

## **Operating Variance Report for the Year Ended December 31, 2020**

**Date:** June 16, 2021

**To:** Budget Committee

**From:** Chief Financial Officer and Treasurer

**Wards:** All

### **SUMMARY**

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The purpose of this report is to provide Council with the City of Toronto's Operating Variance results for the year ended December 31, 2020 and City's financial position before and after receiving Safe Restart Agreement funding.

Since March of 2020, the City of Toronto, consistent with other major Canadian and Greater Toronto and Hamilton Area (GTHA) municipalities have been experiencing significant financial impacts, both in the form of added costs and significant revenue losses as a direct result of the COVID-19 pandemic.

COVID-19 related financial impacts totalled \$1.635 billion in 2020 for the City of Toronto, prior to offsets achieved through a series of implemented mitigation strategies that focus on spending and workforce restraints and various in-year funding programs (\$558.5 million) and COVID-19 funding support from the Government of Canada and Province of Ontario in the form of Safe Restart Agreement (SRA) and added Reaching Home (RH) funding totalling a combined \$1.077 billion in COVID-19 support funding applied to 2020, reducing the 2020 year-end shortfall to \$0.

- COVID-19 related financial impacts predominantly reflect revenue losses, which account for approximately 77% of total COVID impacts.
- Mitigation strategies coupled with non-SRA/RH funding generated \$558.5 million in total 2020 offsets to COVID-19 impacts, with the majority of offsets achieved through workforce restraints, spending constraints and cost avoidance.
  - 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
- Total Safe Restart Agreement and added Reaching Home funding the City of Toronto received and recognized in year 2020 is \$1.076 billion, comprised of the following:
  - Municipal Transit Funding Phase 1 and 2 - \$639.8 million allocated to Toronto proportionately based on ridership.
  - Municipal Operating Funding Phase 1 and 2 - \$257.6 million allocated to Toronto proportionately based on households.
  - Social Services Relief Fund Phase 1 and 2 - \$150.1 million allocated to Toronto in addition to the \$14.7 million for Reaching Home and \$14.3 million for Public Health.

The table below details the 2020 City-wide COVID-19 related financial impacts; offsets from mitigation strategies and COVID-19 support funding; and the resulting financial position reflected in year-end reporting.

Table 1: 2020 COVID-19 Financial Impacts, Offsets and Support Funding

<b>Description \$Millions</b>	<b>COVID-19 Impacts</b>	<b>Savings / Offsets / Other Funding</b>	<b>Fed / Prov SRA / RH COVID-19 Funding</b>	<b>2020 Net Impacts</b>
City Tax Supported Programs	1,569.0	(558.5)	(1,010.5)	0.0
Toronto Parking Authority	56.1		(56.1)	0.0
Toronto Community Housing	9.9		(9.9)	0.0
<b>2020 Year-End Total</b>	<b>1,635.0</b>	<b>(558.5)</b>	<b>(1,076.5)</b>	<b>0.0</b>

### **Tax Supported Programs:**

The following table summarizes the year-end COVID-19 financial Impacts; offset from mitigations strategies and Federal/Provincial COVID-19 support funding; and the resulting balanced financial position of the City's Tax Supported Operations for year ended December 31, 2020.

Table 2: Tax Supported Operating Variance Summary

Variance (\$M) Favourable / (Unfavourable)	2020 Year-End		
	Budget	Actual	Var
City Operations	2,458.4	2,542.0	(83.6)
Agencies	2,166.6	2,777.5	(610.9)
Corporate Accounts	(200.6)	(50.7)	(149.8)
<b>Total Variance *</b>	<b>4,424.5</b>	<b>5,268.8</b>	<b>(844.3)</b>
<i>Less Toronto Building &amp; City Planning (Legislated / Council Directed)</i>	16.1	61.1	(44.9)
<i>COVID-19 Related Incurred Obligations / Deferred Costs</i>		187.3	(187.3)
<b>Total Adjusted Variance (Prior to Fed/Prov SRA / RH Funding)</b>	<b>4,440.6</b>	<b>5,517.2</b>	<b>(1,076.5)</b>
Safe Restart Funding – Transit Operations		(639.8)	639.8
Safe Restart Funding – Municipal Operations		(257.6)	257.6
Social Services Relief Fund / Reaching Home – Shelters		(164.8)	164.8
Safe Restart Funding – Public Health		(14.3)	14.3
<b>Adjusted Variance</b>	<b>4,440.6</b>	<b>4,440.6</b>	<b>0</b>

**\*Note to Table 2:**

- The Total Variance excludes SRA/RH funding, which are reflected later in the table.
- Appendix A of this report includes the combined \$179 million in COVID-19 funding for SSHA and Public Health within their divisional results.
- Expenses related to distribution of COVID-19 support funding to offset TCHC and TPA impacts are reflected in Corporate Accounts.

As noted in Table 1 above, for the year ended December 31, 2020 Tax Supported Operations experienced an adjusted unfavourable net variance of \$1.077 billion prior to Safe Restart Funding. This is mainly driven by COVID-19 related cost and revenue impacts experienced beginning mid-March onwards, including:

- Toronto Transit Commission - Conventional Service (\$634.8 million unfavourable net) primarily due to significant loss of ridership revenue from the impact of COVID-19. Ridership losses peaked at 88% below budget in late April. With a resurgence of COVID-19 cases in the fall, ridership retracted back to 35% of budget in October, and with the implementation of the grey lockdown fell to 30% of budget in December. Revenue losses were partially offset by the implementation of cost containment strategies and matching service capacity to demand.
- Seniors Services and Long-Term Care: (\$7.0 million unfavourable net) primarily due to increased salary and benefits and non-payroll expenditures for infection prevention and control measures including additional PPE and cleaning supplies related to the COVID-19 response.
- Corporate Accounts (\$149.8 million unfavourable net) primarily due to the impact of COVID-19 resulted in losses in multiple revenue streams for the City including, Municipal Accommodation Tax, Parking Tag Enforcement, and Casino Woodbine.
- The above unfavorable net variances were partially offset by various expense savings from across the City's divisions and agencies as part of the expense mitigation strategies previously discussed.
- The remaining \$1.077 billion shortfall was addressed through Federal and Provincial funding support in the form of Safe Restart Agreement and added Reaching Home funding directed toward experienced COVID-19 financial impacts.

### **Rate Supported Programs:**

Rate Supported Programs reported a favourable year-end variance of \$20.5 million. The favourable variance is attributed to lower than budgeted expenditures from Toronto Water, which is partially offset from lower than planned revenue in Toronto Parking Authority due to the impact of COVID-19.

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 3: Rate Supported Net Variance Summary (\$ Millions)

Variance (\$M) Favourable / (Unfavourable)	2020 Year-End		
	Budget	Actual	Variance
Solid Waste Management Services	0.0	(7.1)	7.1
Toronto Parking Authority	(70.1)	(14.0)	(56.1)
Toronto Water	0.0	(69.5)	69.5
<b>Total Variance</b>	<b>(70.1)</b>	<b>(90.6)</b>	<b>20.5</b>

## RECOMMENDATIONS

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The Chief Financial Officer and Treasurer recommends that:

1. City Council approve the recommended adjustments as detailed in Table 4 of this report.

## FINANCIAL IMPACT

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### Tax Supported Programs:

For the year ended December 31, 2020 Tax Supported Operations were on budget after adjusting for the inclusion of Safe Restart Funding received and applied in 2020. Appendices A, B and C provide detailed summary of gross expenditures, revenue and net expenditures for year-end by Program and Agency, respectively.

Table 4 below summarizes the recommended 2020 year-end adjustments; 2020 Solid Waste Management Services reserve draw; and a contribution to the Land Acquisition Reserve Fund from net proceeds from an approved 2020 land sale.

Table 4: Recommended Adjustments – Tax and Rate Supported Programs and Agencies (Millions)

<b>Recommended Adjustments-Tax &amp; Rate Supported Programs &amp; Agencies</b>	
<b>Category</b>	<b>\$Millions</b>
<b>Legislative / Council Directed 2020 Year-End Adjustments:</b>	
Building Code Act Service Improvement Reserve Fund	(36.9)
City Planning Development Technology Reserve Fund	(8.0)
<i>Sub-Total</i>	<i>(44.9)</i>
<b>COVID-19 Related Incurred Obligations / Deferred Costs 2020 Year-End Adjustments:</b>	
Toronto Public Health's Efficiency Reserve Fund	(8.7)
Sinking Fund	(14.5)
Assessment Appeal Stabilization Reserve	(45.1)
Employee Liability Reserve	(62.0)
TTC Stabilization Reserve (With recommended corresponding draw in 2021)	(57.0)
<i>Sub-Total</i>	<i>(187.3)</i>
<b>Total Tax Supported Programs 2020 Year-End Adjustments</b>	<b>(232.2)</b>
<b>Rate Supported Programs 2020 Year-End Adjustment</b>	
Waste Management Reserve Fund	45.0
<b>Land Acquisition Reserve Fund Contribution</b>	
Net Proceeds from the sale of 70 Parliament St	(18.0)

### **Legislative / Council Directed 2020 Year-End Adjustments**

Building Code Act Service Improvement Reserve Fund:

- In compliance with Section 7 of the Building Code Act, the net operating favourable variance of \$36.9 million for Toronto Building operations must be contributed to the Building Code Act Service Improvement Reserve Fund. Section 7 of the Act stipulates that the total amount of authorized fees collected must not exceed the anticipated reasonable costs to administer and enforce this Act. It also requires the establishment of an obligatory reserve fund to manage fluctuations in volumes of

permit activity and allow for investments in service delivery improvements to meet new legislative requirements of the Act regarding the collection of permit fees, expenditures and related reporting requirements.

#### City Planning Development Technology Reserve Fund

- City Council adopted a report entitled: "*Development Application Review Fees*", which among other things, increased development application fees to fully recover the City's cost of delivering this service. Included in these costs is the amortized capital cost for replacement of capital assets that support the development application review activity. In accordance with City Council's direction, \$7.95 million of the operating surplus from development application review fees will be transferred to the CP Development Technology Reserve Fund.

### **COVID-19 Related Incurred Obligations / Deferred Costs 2020 Year-End Adjustments**

#### Toronto Public Health's Efficiency Reserve Fund

- It is recommended that a one-time contribution of \$8.7 million, reflecting the 2020 year-end non-COVID underspending for Toronto Public Health be directed to the Toronto Public Health Efficiency Reserve Fund. This amount reflects net underspending achieved within Public Health in 2020 following reimbursement of COVID-19 related expenses. This approach will ensure one-time Public Health funding is available to partially fund ongoing COVID-19 related response and immunization costs into 2021 and/or future years.

#### Sinking Fund

- This investment fund is established and required by legislation to ensure the City fulfil the requirement of various public debenture issues wherein cash is to be regularly set aside for the redemption of the sinking fund debentures at their maturity dates.
- The temporary underspending of debt charges during 2020 was mainly due to the timing of the City's debentures issued due to the COVID impact on Capital Markets and the historically low interest rate environment caused by the COVID situation. Given the low interest rate environment over the past few years which was further reduced by the COVID situation, investment return on the sinking fund has also been negatively impacted. It is recommended that the temporary underspending of \$14.501 million be allocated to the Sinking Fund to enhance its future funding sufficiency.

## Assessment Appeal Stabilization Reserve

- In 2020, the impacts of the COVID-19 pandemic resulted in the deferral of costs associated with assessment and tax appeals due to significantly reduced assessment and tax appeal activity.
- As a result of the postponement of the provincial MPAC property reassessment and the potential influence of COVID-19 on property values, it is anticipated that 2020 expected activity will now be borne in 2021 and future years. To maintain approved funding for its intended purpose, it is recommended that the assessment appeal stabilization reserve be increased to address this anticipated impact in the coming years. It is recommended that the 2020 favourable variances of \$45.1 million be allocated to the assessment appeal stabilization reserve.

## Employee Liability Reserve

- The City of Toronto has been facing unique challenges in responding to the COVID-19 pandemic. While the City encouraged staff to take vacations for their mental and physical well-being during the pandemic, the COVID demands were significant and staff were unable to take earned vacation, the accumulated unused vacation bank balance has now grown to \$80.5 million as of December 31, 2020.
- It is recommended that \$61.9 million, reflecting a portion of 2020 under spending achieved through management actions related to staffing and wages be directed to the currently underfunded Employee/Retiree Benefits Reserve Fund to fund the existing liability associated with the unused vacation bank balance that will result in financial impacts in 2021 and future years.

## TTC stabilization Reserve

- The TTC's 2020 COVID-19 impacts were fully offset through \$639.8 million in SRA funding. Prior to confirmation of SRA funding for Transit, a series of management actions were implemented by the TTC resulting in 2020 under spending.
- It is recommended that \$56.980 million, reflecting TTC underspending achieved in 2020 through management actions be directed to the Toronto Transit Commission Stabilization Reserve, to then be applied against COVID impacts in 2021.
- As such, it is also recommended that approval be given for this \$56.980 million in funding to be drawn from the Toronto Transit Commission Stabilization Reserve in 2021 to partially offset \$796 million in expected 2021 COVID-19 impacts. This recommended draw in 2021 is consistent and has been reflected in 2021 City and TTC COVID-19 Financial Update reporting, factoring in on the remaining 2021 estimated TTC COVID-19 funding shortfall.



## Other Recommended Adjustments

### Waste Management Reserve Fund

- The 2019 Ontario Stewardship Funding accrual of \$44.968 million includes funding from 2018 and 2019 that subsequently formed part of the surplus of \$56.810 million contributed to the Waste Management Reserve Fund in 2019 and was reversed due to reconsideration of the accrual process in 2020. The 2020 accrual reversal (expense) is offset by a draw from the Waste Management Reserve Fund in order to arrive at the actual 2020 favourable SWMS variance of \$7.099 million. This adjustment is consistent with the Waste Management Reserve Fund balance as anticipated as part of the 2021 budget process.

### Land Acquisition Reserve Fund

- It is recommended that the net proceeds generated through the completed sale of the property known as 70 Parliament St by the Toronto Transit Commission be contributed to the Toronto Transit Commission Land Acquisition Reserve Fund to support future TTC land acquisition requirements.
- The net proceeds of this sale was \$17.978 million as currently reflected in TTC revenue for 2020.

### Rate Supported Programs:

Toronto Water and Solid Waste Management Services respective 2020 year-end surpluses will be transferred to the Wastewater and Water Stabilization Reserves and Waste Management Reserve Fund to finance capital investments and ongoing operations. The 2020 final year-end operating results for Rate Supported Operations, excluding Toronto Parking Authority, will be allocated based on the following:

Table 5: 2020 Year-End Net Operating Results – Rate Supported Programs (Millions)

<b>Toronto Water Final Year-End Surplus Available for Distribution</b>	<b>69.517</b>
Wastewater Stabilization Reserve	39.624
Water Stabilization Reserve	29.892
Surplus Remaining / (Shortfall)	0.000
<b>Solid Waste Management Services Final Year-End Surplus Available for Distribution</b>	<b>7.099</b>
Waste Management Reserve Fund	7.099
Surplus Remaining / (Shortfall)	0.000

## **Allocation of the 2020 Surplus – Rate Supported Operations**

The 2020 year-end operating results for Rate Supported Operations, excluding the Toronto Parking Authority, will be allocated based on the following:

- Toronto's Water's operating surplus of \$69.5 million will be transferred to the Water Stabilization Reserve (43%) and Wastewater Stabilization Reserve (57%). The Water and Wastewater Stabilization Reserves are used to offset unanticipated budget variances so as not to unduly impact the Wastewater and Water Operating and Capital Program.
- Solid Waste Management Services' operating surplus of \$7.1 million will be transferred to the Waste Management Reserve Fund. Solid Waste Management Services utilizes this Reserve Fund to finance capital projects which include waste diversion initiatives. This Reserve Fund also provides a contingency for operating program stabilization, as required.

