

### Operating Variance Report for the Nine Months Ended September 30, 2020

**Date:** November 10, 2020

**To:** Budget Committee

**From:** Chief Financial Officer and Treasurer

**Wards:** All

#### SUMMARY

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The purpose of this report is to provide City Council with the Operating Variance for the nine months ended September 30, 2020 as well as projections to year-end. This report also requests City Council's approval for amendments to the 2020 Approved Operating Budget that have no impact on the City's 2020 Approved Net Operating Budget.

Since mid-March, the City of Toronto, consistent with other major Canadian and Greater Toronto and Hamilton Area (GTHA) municipalities has been experiencing significant financial impacts, both in the form of added costs and revenue losses as a direct result of the COVID-19 pandemic.

COVID-19 related financial impacts are anticipated to total \$1.716 billion by year-end for the City of Toronto, prior to offsets achieved through a series of implemented mitigation strategies that focus on spending and workforce restraints (\$533.8 million); and phase 1 Safe Restart Agreement funding confirmed in August (\$669 million), reducing the year-end shortfall to a projected \$514.1 million.

- COVID-19 related financial impacts predominantly reflect revenue losses, which account for approximately 80% of total COVID-19 impacts.
- Mitigation strategies are expected to collectively generate \$533.8 million in total offset by year-end, comprised of \$499.7 million in savings from workforce restraints, spending constraints and cost avoidance; \$34.1 million in added offsets available from budget variance; and included the elimination of inflationary general salary increases for Non-Union staff, Mayor and Council.
- On August 12, 2020 Safe Restart Agreement funding allocations for the City of Toronto as part of the phase 1 funding were identified totalling \$669 million as follows:
  - Municipal Transit Funding Phase 1 - \$404.1 million allocated to Toronto proportionately based on ridership.

- Social Services Relief Fund Phase 2 - \$118.7 million allocated to Toronto in addition to the \$39 million previously received as part of Phase 1 funding.
- Municipal Operating Funding Phase 1 - \$145.7 million allocated to Toronto proportionately based on households.

The table below details the anticipated 2020 City-wide COVID-19 related financial impacts; projected offset from mitigations strategies and phase 1 Safe Restart Funding; and the resulting financial position that is reflected in the year-end variance projections:

Table 1: 2020 Projected COVID-19 Financial Impacts

Description (\$Millions)	Year-End Projections				Comments
	Impacts	Savings / Offset*	Phase 1 Safe Restart Funding	Net Impacts	
City Tax Supported Programs	1,636.1	(533.8)	(668.5)	433.8	Reflected in Table 2
Toronto Parking Authority	66.8			66.8	Reflected in Table 3
Toronto Community Housing	13.5			13.5	Not Reflected in City Variance Reporting
<b>Total Projected 2020 Year-End Shortfall</b>	<b>1,716.4</b>	<b>(533.8)</b>	<b>(668.5)</b>	<b>514.1</b>	<b>Prior to Safe Restart Phase 2 Funding</b>

*\*Year-to-date savings of \$13.0M (TPA) and \$1.3M (TCHC) are reflected in impacts and factored in Year-End projections*

#### Tax Supported Programs:

The following table summarizes the anticipated year-end COVID-19 financial Impacts; projected offset from mitigations strategies and phase 1 initial Safe Restart funding; and the resulting financial position of the City's Tax Supported Operations as of September 30, 2020 and the projection at year-end:

- Toronto Parking Authority and Toronto Community Housing variance information is not reflected in table below, which details Tax Supported Programs only.

Table 2: Tax Supported Operating Variance Summary

Variance (\$M) Favourable / (Unfavourable)	2020 9M YTD			2020 Year-End Projection		
	Budget	Actual	Var	Budget	Actual	Var
<b>Forecast COVID-19 Financial Impacts</b>				<b>4,440.6</b>	<b>6,076.7</b>	<b>(1,636.1)</b>
Implemented Mitigation Strategies reflected in Year-End Projection				N/A	(533.8)	533.8
<b>Tax Supported Operating Variance Summary Including Mitigation Savings</b>						
City Operations	1,730.7	1,718.6	12.1	2,458.4	2,450.4	8.0
Agencies	1,410.8	1,687.0	(276.2)	2,166.6	2,829.5	(662.9)
Corporate Accounts	(425.5)	(255.5)	(170.0)	(200.6)	98.9	(299.5)
<b>Total Variance</b>	<b>2,716.0</b>	<b>3,150.2</b>	<b>(434.2)</b>	<b>4,424.5</b>	<b>5,378.9</b>	<b>(954.4)</b>
Toronto Building	(11.0)	(17.2)	6.2	(16.1)	(45.3)	29.2
<b>Total Variance- Excluding Toronto Building</b>	<b>2,727.0</b>	<b>3,167.4</b>	<b>(440.3)</b>	<b>4,440.6</b>	<b>5,424.2</b>	<b>(983.6)</b>
Safe Restart Funding – Transit Operations					404.1	404.1
Safe Restart Funding – Municipal Operations					145.7	145.7
Safe Restart Funding - Social Services Relief Fund <i>(Reflected in City Operations above as part of SSHA's Year-End Projection)</i>					<b>\$118.7 million in Funding Reflected in City Operations</b>	
<b>Adjusted Variance</b>				<b>4,440.6</b>	<b>4,874.4</b>	<b>(433.8)</b>
<b>% of Gross Budget</b>			<b>-5.8%</b>			<b>-3.7%</b>

**Year-to-Date and Year-End Spending Results:**

As noted in Table 2 above, for the nine months ended September 30, 2020 Tax Supported Operations experienced an unfavourable net variance of \$440.3 million or 5.8% of planned expenditures. This is mainly driven by COVID-19 related cost and

revenue impacts experienced beginning from mid-March onwards. The impact on the year-to-date results are reflected in the following areas:

- Toronto Transit Commission - Conventional Service (\$272.9 million unfavourable) primarily due to significant loss of ridership revenue from the impact of COVID-19. Ridership losses peaked at 86% below budget in late April and are currently projected to be 55% below budget through the fall. This was partially offset by the implementation of cost containment strategies and matching service capacity to demand.
- Shelter Support and Housing Administration (\$22.7 million unfavourable) primarily due to unplanned COVID-19 related expenditures related to new physical distancing measures implemented in the City's shelter system offset by Safe Restart funding; as well as underachieved revenues in Hostels and the Social Housing Service.
- Transportation Services (\$14.7 million unfavourable) due to lower capital recoveries, right-of-way permit & inspection fees; utility cut revenue linked to COVID-19 related contract delays.

For year-end, the City is projecting \$1.636 billion in COVID-19 related financial impacts, reduced by \$533.8 million in savings and offsets (\$499.7 million in mitigation strategies/cost avoidance and \$34.1 million in offsets from budget variance) and \$668.5 million in phase 1 Safe Restart funding for a net unfavourable variance of \$433.8 million or 3.7% of the 2020 Gross Operating Budget, adjusted for Toronto Building and excluding impacts to Rate supported programs and TCHC impacts.

- The unfavourable variance is primarily driven by COVID-19 financial impacts, resulting in increased emergency social support costs such as Shelter, Seniors Services and Long Term Care, as well as lost revenue in City Services such as TTC, Zoo, Exhibition Place, and Corporate revenues such as Municipal Land Transfer Tax and Municipal Accommodation Tax.

As noted, the projected year-end pressure resulting from COVID-19 related financial impacts has been lessened through a series of mitigation strategies and other offsets, these include:

\$499.7 million in projected savings generated through mitigation strategies and cost avoidance as detailed below:

- Workforce restraints including redeployment of staff to critical and essential service areas; implementing emergency and seasonal / part-time staff layoffs; the implementation of a hiring slowdown; and savings generated from labour negotiations.
- Spending restraints such as reducing discretionary spending; and reviewing all services for criticality (prioritize critical, essential and priority services).
- Cost avoidance arising from expenditure management and tracking and forecasting COVID-19 related savings.

An additional \$34.1 million in offsets are available from budget variance experienced within MLTT revenues from January 1 to March 31 that will be used to reduce COVID-19 related MLTT financial impacts.

Based on these initiatives, the City has achieved \$415.5 million in offsets within its Tax-Supported programs as of October 25, 2020 and expects to generate a total of \$533.8 million in offset by year-end.

### Rate Supported Programs:

Rate Supported Programs reported a favourable year-to-date variance of \$0.8 million. The favourable variance is attributed to lower than budgeted expenditures from Toronto Water and Solid Waste Management Services which is mostly offset from lower than planned revenue in Toronto Parking Authority. At year-end, an unfavourable projected variance is anticipated to be \$42.1 million, again primarily driven by significantly lower revenues from Toronto Parking Authority which is reflected in the City-wide COVID-19 financial impacts that are projected to total \$514.1 million in 2020, when adjusting for savings and initial Safe Restart funding.

Rate Supported Programs are funded entirely by the user fees that are used to pay for the services provided and the infrastructure to deliver them. Solid Waste Management Services and Toronto Water's respective year-end surpluses, if any, must be transferred to the Wastewater and Water Stabilization Reserves and Waste Management Reserve Fund, respectively, to finance capital investments and ongoing capital repairs and maintenance

Table 1: Rate Supported Operating Variance Summary

Variance (\$M) Favourable / (Unfavourable)	2020 9M YTD			2020 Year-End Projection		
	Budget	Actual	Var	Budget	Actual	Var
Solid Waste Management Services	(14.6)	(29.6)	15.1	0.0	(3.8)	3.8
Toronto Parking Authority	(53.6)	(7.5)	(46.1)	(70.1)	(3.3)	(66.8)
Toronto Water	(11.2)	(43.0)	31.8	0.0	(21.0)	21.0
<b>Total Variance</b>	<b>(79.4)</b>	<b>(80.1)</b>	<b>0.8</b>	<b>(70.1)</b>	<b>(28.0)</b>	<b>(42.1)</b>

### **Additional COVID-19 Related Impacts:**

In addition to COVID-19 impacts to the City's Tax and Rate supported programs that are reflected in City variance report, further impacts have been experienced with the Toronto Community Housing Corporation (TCHC).

City and TCHC finance staff have been working collaboratively to track and project COVID-19 financial impacts. The TCHC is estimating that impacts will total \$13.5 million by year-end.

In total, it is projected that the City will experience \$1.716 billion in COVID-19 financial impacts (\$1.636 billion – Tax Supported Programs; \$66.8 million – TPA; and \$13.5 million – TCHC) prior to savings and offsets that collectively total \$533.8 million; and phase 1 Safe Restart Funding of \$668.5, reducing the year-end shortfall to a projected \$514.1 million.

### **Safe Restart Agreement:**

On July 27, 2020 the Ontario government in partnership with the federal government announced \$4 billion in financial support for Ontario's 444 municipalities as part of the Safe Restart Agreement and on August 12, 2020 the City of Toronto was provided with initial phase funding allocations under the agreement totalling \$668.5 million as follows:

- Municipal Transit Funding Phase 1 - \$404.1 million allocated to Toronto proportionately based on ridership.
- Social Services Relief Fund Phase 2 - \$118.7 million allocated to Toronto in addition to the \$39 million previously received as part of Phase 1 funding.
- Municipal Operating Funding Phase 1 - \$145.7 million allocated to Toronto proportionately based on households.

\$668.5 million in new funding will be applied to projected 2020 year-end funding shortfall.

- It is estimated that the remaining 2020 funding shortfall for the City following phase 1 Safe Restart funding will be \$514.1 million.
- Future phase funding of up to \$2.129 billion will be allocated to municipalities by the Province on a needs basis between municipal transit needs (\$1.334 billion), municipal operating needs (\$695.0 million) and Public Health (\$100.0 million).
- Needs based applications have/will be submitted under the Safe Restart Program to obtain further funding to offset remaining COVID-19 financial impacts within Transit Operations, Public Health and Municipal Operations.

## **RECOMMENDATIONS**

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The Chief Financial Officer and Treasurer recommends that:

1. City Council approve the budget adjustments and any associated complement changes detailed in Appendix D to amend the 2020 Approved Operating Budget, such adjustments to have no impact on the 2020 Approved Net Operating Budget of the City.

## **FINANCIAL IMPACT**

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As of September 30, 2020 the City experienced an unfavourable variance of net revenues and expenses of \$440.3 million for Tax Supported Programs. The City is projecting for December 31, 2020 an unfavourable variance of net revenues and expenditures of \$433.8 million (Tax Supported Programs, adjusted for Toronto Building and including initial Safe Restart Funding).

Appendices A, B and C provide detailed summary of gross expenditures, revenue and net expenditures for the six month results and projections to year-end by Program and Agency, respectively. Appendix D details the recommended in-year budget adjustments that are fiscally neutral to the 2020 Approved Operating Budget.

## **DECISION HISTORY**

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City Council approved the 2020 Rate-Supported Operating Budget of \$931 million gross and \$70 million net revenue (December 17 & 18, 2019) and the 2020 Tax Supported Operating Budget of \$11.593 billion gross and \$4.424 billion net (February 19, 2020).

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 2020 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management policies.

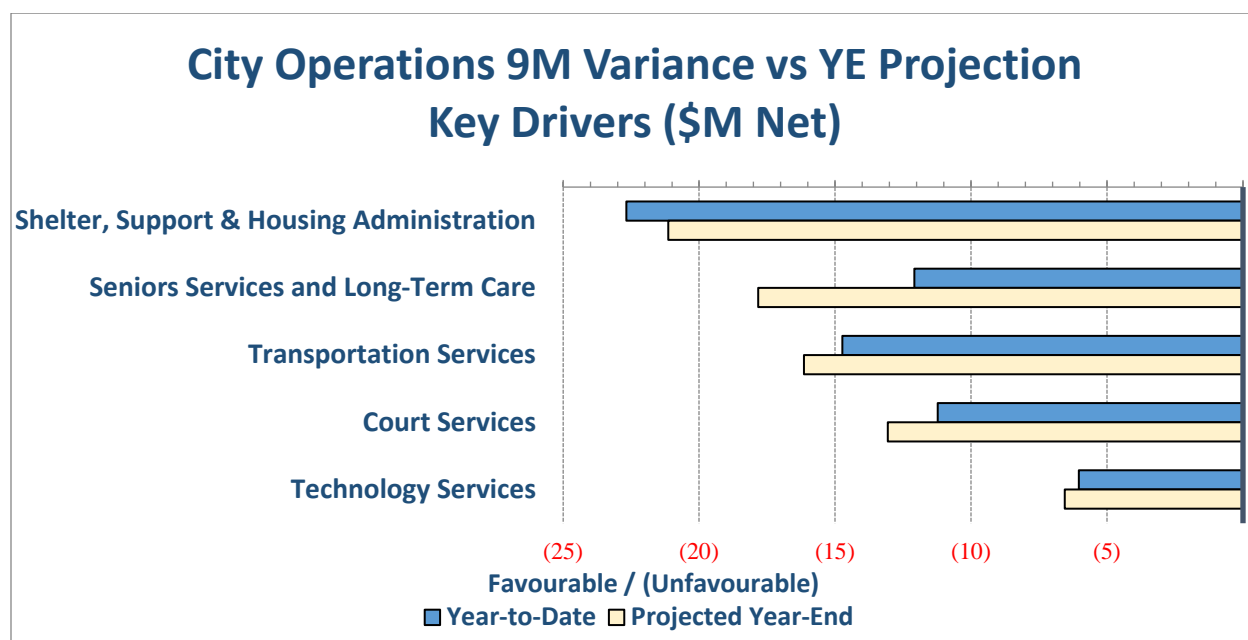
## COMMENTS

### City Operations:

As of September 30, 2020, City Operations reported a favourable gross expenditure variance of \$235.5 million (6%) offset by a revenue shortfall of \$223.4 million (-9%), resulting in a favourable net variance of \$12.1 million (1%).

Year-end projections include a favourable gross expenditure variance of \$219.7 million (4%) that is nearly offset by a revenue shortfall of \$211.7 million (-6%). As a result, year-end is forecasted to have a favourable net variance of \$7.9 million (0.3%). The key drivers of the favourable net variances are outlined in Figure 1 below:

Figure 1: City Operations Variance Summary of Key Program Drivers



- **Shelter, Support & Housing Administration:** An unfavourable year to date net expenditure variance of \$22.7 million primarily attributable to underachieved revenues in Hostels and the Social Housing Service, partially offset by underspending in these services. The year-end variance is projected to be an unfavourable net expenditure of \$21.1 million primarily attributable to unplanned COVID-19 related expenditures related to new physical distancing measures implemented in the City's shelter system which is offset by Safe Restart funding in support of Toronto's COVID-19 response and initial funding towards Refugee Response initiative.
- **Seniors Services and Long-Term Care:** An unfavourable year to date net variance of \$12.1 million reflects the additional cost of prevention and containment measures in place for COVID-19. By year-end, the program is expected to have an unfavourable



net variance of \$17.8 million if COVID-19 emergency funding is not provided by the province to support the extraordinary costs related to the COVID-19 outbreak.

- **Transportation Services:** An unfavourable year to date net variance of \$14.7 million due to lower capital recoveries, right-of-way permit & inspection fees; utility cut revenue linked to COVID-19 related contract delays was partially offset by underspending in salaries and benefits due to vacancies, school crossing guard program due to school closures and road & bridge repairs contract delays due to COVID-19. A similar trend is expected to continue, resulting in a projected unfavourable net variance of \$16.2 million by year-end.
- **Court Services:** An unfavourable year to date net variance of \$11.2 million primarily due to underachieved revenues resulting from lower than plan ticket issuance and partial suspension of collection activities due to COVID-19 partially offset by underspending in salaries and benefits and non-payroll expenses. Consistent with year-to-date results, a \$13.1 million net unfavourable variance is projected for year-end partially offset by hiring delays and savings in non-salary court operation related expenses.
- **Technology Services:** An unfavourable year to date net variance of \$6.0 million due to over expenditure required to enable City-wide staff to telework as a result of COVID 19 and lower than planned recoveries from capital. Consistent with year-to-date results, an unfavourable net variance of \$6.6 million is projected for year-end with continued expenditures from increasing the teleworking capacity and cybersecurity investments to meet associated security requirements.

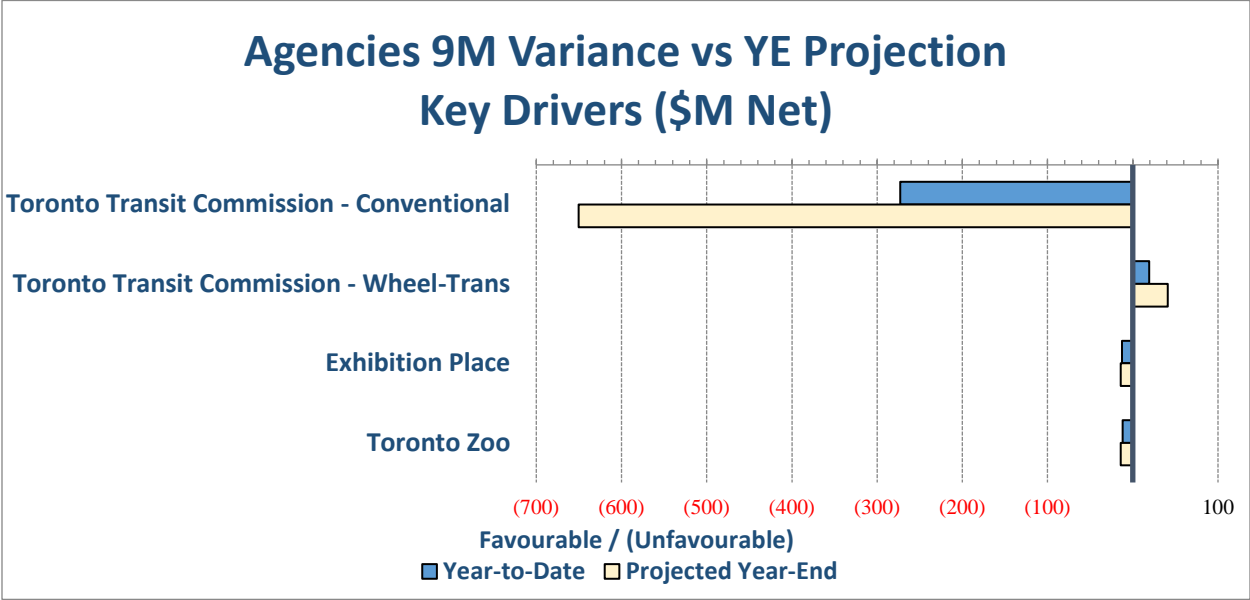
### **Agencies:**

As of September 30, 2020, Agencies reported a favourable gross expenditure variance of \$129.5 million (5%), offset by unfavourable revenue of \$405.7 million (-41%), which resulted in an unfavourable net variance of \$276.2 million (-20%).

Agencies are projecting a year-end favourable gross expenditure of \$226.0 million (6%), however they are also projecting a revenue shortfall of \$888.9 million (-47%). As a result, the year-end unfavourable net variance is forecasted to be \$662.9 million (-31%), when excluding phase 1 Safe Restart funding

The key drivers of the unfavourable net variances are outlined below:

Figure 2: Agencies Variance Summary of Key Program Drivers



- Toronto Transit Commission – Please note: Final Q3 information was not available for this report. Projections provided by TTC staff are based on weekly COVID information have been incorporated.
  - Conventional Service: An unfavourable year to date net variance of \$272.9 million is mainly attributable to a significant loss of ridership revenue from the impact of COVID-19. Ridership losses peaked at 86% below budget in late April. This was partially offset by the implementation of cost containment strategies and matching service capacity to demand.
  - By year-end, the estimated unfavourable net variance (excluding Safe Restart funding) is projected to be \$650.4 million primarily due to ridership revenue continuing to be significantly impacted by COVID-19 which was partially offset by reduced service levels and management actions and other savings initiatives. The ridership projections are heavily dependent on the current pace of reopening by the Province and the City, any COVID-19 resurgence can significantly alter revenue projections.
  - As a result of ridership revenue losses, it is expected that the Fare Box Ratio (portion of TTC costs supported through transit fares) will decrease from a budget amount of 62.7% downward to 28.1%, reflecting the pressure.
  - Wheel Trans Service: A favourable year to date net variance of \$19.2 million due to the implementation of cost containment strategies and matching service capacity to demand which partially offset by lower ridership revenue due to the impact of COVID-19. Consistent with year-to-date results, an estimated \$41.2 million net favourable variance is projected for year-end.

- **Exhibition Place:** An unfavourable year to date net variance of \$12.6 million due to lower than planned expenditure and revenue from the postponement and cancellation of non-essential events due to COVID-19. By year-end, the program is expected to have an unfavourable net variance of \$14.1 million with the assumption that operations will not resume in 2020.
- **Toronto Zoo:** An unfavourable year to date net variance of \$11.8 million due to lower than planned revenue due to Zoo closure from March 14 to May 19 and modified operations from May 20 onwards as a result of COVID-19. The revenue shortfall is partially offset by the launch of the Scenic Safari and by the implementation of cost saving measures resulting in favorable gross expenditures. Consistent with year-to-date results, a \$14.0 million net unfavourable variance is projected for year-end.

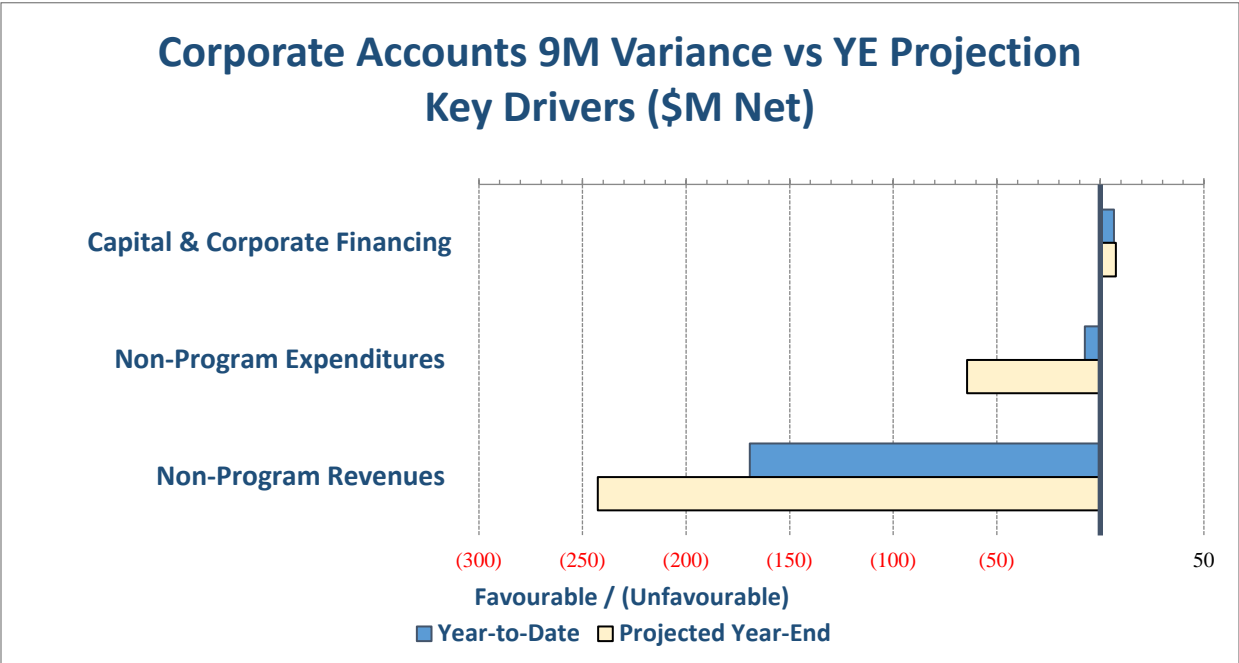
**Corporate Accounts:**

As of September 30, 2020, Corporate Accounts reported a favourable gross expenditure variance of \$1.4 million (0.1%) fully offset by a revenue shortfall of \$171.4 million (-9%), resulting in an unfavourable net variance of \$170.0 million (-40%).

