



STAFF REPORT ACTION REQUIRED

Operating Variance Report for the Three-Month Period Ended March 31, 2012

Date:	May 25, 2012
To:	Budget Committee
From:	Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	P:\2012\Internal Services\Fp\Bc12017Fp (AFS #15616)

SUMMARY

The purpose of this report is to provide Council with the City of Toronto Operating Variance for the three-month period ended March 31, 2012 as well as year-end projections and to request Council's approval for amendments to the 2012 Operating Budget between Programs to ensure accurate reporting and financial accountability with no increase to the 2012 Approved Net Operating Budget.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. City Council approve in-year budget adjustments detailed in Appendix D to amend the 2012 Approved Operating Budget between Programs with off-setting reductions in gross expenditures and revenues of \$0.288 million, and no impact to the 2012 Approved Net Operating Budget.

FINANCIAL IMPACT

As shown in Table 1 below, Tax Supported Operations' net expenditures are under-spent by \$70.306 million or 10.3% of planned expenditures for the three-month period ended March 31,

2012 and projections indicate that the 2012 year-end net operating surplus is anticipated to be \$90.256 million based on information at this time.

Table 1		
Net Expenditure Variance (\$ Millions)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Citizen Centred Services "A"	(2.4)	(4.3)
Citizen Centred Services "B"	(8.6)	(5.2)
Internal Services	(2.4)	(4.2)
City Manager	(0.7)	(0.8)
Other City Programs	0.4	0.2
Council Appointed Programs	(0.1)	(0.1)
Total - City Operations	(13.8)	(14.4)
Agencies, Boards and Commissions	(10.5)	(4.6)
Corporate Accounts	(46.0)	(71.2)
Sub-Total	(56.5)	(75.8)
Total Variance	(70.3)	(90.3)

Rate Supported Programs were over-spent by \$4.112 million compared to planned expenditures for the three-month period ended March 31, 2012 and projected year-end under-spending of \$0.461 million or 0.8% of the 2012 Approved Net Operating Budget. The net unfavourable variance for the three-month period was largely driven by lower than budgeted revenue of \$8.425 million or 4.0% for Toronto Water reflecting a continuing trend of reduced water consumption arising from the implementation of water efficiency strategies, partially off-set by lower than planned expenditures.

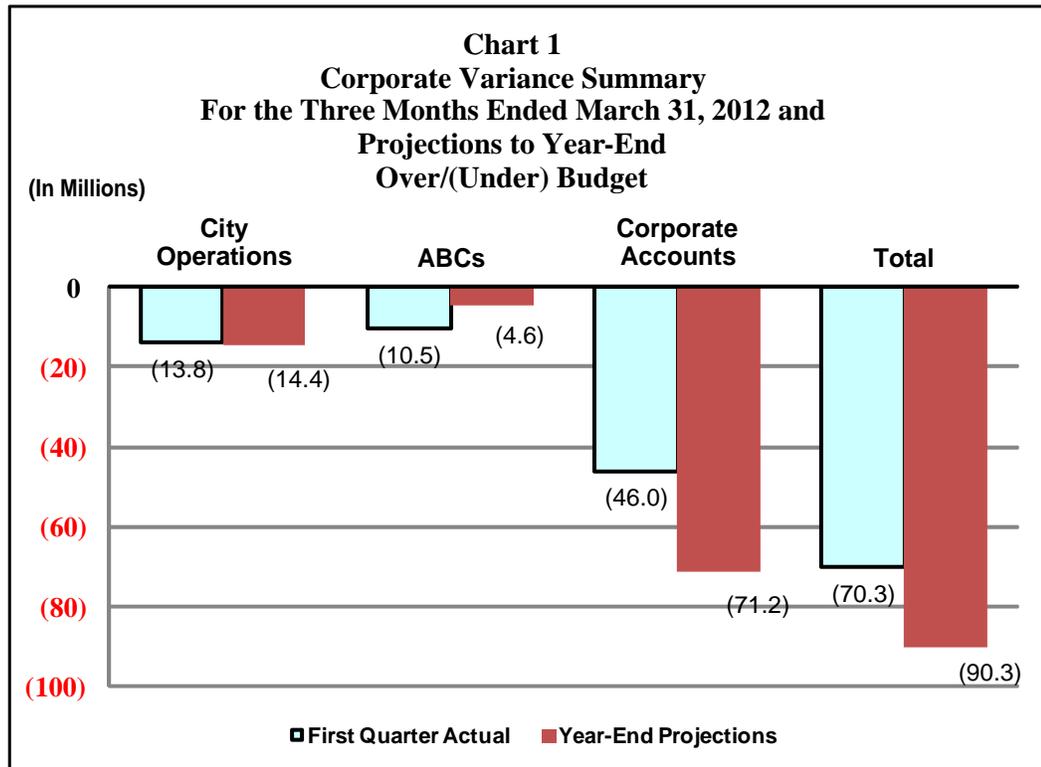
Appendices A, B, and C attached summarize net expenditures, gross expenditures, and revenues, respectively. Appendix D provides the in-year budget adjustments for the first quarter ended March 31, 2012. Appendix E provides detailed variance explanations for City Programs and Agencies for the three months ended March 31, 2012 as well as projections to year-end.

ISSUE BACKGROUND

This report is provided pursuant to good financial management practices and budgetary control. As part of the City of Toronto's accountability framework, quarterly and year-end operating variance reports are submitted to Committees and Council, to provide information on how the approved operating funds are being spent, and on an exceptions basis, to identify issues that require direction and/or decisions from Council. In addition, Council's approval is requested for budget adjustments that amend the 2012 Council Approved Operating Budget between Programs

in accordance with the Financial Control By-Law and the City's financial management principles.

COMMENTS



City Operations realized a net under-expenditure of \$13.811 million or 3.2% of planned expenditures for the three-month period ended March 31, 2012 and forecasts to be under the 2012 Approved Net Operating Budget by \$14.442 million or 0.8% at year-end.

Twenty-seven City Programs were either under-budget or at budget for the three-month period ended March 31, 2012, resulting in net under-spending of \$20.264 million. This is primarily due to the timing of hiring for vacant positions and prudent expenditure controls.

The above net under-spending for the three-month period ended March 31, 2012, is partially off-set by the following:

- Parks, Forestry and Recreation's net over-expenditure of \$1.367 million or 3.0% of planned expenditures resulting largely from lower revenues of \$1.681 million due to ski activities impacted by a warm winter and lack of snow.
- Transportation Services' net over-expenditure of \$3.024 million or 6.3% of planned expenditures due to higher than anticipated spending of \$0.165 million primarily for

contributions to the Vehicle Reserve to accommodate fleet replacement and lower than planned revenue of \$2.859 million from parking permit fees for this quarter.

- Facilities Management and Real Estate's net over-expenditure of \$1.127 million resulting from higher than planned gross expenditures of \$0.580 million due to a timing issue in paying property taxes for the first quarter of the year off-set by lower than anticipated utility costs and under-spending in contracted services. Recoveries were \$0.548 million or 5.2% lower than planned due to delays in collecting Transit Expansion recoveries and service maintenance contract billings.

Agencies reported net under-spending of \$10.469 million or 2.8% of planned expenditures for the three months ended March 31, 2012. The favourable variance was driven primarily by the Toronto Transit Commission's combined services which reported \$8.154 million or 7.4% in under-expenditures. This resulted from higher than planned revenue of \$3.101 million or 1.2% due to greater than expected ridership results to date. The Commission also experienced lower than planned gross expenditures of \$5.054 million or 1.3% due to lower diesel fuel prices; reduced natural gas costs from lower pricing and reduced consumption owing to the warmer winter weather; and, lower demand for Wheel-Trans services coupled with shorter trip lengths for its contracted taxi service.

Agencies collectively forecast an under-expenditure of \$4.574 million or 0.3% for the 2012 Approved Net Operating Budget by year-end. The projected net year-end favourable variance is largely attributed to higher than budgeted Toronto Transit Commission ridership revenues estimated at \$9.0 million. The additional ridership revenues will be partially off-set by increased costs of \$5.7 million for bus maintenance and labour.

Corporate Accounts experienced a net favourable variance of \$46.026 million or 37.3% of planned expenditures for the three-month period ended March 31, 2012. Projections to year-end report a favourable variance of \$71.240 million or 40.3% under the 2012 Approved Net Operating Budget, as noted below:

Non-Program Expenditures were under-spent by \$27.481 million or 28.7% of planned expenditures for the three-month period ended March 31, 2012. The favourable variance is largely driven by under-expenditures for unsettled negotiated annual increases for Fire Services, Toronto Transit Commission, and City management/non-union staff plus savings arising from negotiated settlement of 0% for CUPE Local 416 and Local 79 totalling \$26.910 million. These savings are partially off-set by unbudgeted spending of \$1.039 million largely for corporate contingencies in preparation of potential labour disruption in the winter of 2012.

Forecasted Non-Program Expenditures reflect a net under-expenditure of \$26.301 million or 4.7% at year-end. The year-end under spending projection is due primarily to negotiated wage savings for CUPE Local 416 and Local 79 staff salaries in the amount of \$27.738 million partially offset by \$1.563 million spent in preparation of the potential labour disruption in the winter of 2012. It should be noted that the wage savings will be earmarked to fund the one-time negotiated 1.5% lump sum payment for CUPE Local 79 and Local 416 staff in 2013.

Non-Program Revenues realized a 2012 Approved Net Operating Budget variance of \$18.545 million or 7.3% above planned revenues for the period ended March 31, 2012. The increase in revenues is primary driven by the following:

- \$17.011 million in additional revenues from the Municipal Land Transfer Tax.
- Higher than planned revenues from Toronto Hydro of \$2.966 million.

Dividends received from Build Toronto (\$20.0 million), Enwave (\$6.055 million) and the Toronto Portlands Company Limited (\$40.0 million) will be transferred to the capital reserve as per the capital financing strategy approved in the Capital Budget and will therefore have no impact on the current and projected year-end variance.

