

**Operating Variance Report for the Nine-Month Period  
Ended September 30, 2012**

<b>Date:</b>	January 7, 2013
<b>To:</b>	Budget Committee
<b>From:</b>	Acting Deputy City Manager and Chief Financial Officer
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2013\Internal Services\Fp\Bc13004Fp (AFS #16841)

**SUMMARY**

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The purpose of this report is to provide Council with the City of Toronto Operating Variance for the nine-month period ended September 30, 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.

For the nine-month period ending September 30, 2012, Tax Supported Operations' net expenditures were under-spent by \$258.984 million or 9.9% of planned expenditures and projections indicate that the 2012 year-end net under-expenditure is anticipated to be \$166.204 or 4.5% million of the 2012 Approved Net Operating Budget, after the Deputy City Manager and Chief Financial Officer adjustments is accordance with Council's Surplus Management Policy. The \$166.204 or 4.5% million is largely driven by salary savings in City Operations, higher than budgeted TTC ridership and higher anticipated Non-Program Tax Revenues.

Rate Supported Programs were under-spent by \$0.652 million or 0.9% compared to net planned expenditures for the nine-month period ended September 30, 2012 and project year-end under-spending of \$5.586 million or 9.9% of the 2012 Approved Net Operating Budget, primarily driven by Toronto Water's under-expenditure in salaries and benefits from delayed hiring of vacant positions.

Staff will report the final year-end financial results for 2012 in the spring of 2013 after the financial audit is completed. The Deputy City Manager and Chief Financial Officer

will allocate any final year-end favourable variance in accordance with the Council approved Surplus Management Policy.

## RECOMMENDATIONS

The Acting 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 gross expenditures and revenues of \$10.138 million, and no impact to the 2012 Approved Net Operating Budget.
2. City Council transfer \$17.175 million gross and \$14.224 million net of the savings realized from the 2012 collective agreements with CUPE Local 416 and Local 79 to the Tax Rate Stabilization Reserve to be used in the 2013 Non-Program Expenditure Budget to fund the 2013 1.50% one-time non-base non-pensionable lump sum payment including the legislative employer health tax.
3. City Council earmark up to \$22.500 million of the projected 2012 one-time Third Party Sign Tax retroactive revenue in the Tax Rate Stabilization Reserve to fund a multi-year strategy to phase in an increase to the City of Toronto's per capita cultural funding pending final year-end audited results and a detailed multi-year strategy from the Deputy City Manager and Chief Financial Officer and General Manager of Economic Development and Culture.

## FINANCIAL IMPACT

As shown in Table 1 below, Tax Supported Operations' net expenditures were under-spent by \$258.984 million or 9.9% of planned expenditures for the nine-month period ended September 30, 2012 and projections indicate that the 2012 year-end net under-expenditure is anticipated to be \$232.467 million or 6.3% based on the most current information.

<b>Table 1</b>		
<b>Tax Supported Net Expenditure Variance (\$ Millions)</b>		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Citizen Centred Services "A"	(20.0)	(26.9)
Citizen Centred Services "B"	(29.4)	(13.4)
Internal Services	(7.4)	(7.0)
City Manager	(0.5)	(1.6)
Other City Programs	(2.2)	(2.2)
Council Appointed Programs	(0.4)	(0.6)
Total - City Operations	(59.9)	(51.7)
Agencies, Boards and Commissions	(29.8)	(52.4)
Corporate Accounts	(169.3)	(128.4)
Sub-Total	(199.0)	(180.8)
Total Variance	(259.0)	(232.5)

Lower than planned Ontario Works caseload, supportive housing and winter maintenance costs plus under-spending in salaries and benefits experienced in most Programs arising from delayed hiring of vacant positions has resulted in **City Operations** being under-spent by \$59.940 million by September 30, 2012 and projecting to be under-spent by \$51.655 million by year-end.

**Agencies** reported an under-expenditure of \$29.784 million at the end of the third quarter and are projecting a year-end favourable variance of \$52.405 million primarily driven by higher than budgeted TTC ridership and lower diesel fuel costs; lower than budgeted salary, fuel and telephone costs together with higher revenues in Toronto Police Service as well as salary savings realized by the Toronto Public Library arising from the labour disruption and negotiated wage settlement in March 2012.

