended March 31st, 2017

Appendix F2

**CITY OF TORONTO
REALLOCATION OF FLEET SAVINGS
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(In \$)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Facilities, Real Estate, Environment & Energy				
Fleet Savings Allocation	(7,542)	0	(7,542)	0
Total Facilities, Real Estate, Environment & Energy	(7,542)	0	(7,542)	0
Fleet Services				
Fleet Savings Allocation	172,010	0	172,010	0
Total Fleet Services	172,010	0	172,010	0
Information & Technology				
Fleet Savings Allocation	(131)	0	(131)	0
Total Information & Technology	(131)	0	(131)	0
Total Internal Services	163,031	0	163,031	0
City Manager's Office				
Fleet Savings Allocation	(22)	0	(22)	0
Total City Manager's Office	(22)	0	(22)	0
Other City Programs				
City Clerk's Office				
Fleet Savings Allocation	(825)	0	(825)	0
Total City Clerk's Office	(825)	0	(825)	0
Mayor's Office				
Fleet Savings Allocation	(49)	0	(49)	0
Total Mayor's Office	(49)	0	(49)	0
Total Other City Programs	(874)	0	(874)	0
Total City Programs	4,465	0	4,465	0
Agencies				
Toronto Public Health				
Fleet Savings Allocation	(1,877)	0	(1,877)	0
Total Toronto Public Health	(1,877)	0	(1,877)	0
Toronto Public Library				
Fleet Savings Allocation	(2,588)	0	(2,588)	0
Total Toronto Public Library	(2,588)	0	(2,588)	0
Total Agencies	(4,465)	0	(4,465)	0
Total Tax Supported Operations	0	0	0	0

Staff report for action on Operating Variance Report for the Three Month Period
Ended March 31st, 2017

Appendix F3

CITY OF TORONTO
REALLOCATION OF NON-PROGRAM EXPENDITURE INSURANCE BUDGET
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(In \$)

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Services "A"				
Affordable Housing Office				
Transfer of Non-Program Expenditure Insurance Budget	540	0	540	0
Total Affordable Housing Office	540	0	540	0
Children's Services				
Transfer of Non-Program Expenditure Insurance Budget	58,171	0	58,171	0
Total Children's Services	58,171	0	58,171	0
Court Services				
Transfer of Non-Program Expenditure Insurance Budget	7,848	0	7,848	0
Total Court Services	7,848	0	7,848	0
Economic Development & Culture				
Transfer of Non-Program Expenditure Insurance Budget	19,400	0	19,400	0
Total Economic Development & Culture	19,400	0	19,400	0
Toronto Paramedic Services				
Transfer of Non-Program Expenditure Insurance Budget	96,322	0	96,322	0
Total Toronto Paramedic Services	96,322	0	96,322	0
Long-Term Care Homes & Services				
Transfer of Non-Program Expenditure Insurance Budget	52,654	0	52,654	0
Total Long-Term Care Homes & Services	52,654	0	52,654	0
Parks, Forestry & Recreation				
Transfer of Non-Program Expenditure Insurance Budget	462,356	0	462,356	0
Total Parks, Forestry & Recreation	462,356	0	462,356	0
Shelter Support & Housing Administration				
Transfer of Non-Program Expenditure Insurance Budget	76,085	0	76,085	0
Total Shelter Support & Housing Administration	76,085	0	76,085	0
Social Development, Finance & Administration				
Transfer of Non-Program Expenditure Insurance Budget	5,156	0	5,156	0
Total Social Development, Finance & Administration	5,156	0	5,156	0
Toronto Employment & Social Services				
Transfer of Non-Program Expenditure Insurance Budget	115,126	0	115,126	0
Total Toronto Employment & Social Services	115,126	0	115,126	0
Total Citizen Centred Services "A"	893,658	0	893,658	0
Citizen Centred Services "B"				
City Planning				
Transfer of Non-Program Expenditure Insurance Budget	9,775	0	9,775	0
Total City Planning	9,775	0	9,775	0

Staff report for action on Operating Variance Report for the Three Month Period
 Ended March 31st, 2017

Appendix F3

CITY OF TORONTO
REALLOCATION OF NON-PROGRAM EXPENDITURE INSURANCE BUDGET
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(In \$)

	Gross Expenditure	Revenue	Net Expenditure	Position
Fire Services				
Transfer of Non-Program Expenditure Insurance Budget	141,753	0	141,753	0
Total Fire Services	141,753	0	141,753	0
Municipal Licensing & Standards				
Transfer of Non-Program Expenditure Insurance Budget	29,236	0	29,236	0
Total Municipal Licensing & Standards	29,236	0	29,236	0
Policy, Planning, Finance & Administration				
Transfer of Non-Program Expenditure Insurance Budget	5,172	0	5,172	0
Total Policy, Planning, Finance & Administration	5,172	0	5,172	0
Engineering & Construction Services				
Transfer of Non-Program Expenditure Insurance Budget	43,635	0	43,635	0
Total Engineering & Construction Services	43,635	0	43,635	0
Toronto Building				
Transfer of Non-Program Expenditure Insurance Budget	76,010	0	76,010	0
Total Toronto Building	76,010	0	76,010	0
Transportation Services				
Transfer of Non-Program Expenditure Insurance Budget	1,604,153	0	1,604,153	0
Total Transportation Services	1,604,153	0	1,604,153	0
Total Citizen Centred Services "B"	1,909,737	0	1,909,737	0
Internal Services				
Office of the Chief Financial Officer				
Transfer of Non-Program Expenditure Insurance Budget	2,736	0	2,736	0
Total Office of the Chief Financial Officer	2,736	0	2,736	0
Office of the Treasurer				
Transfer of Non-Program Expenditure Insurance Budget	11,193	0	11,193	0
Total Office of the Treasurer	11,193	0	11,193	0
Facilities, Real Estate, Environment & Energy				
Transfer of Non-Program Expenditure Insurance Budget	157,345	0	157,345	0
Total Facilities, Real Estate, Environment & Energy	157,345	0	157,345	0
Fleet Services				
Transfer of Non-Program Expenditure Insurance Budget	13,982	0	13,982	0
Total Fleet Services	13,982	0	13,982	0
Information & Technology				
Transfer of Non-Program Expenditure Insurance Budget	12,408	0	12,408	0
Total Information & Technology	12,408	0	12,408	0

Staff report for action on Operating Variance Report for the Three Month Period
 Ended March 31st, 2017

Appendix F3

CITY OF TORONTO
REALLOCATION OF NON-PROGRAM EXPENDITURE INSURANCE BUDGET
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(In \$)

	Gross Expenditure	Revenue	Net Expenditure	Position
311 Toronto				
Transfer of Non-Program Expenditure Insurance Budget	1,923	0	1,923	0
Total 311 Toronto	1,923	0	1,923	0
Total Internal Services	199,587	0	199,587	0
City Manager's Office				
Transfer of Non-Program Expenditure Insurance Budget	6,539	0	6,539	0
Total City Manager's Office	6,539	0	6,539	0
Other City Programs				
City Clerk's Office				
Transfer of Non-Program Expenditure Insurance Budget	8,991	0	8,991	0
Total City Clerk's Office	8,991	0	8,991	0
Legal Services				
Transfer of Non-Program Expenditure Insurance Budget	6,068	0	6,068	0
Total Legal Services	6,068	0	6,068	0
City Council				
Transfer of Non-Program Expenditure Insurance Budget	4,335	0	4,335	0
Total City Council	4,335	0	4,335	0
Total Other City Programs	19,394	0	19,394	0
Accountability Offices				
Auditor General's Office				
Transfer of Non-Program Expenditure Insurance Budget	480	0	480	0
Total Auditor General's Office	480	0	480	0
Integrity Commissioner's Office				
Transfer of Non-Program Expenditure Insurance Budget	99	0	99	0
Total Integrity Commissioner's Office	99	0	99	0
Office of the Lobbyist Registrar				
Transfer of Non-Program Expenditure Insurance Budget	110	0	110	0
Total Office of the Lobbyist Registrar	110	0	110	0
Office of the Ombudsman				
Transfer of Non-Program Expenditure Insurance Budget	163	0	163	0
Total Office of the Ombudsman	163	0	163	0
Total Accountability Offices	851	0	851	0
Total City Programs	3,029,767	0	3,029,767	0

Staff report for action on Operating Variance Report for the Three Month Period
 Ended March 31st, 2017

Appendix F3

CITY OF TORONTO
REALLOCATION OF NON-PROGRAM EXPENDITURE INSURANCE BUDGET
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(In \$)

	Gross Expenditure	Revenue	Net Expenditure	Position
Agencies				
Toronto Public Health				
Transfer of Non-Program Expenditure Insurance Budget	31,879	0	31,879	0
Total Toronto Public Health	31,879	0	31,879	0
Toronto Public Library				
Transfer of Non-Program Expenditure Insurance Budget	58,561	0	58,561	0
Total Toronto Public Library	58,561	0	58,561	0
Association of Community Centres				
Transfer of Non-Program Expenditure Insurance Budget	1,818	0	1,818	0
Total Association of Community Centres	1,818	0	1,818	0
Exhibition Place				
Transfer of Non-Program Expenditure Insurance Budget	38,498	0	38,498	0
Total Exhibition Place	38,498	0	38,498	0
Heritage Toronto				
Transfer of Non-Program Expenditure Insurance Budget	95	0	95	0
Total Heritage Toronto	95	0	95	0
Theatres				
Transfer of Non-Program Expenditure Insurance Budget	21,437	0	21,437	0
Total Theatres	21,437	0	21,437	0
Toronto Zoo				
Transfer of Non-Program Expenditure Insurance Budget	17,845	0	17,845	0
Total Toronto Zoo	17,845	0	17,845	0
Yonge-Dundas Square				
Transfer of Non-Program Expenditure Insurance Budget	221	0	221	0
Total Yonge-Dundas Square	221	0	221	0
Toronto Police Service				
Transfer of Non-Program Expenditure Insurance Budget	799,879	0	799,879	0
Total Toronto Police Service	799,879	0	799,879	0
Total Agencies	970,233	0	970,233	0
Non-Program Expenditures				
Transfer of Non-Program Expenditure Insurance Budget	(4,000,000)	0	(4,000,000)	0
Total Non-Program Expenditures	(4,000,000)	0	(4,000,000)	0
Total Tax Supported Operations	0	0	0	0

Staff report for action on Operating Variance Report for the Three Month Period
 Ended March 31st, 2017

Appendix F4

**CITY OF TORONTO
2017 OPERATING BUDGET
PARKS, FORESTRY AND RECREATION
USER FEE ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017**

Rate ID	Rate Description	Service	Fee Category	Fee Basis	2017 Approved Rate	2017 Revised Rate	Reason for Adjustment
PR1.0015	Tennis Permit - Not for Profit - Child/Youth/Older Adults	Parks	City Policy	Per hour	\$7.00	\$6.19	Remove HST
PR1.0016	Tennis Permit - Private/Commercial	Parks	City Policy	Per hour	\$20.00	\$17.70	Remove HST
PR1.0017	Tennis Permit - Community Group	Parks	City Policy	Per hour	\$15.00	\$13.27	Remove HST
PR1.0018	Tennis Permit - Not for Profit Profit Adults	Parks	City Policy	Per hour	\$10.00	\$8.85	Remove HST
PR6.6307	Golf-Don Valley-9 Holes-Weekday-Adult	Parks	Market Based	Per Round	\$11.86	\$28.97	Reflect user fee charged
PR6.6308	Golf-Humber Valley-9 Holes-Weekday-Adult	Parks	Market Based	Per Round	\$5.23	\$24.44	Reflect user fee charged

Appendix F5

**CITY OF TORONTO
ESTABLISHMENT OF AN INVESTMENT BOARD
PENDING BUDGET ADJUSTMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2017
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Other City Programs				
Office of the Chief Financial Officer				
Interdepartmental charge and recovery to support the establishment of an Investment Board. Costs are fully recovered from Non-Program Investment and Interest Earnings.	25.0	25.0	0.0	0.0
Office of the Treasurer				
Interdepartmental charge and recovery to support the establishment of an Investment Board. Costs are fully recovered from Non-Program Investment and Interest Earnings.	25.0	25.0	0.0	0.0
Legal Services				
Interdepartmental charge and recovery to support the establishment of an Investment Board. Costs are fully recovered from Non-Program Investment and Interest Earnings.	25.0	25.0	0.0	0.0
City Clerks Office				
Interdepartmental charge and recovery to support the establishment of an Investment Board, results in the creation of one permanent position. Costs are fully recovered from Non-Program Investment and Interest Earnings.	60.0	60.0	0.0	1.0
Total Other City Programs	135.0	135.0	0.0	1.0
Total City Programs	135.0	135.0	0.0	1.0
Non-Program Revenues				
Interest and Investment Earning				
Increase to 2017 Non-Program Budget Interest and Investment Earnings.	0.0	557.5	(557.5)	0.0
Interdepartmental charge with the Office of the Chief Financial Officer to support the establishment of an Investment Board.	25.0	0.0	25.0	0.0
Interdepartmental charge with the Office of the Treasurer to support the establishment of an Investment Board.	25.0	0.0	25.0	0.0
Interdepartmental charge with the with Legal Services to support the establishment of an Investment Board.	25.0	0.0	25.0	0.0
Interdepartmental charge with the with City Clerk's Office to support the establishment of an Investment Board.	60.0	0.0	60.0	0.0
Investment Board remuneration.	72.5	0.0	72.5	0.0
Consulting support for the establishment of an Investment Board.	350.0	0.0	350.0	0.0
Total Non-Program Revenues	557.5	557.5	0.0	0.0
Total Corporate Accounts	557.5	557.5	0.0	0.0
Total Tax Supported Operations	692.5	692.5	0.0	1.0