Given the performance in the first quarter and subsequently as of writing of this report, staff are projecting MLTT net revenues will hit \$330.0 million by year-end which will result in a Non-Program Revenues forecasted favourable variance of \$44.939 million. Council should be cautioned that if a major correction to the real estate market occurs this will change the forecast.

Budget Adjustments

Council approval is required for the in-year adjustments detailed in Appendix D with off-setting reductions in gross expenditures and revenues of \$0.288 million, and no impact to the 2012 Approved Net Operating Budget. Of note is the consolidation of the communications budgets to the City Manager's Office due to the reorganization of corporate communications as per the recommendations in the service efficiency study.

Consulting Costs

As at March 31, 2012, Tax and Rate Supported Operations reported actual consulting costs of \$0.775 million gross resulting in an under-expenditure of \$1.030 million gross or 57.1% of \$1.805 million in planned expenditures.

Approved Positions

The City of Toronto budgets and monitors its staff complement based on Approved Positions. As at March 31, 2012, the City reported 43,770.9 full-time approved positions (41,778.6 permanent and 1,982.3 casual/seasonal) and 4,496.1 part-time approved positions (1,755.5 permanent and 2,740.7 casual/seasonal). This reflects a decrease of 1,621.4 positions or 3.3% from the 2012 Council Approved Positions and is primarily attributed to the timing of hiring for vacant positions and seasonal fluctuations within City Program and Agency workforces.

Utility Costs

As at March 31, 2012, Tax and Rate Supported Operations reported actual utility costs of \$38.552 million gross (compared to the planned expenditures of \$44.333 million gross) resulting in an under-expenditure of \$5.781 million gross or 13.0% compared to plan for the first quarter. The under-expenditure in utility costs was primarily the result of lower than planned consumption, predominantly in Parks, Forestry and Recreation, Toronto Water, Exhibition Place, Transportation Services, Toronto Transit Commission, and Facilities Management and Real Estate.

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SIGNATURE

Cam Weldon
Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Appendix A – City of Toronto Net Expenditures for Three Months Ended March 31, 2012
Appendix B – City of Toronto Gross Expenditures for Three Months Ended March 31, 2012
Appendix C – City of Toronto Revenues for Three Months Ended March 31, 2012
Appendix D – City of Toronto Budget Adjustments for Three Months Ended March 31, 2012
Appendix E – City of Toronto Significant City Programs/Agencies Variance Explanations



CITY OF TORONTO
CONSOLIDATED NET EXPENDITURES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(\$000s)

	March 31, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	340.9	340.9	0.0	0.0%	1,147.4	1,147.4	0.0	0.0%
Children's Services	19,020.4	19,020.4	0.0	0.0%	75,811.2	75,811.2	(0.0)	0.0%
Court Services	(1,355.7)	(1,317.9)	37.8	-2.8%	(13,965.7)	(11,461.2)	2,504.5	-17.9%
Economic Development & Culture	10,937.0	9,392.9	(1,544.1)	-14.1%	43,748.2	44,641.2	893.0	2.0%
Emergency Medical Services	9,953.1	9,711.2	(241.9)	-2.4%	65,043.0	65,915.6	872.6	1.3%
Long Term Care Homes and Services	6,715.4	6,456.1	(259.3)	-3.9%	45,297.8	45,297.8	(0.0)	0.0%
Parks, Forestry & Recreation	45,801.7	47,168.7	1,367.0	3.0%	272,171.8	267,171.8	(5,000.0)	-1.8%
Shelter, Support & Housing Administration	63,174.1	62,583.5	(590.6)	-0.9%	273,807.1	273,807.1	0.0	0.0%
Social Development, Finance & Administration	4,173.3	4,163.4	(9.9)	-0.2%	29,233.2	29,373.7	140.5	0.5%
Toronto Employment & Social Services	47,236.3	46,400.9	(835.4)	-1.8%	197,761.2	194,093.3	(3,667.9)	-1.9%
311 Toronto	2,031.9	1,708.7	(323.2)	-15.9%	9,828.9	9,828.9	0.0	0.0%
Sub-Total Citizen Centred Services "A"	208,028.4	205,628.8	(2,399.6)	-1.2%	999,884.1	995,626.8	(4,257.3)	-0.4%
Citizen Centred Services "B"								
City Planning	2,802.4	(749.1)	(3,551.5)	-126.7%	13,246.1	12,875.3	(370.8)	-2.8%
Fire Services	84,500.7	83,780.5	(720.2)	-0.9%	354,639.4	354,639.4	0.0	0.0%
Municipal Licensing & Standards	2,359.0	2,401.2	42.3	1.8%	19,187.6	18,279.6	(908.0)	-4.7%
Policy, Planning, Finance and Administration	2,351.3	2,158.8	(192.5)	-8.2%	9,853.4	9,642.2	(211.2)	-2.1%
Technical Services	4,314.2	3,301.4	(1,012.8)	-23.5%	9,496.9	9,461.9	(34.9)	-0.4%
Toronto Building	(3,364.3)	(9,410.6)	(6,046.3)	179.7%	(10,715.3)	(13,815.3)	(3,100.0)	28.9%
Toronto Environment Office	557.9	431.0	(126.9)	-22.7%	2,660.9	2,532.9	(128.0)	-4.8%
Transportation Services	47,903.5	50,927.8	3,024.3	6.3%	206,498.0	206,006.8	(491.2)	-0.2%
Sub-Total Citizen Centred Services "B"	141,424.6	132,841.0	(8,583.6)	-6.1%	604,866.9	599,622.8	(5,244.1)	-0.9%
Internal Services								
Office of the Chief Financial Officer	1,649.8	1,634.3	(15.5)	-0.9%	8,598.2	8,536.2	(62.0)	-0.7%
Office of the Treasurer	5,033.6	4,734.4	(299.2)	-5.9%	26,277.1	25,197.0	(1,080.1)	-4.1%
Facilities Management & Real Estate	24,992.4	26,119.6	1,127.3	4.5%	53,883.5	53,348.5	(534.9)	-1.0%
Fleet Services	2,458.6	2,413.9	(44.7)	-1.8%	1.1	80.2	79.1	7190.9%
Information & Technology	27,259.5	24,055.8	(3,203.7)	-11.8%	63,899.0	61,273.9	(2,625.2)	-4.1%
Sub-Total Internal Services	61,393.8	58,958.0	(2,435.8)	-4.0%	152,658.9	148,435.8	(4,223.0)	-2.8%
City Manager								
City Manager's Office	7,539.6	6,857.3	(682.3)	-9.0%	35,010.3	34,243.1	(767.2)	-2.2%
Sub-Total City Manager	7,539.6	6,857.3	(682.3)	-9.0%	35,010.3	34,243.1	(767.2)	-2.2%
Other City Programs								
City Clerk's Office	7,165.5	7,228.0	62.6	0.9%	28,783.5	28,783.5	0.0	0.0%
Legal Services	4,613.6	5,405.4	791.9	17.2%	18,454.2	18,620.1	165.9	0.9%
Mayor's Office	425.2	385.9	(39.4)	-9.3%	1,908.3	1,908.3	0.0	0.0%
City Council	4,460.0	4,076.1	(383.9)	-8.6%	19,146.5	19,146.5	0.0	0.0%
Sub-Total Other City Programs	16,664.3	17,095.4	431.1	2.6%	68,292.5	68,458.4	165.9	0.2%
Accountability Offices								
Auditor General's Office	842.3	793.8	(48.5)	-5.8%	4,271.4	4,155.2	(116.2)	-2.7%
Integrity Commissioner's Office	48.7	47.7	(1.1)	-2.2%	211.1	211.1	0.0	0.0%
Lobbyist Registrar's Office	237.0	185.6	(51.4)	-21.7%	1,052.4	1,052.4	0.0	0.0%
Ombudsman's Office	320.2	280.8	(39.4)	-12.3%	1,421.1	1,421.1	0.0	0.0%
Sub-Total Council Appointed Programs	1,448.3	1,307.9	(140.4)	-9.7%	6,956.0	6,839.8	(116.2)	-1.7%
TOTAL - CITY OPERATIONS	436,498.9	422,688.4	(13,810.5)	-3.2%	1,867,668.8	1,853,226.8	(14,441.9)	-0.8%



CITY OF TORONTO
CONSOLIDATED NET EXPENDITURES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(\$000s)

March 31, 2012				December 31, 2012			
Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%