The projected year-end favourable gross expenditure variance of \$19.2 million (1%) is offset by a revenue shortfall of \$263.0 million (-21%). As a result, the year-end unfavourable net variance is forecasted to be \$370.8 million (-193%).

The following key drivers have contributed to the unfavourable net variances:

Figure 3: Corporate Accounts Variance Summary of Key Drivers



- **Capital & Corporate Financing:** A year-to-date favourable net variance of \$6.6 million associated due to lower than forecasted 2020 debt issuance rates which is partially offset by timing difference between actual versus budgeted debt charges. A favourable year-end net variance of \$7.5 million is projected due to lower than forecasted 2020 debt issuance rates.
- **Non-Program Expenditures:** An unfavourable year-to-date net variance of \$7.4 million mainly due to budgeted savings in the non-program account to be realized in other programs partially offset by underspending in budgeted cost of living adjustments. An unfavourable year-end net variance of \$64.3 million is projected predominantly due to an increased liability related to staff's inability to fully utilize vacation days during the pandemic period.
- **Non-Program Revenues:** An unfavourable year-to-date net variance of \$169.2 million due to impacts from COVID-19 resulting in lower than planned revenues for Municipal Land Transfer Tax, Municipal Accommodation Tax, Parking Enforcement Tax Penalty, Parking Authority Revenues and Casino Woodbine. Consistent with year-to-date results, a \$242.7 million net unfavourable variance is projected for year-end.

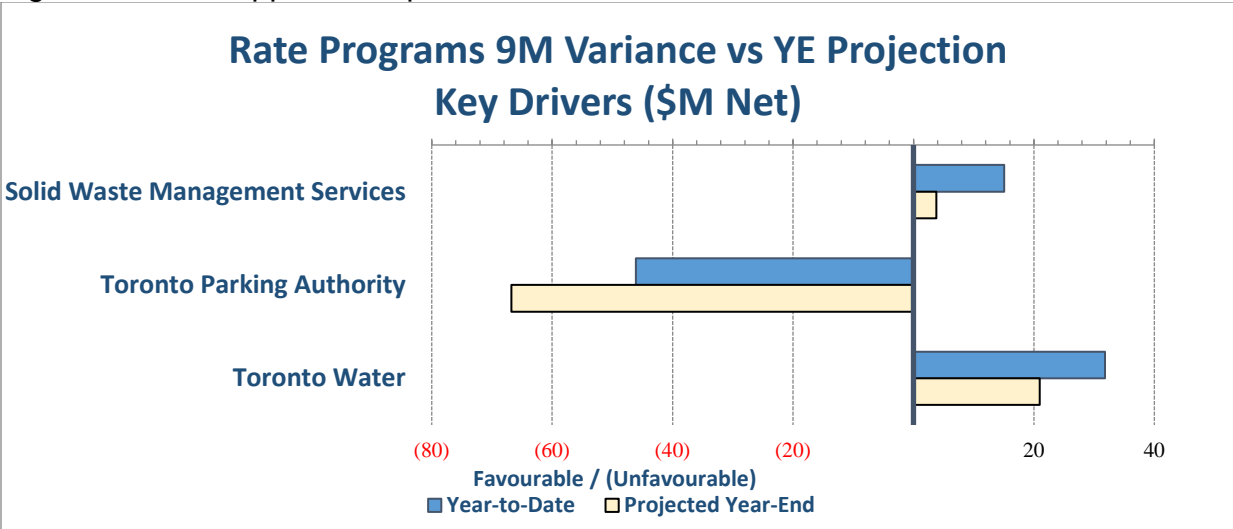
**Rate Programs**

As of September 30, 2020, Rate Programs reported a favourable gross expenditure of \$57.5 million (4%) partially offset by a revenue shortfall of \$56.7 million (-4%), resulting in a favourable net variance of \$0.8 million (1%).

The projected year-end favourable gross expenditure of \$59.1 million (3%) is fully offset by a revenue shortfall of \$101.2 million (-5%). As a result, the year-end unfavourable net variance is forecasted to be \$42.1 million (-60%).

The following key drivers have contributed to the unfavourable net variances:

Figure 4: Rate Supported Expenditure Variance Dashboard



- Solid Waste Management Services: A favourable year-to-date net variance of \$15.1 million net primarily from lower than planned salaries and benefits as well as underspending in processing, transfer & haulage expenditures which is offset by lower than planned revenues due to decreased tipping fees at Transfer Stations and reduced quantity of residual disposal fees paid by recycling processor. By year-end the program is expected to have a favourable net variance of \$3.8 million primarily due to lower net collection revenues from the impact of COVID-19 as well as lower residue disposal and lower tipping fees.
- Toronto Parking Authority: An unfavourable year-to-date net variance of \$46.1 million due to unfavourable revenue primarily driven by lower Off-Street and On-Street parking and Bike Share due to decreased transaction volume trends resulting from COVID-19. This was partially offset by favourable gross expenditure due to underspending of salaries, wages and benefits mainly from the deferral of the summer student program, and staff on Emergency Leave. By year-end, the program is expected to have an unfavourable net variance of \$66.8 million due to factors that are consistent with year-to-date results.
- Toronto Water: A favourable year-to-date net variance of \$31.8 million due to lower than planned labour costs that have been experienced as well as lower hydro rates and water consumption due to continued efficiency initiatives. Overall, revenues are over achieved from higher than anticipated revenue from private water agreements as ground water discharge continued despite some COVID-19 related construction site closures as well as higher increased volume of water-main connections. By year-end, the program is expected to have a favourable net variance of \$21.0 million due to underspending mainly in salaries and benefits due to a hiring slow down as a result of COVID-19 and lower than anticipated utility costs. This is partially offset from revenue pressures due to lower than planned consumption of water, and lower recoveries from Metrolinx due to project delays

## 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 6 below, the City received \$0.1 million in donations during Q3 of 2020.

Figure 6: Summary of Donations Received Less than \$50,000

Donor	Amount (\$000s)	Purpose
<b>Economic Development &amp; Culture</b>		
Colborne Lodge	0.05	General Cash/From the Box
Market Gallery	0.03	General Cash/From the Box
Scarborough	0.09	General Cash/From the Box
Scarborough	3.00	Other (from Royal Bank of Canada)
<i>Sub-Total</i>	<i>3.17</i>	
<b>Toronto Paramedic Services</b>		
Individual Donor	1.70	Individual donors to Safe City - First Aid, CPR, AED trainings
<i>Sub-Total</i>	<i>1.70</i>	
<b>Parks, Forestry &amp; Recreation</b>		
MaRS Discovery District	5.00	Learn to Play Soccer Program
Canada Helps	1.00	Toronto Sports Leadership Program
<i>Sub-Total</i>	<i>6.00</i>	
<b>Municipal Licensing &amp; Standards</b>		
Individual Donors (multiple donations of small value)	67.51	Care and services related to animals
<i>Sub-Total</i>	<i>67.51</i>	
<b>Transportation Services</b>		
Individual Donor	1.90	Donation for a street art project (Micki Moore Art over Bridges)
<i>Sub-Total</i>	<i>1.90</i>	
<b>Heritage Toronto</b>		
Urbanspace	1.50	General
Buttcon	2.50	General
VG Architects	1.00	General
Woodcliffe Corp	2.50	General
Primrose Foundation	2.00	General
Toronto Foundation	2.00	General
Individual Donors (multiple donations of small value)	4.00	General
<i>Sub-Total</i>	<i>15.50</i>	
<b>Grand Total</b>	<b>95.78</b>	

## **CONTACT**

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## **SIGNATURE**

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Heather Taylor  
Chief Financial Officer and Treasurer

## **ATTACHMENTS**

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Appendix A – City of Toronto Net Expenditures for Nine Months Ended September 30, 2020

Appendix B – City of Toronto Gross Expenditures for Nine Months Ended September 30, 2020

Appendix C – City of Toronto Revenues for Nine Months Ended September 30, 2020

Appendix D – Pending Budget Adjustments

Appendix E – Operating Variance Dashboard for City Programs and Agencies

## Appendix A

CITY OF TORONTO								
CONSOLIDATED NET EXPENDITURES VARIANCE								
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020								
(\$000s)								
	September 30, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Community and Social Services</b>								
Housing Secretariat	707	141	566	80%	1,186	970	216	18%
Children's Services	51,902	49,771	2,131	4%	91,984	89,053	2,931	3%
Court Services	(30,325)	(19,097)	(11,227)	37%	(39,867)	(26,801)	(13,067)	33%
Economic Development & Culture	63,988	60,591	3,396	5%	76,731	74,758	1,973	3%
Toronto Paramedic Services	54,599	56,522	(1,923)	-4%	88,933	90,079	(1,146)	-1%
Seniors Services and Long-Term Care	24,093	36,183	(12,090)	-50%	49,640	67,470	(17,830)	-36%
Parks, Forestry & Recreation	240,247	213,017	27,229	11%	325,518	312,710	12,808	4%
Shelter, Support & Housing Administration	379,153	401,832	(22,679)	-6%	507,163	528,298	(21,135)	-4%
Social Development, Finance & Administration	45,263	38,010	7,252	16%	59,088	54,309	4,780	8%
Toronto Employment & Social Services	62,753	46,100	16,653	27%	91,220	67,686	23,535	26%
<b>Sub-Total Community and Social Services</b>	<b>892,380</b>	<b>883,072</b>	<b>9,309</b>	<b>1%</b>	<b>1,251,597</b>	<b>1,258,531</b>	<b>(6,934)</b>	<b>-1%</b>
<b>Infrastructure and Development Services</b>								
City Planning	8,235	5,671	2,564	31%	13,551	11,534	2,016	15%
Fire Services	341,803	335,707	6,096	2%	476,631	472,049	4,582	1%
Office of Emergency Management	1,577	1,818	(241)	-15%	2,607	3,117	(510)	-20%
Municipal Licensing & Standards	2,406	7,081	(4,675)	-194%	12,320	16,445	(4,125)	-33%
Policy, Planning, Finance & Administration	3,234	3,175	59	2%	5,439	4,754	685	13%
Engineering & Construction Services	1,662	1,005	657	40%	1,886	1,745	141	7%
Toronto Building	(11,029)	(17,185)	6,156	-56%	(16,147)	(45,333)	29,186	-181%
Transportation Services	155,297	170,034	(14,737)	-9%	227,063	243,209	(16,146)	-7%
Transit Expansion	0	0	0	100%	0.60	0	0.6	100%
<b>Sub-Total Infrastructure and Development Services</b>	<b>503,186</b>	<b>507,306</b>	<b>(4,121)</b>	<b>-1%</b>	<b>723,350</b>	<b>707,521</b>	<b>15,830</b>	<b>2%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer	9,174	8,929	246	3%	13,327	12,849	478	4%
Office of the Controller	27,238	33,867	(6,628)	-24%	40,031	45,011	(4,980)	-12%
<b>Sub-Total Finance and Treasury Services</b>	<b>36,413</b>	<b>42,796</b>	<b>(6,383)</b>	<b>-18%</b>	<b>53,358</b>	<b>57,860</b>	<b>(4,501)</b>	<b>-8%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	76,025	71,933	4,092	5%	104,438	109,029	(4,591)	-4%
Environment & Energy	9,689	7,107	2,582	27%	13,031	10,220	2,811	22%
Fleet Services	17,525	14,544	2,980	17%	27,385	24,025	3,360	12%
Technology Services	69,850	75,886	(6,036)	-9%	100,353	106,909	(6,555)	-7%
311 Toronto	6,359	6,252	106	2%	10,278	10,254	24	0%
<b>Sub-Total Corporate Services</b>	<b>179,447</b>	<b>175,723</b>	<b>3,724</b>	<b>2%</b>	<b>255,485</b>	<b>260,436</b>	<b>(4,950)</b>	<b>-2%</b>
<b>City Manager</b>								
City Manager's Office	39,147	38,924	223	1%	58,134	58,263	(129)	0%
<b>Sub-Total City Manager</b>	<b>39,147</b>	<b>38,924</b>	<b>223</b>	<b>1%</b>	<b>58,134</b>	<b>58,263</b>	<b>(129)</b>	<b>0%</b>
<b>Other City Programs</b>								
City Clerk's Office	26,793	24,755	2,038	8%	38,928	36,065	2,863	7%
Legal Services	29,096	24,337	4,759	16%	41,649	37,320	4,329	10%
Mayor's Office	1,720	1,642	78	5%	2,567	2,567	0	0%
City Council	14,705	13,000	1,705	12%	21,781	20,391	1,390	6%
<b>Sub-Total Other City Programs</b>	<b>72,314</b>	<b>63,734</b>	<b>8,579</b>	<b>12%</b>	<b>104,925</b>	<b>96,343</b>	<b>8,582</b>	<b>8%</b>
<b>Accountability Offices</b>								
Auditor General's Office	4,930	4,446	484	10%	7,376	7,376	0	0%
Office of the Integrity Commissioner	520	351	169	33%	762	672	90	12%
Office of the Lobbyist Registrar	861	826	36	4%	1,252	1,252	0	0%
Office of the Ombudsman	1,499	1,467	32	2%	2,196	2,196	0	0%
<b>Sub-Total Accountability Offices</b>	<b>7,811</b>	<b>7,090</b>	<b>721</b>	<b>9%</b>	<b>11,586</b>	<b>11,496</b>	<b>90</b>	<b>1%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>1,730,697</b>	<b>1,718,645</b>	<b>12,052</b>	<b>1%</b>	<b>2,458,436</b>	<b>2,450,448</b>	<b>7,987</b>	<b>0%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020



## Appendix A

CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 (\$000s)								
	September 30, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Agencies</b>								
Toronto Public Health	51,975	52,054	(78)	0%	70,829	91,199	(20,370)	-29%
Toronto Public Library	143,168	139,254	3,914	3%	196,695	195,757	938	0%
Association of Community Centres	6,493	5,773	720	11%	8,661	8,590	71	1%
Exhibition Place	(646)	11,962	(12,607)	1953%	(500)	13,592	(14,092)	2818%
Heritage Toronto	280	236	44	16%	431	502	(70)	-16%
TO Live	3,887	5,913	(2,025)	-52%	5,599	10,228	(4,629)	-83%
Toronto Zoo	5,342	17,097	(11,755)	-220%	12,772	26,790	(14,018)	-110%
Arena Boards of Management	242	1,230	(989)	-409%	(108)	1,955	(2,062)	1910%
Yonge Dundas Square	(201)	1,228	(1,429)	711%	0	1,728	(1,728)	n/a
CreateTO	0	0	0	n/a	0	(0)	0	n/a
Toronto & Region Conservation Authority	3,483	3,483	0	0%	4,268	4,268	0	0%
Toronto Transit Commission - Conventional	339,064	611,986	(272,922)	-80%	642,582	1,292,982	(650,400)	-101%
Toronto Transit Commission - Wheel-Trans	74,147	54,936	19,211	26%	147,246	106,046	41,200	28%
Toronto Police Service	780,698	779,048	1,650	0%	1,076,195	1,073,995	2,200	0%
Toronto Police Services Board	2,869	2,812	56	2%	1,930	1,855	75	4%
<b>TOTAL - AGENCIES</b>	<b>1,410,801</b>	<b>1,687,010</b>	<b>(276,209)</b>	<b>-20%</b>	<b>2,166,600</b>	<b>2,829,485</b>	<b>(662,885)</b>	<b>-31%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0	750	(750)	n/a	328,770	328,770	0	0%
Technology Sustainment	14,934	14,934	0	0%	19,912	19,912	0	0%
Debt Charges	427,528	420,162	7,366	2%	598,414	590,875	7,540	1%
Capital & Corporate Financing	442,462	435,846	6,616	1%	947,096	939,556	7,540	1%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	48,542	41,499	7,043	15%	65,422	55,765	9,658	15%
Tax Increment Equivalent Grants (TIEG)	21,965	21,733	232	1%	29,287	28,978	309	1%
Assessment Function (MPAC)	34,420	34,586	(167)	0%	45,893	46,115	(222)	0%
Funding of Employee Related Liabilities	53,125	53,087	38	0%	70,833	70,794	39	0%
Other Corporate Expenditures	(19,572)	3,039	(22,611)	116%	(13,314)	67,916	(81,230)	610%
Parking Tag Enforcement & Oper.	42,255	36,015	6,240	15%	62,112	55,587	6,525	11%
Programs Funded from Reserve Funds	3,750	3,750	0	0%	0	0	0	100%
Heritage Property Taxes Rebate	1,747	1,315	432	25%	2,329	1,753	576	25%
Tax Rebates for Registered Charities	0	(0)	0	n/a	0	(25)	25	n/a
Solid Waste Management Rebates	66,163	64,804	1,359	2%	75,371	75,371	(0)	0%
Tax Increment Funding (TIF)	0	0	0	n/a	1,814	1,814	0	0%
Non-Program Expenditures	252,394	259,828	(7,434)	-3%	339,748	404,068	(64,320)	-19%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	(96,389)	(89,951)	(6,438)	7%	(96,389)	(89,951)	(6,438)	7%
Supplementary Taxes	(21,284)	(35,818)	14,534	-68%	(34,000)	(38,353)	4,353	-13%
Tax Penalty Revenue	(24,536)	(24,662)	126	-1%	(32,000)	(33,360)	1,360	-4%
Interest/Investment Earnings	(83,279)	(79,709)	(3,570)	4%	(114,810)	(98,541)	(16,269)	14%
Other Corporate Revenues	(2,491)	(1,748)	(743)	30%	(10,955)	(10,033)	(922)	8%
Dividend Income	(78,750)	(69,480)	(9,270)	12%	(105,000)	(92,640)	(12,360)	12%
Provincial Revenue	(68,700)	(68,700)	0	0%	(91,600)	(91,600)	0	0%
Municipal Land Transfer Tax	(546,797)	(488,539)	(58,258)	11%	(725,023)	(672,333)	(52,691)	7%
Third Party Sign Tax	(9,007)	(10,086)	1,079	-12%	(9,007)	(9,800)	793	-9%
Parking Authority Revenues	(28,503)	(7,989)	(20,514)	72%	(54,739)	(12,668)	(42,071)	77%
Administrative Support Recoveries - Water	(14,230)	(14,230)	0	0%	(18,973)	(18,973)	0	0%
Administrative Support Recoveries - Health & EMS	(7,820)	(7,820)	0	0%	(10,427)	(10,427)	0	0%
Parking Tag Enforcement & Operations Rev	(82,187)	(47,244)	(34,943)	43%	(114,840)	(66,722)	(48,117)	42%
Other Tax Revenues	(10,192)	(12,775)	2,583	-25%	(10,192)	(12,775)	2,583	-25%
Municipal Accommodation Tax	(24,699)	10,680	(35,380)	143%	(31,545)	17,413	(48,958)	155%
Casino Woodbine	(21,489)	(3,085)	(18,403)	86%	(27,900)	(3,940)	(23,960)	86%
Non-Program Revenues	(1,120,353)	(951,157)	(169,197)	15%	(1,487,400)	(1,244,703)	(242,697)	16%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(425,498)</b>	<b>(255,484)</b>	<b>(170,014)</b>	<b>40%</b>	<b>(200,556)</b>	<b>98,921</b>	<b>(299,478)</b>	<b>149%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>2,716,000</b>	<b>3,150,171</b>	<b>(434,171)</b>	<b>-16%</b>	<b>4,424,479</b>	<b>5,378,855</b>	<b>(954,376)</b>	<b>-22%</b>
Total Variance-Excluding Toronto Building	2,727,029	3,167,356	(440,328)	-16%	4,440,626	5,424,188	(983,562)	-22%
Safe Restart Funding – Transit Operations						(404,100)	404,100	n/a
Safe Restart Funding – Municipal Operations						(145,700)	145,700	n/a
Safe Restart Funding - Social Services Relief Fund (Reflected above as part of SSHA's Year-End Projection)						n/a	n/a	n/a
<b>TOTAL ADJUSTED TAX SUPPORTED PROGRAMS/AGENCIES</b>	<b>2,727,029</b>	<b>3,167,356</b>	<b>(440,328)</b>	<b>-16%</b>	<b>4,440,626</b>	<b>4,874,388</b>	<b>(433,762)</b>	<b>-10%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	(14,554)	(29,620)	15,067	-104%	0	(3,775)	3,775	n/a
Toronto Parking Authority	(53,619)	(7,505)	(46,114)	86%	(70,100)	(3,305)	(66,795)	95%
Toronto Water	(11,193)	(43,008)	31,815	-284%	0	(20,966)	20,966	n/a
<b>TOTAL RATE SUPPORTED PROGRAMS</b>	<b>(79,366)</b>	<b>(80,133)</b>	<b>767</b>	<b>-1%</b>	<b>(70,100)</b>	<b>(28,047)</b>	<b>(42,053)</b>	<b>60%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix B

CITY OF TORONTO								
CONSOLIDATED GROSS EXPENDITURES VARIANCE								
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020								
(\$000s)								
September 30, 2020					December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Community and Social Services</b>								
Housing Secretariat	9,659	4,110	5,549	57%	15,734	14,074	1,660	11%
Children's Services	459,538	400,407	59,131	13%	683,048	614,828	68,220	10%
Court Services	25,236	16,042	9,193	36%	35,940	24,040	11,900	33%
Economic Development & Culture	71,335	64,085	7,250	10%	92,058	83,265	8,793	10%
Toronto Paramedic Services	172,202	172,347	(145)	0%	251,700	252,023	(322)	0%
Seniors Services and Long-Term Care	190,995	213,736	(22,741)	-12%	272,878	304,188	(31,311)	-11%
Parks, Forestry & Recreation	327,602	255,897	71,705	22%	461,851	382,427	79,424	17%
Shelter, Support & Housing Administration	750,474	770,700	(20,226)	-3%	1,026,725	1,131,437	(104,712)	-10%
Social Development, Finance & Administration	57,265	52,565	4,700	8%	79,355	80,690	(1,335)	-2%
Toronto Employment & Social Services	809,280	760,325	48,955	6%	1,094,373	1,010,850	83,523	8%
<b>Sub-Total Community and Social Services</b>	<b>2,873,587</b>	<b>2,710,216</b>	<b>163,371</b>	<b>6%</b>	<b>4,013,661</b>	<b>3,897,821</b>	<b>115,840</b>	<b>3%</b>
<b>Infrastructure and Development Services</b>								
City Planning	37,364	33,292	4,072	11%	54,647	50,144	4,503	8%
Fire Services	357,543	353,685	3,858	1%	497,373	494,291	3,082	1%
Office of Emergency Management	2,227	2,469	(242)	-11%	3,267	3,769	(501)	-15%
Municipal Licensing & Standards	42,129	39,030	3,099	7%	67,468	59,822	7,646	11%
Policy, Planning, Finance & Administration	11,751	10,419	1,332	11%	17,035	15,238	1,796	11%
Engineering & Construction Services	50,445	45,577	4,868	10%	73,195	66,808	6,387	9%
Toronto Building	40,644	34,530	6,114	15%	61,335	53,743	7,592	12%
Transportation Services	279,467	262,284	17,182	6%	417,298	377,875	39,423	9%
Transit Expansion	6,199	3,244	2,955	48%	8,672	5,223	3,449	40%
<b>Sub-Total Infrastructure and Development Services</b>	<b>827,768</b>	<b>784,530</b>	<b>43,238</b>	<b>5%</b>	<b>1,200,290</b>	<b>1,126,914</b>	<b>73,376</b>	<b>6%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer	11,809	11,324	485	4%	17,143	16,207	936	5%
Office of the Controller	57,041	52,160	4,882	9%	80,816	75,860	4,956	6%
<b>Sub-Total Finance and Treasury Services</b>	<b>68,850</b>	<b>63,483</b>	<b>5,367</b>	<b>8%</b>	<b>97,959</b>	<b>92,067</b>	<b>5,892</b>	<b>6%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	131,015	131,265	(250)	0%	194,109	201,729	(7,619)	-4%
Environment & Energy	10,248	8,259	1,990	19%	17,125	12,867	4,257	25%
Fleet Services	44,361	37,107	7,254	16%	62,696	55,552	7,144	11%
Technology Services	93,036	94,057	(1,021)	-1%	138,047	135,750	2,296	2%
311 Toronto	12,802	11,787	1,015	8%	19,175	17,912	1,263	7%
<b>Sub-Total Corporate Services</b>	<b>291,462</b>	<b>282,474</b>	<b>8,987</b>	<b>3%</b>	<b>431,151</b>	<b>423,810</b>	<b>7,341</b>	<b>2%</b>
<b>City Manager</b>								
City Manager's Office	42,224	42,773	(549)	-1%	63,537	63,427	109	0%
<b>Sub-Total City Manager</b>	<b>42,224</b>	<b>42,773</b>	<b>(549)</b>	<b>-1%</b>	<b>63,537</b>	<b>63,427</b>	<b>109</b>	<b>0%</b>
<b>Other City Programs</b>								
City Clerk's Office	35,694	31,161	4,532	13%	52,774	46,131	6,644	13%
Legal Services	46,998	38,974	8,024	17%	67,716	58,742	8,974	13%
Mayor's Office	1,720	1,642	78	5%	2,567	2,567	0	0%
City Council	14,705	13,000	1,705	12%	21,889	20,433	1,456	7%
<b>Sub-Total Other City Programs</b>	<b>99,116</b>	<b>84,777</b>	<b>14,339</b>	<b>14%</b>	<b>144,946</b>	<b>127,873</b>	<b>17,073</b>	<b>12%</b>
<b>Accountability Offices</b>								
Auditor General's Office	4,930	4,446	484	10%	7,376	7,376	0	0%
Office of the Integrity Commissioner	520	351	169	33%	762	672	90	12%
Office of the Lobbyist Registrar	861	826	36	4%	1,252	1,252	0	0%
Office of the Ombudsman	1,499	1,467	32	2%	2,196	2,196	0	0%
<b>Sub-Total Accountability Offices</b>	<b>7,811</b>	<b>7,090</b>	<b>721</b>	<b>9%</b>	<b>11,586</b>	<b>11,496</b>	<b>90</b>	<b>1%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>4,210,817</b>	<b>3,975,344</b>	<b>235,473</b>	<b>6%</b>	<b>5,963,130</b>	<b>5,743,407</b>	<b>219,723</b>	<b>4%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix B