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix G

Operating Variance report for the Three Month Period Ended March 31, 2017 Operating Dashboards for City Programs and Agencies

Citizen Centred Services "A"

Figure 8: Net Variance Summary

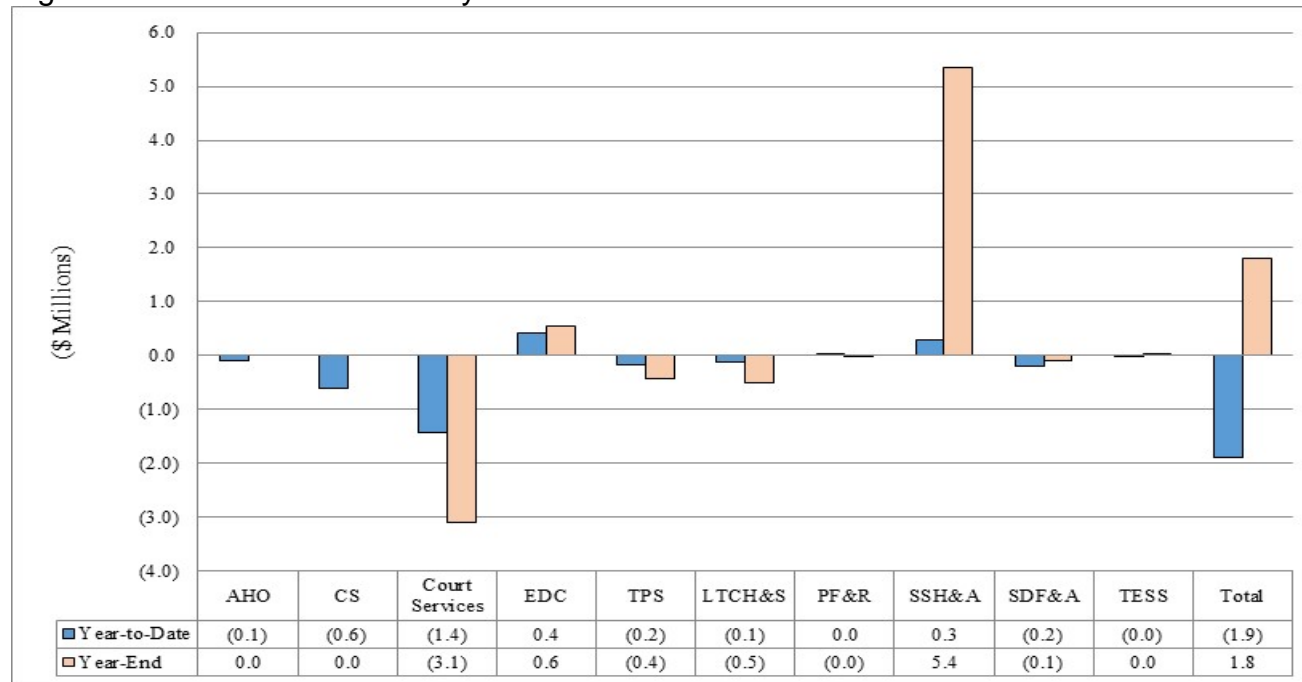


Figure 8 illustrates **Citizen Centred Services "A"** year-to-date and year-end projected net variances. As of March 31, 2017 the Cluster was reporting a net favourable variance of \$1.899 million or 0.8%, and projecting a year-end unfavourable variance of \$1.810 million or 0.2% compared to the 2017 Approved Net Operating Budget.

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31st, 2017

Appendix G

Figure 9: Citizen Centred Services "A" Year-to-Date Variance and Year-End Variance Projection Summary





City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend			
Affordable Housing Office	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
Children's Services	3-Month	0.0	—	0.6	▲	(0.6)	▼	Ⓢ	0.6	▲	0.6	▲	0.0	—	Ⓢ
Court Services	3-Month	(0.8)	▼	0.6	▲	(1.4)	▼	Ⓢ	(1.8)	▼	1.3	▲	(3.1)	▼	Ⓢ
Economic Development & Culture	3-Month	0.7	▲	0.3	▲	0.4	▲	Ⓢ	1.9	▲	1.3	▲	0.6	▲	Ⓢ
Toronto Paramedic Services	3-Month	(0.2)	▼	(0.0)	—	(0.2)	▼	Ⓢ	(0.4)	▼	0.0	—	(0.4)	▼	Ⓢ
Long Term Care Homes and Services	3-Month	(4.5)	▼	(4.4)	▼	(0.1)	▼	Ⓢ	(6.0)	▼	(5.5)	▼	(0.5)	▼	Ⓢ
Parks, Forestry & Recreation	3-Month	(0.8)	▼	(0.8)	▼	0.0	—	Ⓢ	(7.7)	▼	(7.7)	▼	(0.0)	—	Ⓢ
Shelter, Support & Housing Administration	3-Month	(23.1)	▼	(23.4)	▼	0.3	▲	Ⓢ	5.4	▲	0.0	—	5.4	▲	Ⓢ
Social Development, Finance & Administration	3-Month	(0.4)	▼	(0.2)	▼	(0.2)	▼	Ⓢ	(5.5)	▼	(5.4)	▼	(0.1)	▼	Ⓢ
Toronto Employment & Social Services	3-Month	(3.4)	▼	(3.4)	▼	(0.0)	—	Ⓢ	(2.8)	▼	(2.8)	▼	0.0	—	Ⓢ
Total	3-Month	(32.6)	▼	(30.7)	▼	(1.9)	▼	Ⓢ	(16.4)	▼	(18.2)	▼	1.8	▲	Ⓢ
Year-to-Date Net Variance		Ⓢ	85% to 105%	Ⓢ	0% to 85%	Ⓢ	>105%	Year-End	Ⓢ	<=100%	Ⓢ	>100%			

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31th, 2017

Appendix G

Citizen Centred Services "A"

<p>Affordable Housing Office:</p> <ul style="list-style-type: none"> • A year-to-date favourable net variance resulting from under-spending in salaries and benefits due to hiring delays and in non-payroll items such as professional and technical services. 	●	<ul style="list-style-type: none"> • Consistent with prior years, the AHO is projecting a net zero variance at year-end. 	●
<ul style="list-style-type: none"> • 2.0 positions below the approved complement, which after considering budgeted gapping, is equivalent to a 6.9% operating vacancy rate. 		<ul style="list-style-type: none"> • Hiring processes are underway to fill the 2.0 vacant positions by the second quarter of 2017. A full complement is therefore projected at the end of 2017. 	
<p>Children's Services:</p> <ul style="list-style-type: none"> • Favourable net variance due to over-achieved revenues from parental contributions. 	●	<ul style="list-style-type: none"> • On net budget with higher revenues offsetting higher expenditures resulting from an increase in the number of subsidies provided in the first quarter. 	●
<ul style="list-style-type: none"> • 35.0 positions below the approved complement, which after considering budgeted gapping, is equivalent to a 3.2% operating vacancy rate. • 21.0 vacancies reflect 2 TELCCS centres not yet opened, and 14.0 positions are in the process of being filled. 		<ul style="list-style-type: none"> • Full complement. 	
<p>Court Service:</p> <ul style="list-style-type: none"> • A year-to-date favourable net variance due to under-spending in salaries and benefits resulting from hiring delays for the Toronto Local Appeal Body (TLAB) and Administrative Penalty System (APS), lower than planned expenses for non-salary 	●	<ul style="list-style-type: none"> • Net favourable variance mainly due to operational under-spending resulting from processing a lower volume of tickets written and filed by enforcement agencies, predominantly by the TPS which is 	●

<p>accounts as well as over-achieved revenues due to the mix of charges filed by enforcement agencies.</p> <ul style="list-style-type: none"> 30.0 positions below the approved complement due to delayed hiring for TLAB and APS, which after considering budgeted gapping, is equivalent to a 9.3% operating vacancy rate. 		<p>expected to issue 31,956 fewer charges than planned.</p> <ul style="list-style-type: none"> 13.0 positions below the approved complement due to reduced staff requirements reflecting lower ticket volumes, which after considering budgeted gapping, is equivalent to a 2.6% operating vacancy rate. 	
<p>Economic Development & Culture:</p> <ul style="list-style-type: none"> Unfavourable net expenditures driven by: <ul style="list-style-type: none"> Over-spending in consulting costs due to unbudgeted TO Core Study (a study on film studios in Toronto), Higher than planned utility expenditures driven by a longer winter season, and Severance costs as a result of restructuring arising from the 2017 Budget process. These were partially offset by earlier than expected receipt of grants related to the Starter Company Project. 4.0 positions below approved complement due to unexpected staff turnover. After considering budgeted gapping, the operating vacancy rate is 0%. 		<ul style="list-style-type: none"> Minor unfavourable variance is expected at year-end mainly driven by restructuring costs. Full complement. 	
<p>Long Term Care Homes & Services:</p> <ul style="list-style-type: none"> A favourable net variance due to under-spending from a delay in re-opening Kipling Acres Phase II; cost-control measures in areas where Provincial funding enhancements have been delayed and/or not yet confirmed; as well as under-spending in 100% claims-based programs, which are fully subsidized. 		<ul style="list-style-type: none"> Net favourable variance reflects delay in re-opening Kipling Acres Phase II, as well as under-spending in 100% claims-based programs. 	

Staff report for action on Operating Variance Report for the Three Month Period Ended March 31th, 2017

<ul style="list-style-type: none"> 115.6 positions below budget due to minor delay in the Kipling Acres Phase II Project, which after considering budgeted gapping, is equivalent to a 4.9% vacancy rate. 		<ul style="list-style-type: none"> Full complement, with hiring co-ordinated with the opening of Kipling Acres Phase II. 	
<p>Parks, Forestry & Recreation:</p> <ul style="list-style-type: none"> Under-spending in salaries and benefits due to delayed hiring for capital projects and operating initiatives approved in the 2017 Operating Budget. This under-spending was partially reduced by under-achieved user fee revenue for park permits, recreational facilities, memberships and drop-in recreational programs and over-spending in hydro costs. 	●	<ul style="list-style-type: none"> No net variance is expected at year-end. The under-spending in salaries and benefits due to the delayed filling of positions are expected to be completely reduced by under-achieved revenues and higher hydro costs. 	●
<ul style="list-style-type: none"> 353.3 positions below the approved complement due to delays in filling newly created positions. After considering budgeted gapping, this represents the equivalent of a 4.1% operating vacancy rate. 		<ul style="list-style-type: none"> 99.5 positions below the approved complement. After budgeted gapping is considered, this represents the equivalent of 0% operating vacancy rate. 	
<p>Shelter, Support & Housing Administration:</p> <ul style="list-style-type: none"> Unfavourable year-to-date variance due to over-spending in Hostel Services resulting from elevated occupancy pressures in the Shelter System which is offset by under-spending in social housing provider subsidies for property taxes, operating costs, mortgage payments and rent. 	●	<ul style="list-style-type: none"> Unfavourable year-end net position of \$5.351 million resulting from over-spending in Hostel Services as occupancy pressures in the Shelter System are expected to persist throughout 2017. Pressures in Hostel Services will be partially mitigated by under-spending in Social Housing as well as a Council approved one-time draw of \$3 million from the Social Housing Stabilization Reserve. 	●
<ul style="list-style-type: none"> 87.3 positions below approved complement primarily resulting from capital project delivery 		<ul style="list-style-type: none"> 28.0 positions below the approved complement, as capital delivery positions 	

<p>positions not yet filled and hiring delays for frontline vacancies. After considering budgeted gapping, this is equivalent to a 7.4% operating vacancy rate.</p>		<p>will be filled in the second and third quarters of 2017. After considering budgeted gapping, this is equivalent to a 0% operating vacancy rate.</p>	
<p>Social Development, Finance and Administration:</p> <ul style="list-style-type: none"> • A favourable variance due to hiring delays. 	●	<ul style="list-style-type: none"> • Favourable net variance due to delays in filling vacant positions and lower revenues due to a delay in delivering the Tower Renewal Hi-Rise Retrofit Improvement Program. 	●
<ul style="list-style-type: none"> • 7.0 positions below the approved complement due to delays in hiring, which after budgeted gapping, is equivalent to a 1.9% operating vacancy rate. 		<ul style="list-style-type: none"> • Full complement, with vacant positions anticipated to be filled by August. 	
<p>Toronto Employment & Social Services:</p> <ul style="list-style-type: none"> • On budget as lower than anticipated expenditures for hydro and employment benefits are fully offset by lower than planned revenues resulting from lower cost shared expenditures. The average monthly caseload of 83,593 is 407 or 0.5% lower than the budget of 84,000. 	●	<ul style="list-style-type: none"> • TESS is projecting a zero net variance with lower gross expenditures fully offset by lower revenues. 	●
<ul style="list-style-type: none"> • 14.0 positions above the approved complement, which after considering budgeted gapping, is equivalent to a 0% operating vacancy rate. 		<ul style="list-style-type: none"> • Complement count will decline by attrition throughout 2017. TESS projects a full complement by year-end. 	
<p>Toronto Paramedic Services:</p> <ul style="list-style-type: none"> • Lower gross expenditures primarily due to salaries and benefits resulting from operations overtime under-spending and vacancies in CACC and Operations Support Services. 	●	<ul style="list-style-type: none"> • Net favourable variance mainly due to projected under-spending in salaries and benefits. 	●
<ul style="list-style-type: none"> • 7.0 positions below the approved complement, which after considering budgeted gapping, is equivalent to a 0% operating vacancy rate. 		<ul style="list-style-type: none"> • 15.0 positions below the approved complement, which after considering budgeted gapping, is equivalent to a 0% operating vacancy rate. 	