Agencies								
Toronto Public Health	9,273.4	9,068.5	(204.9)	-2.2%	47,732.9	47,036.6	(696.3)	-1.5%
Toronto Public Library	24,840.0	24,719.2	(120.8)	-0.5%	164,487.1	164,487.1	0.0	0.0%
Association of Community Centres	1,671.8	1,636.6	(35.2)	-2.1%	6,687.6	6,824.4	136.9	2.0%
Exhibition Place	(157.7)	(203.0)	(45.2)	28.7%	2.4	2.4	(0.0)	-0.8%
Heritage Toronto	311.8	69.5	(242.3)	-77.7%	311.8	311.8	0.0	0.0%
Theatres	499.9	1,026.5	526.5	105.3%	2,963.1	3,865.7	902.6	30.5%
Toronto Zoo	5,879.5	4,896.0	(983.5)	-16.7%	11,110.6	11,110.6	0.0	0.0%
Arena Boards of Management	(1.9)	(807.7)	(805.8)	43205.8%	(7.5)	(11.2)	(3.7)	49.6%
Yonge Dundas Square	115.9	111.7	(4.2)	-3.6%	463.7	456.1	(7.6)	-1.6%
Toronto & Region Conservation Authority	801.5	801.5	0.0	0.0%	3,206.2	3,206.2	0.0	0.0%
Toronto Transit Commission - Conventional	86,417.0	79,892.0	(6,525.0)	-7.6%	374,101.0	370,801.0	(3,300.0)	-0.9%
Toronto Transit Commission - Wheel Trans	23,945.0	22,316.0	(1,629.0)	-6.8%	94,882.0	94,882.0	0.0	0.0%
Toronto Police Service	216,741.3	216,341.3	(400.0)	-0.2%	935,693.0	934,044.1	(1,648.9)	-0.2%
Toronto Police Services Board	354.6	354.6	0.0	0.0%	2,208.7	2,251.6	42.9	1.9%
TOTAL - AGENCIES	370,692.2	360,222.8	(10,469.4)	-2.8%	1,643,842.6	1,639,268.5	(4,574.1)	-0.3%
Corporate Accounts								
Capital & Corporate Financing	34,638.1	34,638.1	0.0	0.0%	624,156.5	624,156.5	0.0	0.0%
Non-Program Expenditures								
- Tax Deficiencies/W rite-offs	13,198.9	13,233.3	34.4	0.3%	65,000.0	65,000.0	0.0	0.0%
- Assessment Function (MPAC)	9,543.5	9,519.6	(23.9)	-0.3%	38,174.0	38,174.0	0.0	0.0%
- Temporary Borrowing	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Funding of Employee Related Liabilities	64.3	64.3	0.0	0.0%	71,940.5	71,940.5	0.0	0.0%
- Contingency	0.0	1,038.7	1,038.7	n/a	0.0	1,563.3	1,563.3	n/a
- Other Corporate Expenditures	30,467.9	2,773.6	(27,694.3)	-90.9%	122,125.9	94,393.5	(27,732.4)	-22.7%
- Insurance Premiums & Claims	0.0	0.0	0.0	n/a	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	12,274.4	11,632.1	(642.3)	-5.2%	57,692.3	57,560.3	(132.0)	-0.2%
- Vacancy Rebate Program	5,500.0	5,571.0	71.0	1.3%	22,000.0	22,000.0	0.0	0.0%
- Heritage Property Taxes Rebate	0.0	57.9	57.9	n/a	2,000.0	2,000.0	0.0	0.0%
- Solid Waste Management Rebates	24,544.1	24,221.5	(322.6)	-1.3%	182,391.9	182,391.9	0.0	0.0%
- Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	1,335.0	1,335.0	0.0	0.0%
Non-Program Expenditures	95,593.1	68,112.0	(27,481.2)	-28.7%	562,959.6	536,658.5	(26,301.1)	-4.7%
Non-Program Revenue								
- Payments in Lieu of Taxes	(38,136.8)	(38,131.8)	5.0	0.0%	(92,200.0)	(92,200.0)	0.0	0.0%
- Supplementary Taxes	0.0	0.0	0.0	n/a	(50,000.0)	(50,000.0)	0.0	0.0%
- Tax Penalties	(6,443.8)	(6,342.5)	101.3	-1.6%	(29,000.0)	(29,000.0)	0.0	0.0%
- Interest/Investment Earnings	(44,958.1)	(44,958.1)	0.0	0.0%	(113,658.3)	(113,658.3)	0.0	0.0%
- Prior Year Surplus	(15,000.0)	(15,000.0)	0.0	0.0%	(101,748.7)	(101,748.7)	0.0	0.0%
- Other Corporate Revenues	(4,401.2)	(3,449.2)	952.0	-21.6%	(7,627.6)	(7,689.5)	(61.9)	0.8%
- Toronto Hydro Revenues	(26,000.0)	(28,966.0)	(2,966.0)	11.4%	(45,000.0)	(47,966.0)	(2,966.0)	6.6%
- Provincial Revenue	(22,900.0)	(22,900.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
- Municipal Land Transfer Tax	(49,009.2)	(66,020.1)	(17,010.9)	34.7%	(288,289.7)	(330,000.0)	(41,710.3)	14.5%
- Personal Vehicle Tax	0.0	(33.5)	(33.5)	n/a	0.0	(0.7)	(0.7)	n/a
- Third Party Sign Tax	(395.4)	25.6	421.0	-106.5%	(1,581.5)	(1,781.6)	(200.1)	12.7%
- Parking Authority Revenues	(11,078.8)	(11,078.8)	0.0	0.0%	(44,315.0)	(44,315.0)	0.0	0.0%
- Administrative Support Recoveries - Water	(4,743.3)	(4,743.3)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	(2,606.7)	(2,606.7)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
- Parking Tag Enforcement & Oper.	(20,162.3)	(20,162.3)	0.0	0.0%	(80,649.4)	(80,649.4)	0.0	0.0%
- Other Tax Revenues	(4,166.9)	(4,153.4)	13.5	-0.3%	(14,395.0)	(14,395.0)	0.0	0.0%
- Woodbine Slots	(3,725.0)	(3,752.0)	(27.0)	0.7%	(14,900.0)	(14,900.0)	0.0	0.0%
Non-Program Revenues	(253,727.4)	(272,271.9)	(18,544.6)	7.3%	(1,010,264.9)	(1,055,203.9)	(44,939.0)	4.4%
TOTAL - CORPORATE ACCOUNTS	(123,496.1)	(169,521.9)	(46,025.7)	37.3%	176,851.3	105,611.2	(71,240.1)	-40.3%
NET OPERATING TAX LEVY	683,695.0	613,389.4	(70,305.7)	-10.3%	3,688,362.6	3,598,106.4	(90,256.1)	-2.4%
NON LEVY OPERATIONS								
Solid Waste Management Services	10,675.3	11,173.7	498.4	4.7%	0.0	0.0	0.0	n/a
Toronto Parking Authority	(14,100.8)	(14,100.8)	0.0	0.0%	(56,403.0)	(56,403.0)	0.0	0.0%
Toronto Water	881.6	4,494.9	3,613.3	409.9%	0.0	(460.5)	(460.5)	n/a
NON LEVY OPERATING NET EXPENDITURES	(2,543.9)	1,567.8	4,111.7	-161.6%	(56,403.0)	(56,863.5)	(460.5)	0.8%



CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(\$000s)

	March 31, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Affordable Housing Office	596.1	541.4	(54.7)	-9.2%	2,580.9	2,580.9	0.0	0.0%
Children's Services	113,097.4	112,528.9	(568.5)	-0.5%	392,500.4	392,500.4	(0.0)	0.0%
Court Services	8,312.4	8,668.3	355.9	4.3%	52,263.2	54,648.3	2,385.1	4.6%
Economic Development & Culture	13,303.3	12,743.2	(560.1)	-4.2%	53,213.3	54,106.3	893.0	1.7%
Emergency Medical Services	35,864.9	35,833.7	(31.2)	-0.1%	169,548.6	169,459.0	(89.6)	-0.1%
Long Term Care Homes & Services	51,586.7	49,122.2	(2,464.5)	-4.8%	224,783.1	221,783.1	(3,000.0)	-1.3%
Parks, Forestry & Recreation	71,811.6	71,497.6	(314.0)	-0.4%	382,685.8	373,185.8	(9,500.0)	-2.5%
Shelter, Support & Housing Administration	183,978.7	168,165.4	(15,813.3)	-8.6%	791,250.6	791,250.6	(0.0)	0.0%
Social Development, Finance & Administration	6,652.3	6,535.6	(116.7)	-1.8%	39,787.3	39,989.0	201.7	0.5%
Toronto Employment & Social Services	287,720.4	276,568.1	(11,152.3)	-3.9%	1,225,127.9	1,224,120.8	(1,007.1)	-0.1%
311 Toronto	4,136.8	3,282.7	(854.1)	-20.6%	18,248.3	17,476.0	(772.3)	-4.2%
Sub-Total Citizen Centred Services "A"	777,060.5	745,487.1	(31,573.5)	-4.1%	3,351,989.4	3,341,100.2	(10,889.3)	-0.3%
Citizen Centred Services "B"								
City Planning	8,273.8	7,948.0	(325.8)	-3.9%	38,679.0	37,669.0	(1,010.0)	-2.6%
Fire Services	88,553.2	88,431.3	(121.9)	-0.1%	369,771.3	369,771.3	0.0	0.0%
Municipal Licensing & Standards	9,323.5	9,206.4	(117.1)	-1.3%	47,336.9	45,138.3	(2,198.6)	-4.6%
Policy, Planning, Finance and Administration	5,045.9	4,531.8	(514.1)	-10.2%	22,105.3	21,542.1	(563.2)	-2.5%
Technical Services	15,417.2	13,602.0	(1,815.2)	-11.8%	70,016.8	63,716.8	(6,300.0)	-9.0%
Toronto Buildings	9,460.9	9,825.1	364.2	3.8%	46,735.6	45,135.6	(1,600.0)	-3.4%
Toronto Environment Office	907.3	500.6	(406.7)	-44.8%	5,932.7	5,804.7	(128.0)	-2.2%
Transportation Services	64,493.7	64,658.6	164.9	0.3%	327,340.8	319,233.2	(8,107.6)	-2.5%
Sub-Total Citizen Centred Services "B"	201,475.6	198,703.8	(2,771.8)	-1.4%	927,918.3	908,011.0	(19,907.4)	-2.1%
Internal Services								
Office of the Chief Financial Officer	3,685.0	3,061.1	(623.9)	-16.9%	16,765.0	14,584.4	(2,180.6)	-13.0%
Office of the Treasurer	16,807.5	14,439.6	(2,367.9)	-14.1%	73,372.7	70,302.5	(3,070.2)	-4.2%
Facilities Management & Real Estate	35,471.6	36,051.1	579.5	1.6%	176,867.7	173,573.0	(3,294.7)	-1.9%
Fleet Services	10,341.4	10,201.8	(139.6)	-1.3%	47,469.3	48,245.2	775.9	1.6%
Information & Technology	27,639.8	28,263.9	624.1	2.3%	97,098.4	87,829.8	(9,268.6)	-9.5%
Sub-Total Internal Services	93,945.3	92,017.5	(1,927.8)	-2.1%	411,573.1	394,534.9	(17,038.2)	-4.1%
City Manager								
City Manager's Office	9,655.7	8,661.5	(994.2)	-10.3%	43,508.1	41,567.4	(1,940.7)	-4.5%
Sub-Total City Manager	9,655.7	8,661.5	(994.2)	-10.3%	43,508.1	41,567.4	(1,940.7)	-4.5%
Other City Programs								
City Clerk's Office	10,891.7	10,542.2	(349.5)	-3.2%	47,579.0	47,579.0	0.0	0.0%
Legal Services	10,417.9	11,749.9	1,331.9	12.8%	41,671.8	43,997.9	2,326.2	5.6%
Mayor's Office	425.2	385.9	(39.4)	-9.3%	1,908.3	1,908.3	0.0	0.0%
City Council	4,460.0	4,076.2	(383.9)	-8.6%	19,146.5	19,146.5	0.0	0.0%
Sub-Total Other City Programs	26,194.9	26,754.1	559.2	2.1%	110,305.6	112,631.7	2,326.2	2.1%
Accountability Offices								
Auditor General's Office	842.3	793.8	(48.5)	-5.8%	4,271.4	4,155.2	(116.2)	-2.7%
Integrity Commissioner's Office	48.7	47.7	(1.1)	-2.2%	211.1	211.1	0.0	0.0%
Lobbyist Registrar's Office	237.0	185.6	(51.4)	-21.7%	1,061.4	1,061.4	0.0	0.0%
Ombudsman's Office	320.2	280.8	(39.4)	-12.3%	1,421.1	1,421.1	0.0	0.0%
Sub-Total Council Appointed Programs	1,448.3	1,307.9	(140.4)	-9.7%	6,965.0	6,848.8	(116.2)	-1.7%
TOTAL - CITY OPERATIONS	1,109,780.3	1,072,931.8	(36,848.5)	-3.3%	4,852,259.5	4,804,694.0	(47,565.5)	-1.0%



CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(\$000s)

	March 31, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	49,320.9	46,658.7	(2,662.2)	-5.4%	239,195.3	236,864.0	(2,331.3)	-1.0%
Toronto Public Library	27,131.4	27,144.1	12.7	0.0%	179,414.4	179,414.4	0.0	0.0%
Association of Community Centres	1,737.9	1,714.4	(23.4)	-1.3%	6,951.6	7,088.4	136.9	2.0%
Exhibition Place	12,550.8	12,494.5	(56.3)	-0.4%	64,772.7	64,911.5	138.8	0.2%
Heritage Toronto	880.8	137.2	(743.6)	-84.4%	880.8	880.8	0.0	0.0%
Theatres	6,637.0	5,187.0	(1,450.1)	-21.8%	27,900.8	23,812.0	(4,088.8)	-14.7%
Toronto Zoo	8,544.6	8,421.7	(122.9)	-1.4%	45,663.5	45,663.5	0.0	0.0%
Arena Boards of Management	1,682.7	1,584.6	(98.1)	-5.8%	6,730.7	6,748.1	17.4	0.3%
Yonge Dundas Square	491.3	329.1	(162.2)	-33.0%	1,965.3	2,038.4	73.1	3.7%
Toronto & Region Conservation Authority	9,391.0	9,391.0	0.0	0.0%	37,564.0	37,564.0	0.0	0.0%
Toronto Transit Commission - Conventional	353,423.0	350,027.0	(3,396.0)	-1.0%	1,441,948.0	1,447,448.0	5,500.0	0.4%
Toronto Transit Commission - Wheel Trans	25,327.0	23,670.0	(1,657.0)	-6.5%	100,207.0	100,207.0	0.0	0.0%
Toronto Police Service	226,440.2	226,215.2	(225.0)	-0.1%	1,012,062.0	1,011,113.1	(948.9)	-0.1%
Toronto Police Services Board	354.6	354.6	0.0	0.0%	2,708.7	3,231.6	522.9	19.3%
TOTAL - AGENCIES	723,913.3	713,329.1	(10,584.2)	-1.5%	3,167,964.8	3,166,984.8	(980.0)	0.0%
Corporate Accounts								
Capital & Corporate Financing	35,000.0	35,000.0	0.0	0.0%	639,178.2	639,178.2	0.0	0.0%
<u>Non-Program Expenditures</u>								
- Tax Deficiencies/Write-offs	13,198.9	13,233.3	34.4	0.3%	65,000.0	65,000.0	0.0	0.0%
- Assessment Function (MPAC)	9,543.5	9,519.6	(23.9)	-0.3%	38,174.0	38,174.0	0.0	0.0%
- Temporary Borrowing	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Funding of Employee Related Liabilities	64.3	64.3	0.0	0.0%	71,940.5	71,940.5	0.0	0.0%
- Contingency	0.0	1,038.7	1,038.7	n/a	0.0	1,563.3	1,563.3	n/a
- Other Corporate Expenditures	33,911.1	3,076.9	(30,834.2)	-90.9%	135,898.7	103,628.8	(32,269.9)	-23.7%
- Insurance Premiums & Claims	0.0	0.0	0.0	n/a	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	12,274.4	11,632.1	(642.3)	-5.2%	57,692.3	57,560.3	(132.0)	-0.2%
- Programs Funded from Reserve Funds	29,939.4	29,939.4	0.0	0.0%	141,659.2	141,659.2	0.0	0.0%
- Vacancy Rebate Program	5,500.0	5,571.0	71.0	1.3%	22,000.0	22,000.0	0.0	0.0%
- Heritage Property Taxes Rebate	0.0	57.9	57.9	n/a	2,000.0	2,000.0	0.0	0.0%
- Tax Rebates for Registered Charities	2,579.2	2,579.2	0.0	0.0%	5,329.1	5,329.1	0.0	0.0%
- Solid Waste Management Rebates	24,544.1	24,221.5	(322.6)	-1.3%	182,391.9	182,391.9	0.0	0.0%
- Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	1,335.0	1,335.0	0.0	0.0%
Non-Program Expenditures	131,554.9	100,933.9	(30,621.1)	-23.3%	723,720.7	692,882.1	(30,838.6)	-4.3%
<u>Non-Program Revenue</u>								
- Interest/Investment Earnings	41.9	41.9	0.0	0.0%	841.7	841.7	0.0	0.0%
- Other Corporate Revenues	342.0	272.0	(70.0)	-20.5%	918.0	918.0	0.0	0.0%
- Municipal Land Transfer Tax	1,008.8	1,006.6	(2.2)	-0.2%	5,934.1	5,934.1	0.0	0.0%
- Personal Vehicle Tax	0.0	(32.8)	(32.8)	n/a	0.0	0.0	0.0	n/a
- Third Party Sign Tax	279.6	0.0	(279.6)	-100.0%	1,118.5	918.4	(200.1)	-17.9%
- Other Tax Revenues	0.0	8.5	8.5	n/a	0.0	0.0	0.0	n/a
Non-Program Revenues	1,672.3	1,296.2	(376.1)	-22.5%	8,812.3	8,612.2	(200.1)	-2.3%
TOTAL - CORPORATE ACCOUNTS	168,227.2	137,230.1	(30,997.1)	-18.4%	1,371,711.2	1,340,672.5	(31,038.7)	-2.3%
LEVY OPERATING GROSS EXPENDITURES	2,001,920.9	1,923,491.0	(78,429.8)	-3.9%	9,391,935.6	9,312,351.4	(79,584.3)	-0.8%
NON LEVY OPERATIONS								
Solid Waste Management Services	45,987.6	44,020.8	(1,966.8)	-4.3%	345,865.0	345,865.0	0.0	0.0%
Toronto Parking Authority	18,081.7	18,081.7	0.0	0.0%	72,326.9	72,326.9	0.0	0.0%
Toronto Water	211,335.6	206,524.2	(4,811.4)	-2.3%	893,333.0	878,699.4	(14,633.6)	-1.6%
NON LEVY OPERATING GROSS EXPENDITURES	275,404.9	268,626.7	(6,778.2)	-2.5%	1,311,524.9	1,296,891.3	(14,633.6)	-1.1%



CITY OF TORONTO
CONSOLIDATED REVENUES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(\$000s)