CITY OF TORONTO								
CONSOLIDATED GROSS EXPENDITURES VARIANCE								
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020								
(\$000s)								
	September 30, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Agencies</b>								
Toronto Public Health	184,156	175,888	8,268	4%	280,671	288,604	(7,933)	-3%
Toronto Public Library	157,226	151,154	6,072	4%	217,334	212,361	4,973	2%
Association of Community Centres	6,732	5,888	844	13%	8,979	8,716	263	3%
Exhibition Place	43,837	27,771	16,066	37%	57,054	35,073	21,981	39%
Heritage Toronto	789	622	167	21%	1,117	950	168	15%
TO Live	25,578	11,901	13,677	53%	38,699	16,376	22,323	58%
Toronto Zoo	40,082	30,697	9,385	23%	52,134	42,089	10,045	19%
Arena Boards of Management	6,959	5,788	1,170	17%	9,963	8,584	1,378	14%
Yonge Dundas Square	2,804	1,506	1,298	46%	3,934	2,118	1,815	46%
CreateTO	10,760	10,338	422	4%	14,409	14,660	(251)	-2%
Toronto & Region Conservation Authority	7,739	7,739	0	0%	9,470	9,470	0	0%
Toronto Transit Commission - Conventional	1,008,890	949,910	58,980	6%	1,987,171	1,851,371	135,800	7%
Toronto Transit Commission - Wheel-Trans	78,779	57,334	21,445	27%	156,483	109,883	46,600	30%
Toronto Police Service	823,769	832,169	(8,400)	-1%	1,221,216	1,232,416	(11,200)	-1%
Toronto Police Services Board	2,869	2,812	56	2%	5,342	5,267	75	1%
<b>TOTAL - AGENCIES</b>	<b>2,400,968</b>	<b>2,271,516</b>	<b>129,452</b>	<b>5%</b>	<b>4,063,976</b>	<b>3,837,938</b>	<b>226,038</b>	<b>6%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0	750	(750)	n/a	340,220	340,220	0	0%
Technology Sustainment	14,934	14,934	0	0%	19,912	19,912	0	0%
Debt Charges	462,581	459,081	3,500	1%	666,665	659,125	7,540	1%
Capital & Corporate Financing	477,514	474,764	2,750	1%	1,026,797	1,019,257	7,540	1%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	48,542	41,499	7,043	15%	65,422	55,765	9,658	15%
Tax Increment Equivalent Grants (TIEG)	21,965	21,733	232	1%	29,287	28,978	309	1%
Assessment Function (MPAC)	34,420	34,586	(167)	0%	45,893	46,115	(222)	0%
Funding of Employee Related Liabilities	53,125	53,087	38	0%	70,833	70,794	39	0%
Other Corporate Expenditures	6,258	14,252	(7,993)	-128%	21,869	80,649	(58,780)	-269%
Parking Tag Enforcement & Oper.	42,255	36,015	6,240	15%	62,112	55,587	6,525	11%
Programs Funded from Reserve Funds	113,194	113,194	0	0%	143,778	153,814	(10,036)	-7%
Heritage Property Taxes Rebate	1,747	1,315	432	25%	2,329	1,753	576	25%
Tax Rebates for Registered Charities	7,733	7,757	(25)	0%	7,733	7,733	0	0%
Solid Waste Management Rebates	66,163	64,804	1,359	2%	85,371	85,371	(0)	0%
Tax Increment Funding (TIF)	0	0	0	n/a	1,814	1,814	0	0%
Non-Program Expenditures	395,400	388,241	7,159	2%	536,441	588,372	(51,931)	-10%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	0	0	0	n/a	0	0	0	n/a
Supplementary Taxes	0	0	0	n/a	0	0	0	n/a
Tax Penalty Revenue	0	0	0	n/a	0	0	0	n/a
Interest/Investment Earnings	7,648	4,283	3,364	44%	10,723	7,136	3,587	33%
Other Corporate Revenues	710	431	279	39%	848	662	186	22%
Dividend Income	0	0	0	n/a	0	0	0	n/a
Provincial Revenue	0	0	0	n/a	0	0	0	n/a
Municipal Land Transfer Tax	54,518	54,473	45	0%	72,667	72,668	(0)	0%
Third Party Sign Tax	0	0	0	n/a	0	0	0	n/a
Parking Authority Revenues	0	15,835	(15,835)	n/a	0	0	0	n/a
Administrative Support Recoveries - Water	0	0	0	n/a	0	0	0	n/a
Administrative Support Recoveries - Health & EMS	0	0	0	n/a	0	0	0	n/a
Other Tax Revenues	0	(2,218)	2,218	n/a	0	(2,218)	2,218	n/a
Municipal Accommodation Tax	22,520	21,097	1,423	6%	30,027	28,130	1,898	6%
Casino Woodbine	0	0	0	n/a	0	0	0	n/a
Non-Program Revenues	85,396	93,902	(8,506)	-10%	114,265	106,378	7,888	7%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>958,311</b>	<b>956,908</b>	<b>1,403</b>	<b>0%</b>	<b>1,677,503</b>	<b>1,714,006</b>	<b>(36,504)</b>	<b>-2%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCII</b>	<b>7,570,096</b>	<b>7,203,768</b>	<b>366,328</b>	<b>5%</b>	<b>11,704,608</b>	<b>11,295,351</b>	<b>409,257</b>	<b>3%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	266,839	242,744	24,094	9%	378,904	357,413	21,491	6%
Toronto Parking Authority	75,359	63,585	11,774	16%	101,772	86,405	15,367	15%
Toronto Water	1,025,154	1,003,570	21,584	2%	1,390,550	1,368,309	22,241	2%
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>1,367,352</b>	<b>1,309,899</b>	<b>57,452</b>	<b>4%</b>	<b>1,871,226</b>	<b>1,812,127</b>	<b>59,099</b>	<b>3%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix C

CITY OF TORONTO CONSOLIDATED REVENUE VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 (\$000s)								
	September 30, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Community and Social Services</b>								
Housing Secretariat	8,952	3,969	(4,983)	-56%	14,547	13,104	(1,444)	-10%
Children's Services	407,636	350,636	(57,000)	-14%	591,064	525,775	(65,289)	-11%
Court Services	55,560	35,140	(20,420)	-37%	75,808	50,841	(24,967)	-33%
Economic Development & Culture	7,348	3,494	(3,854)	-52%	15,327	8,508	(6,820)	-44%
Toronto Paramedic Services	117,603	115,825	(1,778)	-2%	162,767	161,944	(823)	-1%
Seniors Services and Long-Term Care	166,902	177,553	10,651	6%	223,238	236,718	13,481	6%
Parks, Forestry & Recreation	87,355	42,880	(44,475)	-51%	136,333	69,717	(66,616)	-49%
Shelter, Support & Housing Administration	371,321	368,868	(2,453)	-1%	519,561	603,139	83,577	16%
Social Development, Finance & Administration	12,002	14,555	2,553	21%	20,267	26,381	6,114	30%
Toronto Employment & Social Services	746,527	714,225	(32,301)	-4%	1,003,152	943,164	(59,988)	-6%
<b>Sub-Total Community and Social Services</b>	<b>1,981,207</b>	<b>1,827,145</b>	<b>(154,062)</b>	<b>-8%</b>	<b>2,762,064</b>	<b>2,639,290</b>	<b>(122,774)</b>	<b>-4%</b>
<b>Infrastructure and Development Services</b>								
City Planning	29,129	27,621	(1,508)	-5%	41,096	38,610	(2,486)	-6%
Fire Services	15,740	17,978	2,238	14%	20,742	22,242	1,500	7%
Office of Emergency Management	650	651	1	0%	660	651	(9)	-1%
Municipal Licensing & Standards	39,723	31,948	(7,774)	-20%	55,148	43,377	(11,771)	-21%
Policy, Planning, Finance & Administration	8,517	7,245	(1,273)	-15%	11,596	10,485	(1,111)	-10%
Engineering & Construction Services	48,783	44,572	(4,211)	-9%	71,309	65,063	(6,246)	-9%
Toronto Building	51,672	51,715	42	0%	77,482	99,075	21,594	28%
Transportation Services	124,170	92,250	(31,920)	-26%	190,235	134,666	(55,569)	-29%
Transit Expansion	6,198	3,244	(2,955)	-48%	8,671	5,223	(3,448)	-40%
<b>Sub-Total Infrastructure and Development Services</b>	<b>324,582</b>	<b>277,223</b>	<b>(47,359)</b>	<b>-15%</b>	<b>476,939</b>	<b>419,393</b>	<b>(57,546)</b>	<b>-12%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer	2,635	2,395	(240)	-9%	3,816	3,358	(458)	-12%
Office of the Controller	29,803	18,293	(11,510)	-39%	40,785	30,849	(9,936)	-24%
<b>Sub-Total Finance and Treasury Services</b>	<b>32,437</b>	<b>20,688</b>	<b>(11,750)</b>	<b>-36%</b>	<b>44,601</b>	<b>34,207</b>	<b>(10,394)</b>	<b>-23%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	54,990	59,332	4,342	8%	89,671	92,700	3,029	3%
Environment & Energy	559	1,151	592	106%	4,094	2,648	(1,446)	-35%
Fleet Services	26,836	22,562	(4,274)	-16%	35,311	31,527	(3,784)	-11%
Technology Services	23,186	18,171	(5,015)	-22%	37,693	28,842	(8,852)	-23%
311 Toronto	6,443	5,535	(908)	-14%	8,897	7,658	(1,239)	-14%
<b>Sub-Total Corporate Services</b>	<b>112,015</b>	<b>106,751</b>	<b>(5,264)</b>	<b>-5%</b>	<b>175,666</b>	<b>163,374</b>	<b>(12,292)</b>	<b>-7%</b>
<b>City Manager</b>								
City Manager's Office	3,076	3,849	772	25%	5,403	5,165	(238)	-4%
<b>Sub-Total City Manager</b>	<b>3,076</b>	<b>3,849</b>	<b>772</b>	<b>25%</b>	<b>5,403</b>	<b>5,165</b>	<b>(238)</b>	<b>-4%</b>
<b>Other City Programs</b>								
City Clerk's Office	8,901	6,406	(2,495)	-28%	13,846	10,066	(3,781)	-27%
Legal Services	17,901	14,637	(3,265)	-18%	26,067	21,422	(4,645)	-18%
Mayor's Office	0	0	0	n/a	0	0	0	n/a
City Council	0	(0)	(0)	n/a	108	42	(66)	-61%
<b>Sub-Total Other City Programs</b>	<b>26,802</b>	<b>21,043</b>	<b>(5,759)</b>	<b>-21%</b>	<b>40,021</b>	<b>31,530</b>	<b>(8,492)</b>	<b>-21%</b>
<b>Accountability Offices</b>								
Auditor General's Office	0	0	0	n/a	0	0	0	n/a
Office of the Integrity Commissioner	0	0	0	n/a	0	0	0	n/a
Office of the Lobbyist Registrar	0	0	0	n/a	0	0	0	n/a
Office of the Ombudsman	0	0	0	n/a	0	0	0	n/a
<b>Sub-Total Accountability Offices</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,480,120</b>	<b>2,256,699</b>	<b>(223,421)</b>	<b>-9%</b>	<b>3,504,694</b>	<b>3,292,958</b>	<b>(211,736)</b>	<b>-6%</b>

Staff report for action on Operating Variance Report for the Nine Months  
Ended September 30, 2020

## Appendix C

CITY OF TORONTO CONSOLIDATED REVENUE VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020 (\$000s)								
	September 30, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Agencies</b>								
Toronto Public Health	132,181	123,834	(8,347)	-6%	209,842	197,405	(12,437)	-6%
Toronto Public Library	14,058	11,900	(2,158)	-15%	20,640	16,604	(4,036)	-20%
Association of Community Centres	239	115	(124)	-52%	318	126	(192)	-60%
Exhibition Place	44,482	15,809	(28,673)	-64%	57,554	21,481	(36,073)	-63%
Heritage Toronto	509	386	(123)	-24%	686	448	(238)	-35%
TO Live	21,691	5,988	(15,702)	-72%	33,099	6,148	(26,951)	-81%
Toronto Zoo	34,740	13,600	(21,140)	-61%	39,362	15,299	(24,063)	-61%
Arena Boards of Management	6,717	4,558	(2,159)	-32%	10,070	6,629	(3,441)	-34%
Yonge Dundas Square	3,005	278	(2,727)	-91%	3,934	391	(3,543)	-90%
CreateTO	10,760	10,338	(422)	-4%	14,409	14,660	251	2%
Toronto & Region Conservation Authority	4,256	4,256	0	0%	5,203	5,203	0	0%
Toronto Transit Commission - Conventional	669,826	337,924	(331,902)	-50%	1,344,589	558,389	(786,200)	-58%
Toronto Transit Commission - Wheel-Trans	4,632	2,397	(2,234)	-48%	9,237	3,837	(5,400)	-58%
Toronto Police Service	43,072	53,122	10,050	23%	145,021	158,421	13,400	9%
Toronto Police Services Board	0	0	0	n/a	3,412	3,412	0	0%
<b>TOTAL - AGENCIES</b>	<b>990,168</b>	<b>584,506</b>	<b>(405,661)</b>	<b>-41%</b>	<b>1,897,376</b>	<b>1,008,453</b>	<b>(888,923)</b>	<b>-47%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0	0	0	n/a	11,450	11,450	0	0%
Technology Sustainment	0	0	0	n/a	0	0	0	n/a
Debt Charges	35,053	38,919	3,866	11%	68,250	68,250	0	0%
Capital & Corporate Financing	35,053	38,919	3,866	11%	79,701	79,701	0	0%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	0	0	0	n/a	0	0	0	n/a
Tax Increment Equivalent Grants (TIEG)	0	0	0	n/a	0	0	0	n/a
Assessment Function (MPAC)	0	0	0	n/a	0	0	0	n/a
Funding of Employee Related Liabilities	0	0	0	n/a	0	0	0	n/a
Other Corporate Expenditures	25,830	11,213	(14,617)	-57%	35,182	12,732	(22,450)	-64%
Programs Funded from Reserve Funds	109,443	109,443	0	0%	143,778	153,814	10,036	7%
Heritage Property Taxes Rebate	0	0	0	n/a	0	0	0	n/a
Tax Rebates for Registered Charities	7,733	7,757	25	0%	7,733	7,757	25	0%
Solid Waste Management Rebates	0	0	0	n/a	10,000	10,000	0	0%
Tax Increment Funding (TIF)	0	0	0	n/a	0	0	0	n/a
Non-Program Expenditures	143,006	128,414	(14,593)	-10%	196,693	184,304	(12,389)	-6%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	96,389	89,951	(6,438)	-7%	96,389	89,951	(6,438)	-7%
Supplementary Taxes	21,284	35,818	14,534	68%	34,000	38,353	4,353	13%
Tax Penalty Revenue	24,536	24,662	126	1%	32,000	33,360	1,360	4%
Interest/Investment Earnings	90,927	83,993	(6,934)	-8%	125,533	105,677	(19,856)	-16%
Other Corporate Revenues	3,201	2,179	(1,022)	-32%	11,803	10,695	(1,108)	-9%
Dividend Income	78,750	69,480	(9,270)	-12%	105,000	92,640	(12,360)	-12%
Provincial Revenue	68,700	68,700	0	0%	91,600	91,600	0	0%
Municipal Land Transfer Tax	601,315	543,012	(58,303)	-10%	797,691	745,000	(52,691)	-7%
Third Party Sign Tax	9,007	10,086	1,079	12%	9,007	9,800	793	9%
Parking Authority Revenues	28,503	23,824	(4,679)	-16%	54,739	12,668	(42,071)	-77%
Administrative Support Recoveries - Water	14,230	14,230	0	0%	18,973	18,973	0	0%
Administrative Support Recoveries - Health & EMS	7,820	7,820	0	0%	10,427	10,427	0	0%
Parking Tag Enforcement & Operations Rev	82,187	47,244	(34,943)	-43%	114,840	66,722	(48,117)	-42%
Other Tax Revenues	10,192	10,558	365	4%	10,192	10,558	365	4%
Municipal Accommodation Tax	47,220	10,417	(36,803)	-78%	61,572	10,717	(50,855)	-83%
Casino Woodbine	21,489	3,085	(18,403)	-86%	27,900	3,940	(23,960)	-86%
Non-Program Revenues	1,205,749	1,045,059	(160,690)	-13%	1,601,665	1,351,080	(250,585)	-16%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,383,808</b>	<b>1,212,391</b>	<b>(171,417)</b>	<b>-12%</b>	<b>1,878,059</b>	<b>1,615,085</b>	<b>(262,974)</b>	<b>-14%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>4,854,096</b>	<b>4,053,597</b>	<b>(800,500)</b>	<b>-16%</b>	<b>7,280,129</b>	<b>5,916,496</b>	<b>(1,363,633)</b>	<b>-19%</b>
Safe Restart Funding – Transit Operations						404,100	404,100	n/a
Safe Restart Funding – Municipal Operations						145,700	145,700	n/a
Safe Restart Funding - Social Services Relief Fund (Reflected above as part of SSHA's Year-End Projection)						n/a	n/a	n/a
<b>TOTAL ADJUSTED TAX SUPPORTED PROGRAMS/AGENCIES</b>	<b>4,854,096</b>	<b>4,053,597</b>	<b>(800,500)</b>	<b>-16%</b>	<b>7,280,129</b>	<b>6,466,296</b>	<b>(813,833)</b>	<b>-11%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	281,392	272,365	(9,028)	-3%	378,904	361,189	(17,715)	-5%
Toronto Parking Authority	128,978	71,090	(57,888)	-45%	171,872	89,710	(82,162)	-48%
Toronto Water	1,036,347	1,046,578	10,231	1%	1,390,550	1,389,275	(1,274)	0%
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>1,446,717</b>	<b>1,390,032</b>	<b>(56,685)</b>	<b>-4%</b>	<b>1,941,326</b>	<b>1,840,174</b>	<b>(101,151)</b>	<b>-5%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix D

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
<b>Community and Social Services</b>					
<b>Economic Development &amp; Culture</b>					
A new permanent position is required to oversee the policy work required for the implementation of EDC's Equity Plan, working closely with senior management to implement and monitor all divisional activities in support of the City's Poverty Reduction Strategy and Confronting Anti-Black Racism Action Plan. This position may work with potentially sensitive information related to human resources that would not be appropriate for a unionized employee be involved in. This would be achieved through the deletion of a Senior Policy Advisor position from Program Support and the creation of a Policy Development Officer in the Program Support section to reside in the Policy Development unit, with no financial	0.0	0.0	0.0	0.0	(0.0)
<b>Total Economic Development &amp; Culture</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>
<b>Total Community and Social Services</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(0.0)</b>
<b>Infrastructure and Development Services</b>					
<b>City Planning</b>					
To purchase computer equipment for remote work requirements driven by Covid which is funded by the CP Development Technology Reserve Fund (XR1306), increasing the 2020 City Planning Operating Budget by \$0.130 million and \$0 net.	129.6	129.6	0.0	0.0	0.0
<b>Total City Planning</b>	<b>129.6</b>	<b>129.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Policy, Planning, Finance &amp; Administration</b>					
To transfer one permanent position to Controller's office to advance corporate initiatives decreasing the divisional Operating Budget by \$0.12 million gross and net.	(11.8)	0.0	(11.8)	(1.0)	(134.8)
<b>Total Policy, Planning, Finance &amp; Administration</b>	<b>(11.8)</b>	<b>0.0</b>	<b>(11.8)</b>	<b>(1.0)</b>	<b>(134.8)</b>
<b>Total Infrastructure and Development Services</b>	<b>117.8</b>	<b>129.6</b>	<b>(11.8)</b>	<b>(1.0)</b>	<b>(134.8)</b>
<b>Corporate Services</b>					
<b>Corporate Real Estate Management</b>					
The transfer of 4.0 positions to CreateTO to support the planning and execution of strategic real estate projects. This will align resources with the mandates of the City-wide Real Estate Strategy.	(0.0)	0.0	(0.0)	(4.0)	0.0
<b>Total Corporate Real Estate Management</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.0)</b>	<b>(4.0)</b>	<b>0.0</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix D

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2020**  
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
<b>Environment &amp; Energy</b>					
To adjust Environment & Energy Division's Operating Budget by \$0.2 million gross, funded entirely from the Pollinator Protection Reserve Fund, and enable 2020 execution of the Pollinator Stewardship Incentive Program framework per PE26.7 Pollinator Protection Strategy.	170.0	170.0	0.0	0.0	0.0
<b>Total Environment &amp; Energy</b>	<b>170.0</b>	<b>170.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Corporate Services</b>	<b>170.0</b>	<b>170.0</b>	<b>(0.0)</b>	<b>(4.0)</b>	<b>0.0</b>
<b>Finance and Treasury Services</b>					
<b>Office of the Controller</b>					
Transfer of one permanent position from Policy, Planning, Finance & Administration to Controller's Office to advance corporate initiatives. Increase to operating budget of \$0.012 million gross and net and one position.	11.8	0.0	11.8	1.0	152.3
<b>Total Office of the Controller</b>	<b>11.8</b>	<b>0.0</b>	<b>11.8</b>	<b>1.0</b>	<b>152.3</b>
<b>Total Finance and Treasury Services</b>	<b>11.8</b>	<b>0.0</b>	<b>11.8</b>	<b>1.0</b>	<b>152.3</b>
<b>City Manager's Office</b>					
In order to accelerate the Concept 2 Keys (C2K) initiative and associated work, funding of \$1M gross and \$0net is required in 2020 for 6 temporary delegated authority positions and consulting expenses, fully funded from XR1305 (Building Code Act Service Improvement RF) and XR 1307 (Development Application Review RF). The objectives of C2K include implementing changes that lead to an end-to-end development review process that is service oriented, accountable, predictable, transparent, performance-based, and collaborative. (PH16.5b)	1,000.0	1,000.0	0.0	0.0	0.0
<b>Total City Manager's Office</b>	<b>1,000.0</b>	<b>1,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>
<b>Total City Programs</b>	<b>1,299.6</b>	<b>1,299.6</b>	<b>(0.0)</b>	<b>(4.0)</b>	<b>17.5</b>
<b>Agencies</b>					
<b>CreateTO</b>					
Transfer of 4.0 FTEs from Corporate Real Estate Management (CREM) for \$0.251 million gross and \$Nil net impact, funded by recoveries from CREM. The transfer of positions reflects the right placement of resources for the execution and implementation and alignment with the mandates of the City Wide Real Estate Strategy.	250.8	250.8	0.0	4.0	0.0
<b>Total CreateTO</b>	<b>250.8</b>	<b>250.8</b>	<b>0.0</b>	<b>4.0</b>	<b>0.0</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix D