Appendix G

Citizen Centred Services "B"

Figure 10: Net Variance Summary

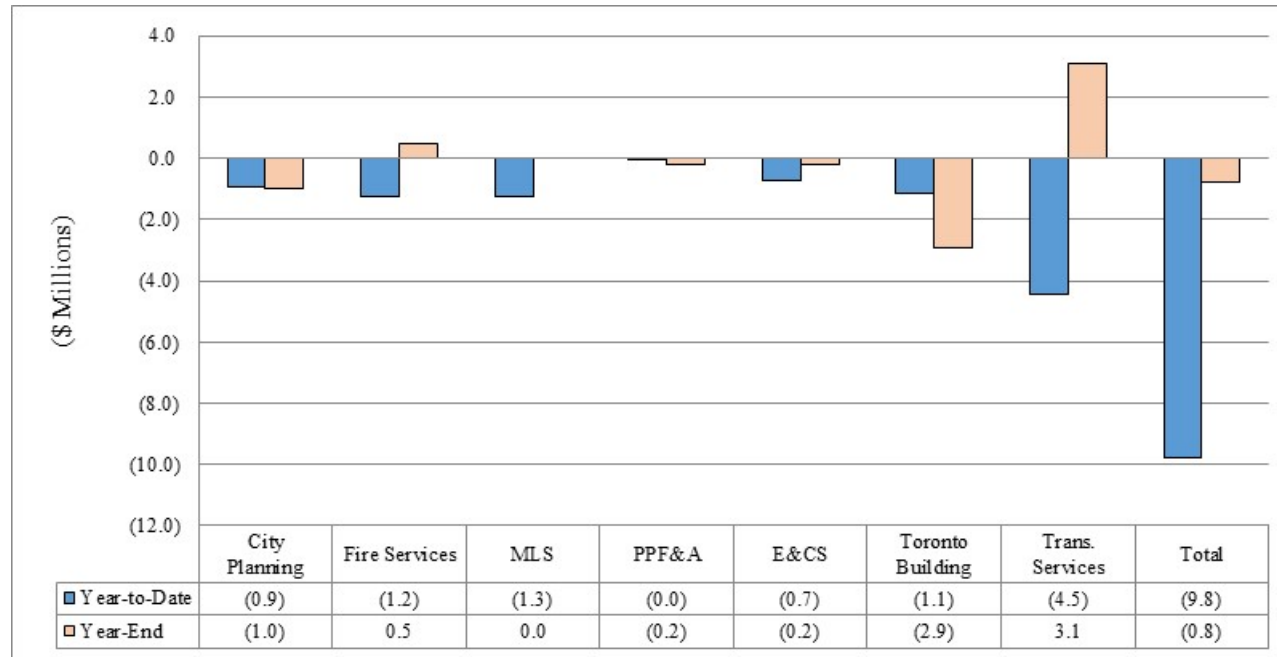


Figure 10 provides an overview of **Citizen Centred Services "B"** is year-to-date and year-end projected net variances. As of March 31, 2017 the Cluster is reporting a net favourable variance of \$9.758 million or 6.6%, and projecting a year-end positive variance of \$0.787 million or 0.1% compared to the 2017 Approved Net Operating Budget.

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Figure 11: Citizen Centred Services "B" Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
City Planning	3-Month	(0.7)	▼	0.2	▲	(0.9)	▼	Ⓚ	(0.3)	▼	0.7	▲	(1.0)	▼	Ⓚ
Fire Services	3-Month	(0.3)	▼	1.0	▲	(1.2)	▼	Ⓚ	1.0	▲	0.6	▲	0.5	▲	Ⓚ
Municipal Licensing & Standards	3-Month	(1.1)	▼	0.2	▲	(1.3)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Policy, Planning, Finance and Administration	3-Month	(0.8)	▼	(0.8)	▼	(0.0)	—	Ⓚ	(1.4)	▼	(1.1)	▼	(0.2)	▼	Ⓚ
Engineering and Construction Services	3-Month	(2.0)	▼	(1.3)	▼	(0.7)	▼	Ⓚ	(4.8)	▼	(4.6)	▼	(0.2)	▼	Ⓚ
Toronto Building	3-Month	(1.3)	▼	(0.2)	▼	(1.1)	▼	Ⓚ	(2.9)	▼	0.0	—	(2.9)	▼	Ⓚ
Transportation Services	3-Month	0.1	▲	4.5	▲	(4.5)	▼	Ⓚ	(36.3)	▼	(39.4)	▼	3.1	▲	Ⓚ
Total	3-Month	(6.1)	▼	3.6	▲	(9.8)	▼	Ⓚ	(44.8)	▼	(44.0)	▼	(0.8)	▼	Ⓚ
Year-to-Date Net Variance		Ⓚ	85% to 105%	Ⓚ	0% to 85%	Ⓚ	>105%	Year-End	Ⓚ	<=100%	Ⓚ	>100%			

Appendix G

Citizen Centred Services "B"

<p>City Planning:</p> <ul style="list-style-type: none"> • City Planning reported a net under-expenditure of \$0.945 million, largely from lower than expected salary and benefit costs due to hiring delays. • Revenues were higher by \$0.216 million as a result of stronger user fees due primarily to application volumes in the Committee of Adjustment units, offset by lower recoveries from capital and reserve funds due to vacancies. 	<ul style="list-style-type: none"> • City Planning is projecting a net under-expenditure of \$0.978 million at year-end as a result of foregone salary and benefit expenses related to vacancies, offset by higher postage, copying, printing, human resource and merchant fee costs from development activity. • Revenues are projected to be \$0.650 million above budget because the strong first quarter Committee of Adjustment fee results are expected to continue to year-end. • If the year-end revenue variance is favourable, funds will be contributed to the Development Application Review Reserve Fund; if not, funds will be drawn from the Reserve Fund.
<ul style="list-style-type: none"> • City Planning's strength is 23.0 positions below its approved complement of 386.0 positions. • After considering budgeted gapping, the operating vacancy rate is 2.3%. 	<ul style="list-style-type: none"> • City Planning is anticipating 18.0 positions below approved complement, which after considering budgeted gapping, represents a 1.0% operating vacancy rate.

<p>Fire Services:</p> <ul style="list-style-type: none"> Favourable net variance primarily due to over-achieved false alarm revenue and unbudgeted one-time HUSAR Provincial grant, which is projected to be fully spent by year-end. 		<ul style="list-style-type: none"> Year-end net unfavourable variance is primarily due to over-expenditures in machinery and equipment parts, reflecting increased fleet maintenance. Fire services will continue to monitor WSIB expenditures which may exceed the budget. 	
<ul style="list-style-type: none"> 42.0 positions below the approved complement due to vacancies from retirement and timing of hiring 8.0 new positions for the Fire Code Re-Inspection Program, which after considering budgeted gapping, is equivalent to a 0% operating vacancy rate. 		<ul style="list-style-type: none"> 26.0 positions below the approved complement, reflecting anticipated retirements and the hiring of new recruits which, after considering budgeted gapping, is equivalent to a 0% operating vacancy rate. 	
<p>Municipal Licensing & Standards:</p> <ul style="list-style-type: none"> Under-expenditures totaling \$1.07 million mainly arise from a combination of salaries and benefits (\$0.9 million) which are mainly due to processing time to fill vacancies. The balance of under-spending (\$0.3 million) included the delayed procurement of furniture and fixtures, new uniforms and computer software, lower spending on contracted services for delayed audit services, external training, credit related merchant fees and in-town meterage and parking. There are also no material variance within inter-divisional charges. Partially offsetting over-expenditures of \$0.13 million mainly include emergency veterinary expenditures, contracted monitoring system expenses and wireless communications for upgrading of cellphones. Higher than planned net revenue of \$0.2 million was comprised of higher revenue of \$0.84 million due to higher than expected volumes of PTC 		<ul style="list-style-type: none"> Projecting to be on budget with net expenditures of \$19.4 million at year end. Expenditures of \$53.1 million are projected to be on budget at year-end with any minor variances offset and complement shortfalls mitigated. Hiring and complement functions have been centralized to streamline the process to manage consistency and timing. Based on a review of five years of historical gapping data, the Division is now hiring temporary staff to mitigate the length of time it takes to fill positions permanently. Measures such as succession planning initiatives have been established through developmental opportunities with the goal of securing a pool of qualified candidates to fill vacancies in a more timely manner. 	

<p>(Private Transportation Company) applications and trip fees as well as higher than planned revenue from licenses and permits and increased insurance recoveries.</p> <ul style="list-style-type: none"> • Offsetting revenue shortfalls of \$0.64 million were driven by lower than planned MRAB registration, inspection and audit fee revenue of \$0.41 million. In addition, there was under-achieved revenue of \$0.23 million from business licensing and Toronto Animal Services adoption fees. 		<ul style="list-style-type: none"> • Revenue is anticipated to be on budget at year-end at \$33.7 million. • The Program is anticipating under-achievement in Animal Services revenue due to waived fees for low-income individuals, lower than planned volumes for animal adoptions and re-inspection fees, however, these shortfalls are expected to be offset by higher revenues from PTC. 	
<ul style="list-style-type: none"> • As of the first quarter, ML&S is 52.0 positions below total approved complement due to an on-going recruiting process with most of the positions to be filled in the coming months. After considering budgeted gapping, this is equivalent to an 8.8% operating vacancy rate. The Program is continuing the process of recruiting qualified candidates and repurposing positions. 		<ul style="list-style-type: none"> • It is anticipated that ML&S will be 9.0 positions below the total approved complement of 479.5 due to on-going recruiting issues. After considering budgeted gapping, this is equivalent to a 0% operating vacancy rate. 	
<p>Policy, Planning, Finance & Administration:</p> <ul style="list-style-type: none"> • Expenditures were below budget by \$0.824 million (excluding utilities) because work on the Regional Express Rail has not progressed at the pace anticipated and vacant positions have reduced salary and benefit costs. • Revenues were \$0.818 million below budget because recoveries from Metrolinx have slowed in tandem with work requests, the Bell Canada recovery for its Smart City initiative is lower than expected and inter-divisional recoveries from Toronto Water and Solid Waste Management Services are also declining with the lower gross expenditures for services provided to these clients. 	●	<ul style="list-style-type: none"> • PPF&A is projecting a net under-expenditure of \$0.232 million, (including utilities) at year-end as a result of first quarter expense and revenue trends that are expected to persist for the rest of the year. • More specifically, the year-end projection is a favourable \$1.365 million expense variance and an unfavourable \$1.133 million revenue variance. 	●

<ul style="list-style-type: none"> PPF&A is 11.4 positions below its approved complement of 189.4 positions, which after budgeted gapping, equals a 2.0% operating vacancy rate. 		<ul style="list-style-type: none"> PPF&A is projecting 8.0 vacancies at year-end, which an after budgeted gapping, is equivalent to an operating vacancy rate of 0.2%. 	
<p>Engineering and Construction Services:</p> <ul style="list-style-type: none"> Under-spending in salaries and benefits due to vacant positions. Lower recoveries from client capital projects resulting from vacant positions. Partially offset by higher full stream application fees due to higher volume of applications from utility companies. 	●	<ul style="list-style-type: none"> Under-spending in salaries and benefits expected to continue due to vacant positions. Lower recoveries from client capital projects will also continue as a result of the vacant positions. Partially offset by higher full stream application fees due to projection of higher volume of applications from utility companies. 	●
<ul style="list-style-type: none"> 52.0 positions below the approved complement due to a combination of challenges, retirements and transfers to other Divisions and internal promotions which result in no net change to the vacancy rate, lack of success attracting and recruiting senior technical professionals, and a limited supply of top calibre talent in key business areas (e.g., bridge engineers). After considering budgeted gapping, it is equal to a 4.7% operating vacancy rate. 		<ul style="list-style-type: none"> Significant targeted recruitment efforts will continue with the aim of reducing vacancies to 42.0 positions below the approved complement. A combination of issues will continue to pose staffing challenges, including exits (retirements and transfers to other Divisions) and internal promotions which result in no net change to the vacancy rate, difficulties attracting senior technical professionals, and a limited supply of top calibre talent in key business areas. After considering budgeted gapping, it is equal to a 2.8% operating vacancy rate. 	
<p>Toronto Building:</p> <ul style="list-style-type: none"> Other gross expenditures are \$1.3 million under budget mainly due to under-spending in salaries and benefits as a result of vacant positions. 	●	<ul style="list-style-type: none"> Projecting positive net expenditures of \$2.9 million at year end. Gross expenditures will be under budget by \$2.9 million mainly due 	●