	March 31, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Affordable Housing Office	255.2	200.5	(54.7)	-21.4%	1,433.5	1,433.5	0.0	0.0%
Children's Services	94,077.0	93,508.5	(568.5)	-0.6%	316,689.2	316,689.2	0.0	0.0%
Court Services	9,668.1	9,986.1	318.0	3.3%	66,228.9	66,109.5	(119.4)	-0.2%
Economic Development & Culture	2,366.3	3,350.3	984.0	41.6%	9,465.1	9,465.1	0.0	0.0%
Emergency Medical Services	25,911.8	26,122.5	210.7	0.8%	104,505.6	103,543.4	(962.2)	-0.9%
Long Term Care Homes and Services	44,871.3	42,666.1	(2,205.2)	-4.9%	179,485.3	176,485.3	(3,000.0)	-1.7%
Parks, Forestry & Recreation	26,009.9	24,328.9	(1,681.0)	-6.5%	110,514.0	106,014.0	(4,500.0)	-4.1%
Shelter, Support & Housing Administration	120,804.6	105,581.9	(15,222.6)	-12.6%	517,443.5	517,443.5	(0.0)	0.0%
Social Development, Finance & Administration	2,479.0	2,372.2	(106.8)	-4.3%	10,554.1	10,615.3	61.2	0.6%
Toronto Employment & Social Services	240,484.1	230,167.2	(10,316.9)	-4.3%	1,027,366.7	1,030,027.5	2,660.8	0.3%
311 Toronto	2,104.9	1,574.0	(530.9)	-25.2%	8,419.4	7,647.1	(772.3)	-9.2%
Sub-Total Citizen Centred Services "A"	569,032.2	539,858.3	(29,173.9)	-5.1%	2,352,105.3	2,345,473.4	(6,632.0)	-0.3%
Citizen Centred Services "B"								
City Planning	5,471.4	8,697.1	3,225.6	59.0%	25,432.8	24,793.7	(639.2)	-2.5%
Fire Services	4,052.5	4,650.8	598.3	14.8%	15,131.9	15,131.9	0.0	0.0%
Municipal Licensing & Standards	6,964.6	6,805.2	(159.4)	-2.3%	28,149.3	26,858.7	(1,290.6)	-4.6%
Policy, Planning, Finance and Administration	2,694.6	2,373.0	(321.6)	-11.9%	12,251.9	11,899.9	(352.0)	-2.9%
Technical Services	11,103.0	10,300.6	(802.4)	-7.2%	60,520.0	54,254.9	(6,265.1)	-10.4%
Toronto Building	12,825.2	19,235.7	6,410.5	50.0%	57,450.9	58,950.9	1,500.0	2.6%
Toronto Environment Office	349.4	69.6	(279.8)	-80.1%	3,271.8	3,271.8	0.0	0.0%
Transportation Services	16,590.3	13,730.8	(2,859.5)	-17.2%	120,842.8	113,226.4	(7,616.4)	-6.3%
Sub-Total Citizen Centred Services "B"	60,051.0	65,862.7	5,811.8	9.7%	323,051.4	308,388.1	(14,663.3)	-4.5%
Internal Services								
Office of the Chief Financial Officer	2,035.2	1,426.8	(608.4)	-29.9%	8,166.8	6,048.2	(2,118.6)	-25.9%
Office of the Treasurer	11,773.9	9,705.2	(2,068.7)	-17.6%	47,095.6	45,105.5	(1,990.1)	-4.2%
Facilities Management & Real Estate	10,479.3	9,931.5	(547.7)	-5.2%	122,984.2	120,224.5	(2,759.7)	-2.2%
Fleet Services	7,882.8	7,787.9	(94.9)	-1.2%	47,468.2	48,165.0	696.8	1.5%
Information & Technology	380.3	4,208.1	3,827.8	1006.5%	33,199.4	26,555.9	(6,643.4)	-20.0%
Sub-Total Internal Services	32,551.5	33,059.5	508.1	1.6%	258,914.2	246,099.1	(12,815.0)	-4.9%
City Manager								
City Manager's Office	2,116.2	1,804.2	(311.9)	-14.7%	8,497.8	7,324.3	(1,173.5)	-13.8%
Sub-Total City Manager	2,116.2	1,804.2	(311.9)	-14.7%	8,497.8	7,324.3	(1,173.5)	-13.8%
Other City Programs								
City Clerk's Office	3,726.2	3,314.1	(412.1)	-11.1%	18,795.5	18,795.5	0.0	0.0%
Legal Services	5,804.4	6,344.5	540.1	9.3%	23,217.6	25,377.8	2,160.3	9.3%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
City Council	0.0	0.1	0.1	n/a	0.0	0.0	0.0	n/a
Sub-Total Other City Programs	9,530.6	9,658.7	128.0	1.3%	42,013.0	44,173.3	2,160.3	5.1%
Accountability Offices								
Auditor General's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Integrity Commissioner's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Lobbyist Registrar's Office	0.0	0.0	0.0	n/a	9.0	9.0	0.0	0.0%
Ombudsman's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Sub-Total Council Appointed Programs	0.0	0.0	0.0	n/a	9.0	9.0	0.0	0.0%
TOTAL - CITY OPERATIONS	673,281.4	650,243.4	(23,038.0)	-3.4%	2,984,590.8	2,951,467.2	(33,123.5)	-1.1%



CITY OF TORONTO
CONSOLIDATED REVENUES VARIANCE
FOR THE THREE MONTHS ENDED MARCH 31, 2012
(\$000s)

	March 31, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	40,047.5	37,590.2	(2,457.3)	-6.1%	191,462.4	189,827.4	(1,635.0)	-0.9%
Toronto Public Library	2,291.4	2,424.9	133.5	5.8%	14,927.3	14,927.3	0.0	0.0%
Association of Community Centres	66.1	77.8	11.8	17.9%	264.0	264.0	0.0	0.0%
Exhibition Place	12,708.6	12,697.5	(11.1)	-0.1%	64,770.3	64,909.1	138.8	0.2%
Heritage Toronto	569.0	67.7	(501.3)	-88.1%	569.0	569.0	0.0	0.0%
Theatres	6,137.1	4,160.5	(1,976.6)	-32.2%	24,937.7	19,946.2	(4,991.5)	-20.0%
Toronto Zoo	2,665.1	3,525.7	860.6	32.3%	34,552.9	34,552.9	0.0	0.0%
Arena Boards of Management	1,684.6	2,392.2	707.7	42.0%	6,738.2	6,759.3	21.1	0.3%
Yonge Dundas Square	375.4	217.4	(158.0)	-42.1%	1,501.6	1,582.3	80.7	5.4%
Toronto & Region Conservation Authority	8,589.5	8,589.5	0.0	0.0%	34,357.8	34,357.8	0.0	0.0%
Toronto Transit Commission - Conventional	267,006.0	270,135.0	3,129.0	1.2%	1,067,847.0	1,076,647.0	8,800.0	0.8%
Toronto Transit Commission - Wheel Trans	1,382.0	1,354.0	(28.0)	-2.0%	5,325.0	5,325.0	0.0	0.0%
Toronto Police Service	9,698.9	9,873.9	175.0	1.8%	76,369.0	77,069.0	700.0	0.9%
Toronto Police Services Board	0.0	0.0	0.0	n/a	500.0	980.0	480.0	96.0%
TOTAL - AGENCIES	353,221.1	353,106.3	(114.8)	0.0%	1,524,122.3	1,527,716.4	3,594.1	0.2%
Corporate Accounts								
Capital & Corporate Financing	361.9	361.9	0.0	0.0%	15,021.7	15,021.7	0.0	0.0%
Non-Program Expenditures								
- Other Corporate Expenditures	3,443.2	303.3	(3,139.9)	-91.2%	13,772.8	9,235.3	(4,537.5)	-32.9%
- Programs Funded from Reserve Funds	29,939.4	29,939.4	0.0	0.0%	141,659.2	141,659.2	0.0	0.0%
- Tax Rebates for Registered Charities	2,579.2	2,579.2	0.0	0.0%	5,329.1	5,329.1	0.0	0.0%
- Solid Waste Management Rebates	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Expenditures	35,961.8	32,821.9	(3,139.9)	-8.7%	160,761.1	156,223.6	(4,537.5)	-2.8%
Non-Program Revenue								
- Payments in Lieu of Taxes	38,136.8	38,131.8	(5.0)	0.0%	92,200.0	92,200.0	0.0	0.0%
- Supplementary Taxes	0.0	0.0	0.0	n/a	50,000.0	50,000.0	0.0	0.0%
- Tax Penalties	6,443.8	6,342.5	(101.3)	-1.6%	29,000.0	29,000.0	0.0	0.0%
- Interest/Investment Earnings	45,000.0	45,000.0	0.0	0.0%	114,500.0	114,500.0	0.0	0.0%
- Prior Year Surplus	15,000.0	15,000.0	0.0	0.0%	101,748.7	101,748.7	0.0	0.0%
- Other Corporate Revenues	4,743.2	3,721.2	(1,022.0)	-21.5%	8,545.6	8,607.5	61.9	0.7%
- Toronto Hydro Revenues	26,000.0	28,966.0	2,966.0	11.4%	45,000.0	47,966.0	2,966.0	6.6%
- Provincial Revenue	22,900.0	22,900.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
- Municipal Land Transfer Tax	50,018.0	67,026.7	17,008.7	34.0%	294,223.8	335,934.1	41,710.3	14.2%
- Personal Vehicle Tax	0.0	0.7	0.7	n/a	0.0	0.7	0.7	n/a
- Third Party Sign Tax	675.0	(25.6)	(700.6)	-103.8%	2,700.0	2,700.0	0.0	0.0%
- Parking Authority Revenues	11,078.8	11,078.8	0.0	0.0%	44,315.0	44,315.0	0.0	0.0%
- Administrative Support Recoveries - Water	4,743.3	4,743.3	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	2,606.7	2,606.7	0.0	0.0%	16,326.7	16,326.7	0.0	0.0%
- Parking Tag Enforcement & Oper.	20,162.3	20,162.3	0.0	0.0%	80,649.4	80,649.4	0.0	0.0%
- Other Tax Revenues	4,166.9	4,161.9	(5.0)	-0.1%	14,395.0	14,395.0	0.0	0.0%
- Woodbine Slots	3,725.0	3,752.0	27.0	0.7%	14,900.0	14,900.0	0.0	0.0%
Non-Program Revenues	255,399.7	273,568.2	18,168.5	7.1%	1,019,077.2	1,063,816.1	44,738.9	4.4%
TOTAL - CORPORATE ACCOUNTS	291,723.3	306,751.9	15,028.6	5.2%	1,194,860.0	1,235,061.4	40,201.4	3.4%
LEVY OPERATING REVENUES	1,318,225.8	1,310,101.7	(8,124.2)	-0.6%	5,703,573.0	5,714,245.0	10,671.9	0.2%
NON LEVY OPERATIONS								
Solid Waste Management Services	35,312.3	32,847.1	(2,465.2)	-7.0%	345,865.0	345,865.0	0.0	0.0%
Toronto Parking Authority	32,182.5	32,182.5	0.0	0.0%	128,729.9	128,729.9	0.0	0.0%
Toronto Water	210,454.0	202,029.3	(8,424.7)	-4.0%	893,333.0	879,159.9	(14,173.1)	-1.6%
NON LEVY OPERATING REVENUES	277,948.8	267,058.9	(10,889.9)	-3.9%	1,367,927.9	1,353,754.8	(14,173.1)	-1.0%

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST QUARTER ENDED MARCH 31, 2012
(\$000s)**