## **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**

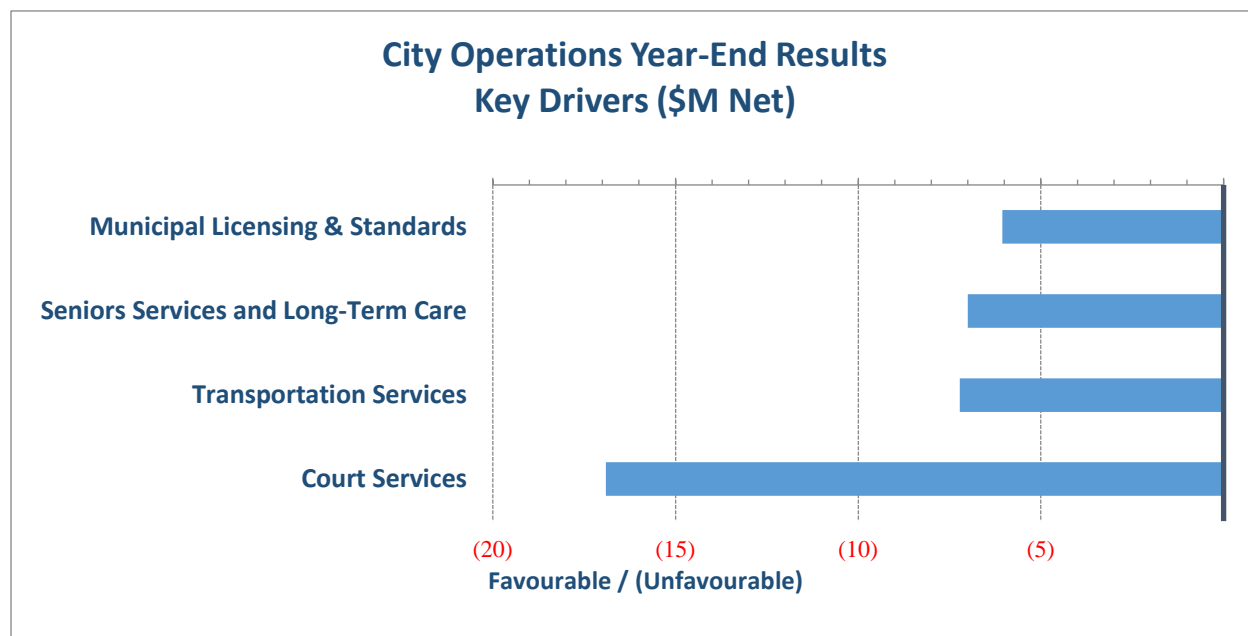
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As noted, COVID-19 related financial impacts totalled \$1.635 billion in 2020 for the City of Toronto, which were fully offset through a combination of savings achieved through mitigation strategies and COVID-19 funding support from the Government of Canada and Province of Ontario, resulting in the 2020 year-end shortfall/variance reduced to a \$0.

## City Operations

As of December 31, 2020, City Operations reported a favourable gross expenditure variance of \$370.8 million or 6% and a revenue shortfall of \$275.4 million or 8%, resulting in a favourable net variance of \$95.5 million or 4% (when including COVID funding for SSHA and Public Health). The key drivers of this year-end favourable net variance are outlined in Figure 1 below:

Figure 1: City Operations Variance Summary of Key Program Drivers



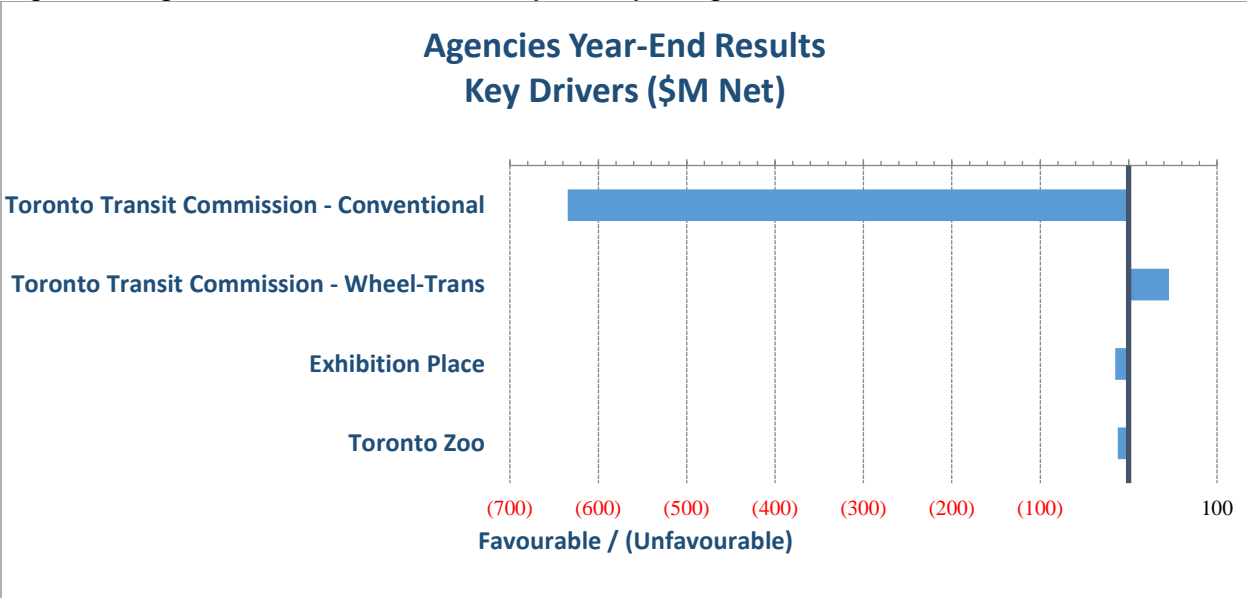
- **Municipal Licensing and Standards:** An unfavourable year end net variance of \$6.1 million due to lower than planned revenue from Business Licences, Vehicle for Hire Accessibility Program, and lower volume of License and Permits and Gaming services due to the impact of COVID-19. This was partially offset by underspending in employee salary and benefits and lower demand for accessibility grants.
- **Seniors Services and Long-Term Care:** An unfavourable year end net variance of \$7.0 million due to increased salary and benefits and non-payroll expenditures for infection prevention and control measures including additional PPE and cleaning supplies related to the COVID-19 response. This also required creating new roles to screen people entering and exiting the homes, as well as adhering to more stringent cleaning protocols.
- **Transportation Services:** An unfavourable year end net variance of \$7.2 million primarily due to lower utility cut repair revenues from work delays, lower right-of-way permit fee revenue, and lower capital recoveries all due to the impact of COVID-19. This was partially offset from under-spending in salaries and benefits as a result of corporate hiring slowdown.

- Court Services: An unfavourable year end net variance of \$16.9 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.

**Agencies**

As of December 31, 2020, Agencies reported a favourable gross expenditure variance of \$262.9 million or 6.0%, which was offset by a revenue shortfall of \$873.7 million or 46.0%, which resulted in an unfavourable net variance of \$610.9 million or 28% when excluding Safe Restart funding. The key drivers of this year-end unfavourable net variance are outlined in Figure 2 below:

Figure 2: Agencies Variance Summary of Key Program Drivers



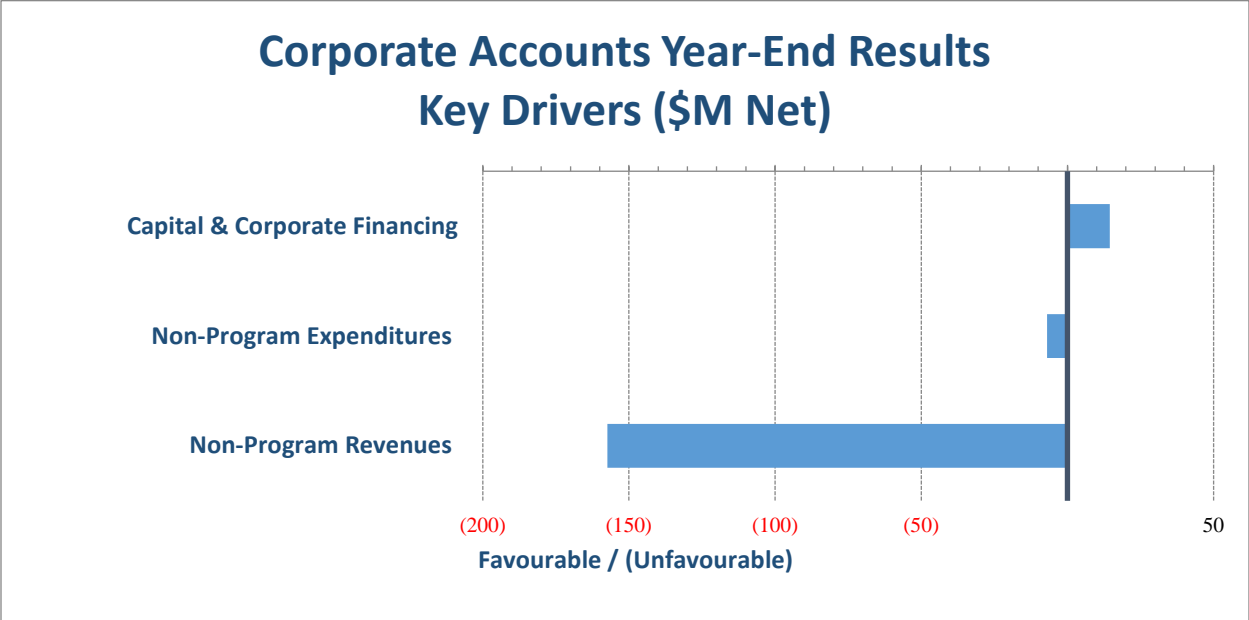
- Toronto Transit Commission - Conventional Service: An unfavourable year end net variance due to significant loss of ridership revenue from the impact of COVID-19. Ridership losses peaked at 88% below budget in late April. With a resurgence of COVID-19 cases in the fall, ridership retracted back to 35% of budget in October, and with the implementation of the grey lockdown fell to 30% of budget in December. Revenue losses were partially offset by the implementation of cost containment strategies and matching service capacity to demand.
- Toronto Transit Commission - Wheel - Trans Service: A favourable year end net variance of \$45.8 million primarily due to the implementation of management actions and matching service capacity to demand. This was partially offset by significantly reduced Wheel-Trans ridership due to the impacts of COVID-19.

- Toronto Zoo: An unfavourable year end net variance of \$12.3 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.
- Exhibition Place: An unfavourable year end net variance of \$14.9 million due to significant revenue loss from the suspension of regular operations since March 16 as a result of COVID-19. The shortfall in revenue was partially offset by savings in direct costs associated with cancelled/postponed events, building and administrative overheads as well as cost containment measures including deferring non-essential purchases, positions remaining vacant and reducing non-permanent staff

**Corporate Accounts**

As of December 31, 2020, Corporate Accounts experienced an unfavourable gross expenditure variance of \$184.1 million or 11% and a favourable revenue variance of \$34.3 million or 2%, which resulted in an unfavourable net variance of \$149.8 million or 75% when excluding SRA funding. The following key drivers have contributed to the year end unfavourable net variance:

Figure 3: Corporate Accounts Variance Summary of Key Drivers



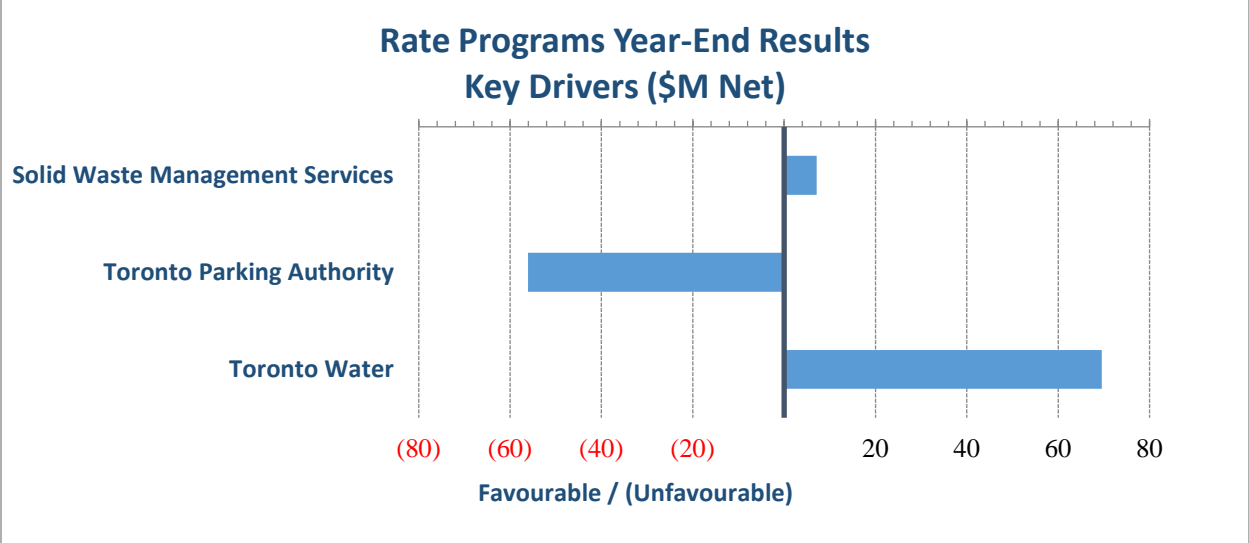
- Capital & Corporate Financing: A year end favourable net variance of \$14.5 million is due to lower than forecasted 2020 debt issuance rates as a result of COVID-19, timing differences between actual versus budgeted issuance of the debt charges, and higher recoverable debt than forecasted.

- Non-Program Expenditures: An unfavourable year end net variance of \$6.9 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 and appeals posted and provisions being less than budget.
- Non-Program Revenues: An unfavourable year end net variance of \$157.4 million due to impacts from COVID-19 resulting in lower than planned revenues for Municipal Accommodation Tax, Parking Enforcement Tax Penalty, Parking Authority Revenues, Interest and Investment Earnings and Casino Woodbine.

**Rate Programs**

As of December 31, 2020, Rate Programs reported a favourable gross expenditure variance of \$65.3 million or 3.0% and an unfavourable revenue variance of \$44.7 million or 2.0%, which resulted in a favourable net variance of \$20.5 million or 29%.

Figure 3: Rate Supported Variance Summary of Key Program Drivers



- Solid Waste Management Services: A favourable year end net variance of \$7.1 million net primarily from contracted services, lower than planned salaries and benefits as well as underspending in processing, transfer & haulage expenditures. This 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.
- Toronto Parking Authority: An unfavourable year end net variance of \$56.1 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.

- Toronto Water: A favourable year end net variance of \$69.5 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.

## 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 year-end variance process. As set out in Table 6 below, the City received \$0.175 million at year-end.

Table 1: Summary of Donations Received Less than \$50,000

Donor	Amount (\$000s)	Purpose
<b>Economic Development &amp; Culture</b>		
Market Gallery	0.37	eDonations-Card Fees-History Museums Acquisit
Montgomery's Inn,	0.01	General Cash/From the Box
Scarborough	0.10	General Cash/From the Box
Todmorden Mills	0.05	Other
<i>Sub-Total</i>	<i>0.53</i>	
<b>Parks, Forestry &amp; Recreation</b>		
Maple Leaf Sports & Entertainment Partnership	25.00	ParksPlayTO & Summer in the Six program partnership
Churchill Restaurant	0.50	Café TO Site Restoration
<i>Sub-Total</i>	<i>25.50</i>	
<b>Municipal Licensing &amp; Standards</b>		
Individual Donors (multiple donations of small value)	61.51	Care and services related to animals
<i>Sub-Total</i>	<i>61.51</i>	
<b>Transportation Services</b>		
Individual Donor	2.31	Donation for a street art project (Micki Moore Art over Bridges)
<i>Sub-Total</i>	<i>2.31</i>	
<b>Heritage Toronto</b>		
Urbanspace	1.50	General
Buttcon	2.50	General
VG Architects	1.00	General
Woodcliffe Corp	2.50	General
Toronto Foundation	2.00	General
Primrose Foundation	2.00	General
Wawansesa	3.50	General
Dowdall Family Foundation	1.00	General
Individual Donors (multiple donations of small value)	13.60	Restricted Donation- Emerging Historians
Individual Donors (multiple donations of small value)	11.20	General
<i>Sub-Total</i>	<i>40.80</i>	
<b>Environment and Energy</b>		
eDonations through the DonateTO	0.20	PollinateTO Community Grants Program
<i>Sub-Total</i>	<i>0.20</i>	
<b>Shelter, Support &amp; Housing Administration</b>		
Street Graffiti Solutions	2.50	PollinateTO Community Grants Program
Sirius XM	20.00	Other
Individual Donors (multiple donations of small value)	0.20	COVID-19 Relief and Recovery
Individual Donors (multiple donations of small value)	22.02	To be used for client's expenses at various hostel locations
<i>Sub-Total</i>	<i>44.72</i>	
<b>Grand Total</b>	<b>175.57</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 Year Ended December 31, 2020  
Appendix B – City of Toronto Gross Expenditures for Year Ended December 31, 2020  
Appendix C – City of Toronto Revenues for Year Ended December 31, 2020  
Appendix D – Operating Variance Dashboard for City Programs and Agencies