<ul style="list-style-type: none"> • Timing related under-spending in credit card merchant fees and inter-divisional charges also contributed to positive gross expenditure variance. • Revenue is on budget. 		<p>to vacant positions. Revenue is projecting to come in on budget.</p> <ul style="list-style-type: none"> • Toronto Building continues to actively monitor its spending against the 2017 Approved Operating Budget. • Any year-end surplus or deficit will be contributed to or from the Building Code Act Service Improvement Reserve Fund that creates and maintains systems and processes which enable service delivery timelines and reporting requirements of the Province's Bill 124, Building Code Statute Law Amendment Act, and 2002 Legislation to be met. 	
<ul style="list-style-type: none"> • 46.0 positions below the approved complement, which after gapping, is equivalent to a 7.0% operating vacancy rate. • Toronto Building continues to actively recruit to address the filling of vacant positions. 		<ul style="list-style-type: none"> • 28.0 positions below the approved complement of 468.0 positions, which after gapping, is equivalent to a 2.9% operating vacancy rate. • Toronto Building continues to actively recruit to address the filling of vacant positions. 	
<p>Transportation Services:</p> <ul style="list-style-type: none"> • Lower costs and decreased salt usage in the winter maintenance program due to the mild winter conditions, and under-spending in salaries and benefits due to vacant positions. • Offset by higher than planned costs for street lighting maintenance contracts and street lighting hydro costs. • Under-achieved utility cut repair net revenue and permit parking fees due to lower than expected volumes. 	●	<ul style="list-style-type: none"> • Under-achieved utility cut repair net revenue due to lower than expected volumes. • Partially offset by lower contract costs and decreased salt usage in the winter maintenance program due to the mild winter conditions, and under-spending in salaries and benefits from vacant positions. 	●

<ul style="list-style-type: none"> • More than offset by higher right-of-way permit fees due to higher than expected construction activity, higher volume of street occupation application fees, and higher boulevard parking permit fees. 			
<ul style="list-style-type: none"> • 93.0 positions below the approved complement due to a combination of events that result in a 'domino effect' within the Program (i.e. retirements and transfers to other Divisions are often then filled through internal promotions which result in no net change to the vacancy rate while the hiring process proceeds). • After considering budgeted gapping, it is equal to a 1.8% operating vacancy rate. 		<ul style="list-style-type: none"> • 93.0 positions below the approved complement, after considering budgeted gapping, it is equal to a 1.8% operating vacancy rate. • Transportation Services continues to implement an accelerated hiring program to address the filling of vacant positions 	

Appendix G

Internal Services

Figure 12: Net Variance Summary

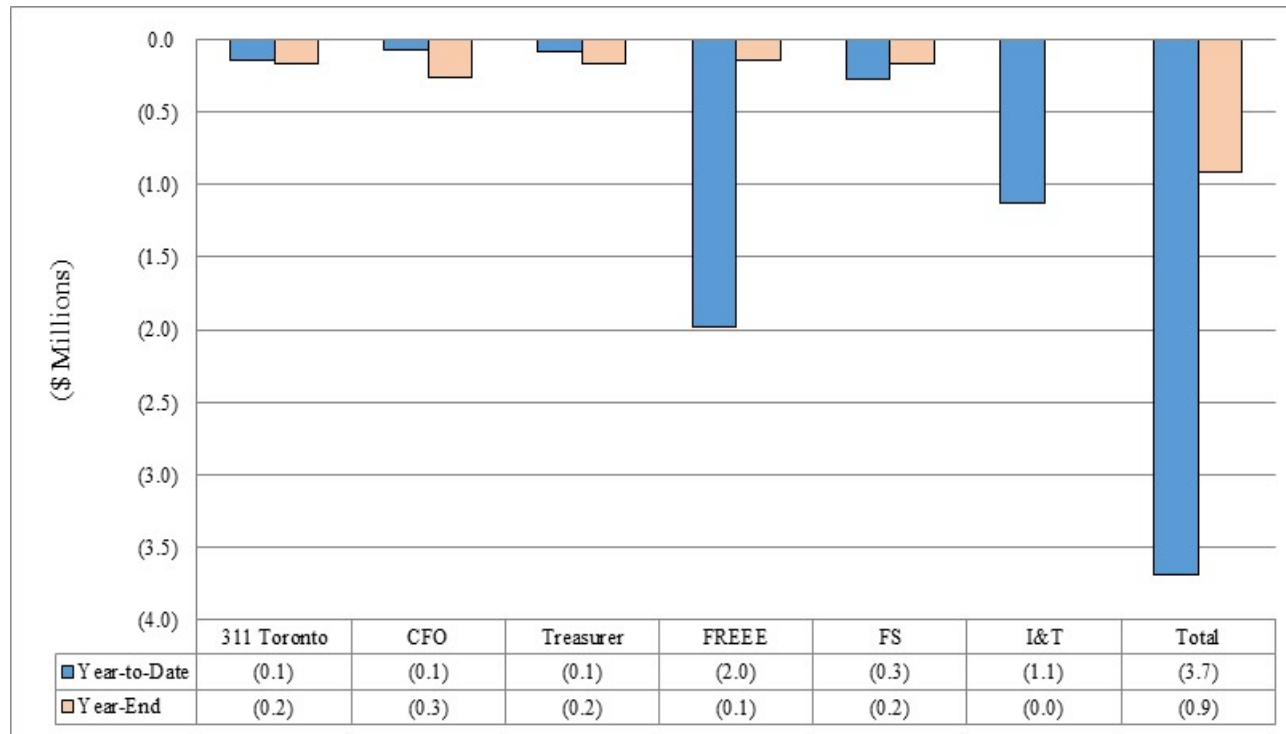


Figure 12 is summarizing Internal Services year-to-date and year-end projected net variances. As of March 31, 2017 **Internal Services** reported a net favourable variance of \$3.684 million or 6.2%, and projecting a year-end positive variance of \$0.915 million or 0.5% compared to the 2017 Approved Net Operating Budget.

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Figure 13: Internal Services Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Office of the Chief Financial Officer	3-Month	(0.4)	▼	(0.3)	▼	(0.1)	▼	Ⓞ	(0.8)	▼	(0.6)	▼	(0.3)	▼	Ⓞ
Office of the Treasurer	3-Month	(0.4)	▼	(0.3)	▼	(0.1)	▼	Ⓞ	(0.5)	▼	(0.3)	▼	(0.2)	▼	Ⓞ
Facilities, Real Estate, Environment & Energy	3-Month	(2.2)	▼	(0.2)	▼	(2.0)	▼	Ⓞ	(6.5)	▼	(6.4)	▼	(0.1)	▼	Ⓞ
Fleet Services	3-Month	0.6	▲	0.9	▲	(0.3)	▼	Ⓞ	3.0	▲	3.2	▲	(0.2)	▼	Ⓞ
Information & Technology	3-Month	(3.2)	▼	(2.1)	▼	(1.1)	▼	Ⓞ	(9.2)	▼	(9.2)	▼	(0.0)	—	Ⓞ
311 Toronto	3-Month	(0.2)	▼	(0.1)	▼	(0.1)	▼	Ⓞ	(0.4)	▼	(0.3)	▼	(0.2)	▼	Ⓞ
Total	3-Month	(5.8)	▼	(2.1)	▼	(3.7)	▼	Ⓞ	(14.4)	▼	(13.5)	▼	(0.9)	▼	Ⓞ





Year-to-Date	Ⓞ 85% to 105%	Ⓜ 0% to 85%	Ⓡ >105%	Year-End	Ⓞ <=100%	Ⓡ >100%
Net Variance						

Appendix G

Internal Services

<p>Office of the Chief Financial Officer:</p> <ul style="list-style-type: none"> • Under-spending was mainly from delays in filling operating and capital vacancies partially offset by corresponding lower capital and reserve/reserve funds recoveries. 	●	<ul style="list-style-type: none"> • Delays in filling operating positions results in under-spending. 	●
<ul style="list-style-type: none"> • 17.0 vacant positions below the approved complement. • Positions are in various stages of being filled. • The impact of vacancies is being mitigated by having critical work performed by existing staff. • After considering budgeted gapping, this represents a 10.3% operating vacancy rate 		<ul style="list-style-type: none"> • 4.0 vacant positions which represents an operating vacancy rate of 1.7%. 	
<p>Office of the Treasurer:</p> <ul style="list-style-type: none"> • Under-spending was mainly the result of delays in filling both operating and capital vacancies partially offset by corresponding lower recoveries from capital, reserve/reserve funds and recoveries from other divisions for dedicated staffing arrangements. • Under-collection of revenues due to lower recoveries was offset by higher than budgeted external revenue. 	●	<ul style="list-style-type: none"> • Under-spending in salary due to vacant operational positions. This is partially reduced by under-achieved revenues which are offset mainly by higher capital recoveries due to delayed capital project work. 	●
<ul style="list-style-type: none"> • 64.0 vacant positions or 6.1% below the approved complement after budgeted gapping. • Recruitment strategies are underway for all vacant positions, including the 20.0 positions added through the 2017 Operating Budget. 		<ul style="list-style-type: none"> • 10.0 vacant positions below approved complement, which after considering budgeted gapping, is equivalent to a 0% operating vacancy rate. 	

<p>Facilities, Real Estate, Environment & Energy:</p> <ul style="list-style-type: none"> • Under-spending was mainly driven by a large number of vacancies across the division with 56.4% in Facilities Management (FM) due to restructuring as well as under-expenditures in utilities as a result of warmer winter conditions in the first three months of the year. This was partially offset by over-spending in contracted services for external service providers. • Under-collection of revenues was attributed to lower than anticipated recoveries from capital and reserve funds as a result of under-spending in Environment and Energy programs and in consulting services related to the City Wide Real Estate Project. A portion of this was recovered through higher inter-departmental revenues and other revenue sources from both internal and external clients. 	●	<ul style="list-style-type: none"> • Under-spending in salaries and benefits from vacant positions will be the main driver of the surplus expected. • This will be partially offset by over-expenditures in utilities from usage increases driven by anticipated higher hydro requirements during the summer months, as well as contracted services costs due to demand maintenance requests and the use of external service providers to deliver services in the absence of internal resources. 	●
<ul style="list-style-type: none"> • 124.0 positions below the approved complement. Vacancy drivers included staff turnover from retirements, staff taking on new opportunities across the City, as well as general delays in hiring relating to the implementation of the new FM structure. After considering budgeted gapping, current vacancies represent the equivalent of an 8.8% operating vacancy rate. • The impacts of vacancies across the Program included existing staff working extra hours to cover 24/7 and critical operations, a greater reliance on external contractors to support operations and delays to address work order requests. Overall, the Program is mitigating these impacts as much as possible to meet service levels. 		<ul style="list-style-type: none"> • 62.4 positions below the approved complement. Key drivers of projected vacancies include staff turnover resulting from retirements, staff taking on new opportunities across the City and general delays in the hiring process. After considering budgeted gapping, this represents the equivalent of a 3.0% operating vacancy rate. • The Division is expecting the vacancy rate to decrease in 2017 as the new FM structure is implemented over the coming months, a number of these positions will be filled. FREEE is working with Corporate HR 	

		to ensure vacant positions are filled as soon as possible.	
Fleet Services: <ul style="list-style-type: none"> Unfavourable gross expenditures of \$0.618 million was due to increased maintenance costs for vehicles that have passed their optimum life and higher fuel costs due to timing, partially offset by vacancy savings. Increased recoveries from client divisions due to higher expenditure for maintenance costs. 		<ul style="list-style-type: none"> Anticipated increases in maintenance costs for vehicles and equipment that have passed their optimum life will be offset by increases in recoveries from client divisions. Favourable net expenditure variance of \$0.172 million is due to vacancy savings. 	
<ul style="list-style-type: none"> 27.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of a 11.6% operating vacancy rate. Service levels are being maintained through increased overtime and contract work. 		<ul style="list-style-type: none"> 6.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of a 0.4% operating vacancy rate. 	
Information & Technology: <ul style="list-style-type: none"> Under-spending in gross expenditures was mainly attributed to project vacancies offset by a corresponding under-recovery from capital. Under-spending from vacant operating positions and maintenance costs is partially offset by unfunded dedicated HR team for IT staff recruitment and lower recoveries from inter-divisional revenues. 		<ul style="list-style-type: none"> Under-spending from capital vacancies are offset by corresponding lower recoveries from capital. Savings from operating vacancies, maintenance costs is offset by unbudgeted funding of students and co-op recruitments, renovation of office space required at various locations to accommodate the increasing staff complement, an unfunded dedicated IT HR recruitment team and lower recovery of inter-divisional revenues. 	
<ul style="list-style-type: none"> There were 135.0 vacancies (67.0 operating and 68.0 capital) including 32.0 held for gapping, representing an operating vacancy rate of 5.2% after budgeted gapping. 		<ul style="list-style-type: none"> 64.0 vacant positions (32.0 operating and 32.0 capital) below the approved complement, which after considering 	

<ul style="list-style-type: none"> The Division continues to fill operating vacancies with little impact to the vacancy rate as most positions are filled by internal candidates. To mitigate impacts on service levels, overtime has been used and will continue to be used to provide ongoing services with recruitment strategies underway. Capital positions and funding are planned to be staged with project readiness and time-lines. Many of these capital vacancies are expected to be filled later this year in accordance with the status of projects and milestones to ensure the financial projection is aligned with planned project budget, schedules and deliverables. 		<p>budgeted gapping, is equivalent to a 0% operating vacancy rate.</p> <ul style="list-style-type: none"> I & T continues to work closely with a dedicated team of HR professionals to fill capital positions in alignment with project phases and I & T Division objectives and project schedules. 	
<p>311 Toronto:</p> <ul style="list-style-type: none"> Under-spending is mainly attributed to efficient scheduling practices implemented within the 311 Contact Centre and vacancies within the Project Management Office as a result of delays of enterprise-wide capital projects (Payment Module and Online Booking). Achieved 85% of calls answered within 75 seconds, compared to the 80% Council approved service level. 	●	<ul style="list-style-type: none"> Minor net favourable variance is mainly due to expected favourable contract negotiation results with vendors for Contact Centre infrastructure support and maintenance, and the modification of Contact Centre staff hours via the optimized scheduling implementation. 	●
<ul style="list-style-type: none"> 8.0 positions (6.0 operating and 2.0 capital) below the approved complement due to gapping as four out of six operating positions are kept vacant to meet the Divisional gapping target, and timing of capital projects commencing that are now in the process of filling vacancies. After considering budgeted gapping, this represents the equivalent of a 1.4% operating vacancy rate. 		<ul style="list-style-type: none"> 4.0 positions below the approved complement due to 4.0 gapped operating positions expected to be vacant based on the timing of capital projects commencing. After considering budgeted gapping, this represents the equivalent of a 0.1% operating vacancy rate. No service level impact resulting from these vacancies. Recruitment is in progress for 	

• No service level impact resulting from these vacancies. Recruitment is in progress for vacant operating and capital positions, which are expected to be filled as the year progresses.

vacant operating positions, which are expected to be filled as the year progresses.