<b>Exhibition Place</b>					
To change the revenue source by replacing event revenues with contribution from the Exhibition Place Conference Centre Reserve in the amount of \$2.387 million with zero gross and net impact. Exhibition Place's revenues have been heavily impacted putting Exhibition Place in a position where loan payments cannot be made. The recommended in-year budget adjustment to draw on the reserve fund is required to provide a source of funding should there be any shortfalls in loan repayments to the City.	0.0	0.0	0.0	0.0	0.0
<b>Total Exhibition Place</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Toronto Public Health</b>					
To increase the 2020 Approved Operating Budget for Toronto Public Health by \$4.191 million gross, \$0 net and 102 temporary positions, fully funded by the province. The additional school-focused nurses will provide rapid-response support to schools and boards in facilitating public health and preventative measures, including screening, testing, tracing and mitigation strategies.	4,190.8	4,190.8	0.0	102.0	0.0
To increase the 2020 Approved Operating Budget for Toronto Public Health by \$0.609 million gross, \$0 net and 2.7 temporary positions, funded one-time through the Ministry of Children, Community and Social Services, to support hearing checks for infants who did not receive their universal newborn hearing screen due to the COVID-19 outbreak	608.5	608.5	(0.0)	2.7	0.0
To increase the 2020 Approved Operating Budget for Toronto Public Health by \$0.038 million gross and \$0 net in one-time provincial funding to support the delivery of the Needle Exchange Program.	37.5	37.5	0.0	0.0	0.0
To increase the 2020 Approved Operating Budget for Toronto Public Health by \$0.183 million gross and \$0 net in one-time provincial funding to support the roll-out the Province's new COVID-19 case and contact management (CCM) system which will further streamline public health unit processes through improved system workflows and direct integration with provincial data.	183.1	183.1	0.0	0.0	0.0
<b>Total Toronto Public Health</b>	<b>5,019.9</b>	<b>5,019.9</b>	<b>(0.0)</b>	<b>104.7</b>	<b>0.0</b>
<b>Total Agencies</b>	<b>5,270.7</b>	<b>5,270.7</b>	<b>(0.0)</b>	<b>108.7</b>	<b>0.0</b>
<b>Total Tax Supported Operations</b>	<b>6,570.3</b>	<b>6,570.3</b>	<b>(0.0)</b>	<b>104.7</b>	<b>17.5</b>
<b>Total City Operations</b>	<b>6,570.3</b>	<b>6,570.3</b>	<b>(0.0)</b>	<b>104.7</b>	<b>17.5</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020



## Appendix E

Figure 7: Community and Social 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	
Housing Secretariat	5-Month	2.0	▲	(2.0)	▼	(0.0)	—	Ⓞ	1.1	▲	(1.7)	▼	(0.6)	▼	Ⓜ
	6-Month	4.2	▲	(4.3)	▼	(0.2)	▼	Ⓜ	1.9	▲	(1.7)	▼	0.3	▲	Ⓞ
	9-Month	5.5	▲	(5.0)	▼	0.6	▲	Ⓢ	1.7	▲	(1.4)	▼	0.2	▲	Ⓞ
Children's Services	5-Month	28.2	▲	(26.8)	▼	1.4	▲	Ⓞ	57.4	▲	(55.0)	▼	2.5	▲	Ⓞ
	6-Month	28.3	▲	(26.6)	▼	1.7	▲	Ⓞ	61.9	▲	(59.1)	▼	2.8	▲	Ⓞ
	9-Month	59.1	▲	(57.0)	▼	2.1	▲	Ⓞ	68.2	▲	(65.3)	▼	2.9	▲	Ⓞ
Court Services	5-Month	2.8	▲	(12.2)	▼	(9.4)	▼	Ⓢ	9.9	▲	(24.6)	▼	(14.7)	▼	Ⓜ
	6-Month	4.8	▲	(15.6)	▼	(10.9)	▼	Ⓢ	10.2	▲	(29.8)	▼	(19.5)	▼	Ⓜ
	9-Month	9.2	▲	(20.4)	▼	(11.2)	▼	Ⓢ	11.9	▲	(25.0)	▼	(13.1)	▼	Ⓜ
Economic Development & Culture	5-Month	1.1	▲	(0.9)	▼	0.2	▲	Ⓞ	7.3	▲	(6.2)	▼	1.1	▲	Ⓞ
	6-Month	3.0	▲	(1.5)	▼	1.5	▲	Ⓞ	5.8	▲	(6.8)	▼	(1.0)	▼	Ⓜ
	9-Month	7.3	▲	(3.9)	▼	3.4	▲	Ⓞ	8.8	▲	(6.8)	▼	2.0	▲	Ⓞ
Toronto Paramedic Services	5-Month	(0.7)	▼	(2.9)	▼	(3.6)	▼	Ⓜ	(0.2)	▼	(0.7)	▼	(1.0)	▼	Ⓜ
	6-Month	(0.7)	▼	2.6	▲	1.9	▲	Ⓞ	(1.7)	▼	(0.6)	▼	(2.3)	▼	Ⓜ
	9-Month	(0.1)	▼	(1.8)	▼	(1.9)	▼	Ⓞ	(0.3)	▼	(0.8)	▼	(1.1)	▼	Ⓜ
Seniors Services and Long-Term Care	5-Month	(5.2)	▼	(1.0)	▼	(6.2)	▼	Ⓜ	(15.5)	▼	(2.1)	▼	(17.6)	▼	Ⓜ
	6-Month	(7.2)	▼	(1.6)	▼	(8.8)	▼	Ⓜ	(22.9)	▼	5.0	▲	(17.8)	▼	Ⓜ
	9-Month	(22.7)	▼	10.7	▲	(12.1)	▼	Ⓜ	(31.3)	▼	13.5	▲	(17.8)	▼	Ⓜ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix E

Figure 8: Community and Social 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	
Parks, Forestry & Recreation	5-Month	23.2	▲	(14.5)	▼	8.7	▲	Ⓞ	65.0	▲	(64.6)	▼	0.4	▲	Ⓞ
	6-Month	42.9	▲	(22.5)	▼	20.3	▲	Ⓞ	65.7	▲	(63.0)	▼	2.7	▲	Ⓞ
	9-Month	71.7	▲	(44.5)	▼	27.2	▲	Ⓞ	79.4	▲	(66.6)	▼	12.8	▲	Ⓞ
Shelter, Support & Housing Administration	5-Month	(3.3)	▼	(8.1)	▼	(11.5)	▼	Ⓞ	(164.0)	▼	(21.1)	▼	(185.1)	▼	Ⓡ
	6-Month	(21.7)	▼	10.3	▲	(11.4)	▼	Ⓞ	(141.3)	▼	(23.3)	▼	(164.7)	▼	Ⓡ
	9-Month	(20.2)	▼	(2.5)	▼	(22.7)	▼	Ⓡ	(104.7)	▼	83.6	▲	(21.1)	▼	Ⓡ
Social Development, Finance & Administration	5-Month	6.9	▲	0.2	▲	7.1	▲	Ⓨ	(1.8)	▼	9.2	▲	7.5	▲	Ⓞ
	6-Month	3.5	▲	3.8	▲	7.4	▲	Ⓨ	(2.8)	▼	6.9	▲	4.1	▲	Ⓞ
	9-Month	4.7	▲	2.6	▲	7.3	▲	Ⓨ	(1.3)	▼	6.1	▲	4.8	▲	Ⓞ
Toronto Employment & Social Services	5-Month	22.8	▲	(17.8)	▼	5.0	▲	Ⓨ	(16.1)	▼	31.9	▲	15.8	▲	Ⓞ
	6-Month	15.1	▲	(7.2)	▼	8.0	▲	Ⓨ	(3.1)	▼	20.2	▲	17.1	▲	Ⓞ
	9-Month	49.0	▲	(32.3)	▼	16.7	▲	Ⓨ	83.5	▲	(60.0)	▼	23.5	▲	Ⓞ
Total	5-Month	77.7	▲	(86.1)	▼	(8.4)	▼	Ⓞ	(56.8)	▼	(134.9)	▼	(191.8)	▼	Ⓡ
	6-Month	72.2	▲	(62.7)	▼	9.5	▲	Ⓞ	(26.2)	▼	(152.0)	▼	(178.3)	▼	Ⓡ
	9-Month	163.4	▲	(154.1)	▼	9.3	▲	Ⓞ	115.8	▲	(122.8)	▼	(6.9)	▼	Ⓡ
<b>Year-to-Date Net Variance</b>	<b>Ⓞ</b>	85% to 105%	<b>Ⓨ</b>	0% to 85%	<b>Ⓡ</b>	>105%	<b>Year-End</b>	<b>Ⓞ</b>	<=100%	<b>Ⓡ</b>	>100%				

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix E

### Community and Social Services

Year-to-Date Results	Year-End Projections
<p><b>Housing Secretariat:</b></p> <ul style="list-style-type: none"><li>• Favourable gross expenditure variance of \$5.6 million primarily due to timing differences in year-to-date budget versus actual experience resulting from delays in advancing some of the Housing Now projects due to the ongoing COVID-19 pandemic, as well as underspending in salaries and benefits resulting from delays in filling vacant positions.</li><li>• Underachieved revenues of \$5.0 million resulting from timing differences in the transfer and recognition of budgeted reserve draws required to fund affordable housing development projects.</li><li>• Favourable net variance \$0.6 million due to timing delays in revenue recognition related to plan, offset by savings in salaries and benefits resulting from hiring delays.</li></ul>	<ul style="list-style-type: none"><li>• Projected favourable gross expenditure variance of \$1.7 million primarily due to underspending in projects under the "Housing Now" initiative as well as underspending in salaries and benefits resulting from delays in filling vacant positions and underspending in consulting fees related to HousingTO 2020-2030 Action Plans.</li><li>• Projected underachieved revenues of \$1.5 million resulting from lower than planned recognition of budgeted reserve draws and timing differences resulting from "Housing Now" Initiative project timelines.</li><li>• Favourable net variance of \$0.2 million due to lower than plan expenditures resulting from project implementation delays and savings in salaries and benefits, significantly offset by underachieved revenues resulting from lower than planned recognition of budgeted reserve draws.</li></ul>
<p><b>Children's Services:</b></p> <ul style="list-style-type: none"><li>• Favourable gross expenditure variance of \$59.1, is primarily attributable to COVID, which resulted in the closure of all licensed child care centres, facilities providing indoor recreational programs, including EarlyON Child and Family Centres. As part of the City's pandemic response, and to support essential and front-</li></ul>	<ul style="list-style-type: none"><li>• Favourable gross variance of \$68.2 million is primarily attributable to underspending in 100% provincially funded programs, including the Provincial Wage Enhancement. The province directed that funding be re-purposed to support the financial viability of the sector, while also</li></ul>

<p>line workers, Children's Services operated 8 emergency child care centres until June 26, at no cost to families and fully funded by the Province. Since the lifting of the Provincial order to shut down child care, centres have begun to reopen with modified public health protocols and reduced numbers. In the short term, consequently, underspending occurred in child care fee subsidies, operating grants, and the 100% provincially funded programs; as well, as under-spending in salaries and benefits reflecting the hiring slowdown and temporarily discontinued services</p> <ul style="list-style-type: none"> <li>• Under achieved revenues of \$57.0 million corresponds to both underspending in the delivery of provincially and federally funded programs, as well as the impact of the provincial direction to eliminate charging parent fees where care is not being provided.</li> <li>• Favourable net of \$2.1 million reflects a combination of underspending in salaries and benefits and other operational savings resulting from provincially declared state of emergency and transition to reopening of the early years' and child care sector.</li> </ul>	<p>maximizing available federal support programs. The gradual reopening of the early years and child care sector began in mid-June, with capacity restrictions, which were fully removed effective September 1st. Actual spending and forecasts will be closely monitored and adjusted based on sector needs, demand for service, enhanced provincial operating guidelines and confirmed funding allocations.</p> <ul style="list-style-type: none"> <li>• Revenues are projected to be underachieved by \$65.3 million, both reflecting the withdrawal of services and with the gradual re-opening and mandated capacity reductions of licensed child care centres that commenced in mid-June.</li> <li>• Favourable net variance of \$2.9 million reflects a combination of savings from salaries and benefits and operational savings resulting from the provincially declared state of emergency and transition to re-opening of the early years' and child care sector. These projections include both the expenditures and revenues for the recently announced Federal Fast Start programming of \$47.5 million.</li> </ul>
<p><b>Court Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$9.2 million due to underspending in salaries and benefits resulting from hiring delays and lower than anticipated non salary related expenditures for tribunal members' honorarium, payments to province and interpreter services due to temporary closure of court rooms as a result of the COVID-19 pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable gross expenditure variance of \$11.9 million due to underspending in salaries and benefits resulting from delays in hiring and lower non-payroll expenditures such as honorarium for tribunal members, payments to province and interpreter costs.</li> <li>• Projected underachieved revenues of \$25.0 million primarily due to lower than plan issuance of tickets,</li> </ul>

<ul style="list-style-type: none"> <li>• Underachieved revenues of \$20.4 million primarily due to lower than plan ticket issuance including delayed implementation of the Automated Speed Enforcement initiative (plan 429,991 actual 279,887), and partial suspension of collection activities as a result of COVID-19.</li> <li>• Unfavourable net variance of \$11.2 million primarily due to underachieved revenues resulting from lower than plan ticket issuance and partial suspension of collection activities due to COVID-19 partially offset by underspending in salaries and benefits and non-payroll expenses.</li> </ul>	<p>delayed implementation of the Automated Speed Enforcement (ASE) initiative and partial suspension of collection efforts as a result of COVID-19. The current court closure which is expected to last until December 2020 will continue to adversely impact fine revenues for the portion of charges adjudicated through the POA Courts.</p> <ul style="list-style-type: none"> <li>• Projected unfavourable year-end net variance of \$13.1 million resulting from under achieved revenues as indicated above, partially offset by hiring delays and savings in non-salary court operation related expenses.</li> </ul>
<p><b>Economic Development &amp; Culture:</b></p> <ul style="list-style-type: none"> <li>• Favourable net expenditures of \$3.4 million or 5.3% under the 2020 Approved Operating Budget is due to:</li> <li>• Favorable gross expenditure of \$7.3 million is primarily driven by underspending in salaries and benefits resulting from delays in hiring, vacancy and savings from recreation and part time workers due to site closures and reduced capacity. Other savings include reduction in travel expenses and International Strategy, cancellation of Doors Open Event, hosting of virtual Nuit Blanche and timing in grant payments.</li> <li>• Underachieved revenue of \$3.9 million is mainly attributed to loss of sponsorship funding for cancelled City events and small business services, film permitting fees, admissions and fees for programs and camps, as well as rentals at closed Museums and Cultural Centres as a result of COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Economic Development and Culture (EDC) projects a favorable net expenditures of \$2.0 million by year-end primarily due to:</li> <li>• Underspending in salaries and benefits, savings from conversion of in-person City events to virtual and reduction in international travel expense. Also received was one-time COVID-19 emergency funding from the federal government for museums.</li> <li>• These savings are offset by COVID-19 related expenditures and revenue losses in film permit fees, sponsorship funding and program fees for courses and camps, as well as rentals at closed Museums and Cultural Centres.</li> <li>• Savings are also being redirected to address COVID-19 mitigation and recovery efforts for Toronto's business, tourism and cultural sectors and the ShowLoveTO campaign.</li> </ul>

<p><b>Toronto Paramedic Services:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$0.2 million primarily attributable to additional costs as a result of COVID-19 and WSIB pressures related to Bill 163, partially offset by lower expenditures in salaries and benefits due to hiring delays as a result of COVID-19 and a reduction in overtime.</li> <li>• Underachieved revenues of \$1.8 million attributed to lower than anticipated reserve fund transfers in addition to the loss of user fee revenue as a result of the COVID-19 related shutdowns. Partially offset by the unbudgeted increases to Provincial funding.</li> <li>• Unfavourable net variance of \$1.9 million primarily due to COVID-19 costs, WSIB pressures and lower than anticipated reserve fund transfers, partially offset by savings in salaries and benefits due to hiring delays and reduced overtime and unbudgeted Provincial funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable gross expenditure variance of \$0.3 million due to WSIB pressures and COVID-19 related costs, partially offset by delays in hiring and overtime savings.</li> <li>• Underachieved revenues of \$0.8 million due to lower user fee and inter-divisional revenues as a result of COVID-19 related cancellations of Special Events and CPR/First Aid training courses.</li> <li>• Projected unfavourable net expenditure variance of \$1.1 million primarily due to WSIB pressures and COVID-19 related costs and lost revenues.</li> </ul>
<p><b>Seniors Services and Long-Term Care:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$22.7 million mainly due increased salary and benefits and non-payroll expenditures primarily from additional PPE and cleaning supplies related to the COVID-19 response that required creating new roles to screen people entering and exiting the homes, to adhere to more stringent cleaning protocols and to support residents at mealtimes.</li> <li>• Overachieved revenues of \$10.7 million mainly from the receipt of revenues associated with the \$4 p/hr provincial pandemic pay program and additional emergency and pandemic funding of \$4.8 million received from the Province offset by reduced provincial recoveries from Community Based Programming such</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable gross expenditure variance of \$31.3 million is comprised of extraordinary and ongoing incremental costs in response to COVID-19. This includes costs to maintain screening staff/procedures, PPE, Infection Control Prevention and additional staff to support functions previously performed by volunteers.</li> <li>• Included in the projections are additional costs and revenues associated with the \$4 p/hr provincial pandemic pay program for front-line workers expected to cost roughly \$9.2 million. These costs are fully funded by the province.</li> <li>• Overachieved revenues of \$13.5 million mainly due to funding for the \$4 p/hr provincial pandemic pay</li> </ul>

<p>as Homemaker and Nursing services that have been limited to serve only high-risk clients during the COVID-19 pandemic.</p> <ul style="list-style-type: none"> <li>• Unfavourable net variance of \$12.1 million reflects the additional cost of prevention and containment measures in place for COVID-19.</li> </ul>	<p>program and additional emergency and pandemic funding of \$8.3 million received from the Province, offset by reduced provincial recoveries for Community Based Programming such as the Homemaker and Nursing services that have been limited to serve only high-risk clients during the COVID-19.</p> <ul style="list-style-type: none"> <li>• On April 15th, the Ontario government announced that "an investment of \$243 million in COVID-19 emergency funding is available to homes to cover the costs associated with securing the staffing, supplies, and capacity they need at this unprecedented time." The City of Toronto's allocation is not available yet. Revenue projections will be adjusted to reflect any additional funding received from other levels as part of future period variance reports.</li> <li>• Projected net unfavourable variance of \$17.8 million reflects the pressure on the City if funding is not provided by the province to support the extraordinary costs related to the COVID-19 outbreak.</li> </ul>
<p><b>Parks, Forestry &amp; Recreation:</b></p> <ul style="list-style-type: none"> <li>• Parks, Forestry &amp; Recreation has experienced a year-to-date favourable net variance of \$27.2 million, consisting of a favourable gross expenditure variance of \$71.7 million partially offset by an unfavourable revenue variance of \$44.5 million, driven by the COVID-19 pandemic experienced in 2020.</li> <li>• Favourable gross expenditure variance was primarily attributable to COVID-19 related underspending including the cancellation of recreation programming;</li> </ul>	<ul style="list-style-type: none"> <li>• Parks, Forestry &amp; Recreation is projecting a favourable net variance of \$12.8 million by year-end. Consistent with year-to-date results, anticipated favourable expenditures of \$79.4 million and unfavourable revenues of \$66.6 million are driven by the COVID-19 pandemic experienced in 2020.</li> <li>• Expenditures are expected to be favourable due to reduced salaries and benefits; underspending</li> </ul>

<p>delayed hiring for seasonal and recreational workers; reduced facility usage payments; and under-spending for utilities, service and rent, supplies and equipment.</p> <ul style="list-style-type: none"> <li>• Unfavourable revenue variance was mainly due to lower than anticipated registration sales; permit revenues; ticket sales and user fees, all driven by the requirement for PFR to close community facilities and parks during the COVID-19 pandemic.</li> </ul>	<p>associated with seasonal and recreational programming; and lower than planned service and rent costs.</p> <ul style="list-style-type: none"> <li>• Revenues are anticipated to be under-achieved in 2020 due to reduced registration sales; ticket sales; and permits issued; related to COVID-19.</li> <li>• Both revenues and expenses will be highly dependent on the duration of COVID-19; and the activities and behaviours during the reopening and recovery phases.</li> </ul>
<p><b>Shelter, Support &amp; Housing Administration:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$20.2 million. Unplanned expenditures of \$95.0 million for the City's COVID-19 response have been significantly offset by underspending in Hostel Services resulting from savings in hotel costs for the Refugee Response program, as well as lower than planned expenditures in the Social Housing service and affordable housing development projects. Further, underspending in provincially funded social housing retrofit projects (SHAIP) resulting from COVID-19 related delays are fully offset by lower recognition of revenues for these projects for a net zero impact.</li> <li>• Underachieved revenues of \$2.5 million comprised of \$55.3 million in federal refugee response funding not received to date and \$41.1 million in federal-provincial flow through grants for social housing retrofit and affordable housing development projects resulting from COVID-19 related project delays, significantly offset by unplanned federal-provincial funding of \$95.0 million received to support the City's COVID-19 pandemic response.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable gross expenditure variance of \$104.7 million. Physical distancing measures implemented to prevent an outbreak of COVID-19 in shelters required an addition of up to 3,000 beds to the City's shelter system. To sustain the COVID-19 response, overspending of \$170.9 million is projected by the end of 2020. These expenditures will be partially offset by underspending in Social Housing and Hostel Services on the assumption that the reduced rate of refugee influx so far experienced will continue to the end of 2020.</li> <li>• Projected overachieved revenues of \$83.6 million. Projected revenues also reflects unplanned federal and provincial funding to support Toronto's COVID-19 response, partially offset by lower revenue recognition for provincially funded social housing programs and retrofit capital projects due to COVID-19 related project delays , and affordable housing development projects. The year-end projections include \$23 million in federal funding, to partially</li> </ul>



<ul style="list-style-type: none"> <li>Unfavourable net expenditure variance of \$22.7 million primarily attributable to overspending in Hostels services for the Refugee Response program as SSHA did not receive the anticipated revenue partially offset by underspending in the Social Housing Service.</li> </ul>	<p>offset costs related to the Refugee Response initiative.</p> <ul style="list-style-type: none"> <li>Projected unfavourable variance of \$26.2 million in the City's Refugee Response initiative partially offset by savings in the other areas for a total net unfavourable expenditure variance of \$21.1 million.</li> </ul>
<p><b>Social Development, Finance and Administration:</b></p> <ul style="list-style-type: none"> <li>Favourable gross expenditure variance of \$4.7 million primarily from underspending in the Transit Fare Equity program due to lower ridership, underspending in salaries and benefits due to vacancies, and underspending from the delayed implementation of community projects due to COVID. Underspending is partially offset by payments to community-based agencies to support vulnerable communities impacted by COVID.</li> <li>Overachieved revenues of \$2.6 million include unbudgeted COVID relief funding from the Provincial Social Services Assistance Relief Fund and the Canadian Medical Association, partially offset by unfunded Indigenous Poverty Reduction and the National Crime Prevention programming, which the Federal government did not approve funding for.</li> <li>Favourable net variance of \$7.3 million primarily due to underspending in the Transit Fare Equity program, salaries and benefits, and community projects, partially offset by unfunded Indigenous Poverty Reduction and the National Crime Prevention programming.</li> </ul>	<ul style="list-style-type: none"> <li>Unfavourable gross expenditure variance of \$1.3 million reflects unbudgeted emergency spending for COVID related expenditures to support vulnerable residents as well as COVID related overtime costs, partially offset by underspending from the Transit Fare Equity program due to lower ridership, underspending in salaries and benefits due to vacancies, and underspending from the delayed implementation of community development and revitalization projects.</li> <li>Overachieved revenues of \$6.1 million reflect the receipt of COVID relief funding, partially offset by unfunded Indigenous Poverty Reduction and the National Crime Prevention programming, which the Federal government did not approve funding for.</li> <li>Favourable net variance of \$4.8 million primarily due to underspending in the Transit Fare Equity program, salaries and benefits, and community projects, partially offset by unfunded Indigenous Poverty Reduction and the National Crime Prevention programming and overtime costs due to COVID.</li> </ul>