Appendix D

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Service "A"				
Parks, Forestry & Recreation				
In-year budget adjustment to transfer the Don River Program (Task Force) approved as part of City Planning's 2012 Operating Budget, funded by public donations, to Parks, Forestry & Recreation Division	60.0	60.0	0.0	0.0
Total Parks, Forestry & Recreation	60.0	60.0	0.0	0.0
Social Development Finance & Administration				
Reallocation of budget from Program Support to Financial Control to align IDC printing GL7035 with City Clerks	(30.0)	0.0	(30.0)	0.0
Reallocation of budget from Program Support to Financial Control to align IDC printing GL7035 with City Clerks	30.0	0.0	30.0	0.0
Transfer of program communications section to Strategic Communications in the City Manager's Office	(960.1)	0.0	(960.1)	(9.0)
Total Social Development Finance & Administration	(960.1)	0.0	(960.1)	(9.0)
Total Citizen Centred Service "A"	(900.1)	60.0	(960.1)	(9.0)
Citizen Centred Service "B"				
City Planning				
In-year budget adjustment to transfer the Don River Program (Task Force) approved as part of City Planning's 2012 Operating Budget, funded by public donations, to Parks, Forestry & Recreation Division	(60.0)	(60.0)	0.0	0.0
Total City Planning	(60.0)	(60.0)	0.0	0.0
Technical Services				
Restatement of 2012 positions for Technical Services as approved by Council on Jan 17/12 is due to organisational changes undertaken in 2011 which resulted in a deletion of two perm technologist positions. This change was reflected in the 2012 Approved Budget but inadvertently omitted from the staff complement count. The 2012 staff complement for Technical Services is to be restated from 627.1 to 625.1 positions.	0.0	0.0	0.0	(2.0)
Total Technical Services	0.0	0.0	0.0	(2.0)

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST QUARTER ENDED MARCH 31, 2012
(\$000s)**

Appendix D

	Gross Expenditure	Revenue	Net Expenditure	Position
Transportation Services				
In-year budget adjustment to centralize utility cut permit from Roadway and Roadside Services into Traffic Planning/Right of Way Management	(495.5)	0.0	(495.5)	0.0
In-year budget adjustment to centralize utility cut permit from Roadway and Roadside Services into Traffic Planning/Right of Way Management	495.5	0.0	495.5	0.0
Total Transportation Services	0.0	0.0	0.0	0.0
Total Citizen Centred Service "B"	(60.0)	(60.0)	0.0	(2.0)
Internal Services				
Office of the DCM and Chief Financial Officer				
Transfer of program communications section to Strategic Communications in the City Manager's Office	(604.5)	(97.7)	(506.8)	(6.0)
Total Office of the DCM and Chief Financial Officer	(604.5)	(97.7)	(506.8)	(6.0)
Office of the Treasurer				
Transfer in administrative savings for MLTT & PTO initiatives to Non-Program (MLTT & Parking Tag Operations)	0.0	(415.9)	415.9	0.0
Technical adjustment for final PPEB program review installment expenditures in 2012; reallocation of remaining \$28k to be funded from unspent portion of PPEB's program review funding of \$250K, from the Innovation Reserve Fund, XR1713 in 2011.	28.0	28.0	0.0	0.0
Total Office of the Treasurer	28.0	(388.0)	415.9	0.0
Total Internal Services	(576.5)	(485.7)	(90.8)	(6.0)
City Manager				
City Manager's Office				
To transfer communications section from Social Development, Finance and Administration, Cluster A to Strategic Communications in the City Manager's Office	960.1	0.0	960.1	9.0
To transfer communications section from Finance and Administration, Internal Services to Strategic Communications in the City Manager's Office	604.5	97.7	506.8	6.0
To transfer communications section from Solid Waste to Strategic Communications in the City Manager's Office	99.7	0.0	99.7	1.0
Setting up IDC in Solid Waste and corresponding IDR in Strategic Communications in the City Manager's Office	0.0	99.7	(99.7)	0.0
Total City Manager's Office	1,664.2	197.4	1,466.9	16.0
Total City Manager	1,664.2	197.4	1,466.9	16.0

**CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST QUARTER ENDED MARCH 31, 2012
(\$000s)**

Appendix D

	Gross Expenditure	Revenue	Net Expenditure	Position
Corporate Accounts				
Parking Tag Enforcement & Oper. Expenditures				
Transfer in administrative savings for MLTT & PTO initiatives from Revenue Services	(126.2)	0.0	(126.2)	0.0
Total Parking Tag Enforcement & Oper. Expenditures	(126.2)	0.0	(126.2)	0.0
New COTA Tax Revenues				
Transfer in administrative savings for MLTT & PTO initiatives from Revenue Services	(289.8)	0.0	(289.8)	0.0
Total New COTA Tax Revenues	(289.8)	0.0	(289.8)	0.0
Total Corporate Accounts	(415.9)	0.0	(415.9)	0.0
Non-Levy Operations				
Solid Waste Management Services				
Transfer of \$358k from Support Services to Collection in Solid Waste Management for Waste fees for Charities, Institutions & Religious Organizations (CIRO)	0.0	358.0	(358.0)	0.0
Transfer of \$358k from Support Services to Collection in Solid Waste Management for Waste fees for Charities, Institutions & Religious Organizations (CIRO)	0.0	(358.0)	358.0	0.0
Setting up IDC in Solid Waste and corresponding IDR in Strategic Communications in the City Manager's Office	99.7	0.0	99.7	0.0
Transfer of program communications section to Strategic Communications in the City Manager's Office	(99.7)	0.0	(99.7)	(1.0)
Total Solid Waste Management Services	0.0	0.0	0.0	(1.0)
Total Non-Levy Operations	0.0	0.0	0.0	(1.0)
Total	(288.3)	(288.3)	0.0	(2.0)

**Operating Variance Report
For Three-Month Period Ended March 31, 2012
Significant Variance by Program and Agency**

City Operations

Citizen Centred Services "A"

As shown in Table 2 below, Citizen Centred Services "A" reported a net under-expenditure of \$2.400 million or 1.2% of planned expenditures for the three-month period ended March 31, 2012 and projects year-end under-spending of \$4.257 million or 0.4% compared to the 2012 Approved Net Operating Budget. The reasons for these variances are discussed below:

Table 2 Citizen Centred Services "A" Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Affordable Housing Office	0.0	0.0
Children's Services	0.0	(0.0)
Court Services	0.0	2.5
Economic Development and Culture	(1.5)	0.9
Emergency Medical Services	(0.2)	0.9
Long Term Care Homes and Services	(0.3)	(0.0)
Parks, Forestry & Recreation	1.4	(5.0)
Shelter, Support & Housing Administration	(0.6)	0.0
Social Development, Finance & Administration	(0.0)	0.1
Toronto Employment & Social Services	(0.8)	(3.7)
311 Toronto	(0.3)	0.0
Total	(2.4)	(4.3)

Court Services was over-spent by \$0.038 million net or 2.8% of planned expenditures for the three-month period ended March 31, 2012. This variance is driven by higher than planned Police Services off-duty court attendance charges of \$0.356 million off-set by higher than planned fine revenue of \$0.318 million.

Court Services forecasts to be \$2.505 million or 17.9% over the 2012 Approved Net Operating Budget due to anticipated higher than budgeted Toronto Police Services off-duty court attendance charges and lower than budgeted revenue resulting from projected higher appeal refund payments.

Economic Development and Culture (EDC) reported net under-spending of \$1.544 million or 14.1% of planned expenditures for the three-month period ended March 31, 2012. This variance is due to lower than planned salary costs of \$0.560 million from delayed hiring and higher than planned revenue of \$0.984 million or 41.6% from advanced payments of grants and other revenue.

EDC forecasts a year-end net variance of \$0.893 million or 2.0% over the 2012 Approved Net Operating Budget due to service efficiencies and alternative service delivery budget reductions for Culture Services not yet identified. A service efficiency review has started and the General Manager will report to the Budget Committee on the outcomes of this review.

Emergency Medical Services (EMS) experienced a net under-spending of \$0.242 million or 2.4% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of lower than planned gross expenditures of \$0.031 million or 0.1% mainly due to savings in medical and dental supplies and higher than planned revenues of \$0.210 million or 0.8% primarily from Provincial grant revenues for the Nurses Program.

EMS forecasts to be \$0.873 million or 1.3% over the 2012 Approved Net Operating Budget primarily due to a projected Provincial base funding shortfall for the Central Ambulance Communication Centre (CACC) Program (100% funded by the Province). Negotiations are continuing with the Ministry of Health and Long Term Care to resolve this funding issue.

Parks, Forestry and Recreation (PF&R) reported net over-spending of \$1.367 million or 3.0% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of lower than planned gross expenditures of \$0.314 million or 0.4% and lower than planned revenue of \$1.681 million or 6.5% due to under-achieved ski revenue which was affected by a warm winter and lack of snow.

Parks, Forestry and Recreation forecasts a year-end net variance of \$5.0 million or 1.8% under the 2012 Approved Net Operating Budget due to delays filling seasonal positions for parks maintenance as a result of shortages in qualified applicants and non-salary savings for agriculture supplies and contracted services for repairs and maintenance

Shelter, Support and Housing Administration (SSHA) reported net under-spending of \$0.591 million or 0.9% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of lower than planned gross expenditures of \$15.919 million or 8.7%, primarily due to delays in the Social Housing Federal stimulus project transfers of \$10.160 million for milestone achievements and delays in funding third party grants to support homelessness of \$4.700 million for timing of grant approvals. Revenues are \$15.223 million or 12.6% lower than planned for the first quarter, primarily resulting from delays in the distribution of stimulus grants and funding grants for Housing and Homelessness due to the timing of the grant approval process that awards funding to third party providers. Savings were also realized in Hostel Services from the decrease in bed nights and in other programs salary and benefits from the timing of hiring for vacant positions.

SSHA is forecasting to be at budget by year-end.

Toronto Employment and Social Services (TESS) was under-spent by \$0.835 million or 1.8% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of lower than planned gross expenditures of \$11.181 million or 3.9% and lower than planned revenue of \$10.317 million or 4.3% primarily due to a lower caseload and lower special diet expenditures.

TESS forecasts a year-end net variance of \$3.668 million or 1.9% under the 2012 Approved Net Operating Budget due to lower social assistance costs (case mix includes a higher proportion of singles as compared to families) and lower special diet expenditures.