Appendix G

City Manager's Office

The City Manager's Office reported a net favourable year-to-date variance of \$0.002 million and is forecasting a favourable year-end variance of \$0.422 million or 0.9% compared to the 2017 Approved Net Operating Budget.

Figure 14: City Manager's Office Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
City Manager's Office	3-Month	0.4	▲	0.4	▲	(0.0)	—	Ⓞ	2.1	▲	2.5	▲	(0.4)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓜ	0% to 85%	Ⓡ	>105%		Ⓞ	<=100%	Ⓡ	>100%			

<p>City Manager's Office:</p> <ul style="list-style-type: none"> Slightly favourable variance was mainly due to higher inter-divisional recoveries offset by higher spending in salaries and benefits from temporary delegated authority positions. 28.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of a 0% operating vacancy rate. 		●	<ul style="list-style-type: none"> Projected year-end net favourable variance is mainly due to anticipated vacancies resulting from gapping. 6.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of a 0% operating vacancy rate. 	●
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Appendix G

Other City Programs

Figure 15: Net Variance Summary

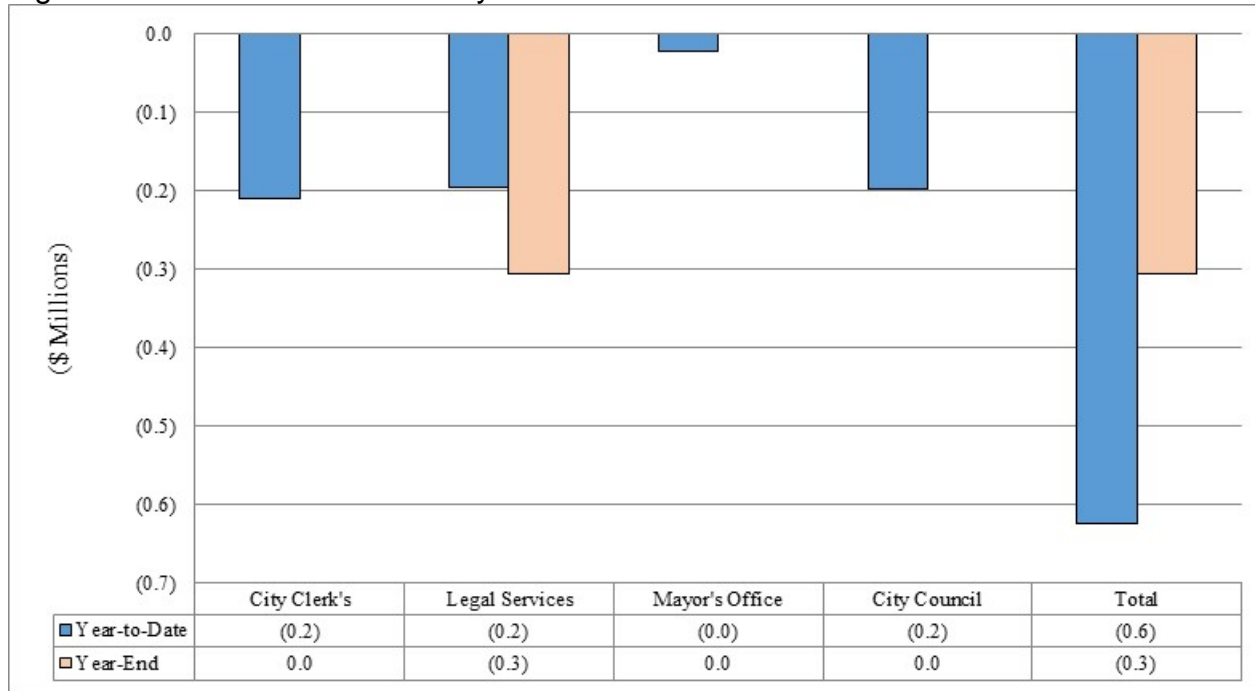


Figure 15 illustrates program specific year-to-date and year-end projected net variances. As of March 31, 2017 **Other City Programs** are reporting a net favourable variance of \$0.625 million or 4.5%, and projecting a positive net variance of \$0.305 million or 0.4% at year-end.

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Figure 13: Other City Programs Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend			
City Clerk's Office	3-Month	(0.3)	▼	(0.1)	▼	(0.2)	▼	⊕	0.0	—	0.0	—	0.0	—	⊕
Legal Services	3-Month	(2.6)	▼	(2.4)	▼	(0.2)	▼	⊕	(2.7)	▼	(2.4)	▼	(0.3)	▼	⊕
Mayor's Office	3-Month	(0.0)	—	0.0	—	(0.0)	—	⊕	0.0	—	0.0	—	0.0	—	⊕
City Council	3-Month	(0.1)	▼	0.1	▲	(0.2)	▼	⊕	0.0	—	0.0	—	0.0	—	⊕
Total	3-Month	(3.0)	▼	(2.4)	▼	(0.6)	▼	⊕	(2.7)	▼	(2.4)	▼	(0.3)	▼	⊕
Year-to-Date Net Variance		⊕	85% to 105%	⊕	0% to 85%	⊕	>105%	Year-End	⊕	<=100%	⊕	>100%			

Appendix G

Other City Programs

<p>City Clerk's Office:</p> <ul style="list-style-type: none"> Favourable net variance was mainly due to under-spending in salaries and benefits as a result of delay in filling vacancies. 26.6 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of a 1.9% operating vacancy rate. 	●	<ul style="list-style-type: none"> The projection is to be on budget at year-end. 3.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of a 0% operating vacancy rate. 	●
<p>Legal Services:</p> <ul style="list-style-type: none"> Favourable gross expenditure of \$2.609 million was due to staff vacancies resulting from delay in implementation of the Administrative Penalty System, and the Development Application Fee Review which is currently underway. On a net basis, \$0.195 million lower than budget is mainly due to lower inter-divisional recoveries resulting from vacancies. 	●	<ul style="list-style-type: none"> Projected year-end unfavourable net variance is mainly due to lower inter-divisional recoveries resulting from vacancies. Legal staff are working overtime to maintain service levels, and actively filling vacant positions. 	●
<ul style="list-style-type: none"> Down 56.0 positions or 13.2% below the approved complement after budgeted gapping. Hiring process is underway to fill vacancies. Legal staff are working overtime to maintain service levels. 		<ul style="list-style-type: none"> 6.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of a 0% operating vacancy rate. 	
<p>Mayor's Office:</p> <ul style="list-style-type: none"> Favourable variance was mainly due to lower spending on salaries and benefits. 	●	<ul style="list-style-type: none"> The projection is to be on budget at year-end. 	●

<ul style="list-style-type: none"> • 2.0 positions or 10% below the approved complement. After considering budgeted gapping, this represents a 6.6% operating vacancy rate. 		<ul style="list-style-type: none"> • 1.0 position below the approved complement. After considering budgeted gapping, this represents a 1.6% operating vacancy rate. 	
<p>City Council:</p> <ul style="list-style-type: none"> • Favourable variance was mainly due to under-spending in Councillors' constituency services and office budgets and Councillors and staff salaries and benefits as a result of different staffing strategies adopted by various Councillors, partially offset by higher spending in Council's general budget. 	●	<ul style="list-style-type: none"> • The projection is to be on budget at year-end. 	●
<ul style="list-style-type: none"> • Full complement. 		<ul style="list-style-type: none"> • Full complement. 	

Appendix G

Accountability Offices

Figure 17: Net Variance Summary

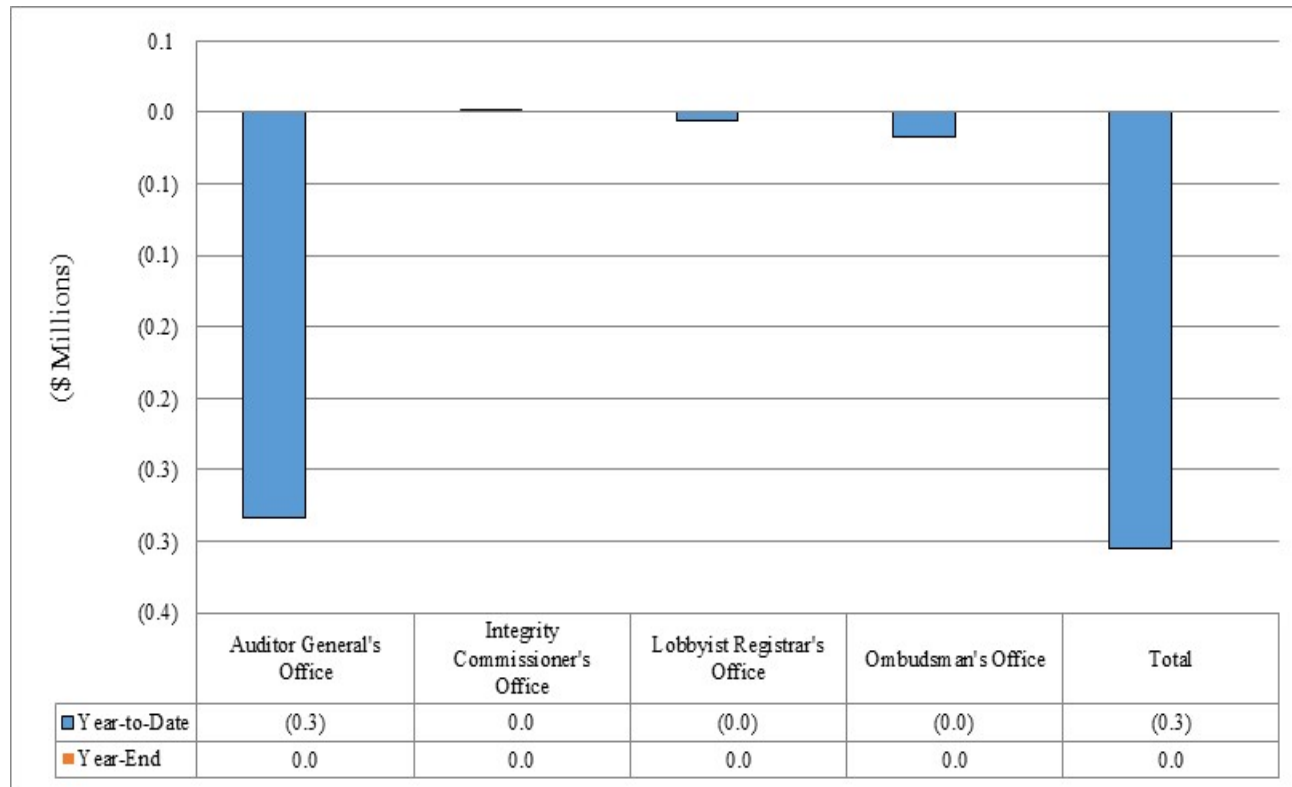


Figure 17 provides an overview of the Accountability Offices year-to-date and year-end projected net variances. As of March 31, 2017 **Accountability Offices** are reporting a net favourable variance of \$0.305 million or 18.5%, and projecting to be on budget a year-end.

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Figure 18: Accountability Offices Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Auditor General's Office	3-Month	(0.3)	▼	0.0	—	(0.3)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Integrity Commissioner's Office	3-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Lobbyist Registrar's Office	3-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Ombudsman's Office	3-Month	0.0	—	0.0	—	(0.0)	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Total	3-Month	(0.3)	▼	0.0	—	(0.3)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Year-to-Date Net Variance		Ⓚ	85% to 105%	Ⓚ	0% to 85%	Ⓚ	>105%	Year-End	Ⓚ	<=100%	Ⓚ	>100%			

Appendix G

Accountability Offices

<p>Auditor General's Office:</p> <ul style="list-style-type: none"> Favourable variance was mainly due to lower spending in salaries and benefits as a result of hiring delays. 	●	<ul style="list-style-type: none"> The projection is to be on budget at year-end. 	●
<ul style="list-style-type: none"> Full complement. 		<ul style="list-style-type: none"> 15.0 temporary positions over the approved complement of 32.0. At its meeting on February 22, 2017 (EX22.2), Council adopted a Budget Committee recommendation for a temporary increase of \$1.0 million to the AG's Office 2017 Operating Budget to provide additional capacity to undertake value for money audits and investigations, subject to a report back to the Audit and Executive Committee from the Auditor General on a revised audit work plan. In response to this budget increase, the AG is currently in the process of hiring temporary staff. 	
<p>Integrity Commissioner's Office:</p> <ul style="list-style-type: none"> Slightly unfavourable variance was mainly due to spending on equipment for the period. 	●	<ul style="list-style-type: none"> The projection is to be on budget at year-end. 	●
<ul style="list-style-type: none"> Full complement. 		<ul style="list-style-type: none"> Full complement. 	
<p>Lobbyist Registrar's Office:</p> <ul style="list-style-type: none"> Slightly favourable variance was mainly due to under-spending in services and rents. 	●	<ul style="list-style-type: none"> The projection is to be on budget at year-end. 	●

<ul style="list-style-type: none"> 0.3 positions or 3.0% below the approved complement. This represents 0.3 temporary position which is only filled if operational needs arise. After considering budgeted gapping, this represents a 1.7% operating vacancy rate. 		<ul style="list-style-type: none"> 0.3 positions below the approved complement. After considering budgeted gapping, this represents a 1.7% operating vacancy rate 	
<p>Ombudsman's Office:</p> <ul style="list-style-type: none"> Slightly favourable variance was mainly due to capital recoveries from staff working on the Ombudsman Case Management System. 	●	<ul style="list-style-type: none"> The projection is to be on budget at year-end. 	●
<ul style="list-style-type: none"> 1.0 position over the approved complement of 12.0. As of March 31, 2017, complement consists of 10.0 staff and 3.0 temporary staff to help with investigative requirements of the Office. 		<ul style="list-style-type: none"> Full complement. 	