<p><b>Toronto Employment &amp; Social Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$49.0 million as the COVID-19 economic shut-down reduced caseload and issuances of financial, medical and employment benefits. The average monthly year-to-date caseload dropped to 79,056, 3,944 or 4.8% below budget primarily driven by residents being able to access CERB in place of requiring social assistance.</li> <li>• Unfavourable revenue variance of \$32.3 million attributed to lower than planned expenditure based provincial subsidies.</li> <li>• Favourable net expenditure variance of \$16.7 million mainly attributable to lower employment and program delivery expenditures.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable year-end gross expenditure variance of \$83.5 million due to lower than budgeted caseload, resulting in fewer issuances of financial benefits. In addition, savings due to reduction in the availability of workforce development programs due to COVID-19 restrictions and shutdowns thereby reducing the demand for medical benefits and resulting in hiring deferrals. Caseload is projected to be at 78,142 for the year, 4,858 or 5.9% below budget as government support programs such as the Canada Emergency Response Benefit (CERB) and Employment Insurance have and are continuing to alleviate pressure on the OW program.</li> <li>• Projected underachieved revenues of \$60.0 million due to lower than planned expenditure based provincial subsidies.</li> <li>• Favourable year-end net variance of \$23.5 million primarily attributable to lower employment and program delivery expenditures.</li> </ul>
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## Appendix E

Figure 9: Infrastructure and Development 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	
City Planning	5-Month	1.9	▲	(3.7)	▼	(1.9)	▼	Ⓜ	3.6	▲	(4.4)	▼	(0.8)	▼	Ⓜ
	6-Month	2.8	▲	(1.7)	▼	1.1	▲	Ⓨ	4.1	▲	(3.0)	▼	1.1	▲	Ⓞ
	9-Month	4.1	▲	(1.5)	▼	2.6	▲	Ⓨ	4.5	▲	(2.5)	▼	2.0	▲	Ⓞ
Fire Services	5-Month	1.0	▲	1.1	▲	2.0	▲	Ⓞ	0.9	▲	(0.4)	▼	0.5	▲	Ⓞ
	6-Month	3.6	▲	1.7	▲	5.3	▲	Ⓞ	(0.4)	▼	0.3	▲	(0.1)	▼	Ⓜ
	9-Month	3.9	▲	2.2	▲	6.1	▲	Ⓞ	3.1	▲	1.5	▲	4.6	▲	Ⓞ
Office of Emergency Management	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	(0.3)	▼	(0.0)	—	(0.3)	▼	Ⓜ
	6-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓜ	(0.4)	▼	(0.0)	—	(0.4)	▼	Ⓜ
	9-Month	(0.2)	▼	0.0	—	(0.2)	▼	Ⓜ	(0.5)	▼	(0.0)	—	(0.5)	▼	Ⓜ
Municipal Licensing & Standards	5-Month	1.0	▲	(2.9)	▼	(1.9)	▼	Ⓜ	4.7	▲	(10.5)	▼	(5.8)	▼	Ⓜ
	6-Month	1.5	▲	(2.0)	▼	(0.4)	▼	Ⓜ	7.3	▲	(10.9)	▼	(3.6)	▼	Ⓜ
	9-Month	3.1	▲	(7.8)	▼	(4.7)	▼	Ⓜ	7.6	▲	(11.8)	▼	(4.1)	▼	Ⓜ
Policy, Planning, Finance & Administration	5-Month	0.5	▲	(0.2)	▼	0.3	▲	Ⓞ	1.1	▲	(0.6)	▼	0.4	▲	Ⓞ
	6-Month	0.7	▲	(0.6)	▼	0.0	—	Ⓞ	1.2	▲	(0.7)	▼	0.5	▲	Ⓞ
	9-Month	1.3	▲	(1.3)	▼	0.1	▲	Ⓞ	1.8	▲	(1.1)	▼	0.7	▲	Ⓞ
Engineering & Construction Services	5-Month	2.8	▲	(1.6)	▼	1.2	▲	Ⓨ	7.2	▲	(7.1)	▼	0.0	—	Ⓞ
	6-Month	3.8	▲	(3.5)	▼	0.2	▲	Ⓨ	6.5	▲	(6.3)	▼	0.2	▲	Ⓞ
	9-Month	4.9	▲	(4.2)	▼	0.7	▲	Ⓨ	6.4	▲	(6.2)	▼	0.1	▲	Ⓞ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix E

Figure 10: Infrastructure and Development 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	
Toronto Building	5-Month	3.1	▲	(5.6)	▼	(2.5)	▼	Ⓚ	8.1	▲	1.4	▲	9.5	▲	Ⓞ
	6-Month	4.3	▲	(4.5)	▼	(0.2)	▼	Ⓞ	8.5	▲	13.3	▲	21.8	▲	Ⓞ
	9-Month	6.1	▲	0.0	—	6.2	▲	Ⓜ	7.6	▲	21.6	▲	29.2	▲	Ⓞ
Transportation Services	5-Month	10.7	▲	(8.4)	▼	2.3	▲	Ⓞ	18.8	▲	(18.7)	▼	0.1	▲	Ⓞ
	6-Month	17.9	▲	(20.2)	▼	(2.3)	▼	Ⓞ	37.4	▲	(42.8)	▼	(5.4)	▼	Ⓜ
	9-Month	17.2	▲	(31.9)	▼	(14.7)	▼	Ⓜ	39.4	▲	(55.6)	▼	(16.1)	▼	Ⓜ
Transit Expansion	5-Month	2.0	▲	(2.0)	▼	0.0	—	Ⓚ	3.1	▲	(3.1)	▼	0.0	—	Ⓞ
	6-Month	2.4	▲	(2.4)	▼	0.0	—	Ⓚ	3.4	▲	(3.4)	▼	0.0	—	Ⓞ
	9-Month	3.0	▲	(3.0)	▼	0.0	—	Ⓚ	3.4	▲	(3.4)	▼	0.0	—	Ⓞ
Total	5-Month	22.8	▲	(23.2)	▼	(0.4)	▼	Ⓞ	47.2	▲	(43.6)	▼	3.6	▲	Ⓞ
	6-Month	36.9	▲	(33.3)	▼	3.6	▲	Ⓞ	67.7	▲	(53.6)	▼	14.1	▲	Ⓞ
	9-Month	43.2	▲	(47.4)	▼	(4.1)	▼	Ⓞ	73.4	▲	(57.5)	▼	15.8	▲	Ⓞ
<b>Year-to-Date Net Variance</b>	Ⓞ	85% to 105%	Ⓚ	0% to 85%	Ⓜ	>105%	<b>Year-End</b>	Ⓞ	<=100%	Ⓜ	>100%				

Appendix E  
**Infrastructure and Development Services**

Year-to-Date Results	Year-End Projections
<p><b>City Planning:</b></p> <ul style="list-style-type: none"> <li>• City Planning has a favourable net expenditure variance of \$2.6 million comprised of:</li> <li>• Favourable gross expenditure variance of \$4.1 million due to staffing vacancies, resulting in underspending in salaries and benefits and in part by the hiring slowdown from COVID-19 as well as lower costs relating to materials, supplies, rents and external legal and other professional services.</li> <li>• Unfavourable revenue variance of \$1.5 million due to lower capital, reserve fund and other recoveries due to staff vacancies, timing of projects and billing delays, primarily related to finalizing transit planning and funding agreements with Metrolinx, as well as in other projects.</li> </ul>	<ul style="list-style-type: none"> <li>• City Planning is projecting a favourable net expenditure variance of \$2.0 million comprised of:</li> <li>• Favourable gross expenditure variance of \$4.5 million is projected due to underspending in salaries and benefits as a result of vacant positions due in part to the hiring slowdown driven by COVID and lower than anticipated material, supplies and services and rents.</li> <li>• Unfavourable revenue variance of \$2.5 million is projected primarily due to lower capital, reserve fund and other recoveries resulting from vacancies, delay hiring, timing of projects and non-salary spending, primarily in transit planning, development review and other projects and slightly offset by higher than planned user and other fees, primarily in development application review fees.</li> </ul>
<p><b>Fire Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$3.9 million is mainly due to underspending in salaries &amp; benefits of \$4.6 million, overspending in WSIB payments of \$0.6 million, underspending in various non-salary expense accounts of \$1.4 million, and YTD spending of \$1.5 million related to COVID-19.</li> <li>• Over achieved revenues of \$2.2 million are primarily due to false alarm fees and other fees and recoveries that</li> </ul>	<ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$3.1 million is comprised of projected underspending in salaries and benefits of \$6.5 million; and underspending of \$0.3 million in various non-salary expenses. These under expenditures are projected to be offset by over spending of \$1.9 million in WSIB charges; and COVID-19 expenditures of \$1.8 million.</li> </ul>

<p>exceed the budget by \$1.5 million and the receipt of the HUSAR grant of \$0.7 million, which includes unspent HUSAR grants deferred from last year..</p> <ul style="list-style-type: none"> <li>• Favourable net variance of \$6.1 million reflects gross underspending mostly in salary and benefits and over achieved revenues from false alarm fees, other fees and recoveries and unspent 2019 HUSAR grant deferred to 2020</li> </ul>	<ul style="list-style-type: none"> <li>• Revenues are projected to be over achieved by \$1.5 million, primarily due to greater than predicted false alarm charges.</li> <li>• Favourable net variance of \$4.6 million, with gross underspending fully offsetting under achieved revenues, as noted above.</li> </ul>
<p><b>Office of Emergency Management:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$0.2 million reflects unbudgeted overtime and over expenditures in contracted expenses due to COVID -19.</li> <li>• Revenues are as planned, and include the receipt of the Ontario Power Generation grant.</li> <li>• Unfavourable net of \$0.2 million, reflects the gross overspending to support COVID – 19 health and safety protocol across the City and the receipt of grant revenue.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavorable gross expenditures of \$0.5 million are primarily attributable to COVID-19 related expenditures.</li> <li>• Revenues are projected to be slightly under achieved by \$0.009 million, reflecting a difference in actual receipts and the budget.</li> <li>• Unfavourable net variance of \$0.5 million, which reflects unbudgeted COVID-19 related expenditures and underachieved revenues.</li> </ul>
<p><b>Municipal Licensing &amp; Standards:</b></p> <ul style="list-style-type: none"> <li>• Under-expenditures totaling \$3.5 million mainly arise from:</li> <li>• Salaries and benefits savings due to processing time to fill vacancies as well as the impact of the COVID-19 hiring slow-down (\$1.8 million).</li> <li>• Under-expenditures are also driven by lower contracted services costs due to proactive cannabis enforcement (\$0.2 million), lower than planned audit fees (\$0.385 million) and miscellaneous underspending of \$1.007 million for stationary, computer hd/sw, footwear, medical supplies, veterinary fees, training, furnishings, accessibility grants, advertising and utilities.</li> </ul>	<ul style="list-style-type: none"> <li>• Projecting to be over budget at year-end with an unfavourable net expenditure variance (deficit) of \$4.1 million.</li> <li>• Projected expenditures of \$59.8 million are under budget by \$7.7 million or 11.3% at year-end primarily due to:</li> <li>• Vacancy related underspending in salaries and benefits (\$2.0 million) mainly due to the length of time it takes to fill staff positions as well as the impact of the COVID-19 hiring slow-down;</li> <li>• Lower than planned contribution expense to the Accessibility Reserve Fund (\$2.2 million) due to</li> </ul>

<ul style="list-style-type: none"> <li>• These under-expenditures were partially offset by over-expenditures of \$0.4 million mainly due to:</li> <li>• Higher than planned expenditures for contracted services including misc. supplies for health &amp; safety, janitorial, animal services, payment of honoraria and unplanned mechanical repairs as well as contracted waste disposal and roofing repair.</li> <li>• Lower than planned revenue of \$7.8 million was primarily comprised of</li> <li>• \$1.0 million in higher revenue mainly from greater than expected volumes of PTC (Private Transportation Company) applications and trip fees as well as sundry revenue;</li> <li>• This increase was offset by lower than planned revenue of \$8.8 million mainly from licenses &amp; permits primarily including business licences (\$5.2 million) as well as other fees and service charges including recoveries for cannabis enforcement and revenue from gaming services, café marketing and animal services fees.</li> <li>• The resulting net expenditures reflect an unfavourable variance (deficit) of \$4.7 million as of the 9 month period ended September 30, 2020.</li> </ul>	<ul style="list-style-type: none"> <li>• lower than anticipated volumes of non-compliance fees collected as a result of COVID-19;</li> <li>• Lower than planned grant expenses to the Accessibility Fund program (\$2.7 million) due to lower than anticipated volumes of applications;</li> <li>• Lower than anticipated spending in cannabis enforcement due to proactive planning (\$0.2 million); and,</li> <li>• Lower spending on compliance audit services (\$0.4 million) resulting from deferral of the Short-Term Rental program implementation.</li> <li>• Projected Revenue of \$43.4 million is under-budget by \$11.8 million or 21.3% at year-end primarily due to:</li> <li>• Lower than anticipated business licences revenue (\$3.4 million) due to the lower volume of applications as a result of COVID-19 emergency closures;</li> <li>• Lower draws from the accessibility reserve (\$2.7 million) resulting from lower than anticipated volumes under the accessibility program;</li> <li>• Lower than anticipated accessibility fee collection (\$2.2 million) due to lower volumes as a result of COVID-19 as well as lower than planned Private Transportation Companies trip fees of \$1.0 million partially offset by higher PTC Application fee revenue of \$0.3 million;</li> <li>• Deferral of Short-Term Rental program implementation (\$1.2 million) as a result of COVID-19 emergency closures;</li> </ul>
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	<ul style="list-style-type: none"> <li>• Waived application and permit fees for boulevard cafes (\$0.8 million) as part of the CafeTO initiative;</li> <li>• Lower than anticipated gaming services revenue (\$0.7 million) as a result of COVID-19 emergency closures; and,</li> <li>• Lower than planned fees &amp; service charges for Animal Services mainly due to volumes (\$0.4 million);</li> <li>• Lower recoveries from the cannabis reserve fund (\$0.2 million) resulting from lower expenditures due to proactive enforcement.</li> <li>• The shutdown of operations due to COVID-19 has significantly impacted revenues (approximately 20% reduction). Business and Other Licenses &amp; Permits and PTC related Accessibility Initiatives experienced some of largest losses in volume and associated revenue.</li> </ul>
<p><b>Policy, Planning, Finance &amp; Administration:</b></p> <ul style="list-style-type: none"> <li>• PPF&amp;A has a favourable net expenditure variance of \$0.1 million comprised of:</li> <li>• Favourable gross expenditure variance of \$1.3 million due to staffing vacancies and hiring delays resulting from COVID-19 emergency closures, as well as lower costs relating to supplies, equipment, service and rents and utilities due to lower usage.</li> <li>• Unfavourable revenue variance of \$1.3 million due to lower inter-divisional recoveries from client divisions reflecting lower gross expenditures as a result of vacancies.</li> </ul>	<ul style="list-style-type: none"> <li>• PPF&amp;A has a favourable net expenditure variance of \$0.7 million comprised of:</li> <li>• Favourable gross expenditure variance of \$1.8 million is projected due to underspending in salaries and benefits as a result of vacant positions and hiring slow down due to COVID-19; net of VSP estimated payout and lower than anticipated spending in equipment materials &amp; supplies and contract services.</li> <li>• Unfavourable revenue variance of \$1.1 million is projected from lower capital as well as lower interdivisional recoveries due to staffing vacancies resulting from COVID-19 emergency closures.</li> </ul>



<p><b>Engineering and Construction Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable net variance of \$0.7 million consists of:</li> <li>• Favourable gross expenditure variance of \$4.9 million due to under-spending in salaries and benefits from vacancies, and slower consulting work from Metrolinx.</li> <li>• Unfavourable revenue variance of \$4.2 million due to lower recoveries from client capital projects, and lower administrative fees/ recoveries mostly related to transit project delays. However, lower recoveries were partially offset by higher development application review fees, full stream application fees, and higher development engineering review and inspection revenue, due to a larger than expected volumes.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected year-end favourable net variance of \$0.1 million consists of:</li> <li>• Favourable gross expenditure variance of \$6.4 million due to under-spending in salaries and benefits from vacancies, and slower consulting work from Metrolinx.</li> <li>• Unfavourable revenue variance of \$6.2 million due to lower recoveries from client capital projects, and lower administrative fees/ recoveries mostly related to transit project delays. However, lower recoveries are projected to be partially offset by higher revenues from other fees and service</li> </ul>
<p><b>Toronto Building:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$6.1 million mainly due to the following:</li> <li>• Underspensing in salaries and benefits (\$4.8 million) due to vacant positions and partially due to hiring slow down resulting from COVID-19;</li> <li>• Underspensing in services and rents primarily due to lower than budgeted spending in consulting, training and renovation etc. (\$1.3 million) resulting from COVID-19; and underspensing in materials and supplies and other expenditures (\$0.1 million)</li> <li>• Underspensing in expenditures is partially offset by overspending in equipment for computer and monitor purchases related to COVID-19 emergency and teleworking arrangements (\$0.2 million)</li> <li>• Revenues have recovered and are tracking on budget. For the period nine months ending, a favourable year to date variance resulted in \$0.04M. Permit activity levels have improved significantly through the third quarter. As a</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be underspent by \$7.6 million mainly due to vacant positions and lower than expected remedial action expenses.</li> <li>• Revenue is projected to be overachieved by \$21.6 million driven by full recovery of permit activity since the beginning of the COVID-19 pandemic and recognition of \$20.6 million revenue from carryover projects. Based on data available as at September 2020, year-end revenues are projected to be 85% of the 5-year historical average actuals for the period of October-December due to the impact of the COVID-19 pandemic. The projection will be continually re-assessed as more data becomes available.</li> </ul>

<p>result, the revenue loss, as compared to budget, realized at the outset of the COVID-19 pandemic have been fully recovered.</p>	
<p><b>Transportation Services:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable net variance of \$14.7 million consists of:</li> <li>• Favourable gross expenditure variance of \$17.2 million due to under-spending in; salaries and benefits due to vacancies, school crossing guard program due to school closures (March-Sept.), winter maintenance contracts &amp; salt due to milder winter season in Q1, and road &amp; bridge repairs contract delays due to COVID-19.</li> <li>• Under-spending is partially offset by over-spending on street lighting and signal maintenance contracts due to higher requirements; and, ActiveTO implementation costs resulting from COVID-19.</li> <li>• Unfavourable revenue variance of \$31.9 million due to lower capital recoveries due to vacant positions; lower right-of-way permit &amp; inspection fees; lower UT cut revenue linked to COVID-19 related contract delays; and, lower revenues for temporary parking permits as a result of enforcement suspension due to COVID-19."</li> </ul>	<ul style="list-style-type: none"> <li>• Projected year-end unfavourable net variance of \$16.1 million consists of:</li> <li>• Favourable gross expenditure variance of \$39.4 million due to under-spending in; utility cut repairs due to COVID-19 related contract delays, salaries and benefits due to vacancies, school crossing guard program due to school closures (March-Sept.), and road &amp; bridge repairs due to lowered demand in reactive contracts.</li> <li>• Unfavourable revenue variance of \$55.6 million due to lower utility cut repair revenues from work delays, lower right-of-way permit fees, lower capital recoveries, lower 3rd party cost recoveries and cancelled street event permit fees, all due to COVID-19. Additionally, there are lower than budgeted recoveries for Automatic Speed Enforcement and Red Light Camera from other municipalities due to lower volume of charges and delayed implementation of the program.</li> </ul>
<p><b>Transit Expansion:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures had a favourable variance of \$3.0 million primarily due to vacant positions as salaries and benefits were underspent by \$2.8 million. Underspending was experienced in equipment primarily in computer hardware and software purchases (\$0.2 million) as a result of vacancies.</li> <li>• Revenues were under achieved by \$3.0 million due to lower than expected expenditure recoveries from Metrolinx (\$2.1 million) and from capital (\$0.9 million).</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$3.4 million at year end due to vacant positions and from lower than anticipated spending in non-salary related expenses.</li> <li>• Revenues at year end are projected to be underachieved by \$3.4 million due to lower expenditure recoveries from Metrolinx (\$2.4 million) and from capital (\$1.0 million).</li> </ul>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix E

Figure 11: Finance and Treasury 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	5-Month	0.0	—	0.0	—	0.1	▲	Ⓞ	0.8	▲	(0.4)	▼	0.3	▲	Ⓞ
	6-Month	0.1	▲	(0.1)	▼	(0.0)	—	Ⓞ	0.9	▲	(0.4)	▼	0.4	▲	Ⓞ
	9-Month	0.5	▲	(0.2)	▼	0.2	▲	Ⓞ	0.9	▲	(0.5)	▼	0.5	▲	Ⓞ
Office of the Controller	5-Month	1.3	▲	(2.6)	▼	(1.3)	▼	Ⓡ	3.8	▲	(8.4)	▼	(4.7)	▼	Ⓡ
	6-Month	2.5	▲	(5.1)	▼	(2.6)	▼	Ⓡ	3.5	▲	(8.8)	▼	(5.3)	▼	Ⓡ
	9-Month	4.9	▲	(11.5)	▼	(6.6)	▼	Ⓡ	5.0	▲	(9.9)	▼	(5.0)	▼	Ⓡ
Total	5-Month	1.4	▲	(2.6)	▼	(1.2)	▼	Ⓡ	4.5	▲	(8.9)	▼	(4.4)	▼	Ⓡ
	6-Month	2.6	▲	(5.2)	▼	(2.6)	▼	Ⓡ	4.4	▲	(9.2)	▼	(4.8)	▼	Ⓡ
	9-Month	5.4	▲	(11.7)	▼	(6.4)	▼	Ⓡ	5.9	▲	(10.4)	▼	(4.5)	▼	Ⓡ

<b>Year-to-Date</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓞ</span> 85% to 105%	<span style="background-color: #FFFF00; border: 1px solid black; padding: 2px;">Ⓢ</span> 0% to 85%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓡ</span> >105%	<b>Year-End</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓞ</span> <=100%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓡ</span> >100%
<b>Net Variance</b>						

## Appendix E

### Finance and Treasury Services

Year-to-Date Results	Year-End Projections
<p><b>Office of the Chief Financial Officer &amp; Treasurer:</b></p> <ul style="list-style-type: none"><li>For the period ended September 30, 2020, the Office of the Chief Financial Officer and Treasurer is reporting a net variance of \$0.2M.</li></ul>	<ul style="list-style-type: none"><li>Net favourable variance of \$0.5 million is mainly due to underspend in salaries and benefits resulting from hiring slowdown/delays. Majority of the vacancies are anticipated to continue to year end.</li></ul>
<p><b>Office of the Controller:</b></p> <ul style="list-style-type: none"><li>Unfavourable net expenditure variance of \$6.6 million is mainly attributable to unbudgeted administrative costs, as well as lower user fees collected due to COVID-19, partially offset by underspend in salaries &amp; benefits due to staffing delays.</li></ul>	<ul style="list-style-type: none"><li>Net unfavourable variance of \$5.0 million is mainly attributable to lower user fees revenue and higher administrative costs related to COVID-19, partially offset by underspend in salaries and benefits resulting from Hiring Slowdown and Emergency Leave protocols.</li></ul>

## Appendix E

Figure 12: Corporate 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	
Corporate Real Estate Management	5-Month	(3.1)	▼	3.9	▲	0.8	▲	Ⓞ	(8.3)	▼	2.8	▲	(5.5)	▼	Ⓜ
	6-Month	(0.6)	▼	3.4	▲	2.8	▲	Ⓞ	(10.0)	▼	4.8	▲	(5.2)	▼	Ⓜ
	9-Month	(0.2)	▼	4.3	▲	4.1	▲	Ⓞ	(7.6)	▼	3.0	▲	(4.6)	▼	Ⓜ
Environment & Energy	5-Month	0.7	▲	0.5	▲	1.1	▲	Ⓢ	3.7	▲	(1.4)	▼	2.3	▲	Ⓞ
	6-Month	0.7	▲	0.8	▲	1.6	▲	Ⓢ	3.4	▲	(1.0)	▼	2.4	▲	Ⓞ
	9-Month	2.0	▲	0.6	▲	2.6	▲	Ⓢ	4.3	▲	(1.4)	▼	2.8	▲	Ⓞ
Fleet Services	5-Month	1.9	▲	(0.7)	▼	1.2	▲	Ⓢ	3.4	▲	(1.3)	▼	2.1	▲	Ⓞ
	6-Month	4.8	▲	(2.4)	▼	2.4	▲	Ⓢ	4.1	▲	(1.2)	▼	2.8	▲	Ⓞ
	9-Month	7.3	▲	(4.3)	▼	3.0	▲	Ⓢ	7.1	▲	(3.8)	▼	3.4	▲	Ⓞ
Technology Services	5-Month	(2.4)	▼	(0.6)	▼	(3.0)	▼	Ⓜ	(4.6)	▼	(6.8)	▼	(11.4)	▼	Ⓜ
	6-Month	(1.3)	▼	(1.7)	▼	(3.1)	▼	Ⓜ	(2.3)	▼	(8.2)	▼	(10.6)	▼	Ⓜ
	9-Month	(1.0)	▼	(5.0)	▼	(6.0)	▼	Ⓜ	2.3	▲	(8.9)	▼	(6.6)	▼	Ⓜ
311 Toronto	5-Month	0.5	▲	(0.1)	▼	0.4	▲	Ⓞ	0.9	▲	(1.1)	▼	(0.2)	▼	Ⓜ
	6-Month	0.8	▲	(0.5)	▼	0.3	▲	Ⓞ	1.2	▲	(1.1)	▼	0.1	▲	Ⓞ
	9-Month	1.0	▲	(0.9)	▼	0.1	▲	Ⓞ	1.3	▲	(1.2)	▼	0.0	—	Ⓞ
Total	5-Month	(2.4)	▼	3.0	▲	0.5	▲	Ⓞ	(4.9)	▼	(7.8)	▼	(12.7)	▼	Ⓜ
	6-Month	4.4	▲	(0.4)	▼	4.1	▲	Ⓞ	(3.7)	▼	(6.8)	▼	(10.5)	▼	Ⓜ
	9-Month	9.0	▲	(5.3)	▼	3.7	▲	Ⓞ	7.3	▲	(12.3)	▼	(5.0)	▼	Ⓜ