## Appendix A

<b>CITY OF TORONTO</b>				
<b>CONSOLIDATED NET EXPENDITURES VARIANCE</b>				
<b>FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020</b>				
<b>(\$000s)</b>				
<b>December 31, 2020</b>				
	<b>Year-End</b>		<b>Actual vs Budget</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Favourable / (Unfavourable)</b>	<b>%</b>
<b>Community and Social Services</b>				
Housing Secretariat	1,186	1,187	(1)	0%
Children's Services	91,984	88,757	3,226	4%
Court Services	(39,867)	(22,963)	(16,905)	42%
Economic Development & Culture	76,731	73,318	3,413	4%
Toronto Paramedic Services	88,933	82,799	6,135	7%
Seniors Services and Long-Term Care	49,640	56,642	(7,002)	-14%
Parks, Forestry & Recreation	325,518	311,354	14,164	4%
Shelter, Support & Housing Administration	507,163	507,163	(0)	0%
Social Development, Finance & Administration	59,088	54,531	4,557	8%
Toronto Employment & Social Services	91,220	68,999	22,222	24%
<b>Sub-Total Community and Social Services</b>	<b>1,251,597</b>	<b>1,221,788</b>	<b>29,809</b>	<b>2%</b>
<b>Infrastructure and Development Services</b>				
City Planning	13,551	5,600	7,950	59%
Fire Services	476,631	470,307	6,324	1%
Office of Emergency Management	2,607	2,818	(210)	-8%
Municipal Licensing & Standards	12,320	18,377	(6,057)	-49%
Policy, Planning, Finance & Administration	5,427	4,604	823	15%
Engineering & Construction Services	1,886	(3,044)	4,930	261%
Toronto Building	(16,147)	(53,088)	36,942	-229%
Transportation Services	227,063	234,280	(7,217)	-3%
Transit Expansion	0.60	0	0.6	100%
<b>Sub-Total Infrastructure and Development Services</b>	<b>723,338</b>	<b>679,853</b>	<b>43,485</b>	<b>6%</b>
<b>Finance and Treasury Services</b>				
Office of the Chief Financial Officer	13,327	12,703	624	5%
Office of the Controller	40,031	45,754	(5,723)	-14%
<b>Sub-Total Finance and Treasury Services</b>	<b>53,358</b>	<b>58,457</b>	<b>(5,099)</b>	<b>-10%</b>
<b>Corporate Services</b>				
Corporate Real Estate Management	104,438	107,217	(2,779)	-3%
Environment & Energy	13,031	9,902	3,129	24%
Fleet Services	27,385	23,394	3,991	15%
Technology Services	100,353	97,633	2,720	3%
311 Toronto	10,278	10,193	85	1%
<b>Sub-Total Corporate Services</b>	<b>255,485</b>	<b>248,339</b>	<b>7,146</b>	<b>3%</b>
<b>City Manager</b>				
City Manager's Office	58,134	55,828	2,306	4%
<b>Sub-Total City Manager</b>	<b>58,134</b>	<b>55,828</b>	<b>2,306</b>	<b>4%</b>
<b>Other City Programs</b>				
City Clerk's Office	38,928	35,583	3,345	9%
Legal Services	41,649	31,306	10,343	25%
Mayor's Office	2,567	2,334	233	9%
City Council	21,781	18,855	2,926	13%
<b>Sub-Total Other City Programs</b>	<b>104,925</b>	<b>88,078</b>	<b>16,847</b>	<b>16%</b>
<b>Accountability Offices</b>				
Auditor General's Office	7,376	6,598	778	11%
Office of the Integrity Commissioner	762	615	147	19%
Office of the Lobbyist Registrar	1,252	1,165	87	7%
Office of the Ombudsman	2,196	2,193	3	0%
<b>Sub-Total Accountability Offices</b>	<b>11,586</b>	<b>10,571</b>	<b>1,015</b>	<b>9%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,458,424</b>	<b>2,362,914</b>	<b>95,510</b>	<b>4%</b>

Staff report for action on Operating Variance Report for the Year Ended December 31, 2020

## Appendix A

<b>CITY OF TORONTO</b>				
<b>CONSOLIDATED NET EXPENDITURES VARIANCE</b>				
<b>FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020</b>				
<b>(\$000s)</b>				
<b>December 31, 2020</b>				
	<b>Year-End</b>		<b>Actual vs Budget</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Favourable / (Unfavourable)</b>	<b>%</b>
<b>Agencies</b>				
Toronto Public Health	70,829	62,083	8,746	12%
Toronto Public Library	196,695	195,658	1,037	1%
Association of Community Centres	8,661	8,344	317	4%
Exhibition Place	(500)	14,461	(14,961)	2992%
Heritage Toronto	431	431	0	0%
TO Live	5,599	8,753	(3,154)	-56%
Toronto Zoo	12,772	25,038	(12,265)	-96%
Arena Boards of Management	(108)	2,517	(2,625)	2433%
Yonge Dundas Square	0	1,575	(1,575)	n/a
CreateTO	0	0	0	n/a
Toronto & Region Conservation Authority	4,268	4,268	0	0%
Toronto Transit Commission - Conventional	642,582	1,277,345	(634,763)	-99%
Toronto Transit Commission - Wheel-Trans	147,246	101,487	45,759	31%
Toronto Police Service	1,076,195	1,073,587	2,607	0%
Toronto Police Services Board	1,930	1,905	26	1%
<b>TOTAL - AGENCIES</b>	<b>2,166,600</b>	<b>2,777,452</b>	<b>(610,852)</b>	<b>-28%</b>
<b>Corporate Accounts</b>				
Capital Financing - Capital from Current	328,770	328,770	0	0%
Technology Sustainment	19,912	19,912	0	0%
Debt Charges	598,414	583,914	14,501	2%
Capital & Corporate Financing	947,096	932,595	14,501	2%
<b>Non-Program Expenditures</b>				
Tax Deficiencies/Writeoffs	65,422	36,681	28,741	44%
Tax Increment Equivalent Grants (TIEG)	29,287	29,026	262	1%
Assessment Function (MPA C)	45,893	46,115	(222)	0%
Funding of Employee Related Liabilities	70,833	70,782	51	0%
Other Corporate Expenditures	(13,314)	35,650	(48,964)	368%
Parking Tag Enforcement & Oper.	62,112	49,515	12,597	20%
Programs Funded from Reserve Funds	0	11	(11)	-297283%
Heritage Property Taxes Rebate	2,329	1,753	576	25%
Tax Rebates for Registered Charities	0	0	(0)	n/a
Solid Waste Management Rebates	75,371	75,371	0	0%
Tax Increment Funding (TIF)	1,814	1,814	0	0%
Non-Program Expenditures	339,748	346,718	(6,970)	-2%
<b>Non-Program Revenue</b>				
Payments in Lieu of Taxes	(96,389)	(89,886)	(6,503)	7%
Supplementary Taxes	(34,000)	(54,433)	20,433	-60%
Tax Penalty Revenue	(32,000)	(48,772)	16,772	-52%
Interest/Investment Earnings	(114,810)	(88,703)	(26,107)	23%
Other Corporate Revenues	(10,955)	(11,502)	548	-5%
Dividend Income	(105,000)	(92,640)	(12,360)	12%
Provincial Revenue	(91,600)	(91,600)	0	0%
Municipal Land Transfer Tax	(725,023)	(734,560)	9,537	-1%
Third Party Sign Tax	(9,007)	(9,898)	891	-10%
Parking Authority Revenues	(54,739)	0	(54,739)	100%
Administrative Support Recoveries - Water	(18,973)	(18,973)	(0)	0%
Administrative Support Recoveries - Health & EMS	(10,427)	(10,427)	0	0%
Parking Tag Enforcement & Operations Rev	(114,840)	(80,225)	(34,615)	30%
Other Tax Revenues	(10,192)	(12,804)	2,612	-26%
Municipal Accommodation Tax	(31,545)	17,458	(49,003)	155%
Casino Woodbine	(27,900)	(3,085)	(24,815)	89%
Non-Program Revenues	(1,487,400)	(1,330,049)	(157,351)	11%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(200,556)</b>	<b>(50,737)</b>	<b>(149,819)</b>	<b>75%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>4,424,467</b>	<b>5,089,628</b>	<b>(665,161)</b>	<b>-15%</b>
<b>RATE SUPPORTED PROGRAMS</b>				
Solid Waste Management Services	0	(7,099)	7,099	n/a
Toronto Parking Authority	(70,100)	(14,031)	(56,069)	80%
Toronto Water	0	(69,517)	69,517	n/a
<b>TOTAL RATE SUPPORTED PROGRAMS</b>	<b>(70,100)</b>	<b>(90,647)</b>	<b>20,547</b>	<b>-29%</b>

Note 1: When excluding \$179 million in COVID-19 funding for SSHA and Public Health, net variance is \$844.3 unfavourable

Staff report for action on Operating Variance Report for the Year Ended December 31, 2020

## Appendix B

<b>CITY OF TORONTO</b>				
<b>CONSOLIDATED GROSS EXPENDITURES VARIANCE</b>				
<b>FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020</b>				
(\$000s)				
<b>December 31, 2020</b>				
	<b>Year-End</b>		<b>Actual vs Budget</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Favourable / (Unfavourable)</b>	<b>%</b>
<b>Community and Social Services</b>				
Housing Secretariat	15,734	7,581	8,152	52%
Children's Services	683,404	554,805	128,599	19%
Court Services	35,940	23,036	12,904	36%
Economic Development & Culture	92,058	81,969	10,089	11%
Toronto Paramedic Services	251,746	252,321	(576)	0%
Seniors Services and Long-Term Care	272,878	310,378	(37,500)	-14%
Parks, Forestry & Recreation	461,917	384,613	77,304	17%
Shelter, Support & Housing Administration	1,038,118	1,104,106	(65,987)	-6%
Social Development, Finance & Administration	79,355	78,232	1,123	1%
Toronto Employment & Social Services	1,094,373	1,002,330	92,042	8%
<b>Sub-Total Community and Social Services</b>	<b>4,025,523</b>	<b>3,799,373</b>	<b>226,150</b>	<b>6%</b>
<b>Infrastructure and Development Services</b>				
City Planning	54,647	49,015	5,632	10%
Fire Services	497,373	492,360	5,013	1%
Office of Emergency Management	3,267	3,469	(201)	-6%
Municipal Licensing & Standards	67,468	59,839	7,630	11%
Policy, Planning, Finance & Administration	17,023	14,818	2,204	13%
Engineering & Construction Services	73,195	65,934	7,261	10%
Toronto Building	61,335	51,982	9,352	15%
Transportation Services	417,540	376,557	40,983	10%
Transit Expansion	8,672	5,050	3,622	42%
<b>Sub-Total Infrastructure and Development Services</b>	<b>1,200,519</b>	<b>1,119,024</b>	<b>81,496</b>	<b>7%</b>
<b>Finance and Treasury Services</b>				
Office of the Chief Financial Officer	17,143	16,069	1,075	6%
Office of the Controller	80,816	73,935	6,881	9%
<b>Sub-Total Finance and Treasury Services</b>	<b>97,959</b>	<b>90,004</b>	<b>7,955</b>	<b>8%</b>
<b>Corporate Services</b>				
Corporate Real Estate Management	194,109	193,446	663	0%
Environment & Energy	17,295	12,055	5,239	30%
Fleet Services	62,696	53,813	8,883	14%
Technology Services	138,046	125,492	12,554	9%
311 Toronto	19,175	17,824	1,351	7%
<b>Sub-Total Corporate Services</b>	<b>431,321</b>	<b>402,630</b>	<b>28,691</b>	<b>7%</b>
<b>City Manager</b>				
City Manager's Office	64,537	62,327	2,210	3%
<b>Sub-Total City Manager</b>	<b>64,537</b>	<b>62,327</b>	<b>2,210</b>	<b>3%</b>
<b>Other City Programs</b>				
City Clerk's Office	52,774	45,843	6,931	13%
Legal Services	67,716	54,372	13,345	20%
Mayor's Office	2,567	2,334	233	9%
City Council	21,889	19,032	2,856	13%
<b>Sub-Total Other City Programs</b>	<b>144,946</b>	<b>121,582</b>	<b>23,364</b>	<b>16%</b>
<b>Accountability Offices</b>				
Auditor General's Office	7,376	6,598	778	11%
Office of the Integrity Commissioner	762	615	147	19%
Office of the Lobbyist Registrar	1,252	1,165	87	7%
Office of the Ombudsman	2,196	2,193	3	0%
<b>Sub-Total Accountability Offices</b>	<b>11,586</b>	<b>10,571</b>	<b>1,015</b>	<b>9%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>5,976,391</b>	<b>5,605,510</b>	<b>370,881</b>	<b>6%</b>

Staff report for action on Operating Variance Report for the Year Ended December 31, 2020

## Appendix B

<b>CITY OF TORONTO</b>				
<b>CONSOLIDATED GROSS EXPENDITURES VARIANCE</b>				
<b>FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020</b>				
<b>(\$000s)</b>				
<b>December 31, 2020</b>				
	<b>Year-End</b>		<b>Actual vs Budget</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Favourable / (Unfavourable)</b>	<b>%</b>
<b>Agencies</b>				
Toronto Public Health	280,671	270,828	9,843	4%
Toronto Public Library	217,334	212,734	4,601	2%
Association of Community Centres	8,979	8,475	504	6%
Exhibition Place	57,054	37,851	19,203	34%
Heritage Toronto	1,115	897	218	20%
TO Live	38,699	16,120	22,579	58%
Toronto Zoo	52,134	41,646	10,488	20%
Arena Boards of Management	9,999	7,530	2,469	25%
Yonge Dundas Square	3,934	2,124	1,810	46%
CreateTO	14,660	14,018	641	4%
Toronto & Region Conservation Authority	9,470	9,470	0	0%
Toronto Transit Commission - Conventional	1,987,171	1,865,325	121,845	6%
Toronto Transit Commission - Wheel-Trans	156,483	105,383	51,100	33%
Toronto Police Service	1,221,216	1,203,879	17,337	1%
Toronto Police Services Board	5,343	5,092	251	5%
<b>TOTAL - AGENCIES</b>	<b>4,064,261</b>	<b>3,801,372</b>	<b>262,889</b>	<b>6%</b>
<b>Corporate Accounts</b>				
Capital Financing - Capital from Current	340,220	328,770	11,451	3%
Technology Sustainment	19,912	19,912	0	0%
Debt Charges	666,665	657,700	8,965	1%
Capital & Corporate Financing	1,026,797	1,006,381	20,416	2%
<b>Non-Program Expenditures</b>				
Tax Deficiencies/Writeoffs	65,422	36,681	28,741	44%
Tax Increment Equivalent Grants (TIEG)	29,287	29,026	262	1%
Assessment Function (MPAC)	45,893	46,115	(222)	0%
Funding of Employee Related Liabilities	70,833	70,782	51	0%
Other Corporate Expenditures	23,447	52,777	(29,331)	-125%
Parking Tag Enforcement & Oper.	62,112	49,515	12,597	20%
Programs Funded from Reserve Funds	143,778	173,222	(29,444)	-20%
Heritage Property Taxes Rebate	2,329	1,753	576	25%
Tax Rebates for Registered Charities	7,733	7,802	(69)	-1%
Solid Waste Management Rebates	85,371	85,371	0	0%
Tax Increment Funding (TIF)	1,814	1,814	0	0%
Non-Program Expenditures	538,019	554,857	(16,839)	-3%
<b>Non-Program Revenue</b>				
Payments in Lieu of Taxes	0	0	0	n/a
Supplementary Taxes	0	0	0	n/a
Tax Penalty Revenue	0	0	0	n/a
Interest/Investment Earnings	10,723	6,852	3,871	36%
Other Corporate Revenues	848	138,430	(137,582)	-16224%
Dividend Income	0	0	0	n/a
Provincial Revenue	0	0	0	n/a
Municipal Land Transfer Tax	72,667	74,032	(1,365)	-2%
Third Party Sign Tax	0	0	0	n/a
Parking Authority Revenues	0	0	0	n/a
Administrative Support Recoveries - Water	0	0	0	n/a
Administrative Support Recoveries - Health & EMS	0	0	0	n/a
Other Tax Revenues	0	(2,217)	2,217	n/a
Municipal Accommodation Tax	30,027	29,969	58	0%
Casino Woodbine	0	0	0	n/a
Non-Program Revenues	114,265	247,066	(132,801)	-116%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,679,081</b>	<b>1,808,305</b>	<b>(129,224)</b>	<b>-8%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>11,719,733</b>	<b>11,215,186</b>	<b>504,547</b>	<b>4%</b>
<b>RATES SUPPORTED PROGRAMS</b>				
Solid Waste Management Services	378,904	354,214	24,690	7%
Toronto Parking Authority	101,772	84,633	17,139	17%
Toronto Water	1,390,550	1,367,109	23,441	2%
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>1,871,225</b>	<b>1,805,955</b>	<b>65,270</b>	<b>3%</b>

Staff report for action on Operating Variance Report for the Year Ended December 31, 2020