**Corporate Accounts** were under-spent by \$169.260 million as of September 30, 2012 and are projected to be under-spent by \$128.407 million by year-end. The year-end favourable variance is primarily attributed to lower than planned capital financing costs of \$10 million due to reduced borrowing and favourable interest rates; lower net expenditures of \$16.1 million largely due to salary savings realized from the negotiated wage settlement with CUPE Locals 416 and 79 and lower Solid Waste Management Rebates, partially offset by increased Tax Deficiencies/Writeoffs and a \$102 million in higher than budgeted Municipal Land Transfer Taxes (\$51.710 million), Interest/Investment Earnings (\$15.000 million), additional Payment in Lieu of Taxes (\$19.984 million) and the collection of retroactive Third Party Sign Tax payments resulting from the Supreme Court Decision's in November 2012 to not grant leave to appeal the Ontario Court of Appeal decision that the Tax could be applied to all signs regardless of installation date.

Rate Supported Programs were under-spent by \$0.652 million or 0.9% compared to net planned expenditures for the nine-month period ended September 30, 2012 and project year-end under-spending of \$5.586 million or 9.9% of the 2012 Approved Net Operating Budget.

The 2012 projected year-end positive variance of \$232.467 million is set out in Table 2 below. After accounting for the recommended transfer of 2012 salary savings of \$17.175 million gross and \$14.224 million net to the Tax Stabilization Reserve to fund the 2013 one-time lump sum payment (\$13.952 million net) and employer health tax (\$0.272 million net) in the 2013 Recommended Operating Budget and earmarking of the projected 2012 one-time Third Party Sign Tax retroactive revenue of up to \$22.500 million in the Tax Stabilization Reserve to fund a multi-year strategy for cultural initiatives, the projected year-end positive variance is \$195.743 million net.

As outlined in Table 2 below, the Deputy City Manager and Chief Financial Officer will allocate \$29.539 million to "top-up" underfunded liabilities and/or reserve funds and will be distributing the final positive variance in accordance with the Surplus Management Policy approved by Council in 2004 which states that the surplus be applied in priority order to the following:

- a) Capital Financing Reserve (at least 75% of the surplus) and,
- b) The remainder to fund any underfunded liabilities and/or reserve funds as determined by the Deputy City Manager and Chief Financial Officer.

This strategy will ensure that the capital program is properly funded, reduce debt charge increases and protect the City against adverse economic risks.

Staff will report out the final year-end financial results for 2012 in the spring of 2013 after the financial audit is completed.

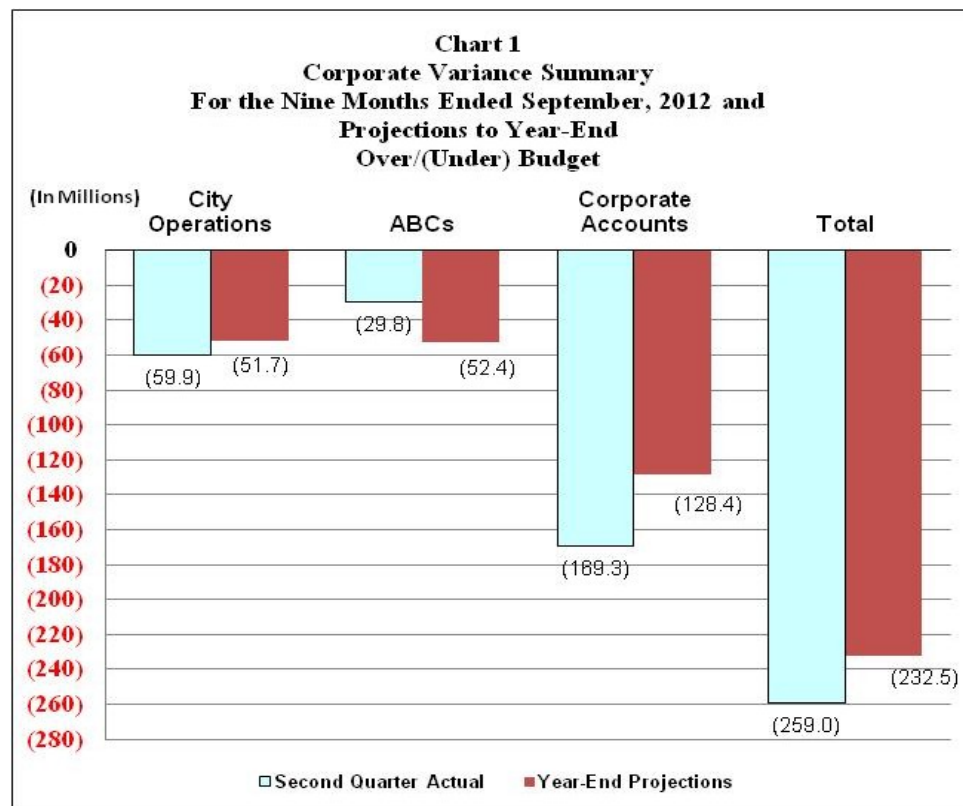
<b>Table 2</b>	
<b>2012 Year-End Net Operating Projections (\$ Millions)</b>	
<b>Year-End Operating Projection - Tax Supported Programs</b>	<b>(232.467)</b>
<b>Recommended Adjustments:</b>	
CUPE Local 416 and Local 79 One-Time Lump Sum Payment (1.50%) and Employer Health Tax (1.95%)	14.224
Transfer Projected One-Time Third Party Sign Tax Retroactive Revenue to the Tax Rate Stabilization Reserve for Culture Programs	22.500
<b>Sub-Total Recommended Adjustments</b>	<b>36.724</b>
<b>Deputy City Manager and Chief Financial Officer Adjustments:</b>	
Social Assistance Stabilization Reserve - Mitigate Future Funding Pressures	11.500
Social Housing Stabilization Reserve - Mitigate Future Funding Pressures	1.500
Transportation Services Extreme Weather Reserve - Ensure Funding for Extreme Weather Events	8.000
Sick Leave Reserve Fund - Mitigate Future Funding Pressures For Toronto Police Service	6.500
Exhibition Place Stabilization Reserve - Assist with the Canadian National Exhibition Association (CNEA)	1.039
Council Severance Cost Reserve - Fund Future Severance Costs For City Council Staff	1.000
<b>Sub-Total Deputy City Manager and Chief Financial Officer Adjustments</b>	<b>29.539</b>
<b>Positive Variance (Remaining)/Shortfall</b>	<b>(166.204)</b>