**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 Nine Months Ended September 30, 2020

## Appendix E

### Corporate Services

Year-to-Date Results	Year-End Projections
<p><b>Corporate Real Estate Management</b></p> <ul style="list-style-type: none"><li>• Favourable net variance of \$4.1 million is mainly the result of one-time, unbudgeted, property tax rebates received within CREM's leasing portfolio totalling \$5.7M. This is offset by unplanned expenditures incurred to support COVID-19 efforts around cleaning, maintenance and security at facilities utilized by City staff and emergency and front line response teams, net of lower utility consumption at City facilities with reduced operational functions due to the pandemic.</li><li>• Revenue streams have also been impacted by the pandemic, namely revenues expected from certain retail spaces.</li></ul>	<ul style="list-style-type: none"><li>• Unfavourable net variance of \$4.6 million is mainly driven by unplanned overspending in custodial, maintenance and security services, as well as lower revenues from delays in turning over retail spaces in Union Station for approximately \$10.3 million. This is offset by one-time collection of property tax rebate in the leasing portfolio.</li><li>• Although CREM has gone above the standard level of service with respect to custodial and security services to address the COVID-19 pandemic, there is no anticipated impact to other divisional service levels. Preventative and on-demand maintenance will be prioritized for health and safety and legislated requirements while seeking opportunities to decrease spending on other non-essential maintenance.</li></ul>
<p><b>Environment &amp; Energy (EE):</b></p> <ul style="list-style-type: none"><li>• Favourable net variance of \$2.6 million mainly driven by underspending related to delays in contracted services supporting plans to achieve net zero carbon emissions, as well as delays in filling vacant positions within the division during the COVID-19 pandemic. This YTD underspend was supplemented by an over-collection of various external grants, and incentive payments related to actual energy savings realized.</li></ul>	<ul style="list-style-type: none"><li>• Projected favourable net variance of \$2.8 million primarily results from underspend with respect to vacancies and contracted services related to various TransformTO and Climate Action items impacted by the COVID-19 priorities associated with recruitment and procurement.</li></ul>

<p><b>Fleet Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable net variance of \$3.0 million is mainly attributable to vacancies due to COVID-19 and the City-wide Hiring Slow Down, as well as lower fuel expenditure resulting from lower fuel consumption and lower fuel prices, partially offset by unbudgeted COVID-19 expenses for decontamination and cleaning costs of vehicles, higher rental and outsourcing expenditures to allow for social distancing and to maintain service levels given the hiring slowdown, and lower interdivisional recoveries.</li> </ul>	<ul style="list-style-type: none"> <li>• Favourable variance of \$3.4 million net is expected as contributors to year-to-date results are projected to continue to year-end reflecting COVID-19 impacts from delayed hiring and lower fuel prices, slightly offset by anticipated recovery of fuel demand as services resume.</li> </ul>
<p><b>Technology Services:</b></p> <ul style="list-style-type: none"> <li>• Expenditures increasing the City's capacity to allow staff to telework as a result of COVID-19 (\$6.6 million) are slightly offset by delayed hiring (\$5.2 million) and delays in contract negotiations (\$0.4 million) resulting in an unfavourable gross expenditure of \$1.0 million. This, in addition to lower recoveries (\$5.0 million) from capital, yield an unfavourable net expenditure of \$6.0 million.</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures increasing the teleworking capacity in the City and lower capital recoveries due to COVID-19 are offset by delayed hiring and delays in implementing cybersecurity contracts which contribute to the projected unfavourable year-end net expenditure of \$6.5 million.</li> </ul>
<p><b>311 Toronto:</b></p> <ul style="list-style-type: none"> <li>• Payroll underspending in the Project Management Office for suspended capital work due to COVID-19 (\$0.763 million) and the deferral of planned training (\$0.145 million) in the gross expenditures is offset by lower recoveries (\$0.908 million) from capital and reserves, resulting in a favourable net expenditure of \$0.106 million due to timing of operating contracts.</li> <li>• Achieved 82% of calls answered within 75 seconds, meeting the 80% Council approved service level.</li> </ul>	<ul style="list-style-type: none"> <li>• The program expects a net favourable variance at year-end of \$0.024 million due to savings in operating contracts. The majority of gross expenditure underspend is offset by lower recoveries resulting in no net impact.</li> </ul>

## Appendix E

### City Manager's Office

Figure 13: 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	5-Month	(0.0)	—	1.0	▲	1.0	▲	Ⓞ	1.3	▲	0.3	▲	1.5	▲	Ⓞ
	6-Month	(0.9)	▼	1.1	▲	0.2	▲	Ⓞ	(0.0)	—	(0.0)	—	(0.0)	—	Ⓡ
	9-Month	(0.5)	▼	0.8	▲	0.2	▲	Ⓞ	0.1	▲	(0.2)	▼	(0.1)	▼	Ⓡ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			

#### Year-to-Date Results

##### City Manager's Office:

- Favourable gross expenditure variance of \$0.5 million, primarily the net of underspent Salaries & Benefits due to vacancies and overspent Advertising expense both of which are impacts of COVID-19, is partially offset by greater than budgeted recoveries from City divisions including the Toronto Urban Fellows (TUF) initiatives, resulting in a favourable net variance of \$0.2 million, or 0.6%.

#### Year-End Projections

- Projected year-end net unfavourable variance of \$0.1 million or 0.2% mainly due to COVID-19 related expenditures.
- The City Manager's Office will continue to carefully monitor and manage expenditures and revenues to mitigate pressure from service demands.



## Appendix E

Figure 14: 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	\$	trend	
City Clerk's Office	5-Month	0.8	▲	(0.3)	▼	0.5	▲	⊙	4.4	▲	(2.0)	▼	2.4	▲	⊙
	6-Month	2.3	▲	(1.0)	▼	1.3	▲	⊙	4.4	▲	(1.9)	▼	2.5	▲	⊙
	9-Month	4.5	▲	(2.5)	▼	2.0	▲	⊙	6.6	▲	(3.8)	▼	2.9	▲	⊙
Legal Services	5-Month	4.5	▲	(0.5)	▼	4.0	▲	⊙	8.0	▲	(2.6)	▼	5.4	▲	⊙
	6-Month	6.3	▲	(2.8)	▼	3.5	▲	⊙	8.2	▲	(2.8)	▼	5.4	▲	⊙
	9-Month	8.0	▲	(3.3)	▼	4.8	▲	⊙	9.0	▲	(4.6)	▼	4.3	▲	⊙
Mayor's Office	5-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.1	▲	0.0	—	0.1	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
City Council	5-Month	0.7	▲	0.0	—	0.7	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	1.0	▲	0.0	—	1.0	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	1.7	▲	(0.0)	—	1.7	▲	⊙	1.5	▲	(0.1)	▼	1.4	▲	⊙
Total	5-Month	5.9	▲	(0.8)	▼	5.1	▲	⊙	12.4	▲	(4.6)	▼	7.8	▲	⊙
	6-Month	9.6	▲	(3.8)	▼	5.8	▲	⊙	12.7	▲	(4.8)	▼	7.9	▲	⊙
	9-Month	14.3	▲	(5.8)	▼	8.6	▲	⊙	17.1	▲	(8.5)	▼	8.6	▲	⊙
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 Nine Months Ended September 30, 2020

## Appendix E

### Other City Programs

Year-to-Date Results	Year-End Projections
<p><b>City Clerk's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$2.0 million or 7.6% due to underspending in Information Production's postage and paper supplies and Salaries &amp; Benefits due to staff vacancies and emergency leave due to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance of \$2.9 million or 7.4% mainly due to a lower internal client demand for mail, print and copy services, staff vacancies and staff emergency leave due to COVID-19.</li> </ul>
<p><b>Legal Services:</b></p> <ul style="list-style-type: none"> <li>Current favourable net variance of \$4.8 million. Gross expenditure favourability of \$8.0 million, due to reduced staffing costs of \$5.8 million as a result of COVID-19 emergency leaves and hiring, reduced Court costs of \$3.2 million, higher than expected Fees &amp; Service charges of \$0.9 million. This is offset by reductions in both Claims Revenue of \$1.8 million and Salary &amp; Benefits recovery from Capital and Rate programs, also of \$1.8 million.</li> </ul>	<ul style="list-style-type: none"> <li>Projected net favourable variance of \$4.3 million at year end as a result of the same impacts identified year to date.</li> </ul>
<p><b>Mayor's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.1 million or 4.5% due to lower spending in Salaries &amp; Benefits and Services &amp; Rents.</li> </ul>	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> </ul>
<p><b>City Council:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$1.7 million or 11.6% due to underspending in Staff Salaries and Benefits, Councillors' Constituency Services and Office Budgets and Council General Budget.</li> </ul>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance of \$1.4 million or 6.4%.</li> </ul>

## Appendix E

Figure 15: 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	5-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓡ	0.0	—	0.0	—	0.0	—	Ⓢ
	6-Month	0.2	▲	0.0	—	0.2	▲	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	9-Month	0.5	▲	0.0	—	0.5	▲	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
Office of the Integrity Commissioner	5-Month	0.1	▲	0.0	—	0.1	▲	Ⓨ	0.1	▲	0.0	—	0.1	▲	Ⓢ
	6-Month	0.1	▲	0.0	—	0.1	▲	Ⓨ	0.1	▲	0.0	—	0.1	▲	Ⓢ
	9-Month	0.2	▲	0.0	—	0.2	▲	Ⓨ	0.1	▲	0.0	—	0.1	▲	Ⓢ
Office of the Lobbyist Registrar	5-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	6-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
Office of the Ombudsman	5-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓡ	0.0	—	0.0	—	0.0	—	Ⓢ
	6-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
Total	5-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓢ	0.1	▲	0.0	—	0.1	▲	Ⓢ
	6-Month	0.3	▲	0.0	—	0.3	▲	Ⓢ	0.1	▲	0.0	—	0.1	▲	Ⓢ
	9-Month	0.7	▲	0.0	—	0.7	▲	Ⓢ	0.1	▲	0.0	—	0.1	▲	Ⓢ
<b>Year-to-Date Net Variance</b>	<b>Ⓢ</b>	85% to 105%	<b>Ⓨ</b>	0% to 85%	<b>Ⓡ</b>	>105%	<b>Year-End</b>	<b>Ⓢ</b>	<=100%	<b>Ⓡ</b>	>100%				

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix E

### Accountability Offices

Year-to-Date Results	Year-End Projections
<p><b>Auditor General's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.5 million or 9.8% due to lower spending in Salaries &amp; Benefits and Services &amp; Rents. There are no significant budget impacts due to the COVID-19 emergency situation.</li> </ul>	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> </ul>
<p><b>Office of the Integrity Commissioner:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.2 million or 32.6% due to underspent Salaries &amp; Benefits resulting from staff vacancy early in the year, lower spending in Services &amp; Rents and \$0.1 million underspent legal services and investigative expense due to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>Projected favourable variance of \$0.1 million or 11.8% at year-end due to COVID-19-related underspending on legal services and investigative expenses and lower salary and benefit costs.</li> </ul>
<p><b>Office of the Lobbyist Registrar:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.04 million or 4.1 % due mainly to lower spending in Services &amp; Rents, partially offset by higher spending in Salaries &amp; Benefits. There are no COVID-19-related budget impacts.</li> </ul>	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> </ul>
<p><b>Office of the Ombudsman:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.03 million or 2.1% due to lower spending in Services &amp; Rent, partially offset by higher spending in Salaries &amp; Benefits. There are no COVID-19-related budget impacts.</li> </ul>	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> </ul>

## Appendix E

Figure 16: 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	5-Month	7.5	▲	(6.9)	▼	0.6	2.9%	▲	⊙	(3.4)	▼	(0.0)	—	(3.4)	▼	Ⓜ
	6-Month	6.9	▲	(6.8)	▼	0.1	0.3%	▲	⊙	(3.3)	▼	(1.8)	▼	(5.1)	▼	Ⓜ
	9-Month	8.3	▲	(8.3)	▼	(0.1)	-0.2%	▼	⊙	(7.9)	▼	(12.4)	▼	(20.4)	▼	Ⓜ
Toronto Public Library	5-Month	2.3	▲	(0.2)	▼	2.1	2.8%	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	4.5	▲	(1.0)	▼	3.5	3.8%	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	6.1	▲	(2.2)	▼	3.9	2.7%	▲	⊙	5.0	▲	(4.0)	▼	0.9	▲	⊙
Association of Community Centres	5-Month	0.4	▲	(0.0)	—	0.4	11.3%	▲	⊙	0.1	▲	(0.0)	—	0.0	—	⊙
	6-Month	0.6	▲	(0.1)	▼	0.5	11.6%	▲	⊙	0.1	▲	(0.1)	▼	0.0	—	⊙
	9-Month	0.8	▲	(0.1)	▼	0.7	11.1%	▲	⊙	0.3	▲	(0.2)	▼	0.1	▲	⊙
Exhibition Place	5-Month	4.6	▲	(7.3)	▼	(2.6)	417.9%	▼	Ⓨ	8.5	▲	(23.9)	▼	(15.4)	▼	Ⓜ
	6-Month	6.0	▲	(13.5)	▼	(7.5)	3807.5%	▼	Ⓨ	21.5	▲	(39.6)	▼	(18.1)	▼	Ⓜ
	9-Month	16.1	▲	(28.7)	▼	(12.6)	1952.9%	▼	Ⓨ	22.0	▲	(36.1)	▼	(14.1)	▼	Ⓜ
Heritage Toronto	5-Month	0.1	▲	(0.2)	▼	(0.1)	-57.4%	▼	Ⓜ	0.1	▲	(0.2)	▼	(0.1)	▼	Ⓜ
	6-Month	0.0	—	0.0	—	0.1	30.2%	▲	Ⓨ	0.2	▲	(0.2)	▼	(0.1)	▼	Ⓜ
	9-Month	0.2	▲	(0.1)	▼	0.0	15.7%	—	Ⓨ	0.2	▲	(0.2)	▼	(0.1)	▼	Ⓜ

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## Appendix E

Figure 17: 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		
TO Live	5-Month	6.0	▲	(7.3)	▼	(1.3)	-47.4%	▼	Ⓜ	23.7	▲	(26.4)	▼	(2.6)	▼	Ⓜ	
	6-Month	8.5	▲	(10.6)	▼	(2.1)	-87.4%	▼	Ⓜ	23.5	▲	(26.3)	▼	(2.8)	▼	Ⓜ	
	9-Month	13.7	▲	(15.7)	▼	(2.0)	-52.1%	▼	Ⓜ	22.3	▲	(27.0)	▼	(4.6)	▼	Ⓜ	
Toronto Zoo	5-Month	4.4	▲	(7.5)	▼	(3.1)	35.9%	▼	Ⓨ	13.1	▲	(27.7)	▼	(14.6)	▼	Ⓜ	
	6-Month	6.1	▲	(10.6)	▼	(4.5)	53.4%	▼	Ⓨ	13.7	▲	(27.8)	▼	(14.1)	▼	Ⓜ	
	9-Month	9.4	▲	(21.1)	▼	(11.8)	220.1%	▼	Ⓨ	10.0	▲	(24.1)	▼	(14.0)	▼	Ⓜ	
Arena Boards of Management	5-Month	0.4	▲	(1.4)	▼	(1.0)	135.5%	▼	Ⓨ	1.3	▲	(3.6)	▼	(2.2)	▼	Ⓜ	
	6-Month	0.9	▲	(1.6)	▼	(0.8)	476.2%	▼	Ⓨ	1.4	▲	(3.4)	▼	(2.1)	▼	Ⓜ	
	9-Month	1.2	▲	(2.2)	▼	(1.0)	-409.4%	▼	Ⓜ	1.4	▲	(3.4)	▼	(2.1)	▼	Ⓜ	
Yonge Dundas Square	5-Month	0.4	▲	(0.9)	▼	(0.5)	-2381.9%	▼	Ⓜ	1.6	▲	(1.9)	▼	(0.3)	▼	Ⓜ	
	6-Month	0.7	▲	(1.4)	▼	(0.7)	-2436.0%	▼	Ⓜ	1.7	▲	(3.1)	▼	(1.4)	▼	Ⓜ	
	9-Month	1.3	▲	(2.7)	▼	(1.4)	711.2%	▼	Ⓨ	1.8	▲	(3.5)	▼	(1.7)	▼	Ⓜ	
CreateTO	5-Month	0.3	▲	(0.3)	▼	0.0	n/a	—	Ⓨ	0.0	—	0.0	—	0.0	—	Ⓞ	
	6-Month	0.5	▲	(0.5)	▼	0.0	n/a	—	Ⓨ	0.0	—	0.0	—	0.0	—	Ⓞ	
	9-Month	0.4	▲	(0.4)	▼	0.0	n/a	—	Ⓨ	(0.3)	▼	0.3	▲	0.0	—	Ⓞ	
Toronto & Region Conservation Authority	5-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ	
	6-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ	
	9-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ	

Staff report for action on Operating Variance Report for the Nine Months  
 Ended September 30, 2020

## Appendix E

Figure 18: 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 Transit Commission - Conventional	5-Month	44.0	▲	(234.0)	▼	(190.0)	-68.2%	▼	Ⓜ	89.7	▲	(789.3)	▼	(699.6)	▼	Ⓜ	
	6-Month	59.0	▲	(331.9)	▼	(272.9)	-80.5%	▼	Ⓜ	102.4	▲	(724.3)	▼	(621.9)	▼	Ⓜ	
	9-Month	59.0	▲	(331.9)	▼	(272.9)	-80.5%	▼	Ⓜ	135.8	▲	(786.2)	▼	(650.4)	▼	Ⓜ	
Toronto Transit Commission - Wheel-Trans	5-Month	14.5	▲	(1.5)	▼	13.0	21.7%	▲	Ⓨ	34.3	▲	(4.2)	▼	30.1	▲	Ⓞ	
	6-Month	21.4	▲	(2.2)	▼	19.2	25.9%	▲	Ⓨ	40.5	▲	(4.8)	▼	35.7	▲	Ⓞ	
	9-Month	21.4	▲	(2.2)	▼	19.2	25.9%	▲	Ⓨ	46.6	▲	(5.4)	▼	41.2	▲	Ⓞ	
Toronto Police Service	5-Month	(3.5)	▼	3.5	▲	0.0	0.0%	—	Ⓞ	(8.3)	▼	8.3	▲	0.0	—	Ⓞ	
	6-Month	(2.3)	▼	2.4	▲	0.0	0.0%	—	Ⓞ	(4.7)	▼	4.7	▲	0.0	—	Ⓞ	
	9-Month	(8.4)	▼	10.1	▲	1.7	0.2%	▲	Ⓞ	(11.2)	▼	13.4	▲	2.2	▲	Ⓞ	
Toronto Police Services Board	5-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ	
	6-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ	
	9-Month	0.1	▲	0.0	—	0.1	2.0%	▲	Ⓞ	0.1	▲	0.0	—	0.1	▲	Ⓞ	
Total	5-Month	81.6	▲	(264.1)	▼	(182.6)	-20.0%	▼	Ⓜ	160.8	▲	(869.0)	▼	(708.1)	▼	Ⓜ	
	6-Month	112.8	▲	(377.9)	▼	(265.0)	-24.6%	▼	Ⓜ	197.0	▲	(826.8)	▼	(629.8)	▼	Ⓜ	
	9-Month	129.5	▲	(405.7)	▼	(276.2)	-19.6%	▼	Ⓜ	226.0	▲	(888.9)	▼	(662.9)	▼	Ⓜ	

<b>Year-to-Date</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓞ</span> 85% to 105%	<span style="background-color: #FFFF00; border: 1px solid black; padding: 2px;">Ⓨ</span> 0% to 85%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓜ</span> >105%	<b>Year-End</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓞ</span> <=100%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓜ</span> >100%
<b>Net Variance</b>						

Staff report for action on Operating Variance Report for the Nine Months  
 Ended September 30, 2020

**Appendix E  
City Agencies**

**Year-to-Date Results**

**Year-End Projections**

**Toronto Public Health:**

- Favourable gross expenditure variance of \$8.3 million, mainly attributable to underspending in salary and benefits of \$3.9 million and non-payroll expenditures of \$4.4 million which reflects savings resulting from the suspension of non-essential programs and services. These have been offset by increased costs for additional resources to support case management and contact tracing priorities in IMS during the COVID-19 pandemic.
- Underachieved revenues of \$8.4 million are mainly due to lower provincial revenue recovered as a result of lower expenditures.
- Unfavourable net variance of \$0.1 million is attributed to pressures being realized for extraordinary costs as a result of the City's response to the COVID-19 pandemic.

- Projected unfavourable gross expenditure variance of \$7.9 million mainly in salaries and benefits for extraordinary costs in response to the COVID-19 outbreak and additional resources to support the case and contact tracing functions in IMS.
- Projected underachieved revenues of \$12.4 million revenues primarily from lower recoverable costs in 100% provincially funded programs such as the Ontario Seniors Dental Care Program and in fees/recovery for service programs such as the food handler certification and training, vaccination doses and dental programs.
- The Ministry of Health has indicated that extraordinary costs in response to the COVID-19 outbreak that are over and above the Provincial grant will be fully funded by the Province. Revenue projections will be adjusted to reflect any additional funding received from other levels as part of year-end variance report.
- Projected net unfavourable year-end variance of \$20.4 million reflects the pressure to the city budget if funding is not provided by the province to support the extraordinary costs related to the COVID-19 outbreak.