## Appendix C

<b>CITY OF TORONTO</b>				
<b>CONSOLIDATED REVENUE VARIANCE</b>				
<b>FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020</b>				
<b>(\$000s)</b>				
<b>December 31, 2020</b>				
	<b>Year-End</b>		<b>Actual vs Budget</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Favourable / (Unfavourable)</b>	<b>%</b>
<b>Community and Social Services</b>				
Housing Secretariat	14,547	6,394	(8,153)	-56%
Children's Services	591,420	466,048	(125,372)	-21%
Court Services	75,808	45,999	(29,808)	-39%
Economic Development & Culture	15,327	8,651	(6,676)	-44%
Toronto Paramedic Services	162,812	169,522	6,710	4%
Seniors Services and Long-Term Care	223,238	253,736	30,498	14%
Parks, Forestry & Recreation	136,399	73,259	(63,140)	-46%
Shelter, Support & Housing Administration	530,955	596,943	65,987	12%
Social Development, Finance & Administration	20,267	23,701	3,434	17%
Toronto Employment & Social Services	1,003,152	933,332	(69,821)	-7%
<b>Sub-Total Community and Social Services</b>	<b>2,773,926</b>	<b>2,577,585</b>	<b>(196,341)</b>	<b>-7%</b>
<b>Infrastructure and Development Services</b>				
City Planning	41,096	43,415	2,318	6%
Fire Services	20,742	22,053	1,311	6%
Office of Emergency Management	660	651	(9)	-1%
Municipal Licensing & Standards	55,148	41,462	(13,686)	-25%
Policy, Planning, Finance & Administration	11,596	10,214	(1,382)	-12%
Engineering & Construction Services	71,309	68,978	(2,332)	-3%
Toronto Building	77,482	105,071	27,589	36%
Transportation Services	190,476	142,277	(48,199)	-25%
Transit Expansion	8,671	5,050	(3,622)	-42%
<b>Sub-Total Infrastructure and Development Services</b>	<b>477,181</b>	<b>439,170</b>	<b>(38,011)</b>	<b>-8%</b>
<b>Finance and Treasury Services</b>				
Office of the Chief Financial Officer	3,816	3,366	(451)	-12%
Office of the Controller	40,785	28,181	(12,604)	-31%
<b>Sub-Total Finance and Treasury Services</b>	<b>44,601</b>	<b>31,546</b>	<b>(13,054)</b>	<b>-29%</b>
<b>Corporate Services</b>				
Corporate Real Estate Management	89,671	86,229	(3,442)	-4%
Environment & Energy	4,264	2,153	(2,110)	-49%
Fleet Services	35,311	30,419	(4,892)	-14%
Technology Services	37,693	27,859	(9,834)	-26%
311 Toronto	8,897	7,631	(1,267)	-14%
<b>Sub-Total Corporate Services</b>	<b>175,836</b>	<b>154,291</b>	<b>(21,544)</b>	<b>-12%</b>
<b>City Manager</b>				
City Manager's Office	6,403	6,499	96	2%
<b>Sub-Total City Manager</b>	<b>6,403</b>	<b>6,499</b>	<b>96</b>	<b>2%</b>
<b>Other City Programs</b>				
City Clerk's Office	13,846	10,261	(3,586)	-26%
Legal Services	26,067	23,066	(3,001)	-12%
Mayor's Office	0	0	0	n/a
City Council	108	177	69	65%
<b>Sub-Total Other City Programs</b>	<b>40,021</b>	<b>33,504</b>	<b>(6,517)</b>	<b>-16%</b>
<b>Accountability Offices</b>				
Auditor General's Office	0	0	0	n/a
Office of the Integrity Commissioner	0	0	0	n/a
Office of the Lobbyist Registrar	0	0	0	n/a
Office of the Ombudsman	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>TOTAL - CITY OPERATIONS</b>	<b>3,517,967</b>	<b>3,242,596</b>	<b>(275,371)</b>	<b>-8%</b>

Staff report for action on Operating Variance Report for the Year Ended December 31, 2020

## Appendix C

<b>CITY OF TORONTO</b>				
<b>CONSOLIDATED REVENUE VARIANCE</b>				
<b>FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2020</b>				
<b>(\$000s)</b>				
<b>December 31, 2020</b>				
	<b>Year-End</b>		<b>Actual vs Budget</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Favourable / (Unfavourable)</b>	<b>%</b>
<b>Agencies</b>				
Toronto Public Health	209,842	208,745	(1,097)	-1%
Toronto Public Library	20,640	17,076	(3,564)	-17%
Association of Community Centres	318	131	(187)	-59%
Exhibition Place	57,554	23,390	(34,164)	-59%
Heritage Toronto	684	466	(218)	-32%
TO Live	33,099	7,367	(25,732)	-78%
Toronto Zoo	39,362	16,608	(22,754)	-58%
Arena Boards of Management	10,107	5,013	(5,094)	-50%
Yonge Dundas Square	3,934	548	(3,385)	-86%
CreateTO	14,660	14,018	(641)	-4%
Toronto & Region Conservation Authority	5,203	5,203	0	0%
Toronto Transit Commission - Conventional	1,344,589	587,981	(756,608)	-56%
Toronto Transit Commission - Wheel-Trans	9,237	3,895	(5,341)	-58%
Toronto Police Service	145,021	130,292	(14,729)	-10%
Toronto Police Services Board	3,413	3,188	(225)	-7%
<b>TOTAL - AGENCIES</b>	<b>1,897,661</b>	<b>1,023,920</b>	<b>(873,741)</b>	<b>-46%</b>
<b>Corporate Accounts</b>				
Capital Financing - Capital from Current	11,450	0	(11,450)	-100%
Technology Sustainment	0	0	0	n/a
Debt Charges	68,250	73,786	5,536	8%
<b>Capital &amp; Corporate Financing</b>	<b>79,701</b>	<b>73,786</b>	<b>(5,915)</b>	<b>-7%</b>
<b>Non-Program Expenditures</b>				
Tax Deficiencies/Writeoffs	0	0	0	n/a
Tax Increment Equivalent Grants (TIEG)	0	0	0	n/a
Assessment Function (MPAC)	0	0	0	n/a
Funding of Employee Related Liabilities	0	0	0	n/a
Other Corporate Expenditures	36,760	17,128	(19,633)	-53%
Programs Funded from Reserve Funds	143,778	173,211	29,433	20%
Heritage Property Taxes Rebate	0	0	0	n/a
Tax Rebates for Registered Charities	7,733	7,802	69	1%
Solid Waste Management Rebates	10,000	10,000	0	0%
Tax Increment Funding (TIF)	0	0	0	n/a
<b>Non-Program Expenditures</b>	<b>198,271</b>	<b>208,140</b>	<b>9,869</b>	<b>5%</b>
<b>Non-Program Revenue</b>				
Payments in Lieu of Taxes	96,389	89,886	(6,503)	-7%
Supplementary Taxes	34,000	54,433	20,433	60%
Tax Penalty Revenue	32,000	48,772	16,772	52%
Interest/Investment Earnings	125,533	95,555	(29,978)	-24%
Other Corporate Revenues	11,803	149,932	138,130	1170%
Dividend Income	105,000	92,640	(12,360)	-12%
Provincial Revenue	91,600	91,600	0	0%
Municipal Land Transfer Tax	797,691	808,592	10,902	1%
Third Party Sign Tax	9,007	9,898	891	10%
Parking Authority Revenues	54,739	0	(54,739)	-100%
Administrative Support Recoveries - Water	18,973	18,973	(0)	0%
Administrative Support Recoveries - Health & EMS	10,427	10,427	0	0%
Parking Tag Enforcement & Operations Rev	114,840	80,225	(34,615)	-30%
Other Tax Revenues	10,192	10,587	394	4%
Municipal Accommodation Tax	61,572	12,511	(49,061)	-80%
Casino Woodbine	27,900	3,085	(24,815)	-89%
<b>Non-Program Revenues</b>	<b>1,601,665</b>	<b>1,577,116</b>	<b>(24,550)</b>	<b>-2%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,879,637</b>	<b>1,859,042</b>	<b>(20,595)</b>	<b>-1%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>7,295,266</b>	<b>6,125,558</b>	<b>(1,169,708)</b>	<b>-16%</b>
<b>RATES SUPPORTED PROGRAMS</b>				
Solid Waste Management Services	378,904	361,312	(17,591)	-5%
Toronto Parking Authority	171,872	98,664	(73,208)	-43%
Toronto Water	1,390,550	1,436,625	46,076	3%
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>1,941,325</b>	<b>1,896,602</b>	<b>(44,724)</b>	<b>-2%</b>

Staff report for action on Operating Variance Report for the Year Ended December 31, 2020

## Appendix D

Figure 4: Community and Social Services Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Housing Secretariat	5-Month	1.1	▲	(1.7)	▼	(0.6)	▼	Ⓜ
	6-Month	1.9	▲	(1.7)	▼	0.3	▲	Ⓞ
	9-Month	1.7	▲	(1.4)	▼	0.2	▲	Ⓞ
	12-Month	8.2	▲	(8.2)	▼	(0.0)	—	Ⓜ
Children's Services	5-Month	57.4	▲	(55.0)	▼	2.5	▲	Ⓞ
	6-Month	61.9	▲	(59.1)	▼	2.8	▲	Ⓞ
	9-Month	68.2	▲	(65.3)	▼	2.9	▲	Ⓞ
	12-Month	128.6	▲	(125.4)	▼	3.2	▲	Ⓞ
Court Services	5-Month	9.9	▲	(24.6)	▼	(14.7)	▼	Ⓜ
	6-Month	10.2	▲	(29.8)	▼	(19.5)	▼	Ⓜ
	9-Month	11.9	▲	(25.0)	▼	(13.1)	▼	Ⓜ
	12-Month	12.9	▲	(29.8)	▼	(16.9)	▼	Ⓜ
Economic Development & Culture	5-Month	7.3	▲	(6.2)	▼	1.1	▲	Ⓞ
	6-Month	5.8	▲	(6.8)	▼	(1.0)	▼	Ⓜ
	9-Month	8.8	▲	(6.8)	▼	2.0	▲	Ⓞ
	12-Month	10.1	▲	(6.7)	▼	3.4	▲	Ⓞ
Toronto Paramedic Services	5-Month	(0.2)	▼	(0.7)	▼	(1.0)	▼	Ⓜ
	6-Month	(1.7)	▼	(0.6)	▼	(2.3)	▼	Ⓜ
	9-Month	(0.3)	▼	(0.8)	▼	(1.1)	▼	Ⓜ
	12-Month	(0.6)	▼	6.7	▲	6.1	▲	Ⓞ

## Appendix D

Figure 5: Community and Social Services Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Seniors Services and Long-Term Care	5-Month	(15.5)	▼	(2.1)	▼	(17.6)	▼	Ⓜ
	6-Month	(22.9)	▼	5.0	▲	(17.8)	▼	Ⓜ
	9-Month	(31.3)	▼	13.5	▲	(17.8)	▼	Ⓜ
	12-Month	(37.5)	▼	30.5	▲	(7.0)	▼	Ⓜ
Parks, Forestry & Recreation	5-Month	65.0	▲	(64.6)	▼	0.4	▲	Ⓞ
	6-Month	65.7	▲	(63.0)	▼	2.7	▲	Ⓞ
	9-Month	79.4	▲	(66.6)	▼	12.8	▲	Ⓞ
	12-Month	77.3	▲	(63.1)	▼	14.2	▲	Ⓞ
Shelter, Support & Housing Administration	5-Month	(164.0)	▼	(21.1)	▼	(185.1)	▼	Ⓜ
	6-Month	(141.3)	▼	(23.3)	▼	(164.7)	▼	Ⓜ
	9-Month	(104.7)	▼	83.6	▲	(21.1)	▼	Ⓜ
	12-Month	(66.0)	▼	66.0	▲	(0.0)	—	Ⓜ
Social Development, Finance & Administration	5-Month	(1.8)	▼	9.2	▲	7.5	▲	Ⓞ
	6-Month	(2.8)	▼	6.9	▲	4.1	▲	Ⓞ
	9-Month	(1.3)	▼	6.1	▲	4.8	▲	Ⓞ
	12-Month	1.1	▲	3.4	▲	4.6	▲	Ⓞ
Toronto Employment & Social Services	5-Month	(16.1)	▼	31.9	▲	15.8	▲	Ⓞ
	6-Month	(3.1)	▼	20.2	▲	17.1	▲	Ⓞ
	9-Month	83.5	▲	(60.0)	▼	23.5	▲	Ⓞ
	12-Month	92.0	▲	(69.8)	▼	22.2	▲	Ⓞ
Total	5-Month	(56.8)	▼	(134.9)	▼	(191.8)	▼	Ⓜ
	6-Month	(26.2)	▼	(152.0)	▼	(178.3)	▼	Ⓜ
	9-Month	115.8	▲	(122.8)	▼	(6.9)	▼	Ⓜ
	12-Month	226.2	▲	(196.3)	▼	29.8	▲	Ⓞ
Year-End Net Variance		Ⓞ	<=100%	Ⓜ	>100%			



## Appendix D

### Community and Social Services

#### Year End Results

##### **Housing Secretariat:**

- Favourable gross expenditure variance of \$8.152 million primarily due to lower than plan Housing Now project expenditures resulting from project delays due to the COVID-19 pandemic, as well as underspending in salaries and benefits resulting from delays in filling vacant positions.
- Underachieved revenues of \$8.153 million resulting from lower than plan recognition of budgeted reserve draws required to fund affordable housing development projects.
- Unfavourable net variance \$0.819 million due to lower than plan revenue recognition resulting from affordable housing project delays, significantly offset by savings in salaries and benefits resulting from hiring delays.

##### **Children's Services:**

- Favourable gross expenditure variance of \$128.6 million, is primarily attributable to COVID, which resulted in the closure of licensed child care centres, Before and After School programs, EarlyON and the suspension of other programming. Licensed centres remained closed for at least three months until the gradual reopening under new health and safety measures took place in June, 2020. By Sept 2020, centres were permitted to return to full capacity. However, although 90% of the centres re-opened in time for the school year, the system faced rolling lockdowns and closures, with vacancies remaining high throughout the system. Throughout the year, the division experienced underspending in salaries and benefits resulting from the temporarily discontinued services and the unfilled vacancies due to the hiring slowdown,
- Under achieved revenues of \$125.3 million corresponds to both underspending in the delivery of provincially and federally funded programs, as well as the provincial direction that allowed the program to temporarily utilize provincial funding and federal funding to support the financial viability of the sector. These changes also eliminated the requirement to charge parent fees where care was not being provided. The combination of the changes to the established funding model resulted in under spending of \$96.9 million in core programming, including child care fee subsidies; \$17.0 million in wage enhancement; and \$11.4 million in other underachieved revenue, including family fees.
- Favourable net of \$3.2 million reflects a combination under spending due to interrupted programming and the temporary provincial and federal funding models that were introduced to sustain system viability.

##### **Court Service:**

- Favourable gross expenditure variance of \$12.9 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, collection agency fees and interpreter services due to temporary closure of court rooms and partial suspension of collection activities as a result of the COVID-19 pandemic.

- Underachieved revenues of \$29.8 million primarily due to lower than plan ticket issuance including delayed implementation of the Automated Speed Enforcement initiative (plan 585,300 actual 396,783), and partial suspension of collection activities as a result of COVID-19.
- Unfavourable net variance of \$16.9 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.

**Economic Development & Culture:**

- Favourable net expenditures of \$3.4 million or 4.4% under the 2020 Approved Operating Budget is due to:
- Favorable gross expenditure of \$10.1 million primarily driven by underspending in salaries and benefits resulting from corporate wide hiring delays, savings from recreation and part time workers due to site closures and reduced capacity, and cancellation of the Info-to-Go program. Other savings included reduction in travel expenses and International Strategy, conversion of in-person to virtual events, and cancellation of a number of events including the Royal Agricultural Winter Fair, Cavalcade and New Year's Eve, and Doors Open.
- Some savings were redirected to address COVID-19 mitigation and recovery efforts for Toronto's business, tourism and cultural sectors, and the ShowLoveTO campaign (\$2.6 million net).
- Underachieved revenue of \$6.7 million was mainly attributed to loss of sponsorship; course and camp registrations, admissions as well as location rentals and permit fees at closed Museums and Art Services locations; film parking permit fee; and cancellation of Summerlicious as a result of COVID-19.
- Some of the revenue losses were partially mitigated by higher than anticipated parking revenue from Fort York and receipt of one-time COVID-19 Emergency Funding for Heritage Organization from the federal government (total of \$1.1 million).

**Toronto Paramedic Services:**

- Unfavourable gross expenditure variance of \$0.6 million primarily attributable to additional costs as a result of COVID-19 and WSIB pressures related to Bill 163, partially offset by a reallocation of resources to specific COVID-19 initiatives and lower expenditures in salaries and benefits due to hiring delays as a result of COVID-19.
- Favourable revenues of \$6.7 million primarily as a result of Provincial funding above budget for COVID-19 expenditures. Partially offset by lower than anticipated reserve fund transfers in addition to lost user fee revenue as a result of COVID-19 related shutdowns.
- Favourable net variance of \$6.1 million primarily due to unbudgeted COVID-19 Provincial funding in addition to savings in salaries and benefits due to hiring delays and reduced overtime, partially offset by COVID-19 costs, WSIB pressures and lower than anticipated reserve fund transfers.

**Seniors Services and Long-Term Care:**

- Unfavourable gross expenditure variance of \$37.5 million mainly due to increased salary and benefits and non-payroll expenditures for infection prevention and control measures (IPAC) such as 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.
- Overachieved revenues of \$30.5 million due to one-time COVID funding from the Ministry of Long-Term Care to support the containment and prevent the spread of COVID-19 including: \$17.2 million for containment and prevention, \$9.1 million in pandemic pay, 2.6 million for IPAC minor repairs and training for personnel for IPAC minor capital repairs and 1.0 Funding.
- Unfavourable net variance of \$7.002 million reflects the additional cost of prevention and containment measures in place for COVID-19.