Appendices A, B and C attached summarize net expenditures, gross expenditures, and revenues, respectively. Appendix D provides the in-year budget adjustments for the third quarter ended September 30, 2012. Appendix E provides detailed variance explanations for City Programs and Agencies for the nine months ended September 30, 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 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management principles.

## COMMENTS



### Tax Supported Programs

*City Operations* realized net under-spending of \$59.940 million or 4.2% of planned expenditures for the nine-month period ended September 30, 2012 and forecasts to be below the 2012 Approved Net Operating Budget by \$51.655 million or 2.8% at year-end. Major contributors to the projected year-end net under-spending include the following:

- Toronto Employment and Social Services' net under-spending of \$11.507 million or 5.8% due largely to savings from lower than budgeted caseload, caseload mix and special diet expenditures.
- Transportation Services' net under-spending of \$8.0 million or 3.9% from lower than budgeted gross expenditures of \$15.0 million largely due to salary and benefits savings of \$5.0 million from delays in filling vacant positions and \$10.0 million mainly for projected savings in the winter maintenance program. These lower net expenditures are partially off-set by projected lower than budgeted recoveries from reserve funds related to transit shelter, road and sidewalk repair (\$7.0 million) based on reduced annual expenditures.
- Parks, Forestry and Recreation's net under-spending of \$7.0 million or 2.6% driven largely by savings from seasonal salaries and benefits, materials and supplies, as well as implemented efficiencies in various recreational program areas such as summer camps.

- Long Term Care Homes and Services' net under-spending of \$4.9 million or 10.7% resulting from lower than planned year-end expenditures of \$9.109 million or 4.0% and revenues of \$4.209 million or 2.3% due to projected lower than budgeted claims-based expenditures such as Supportive Housing and high intensity needs.
- Information and Technology's net under-spending of \$4.263 million or 6.6% resulting from lower than planned gross expenditures of \$14.749 million owing to delays in filling vacant positions and savings in hardware and software maintenance costs. These savings are partially off-set by lower than forecasted recoveries of \$10.486 million mainly from delays in filling capital funded positions.
- City Planning's net under-spending of \$2.732 million or 20.3% from lower than planned expenditures of \$2.720 million owing largely to delays in filling vacant positions.

*Agencies* reported net under-spending of \$29.784 million or 2.6% of planned expenditures for the nine months ended September 30, 2012. The variance was driven primarily by the Toronto Transit Commission's combined services which reported \$18.309 million in net under-expenditures. This resulted from higher than planned revenue of \$13.442 million due to greater than planned ridership. The Commission also experienced lower than planned gross expenditures of \$4.868 million due to lower diesel fuel prices; reduced accident claim settlement costs; and, lower utilization of certain healthcare benefits as well as lower demand for Wheel-Trans services coupled with shorter trip lengths for its contracted taxi service.

In addition, the Toronto Police Service reported net under-spending of \$4.5 million driven by lower than planned salaries and benefits; materials; and, supplies combined with higher than budgeted revenue from fees and recoveries. The Toronto Public Library experienced net under-spending of \$3.906 million resulting largely from salary and benefit savings arising from the labour disruption in March of 2012. Exhibition Place reported net under-spending of \$1.660 million which consisted of lower than planned gross expenditure savings generated from Energy Retrofit Program (ERP) projects.