<p><b>Toronto Public Library:</b></p> <ul style="list-style-type: none"> <li>• For the nine month period ending on September 30, 2020, Toronto Public Library (TPL) has reported a favourable variance of \$3.9 million net.</li> <li>• Favourable gross expenditure variance of \$6.1 million is primarily driven by lower salary and benefits costs, utilities, and TPL programming costs from closure of library branches or operating at reduced service due to COVID-19.</li> <li>• Unfavourable revenue variance of \$2.2 million is attributed to decreased fine, fees and room rental revenue due to full branch closures in Q2 and operating with Provincial restrictions since reopening.</li> </ul>	<ul style="list-style-type: none"> <li>• Toronto Public Library is projecting to be \$0.9 million net favourable at year-end.</li> <li>• As a result of COVID19 impacts that forced the closure of library branches between March and August, gross expenditures are anticipated to be \$5.0 million favourable.</li> <li>• Favourable gross expenditures have been partially offset by increases in cleaning services, additional PPE requirements and security guard services.</li> <li>• Projected year-end unfavourable revenue of \$4.0 million is primarily related to lower than budget room rental, fine and fees revenue, which is driven by COVID19 impacts.</li> </ul>
<p><b>Association of Community Centres:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross variance of \$0.8 million primarily driven by underspending in salaries and benefits due to a vacant positions throughout the year at Applegrove Community Centre, Cecil Community Centre, Central Eglinton Community Centre and Eastview Neighbourhood Centre in addition to lower costs in other administrative expenses as a result of the COVID-19 shutdowns.</li> <li>• Underachieved revenues of \$0.1 million due to loss of room rentals as a result of COVID-19 shutdowns.</li> <li>• Favourable net variance of \$0.7 million mainly driven by underspending in salaries and benefits and lower administrative costs related to COVID-19 shutdowns.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable gross expenditure variance of \$0.263 million primarily due to the savings related to the COVID-19 shutdowns partially offset by increased materials and supplies, utilities and services and rents as centres reopen.</li> <li>• Underachieved revenues of \$0.192 million due to lower room rentals as a result of COVID-19 shutdowns.</li> <li>• Projected favourable net variance of \$0.071 million due to savings experienced from the COVID-19 shutdowns, partially offset by reopening and recovery costs expected in the remainder of the year.</li> </ul>

<p><b>Exhibition Place:</b></p> <ul style="list-style-type: none"> <li>• Exhibition Place reported an unfavourable net variance of \$12.6 million to the 2020 Approved Operating Budget driven by:</li> <li>• A favourable gross expenditure variance of \$16.1 million from the postponement and cancellation of non-essential expenditures/purchases, as well costs directly associated with event revenues.</li> <li>• An unfavourable revenue variance of \$28.7 million from event cancellations due to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Exhibition Place projects an unfavourable net variance of \$14.1 million to the 2020 Approved Operating Budget. Exhibition Place has projected revenues and expenditures on the assumption that operations will not resume in 2020.</li> <li>• A favourable gross expenditure variance of \$22.0 million from decreased purchases, lower staffing levels during closures and costs associated with events during the halt of operation due to COVID-19.</li> <li>• An unfavourable revenue variance of \$36.1 million from lost revenues from events, and parking.</li> <li>• As a result of revenue losses, an in-year budget adjustment is being requested to seek City Council approval to withdraw the Conference Centre Reserve Fund for any shortfalls in loan payments to the City.</li> </ul>
<p><b>Heritage Toronto:</b></p> <ul style="list-style-type: none"> <li>• Heritage Toronto reported a favourable net variance of \$0.04 million to the 2020 Approved Operating Budget driven by:</li> <li>• A favourable gross expenditure variance of \$0.2 million from decreased tour and program expenses as well as two full-time positions remaining vacant during COVID-19 emergency orders.</li> <li>• An unfavourable revenue variance of \$0.1 million from the cancellation of the tours and awards programs, most sponsorship revenue was lost.</li> </ul>	<ul style="list-style-type: none"> <li>• Heritage Toronto projects an unfavourable net variance of \$0.1 million to the 2020 Approved Operating Budget, consisting of:</li> <li>• A favourable gross expenditure variance of \$0.2 million resulting from COVID-19 as programs have been cancelled and additional savings from salaries and benefits will be realized. These savings are offset by the lost revenues from tours and the awards program.</li> <li>• An unfavourable revenue variance of \$0.2 million is projected as Heritage Toronto has cancelled its Heritage awards program in the fall and its</li> </ul>

	<p>heritage tours for the summer months which accounts for a majority of its revenues. Heritage Toronto does not expect tours to resume in 2020.</p>
<p><b>TO Live:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable net expenditure of \$2.0 million or 52.1% above the 2020 Approved Operating Budget is driven by:</li> <li>• Significant revenue loss of \$15.7 million due to suspension of regular operations since March 16 as a result of COVID-19.</li> <li>• The shortfall in revenue was partially offset by savings of \$13.7 million in direct costs associated with cancelled/postponed events, building and administrative overheads as well as salaries and benefits for staff on emergency leave.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavorable net expenditure of \$4.6 million by year-end is projected to account for revenue loss due to COVID-19.</li> <li>• To mitigate its revenue shortfall, TO Live will continue to implement cost savings measures including deferring non-essential purchases, reducing non-permanent staff.</li> </ul>
<p><b>Toronto Zoo:</b></p> <ul style="list-style-type: none"> <li>• Unfavorable net expenditure of \$11.8 million above the 2020 Approved Operating Budget is driven by:</li> <li>• Unfavorable revenue of \$21.1 million due to Zoo closure from March 14 to May 19 as a result of COVID-19 and modified operations from May 20 onwards. The revenue shortfall was partially offset by the launch of the Scenic Safari since May 20. This initiative helps generate some cash flow to support daily essential operations at the Zoo. The Zoo welcomed back walking visitors on June 27.</li> <li>• To mitigate the impact of COVID-19, the Zoo implemented cost saving measures resulting in favorable gross expenditure of \$9.4 million. To meet the needs of the living inhabitants at the Zoo, ongoing expenditures are still required.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavorable net expenditure of \$14.0 million by year-end is projected consistent with year-to-date experience:</li> <li>• Revenue is forecasted to be unfavorable by \$24.1 million. Revenue shortfall is partially offset by the offering of the Scenic Safari (approximately \$3 million) and the "Zoo Food For Life" fundraising campaign launched by the Toronto Zoo Wildlife Conservancy which helps raise funds to feed animals in the Zoo (\$0.6 million).</li> <li>• The Zoo continues to launch new programs to generate new revenue including the Wildtails Campground, blooming of a second corpse flower and the Zoo ConnectionZ.</li> </ul>

<ul style="list-style-type: none"> <li>The Zoo attracted 0.5 million visitors, representing 51% decrease from attendance target of 1.08 million as of September due to COVID-19. However, it is important to highlight that visits in the first two months of 2020 drew the highest attendance in the Zoo's 45 year history as a result of the success of Terra Lumina.</li> </ul>	<ul style="list-style-type: none"> <li>Gross expenditure is anticipated to be favorable by \$10.1 million as the Zoo continues to implement cost saving measures including reducing non-permanent staff and deferring non-essential purchases.</li> </ul>
<p><b>Arena Boards of Management:</b></p> <ul style="list-style-type: none"> <li>The Arena Boards of Management reported an unfavourable net variance of \$1.0 million to the 2020 Approved Operating Budget driven by:</li> <li>A favourable gross expenditure variance of \$1.2 million from the postponement and cancellation of non-essential expenditures/purchases, as well costs directly associated with ice-time and room booking revenues.</li> <li>An unfavourable revenue variance of \$2.2 million from cancelled programming and closed facilities due to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>The Arena Boards of Management project an unfavourable net variance of \$2.1 million to the 2020 Approved Operating Budget. The Arena Boards of Management have projected revenues and expenditures on the assumptions that operations will resume in the fall.</li> <li>A favourable gross expenditure variance of \$1.4 million from decreased purchases, lower staffing levels during closures and costs associated with ice-time during the halt of operation due to COVID-19.</li> <li>An unfavourable revenue variance of \$3.4 million from lost revenues due to the closure of facilities.</li> </ul>
<p><b>Yonge Dundas Square (YDS):</b></p> <ul style="list-style-type: none"> <li>Yonge-Dundas Square reported an unfavourable net variance of \$1.4 million to the 2020 Approved Operating Budget, driven by:</li> <li>A favourable gross expenditure variance of \$1.3 million due to program and event cancellations due to COVID-19.</li> <li>An unfavourable revenue variance of \$2.7 million due to program and event cancellation revenues, as reference</li> </ul>	<ul style="list-style-type: none"> <li>Yonge-Dundas Square projects an unfavourable net variance of \$1.7 million to the 2020 Approved Operating Budget. Yonge-Dundas Square is not expecting to produce any large scale events and programs in 2020 and has projected their revenues and expenditures with this expectation.</li> <li>This is driven by a projected unfavourable revenue variance of \$3.5 million and a favourable</li> </ul>

<p>above. These revenues were slightly offset by expenditures associated with these programs and events.</p>	<p>gross expenditure variance of \$1.8 million from cancelled programs and events and the revenues/expenditures associated them.</p>
<p><b>CreateTO:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditures of \$0.4 million is attributable to delayed spending in project investigative, marketing and general office costs that are expected to be fully spent by year-end.</li> <li>• Funding recovery from Build Toronto, TPLC and the City aligns with expenditures, resulting in a net zero variance to Budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Year-End projection includes transfer of 4.0 FTEs from Corporate Real Estate Management (CREM) for \$0.3 million gross and zero net impact, funded by recoveries from CREM. The transfer of positions reflects the right placement of resources for the execution and implementation of the City Wide Real Estate Strategy. CreateTO is projecting to be on budget by year-end.</li> </ul>
<p><b>Toronto &amp; Region Conservation Authority:</b></p> <ul style="list-style-type: none"> <li>• As planned for this period.</li> </ul>	<ul style="list-style-type: none"> <li>• Each year, TRCA receives the City of Toronto funding share which maintains the ratio between TRCA's other funding partner municipalities. In 2020, TRCA will receive the full funding amount as approved by Council, resulting in no year-end variance.</li> </ul>
<p><b>Toronto Transit Commission – Conventional:</b></p> <p><b>The below information is based on spending as of June 30, 2020 as Q3 information was not available</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$59.0 million primarily due to the implementation of cost containment strategies and the matching service capacity to demand. This was partially offset by the implementation of safety measures and additional disinfection procedures required due to COVID-19</li> </ul>	<p><b>Final Q3 information was not available for this report. Projections provided by TTC staff are based on weekly COVID information have been incorporated</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$135.8 million primarily due to the implementation of cost containment strategies and the matching service capacity to demand. This will partially be offset by the implementation of safety measures and additional disinfection procedures required due to COVID-19.</li> </ul>

<ul style="list-style-type: none"> <li>• Revenues are under achieved by \$331.9 million at the end of the six month period. Due to the impact of COVID-19, TTC has lost the majority of its ridership revenue. The loss of ridership revenue peaked at 86% below budget in late April. With the gradual reopening and recovery, at the end of June, ridership levels improved to 23% of budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Revenues at year end are projected to be under achieved by \$786.2 million as the impact of COVID-19 will continue to significantly impact ridership levels. Ridership levels experienced at the end of June was 23% of budget and reached 35% in August.</li> </ul>
<p><b>Toronto Transit Commission – Wheel-Trans:</b></p> <p><b>The below information is based on spending as of June 30, 2020 as Q3 information was not available</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$21.4 million primarily due to the implementation of cost containment strategies and matching service capacity to demand.</li> <li>• Revenues are under achieved by \$2.2 million at the end of the six month period. Wheel-Trans ridership has been significantly reduced below budget since mid-March, due to the impacts of COVID-19.</li> </ul>	<p><b>Final Q3 information was not available for this report. Projections provided by TTC staff are based on weekly COVID information have been incorporated</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$46.6 million at year end primarily due to implementation of cost containment strategies and matching service capacity to demand.</li> <li>• Revenues at year end are projected to be under achieved by \$5.4 million as the impact of COVID-19 will continue to significantly impact ridership levels.</li> </ul>
<p><b>Toronto Police Service:</b></p> <ul style="list-style-type: none"> <li>• Toronto Police Service (TPS) has reported a favourable variance of \$1.7 million net as of September 30, 2020.</li> <li>• Gross expenditures are \$8.4 million unfavourable mainly due to premium pay and unbudgeted expenses that are being funded by in-year grant funding.</li> <li>• Increased expenditures in enforcement due to COVID-19 have been more than offset by pandemic related savings in court premium pay, salaries from delayed hiring and group benefit costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Toronto Police Service is projecting a favourable variance of \$2.2 million net at year-end.</li> <li>• Consistent with year-to-date trend, gross expenditures are anticipated to be \$11.2 million higher than budget.</li> <li>• The overspending is anticipated to be fully offset by favourable revenue of \$13.4 million at year-end.</li> <li>• The financial impacts of COVID-19 are difficult to accurately predict as this pandemic is without</li> </ul>

<ul style="list-style-type: none"> <li>Favourable revenue variance of \$10.1 million is primarily related to the in-year grants which offset lost revenues as there is less demand for paid duties and vulnerable sector screenings resulting from COVID-19.</li> </ul>	<p>precedent and the length of the pandemic is unknown. Although there are projected COVID-19 savings, these savings have been partially offset by \$6.4M of overall budget pressures for the Service that existed pre-pandemic.</p>
<p><b>Toronto Police Services Board:</b></p> <ul style="list-style-type: none"> <li>For the nine months period ending September 30, Toronto Police Services Board (TPSB) reported a favourable variance of \$0.1M net.</li> <li>The favourable gross expenditure variance of \$0.1M is fully attributable to the lower salaries and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with the year-to-date trend, Toronto Police Services Board is projecting a favourable year-end variance of \$0.1M that is driven by lower salaries and benefits.</li> </ul>

## Appendix E

### Capital & Corporate Financing

Figure 19: 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	5-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	(0.8)	▼	0.0	—	(0.8)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Technology Sustainment	5-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Debt Charges	5-Month	(4.3)	▼	0.0	—	(4.3)	▼	Ⓚ	5.7	▲	0.0	—	5.7	▲	Ⓚ
	6-Month	(6.6)	▼	2.4	▲	(4.2)	▼	Ⓚ	6.5	▲	0.0	—	6.5	▲	Ⓚ
	9-Month	3.5	▲	3.9	▲	7.4	▲	Ⓚ	7.5	▲	0.0	—	7.5	▲	Ⓚ
Total	5-Month	(4.3)	▼	0.0	—	(4.3)	▼	Ⓚ	5.7	▲	0.0	—	5.7	▲	Ⓚ
	6-Month	(6.6)	▼	2.4	▲	(4.2)	▼	Ⓚ	6.5	▲	0.0	—	6.5	▲	Ⓚ
	9-Month	2.8	▲	3.9	▲	6.6	▲	Ⓚ	7.5	▲	0.0	—	7.5	▲	Ⓚ
Year-to-Date Net Variance		Ⓚ	85% to 105%	Ⓚ	0% to 85%	Ⓚ	>105%	Year-End	Ⓚ	<=100%	Ⓚ	>100%			



**Appendix E  
Capital & Corporate Financing**

Year-to-Date Results	Year-End Projections
<p><b>Capital &amp; Corporate Financing:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Technology Sustainment:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Debt Charges:</b></p> <ul style="list-style-type: none"> <li>A favourable gross expenditure variance of \$3.5 million was primarily due to lower than forecasted 2020 debt issuance rates which is partially offset by timing difference between actual versus budgeted debt charges. This difference will be resolved by year-end.</li> </ul>	<ul style="list-style-type: none"> <li>A favourable variance of \$7.5 million is projected primarily due to lower than forecasted 2020 debt issuance rates.</li> </ul>

## Appendix E

Figure 20: 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	5-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	7.0	▲	0.0	—	7.0	▲	⊙	9.7	▲	0.0	—	9.7	▲	⊙
Tax Increment Equivalent Grants (TIEG)	5-Month	0.6	▲	0.0	—	0.6	▲	⊙	1.3	▲	0.0	—	1.3	▲	⊙
	6-Month	0.7	▲	0.0	—	0.7	▲	⊙	1.3	▲	0.0	—	1.3	▲	⊙
	9-Month	0.2	▲	0.0	—	0.2	▲	⊙	0.3	▲	0.0	—	0.3	▲	⊙
Assessment Function (MPAC)	5-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	(0.2)	▼	0.0	—	(0.2)	▼	Ⓡ
	6-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	(0.2)	▼	0.0	—	(0.2)	▼	Ⓡ
	9-Month	(0.2)	▼	0.0	—	(0.2)	▼	⊙	(0.2)	▼	0.0	—	(0.2)	▼	Ⓡ
Funding of Employee Related Liabilities	5-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Other Corporate Expenditures	5-Month	0.0	—	0.0	—	0.0	—	⊙	28.8	▲	0.0	—	28.8	▲	⊙
	6-Month	2.2	▲	0.0	—	2.2	▲	Ⓡ	(3.0)	▼	0.0	—	(3.0)	▼	Ⓡ
	9-Month	(8.0)	▼	(14.6)	▼	(22.6)	▼	Ⓨ	(58.8)	▼	(22.5)	▼	(81.2)	▼	Ⓡ
Parking Tag Enforcement & Oper.	5-Month	6.1	▲	0.0	—	6.1	▲	Ⓨ	9.1	▲	0.0	—	9.1	▲	⊙
	6-Month	7.3	▲	0.0	—	7.3	▲	Ⓨ	9.6	▲	0.0	—	9.6	▲	⊙
	9-Month	6.2	▲	0.0	—	6.2	▲	⊙	6.5	▲	0.0	—	6.5	▲	⊙

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

## Appendix E

Figure 21: 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			
Programs Funded from Reserve Funds	5-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	0.0	—	0.0	—	⊙	(10.0)	▼	10.0	▲	0.0	—	⊙
Heritage Property Taxes Rebate	5-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.4	▲	0.0	—	0.4	▲	⊙	0.6	▲	0.0	—	0.6	▲	⊙
Tax Rebates for Registered Charities	5-Month	(0.1)	▼	0.1	▲	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	(0.0)	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Solid Waste Management Rebates	5-Month	1.6	▲	0.0	—	1.6	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	2.5	▲	0.0	—	2.5	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	1.4	▲	0.0	—	1.4	▲	⊙	(0.0)	—	0.0	—	(0.0)	—	⊙
Tax Increment Funding (TIF)	5-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Total	5-Month	8.0	▲	0.1	▲	8.1	▲	⊙	39.0	▲	0.0	—	39.0	▲	⊙
	6-Month	12.5	▲	0.0	—	12.5	▲	⊙	7.7	▲	0.0	—	7.7	▲	⊙
	9-Month	7.2	▲	(14.6)	▼	(7.4)	▼	⊙	(51.9)	▼	(12.4)	▼	(64.3)	▼	⊙

**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 Nine Months Ended September 30, 2020

## Appendix E

### Non-Program Expenditures

Year-to-Date Results	Year-End Projections
<p><b>Tax Deficiencies/Write-Offs:</b></p> <ul style="list-style-type: none"> <li>A favourable net expenditure of \$7.0 million was realized mainly due to the following:               <ul style="list-style-type: none"> <li>\$7.1 million favourable variance resulting from appeals posted and provisions being less than budget;</li> <li>\$0.2 million favourable variance for interested paid on tax refunds as a number of appeal refunds have not yet been processed due to COVID-19; and</li> <li>Offset by \$0.3 million unfavourable for unbudgeted costs to defend the City's assessment base.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>A favourable variance of \$9.5 million is projected as a result of appeals posted and provisions are projected to be less than budget.</li> </ul>
<p><b>Tax Increment Equivalent Grants (TIEG)</b></p> <ul style="list-style-type: none"> <li>A favourable gross expenditure of \$0.2 million was realized because estimates for eligible properties (current and prior years) were modified to reflect the expected grants.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results, a favourable variance of \$0.3 million net is projected.</li> </ul>
<p><b>Assessment Function (MPAC):</b></p> <ul style="list-style-type: none"> <li>An unfavourable variance of \$0.2 million was due to MPAC fees being higher.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results, an unfavourable variance of \$0.2 million is projected.</li> </ul>
<p><b>Funding Employee Related Liabilities:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Other Corporate Expenditures:</b></p> <ul style="list-style-type: none"> <li>An unfavourable variance of 22.6 million net was mainly due to budgeted savings in the non-program account to be realized in other programs partially offset by</li> </ul>	<ul style="list-style-type: none"> <li>An unfavourable variance of \$81.2 million net is projected due to budgeted savings in the non-</li> </ul>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2020

<p>underspending in budgeted cost of living adjustments. The City has identified annual cost reductions in sourcing benefit of \$64.9m including capital, operating, tax, and rate, for either budgeted savings or cost avoidance. \$4 million budgeted operating savings has been reflected.</p>	<p>program account to be realized in other programs. Additional estimated costs are also projected due to an increased liability related to staff's inability to fully utilize vacation days during the pandemic period.</p>
<p><b>Parking Tag Enforcement &amp; Operations:</b></p> <ul style="list-style-type: none"> <li>• Parking Tag Operations reported a favourable expenditure variance of \$6.2 million that is driven by reduced premium pay spending, lower salaries and benefits as a result of vacant positions, and lower payments to province for license search fees due to reduced number of parking tickets issued.</li> <li>• The year-to-date results are primarily driven by COVID19 impacts.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with the year-to-date results, Parking Tag Operations are projecting a favourable expenditure variance of \$6.5M, which is driven by COVID19 impacts.</li> <li>• Lower than budgeted expenditures are primarily driven by lower payments to province as a result of projected decline in parking tag ticket issuance.</li> <li>• The COVID-19 impacts are difficult to accurately predict, as this pandemic is without precedent and its duration is not fully known.</li> </ul>
<p><b>Programs Funded from Reserve Funds:</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Heritage Property Tax Rebates:</b></p> <ul style="list-style-type: none"> <li>• A favourable gross expenditure variance of \$0.4 million was mainly due to the stoppage/delay of project work as a result of the COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year to date results, an unfavourable variance of \$0.6 million net is projected.</li> </ul>
<p><b>Tax Rebates for Registered Charities:</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Solid Waste Management Rebates:</b></p> <ul style="list-style-type: none"> <li>• Favourable variance of \$2.5 million is mainly attributable to the actual historical billings being lower the plan.</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Tax Increment Funding (TIF):</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>

## Appendix E

Figure 22: 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	5-Month	0.0	—	(2.1)	▼	(2.1)	▼	Ⓜ	0.0	—	(4.3)	▼	(4.3)	▼	Ⓜ
	6-Month	0.0	—	(3.4)	▼	(3.4)	▼	Ⓞ	0.0	—	(4.3)	▼	(4.3)	▼	Ⓜ
	9-Month	0.0	—	(6.4)	▼	(6.4)	▼	Ⓜ	0.0	—	(6.4)	▼	(6.4)	▼	Ⓜ
Supplementary Taxes	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	6.2	▲	6.2	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	14.5	▲	14.5	▲	Ⓢ	0.0	—	4.4	▲	4.4	▲	Ⓞ
Tax Penalty Revenue	5-Month	0.0	—	(7.2)	▼	(7.2)	▼	Ⓜ	0.0	—	(2.3)	▼	(2.3)	▼	Ⓜ
	6-Month	0.0	—	(5.1)	▼	(5.1)	▼	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.1	▲	0.1	▲	Ⓞ	0.0	—	1.4	▲	1.4	▲	Ⓞ
Interest/Investment Earnings	5-Month	1.7	▲	(9.9)	▼	(8.3)	▼	Ⓜ	4.0	▲	(51.8)	▼	(47.8)	▼	Ⓜ
	6-Month	1.4	▲	(6.8)	▼	(5.4)	▼	Ⓜ	3.4	▲	(39.4)	▼	(36.0)	▼	Ⓜ
	9-Month	3.4	▲	(6.9)	▼	(3.6)	▼	Ⓞ	3.6	▲	(19.9)	▼	(16.3)	▼	Ⓜ
Other Corporate Revenues	5-Month	(0.4)	▼	0.2	▲	(0.2)	▼	Ⓜ	(0.4)	▼	(0.8)	▼	(1.2)	▼	Ⓜ
	6-Month	(0.5)	▼	(0.5)	▼	(1.0)	▼	Ⓜ	(1.4)	▼	(1.1)	▼	(2.5)	▼	Ⓜ
	9-Month	0.3	▲	(1.0)	▼	(0.7)	▼	Ⓜ	0.2	▲	(1.1)	▼	(0.9)	▼	Ⓜ
Dividend Income	5-Month	0.0	—	(1.3)	▼	(1.3)	▼	Ⓞ	0.0	—	(12.4)	▼	(12.4)	▼	Ⓜ
	6-Month	0.0	—	(6.2)	▼	(6.2)	▼	Ⓜ	0.0	—	(12.4)	▼	(12.4)	▼	Ⓜ
	9-Month	0.0	—	(9.3)	▼	(9.3)	▼	Ⓜ	0.0	—	(12.4)	▼	(12.4)	▼	Ⓜ

## Appendix E

Figure 23: 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	
Provincial Revenue	5-Month	0.0	—	(0.0)	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Municipal Land Transfer Tax	5-Month	(5.9)	▼	13.2	▲	7.3	▲	Ⓞ	0.0	—	(249.2)	▼	(249.2)	▼	Ⓜ
	6-Month	(0.3)	▼	(17.3)	▼	(17.6)	▼	Ⓜ	0.0	—	(165.9)	▼	(165.9)	▼	Ⓜ
	9-Month	0.0	—	(58.3)	▼	(58.3)	▼	Ⓜ	(0.0)	—	(52.7)	▼	(52.7)	▼	Ⓜ
Third Party Sign Tax	5-Month	0.0	—	0.8	▲	0.8	▲	Ⓞ	0.0	—	0.8	▲	0.8	▲	Ⓞ
	6-Month	0.0	—	0.8	▲	0.8	▲	Ⓞ	0.0	—	0.8	▲	0.8	▲	Ⓞ
	9-Month	0.0	—	1.1	▲	1.1	▲	Ⓞ	0.0	—	0.8	▲	0.8	▲	Ⓞ
Parking Authority Revenues	5-Month	0.0	—	(4.7)	▼	(4.7)	▼	Ⓜ	0.0	—	(42.1)	▼	(42.1)	▼	Ⓜ
	6-Month	0.0	—	(4.7)	▼	(4.7)	▼	Ⓜ	0.0	—	(42.1)	▼	(42.1)	▼	Ⓜ
	9-Month	(15.8)	▼	(4.7)	▼	(20.5)	▼	Ⓜ	0.0	—	(42.1)	▼	(42.1)	▼	Ⓜ
Administrative Support Recoveries - Water	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Administrative Support Recoveries - Health & EMS	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Parking Tag Enforcement & Operations Rev	5-Month	0.0	—	(2.6)	▼	(2.6)	▼	Ⓜ	0.0	—	(53.9)	▼	(53.9)	▼	Ⓜ
	6-Month	0.0	—	(10.6)	▼	(10.6)	▼	Ⓜ	0.0	—	(54.3)	▼	(54.3)	▼	Ⓜ
	9-Month	0.0	—	(34.9)	▼	(34.9)	▼	Ⓜ	0.0	—	(48.1)	▼	(48.1)	▼	Ⓜ