**Parks, Forestry & Recreation:**

- Parks, Forestry & Recreation (PFR) reported a favourable year-end net variance of \$14.2 million or 4.4% consisting of a favourable \$77.3 million or 16.7% gross expenditure variance offset by a revenue shortfall of \$63.1 million or 46.3%.
- Favourable gross expenditure variance was driven by COVID underspending in salaries and benefits due to cancellation of recreation programming and delayed start for seasonal workers. Other underspending in expenditures was related to non-labour spend including welcome policy fee subsidy program, facilities usage payments, services and rents, and materials and supplies, partially offset by costs for paid duty officers in Parks.
- The unfavourable revenue variance was driven by the requirement for PFR to close community facilities and parks during the COVID-19 pandemic that reduced registration sales; permit revenues; ticket sales and user fees.

**Shelter, Support & Housing Administration:**

- Unfavourable gross expenditure variance of \$65.9 million. Unplanned expenditures of \$166.7 million for the City's COVID-19 response and \$10.9 million for Toronto Pandemic Pay have been partially offset by underspending in Emergency Shelter Services primarily resulting from savings in costs for the Refugee Response program, lower than plan operating impacts of shelter capital projects resulting from COVID-19 related project delays, as well as lower than planned expenditures in the Social Housing service due to savings in housing provider subsidies for mortgage payments, rent and operating costs. Further, underspending in provincially funded social housing retrofit projects resulting from COVID-19 related delays are fully offset by lower recognition of revenues for these projects for a net zero impact.
- Overachieved revenues of \$65.9 million primarily reflects recognition of unplanned revenues received from the federal and provincial governments to support the City's COVID-19 response partially offset by lower than plan revenue recognition for Refugee Response program, and social housing capital and retrofit projects. Federal-provincial revenue recognized in 2020 to support the City's COVID-19 response total \$156.4 million which significantly offsets the City's spending of

\$166.7 million. The balance of \$10.3 million in COVID-19 response cost pressures were offset by the underspending in other Shelter, Support and Housing programs.

- Net zero expenditure variance primarily attributable to unplanned spending in emergency shelter services for the City's COVID-19 response fully offset by federal-provincial revenue to support the COVID-19 response, underspending in the Social Housing Service and operating impacts of shelter capital projects.

**Social Development, Finance and Administration:**

- Favourable gross expenditure variance of \$1.1 million is primarily a result of 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 unbudgeted emergency spending due to COVID to support vulnerable residents, as well as COVID related overtime costs.
- Overachieved revenues of \$3.4 million mainly due to unbudgeted COVID relief funding, partially offset by lower cost of administration funding with the Human Services Integration Office vacancies, as well as unfunded Indigenous Poverty Reduction and National Crime Prevention programming, which the Federal government did not approve funding for.
- Favourable net variance of \$4.6 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 increased overtime costs due to impact of COVID-19.

**Toronto Employment & Social Services:**

- Favourable year-end gross expenditure variance of \$92.0 million due to lower than budgeted caseload, which resulted in fewer issuances of financial benefits. In addition, COVID-19 restrictions and shutdowns limited the availability of workforce development programs, reduced the demand for medical benefits and resulted in hiring deferrals. Caseload was at 76,843 for the year, 6,157 or 7.4% below budget as government support programs such as the Canada Emergency Response Benefit (CERB), Canada Recovery Benefit (CRB) and Employment Insurance alleviated pressure on the OW program.
- Underachieved revenues of \$69.8 million due to lower than planned expenditure based provincial subsidies.
- Favourable year-end net variance of \$22.2 million primarily attributable to lower employment and program delivery expenditures.

## Appendix D

Figure 6: Infrastructure and Development Services Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
City Planning	5-Month	3.6	▲	(4.4)	▼	(0.8)	▼	Ⓜ
	6-Month	4.1	▲	(3.0)	▼	1.1	▲	Ⓞ
	9-Month	4.5	▲	(2.5)	▼	2.0	▲	Ⓞ
	12-Month	5.6	▲	2.3	▲	8.0	▲	Ⓞ
Fire Services	5-Month	0.9	▲	(0.4)	▼	0.5	▲	Ⓞ
	6-Month	(0.4)	▼	0.3	▲	(0.1)	▼	Ⓜ
	9-Month	3.1	▲	1.5	▲	4.6	▲	Ⓞ
	12-Month	5.0	▲	1.3	▲	6.3	▲	Ⓞ
Office of Emergency Management	5-Month	(0.3)	▼	(0.0)	—	(0.3)	▼	Ⓜ
	6-Month	(0.4)	▼	(0.0)	—	(0.4)	▼	Ⓜ
	9-Month	(0.5)	▼	(0.0)	—	(0.5)	▼	Ⓜ
	12-Month	(0.2)	▼	(0.0)	—	(0.2)	▼	Ⓜ
Municipal Licensing & Standards	5-Month	4.7	▲	(10.5)	▼	(5.8)	▼	Ⓜ
	6-Month	7.3	▲	(10.9)	▼	(3.6)	▼	Ⓜ
	9-Month	7.6	▲	(11.8)	▼	(4.1)	▼	Ⓜ
	12-Month	7.6	▲	(13.7)	▼	(6.1)	▼	Ⓜ
Policy, Planning, Finance & Administration	5-Month	1.1	▲	(0.6)	▼	0.4	▲	Ⓞ
	6-Month	1.2	▲	(0.7)	▼	0.5	▲	Ⓞ
	9-Month	1.8	▲	(1.1)	▼	0.7	▲	Ⓞ
	12-Month	2.2	▲	(1.4)	▼	0.8	▲	Ⓞ
Engineering & Construction Services	5-Month	7.2	▲	(7.1)	▼	0.0	—	Ⓞ
	6-Month	6.5	▲	(6.3)	▼	0.2	▲	Ⓞ
	9-Month	6.4	▲	(6.2)	▼	0.1	▲	Ⓞ
	12-Month	7.3	▲	(2.3)	▼	4.9	▲	Ⓞ

## Appendix D

Figure 8: Infrastructure and Development Services Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Toronto Building	5-Month	8.1	▲	1.4	▲	9.5	▲	Ⓞ
	6-Month	8.5	▲	13.3	▲	21.8	▲	Ⓞ
	9-Month	7.6	▲	21.6	▲	29.2	▲	Ⓞ
	12-Month	9.4	▲	27.6	▲	36.9	▲	Ⓞ
Transportation Services	5-Month	18.8	▲	(18.7)	▼	0.1	▲	Ⓞ
	6-Month	37.4	▲	(42.8)	▼	(5.4)	▼	Ⓜ
	9-Month	39.4	▲	(55.6)	▼	(16.1)	▼	Ⓜ
	12-Month	41.0	▲	(48.2)	▼	(7.2)	▼	Ⓜ
Transit Expansion	6-Month	3.1	▲	(3.1)	▼	0.0	—	Ⓞ
	9-Month	3.4	▲	(3.4)	▼	0.0	—	Ⓞ
	12-Month	3.6	▲	(3.6)	▼	0.0	—	Ⓞ
Total	5-Month	47.2	▲	(43.6)	▼	3.6	▲	Ⓞ
	6-Month	67.7	▲	(53.6)	▼	14.1	▲	Ⓞ
	9-Month	68.9	▲	(55.1)	▼	13.8	▲	Ⓞ
	12-Month	81.5	▲	(38.0)	▼	43.5	▲	Ⓞ
Year-End Net Variance		Ⓞ	<=100%	Ⓜ	>100%			

## Appendix D

### Infrastructure and Development Services

#### Year End Results

##### **City Planning:**

- City Planning has a favourable net expenditure variance of \$7.95 million comprised of:
- Favourable gross expenditure variance of \$5.6 million mainly due to underspending in salaries and benefits resulting from staffing vacancies, partially due to hiring slowdown from COVID-19, underspending in materials and supplies, services and rents resulting from lower requirements for technical consulting, external legal, printing, rents and other services impacted in part by COVID-19; and underspending in grants from fewer heritage grants that qualified for payment for the year.
- Favourable revenue variance of \$2.3 million due to higher development application review and other fees, which are offset by lower capital, reserve fund and other recoveries for transit development and other projects, due to vacancies and project delays and deferrals, impacted in part by COVID-19.

##### **Fire Services:**

- Favourable gross expenditure variance of \$5.0 million is mainly due to underspending in salary and benefits of \$7.1 million, overspending in of WSIB of \$1.3 million, underspending in various non-salary expenses of \$1.157 million, and unbudgeted spending of \$1.9 million related to COVID-19.
- Over achieved revenues of \$1.3 million are primarily due to over achieved false alarm and other fees of \$1.2 million, and other revenues and recoveries that exceed the budget by \$0.1 million.
- Favourable net variance of \$6.3 million primarily results from gross underspending in salary and benefits, unbudgeted spending related to COVID-19 and over achieved revenues from false alarm fees.

##### **Office of Emergency Management:**

- Unfavourable gross expenditure variance of \$0.2 million, primarily due to underspending in salaries and benefits of \$0.02 million, offset by unbudgeted expenditures related to COVID -19 of and \$0.3 million and underspending in other non-salary related expenditures of \$0.1.million.
- Revenues of \$0.7 million, \$0.009 below planned revenues, with underachieved fees and other revenues.
- Unfavourable net of \$0.2 million, reflecting the gross overspending, primarily related to unbudgeted COVID-19 related expenditures and underachieved revenues.

##### **Municipal Licensing & Standards:**

- Under-expenditures totaling \$8.2 million mainly arise from:
- Salaries and benefits savings due to processing time to fill vacancies as well as the impact of the COVID-19 hiring slow-down (\$2.8 million).

- Under-expenditures are also driven by lower contracted services costs due to lower than planned audit fees (\$0.6 million) resulting from deferral of Short-Term Rental Implementation and miscellaneous underspending (\$1.2 million) for office supplies, stationary, computer hd/sw, footwear, clothing, medical supplies, veterinary fees, training, furnishings, advertising and utilities as a result of the impact of COVID-19 and subsequent teleworking and staff vacancies.
- Underspending was also influenced by lower demand for accessibility grants (\$2.8 million) and related lower reserve fund contributions due to volume of accessibility fees (\$0.7 million)
- These under-expenditures were partially offset by over-expenditures of \$0.6 million mainly due to:
  - Higher than planned expenditures for contracted services including supplies for health & safety, janitorial, animal care and miscellaneous expense (\$0.3 million); and,
  - Higher than planned expenditures for contracted services for legal related to Cannabis enforcement, professional services for architects and workforce consultants, printing, wireless devices due to COVID-19 and teleworking and rental equipment for Animal Services (\$0.3 million).
- Lower than planned revenue of \$13.7 million was primarily comprised of
  - \$0.7 million in higher revenue from greater than expected volumes of PTC (Private Transportation Company) applications and trip fees, \$0.2 million more revenue from Apartment Building Standards as well as ShortTerm Rental fees and \$0.1 million due to increased donation revenue;
- These increases were offset by lower than planned revenue of \$14.6 million in these areas:
  - Business Licences due to lower than expected volumes and unrealized Short Term Rental revenues due to COVID-19 (\$6.0 million);
  - Vehicle for Hire Accessibility Program recoveries from reserve fund (\$2.8 million);
  - PTC trip fees and Accessibility fees (\$2.0 million);
  - Waived Café Marketing fees and lower than anticipated volume of Apartment Building Standards inspection/audits (\$1.4 million);
  - Licenses and Permits lower volume due to COVID-19 (\$0.9 million);
  - Gaming Services lower revenue due to COVID-19 impact (\$0.8 million); and,
  - Animal Services lower revenue due to volume of licensing & adoptions including waived fees as well as miscellaneous revenues including cannabis enforcement recoveries (\$0.6 million).
- The resulting net expenditures reflect an unfavourable variance (deficit) of \$6.1 million which is equivalent to a net expenditure variance (increase) of 49% as of the year ended December 31, 2020.

**Policy, Planning, Finance & Administration:**

- PPF&A has a favourable net expenditure variance of \$0.8 million comprised of:
- Favourable gross expenditure variance of \$2.2 million due to staffing vacancies, hiring delays resulting from COVID-19 as well as lower costs relating to material and supplies as a result of teleworking arrangements, services and rents mainly



from contracted services, equipment, and utilities and other expenditures due to lower usage as a result of COVID-19.

- Unfavourable revenue variance of \$1.4 million due to staffing vacancies, mainly from lower inter-divisional recoveries from client divisions and capital recoveries of positions from capital projects as a result of COVID-19.

**Engineering and Construction Services:**

- Favourable net variance of \$4.9 million consists of:
- Favourable expenditure variance of \$7.3 million due to under-spending in salaries and benefits from vacancies due to corporate hiring slowdown, and also under-spending in employee related expenses such as mileage, supplies and equipment.
- Unfavourable revenue variance of \$2.3 million due to lower recoveries from client capital projects, and timing of recoveries from Metrolinx as a result of delays in transit projects. However, lower recoveries were partially offset by higher revenues from full stream and development applications and construction inspection due to larger volumes.

**Toronto Building:**

- For the year ended December 31st, 2020, gross expenditures had a favourable variance of \$9.4 million that consisted of the following:
- Underspent salaries and benefits of \$6.9 million due to vacant positions and partially due to hiring slow down resulting from COVID-19;
- Underspent services and rents (\$2.1 million) due to delays in completing the program review that resulted in consulting savings (\$0.4 million), lower than expected construction expenses caused by the delay of the record centre (\$0.7 million), contracted services contingency for remedial action costs (\$0.5 million), and other underspending in employee related costs (\$0.5 million) such as mileage usage, training, etc. due to staff working from home.
- Revenues were overachieved by \$27.6 million driven by full recovery of permit activity since the beginning of the COVID-19 pandemic and recognition of \$24.0 million revenue from carryover projects. Although a recovery of permit activity was experienced, year end revenues were approximately 82% of the 5-year historical average due to impacts of COVID-19. This was partially offset by lower than budgeted contribution from the reserve fund and other recoveries related to the underspending in record centre renovation and the reserve funded positions (\$4.1 million), and underspending in remedial action recovery and Metrolinx projects (\$1.8 million).

**Transportation Services:**

- Unfavourable net variance of \$7.2 million consists of:
- Favourable expenditure variance of \$41.0 million primarily due to under-spending in; salaries and benefits as a result of corporate hiring slowdown, utility cut repairs due to COVID-19 related contract delays, and school crossing guard program due to school closures (March-Sept.). This was partially offset by over-spending for; COVID 19 initiatives such as ActiveTO and CafeTO, and signal maintenance contracts due to higher volume of emergency repairs.
- Unfavourable revenue variance of \$48.2 million primarily due to lower utility cut repair revenues from work delays, lower right-of-way permit fee revenue, and lower capital recoveries all due to COVID-19. Additionally, there were lower revenues

from the Automatic Speed Enforcement and Red Light Camera programs due lower volume of charges and delayed implementation of the program in other municipalities.

**Transit Expansion:**

- For the year ending December 31st, 2020, gross expenditures had a favourable variance of \$3.6 million primarily due to vacant positions as salaries and benefits were underspent by \$3.7 million. Services and Rent was however overspent by approximately \$0.4 million in professional services due to higher than expected contracted and technical service expenses related to the Environmental Assessment documentation for the Regional Express Railway (RER), but will be fully recovered from Metrolinx. Underspending was also experienced in equipment primarily in computer hardware and software purchases (\$0.2 million) as a result of vacancies.
- Revenues were under achieved by \$3.6 million due to lower than expected capital recoveries (\$0.4 million) and lower than expected Metrolinx project recoveries (\$3.2 million) as a result of vacancies and lower than anticipated expenditure spending.

## Appendix D

Figure 7: Finance and Treasury Services Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Office of the Chief Financial Officer	5-Month	2.1	▲	(1.7)	▼	0.5	▲	Ⓞ
	6-Month	0.8	▲	(0.4)	▼	0.3	▲	Ⓞ
	9-Month	0.9	▲	(0.4)	▼	0.4	▲	Ⓞ
	12-Month	1.1	▲	(0.5)	▼	0.6	▲	Ⓞ
Office of the Controller	5-Month	2.3	▲	(1.7)	▼	0.5	▲	Ⓞ
	6-Month	3.8	▲	(8.4)	▼	(4.7)	▼	Ⓡ
	9-Month	3.5	▲	(8.8)	▼	(5.3)	▼	Ⓡ
	12-Month	6.9	▲	(12.6)	▼	(5.7)	▼	Ⓡ
Total	5-Month	4.4	▲	(3.4)	▼	1.0	▲	Ⓞ
	6-Month	4.5	▲	(8.9)	▼	(4.4)	▼	Ⓡ
	9-Month	4.4	▲	(9.2)	▼	(4.8)	▼	Ⓡ
	12-Month	8.0	▲	(13.1)	▼	(5.1)	▼	Ⓡ
Year end Net Variance		Ⓞ	Ⓞ	<=100%	Ⓡ	>100%		

## Appendix D

### Finance and Treasury Services

#### Year End Results

**Office of the Chief Financial Officer:**

- For the period ending December 31, 2020, the Office of the Chief Financial Officer and Treasurer is reporting a net variance of \$0.6M. COVID-19 pandemic impact on the Office of the CFO & Treasurer resulted in additional expenditure of \$0.4M for unbudgeted overtime cost and staff on secondment to TTC, and revenue loss of \$0.5M due to lower than expected recovery.
- Hiring slow down and delays due to COVID-19 pandemic resulted in \$1.5M favourable variance in salaries and benefits for the period ending December 31, 2020.