Citizen Centred Services “B”

As indicated in Table 3 below, Citizen Centred Services “B” Programs collectively reported net under-spending of \$8.584 million or 6.1% for the three months ended March 31, 2012, and projects an under-expenditure of \$5.244 million or 0.9% of the 2012 Approved Net Operating Budget by year-end. Major causes of the variances are discussed below:

Table 3 Citizen Centred Services "B" Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
City Planning	(3.6)	(0.4)
Fire Services	(0.7)	0.0
Municipal Licensing & Standards	0.0	(0.9)
Policy, Planning, Finance and Administration	(0.2)	(0.2)
Technical Services	(1.0)	(0.0)
Toronto Building	(6.0)	(3.1)
Toronto Environment Office	(0.1)	(0.1)
Transportation Services	3.0	(0.5)
Total	(8.6)	(5.2)

City Planning experienced a net under-spending of \$3.552 million or 126.7% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of lower than planned gross expenditures of \$0.326 million or 3.9% due to savings in salaries and benefits of \$0.404 million resulting from 41 vacant positions, which is partially off-set by higher spending in non-payroll expenditures of \$0.118 million. The Program is committed to bringing staffing levels up to more sustainable levels in order to address workload pressures in 2012. As well, revenues have exceeded planned estimates by \$3.226 million or 59%, mainly due to higher than expected development application intake. March volume exceeded historical monthly

average of \$1.500 million and contributed to more than 54% of total first quarter revenue alone. The key drivers are the 30% development charge increase effective April 1, 2012 and other increases in development related fees. This trend will likely not be sustainable into the rest of 2012.

City Planning projects to be \$0.371 million or 2.8% under the 2012 Approved Net Operating Budget due to savings in salaries and benefits arising from hiring delays.

Toronto Fire Services (TFS) was under-spent by \$0.720 million net or 0.9% of planned expenditures for the three-month period ended March 31, 2012. The variance was driven by lower than planned gross expenditures of \$0.122 or 0.1% mainly due to non-salary expenditures (materials, supplies and contracted services) and higher than planned revenues of \$0.598 or 14.8% including unbudgeted recoveries from Toronto Hydro for radio services and receipt of outstanding recoveries for chargeable false alarms.

TFS forecasts to be on budget by year-end at this time.

Municipal Licensing and Standards (MLS) reported a net over-expenditure of \$0.042 million or 1.8% of planned expenditures for the three-month period ended March 31, 2012. This is primarily the result of \$0.443 million for salaries and benefits due to on-going staff vacancies. This variance is partially off-set by non-salary accounts which were over-spent by \$0.326 million mainly for material and supplies, contracted services and for earlier than planned contributions to the insurance and fleet reserves. As of March 31, 2012 MLS revenues were \$0.159 million or 2.3% lower than planned primarily due to under-achieved dog and cat and business licences revenue of \$0.405 million. This under-achieved revenue is partially off-set by increased revenue of \$0.246 million from donations.

For year-end, MLS is projecting to be \$0.908 million or 4.7% under the 2012 Approved Net Operating Budget. This is primarily due to maintaining additional position vacancies, which off-set lower than expected volumes of dog and cat licences. Revenue projections for dog and cat licences will be reviewed as part of the 2013 Operating Budget process.

Toronto Building was under-spent by \$6.046 million net or 179.7% of planned expenditures for the three-month period ended March 31, 2012. The variance was driven by higher than planned revenues of \$6.411 million or 50%, mainly due to the sustained high volume of permit application intake experienced in December 2011. The impact was most significant in February, driven by expected development charge increases throughout the year. Gross expenditures were lower than planned by \$0.364 million or 4.0% due to delayed insurance reserve contributions of \$1.241 million, which is mostly offset by \$0.904 million savings in salaries and benefits from high level of vacancies.

Toronto Building forecasts year-end under-spending of \$3.100 million or 28.9% of the 2012 Approved Net Operating Budget due to increased revenues arising from a high level of permit application intake, as well as savings in salaries and benefits resulting from Program vacancies.

Transportation Services (TP) reported net over-spending of \$3.024 million or 6.3% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of higher

than planned gross expenditures of \$0.165 million or 0.3% mainly due to higher contributions to the Vehicle Reserve to accommodate fleet replacement requirements and a lower than planned revenue of \$2.859 million or 17.2% from parking permit fees.

Transportation Services is forecasting a year-end net variance of \$0.491 million or 0.2% of the 2012 Approved Net Operating Budget due to savings in salaries and benefits arising from hiring delays of \$2.477 million and other non-salary expenditure savings of \$5.630 million, which will be partially off-set by lower than budgeted revenues from utility cut repairs of \$3.845 million, interdivisional recoveries of \$1.204 million and parking permit revenue fees of \$2.567 million.

Internal Services

As shown in Table 4 below, during the three months ended March 31, 2012, Internal Services Programs collectively reported a net under-expenditure of \$2.436 million or 4.0%, and projects a year-end under-spending of \$4.223 million or 2.8% compared to the 2012 Approved Operating Net Budget due to the following:

Table 4 Internal Services Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Office of the Chief Financial Officer	(0.0)	(0.1)
Office of the Treasurer	(0.3)	(1.1)
Facilities Management & Real Estate	1.1	(0.5)
Fleet Services	(0.0)	0.1
Information & Technology	(3.2)	(2.6)
Total	(2.4)	(4.2)

The **Office of the Treasurer** reported net under-spending of \$0.299 million or 5.9% of planned expenditures for the three-month period ended March 31, 2012. The variance was driven by lower than planned gross expenditures of \$2.366 million or 14.1% due to savings in salaries and benefits of \$1.551 million arising from hiring delays and lower hardware and software maintenance costs (recoveries) of \$0.815 million. Revenues were under-achieved by \$2.100 million as a result of the delays in corporate (MLTT and Pandemic warehousing) and capital initiatives.

The Office of the Treasurer forecasts a year-end net variance of \$1.080 million or 4.1% under the 2012 Approved Net Operating Budget mainly due to salary savings of \$0.900 million related to delays in filling corporate (MLTT and Pandemic warehousing), capital and operating positions.

Facilities Management and Real Estate (FMRE) experienced a net over-spending of \$1.127 million or 4.5% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of higher than planned gross expenditures of \$0.580 million or 1.6% due to a timing issue in paying property taxes for the first quarter of the year off-set by lower than anticipated utility costs and under-spending in contracted services. Revenue is \$0.548 million or 5.2% lower than anticipated due to delays in collecting Transit Expansion recoveries and delays in service maintenance contract billings.

FMRE forecasts a year-end net variance of \$0.535 million or 1.0% under the 2012 Approved Net Operating Budget due to anticipated utility savings expected to be realized throughout the year.

Fleet Services was under-spent by \$0.045 million net or 1.8% of planned expenditures for the three-month period ended March 31, 2012. This was primarily due to savings of \$0.120 million in salaries and benefits resulting from the timing of hiring for vacant positions and additional gapping achieved, off-set by a net over-expenditure of \$0.067 million from the delay in the implementation of the re-engineering parts warehouse process as well as under-spending in contracted services.

Fleet Services is projecting a net over-expenditure of \$0.079 million by year-end. Savings for the outsourcing of parts warehouse management were included in the 2012 Approved Operating Budget for Fleet Services. However, as a result of Committee delays in approving the contract award, the full savings will not be realized. It is anticipated that the outsourcing of parts warehouse management will be implemented in the second half of 2012.

Information and Technology reported a net under-expenditure of \$3.204 million or 11.8% of planned expenditures for the three-month period ended March 31, 2012. The gross expenditures are above budget by \$0.624 million or 2.3% resulting from higher than anticipated hardware and software maintenance cost, which is partially off-set by salary savings resulting from delayed hiring for vacant positions. The higher than planned revenue of \$3.828 million is due to the acceleration of invoicing and collection of internal revenues in accordance with client requirements, prior to the planned timeline.

Information and Technology is forecasting to be \$2.625 million or 4.1% under the 2012 Approved Net Operating Budget due to salary savings of \$2.100 million arising from hiring delays, combined with savings of \$0.525 million in software maintenance costs resulting from the implementation of new vendor products for enterprise systems management.

City Manager's Office

The **City Manager's Office** reported net under-spending of \$0.682 million or 9.0% of planned expenditures for the three-month period ended March 31, 2012m, as outlined in Table 5. The variance consisted of lower than planned gross expenditures of \$0.994 million or 10.3%, mainly arising from salary and benefit savings as a result of delayed hiring and implementation of capital projects. Revenues are under-achieved in the amount of \$0.312 million or 14.7% due to lower capital recoveries from delayed implementation of some projects.

The City Manager's Office forecasts a year-end net variance of \$0.767 million or 2.2% under the 2012 Approved Net Operating Budget due primary to full year savings from delayed hiring for vacant positions.

Table 5 City Manager Office Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
City Manager's Office	(0.7)	(0.8)

Other City Programs

Other City Programs (see Table 6 below) reported a net over-expenditure of \$0.431 million or 2.6% above planned expenditures for the three-month period ended March 31, 2012; and projects a year-end over-expenditure of \$0.166 million or 0.2% compared to the 2012 Approved Net Operating Budget.

Table 6 Other City Programs Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
City Clerk's Office	0.1	0.0
Legal Services	0.8	0.2
Mayor's Office	(0.0)	0.0
City Council	(0.4)	0.0
Total	0.4	0.2

Legal Services reported net over-spending of \$0.792 million or 17.2% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of higher than planned gross expenditures of \$1.332 million which reflect over-spending of \$0.756 million for professional and technical services which includes additional litigation work and interdepartmental charges of \$0.300 million. This over-spending is partially off-set by higher than planned revenues of \$0.540 million from Solid Waste Management Services, Facilities Management and Real Estate and claims.

Legal Services is projecting to be \$0.166 million or 0.9% over its 2012 Approved Net Operating Budget at year-end.