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## Appendix E

Figure 24: 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	
Other Tax Revenues	5-Month	(0.1)	▼	0.5	▲	0.3	▲	Ⓞ	(0.3)	▼	0.4	▲	0.1	▲	Ⓞ
	6-Month	(0.2)	▼	0.2	▲	0.1	▲	Ⓞ	(0.3)	▼	0.4	▲	0.1	▲	Ⓞ
	9-Month	2.2	▲	0.4	▲	2.6	▲	Ⓢ	2.2	▲	0.4	▲	2.6	▲	Ⓞ
Municipal Accommodation Tax	5-Month	1.0	▲	(14.2)	▼	(13.2)	▼	Ⓡ	1.9	▲	(52.9)	▼	(51.0)	▼	Ⓡ
	6-Month	1.2	▲	(19.6)	▼	(18.4)	▼	Ⓡ	1.9	▲	(52.5)	▼	(50.6)	▼	Ⓡ
	9-Month	1.4	▲	(36.8)	▼	(35.4)	▼	Ⓡ	1.9	▲	(50.9)	▼	(49.0)	▼	Ⓡ
Casino Woodbine	5-Month	0.0	—	(0.5)	▼	(0.5)	▼	Ⓡ	0.0	—	(17.5)	▼	(17.5)	▼	Ⓡ
	6-Month	0.0	—	(10.6)	▼	(10.6)	▼	Ⓡ	0.0	—	(19.7)	▼	(19.7)	▼	Ⓡ
	9-Month	0.0	—	(18.4)	▼	(18.4)	▼	Ⓡ	0.0	—	(24.0)	▼	(24.0)	▼	Ⓡ
Total	5-Month	(3.9)	▼	(27.7)	▼	(31.5)	▼	Ⓡ	5.2	▲	(486.0)	▼	(480.8)	▼	Ⓡ
	6-Month	(3.3)	▼	(77.5)	▼	(80.8)	▼	Ⓡ	3.5	▲	(390.3)	▼	(386.8)	▼	Ⓡ
	9-Month	(8.5)	▼	(160.7)	▼	(169.2)	▼	Ⓡ	7.9	▲	(250.6)	▼	(242.7)	▼	Ⓡ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			



## Appendix E

### Non-Program Revenues

Year-to-Date Results	Year-End Projections
<p><b>Payments In Lieu of Taxes (PILs):</b></p> <ul style="list-style-type: none"> <li>An unfavourable variance of \$6.4 million was realized, primarily due to:               <ul style="list-style-type: none"> <li>\$8.8 million unfavourable variance resulting from appeals posted and provision being greater than budget;</li> <li>Offset by \$0.7 million favourable variance with assessment-based levies being higher than budget;</li> <li>Offset by \$0.1 million favourable with airport passenger levies higher than budget; and</li> <li>Offset by \$1.6 million favourable related to unbudgeted supplementary levies.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results, an unfavourable variance of \$6.4 million is projected.</li> </ul>
<p><b>Supplementary Taxes:</b></p> <ul style="list-style-type: none"> <li>As of June 2020, the supplementary/omit roll received from MPAC was higher than anticipated, resulting in a \$6.2 million favourable variance.</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Tax Penalty Revenue</b></p> <ul style="list-style-type: none"> <li>An unfavourable variance of \$5.1 million was realized because City did not earn interest during April and May 2020, as a result of COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Interest &amp; Investment Earnings:</b></p> <ul style="list-style-type: none"> <li>An unfavourable net expenditure variance of \$3.6 million was realized due to:               <ul style="list-style-type: none"> <li>A favourable gross expenditure variance of \$3.4 million mainly attributed to:                   <ul style="list-style-type: none"> <li>External legal costs lower than originally budgeted. There was a cancellation of the first</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>An unfavourable net expenditure variance of \$16.3 million is projected due to:               <ul style="list-style-type: none"> <li>A favourable gross expenditure variance of \$3.6 million consistent with year to date results; and</li> </ul> </li> </ul>

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<p>Toronto Investment Board meeting in early 2020 due to the pandemic;</p> <ul style="list-style-type: none"> <li>• Audit costs have not been incurred as it has been delayed due to the pandemic;</li> <li>• Other business expenses have been lower due to fewer Investment Board meetings being held than originally forecasted; and</li> <li>• Investment managers' fees were lower than budgeted as there was a delay with the agreement negotiation for the last two equities managers, and a delay in the start for Real Assets allocations, also delayed to late 2021 and into 2022.</li> </ul> <ul style="list-style-type: none"> <li>• An unfavourable revenue variance of \$6.9 million mainly attributed to: <ul style="list-style-type: none"> <li>• Lower than forecasted balances due to: <ul style="list-style-type: none"> <li>• Tax deferrals and lower collection rates due to the pandemic;</li> <li>• Lower revenues/burn rate due to pandemic; and</li> </ul> </li> </ul> </li> </ul> <p>therefore, earning less interest than forecasted;</p> <ul style="list-style-type: none"> <li>• Lower than forecasted interest rates also attributed to the lower interest income earned which resulted from: <ul style="list-style-type: none"> <li>• Bank of Canada drastically reduced the interest rate by 1% in March; and</li> <li>• Banks have reduced their credit spread over Bank of Canada decreasing rates as well.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• An unfavourable revenue variance of \$19.9 million mainly attributed to the pandemic; Bank of Canada lowering the interest rate drastically by 1% in March 2020. Due to this the budgeted earnings we expected have drastically been reduced. In addition due to various measures such as tax deferral, the short term fund has been experiencing lower than forecasted balance. As a result, the short-term funds were earning lower than forecasted. It is anticipated the long-term fund will be earning less because of the delay in contract negotiations with the fourth equity manager, and the Real Asset manager selections.</li> </ul>
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<p><b>Other Corporate Revenues:</b></p> <ul style="list-style-type: none"> <li>Unfavourable variance of \$1.0 million net is mainly attributed to COVID-19 having limited the City's ability to provide registry services to the public which is negatively impacting the revenues generated.</li> </ul>	<ul style="list-style-type: none"> <li>At year-end, a \$2.5 million unfavourable variance is projected, mainly due to decrease in marriage licences and wedding chamber rental revenues as a result of COVID-19.</li> </ul>
<p><b>Dividend Income:</b></p> <ul style="list-style-type: none"> <li>Lower than planned hydro dividend revenue of \$6.2 million as a result of lower Toronto Hydro earnings in 2019.</li> </ul>	<ul style="list-style-type: none"> <li>Unfavourable year-end variance of \$12.4 million due to lower Toronto Hydro earnings in 2019.</li> </ul>
<p><b>Provincial Revenue:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget, Safe Restart Agreement funding will be applied to offset the year-end funding shortfall resulting from COVID-19 financial impacts and is not reflected in year-end revenue projections.</li> </ul>
<p><b>Municipal Land Transfer Tax (MLTT):</b></p> <ul style="list-style-type: none"> <li>An unfavourable variance of \$58.3 million was mainly due to lower than expected sales revenue during this period as a result of the COVID-19 pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results, an unfavourable variance of \$166.0 million is projected as a result of the COVID-19 pandemic.</li> </ul>
<p><b>Third Party Sign Tax:</b></p> <ul style="list-style-type: none"> <li>A favourable variance of \$1.1 million was mainly due to: <ul style="list-style-type: none"> <li>A small increase in the number of electronic signs; and</li> <li>A shift for some signs to a higher tax class (and rate).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results and ongoing reconciliations, cancellations and adjustments to older invoices a favourable variance of \$0.8 million net is projected.</li> </ul>
<p><b>Parking Authority Revenues:</b></p> <ul style="list-style-type: none"> <li>An unfavourable revenue variance of \$20.5 million was due to COVID-19 impacts.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results, an unfavourable revenue variance of \$42.1 million is projected due to COVID-19 impacts.</li> </ul>
<p><b>Administrative Support Recoveries – Toronto Water:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Administrative Support Recoveries – Health &amp; EMS:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>

<p><b>Parking Tag and Enforcement Operations:</b></p> <ul style="list-style-type: none"> <li>• Parking Tag Operations reported an unfavourable revenue variance of \$34.9 million, which is mainly due to lower parking tag ticket issuances, lower late fees and penalty charges collected as a result of an increase in default payments from COVID-19. Total year-to-date tickets issued: 952,381</li> <li>• The year-to-date results are primarily driven by COVID19 impacts.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with the year-to-date trend, Parking Tag Operations are projecting an unfavourable revenue variance of \$48.1M, which is driven by COVID19 impacts.</li> <li>• Lower than budgeted revenue is primarily driven by lower parking tag ticket issuance of 1,331,084 compared to the 2,200,000 target in 2020.</li> <li>• The COVID-19 impacts are difficult to accurately predict, as this pandemic is without precedent and its duration is not fully known.</li> </ul>
<p><b>Other Tax Revenues:</b></p> <ul style="list-style-type: none"> <li>• A favourable variance of \$2.5 million was realized, primarily because the entire provision being held for one property for taxation year 2017 was not required.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year to date results, a favourable variance of \$2.5 million is projected.</li> </ul>
<p><b>Municipal Accommodation Tax:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$58.3 million was mainly due to lower than expected sales revenue during this period as a result of the COVID-19 pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year to date results, an unfavourable variance of \$52.3 million is projected as a result of the COVID-19 pandemic.</li> </ul>
<p><b>Casino Woodbine:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$18.4 million was realized due to COVID-19 causing a shutdown to the casino from March 15th to September 28th.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year to date results, an unfavourable variance of \$50.9 million is projected.</li> <li>• As part of the stage 2 lockdowns, the casino was ordered closed for at least 28 days, starting on October 10th.</li> <li>• The Casino may re-open in November, however it is unlikely that the hosting revenue generated by the City will be material for 2020.</li> </ul>

## Appendix E

Figure 25: 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	5-Month	6.8	▲	(1.4)	▼	5.4	▲	Ⓢ	15.9	▲	(11.4)	▼	4.5	▲	Ⓢ
	6-Month	15.3	▲	(7.8)	▼	7.4	▲	Ⓢ	19.6	▲	(20.2)	▼	(0.6)	▼	Ⓢ
	9-Month	24.1	▲	(9.0)	▼	15.1	▲	Ⓢ	21.5	▲	(17.7)	▼	3.8	▲	Ⓢ
Toronto Parking Authority	5-Month	5.1	▲	(28.7)	▼	(23.6)	▼	Ⓢ	19.4	▲	(115.8)	▼	(96.4)	▼	Ⓢ
	6-Month	7.5	▲	(38.8)	▼	(31.3)	▼	Ⓢ	19.4	▲	(115.8)	▼	(96.4)	▼	Ⓢ
	9-Month	11.8	▲	(57.9)	▼	(46.1)	▼	Ⓢ	15.4	▲	(82.2)	▼	(66.8)	▼	Ⓢ
Toronto Water	5-Month	6.7	▲	2.6	▲	9.3	▲	Ⓢ	24.8	▲	(33.8)	▼	(9.0)	▼	Ⓢ
	6-Month	14.8	▲	3.4	▲	18.2	▲	Ⓢ	26.5	▲	(17.8)	▼	8.6	▲	Ⓢ
	9-Month	21.6	▲	10.2	▲	31.8	▲	Ⓢ	22.2	▲	(1.3)	▼	21.0	▲	Ⓢ
Total	5-Month	18.7	▲	(27.5)	▼	(8.8)	▼	Ⓢ	60.1	▲	(161.0)	▼	(100.9)	▼	Ⓢ
	6-Month	37.5	▲	(43.2)	▼	(5.7)	▼	Ⓢ	65.5	▲	(153.8)	▼	(88.3)	▼	Ⓢ
	9-Month	57.5	▲	(56.7)	▼	0.8	▲	Ⓢ	59.1	▲	(101.2)	▼	(42.1)	▼	Ⓢ

<b>Year-to-Date</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓢ</span> 85% to 105%	<span style="background-color: #FFFF00; border: 1px solid black; padding: 2px;">Ⓢ</span> 0% to 85%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓢ</span> >105%	<b>Year-End</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓢ</span> <=100%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓢ</span> >100%
<b>Net Variance</b>						

## Appendix E

### Rate Supported Programs

#### Year-to-Date Results

#### Year-End Projections

##### **Solid Waste Management Services (SWMS):**

- Under-expenditures totaling \$24.2 million mainly arise from the following:
- Salaries and benefits savings of \$4.7 million mainly due to vacancies in Collections and Litter Operations, Skilled Trades and resulting primarily from recruitment delay due to COVID-19, staff turnover and seasonality of hiring.
- Underspending included processing, transfer & haulage costs including recycling, litter, front end collections, yard & hazardous waste, durable goods and royalty fees due to lower tonnages (\$5.5 million);
- Underspending of \$3.9 million due to ongoing delay in charging on various interdivisional accounts including Fleet (\$3.0 million) and Legal (\$0.3 million);
- Reduced Transfer and Haulage and Disposal cost (\$3.5M) due to lower than planned volume to Green Lane and Alternate Landfills
- Underspending included rental of machinery & equipment due to OPF commissioning delays, contracted services for repairs & maintenance and technical services for voice systems (\$2.2 million);
- Underspending included processing costs of Organics due to timing and lower volumes of Digester solids from Dufferin Organic Processing Facility (\$1.2 million);
- There was also year-to-date savings of \$1.0 million in materials & supplies mainly for utility billing (\$0.3 million)

- Projecting a net capital contribution increase (surplus) of \$3.8 million or 1% of the total approved budget at year end.
- Expenditures are estimated to be \$21.5 million under-spent primarily related to:
- Ongoing staff vacancies including recruitment delay due to COVID-19, staff turnover and seasonality of hiring. (\$5.3 million);
- Lower projected cost for utilities including natural gas for fleet and less bin maintenance cost (\$0.4 million)
- Lower net cost of transfer haulage and disposal for Alternate Landfills and Green due to lower tonnages (\$4.3 million);
- Lower projected front-end contracted collection, advertising costs, audit fees, royalty fee and technical services, delay in OPF expansion project and interdivisional charges from Fleet, mainly due to COVID-19 (\$9.1 million);
- Lower projected organic, yard, recycling and durable goods processing cost due to lower than planned tonnages (\$1.5 million);
- These under-expenditures will be partially offset by over-spending of \$0.9 million on various contracted services including glass processing as well as additional cost due to shipment to long

<p>including water and natural gas as well as lower bin maintenance (\$0.6 million).</p> <ul style="list-style-type: none"> <li>• Underspending included various planned advertising campaigns paused or cancelled as a result of COVID19 (\$0.9 million);</li> <li>• Revenue was \$9.0 million lower than planned and is mainly attributable to lower than planned user fee revenue of \$4.1 million of which Collection Services comprised \$2.4 million. Collection revenue is underachieved mainly due to delayed utility billing and lower tonnages due to COVID-19.</li> <li>• In addition to Collection Services, lower than planned revenue of \$1.7 million is primarily due to lower tipping fees (\$1.5 million) due to lower tonnages at transfer stations operations as well as lower user fee revenue from Drop &amp; Load/ Roll-Off/Haulage and Green Lane.</li> <li>• Lower revenue of \$5.5 million was also experienced mainly due to reduced quantity of residual disposal fees paid by recycling processor (\$2.1 million) as the residual waste is no longer being sent to Green Lane. Lower revenue is also due to sale of scrap/surplus material (\$0.4 million) as well as less transfers from capital due to project delays (\$1.1 million).</li> <li>• Grants &amp; subsidies were also lower by \$1.7 million due to lower tonnages including Household Hazardous Waste due to COVID-19;</li> <li>• Revenue losses were partially offset primarily by a 7.4% positive variance in Sales of Recyclable Materials (\$0.5 million) due to improving market rates and to higher recoveries from Toronto Water due to volumes (\$0.2 million);</li> </ul>	<p>distance external processors and higher organic tonnages.</p> <ul style="list-style-type: none"> <li>• Revenue is anticipated to be under-achieved by \$17.7 million at year-end mainly due to:</li> <li>• Lower net Collection revenues including single family, multi-residential, commercial, institutional primarily due to the impact of COVID-19 (\$4.8 million);</li> <li>• Lower Residue disposal fee (\$3.8 million) - as a result of recycling contract re-negotiations resulting in residue from processing facility no longer being sent for disposal at Green Lane. This loss in residue disposal fee revenue is expected to be offset by savings from reduced haulage and landfill disposal cost to the City;</li> <li>• Lower Tipping fee revenue (\$3.8 million) due to temporary closure of Transfer stations as a result of COVID-19 (includes DAC's);</li> <li>• Lower than planned revenue expected from Renewable Natural Gas (RNG) project due to 2021 implementation. (\$2.5 million)</li> <li>• Lower Grants &amp; Subsidies including Stewardship funding revenues &amp; HHW program (\$2.0 million) due to lower than planned tonnage and temporary site closures.</li> <li>• Lower Capital recovery (\$0.9 million) due to delay in hiring for some of the capital funded vacant positions; and,</li> <li>• Lower sale of durable goods including scrap metal (\$0.5 million) due to rates linked to market indices.</li> <li>• The foregoing lower revenues are partially offset by higher sales of recyclables (\$0.2 million)</li> </ul>
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<ul style="list-style-type: none"> <li>The resulting net expenditures reflect a favourable variance (surplus) of \$15.1 million as of the 9 month period ended September 30, 2020.</li> </ul>	<p>partially due to rates linked to market indices, higher recoveries from Toronto Water due to volumes (\$0.7 million) and recoveries for seconded staff from TTC (\$0.1 million);</p> <ul style="list-style-type: none"> <li>The resultant projected net surplus at year-end of \$3.8 million would increase the amount to be contributed to the Waste Management Reserve Fund used to support the SWMS Capital program from a planned \$18.2 million to \$21.9 million.</li> </ul>
<p><b>Toronto Parking Authority:</b></p> <ul style="list-style-type: none"> <li>TPA has an unfavourable net expenditure variance of \$46.1 million comprised of:</li> <li>Favourable gross expenditure variance of \$11.8M due to underspending of salaries, wages and benefits mainly from the deferral of the summer student program, staff on Emergency Leave (approximately 58 full time employees and no longer scheduling part-time staffing as a result of COVID emergency closures. In addition, administration staff have been placed on reduced work weeks, with 1 day per week unpaid leave. TPA also continues to adjust expenditures, including assessing contractual agreements to minimize operational expenses without impacting long-term financial sustainability.</li> <li>Unfavourable revenue variance of \$57.9 million primarily driven by Off-Street, On-Street and Bike Share revenues.</li> <li>Off-Street revenue YTD is lower than budget by \$34.6M or a drop of 46.7% compared to last year. Transaction volumes, has also dropped by 47.3% compared to last year. There are delays in closing two acquisitions: CP262 – 302 Queen Street West which did close in July and CP304 – 11 Wellesley Street which is now expected to close in September. However, due to COVID-19, this is</li> </ul>	<ul style="list-style-type: none"> <li>TPA has an unfavourable net expenditure variance of \$66.8 million comprised of:</li> <li>Favourable gross expenditure variance of \$15.4 million is projected due to underspending in salaries, wages and benefits as a result of continuing to operate with significant vacancies within the critical areas due to COVID-19. TPA has been adjusting other expenditures where needed, including assessing contractual commitments to minimize operational expense without impacting long-term financial sustainability.</li> <li>Unfavourable revenue variance of \$82.2 million primarily driven by Off-Street, On-Street and Bike Share revenues.</li> <li>Off-Street is projected to underachieve target by \$50.1M and On-Street \$31.4M primarily due to transaction volume trends resulting from COVID-19. Bike Share forecasted ridership revenue is up \$1.2M, however Advertising/Sponsorship is short by \$1.8M reporting a net shortfall of \$0.6M in revenues.</li> </ul>



<p>not expected to increase profitability in 2020, but rather increase operating losses. Acquisitions however must close due to contractual obligations.</p> <ul style="list-style-type: none"> <li>• On Street - Revenue YTD is lower than budget by \$23.1M, or a drop of 48.4% and transaction volume has dropped 45.1% compared to last year.</li> <li>• Bike Share Ridership Revenue is up \$1.1M, however Advertising/Sponsorship is short by \$1.3M reporting a net shortfall of \$0.2M in revenues.</li> </ul>	<ul style="list-style-type: none"> <li>• TPA is preparing nonetheless further advertising/marketing partnership RFP's in order to be ready for the return of the advertising market in 2021. TPA is preparing nonetheless further advertising/marketing partnership RFP's in order to be ready for the return of the advertising market in 2021.</li> </ul>
<p><b>Toronto Water:</b></p> <ul style="list-style-type: none"> <li>• Favourable expenditure variance of \$21.6 million: underspending in salaries and benefits partially due to hiring and seasonal delays impacted by COVID-19 (\$7.8 million), reduced utility cost primarily from hydro usage due to lower production of water and lower than planned hydro rates as well as continued efficiency initiatives (\$5.9 million), underspending in equipment, materials and supplies partially due to COVID-19 impacts, and lower than anticipated demand for chemicals and unused contingencies (\$1.7 million), lower than anticipated spending in services and rents, including underspending in contracted services due to mild winter temperatures, unused contingencies and COVID-19 pandemic impacts, partially offset by overspending in contracted services due to unplanned emergency work (\$3.9 million), lower than anticipated inter-divisional charges partially due to hiring delays and delays related to COVID-19 impacts and timing (\$1.7 million), and other lower than anticipated payments in-lieu of taxes as a result of lower MPAC assessments and other contributions (\$0.5 million).</li> <li>• Overachieved revenues totaling \$12.9 million from higher sale of water since due to frequency of billing cycles,</li> </ul>	<ul style="list-style-type: none"> <li>• Projected expenditure underspending of \$22.2 million at year end, mainly because of projected underspending in salaries and benefits due to a hiring slow down and seasonal delays as a result of COVID-19 (\$7.4 million), lower than anticipated utility costs, primarily underspending in hydro from lower rates and continued efficient usage (\$6.9 million), underspending in materials, supplies and equipment due to impacts of COVID-19 (\$1.3 million), as well as lower demand for chemicals and unused contingencies (\$1.4 million), lower than anticipated spending in services and rents, including savings in contracted services because of mild winter resulting in unused contingencies and impacts of COVID-19 (\$3.7 million), lower inter-divisional charges partially due to hiring delays and delays related to COVID-19 impacts (\$1.0 million), as well as lower than anticipated payments in lieu of taxes as a result of MPAC reassessments and other contributions and expenses (\$0.5 million).</li> </ul>

<p>there is a lag between the year to date observable consumption and billed consumption (\$7.8 million), higher than anticipated revenue from private water agreements as ground water discharge continued despite some COVID-19 related construction site closures (\$2.7 million), higher volume of new water and sewer connections due to increased construction activity prior to COVID-19 pandemic, partially offset by a delay in new permit applications (\$0.7 million), and other revenues, including third party and capital recoveries (\$1.8 million).</p> <ul style="list-style-type: none"> <li>• The above higher revenues were offset by lower than anticipated revenue from industrial waste agreements due to fewer agreements than planned partially resulting from the COVID-19 pandemic related company closures (\$0.8 million), and decrease in other revenues, including recoveries from Metrolinx due to project delays (\$1.9 million), resulting in a favourable revenue variance of \$10.2 million.</li> <li>• The favourable year-to date net variance is \$31.8 million.</li> </ul>	<ul style="list-style-type: none"> <li>• Revenues are projected to be lower than budgeted by \$9.8 million mostly due to lower than planned consumption of water, based on year-to-date consumption drop and a gradual return to operations of non-essential businesses (7.3 million), lower industrial waste agreements revenue (\$0.9 million), and lower recoveries from Metrolinx due to project delays (\$1.5 million).</li> <li>• The projected decrease in revenues will be partially offset by higher than anticipated volume of new water and sewer service connections due to increased construction activity prior to COVID-19 pandemic, offset by a delay in applications during the pandemic and an assumed gradual return and ease of restrictions (\$3.1 million), private water discharge agreements (\$3.4 million), and increase in other revenues, third party and capital recoveries (\$2.1 million), resulting in an unfavourable revenue variance of \$1.3 million.</li> <li>• The year-end revenues from sale of water can vary significantly due to uncertainty of sale of water as a result of change in consumption levels, change in consumer habits and government orders and business closures.</li> <li>• Projected favourable year-end net variance is \$21.0 million.</li> </ul>
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