**Office of the Controller:**

- For the period ending December 31, 2020, the Office of the Controller is reporting an unfavourable net variance of \$5.7M. The expenditure underspending of \$6.9M is mainly due to salary savings from vacant positions offset by unfavourable Revenues of \$12.6M below the budget at year-end mainly due to lower user fees and external revenue, recoveries from reserves and capital position vacancies.
- Overall, COVID-19 pandemic had a significant impact on the 2020 Office of the Controller, resulting in un-budgeted COVID-19 expenditures of \$1.1M for sourcing support cost for PPE and special mail out of property tax payment schedule The Office of the Controller also experienced substantial loss of revenue in the amount of \$12.6M primarily caused by lower than planned user fees and external revenue and lower recoveries for unfilled positions as a result of COVID-19
- Hiring slow down and Emergency Leave Protocol due to COVID-19 pandemic resulted in \$4.9M favourable variance in salaries and benefits for the period ending December 31, 2020.

## Appendix D

Figure 8: Corporate Services Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Facilities, Real Estate, Environment & Energy	4-Month	4.5	▲	(4.0)	▼	0.5	▲	Ⓞ
	6-Month	5.7	▲	(5.6)	▼	0.1	▼	Ⓞ
	9-Month	5.7	—	(4.1)	▲	1.7	▲	Ⓞ
	12-Month	4.5	▲	(0.8)	▼	3.6	▲	Ⓞ
Fleet Services	4-Month	(1.3)	▼	1.3	▲	0.0	—	Ⓞ
	6-Month	(1.8)	▼	1.8	▲	0.1	▲	Ⓞ
	9-Month	(0.5)	▲	0.5	▼	0.1	—	Ⓞ
	12-Month	1.5	▲	(1.0)	▼	0.5	▲	Ⓞ
Technology Services	4-Month	11.8	▲	(11.8)	▼	(0.0)	—	Ⓡ
	6-Month	12.7	▲	(12.5)	▼	0.2	▲	Ⓞ
	9-Month	13.8	▲	(13.4)	▼	0.0	—	Ⓞ
	12-Month	12.6	▲	(12.6)	▼	0.1	▲	Ⓞ
311 Toronto	4-Month	1.1	▲	(1.1)	▼	0.0	—	Ⓞ
	6-Month	0.9	▲	(0.9)	▼	0.0	—	Ⓞ
	9-Month	0.9	—	(0.9)	—	0.0	—	Ⓞ
	12-Month	0.8	▲	(0.7)	▼	0.0	—	Ⓞ
Total	4-Month	16.1	▲	(15.6)	▼	0.6	▲	Ⓞ
	6-Month	17.5	▲	(17.1)	▼	0.4	▲	Ⓞ
	9-Month	20.0	▲	(17.8)	▼	2.2	▲	Ⓞ
	12-Month	19.3	▲	(15.1)	▼	4.2	▲	Ⓞ
<b>Year-End Net Variance</b>	Ⓞ	Ⓞ	<=100%	Ⓡ	>100%			

## Appendix D

### Corporate Services

#### Year End Results

##### **Facilities, Real Estate, Environment & Energy:**

- Favourable net variance of \$3.6 million.
- Favourable gross expenditures of \$4.5 million primarily attributable to lower labour costs, coupled with underspending in utilities due to lower consumption and hydro rates resulting from global adjustments and positive impact of completed energy retrofits on several Toronto Police buildings. There was additional underspending in Environment & Energy programs funded through reserves, related to the Better Buildings Partnership Loans program. This is partially offset by overspending in contracted services related to demand maintenance requests from internal City clients, and the utilization of external contractors to meet operational and service requirements.
- Unfavourable revenues of \$0.8 million is due to lower recoveries from reserves and local boards related to vacancies, partially offset by an over-collection of inter-divisional revenues and capital recoveries from demand service requests combined with higher leasing revenues.
- There is no significant impact to service levels as a result of year-end vacancies. Any potential risks or impacts identified have been mitigated by a greater reliance on external contractors to support operational requirements. Variances in such areas as utilities, resulted in no impact on service delivery. FREEE is expecting the vacancy rate to stabilize in 2020 and is working with Corporate HR to ensure essential vacant positions are filled in a timely manner.

##### **Fleet Services:**

- Favourable net variance of \$0.5 million is attributable to lower salaries and benefits resulting from hiring delays of hard-to-fill positions, higher recoveries due to increased fuel usage, partially offset by increased maintenance costs for vehicles and equipment that have passed their optimum life and lower interdivisional recoveries due to vacancies.

##### **Technology Services:**

- A minimal favourable net variance of \$0.1 million is the result of gross expenditure favourability due primarily to vacancies was offset by lower recoveries from the clients and capital projects that were to fund those positions.

##### **311 Toronto:**

- Savings in the Project Management Office (\$0.6 million) and underspending in operating contracts (\$0.2 million) underlie the gross expenditure favourability, which is offset by lower recoveries from capital (\$0.6 million) and lower recoveries from reserves for Tax and Utilities calls training (\$0.2 million) resulting and in a favourable net variance of \$0.03 million.
- Achieved 81% of calls answered within 75 seconds, meeting the 80% Council approved service level.

## Appendix D

### City Manager's Office

Figure 9: City Manager's Office Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
City Manager's Office	4-Month	(1.3)	▼	1.3	▲	0.0	—	Ⓞ
	6-Month	(3.2)	▼	3.2	▲	0.0	—	Ⓞ
	9-Month	(1.4)	▲	2.2	▼	0.9	▲	Ⓞ
	12-Month	(2.0)	▼	3.5	▲	1.6	▲	Ⓞ
<b>Year-End Net Variance</b>	Ⓞ	Ⓞ	<=100%	Ⓡ	>100%			

### Year End Results

#### City Manager's Office:

- Favourable net variance of \$1.6 million or 3.2% is primarily the result of staff vacancies. Overspending in gross expenditures due to an overspent salaries & benefits is offset by higher interdivisional recoveries for temporary unbudgeted service agreements with City divisions such as the Toronto Urban Fellows (TUF) Initiative

**Appendix D**

**Figure 10: Other City Programs Year-End Variance Summary**

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
City Clerk's Office	4-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ
	6-Month	0.1	—	0.0	—	0.1	—	Ⓞ
	9-Month	2.5	▲	(2.1)	▼	0.4	▲	Ⓞ
	12-Month	2.7	▲	(2.0)	▼	0.8	▲	Ⓞ
Legal Services	4-Month	4.6	▲	(4.2)	▼	0.4	▲	Ⓞ
	6-Month	5.6	▲	(4.2)	▼	1.5	▲	Ⓞ
	9-Month	5.8	▲	(4.1)	▲	1.7	▲	Ⓞ
	12-Month	7.4	▲	(4.2)	▼	3.1	▲	Ⓞ
Mayor's Office	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ
City Council	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	1.3	▲	0.0	—	1.3	▲	Ⓞ
	12-Month	3.6	▲	(0.3)	▼	3.3	▲	Ⓞ
Total	4-Month	4.7	▲	(4.2)	▼	0.5	▲	Ⓞ
	6-Month	5.7	▲	(4.2)	▼	1.6	▲	Ⓞ
	9-Month	9.6	▲	(6.3)	▼	3.4	▲	Ⓞ
	12-Month	13.8	▲	(6.5)	▼	7.2	▲	Ⓞ
<b>Year-End Net Variance</b>	Ⓞ	Ⓞ	<=100%	Ⓞ	>100%			



## Appendix D

### Other City Programs

#### Year End Results

**City Clerk's Office:**

- Favourable variance of \$0.8 million or 2.5% in net expenditures due mainly to lower spending in salaries and benefits as a result of delays in filling staff vacancies during the year.

**Legal Services:**

- Favourable net variance of \$3.1 million is mainly attributable to lower salaries and benefits resulting from staff vacancies and delays in the hiring process, partially offset by lower interdivisional recoveries.

**Mayor's Office:**

- Favourable variance of \$0.04 million or 1.6% mainly due to lower spending in Salaries and Benefits.

**City Council:**

- Favourable net variance of \$3.3 million or 15.2% mainly due to underspending in Staff salary envelope, Councillors' Constituency Services and Office Budgets and General Council Budget due to the impacts to Councillor office operations as a result of the Council transition, which included a significant change to the ward boundaries in the 2018 election.

## Appendix D

Figure 11: Accountability Offices Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Auditor General's Office	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.3	▲	0.0	—	0.3	▲	Ⓞ
Office of the Integrity Commissioner	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ
	9-Month	0.1	—	0.0	—	0.1	—	Ⓞ
	12-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ
Office of the Lobbyist Registrar	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ
Office of the Ombudsman	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ
Total	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ
	9-Month	0.1	—	0.0	—	0.1	—	Ⓞ
	12-Month	0.6	▲	0.0	—	0.6	▲	Ⓞ
Year-End Net Variance	Ⓞ	Ⓞ	<=100%	Ⓞ	>100%			

## Appendix D

### Accountability Offices

#### Year End Results

**Auditor General's Office:**

- Favourable variance of \$0.3 million or 5.1% due mainly to lower spending in Salaries & Benefits as a result of staff vacancies for the year, and lower spending in Equipment. This is partially offset by higher spending in Services and Rents.

**Integrity Commissioner's Office:**

- Favourable variance of \$0.1 million or 25.7% due to lower spending in salaries and benefits as a result of filling the new legal counsel position, partially offset by higher spending in services and rent mostly related to expenses for external legal services.

**Lobbyist Registrar's Office:**

- Favourable variance of \$0.04 million or 3.0% due to lower spending in services and rents and partially offset by higher salaries and benefits cost for the year.

**Ombudsman's Office:**

- Favourable variance of \$0.04 million or 1.7% due mainly to lower spending in Services and Rents, partially offset by higher spending in Salaries & Benefits and Equipment for the year.

## Appendix D

Figure 12: Agencies Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Toronto Public Health	5-Month	(3.4)	▼	(0.0)	—	(3.4)	▼	Ⓡ
	6-Month	(3.3)	▼	(1.8)	▼	(5.1)	▼	Ⓡ
	9-Month	(7.9)	▼	(12.4)	▼	(20.4)	▼	Ⓡ
	12-Month	9.8	▲	(1.1)	▼	8.7	▲	Ⓢ
Toronto Public Library	5-Month	0.0	—	0.0	—	0.0	—	Ⓢ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓢ
	9-Month	5.0	▲	(4.0)	▼	0.9	▲	Ⓢ
	12-Month	4.6	▲	(3.6)	▼	1.0	▲	Ⓢ
Association of Community Centres	5-Month	0.1	▲	(0.0)	—	0.0	—	Ⓢ
	6-Month	0.1	▲	(0.1)	▼	0.0	—	Ⓢ
	9-Month	0.3	▲	(0.2)	▼	0.1	▲	Ⓢ
	12-Month	0.5	▲	(0.2)	▼	0.3	▲	Ⓢ
Exhibition Place	5-Month	8.5	▲	(23.9)	▼	(15.4)	▼	Ⓡ
	6-Month	21.5	▲	(39.6)	▼	(18.1)	▼	Ⓡ
	9-Month	22.0	▲	(36.1)	▼	(14.1)	▼	Ⓡ
	12-Month	19.2	▲	(34.2)	▼	(15.0)	▼	Ⓡ
Heritage Toronto	5-Month	0.1	▲	(0.2)	▼	(0.1)	▼	Ⓡ
	6-Month	0.2	▲	(0.2)	▼	(0.1)	▼	Ⓡ
	9-Month	0.2	▲	(0.2)	▼	(0.1)	▼	Ⓡ
	12-Month	0.2	▲	(0.2)	▼	0.0	—	Ⓢ
TO Live	5-Month	23.7	▲	(26.4)	▼	(2.6)	▼	Ⓡ
	6-Month	23.5	▲	(26.3)	▼	(2.8)	▼	Ⓡ
	9-Month	22.3	▲	(27.0)	▼	(4.6)	▼	Ⓡ
	12-Month	22.6	▲	(25.7)	▼	(3.2)	▼	Ⓡ

## Appendix D

Figure 13: Agencies Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Toronto Zoo	5-Month	13.1	▲	(27.7)	▼	(14.6)	▼	Ⓜ
	6-Month	13.7	▲	(27.8)	▼	(14.1)	▼	Ⓜ
	9-Month	10.0	▲	(24.1)	▼	(14.0)	▼	Ⓜ
	12-Month	10.5	▲	(22.8)	▼	(12.3)	▼	Ⓜ
Arena Boards of Management	5-Month	1.3	▲	(3.6)	▼	(2.2)	▼	Ⓜ
	6-Month	1.4	▲	(3.4)	▼	(2.1)	▼	Ⓜ
	9-Month	1.4	▲	(3.4)	▼	(2.1)	▼	Ⓜ
	12-Month	2.5	▲	(5.1)	▼	(2.6)	▼	Ⓜ
Yonge Dundas Square	5-Month	1.6	▲	(1.9)	▼	(0.3)	▼	Ⓜ
	6-Month	1.7	▲	(3.1)	▼	(1.4)	▼	Ⓜ
	9-Month	1.8	▲	(3.5)	▼	(1.7)	▼	Ⓜ
	12-Month	1.8	▲	(3.4)	▼	(1.6)	▼	Ⓜ
CreateTO	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	(0.3)	▼	0.3	▲	0.0	—	Ⓞ
	12-Month	0.6	▲	(0.6)	▼	0.0	—	Ⓞ
Toronto & Region Conservation Authority	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ

## Appendix D

Figure 14: Agencies Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Toronto Transit Commission - Conventional	5-Month	89.7	▲	(789.3)	▼	(699.6)	▼	Ⓜ
	6-Month	102.4	▲	(724.3)	▼	(621.9)	▼	Ⓜ
	9-Month	135.8	▲	(786.2)	▼	(650.4)	▼	Ⓜ
	12-Month	121.8	▲	(756.6)	▼	(634.8)	▼	Ⓜ
Toronto Transit Commission - Wheel-Trans	5-Month	34.3	▲	(4.2)	▼	30.1	▲	Ⓞ
	6-Month	40.5	▲	(4.8)	▼	35.7	▲	Ⓞ
	9-Month	46.6	▲	(5.4)	▼	41.2	▲	Ⓞ
	12-Month	51.1	▲	(5.3)	▼	45.8	▲	Ⓞ
Toronto Police Service	5-Month	(8.3)	▼	8.3	▲	0.0	—	Ⓞ
	6-Month	(4.7)	▼	4.7	▲	0.0	—	Ⓞ
	9-Month	(11.2)	▼	13.4	▲	2.2	▲	Ⓞ
	12-Month	17.3	▲	(14.7)	▼	2.6	▲	Ⓞ
Toronto Police Services Board	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ
	12-Month	0.3	▲	(0.2)	▼	0.0	—	Ⓞ
Total	5-Month	160.8	▲	(869.0)	▼	(708.1)	▼	Ⓜ
	6-Month	197.0	▲	(826.8)	▼	(629.8)	▼	Ⓜ
	9-Month	226.0	▲	(888.9)	▼	(662.9)	▼	Ⓜ
	12-Month	262.9	▲	(873.7)	▼	(610.9)	▼	Ⓜ
Year-End Net Variance		Ⓞ	Ⓞ	<=100%	Ⓜ	>100%		

## Appendix D

### City Agencies

#### Year End Results

##### **Toronto Public Health:**

- Favourable gross expenditure variance of \$9.8 million, mainly attributable to underspending in salary and benefits of \$2.4 million and non-payroll expenditures of \$7.4 million which reflects savings resulting from the suspension of non-essential programs and services. These savings were partially offset by increased costs for additional resources to support case management and contact tracing priorities in the Incident Management System (IMS) during the COVID-19 pandemic.
- Underachieved revenues of \$1.1 million are mainly due 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 and the federally funded COVID Isolation Centres. This is offset by provincial funding received for extra-ordinary costs over and above the Provincial grant in response to COVID and one-time mitigation funding to bridge the funding pressures from the change in the cost shared funding ratio from 75/25 to 70/30 in 2020.
- Favourable net variance of \$8.8 million is mainly attributed to the Ministry of Health providing funding for extra-ordinary expenses related to managing the response to the COVID-19 pandemic as well as one-time mitigation funding of \$4.5 million to deal with funding pressures from changing the cost shared funding ratio in 2020 which will be transferred to Toronto Public Health's Efficiency Reserve Fund (XR1108) to offset COVID-19 expenditures in 2021.

##### **Toronto Public Library:**

- Toronto Public Library has reported a favourable variance of \$1.0 million net.
- As a result of COVID19 impacts that forced the closure of library branches between March and August, gross expenditures were lower than budget by \$4.6 million. This was primarily driven by underspending in salary and benefits, utilities, and lower programming costs.
- Favourable gross expenditures were partially offset by increases in health and safety category, janitorial services, additional security, and minor building infrastructure costs to meet Toronto Public Health guidelines and ensure adequate social distancing within library branches.
- Year-end unfavourable revenue of \$3.6 million was primarily driven by decreased fines and fees, venue and community room rental revenue as a result of temporary branch closures and quarantining library collections.