Accountability Offices

Accountability Offices collectively realized a net under-expenditure of \$0.140 million or 9.7% below planned expenditures for the three-month period ended March, 2012. Overall, these Offices project under-spending of \$0.116 million or 1.7% of their 2012 Approved Net Operating Budget at year-end.

Table 7 Accountability Offices Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Auditor General's Office	(0.0)	(0.1)
Integrity Commissioner's Office	(0.0)	0.0
Lobbyist Registrar's Office	(0.1)	0.0
Ombudsman's Office	(0.0)	0.0
Total	(0.1)	(0.1)

Agencies

Agencies collectively reported a favourable variance of \$10.469 million or 2.8% below planned net expenditures for the three-month period ended March 31, 2012 and project an under-expenditure at year-end of \$4.574 million or 0.3% compared to the 2012 Approved Net Operating Budget mainly due to increased ridership revenues for the Toronto Transit Commission, outlined in Table 8 below.

Table 8 Agencies Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Toronto Public Health	(0.2)	(0.7)
Toronto Public Library	(0.1)	0.0
Association of Community Centres	(0.0)	0.1
Exhibition Place	(0.0)	(0.0)
Heritage Toronto	(0.2)	0.0
Theatres	0.5	0.9
Toronto Zoo	(1.0)	0.0
Arena Boards of Management	(0.8)	(0.0)
Yonge Dundas Square	(0.0)	(0.0)
Toronto & Region Conservation Authority	0.0	0.0
Toronto Transit Commission - Conventional	(6.5)	(3.3)
Toronto Transit Commission - Wheel Trans	(1.6)	0.0
Toronto Police Service	(0.4)	(1.6)
Toronto Police Services Board	0.0	0.0
Total	(10.5)	(4.6)

Toronto Public Health (TPH) experienced net under-spending of \$0.205 million or 2.2% of planned expenditures for the three-month period ended March 31, 2012. This is primarily due to lower than planned gross expenditures of \$2.662 million or 5.4% attributable to under spending in salaries and benefits due to delayed hiring of vacant positions in Provincially cost-shared and 100% funded programs. The gross under-spending resulted in a corresponding reduction in Provincial subsidies.

TPH is projecting to be \$0.696 million or 1.5% under the 2012 Approved Net Operating Budget due to savings in salaries and benefits arising from hiring delays at year-end.

Sony Centre for the Performing Arts, Toronto Centre for the Arts, St. Lawrence Centre for the Arts (Theatres) reported net over-spending of \$0.527 million or 105.3% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of lower than planned gross expenditures for all three Theatres totalling \$1.332 million or 21.2%, and a lower than planned revenue for all three Theatres totalling \$1.977 million or 32.2% resulting from show cancellations, reduced programming and lower than expected facility utilization.

Theatres forecast a year-end net variance of \$0.903 million or 30.5% over the 2012 Approved Net Operating Budget.

Toronto Zoo experienced net under-spending of \$0.983 million or 16.7% of planned expenditures for the three-month period ended March 31, 2012. The variance consisted of lower than planned gross expenditures of \$0.123 million or 1.4% due to timing of re-hiring spring seasonal positions and a higher than planned revenue of \$0.861 million or 32.3% from increased attendance due to unseasonably warmer weather.

Toronto Zoo is projecting to be on budget by year-end at this time.

Toronto Transit Commission (TTC) reported a net under-spending of \$8.155 million or 7.4% (Conventional and Wheel-Trans combined) of planned expenditures for the three-month period ended March 31, 2012. This favourable variance is the result of higher than planned revenue of \$3.101 million or 1.2% due to greater than expected ridership results to date with 126.7 million riders versus a budget of 123.9 million. The Commission also experienced lower than planned gross expenditures of \$5.054 million or 1.3% due to lower diesel fuel prices; reduced natural gas rates; as well as reduced consumption owing to the warmer winter weather as well as lower demand for Wheel-Trans services coupled with shorter trip lengths for its contracted taxi service.

TTC is forecasting a year-end net favourable variance of \$3.3 million or 0.7% under the 2012 Approved Net Operating Budget due to projected TTC ridership level of 512 million, which is 9 million greater than budgeted. Ridership revenue is projected to be \$9.0 million above budget but will be partially off-set by increased costs of \$5.7 million for bus maintenance and labour expenses.

Toronto Police Service (TPS) reported net under-spending of \$0.400 million or 0.2% of planned expenditures for the three-month period ended March 31, 2012. This under expenditure is driven by lower than planned salary and benefit expenditures of \$0.225 million or 0.1% due to the larger number of members on unpaid leave; and a higher than budgeted revenue of \$0.175 million or 1.8% due to greater than planned fees and recoveries.

TPS is projecting a year-end net favourable variance of \$1.649 million or 0.2% under the 2012 Approved Net Operating Budget of \$935,693 million including a pending in-year adjustment for the senior officer's salary settlement. This projected under expenditure consists of projected lower than planned spending on uniform officer salaries of \$0.500 million, lower than planned spending on fuel costs of \$0.400 million, and higher than planned user fee revenues of \$0.700 million.

Corporate Accounts

Corporate Accounts experienced a net favourable variance of \$46.026 million or 37.3% of planned expenditures for the three-month period ended March 31, 2012. Projections to year-end report a favourable variance of \$71.240 million or 40.3% under the 2012 Approved Net Operating Budget, as noted below:

Table 9 Corporate Accounts Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Capital & Corporate Financing	0.0	0.0
Non-Program Expenditures	(27.5)	(26.3)
Non-Program Revenues	(18.5)	(44.9)
Total	(46.0)	(71.2)

Non-Program Expenditures were under-spent by \$27.481 million or 28.7% of planned expenditures for the three-month period ended March 31, 2012. The favourable variance is largely driven by under-expenditures for unsettled negotiated annual increases for Fire Services, Toronto Transit Commission, and City management/non-union staff plus savings arising from negotiated settlement of 0% for CUPE Local 416 and Local 79 totalling \$26.910 million. These savings are partially off-set by unbudgeted spending of \$1.039 million largely for corporate contingencies in preparation of potential labour disruption in the winter of 2012.

Forecasted Non-Program Expenditures reflect a net under-expenditure of \$26.301 million or 4.7% at year-end. The year-end under spending projection is due primarily to negotiated wage savings for CUPE Local 416 and Local 79 staff salaries in the amount of \$27.738 million partially offset by \$1.563 million spent in preparation of the potential labour disruption in the winter of 2012. It should be noted that the wage savings will be earmarked to fund the one-time negotiated 1.5% lump sum payment for CUPE Local 79 and Local 416 staff in 2013.

Non-Program Revenues realized a favourable variance of \$18.545 million or 7.3% above planned revenues for the period ended March 31, 2012. The increase in revenues is primary driven by the following:

- \$17.011 million in additional revenues from the Municipal Land Transfer Tax.
- Higher than planned revenues from Toronto Hydro of \$2.966 million.

Dividends received from Build Toronto (\$20.0 million), Enwave (\$6.055 million) and the Toronto Portlands Company Limited (\$40.0 million) will be transferred to the capital reserve as per the capital financing strategy approved in the Capital Budget and will therefore have no impact on the current and projected year-end variance.

Given the performance in the first quarter and subsequently as of writing of this report staff are projecting MLTT net revenues will hit \$330.0 million by year-end which will result in a Non-Program Revenues forecasted favourable variance of \$44.939 million. Council should be cautioned that if a major correction to the real estate market occurs this will change the forecast.

Rate Supported Programs

Rate Supported Programs, which include Solid Waste Management Services, Toronto Parking Authority and Toronto Water, collectively reported a net over-expenditure of \$4.112 million for the three-month period ended March 31, 2012 and are projecting an under-expenditure at year-end of \$0.461 million or 0.8% compared to the 2012 Approved Net Operating Budget, as outlined in Table 10 below.

Table 10 Non Levy Operations Net Expenditure Variance (\$ Million)		
	March 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Solid Waste Management Services	0.5	0.0
Toronto Parking Authority	0.0	0.0
Toronto Water	3.6	(0.5)
Total	4.1	(0.5)

Solid Waste Management Services (SWMS) reported net over-spending of \$0.498 million or 4.7% of planned expenditures for the three-month period ended March 31, 2012. This unfavourable variance is primarily due to lower than planned salary and benefit expenditures of \$5.195 million for temporary seasonal workers, as well as lower than planned expenditures of \$2.167 million for inter-departmental charges and payments-in-lieu of taxes. These under-expenditures are off-set by \$6.056 million in greater than planned contributions to the fleet reserve and assignment of debt charges for Green Lane operations.

As of March 31, 2012, revenue was 7.0% or \$2.465 million lower than planned primarily due to slower receipt of residential volume based user fees, which will occur later in the year. This revenue variance is partially off-set by unexpected revenue of \$0.325 million from the disposal of biosolids from Toronto Water due to lower demand for external agricultural purposes.

For year-end, SWMS is projecting to be on budget for both expenditures and revenues. This is mainly dependent on maintaining collection, processing, transfer and disposal tonnages for organics, recyclable material and residual waste as projected for the year and achieving projected revenue mainly from volume based user fees (bin fees) and sales of recyclable materials. Both of these determinants in 2012 will be dependent on the volume of waste produced and broader resale markets for commodities.

Toronto Water reported net over-spending of \$3.613 million of planned expenditures for the three-month period ended March 31, 2012. The variance is primarily driven by lower than planned gross expenditures of \$4.811 million or 2.3% mainly due to \$3.400 million in salary and

benefit savings arising from vacancies and \$2.100 million in under-spending for hydro costs, due to latter than planned invoice payments. Expenditure savings are entirely off-set by lower than planned revenue of \$8.425 million or 4.0%, due to continued lower water consumption levels arising from water efficiency.

Toronto Water is forecasting to be \$0.461 million under the 2012 Approved Net Operating Budget due to expenditure savings of \$14.634 million, primarily in salaries and benefits arising from hiring delays, which will be off-set by lower than anticipated revenues of \$14.173 million mainly from a projected under-realization of revenues for sale of water and wastewater surcharge.