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Agencies

Figure 19: Net Variance Summary

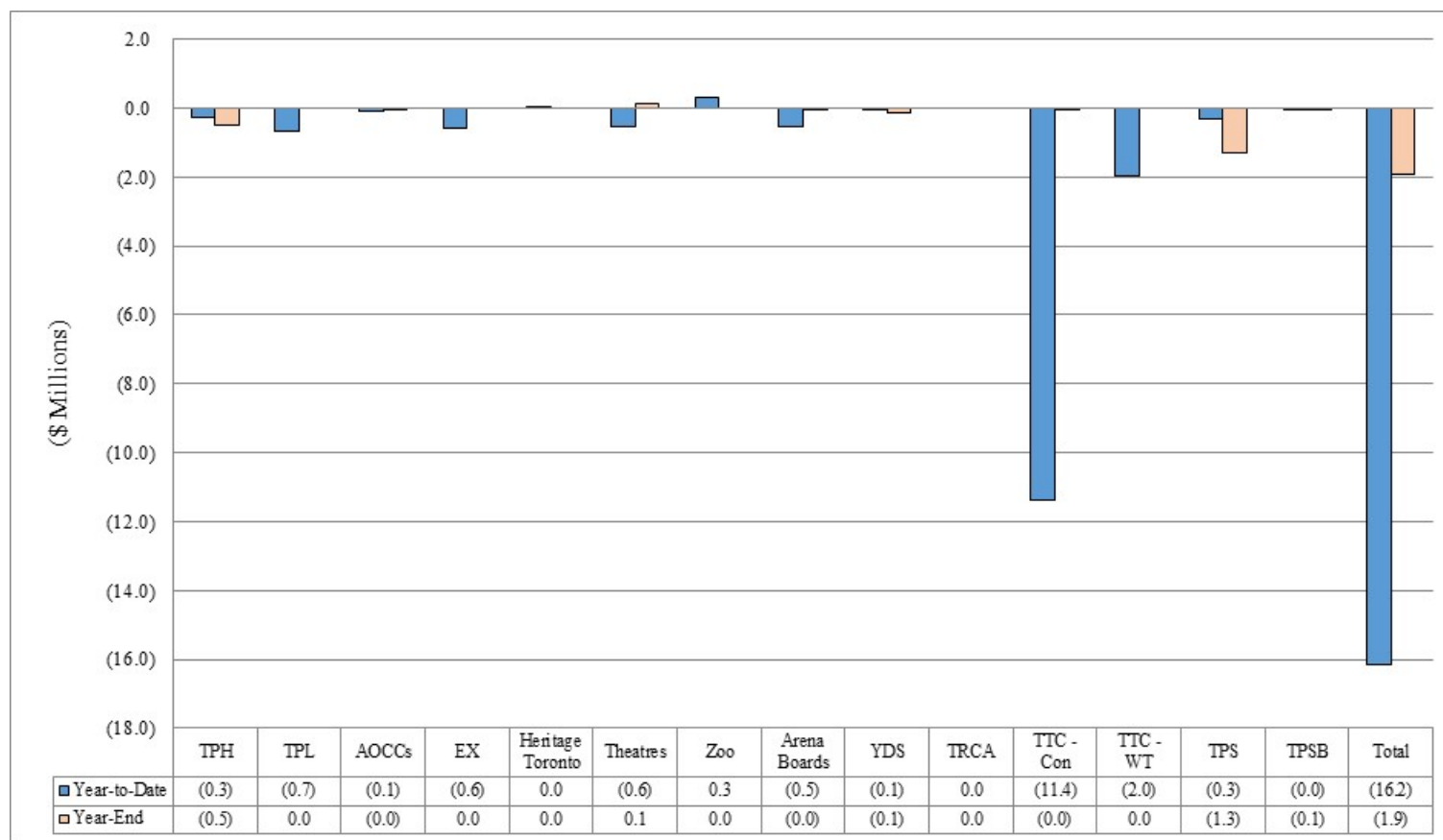


Figure 19 illustrates Agencies' specific year-to-date and year-end projected net variances. As of March 31, 2017 **Agencies** are reporting a net favourable variance of \$16.158 million or 3.8%, and are projecting a year-end positive variance of \$1.902 million or 0.1% compared to the 2017 Approved Net Operating Budget.

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Figure 20: Agencies Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Toronto Public Health	3-Month	(1.0)	▼	(0.8)	▼	(0.3)	▼	Ⓞ	(2.7)	▼	(2.2)	▼	(0.5)	▼	Ⓞ
Toronto Public Library	3-Month	(0.5)	▼	0.2	▲	(0.7)	▼	Ⓞ	0.3	▲	0.3	▲	0.0	—	Ⓞ
Association of Community Centres	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ	(0.0)	—	(0.0)	—	(0.0)	—	Ⓞ
Exhibition Place	3-Month	(2.6)	▼	(2.0)	▼	(0.6)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Heritage Toronto	3-Month	(0.1)	▼	(0.1)	▼	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Theatres	3-Month	0.2	▲	0.8	▲	(0.6)	▼	Ⓢ	(0.4)	▼	(0.5)	▼	0.1	▲	Ⓢ
Toronto Zoo	3-Month	(0.6)	▼	(0.9)	▼	0.3	▲	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓞ
Arena Boards of Management	3-Month	(0.1)	▼	0.5	▲	(0.5)	▼	Ⓞ	(0.0)	—	(0.0)	—	(0.0)	—	Ⓞ
Yonge Dundas Square	3-Month	0.0	—	0.1	▲	(0.1)	▼	Ⓢ	0.3	▲	0.4	▲	(0.1)	▼	Ⓞ
Toronto & Region Conservation Authority	3-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ







City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Toronto Transit Commission - Conventional	3-Month	(13.8)	▼	(2.4)	▼	(11.4)	▼	Ⓞ	(8.5)	▼	(8.5)	▼	(0.0)	—	Ⓞ
Toronto Transit Commission - Wheel Trans	3-Month	(2.0)	▼	(0.0)	—	(2.0)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Toronto Police Service	3-Month	(0.3)	▼	0.1	▲	(0.3)	▼	Ⓞ	(1.1)	▼	0.2	▲	(1.3)	▼	Ⓞ
Toronto Police Services Board	3-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ
Total	3-Month	(20.7)	▼	(4.5)	▼	(16.2)	▼	Ⓞ	(12.2)	▼	(10.3)	▼	(1.9)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓨ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			





Appendix G

City Agencies



<p>Toronto Public Health:</p> <ul style="list-style-type: none"> • Under-expenditures mainly for salaries and benefits due to retirements, short term leaves and unfilled positions. • 90.0 positions below approved complement, which after considering budgeted gapping, is equivalent to a 0% operating vacancy rate. 	●	<ul style="list-style-type: none"> • Actions such as strategic hiring practices and on-going monitoring are being done to ensure that vacancies are filled. • 92.0 positions below approved complement, which after considering budgeted gapping, is equivalent to a 0% operating vacancy rate 	●
<p>Toronto Public Library:</p> <ul style="list-style-type: none"> • Under-spending in salaries were the result of temporary branch closures and other and additional cost savings associated with the closure of North York Central Library. • The favourable revenue variance was the result of unbudgeted grants from the Toronto Public Library Foundation funding the costs of specific library initiatives. • 69.0 positions below full complement as a result of staff movement, retirements and temporary branch closures. After budgeted gapping, this represents a 1.3% operating vacancy rate. 	●	<ul style="list-style-type: none"> • No variance is expected at year-end. • 49.0 positions below the approved complement. After budgeted gapping, this represents a 0.1% operating vacancy rate. 	●
<p>Association of Community Centres:</p> <ul style="list-style-type: none"> • Under-spending in salaries and benefits and other non-salary budgets. • Full complement. 	●	<ul style="list-style-type: none"> • The Agency is projecting to be on budget by year-end. • Full complement. 	●

<p>Exhibition Place:</p> <ul style="list-style-type: none"> Overall favourable net expenditure variance of \$0.572 million consists of unfavourable gross revenue variance of \$1.981 million due to the timing of new business at Exhibition Place, EnerCare and Beanfield Centres offset by utility expenditure savings of \$0.639 million arising from management energy initiatives and savings from Energy Retrofit Projects (ERP), as well as a favourable other expenditure variance of \$1.914 million arising from the timing of expenses relating to aforementioned new business. 	●	<ul style="list-style-type: none"> Exhibition Place anticipates meeting its budgeted net surplus of \$0.162 million by year-end. 	●
<ul style="list-style-type: none"> Full complement. 		<ul style="list-style-type: none"> Full complement. 	
<p>Heritage Toronto:</p> <ul style="list-style-type: none"> Overall unfavourable net expenditure variance of \$0.004 million consists of an unfavourable gross revenue variance of \$0.059 million offset by a favourable gross expenditure variance of \$0.055 million as the Agency's revenue-generating tour and awards programs will be taking place in the second half of the year. 	●	<ul style="list-style-type: none"> Heritage Toronto anticipates meeting its budgeted net expenditure position of \$0.298 million by year-end. 	●
<ul style="list-style-type: none"> Full complement. 		<ul style="list-style-type: none"> Full complement. 	
<p>Theatres:</p> <ul style="list-style-type: none"> Civic Theatres Toronto (CTT) experienced favourable variances primarily driven by the Sony Centre's higher than budgeted ticket sales and concession sales. Both Toronto Centre and St. Lawrence Centre experienced on-par performance with their respective budgets. 	●	<ul style="list-style-type: none"> Minor variance is expected at year-end driven by the St. Lawrence Centre due to anticipated lower volume of programming activities. However, there are uncertainties associated with the restructuring of the organization and unanticipated events may deter future performances. 	●
<ul style="list-style-type: none"> 13.2 positions below approved complement of 187.7 primarily due to lower programming volume at St. Lawrence Centre and one programming 		<ul style="list-style-type: none"> 5.0 temporary positions above the approved complement of 187.7 driven by increased programming activities. 	

director position at the Sony Centre remains vacant. There is no budgeted gapping for CTT.			
Toronto Zoo: <ul style="list-style-type: none"> Unfavourable net expenditures driven by the customer mix (i.e., more member visits than the general public), less revenue generated by food services attributable to the March break and timing difference in actual receipt of anticipated donations. 18.0 positions below approved complement of 394.0 due to unexpected staff turnover. After considering budgeted gapping, this represents the equivalency of a 2.3% operating vacancy rate. 		<ul style="list-style-type: none"> No variance is expected at year-end. Due to seasonality, year-to-date variances are expected and staff will closely monitor through to the year-end. Full complement. 	
Arena Boards of Management: <ul style="list-style-type: none"> Overall favourable net expenditure variance of \$0.546 million consisted of favourable gross expenditure variance of \$0.074 million attributable to timing of utility bills and other expenditures offset by favourable revenue variance of \$0.472 million due to timing of league fee prepayments. Variance of 1.0 position attributable to a vacancy at Leaside Gardens, representing a 1.5% operating vacancy rate. 		<ul style="list-style-type: none"> The Arena Boards of Management anticipate exceeding their budgeted net surplus of \$0.020 million by 5% or \$0.001 million by year-end. Full complement anticipated after vacancy at Leaside Gardens is filled. 	
Yonge Dundas Square (YDS): <ul style="list-style-type: none"> Overall favourable net expenditure variance of \$0.064 million consists of a favourable revenue variance of \$0.110 million arising from a new sponsorship agreement offset by an unfavourable gross expenditure variance of \$0.046 million due to the timing of expenses. Full complement. 		<ul style="list-style-type: none"> Yonge Dundas Square expects to realize a net expenditure position of \$0.143 million. This is attributable to a new sponsorship agreement as well as a new digital signage agreement. Full complement. 	