##### **Association of Community Centres:**

- Favourable gross variance of \$0.5 million primarily driven by underspending in salaries and benefits due to retirements and hiring delays at several centres in addition to lower costs in other administrative expenses due to COVID-19 shutdowns.
- Underachieved revenues of \$0.2 million due to loss of room rentals as a result of COVID-19 shutdowns.

- Favourable net variance of \$0.3 million driven by savings in salaries and benefits and other administrative expenses as a result of COVID-19 shutdowns.

**Exhibition Place:**

- Unfavourable net expenditure of \$15.0 million above the 2020 Approved Operating Budget is driven by:
- Significant revenue loss of \$34.2 million due to suspension of regular operations since March 16 as a result of COVID-19. In addition to the cancellation of shows/meetings, most tenants operations were completely closed or opened in very limited capacity, resulting in the loss of related ancillary revenues from their closure.
- The shortfall in revenue was partially offset by savings of \$19.2 million in direct costs associated with cancelled/postponed events, building and administrative overheads as well as cost containment measures including deferring non-essential purchases, positions remaining vacant and reducing non-permanent staff.
- As a result of revenue losses, budgeted withdrawals of \$2.4 million were made from the Conference Centre Reserve Fund to provide a source of funding for shortfalls in loan repayments in 2020.

**Heritage Toronto:**

- On budget for year-end 2020 with no net expenditure variance compared to the 2020 Approved Operating Budget.
- A revenue loss of \$0.2 million due to suspension of regular operations since March 16 as a result of COVID-19.
- The shortfall in revenue was offset by savings of \$0.2 million in direct costs associated with cancelled tours and the awards program as well as cost containment measures including deferring non-essential purchases and a position remaining vacant.

**TO Live:**

- Unfavourable net expenditure of \$3.2 million or 56.3% above the 2020 Approved Operating Budget is driven by:
- Significant revenue loss of \$23.1 million due to suspension of regular operations since March 16 as a result of COVID-19.
- The shortfall in revenue was partially offset by savings of \$20.1 million in direct costs associated with cancelled/postponed events, building and administrative overheads as well as cost containment measures including deferring non-essential purchases and reducing non-permanent staff.
- There was underspending in equipment repairs and chattel asset purchases due to the cancellation of repair work as a result of the COVID-19 pandemic, The underspending was fully offset by reduced draws on the Facility Fee Reserve Fund correspondingly.

**Toronto Zoo:**

- Unfavorable net expenditure of \$12.3 million or 96% above the 2020 Approved Operating Budget is driven by:
- Unfavorable revenue of \$22.8 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 (\$2.9 million) on May 20 and the "Zoo Food For Life" fundraising campaign launched by the



Toronto Zoo Wildlife Conservancy which helped raise funds to feed animals in the Zoo (\$0.7 million). These initiatives generated some cash flow to support daily essential operations at the Zoo. The Zoo welcomed back walking visitors on June 27 and modified operations between November 23 and December 24 and subsequently closed due to lockdown restrictions.

- To mitigate the impact of COVID-19, the Zoo implemented cost saving measures resulting in favorable gross expenditure of \$10.5 million including termination of non-essential non-permanent staff, two weeks wage reduction and deferring non-essential purchase. To meet the needs of the living inhabitants at the Zoo, ongoing expenditures were still required.
- The Zoo launched new programs to generate new revenue including the Wildtails Campground, blooming of a second corpse flower and the Zoo ConnectionZ.
- The Zoo attracted 0.640 million visitors in 2020, representing 48% decrease from attendance target of 1.225 million 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.

#### **Arena Boards of Management:**

- Unfavourable net expenditure of \$2.6 million above the 2020 Approved Operating Budget is driven by:
- Significant revenue loss of \$5.1 million due to suspension of regular operations since March 16 as a result of COVID-19.
- The shortfall in revenue was partially offset by savings of \$2.5 million in direct costs associated with cancelled ice program, room rentals, building and administrative overheads as well as cost containment measures including deferring non-essential purchases, and reducing non-permanent staff.

#### **Yonge Dundas Square (YDS):**

- Yonge-Dundas Square reported an unfavourable net expenditure variance of \$1.6 million. This variance was attributable to program and event cancellations due to COVID-19 leading to a decrease in revenue of \$3.4 million. These lost revenues were offset by a corresponding reduction in event expenses of \$1.8 million.

#### **CreateTO**

- Favourable gross expenditures of \$0.6 million is attributable to underspending in project investigative, marketing and general office costs as a result of COVID-19 work from home protocols.
- Funding recovery from Build Toronto, TPLC and the City aligns with expenditures, resulting in a net zero variance to Budget.

#### **Toronto & Region Conversation Authority:**

- Each year, TRCA receives the City of Toronto funding share which maintains the ratio between TRCA's other funding partner municipalities.
- In 2020, TRCA received the full funding in the amount of \$9.5 million gross and \$4.3 million net, funded by Toronto Water's contributions of \$5.2 million to TRCA as approved by City Council, resulting in no year-end variance.

**Toronto Transit Commission – Conventional:**

- For the year ended December 31, 2020, gross expenditures had a favourable variance of \$120.7 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.
- Revenues were under achieved by \$756.8 million at year end. Due to the impact of COVID-19, TTC has lost the majority of its ridership revenue. Ridership losses peaked at 88% below budget in late April, with a gradual recovery experienced as the economy reopened through summer. Ridership reached 28% of budgeted levels by the end of June and peaked at approximately 39% at the end of August. With a resurgence of COVID-19 cases in the fall, ridership retracted back to 35% of budget in October, and with the implementation of the grey lockdown fell to 30% of budget in December.

**Toronto Transit Commission – Wheel-Trans:**

- For the year ended December 31, 2020, gross expenditures had a favourable variance of \$51.1 million primarily due to the implementation of cost containment strategies and matching service capacity to demand.
- Revenues were under achieved by \$5.3 million at the end of the year. Wheel-Trans ridership was significantly reduced below budget since mid-March, due to the impacts of COVID-19.

**Toronto Police Service:**

- Toronto Police Service has reported a favourable variance of \$2.6 million net as of December 31, 2020.
- The year-end underspending of \$9.7 million net was driven by COVID-19 pandemic; however, base pressures such as premium pay and lower reserve withdrawals, reduced those savings to \$2.6 million net in 2020.
- Gross expenditures were \$17.3 million favourable mainly due to underspending in salary and benefits from delayed hiring as well as lower benefit utilization driven by COVID-19 pandemic.
- Increased expenditures in enforcement due to COVID-19 were more than offset by pandemic related savings.
- Unfavourable revenue variance of \$14.7 million was driven by lower than budgeted reserve withdrawals, due to reduced spending in reserve-funded expenditures (e.g. lower than budgeted sick pay gratuity costs).
- A number of withdrawals from reserve and reserve funds were not made in order to balance funding for the current budget year with the need to help sustain the future health of the reserves.

**Toronto Police Services Board:**

- Minor favourable net variance was primarily driven by underspending in salary and benefits.
- The expenditure associated with the Independent Civilian Review into Missing Persons Investigations was fully offset by the reserve withdrawal from Tax Rate Stabilization Reserve of \$2.2 million, resulting in zero net impact.

## Appendix D

### Capital & Corporate Financing

Figure 15: Capital & Corporate Financing Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Capital Financing - Capital from Current	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	11.5	▲	(11.5)	▼	0.0	—	Ⓞ
Technology Sustainment	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ
Debt Charges	5-Month	5.7	▲	0.0	—	5.7	▲	Ⓞ
	6-Month	6.5	▲	0.0	—	6.5	▲	Ⓞ
	9-Month	7.5	▲	0.0	—	7.5	▲	Ⓞ
	12-Month	9.0	▲	5.5	▲	14.5	▲	Ⓞ
Total	5-Month	5.7	▲	0.0	—	5.7	▲	Ⓞ
	6-Month	6.5	▲	0.0	—	6.5	▲	Ⓞ
	9-Month	7.5	▲	0.0	—	7.5	▲	Ⓞ
	12-Month	20.4	▲	(5.9)	▼	14.5	▲	Ⓞ
<b>Year-End Net Variance</b>	Ⓞ	Ⓞ	<=100%	Ⓜ	>100%			

## Appendix D

### Capital & Corporate Financing

#### Year End Results

**Capital & Corporate Financing:**

- Materially on budget

**Technology Sustainment:**

- On budget

**Debt Charges:**

- A favourable net expenditure variance of \$14.5 million was realized due to:
  - A favourable gross expenditure variance of \$9.0 million mainly attributed to:
    - \$4.5 million favourable variance resulting from lower than forecasted 2020 debt issuance rates due to COVID-19;
    - \$4.3 million favourable variance resulting from later issuance than forecasted; and
    - \$0.1 million favourable variance resulting from lower commissions from smaller issuance size; and
  - A favourable revenue variance of \$5.5 million attributed to higher recoverable debt than forecasted.

## Appendix D

### Non-Program Expenditures

Figure 16: Non-Program Expenditures Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Tax Deficiencies/Writeoffs	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	9.7	▲	0.0	—	9.7	▲	Ⓞ
	12-Month	28.7	▲	0.0	—	28.7	▲	Ⓞ
Tax Increment Equivalent Grants (TIEG)	5-Month	1.3	▲	0.0	—	1.3	▲	Ⓞ
	6-Month	1.3	▲	0.0	—	1.3	▲	Ⓞ
	9-Month	0.3	▲	0.0	—	0.3	▲	Ⓞ
	12-Month	0.3	▲	0.0	—	0.3	▲	Ⓞ
Assessment Function (MPAC)	5-Month	(0.2)	▼	0.0	—	(0.2)	▼	Ⓡ
	6-Month	(0.2)	▼	0.0	—	(0.2)	▼	Ⓡ
	9-Month	(0.2)	▼	0.0	—	(0.2)	▼	Ⓡ
	12-Month	(0.2)	▼	0.0	—	(0.2)	▼	Ⓡ
Funding of Employee Related Liabilities	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ
Other Corporate Expenditures	5-Month	28.8	▲	0.0	—	28.8	▲	Ⓞ
	6-Month	(3.0)	▼	0.0	—	(3.0)	▼	Ⓡ
	9-Month	(58.8)	▼	(22.5)	▼	(81.2)	▼	Ⓡ
	12-Month	(29.3)	▼	(19.6)	▼	(49.0)	▼	Ⓡ

**Appendix D**

**Figure 17: Non-Program Expenditures Year-End Variance Summary**

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Parking Tag Enforcement & Oper.	5-Month	9.1	▲	0.0	—	9.1	▲	Ⓞ
	6-Month	9.6	▲	0.0	—	9.6	▲	Ⓞ
	9-Month	6.5	▲	0.0	—	6.5	▲	Ⓞ
	12-Month	12.6	▲	0.0	—	12.6	▲	Ⓞ
Programs Funded from Reserve Funds	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	(10.0)	▼	10.0	▲	0.0	—	Ⓞ
	12-Month	(29.4)	▼	29.4	▲	(0.0)	—	Ⓡ
Heritage Property Taxes Rebate	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.6	▲	0.0	—	0.6	▲	Ⓞ
	12-Month	0.6	▲	0.0	—	0.6	▲	Ⓞ
Tax Rebates for Registered Charities	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	(0.1)	▼	0.1	▲	(0.0)	—	Ⓡ
Solid Waste Management Rebates	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓡ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ

**Appendix D**

Figure 18: Non-Program Expenditures Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Tax Increment Funding (TIF)	5-Month	0.0	—	0.0	—	0.0	—	Ⓔ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓔ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓔ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓔ
Total	5-Month	39.0	▲	0.0	—	39.0	▲	Ⓔ
	6-Month	7.7	▲	0.0	—	7.7	▲	Ⓔ
	9-Month	(51.9)	▼	(12.4)	▼	(64.3)	▼	Ⓓ
	12-Month	(16.8)	▼	9.9	▲	(7.0)	▼	Ⓓ
Year-End Net Variance		Ⓔ	Ⓔ	<=100%	Ⓓ	>100%		

## Appendix D

### Non-Program Expenditures

#### Year End Results

<b>Tax Deficiencies/Write-Offs:</b> <ul style="list-style-type: none"><li>• A favourable net expenditure of \$28.7 million was realized mainly due to the following:</li><li>• \$28.1 million favourable variance resulting from appeals posted and provisions being less than budget; and</li><li>• \$0.3 million favourable variance due to costs to defend the City's assessment base being less than budget.</li></ul>
<b>Tax Increment Equivalent Grants (TIEG)</b> <ul style="list-style-type: none"><li>• A favourable net expenditure of \$0.3 million was realized due to estimates for eligible properties were updated to reflect the expected grants and due to timing of the grants.</li></ul>
<b>Assessment Function (MPAC):</b> <ul style="list-style-type: none"><li>• An unfavourable net expenditure variance of \$0.2 million was due to MPAC fees being higher.</li></ul>
<b>Funding Employee Related Liabilities:</b> <ul style="list-style-type: none"><li>• Materially on budget</li></ul>
<b>Other Corporate Expenditures:</b> <ul style="list-style-type: none"><li>• An unfavourable variance of \$49.0 million net was due to budgeted savings in the non-program account to be realized in future years, \$18.5M vacation payout related to Volunteer Separation Program, and is partially offset by 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.</li></ul>
<b>Parking Tag Enforcement &amp; Operations:</b> <ul style="list-style-type: none"><li>• Parking Tag Operations reported a favourable expenditure variance of \$12.6 million that is driven by reduced premium pay spending and lower payments to the province for license search fees due to reduced number of parking tickets issued.</li><li>• The year-end results are primarily driven by COVID-19 impacts.</li></ul>
<b>Programs Funded from Reserve Funds:</b> <ul style="list-style-type: none"><li>• Materially on budget</li></ul>
<b>Heritage Property Tax Rebates:</b> <ul style="list-style-type: none"><li>• A favourable net expenditure variance of \$0.6 million was mainly due to the lower than expected rebates processed and pending to be processed.</li></ul>
<b>Tax Rebates for Registered Charities:</b> <ul style="list-style-type: none"><li>• On budget</li></ul>
<b>Solid Waste Management Rebates:</b> <ul style="list-style-type: none"><li>• On budget</li></ul>
<b>Tax Increment Funding (TIF):</b> <ul style="list-style-type: none"><li>• On budget</li></ul>



**Appendix D**

**Figure 19: Non-Program Revenues Year-End Variance Summary**

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Payments in Lieu of Taxes	5-Month	0.0	—	(4.3)	▼	(4.3)	▼	Ⓜ
	6-Month	0.0	—	(4.3)	▼	(4.3)	▼	Ⓜ
	9-Month	0.0	—	(6.4)	▼	(6.4)	▼	Ⓜ
	12-Month	0.0	—	(6.5)	▼	(6.5)	▼	Ⓜ
Supplementary Taxes	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	4.4	▲	4.4	▲	Ⓞ
	12-Month	0.0	—	20.4	▲	20.4	▲	Ⓞ
Tax Penalty Revenue	5-Month	0.0	—	(2.3)	▼	(2.3)	▼	Ⓜ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	1.4	▲	1.4	▲	Ⓞ
	12-Month	0.0	—	16.8	▲	16.8	▲	Ⓞ
Interest/Investment Earnings	5-Month	4.0	▲	(51.8)	▼	(47.8)	▼	Ⓜ
	6-Month	3.4	▲	(39.4)	▼	(36.0)	▼	Ⓜ
	9-Month	3.6	▲	(19.9)	▼	(16.3)	▼	Ⓜ
	12-Month	3.9	▲	(30.0)	▼	(26.1)	▼	Ⓜ
Other Corporate Revenues	5-Month	(0.4)	▼	(0.8)	▼	(1.2)	▼	Ⓜ
	6-Month	(1.4)	▼	(1.1)	▼	(2.5)	▼	Ⓜ
	9-Month	0.2	▲	(1.1)	▼	(0.9)	▼	Ⓜ
	12-Month	(137.6)	▼	138.1	▲	0.5	▲	Ⓞ
Dividend Income	5-Month	0.0	—	(12.4)	▼	(12.4)	▼	Ⓜ
	6-Month	0.0	—	(12.4)	▼	(12.4)	▼	Ⓜ
	9-Month	0.0	—	(12.4)	▼	(12.4)	▼	Ⓜ
	12-Month	0.0	—	(12.4)	▼	(12.4)	▼	Ⓜ