Agencies collectively forecast a net under-expenditure of \$52.405 million or 3.1% for the 2012 Approved Net Operating Budget by year-end. The projected year-end net under-spending will primarily result from the Toronto Transit Commission's combined services which are forecasting a positive variance of \$38.282 million. Ridership revenue is projected to be \$15.4 million above budget and diesel fuel, accident claim settlements, employee costs, hydro, utilities and labour rates are projected to be lower by \$21.2 million.

The Toronto Police Service is forecasting a year-end variance of \$7.962 million or 0.9% below the 2012 Approved Net Operating Budget due to savings from salaries and benefits; fuel; and, telephone costs. Revenues are also projected to be higher than planned from increased background check requests; paid duty administration fees; and, recoveries from overseas secondments. In addition, the Toronto Public Library is projecting a net under-spending of \$5.011 million by year-end, resulting largely from savings due to the March 2012 labour disruption and additional savings in salaries and benefits resulting from the 2012 Voluntary Separation Program.

**Corporate Accounts** experienced a net under-spending of \$169.260 million for the nine-month period ended September 30, 2012. Projections to year-end indicate that the Corporate Accounts will be \$128.407 million below the 2012 Approved Net Operating Budget, as noted below:

**Non-Program Expenditures** were under-spent by \$89.065 million or 22.8% of planned expenditures for the nine-month period ended September 30, 2012. The under-expenditure was largely driven by the unsettled union agreement for Fire Services plus savings arising from the 2012 negotiated wage settlements of 0% for CUPE Local 416 and Local 79. In addition, the negotiated wage settlement with Toronto Transit Commission's Local 113 is included in the year-to-date under-spending. Under-spending was also experienced for Solid Waste Management Rebates (\$4.053 million); Parking Tag and Enforcement Operations (\$1.961 million); and, Pandemic Influenza Stockpiling (\$1.001 million).

Forecasted Non-Program Expenditures reflect net under-spending of \$16.132 million or 3.1% at year-end. The projected under-expenditure is primarily due to negotiated wage savings for CUPE Local 416 and Local 79. Under-spending of \$4.392 million for Solid Waste Management Rebates is also projected by year-end. These savings will be partially off-set by planned over-spending for Tax Deficiencies/Write-Offs (\$11.554 million) due to higher than anticipated assessment and tax appeals. It should be noted that a portion of wage savings for CUPE Local 79 and Local 416 staff will be earmarked to fund the negotiated 1.5% one-time non-base non-pensionable lump sum payment and 1.95% increase to the employer health tax in 2013 totalling \$17.175 million gross and \$14.224 million net.

**Non-Program Revenues** realized a 2012 Approved Net Operating Budget variance of \$80.196 million or 10.2% above planned revenues for the period ended September 30, 2012. Projections to year-end indicate a favourable variance of \$102.275 million or 10.1% over the 2012 Approved Net Operating Budget. The projected year-end variance is attributed to the following:

- **Municipal Land Transfer Tax (MLTT):** A higher than expected number of property sales and values are anticipated to generate \$340.000 million in 2012, representing an overachievement of \$51.710 million or 17.9% compared to the 2012 Approved Budget of \$288.290 million.
- **Interest/Investment Earnings:** More robust cash flow during 2012, which allows more income being generated from short-term investments, combined with relatively favourable interest rates, will result in an extra \$15.000 million in Interest/Investment Earnings.
- **Payments in Lieu of Taxes:** Revenues are anticipated to be \$19.984 million higher than budget, largely on a one-time basis, primarily as a result of lower than anticipated appeals and the withdrawal of outstanding older appeals by the Assessment Review Board.
- **Third Party Sign Tax** revenues are forecasted to be \$22.500 million higher than the 2012 Approved Budget of \$1.582 million. The forecasted net positive variance for 2012 reflects the collection of retroactive Third Party Sign Taxes, now that the Supreme Court of Canada has not granted leave to appeal the Ontario Court of Appeal's decision on April 2, 2012 that the Third Party Sign Tax may be applied to all signs regardless of the date they were installed, enabling the City to retroactively bill for past due payments.

- **Toronto Hydro Revenue:** Revenues are projected to be \$2.966 million or 6.6% above the 2012 Approved Budget of \$45.000 million resulting from higher than planned Toronto Hydro net income for 2011.

The favourable year-end revenues noted above will be partially off-set by a decline in Supplementary Taxes of \$10.000 million or 20.0%.