<p>Toronto & Region Conversation Authority:</p> <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Each year, TRCA receives the City of Toronto funding share which maintains the ratio between TRCA's other funding municipalities. In 2017, TRCA will receive the full funding amount as approved by Council, resulting in no year-end variance. 	
<p>Toronto Transit Commission – Conventional:</p> <ul style="list-style-type: none"> Customer journeys (ridership) to the end of February were 1.7 million (2.1%) below budget and 0.7 million (0.9%) below the 2016 comparable actual. Interim results for March indicate similar trends. Ridership will also be impacted later this year by the Government of Canada's recent announcement that it is eliminating the Public Transit Tax Credit (PTTC), effective July, 2017. 		<ul style="list-style-type: none"> Current forecasts indicate that ridership could fall approximately 5.5 million rides below the target of 543.8 million (or 538.3 million) with corresponding passenger revenue shortfalls of about \$8.5 million. Staff will continue to closely monitor and scrutinize additional results and will provide an update on the year-end projected ridership and passenger revenues in due course. Passenger revenue is expected to be \$3 million under budget based on 3 million projected fewer customer journeys than budget, partially offset by a slight increase in the average fare. The elimination of the Public Transit Tax Credit (PTTC) will have an additional impact. The PTTC had a positive impact on TTC Metropass sales and ridership growth and it is anticipated that the elimination of the PTTC will erode at least some of these gains. The estimated 2017 ridership/revenue loss at this time is approximately 2.5 million rides and \$5 million. These estimates will be further 	

<ul style="list-style-type: none"> 549.0 positions below the approved complement due to hiring and capital project challenges The TTC intends to fill these vacant positions before the end of the year to ensure full complement after gapping. After budgeted gapping, the operating vacancy rate is 0%. 		<p>refined as better data to assess the impacts become available later in spring 2017</p> <ul style="list-style-type: none"> Projected strength of 13,983 positions reflects 27.0 less positions, after budgeted gapping, the operating vacancy rate is 0%. 	
<p>Toronto Transit Commission – Wheel-Trans:</p> <ul style="list-style-type: none"> There were 312K customer journeys taken during February, which was 4K (1.3%) less than the budget of 316K journeys. The number of customer journeys taken year-to-date to the end of February was 609K, which was 18K (2.9%) less than the budget of 627K journeys. 	●	<ul style="list-style-type: none"> Customer journeys are projected to be on target at 4.723 million. Given the AODA eligibility changes which took effect January 1, 2017, it is still quite early in the year to project year-end variances with any degree of certainty. 	●
<ul style="list-style-type: none"> 20.0 positions below approved complement due to hiring challenges, which after gapping is equal to a 2.6% operating vacancy rate. 		<ul style="list-style-type: none"> Projected strength of 571.0 positions reflects full complement, after considering budgeting gapping, the operating vacancy rate is 0%. 	
<p>Toronto Police Service:</p> <ul style="list-style-type: none"> Under-spending in salaries are the result of increased separations as well as a moratorium on hiring. The Toronto Police Service is expected, on average to be below its budgeted strength during the year. 	●	<ul style="list-style-type: none"> A favourable variance is expected at year-end as a result of the hiring moratorium and increased separations, 175 projected uniform separations versus budgeted of 160. A portion of the salary under-spending is projected to be offset by premium pay spending, necessitated by the large number of vacancies. 	●
<ul style="list-style-type: none"> 634.0 positions below full complement is a result of increased separations. After gapping considerations, this represents a 1.2% operating vacancy rate. 		<ul style="list-style-type: none"> 777.0 positions below the approved complement. After gapping considerations, this represents a 3.1% operating vacancy rate. 	

<p>Toronto Police Services Board:</p> <ul style="list-style-type: none"> • Under-spending in salaries was the result of an unfilled vacancy of 1 staff member. 		<ul style="list-style-type: none"> • A favourable variance is expected at year-end as a result of the cost savings related to the vacant position. 	
<ul style="list-style-type: none"> • 1.0 position below full complement. This represents a 14.3% operating vacancy rate. 		<ul style="list-style-type: none"> • TPSB is projecting full complement at year end. 	

Appendix G

Corporate Accounts

Figure 21: Net Variance Summary

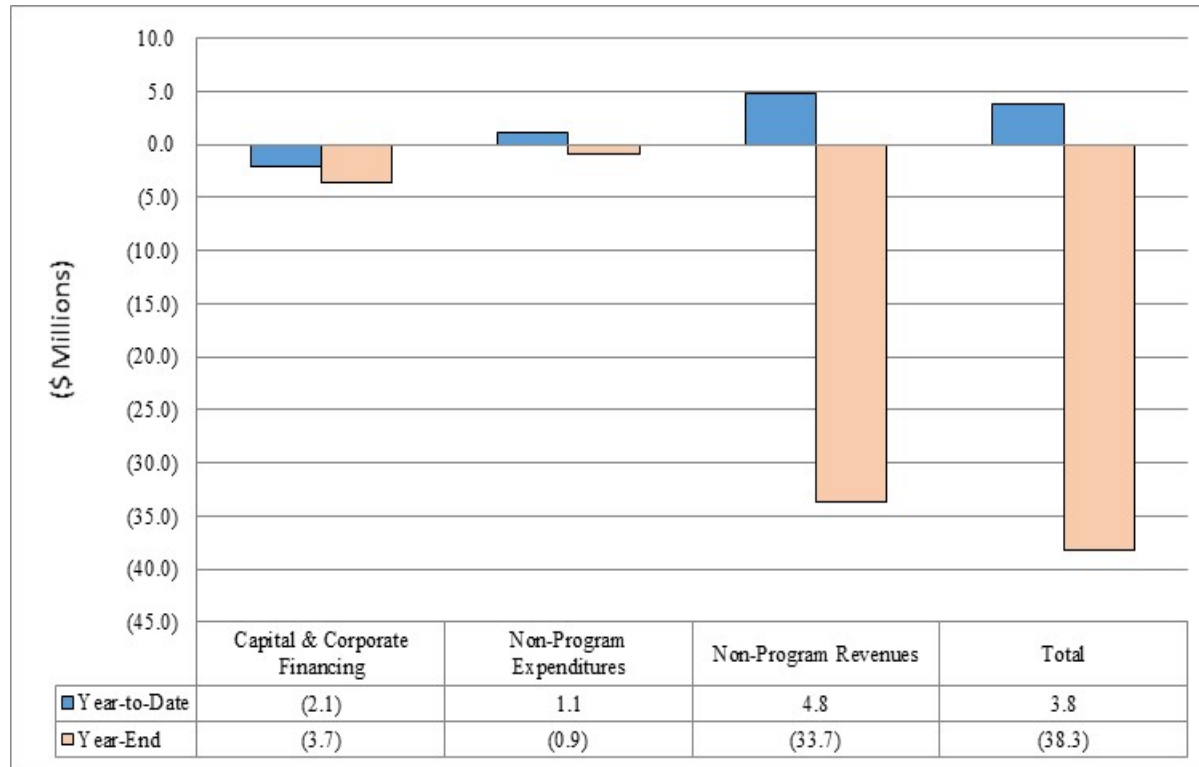


Figure 21 provides an overview of year-to-date and year-end projected net variances. As of March 31, 2017 **Corporate Accounts** have experienced a net unfavourable variance of \$3.787 million or 2.3%, and are expected to result in a year-end positive variance of \$38.314 million or 63.5% compared to the 2017 Approved Net Operating Budget.

Appendix G

Capital & Corporate Financing

The Capital and Corporate Financing accounts were under-spent by \$2.089 million or 6.6% for the three month period ended March 31, 2017 and is expected to be \$3.678 million or 0.5% under-spent at year-end.

Figure 22: Capital & Corporate Financing Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Capital Financing - Capital from Current	3-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Technology Sustainment	3-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Debt Charges	3-Month	(1.9)	▼	0.2	▲	(2.1)	▼	Ⓞ	(3.5)	▼	0.2	▲	(3.7)	▼	Ⓞ
Total	3-Month	(1.9)	▼	0.2	▲	(2.1)	▼	Ⓞ	(3.5)	▼	0.2	▲	(3.7)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓜ	0% to 85%	Ⓡ	>105%		Ⓞ	<=100%	Ⓡ	>100%			

Appendix G

Capital & Corporate Financing

Capital & Corporate Financing: <ul style="list-style-type: none"> Actual expenses have been incurred as planned. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
Technology Sustainment: <ul style="list-style-type: none"> Actual expenses have been incurred as planned. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
Debt Charges: <ul style="list-style-type: none"> Favourable variance was mainly due to lower commission costs of issuing debt in April instead of March as planned. 	●	<ul style="list-style-type: none"> Projected under-spending is largely the result of not issuing \$150 million in debt for December of 2016. 	●

Appendix G

Non-Program Expenditures

Non-Program Expenditures have an unfavourable net year-to-date variance of \$1.091 million or 0.9%, and are forecasted to result in a favourable net variance of \$0.917 million or 0.2% at year-end.

Figure 14: Non-Program Expenditures Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Tax Deficiencies/Writeoffs	3-Month	0.2	▲	0.0	—	0.2	▲	⊙	1.5	▲	0.0	—	1.5	▲	Ⓜ
Assessment Function (MPAC)	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	Ⓜ
Funding of Employee Related Liabilities	3-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Other Corporate Expenditures	3-Month	1.2	▲	1.3	▲	(0.1)	▼	⊙	(0.5)	▼	0.0	—	(0.5)	▼	⊙
Insurance Premiums & Claims	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Parking Tag Enforcement & Oper.	3-Month	(0.4)	▼	0.0	—	(0.4)	▼	⊙	(2.0)	▼	0.0	—	(2.0)	▼	⊙
Programs Funded from Reserve Funds	3-Month	(6.7)	▼	(6.7)	▼	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Vacancy Rebate Program	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Heritage Property Taxes Rebate	3-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Tax Rebates for Registered Charities	3-Month	0.8	▲	0.8	▲	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Solid Waste Management Rebates	3-Month	1.5	▲	0.0	—	1.5	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
Pandemic Influenza Stockpiling	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Total	3-Month	(3.5)	▼	(4.6)	▼	1.1	▼	⊙	(0.9)	▼	0.0	▲	(0.9)	▼	⊙

Year-to-Date Net Variance ⊙ 85% to 105% ⊙ 0% to 85% Ⓜ >105% **Year-End** ⊙ ≤100% Ⓜ >100%

Appendix G

Non-Program Expenditures

Tax Deficiencies/Write-Offs: <ul style="list-style-type: none"> A small unfavourable variance was realized because posted appeals and expected appeals to be processed were slightly higher than planned. 	●	<ul style="list-style-type: none"> Unfavourable variance projected at year-end is primary due to a change in the timing for properties being eligible for TIEG grants. 	●
Assessment Function (MPAC): <ul style="list-style-type: none"> The year-to-date unfavourable variance was the result of MPAC fees being higher than planned. 	●	<ul style="list-style-type: none"> An unfavourable variance is projected by year-end as a result of fees being higher than budgeted. 	●
Funding Employee Related Liabilities: <ul style="list-style-type: none"> Favourable variance from lower than budgeted monetary assistance for firefighters surviving spouses and dependants. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
Other Corporate Expenditures: <ul style="list-style-type: none"> Under-spending largely the result of lower than planned salaries and benefits. 	●	<ul style="list-style-type: none"> Favourable variance is forecast as a result of lower than budgeted salaries and benefits. 	●
		<ul style="list-style-type: none"> It is anticipated that the three positions for the Office of the Chief Transformation Officer (OCTO) will be hired by the end of the second quarter. 	
Insurance Premiums & Claims: <ul style="list-style-type: none"> As planned for this period. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●

<p>Parking Tag Enforcement & Operations:</p> <ul style="list-style-type: none"> Favourable gross expenditures of \$0.363 million primarily due to savings from Parking Enforcement Officer vacancies. 30.0 vacancies or 7.6% below the approved complement. 	●	<ul style="list-style-type: none"> Favourable gross expenditures of \$2.0 million is due to Parking Enforcement Officer vacancies resulting from the hiring moratorium. Down 40.0 positions or 10% below the approved complement. Toronto Police Parking Enforcement is expected, on average, to be below its approved complement. 	●
<p>Programs Funded from Reserve Funds:</p> <ul style="list-style-type: none"> As planned for this period. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
<p>Vacancy Rebate Program:</p> <ul style="list-style-type: none"> The vacancy rebates processed and expected to be processed were slightly below planned estimates. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
<p>Heritage Property Tax Rebates:</p> <ul style="list-style-type: none"> Heritage rebates processed and expected to be processed were below planned estimates. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
<p>Tax Rebates for Registered Charities:</p> <ul style="list-style-type: none"> As planned for this period. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
<p>Solid Waste Management Rebates:</p> <ul style="list-style-type: none"> Higher than planned solid waste management rebates. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
<p>Pandemic Influenza Stockpiling:</p> <ul style="list-style-type: none"> As planned for this period. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●

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Non-Program Revenues

Figure 15: Non-Program Revenues Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Payments in Lieu of Taxes	3-Month	0.0	—	(0.0)	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Supplementary Taxes	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Tax Penalty Revenue	3-Month	0.0	—	0.3	▲	(0.3)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Interest/Investment Earnings	3-Month	(0.1)	▼	0.1	▲	(0.2)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Other Corporate Revenues	3-Month	(0.1)	▼	1.1	▲	(1.2)	▼	⊙	0.0	—	0.5	▲	(0.5)	▼	⊙
Dividend Income	3-Month	0.0	—	(50.0)	▼	50.0	▲	Ⓡ	0.0	—	0.7	▲	(0.7)	▼	⊙
Provincial Revenue	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Municipal Land Transfer Tax	3-Month	(0.0)	—	32.4	▲	(32.5)	▼	⊙	(0.0)	—	32.4	▲	(32.5)	▼	⊙
Third Party Sign Tax	3-Month	0.0	—	11.1	▲	(11.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Parking Authority Revenues	3-Month	0.0	—	0.1	▲	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Administrative Support Recoveries - Water	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Year-to-Date Net Variance		⊙	>=95%	Ⓡ	<95%			Year-End	⊙	<=100%	Ⓡ	>100%			















Staff report for action on Operating Variance Report for the Three Month Period Ended March 31th, 2017.