## Appendix D

Figure 20: Non-Program Revenues Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Provincial Revenue	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ
Municipal Land Transfer Tax	5-Month	0.0	—	(249.2)	▼	(249.2)	▼	Ⓡ
	6-Month	0.0	—	(165.9)	▼	(165.9)	▼	Ⓡ
	9-Month	(0.0)	—	(52.7)	▼	(52.7)	▼	Ⓡ
	12-Month	(1.4)	▼	10.9	▲	9.5	▲	Ⓞ
Third Party Sign Tax	5-Month	0.0	—	0.8	▲	0.8	▲	Ⓞ
	6-Month	0.0	—	0.8	▲	0.8	▲	Ⓞ
	9-Month	0.0	—	0.8	▲	0.8	▲	Ⓞ
	12-Month	0.0	—	0.9	▲	0.9	▲	Ⓞ
Parking Authority Revenues	5-Month	0.0	—	(42.1)	▼	(42.1)	▼	Ⓡ
	6-Month	0.0	—	(42.1)	▼	(42.1)	▼	Ⓡ
	9-Month	0.0	—	(42.1)	▼	(42.1)	▼	Ⓡ
	12-Month	0.0	—	(54.7)	▼	(54.7)	▼	Ⓡ
Administrative Support Recoveries - Water	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	(0.0)	—	(0.0)	—	Ⓡ
Administrative Support Recoveries - Health & EMS	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ
	12-Month	0.0	—	0.0	—	0.0	—	Ⓞ

## Appendix D

Figure 21: Non-Program Revenues Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Parking Tag Enforcement & Operations Rev	5-Month	0.0	—	(53.9)	▼	(53.9)	▼	Ⓜ
	6-Month	0.0	—	(54.3)	▼	(54.3)	▼	Ⓜ
	9-Month	0.0	—	(48.1)	▼	(48.1)	▼	Ⓜ
	12-Month	0.0	—	(34.6)	▼	(34.6)	▼	Ⓜ
Other Tax Revenues	5-Month	(0.3)	▼	0.4	▲	0.1	▲	Ⓞ
	6-Month	(0.3)	▼	0.4	▲	0.1	▲	Ⓞ
	9-Month	2.2	▲	0.4	▲	2.6	▲	Ⓞ
	12-Month	2.2	▲	0.4	▲	2.6	▲	Ⓞ
Municipal Accommodation Tax	5-Month	1.9	▲	(52.9)	▼	(51.0)	▼	Ⓜ
	6-Month	1.9	▲	(52.5)	▼	(50.6)	▼	Ⓜ
	9-Month	1.9	▲	(50.9)	▼	(49.0)	▼	Ⓜ
	12-Month	0.1	▲	(49.1)	▼	(49.0)	▼	Ⓜ
Casino Woodbine	5-Month	0.0	—	(17.5)	▼	(17.5)	▼	Ⓜ
	6-Month	0.0	—	(19.7)	▼	(19.7)	▼	Ⓜ
	9-Month	0.0	—	(24.0)	▼	(24.0)	▼	Ⓜ
	12-Month	0.0	—	(24.8)	▼	(24.8)	▼	Ⓜ
Total	5-Month	5.2	▲	(486.0)	▼	(480.8)	▼	Ⓜ
	6-Month	3.5	▲	(390.3)	▼	(386.8)	▼	Ⓜ
	9-Month	7.9	▲	(250.6)	▼	(242.7)	▼	Ⓜ
	12-Month	(187.7)	▼	30.4	▲	(157.4)	▼	Ⓜ
Year-End Net Variance		Ⓞ	Ⓞ	<=100%	Ⓜ	>100%		

## Appendix D

### Non-Program Revenues

#### Year End Results

**Payments In Lieu of Taxes (PILs):**

- An unfavourable revenue variance of \$6.5 million was realized, primarily due to:
- \$10.3 million unfavourable resulting from appeals posted and provision being greater than budget mainly due to a property shifted from PIL to taxable;
- Offset by \$0.7 million favourable variance with assessment-based levies being higher than budget;
- Offset by \$0.1 million favourable with airport passenger levies higher than budget; and
- Offset by \$3.0 million favourable related to unbudgeted supplementary levies

**Supplementary Taxes:**

- A favourable revenue variance of \$20.4 million was realized, primarily due to higher than anticipated number of properties and their associated assessed values.

**Tax Penalties:**

- A favourable variance of \$16.8 million was realized mainly due to tax interest/penalties earned as a result of higher than normal outstanding receivable balance and provision adjustment processed at year-end was lower than expected.

**Interest & Investment Earnings:**

- An unfavourable net expenditure variance of \$26.1 million was realized due to:
  - A favourable gross expenditure variance of \$3.9 million mainly attributed to:
    - Investment managers' fees were lower than budgeted by \$3.1 million 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;
    - External legal costs lower than originally budgeted. There was a cancellation of the first Toronto Investment Board meeting in early 2020 due to the pandemic;
    - Audit costs have not been incurred as it has been delayed due to the pandemic; and
    - Other business expenses have been lower due to fewer Investment Board meetings being held than originally forecasted; and
  - An unfavourable revenue variance of \$30.0 million mainly attributed to:
    - Lower than forecasted balances due to:
      - Tax deferrals and lower collection rates due to the pandemic;
      - Lower revenues/burn rate due to pandemic; and therefore, earning less interest than forecasted;
    - 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>
<p><b>Other Corporate Revenues:</b></p> <ul style="list-style-type: none"> <li>• A favourable variance of \$0.5 million mainly due to US exchange rate gains and other recoveries.</li> </ul>
<p><b>Dividend Income:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$9.3 million was as a result of 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>
<p><b>Municipal Land Transfer Tax (MLTT):</b></p> <ul style="list-style-type: none"> <li>• A favourable net expenditure variance of \$9.5 million was mainly due to:</li> <li>• \$10.9 million revenue favourable variance resulting from higher than expected sales activities; and</li> <li>• Offset by \$1.4 unfavourable gross expenditure variance resulting from increased expenses associated with higher than expected sales activities.</li> </ul>
<p><b>Third Party Sign Tax:</b></p> <ul style="list-style-type: none"> <li>• A favourable revenue variance of \$0.9 million was mainly due to:</li> <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>
<p><b>Parking Authority Revenues:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$54.7 million due to no dividend being received from TPA in 2020 due to the impact of COVID-19.</li> </ul>
<p><b>Administrative Support Recoveries – Toronto Water:</b></p> <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>
<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 \$34.6 million, which is mainly due to lower parking tag ticket issuance and lower late fees and penalty charges collected as a result of an increase in default payments from COVID-19. Total year-end tickets issued: 1,400,381.</li> <li>• The year-end results are primarily driven by COVID19 impacts.</li> </ul>
<p><b>Other Tax Revenues:</b></p> <ul style="list-style-type: none"> <li>• A favourable revenue variance of \$2.6 million was realized due to:</li> <li>• \$2.5 million favourable due to the fact that appeals posted and provision were less than budget; and</li> </ul>

- \$0.1 million favourable because the levy on hydro properties was greater than budget.

**Municipal Accommodation Tax (MAT):**

- An unfavourable net expenditure variance of \$49.0 million was mainly caused by a reduction in revenue resulting from negative impact of COVID19 in tourism and Short-Term Rentals (STR) revenue not being implemented during 2020.

**Casino Woodbine:**

- An unfavourable revenue variance of \$24.8 million was realized due to COVID-19 causing a shutdown to the casino from March 15th to September 28th and again from October 10th to end of the year.

## Appendix D

Figure 22: Rate Supported Programs Year-End Variance Summary

City Program/Agency	Quarter	Year-End						Alert
		Gross Expenditures		Revenue		Net Variance		
		\$	trend	\$	trend	\$	trend	
Solid Waste Management Services	5-Month	15.9	▲	(11.4)	▼	4.5	▲	Ⓞ
	6-Month	19.6	▲	(20.2)	▼	(0.6)	▼	Ⓡ
	9-Month	21.5	▲	(17.7)	▼	3.8	▲	Ⓞ
	12-Month	24.7	▲	(17.6)	▼	7.1	▲	Ⓞ
Toronto Parking Authority	5-Month	19.4	▲	(115.8)	▼	(96.4)	▼	Ⓡ
	6-Month	19.4	▲	(115.8)	▼	(96.4)	▼	Ⓡ
	9-Month	15.4	▲	(82.2)	▼	(66.8)	▼	Ⓡ
	12-Month	17.1	▲	(73.2)	▼	(56.1)	▼	Ⓡ
Toronto Water	5-Month	24.8	▲	(33.8)	▼	(9.0)	▼	Ⓡ
	6-Month	26.5	▲	(17.8)	▼	8.6	▲	Ⓞ
	9-Month	22.2	▲	(1.3)	▼	21.0	▲	Ⓞ
	12-Month	23.4	▲	46.1	▲	69.5	▲	Ⓞ
Total	5-Month	60.1	▲	(161.0)	▼	(100.9)	▼	Ⓡ
	6-Month	65.5	▲	(153.8)	▼	(88.3)	▼	Ⓡ
	9-Month	59.1	▲	(101.2)	▼	(42.1)	▼	Ⓡ
	12-Month	65.3	▲	(44.7)	▼	20.5	▲	Ⓞ
<b>Year-End Net Variance</b>	Ⓞ	Ⓞ	<=100%	Ⓡ	>100%			

## Appendix D

### Rate Supported Programs Year End Results

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

- Solid Waste Management Services (SWMS):
- Under-expenditures totaling \$28.1 million mainly arise from Contracted Services under-spending of \$15.6 million as well as savings of \$6.667 million from Materials & Supplies & Interdivisional Charges. Also included are salaries and benefits savings of \$5.1 million mostly due to vacancies resulting primarily from recruitment delay due to COVID-19, staff turnover and timing of seasonal staff hires.
- Contracted services underspending of \$15.6 million was mainly for the collection and/or processing cost of recyclables, organics, leaf & yard waste, household hazardous waste and durable goods primarily due to volumes being lower than planned. Lower tonnage also generated cost reductions including transfer for haulage & storage and disposal to Alternate Landfills and Green Lane Landfill as well as reduced usage of contracted litter and front end collection. Other contracted underspending included rental of equipment as a result of delay in the OPF expansion project. Cost savings in advertising, audit and professional services were due to various program delays or cancellations. Savings also occurred due to delayed operating impact of capital costs and other program delays and staff working from home as a result of due to COVID-19.
- This overall underspending of \$15.6 million in contracted services was partially offset by over-spending of \$2.7 million due to increased collection tonnage as well as costs for the transfer, haulage & storage of Organics due to increased shipment to long distance external processors as a result of the Dufferin OPF commissioning delay and increased tonnages.
- Other areas that were under-spent primarily included Materials & Supplies (\$2.2 million) mainly consisting of Utilities (\$1.3 million) due to lower consumption of electricity for processing of lower tonnages at transfer stations and lower usage of natural gas in vehicles; additional cost savings (\$0.6 million) were due to the lower than planned cost of bin maintenance; fewer purchases of footwear and misc. office supplies. Interdivisional Charges were lower (\$4.5 million) mainly due to lower fleet maintenance, fuel and rental costs as well as lower recoveries by PPFA, Legal and Clerks which were due to vacancies and other underspending as a result of COVID-19.
- Savings of \$0.7 million for Payments-in-Lieu of Taxes and the tonnage based reserve contribution expenditure was generally offset by over-expenditures of \$0.7 million for revised and unbudgeted bad debt expense allowance.
- The resulting total gross expenditures reflect a total favourable variance of \$24.7 million or 6.5% at year-end on a total expenditure budget of \$378.904 million.
- Lower than planned revenue of \$19.7 million was primarily due to lower than planned Grants & Subsidies of \$6.1 million primarily for Blue Box funding. The balance of lower than planned revenue of \$13.6 million mainly consisted of lower than planned Collection Fee revenue due to lower bin counts (\$3.8 million); lower



than planned residual disposal fees charged to recycling processor due to contract renegotiation (\$3.8 million); underachieved revenue for Dufferin RNG sales due to project delay (\$2.6 million); lower than planned revenue from tipping fees, drop & load and roll-off haulage fees, sales of scrap and recovery from capital due to project delays (\$3.4 million).

- It should be noted, the 2019 Ontario Stewardship Funding accrual of \$44.968 million includes funding from 2018 and 2019 that subsequently formed part of the surplus of \$56.810 million contributed to the Waste Management Reserve Fund in 2019 and was reversed due to reconsideration of the accrual process in 2020. As a result, the accrual reversal (expense) in 2020 is offset by a draw from the Waste Management Reserve Fund in order to arrive at the actual variance of \$6.113 million for Blue Box Funding mentioned above. SWMS was aware of this change during the 2021 budget process and this amount was not considered in rate setting or funding the capital program, and the Waste Management Reserve Fund balance was adjusted accordingly in the 2021 approved budget.
- The lower than planned revenues of \$19.7 million noted above were partially offset by higher revenues of \$2.2 million primarily due to higher sales of recyclables due to contract renegotiations and market demand (\$1.3 million) and higher than planned interdivisional recoveries for tipping volumes from Toronto Water and Transportation Services (\$0.7 million).
- The resulting net revenue reflects a total unfavourable variance of \$17.6 million or 4.6% at year-end on a total revenue budget of \$378.9 million.
- Combining total expenditure and total revenue variances results in a net under-expenditure (surplus) of \$7.1 million or 1.87% of the gross budget as of the year-end. This net surplus will be contributed to the Waste Management Reserve Fund to support the SWMS Capital program.

**Toronto Parking Authority:**

- TPA has an unfavourable net expenditure variance of \$56.1 million comprised of:
- Favourable gross expenditure variance of \$17.1M due to underspending of salaries, wages and benefits mainly from the deferral of the summer student program, staff on Emergency Leave (approximately 106 full time employees on either emergency leave or reduced work weeks, and no longer scheduling part-time staffing as a result of COVID emergency closures. TPA also continues to adjust expenditures, including assessing contractual agreements to minimize operational expenses to support long-term financial sustainability.
- Unfavourable revenue variance of \$73.2 million primarily driven by Off-Street, On-Street and Bike Share revenues.
- Off-Street revenue is lower than budget by \$42.9M or a drop of 39.7% 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 May 2021. However, due to COVID-19, this is not expected to increase profitability in 2020, but rather increase operating losses. Acquisitions however must close due to contractual obligations.
- On Street - Revenue YTD is lower than budget by \$29.6M, or a drop of 46.4% and transaction volume has dropped 43.6% compared to last year due to reduced demand and reduced on-street curb space to support various City Initiatives.

- Bike Share Ridership Revenue is up \$1.2M, however Advertising/Sponsorship is short by \$1.9M and increased operating costs as a result of the bid award for the system operator and the launch of E-Bikes in 2020 reporting a net shortfall of \$0.7 in revenues. TPA is preparing further advertising/marketing partnership RFP's for 2021 in preparation for a potential return of the advertising market. TPA signed a 3 year Astral Media advertising agreement, effective October 2020.

**Toronto Water:**

- Reported net under expenditure of \$69.5 million at December 31, 2020.
- Favourable expenditure variance of \$23.4 million, mainly due to underspending in salaries and benefits as a result of vacant positions due to hiring and seasonal delays, inclusive of increased overtime and Voluntary Separation Program payouts (\$7.4 million); lower than planned utility costs due to lower rates and continued efficiency initiatives (\$9.6 million); savings in equipment, materials and supplies due to delays in orders, postponement of certain maintenance requirements, lower than anticipated demand for chemicals and unused contract contingencies, partially offset by additional expenditures for health and safety requirements due to COVID-19 pandemic (\$2.9 million); underspending in contracted services and rents including underspending in contracted services due to mild winter temperatures, contract delays and unused contingencies and reduced spending linked to vacancies, partially offset by unplanned emergency repairs and retroactive pending rate adjustments for services received from other municipalities (\$8.4 million); as well as lower interdepartmental and other charges, primarily due to a delay in permanent restoration of the utility cut backlog planned for 2020, and vacancies across other divisions supporting Toronto Water (\$3.1 million). The underspending was partially offset by higher than anticipated payments in lieu of taxes as a result of recent MPAC retroactive property reassessment adjustments and other expenditures such as increased provision for estimated bad debts (\$7.9 million).
- Favourable revenue variance of \$46.1 million, primarily because of higher than planned revenue from sale of water due to a warm and dry summer, provincial government stay at home orders and change in consumer habits (\$31.5 million); higher than projected revenues from new water and sewer service connection fees as a result of high volume of permit applications and sustained higher volume in construction activity (\$11.2 million); higher than anticipated revenue from private water discharge agreements as ground water discharge continued despite some construction project closures due to COVID-19 pandemic (\$3.1 million); and higher third party recoveries, capital recoveries and other revenues (\$2.5 million). Additional revenues were partially offset by decline in revenues from industrial waste agreements due to fewer agreements than planned (\$1.3 million); and lower recoveries from Metrolinx and other transit projects due to project delays (\$1.0 million).
- COVID-19 impacted Toronto Water in several different areas. On the expenditure side, higher vacancy rate resulted in higher than expected salary and benefit savings which were partially offset by increased expenditures for health and safety protocols for a total of \$5.7 million in savings. On the revenue side, there was an uncertainty in water consumption. Water consumption revenues were initially projected to be lower as a result of impacts from government closure orders on

non-essential businesses and institutions. However, the overall hot and relatively dry summer, stay at home orders and a change in consumer habits resulted in an overall increased revenue from sale of water. Due to the frequency of billing cycles, there may be an impact on estimated year-end consumption.