City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Administrative Support Recoveries - Health & EMS	3-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Parking Tag Enforcement & Operations Rev	3-Month	0.0	—	(0.2)	▼	0.2	▲	Ⓞ	0.0	—	0.0	—	(0.0)	—	Ⓞ
Other Tax Revenues	3-Month	0.1	▲	0.1	▲	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Hotel & Lodging Tax	3-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Woodbine Slots Revenues	3-Month	0.0	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Total	3-Month	(0.1)	▲	(4.9)	▲	4.8	▼	Ⓞ	(0.0)	▲	33.7	▲	(33.7)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	>=95%	Ⓜ	<95%			Year-End	Ⓞ	<=100%	Ⓜ	>100%			

Non-Program Revenues are reported to have an unfavourable variance of \$4.786 million or 1.5% for the period ended March 31, 2017; and it is projected that Non-Program Revenues will be \$33.719 million or 2.5% above the 2016 Approved Net Operating Budget at year-end.

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Non-Program Revenues

Payments In Lieu of Taxes (PILs): <ul style="list-style-type: none"> A minor unfavourable variance was realized due to posted appeals and expected appeals to be processed were slightly higher than expected. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
Supplementary Taxes: <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
Tax Penalties: <ul style="list-style-type: none"> Tax penalties/interest and adjustments were above planned due to higher interest charges. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
Interest & Investment Earnings: <ul style="list-style-type: none"> A minor favourable variance was the result of higher than expected bank balance interest. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
Other Corporate Revenues: <ul style="list-style-type: none"> Favourable variance was the result of higher than planned sundry revenue. 		<ul style="list-style-type: none"> Favourable variance is projected as a result of higher than budgeted sundry revenue. 	
Toronto Hydro Revenues: <ul style="list-style-type: none"> The \$50 million unfavourable variance was due to a curtailment of dividends by the THC Board. Dividends are expected to be fully restored when the City finalizes a \$250 million equity contribution to THC. 		<ul style="list-style-type: none"> Favourable variance of \$0.7 million is projected for the year-end, resulting from THC's actual 2016 net income of \$151.4 million being slightly greater than the \$150 million assumed at the time the City's budget was approved. 	
Provincial Revenue: <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Forecast to be on budget at year-end. 	

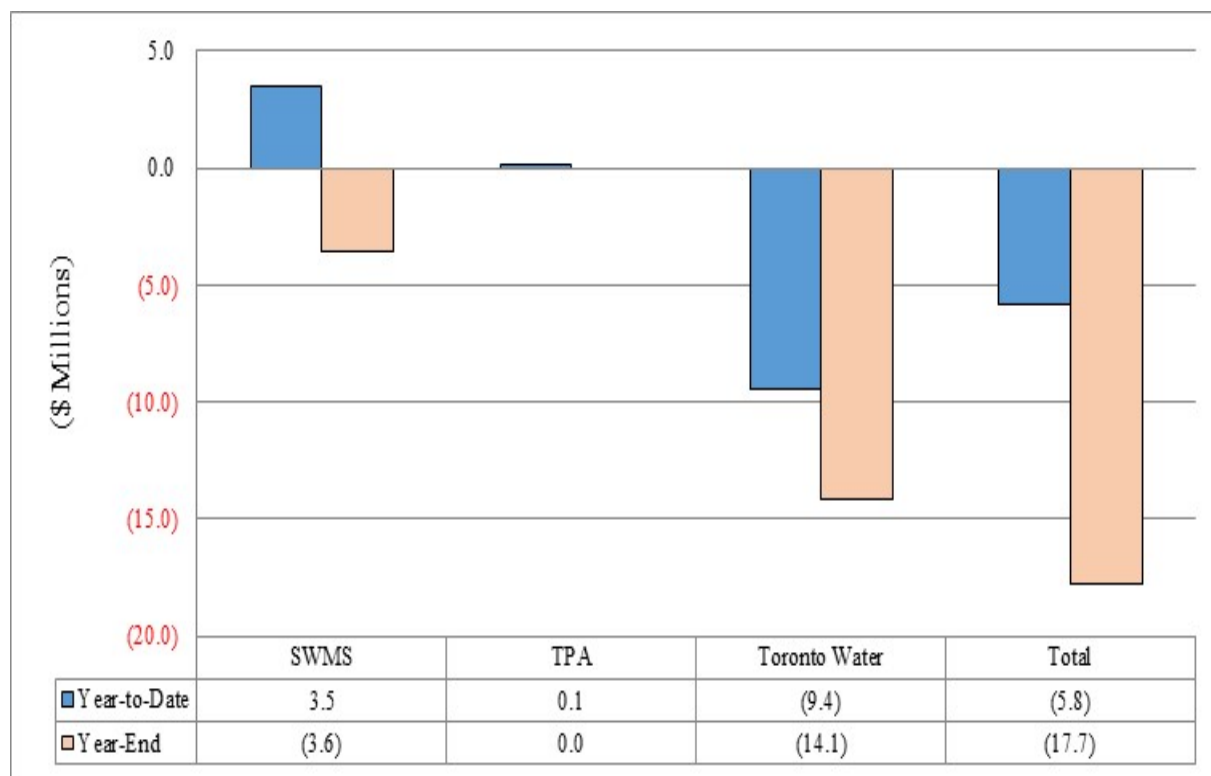
<p>Municipal Land Transfer Tax (MLTT):</p> <ul style="list-style-type: none"> The favourable variance was mainly due to higher than expected sales revenue. 		<ul style="list-style-type: none"> The continued over-achieved Municipal Land Transfer Tax revenue of \$32.482 million net or 4.9% from higher property sales and prices realized in the first quarter of 2017. Our projection for the Municipal Land Transfer Tax revenue remains unchanged from the year-to-date favourable variance due to market uncertainties. 	
<p>Third Party Sign Tax:</p> <ul style="list-style-type: none"> The approximately \$11.0 million favourable variance was the result of invoices generated earlier than planned. 		<ul style="list-style-type: none"> Forecast to be on budget at year-end 	
<p>Parking Authority Revenues:</p> <ul style="list-style-type: none"> Lower expenditures of \$0.6 million mainly due to lower utility costs, depreciation, parking equipment repairs, and pay and display communication costs, partially offset by higher rent expenses for managed lots. Parking revenues lower than anticipated by \$0.7 million, mostly in downtown garages and off-street parking lots. 		<ul style="list-style-type: none"> Forecast to be on budget at year-end. 	
<p>Administrative Support Recoveries – Toronto Water:</p> <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
<p>Administrative Support Recoveries – Health & EMS:</p> <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
<p>Parking Tag and Enforcement Operations:</p> <ul style="list-style-type: none"> Revenue was slightly under budget from Parking Enforcement Operation. 559,018 parking tickets issued to March 31, 2017. 		<ul style="list-style-type: none"> Revenue is expected to be on budget by year-end. 	

		<ul style="list-style-type: none"> 2.35 million tickets expected to be issued by year-end which is going to be on budget. 	
Other Tax Revenues: <ul style="list-style-type: none"> A small favourable variance was realized because the 2017 interim bill was slightly higher than budgeted. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	●
Hotel and Lodging Tax: <ul style="list-style-type: none"> As planned for this period. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end. Revenue from a new Hotel and Lodging tax is not expected until fourth quarter, 	●
Woodbine Slots: <ul style="list-style-type: none"> Gaming revenue at Woodbine was higher than expected, resulting in a higher share for the City according to the OLG Municipality Contribution Agreement. 	●	<ul style="list-style-type: none"> Projected to be on budget at year-end 	●

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Rate Supported Programs





Figure 25: Net Variance Summary



Rate Supported Programs, which include Solid Waste Management Services, Toronto Parking Authority and Toronto Water, have reported a favourable net variance \$5.809 million at the end of the first fiscal quarter, and are projecting a positive year-end variance of \$17.733 million as outlined in Figure 25 above.

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Figure 16: Rate Supported Programs Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Solid Waste Management Services	3-Month	(1.5)	▼	(5.0)	▼	3.5	▲	Ⓜ	(6.5)	▼	(2.9)	▼	(3.6)	▼	Ⓞ
Toronto Parking Authority	3-Month	(0.6)	▼	(0.7)	▼	0.1	▲	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓞ
Toronto Water	3-Month	(4.0)	▼	5.4	▲	(9.4)	▼	Ⓞ	(12.1)	▼	2.1	▲	(14.1)	▼	Ⓞ
Total	3-Month	(6.1)	▼	(0.2)	▼	(5.8)	▼	Ⓞ	(18.5)	▼	(0.8)	▼	(17.7)	▼	Ⓞ
Year-to-Date Net Variance			<=100%		>100%			Year-End		<=100%		>100%			

Appendix G

Rate Supported Programs

<p>Solid Waste Management Services (SWMS):</p> <ul style="list-style-type: none">• Under-expenditures totaling \$1.48 million mainly arise from a combination of salaries and benefits savings due to vacancies and under-expenditures for materials and supplies offset by higher expenditures for contracted services and inter-divisional charges for fleet maintenance.• Contracted processing services over-spending mainly includes Durable Goods and Organics (SSO) collection and processing and is caused by higher than estimated tonnages with associated transfer and haulage costs. More spending than expected was also experienced on advertising/communications programs.• Lower net revenue of \$4.963 million was driven by lower than planned residential user fees due to a delay in receipt of single family and multi-residential collection fees and lower sales of recyclable materials due to lower processing volumes. These reduced revenues were partially offset by higher revenue from drop and load fees at transfer stations and from transfer station and landfill tipping fees due to higher than planned tonnages.• Combined, this results in a net over-expenditure of \$3.482 million or 63.8% as of the 1st quarter.	<ul style="list-style-type: none">• Projecting net under-expenditures (surplus) of \$3.58 million at year end.• Expenditures are estimated to be \$6.49 million under-spent primarily related to ongoing staff vacancies, lower than planned communications costs and lower contracted services cost for lower projected tonnages of organics and leaf and yard waste partially offset by net overspending in garbage, durable goods and recycling. Net overspending for inter-divisional charges are also projected due to fleet maintenance.• Revenue is anticipated to be \$2.91 million less than budget at year-end.• \$2.13 million in under-achieved revenue is mainly driven by the decline in the volume of multi-residential user fees and lower bags and tags fees due to lower volumes.• \$0.78 million in under-achieved revenue due to slow start-up of special event clean-up fees.• Any total net under-expenditure at year-end will be contributed to the Waste Management reserve fund to support the SWMS Capital program.

<ul style="list-style-type: none"> • 114.0 positions below total approved complement due to an on-going recruiting process which, after considering budgeted gapping, is equivalent to a 0.8% operating vacancy rate. The Program continues to have difficulty recruiting qualified candidates for positions such as the Solid Waste Load Operator, Heavy Equipment Operator, and skilled trade roles. • Of this total variance, some positions are also being held vacant in order to facilitate backfilling for staff participating in the TMP (Talent Management Program). 		<ul style="list-style-type: none"> • It is anticipated that SWMS will be 109 positions below the total approved complement of 1,113.7 positions due to on-going recruiting issues and provision for the TMP. • After considering budgeted gapping for 2017, this equates to an operating vacancy rate of 0.3%. 	
<p>Toronto Parking Authority:</p> <ul style="list-style-type: none"> • Lower expenditures of \$0.6 million mainly due to lower utility costs, depreciation, parking equipment repairs, and pay and display communication costs, partially offset by higher rent expenses for managed lots. • Parking revenues lower than anticipated by \$0.7 million, mostly in downtown garages and off-street parking lots. 	●	<ul style="list-style-type: none"> • Revenues are projected as budgeted at \$155.226 million. Toronto Parking Authority will continue to monitor parking revenue trends and make necessary adjustments later during year. • Expenditures are projected as budgeted at \$91.812 million. It is anticipated that any savings will be offset by higher rent expenses for managed lots. 	●
<ul style="list-style-type: none"> • 2.2 positions or 0.7% below approved complement due to delayed hiring of staff. There is no budgeted gapping 		<ul style="list-style-type: none"> • Projecting positions at approved staff complement levels of 309.0 positions. 	

<p>Toronto Water:</p> <ul style="list-style-type: none"> • Reported net under expenditure of \$9.4 million at March 31, 2017. • Lower expenditures of \$4.0 million mainly due to under-spending in salaries and benefits as a result of vacancies, lower than anticipated demand for electricity, professional and technical services and lower than anticipated payments in-lieu of taxes. • Higher revenues of \$5.4 million primarily due to higher than anticipated volume of water sold and fees from new service connections. 	●	<ul style="list-style-type: none"> • Projecting net under expenditure of \$14.2 million at year end. • Lower spending of \$12.1 million primarily because of projected under-spending in salaries and benefits due to vacancies, lower than anticipated hydro rates and usage, and savings for parts, materials and professional and technical services. • Revenues are projected to be higher than budgeted by \$2.1 million due to an increase in new water and sewer service connections. • Toronto Water will continue to monitor water consumption throughout the peak period (July to September) and address changes in water consumption as appropriate in the third quarter. 	●
<ul style="list-style-type: none"> • 135.0 positions below approved complement due to the aging workforce / retirements and extended recruitment period for certain positions such as skilled trades and certified operators. After considering budgeted gapping it is equal to a 5.0% operating vacancy rate. • As a result, Toronto Water has been unable to completely perform pro-active preventative maintenance resulting in emergency repairs and higher than normal overtime and repair costs. • The 2010-2020 Strategic Plan includes enhancement of recruiting strategies and development and implementation of an Enterprise Knowledge Retention Program. 		<ul style="list-style-type: none"> • It is anticipated that there will be 123.0 positions below the approved complement, which equals a 4.3% operating vacancy rate after considering budgeted gapping. 	