## **Rate Supported Programs**

Rate Supported Programs were under-spent by \$0.652 million or 0.9% compared to net planned expenditures for the nine-month period ended September 30, 2012 and project year-end under-spending of \$5.586 million or 9.9% of the 2012 Approved Net Operating Budget.

The year-to-date net under-spending for Rate Supported Programs was driven by Toronto Water. **Toronto Water** reported net under-spending of \$7.901 million, resulting from lower than planned gross expenditures of \$20.084 million mainly due to delays in filling vacant positions and lower hydro costs. These expenditure savings were reduced by lower than planned revenue of \$12.184 million, reflecting continued lower water consumption trends arising from water efficiency measures.

The net savings noted above were partially off-set by both Solid Waste Management Services and the Toronto Parking Authority. **Solid Waste Management Services** reported an unfavourable net variance of \$4.709 million from lower than projected revenue of \$16.514 million which was partially compensated for by under-expenditures of \$11.804 million mainly comprised of savings in salaries and benefits from delays in filling vacant positions and laying-off of temporary seasonal staff in collections in preparation for the contracting out of District 2. The **Toronto Parking Authority** experienced a net expenditure variance of \$2.539 million below budget, largely due to unfavourable parking revenue variance of \$2.120 million. However, it is important to note that the 2012 Approved Operating Budget for the nine-month period ended September 30, 2012 includes a net revenue target of \$2.790 million, requiring the Authority to identify ongoing increased revenues above 2011 budget levels.

## **Budget Adjustments**

Council approval is required for the in-year budget adjustments detailed in Appendix D with off-setting reductions in gross expenditures and revenues of \$10.138 million, and no impact to the 2012 Approved Net Operating Budget. The major adjustments are outlined below.

### *Toronto Transit Commission*

The Toronto Transit Commission and Wheel-Trans 2012 year-end budgets and projected actuals include the Toronto Transit Commission and Wheel-Trans negotiated settlement with the Amalgamated Transit Union (ATU) Local 113. The Interest Arbitration awarded a 2% increase in each of 2011, 2012 and 2013. This report recommends that gross expenditures of \$38.791 million be transferred from the 2012 Non-Program Expenditure Budget to the Toronto Transit Commission (\$36.850 million) and Wheel-Trans (\$1.941 million) 2012 Approved Operating Budgets for the



negotiated wage settlement. This adjustment will have no net impact on the 2012 Approved Net Operating Budget.

#### *Development Application Review Process*

To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be re-directed to the various contributing Programs' 2012 Approved Operating Budgets. This report recommends that gross expenditures of \$0.150 million and revenues of \$4.698 million be transferred from the 2012 Non-Program Revenue Budget to the various contributing Programs' 2012 Approved Operating Budgets for the development application review process (DARP); as outlined in Appendix D. This adjustment will have no net impact on the 2012 Approved Net Operating Budget.

#### *2012 CUPE Local 416 and Local 79 Negotiated Settlements and 2013 One-Time Negotiated Costs*

City Council approved new collective agreements with CUPE Local 416 and Local 79 in 2012 for a 4 year term from January 1, 2012 to December 31, 2015. As part of the collective agreement, a 1.50% one-time non-base non-pensionable lump sum payment will be made to local members in 2013. In addition, changes to the fringe benefits for the employer health tax will increase by 1.95% in 2013. The settlement provides base wage increases in the second, third and fourth year of 0.5%, 1.75% and 2.25% respectively. This report recommends that \$17.175 million gross and \$14.224 million net of the savings realized in 2012 from the collective agreements with CUPE Local 416 and Local 79 be transferred to the Tax Stabilization Reserve and used to fund the one-time 1.50% lump sum payment of \$16.846 million gross and \$13.952 million net and the 1.95% increase in the employer health tax of \$0.329 million gross and \$0.272 million net in the 2013 Recommended Operating Budget.

#### *2012 Third Party Sign Tax Projected One-Time Retroactive Revenues*

Since its inception, Third Party Sign Tax revenues have been budgeted as general corporate revenues, albeit at a level based on the limited applicability of the Third Party Sign Tax pending a Supreme Court appeal. The forecasted net positive variance for 2012 reflects the collection of retroactive Third Party Sign Taxes, now that the Supreme Court of Canada has not granted leave to appeal the Ontario Court of Appeal's decision on April 2, 2012 that the Third Party Sign Tax may be applied to all signs regardless of the date they were installed, enabling the City to retroactively bill for past due payments.

This report recommends that City Council earmark up to \$22.500 million of the projected 2012 one-time Third Party Sign Tax retroactive revenue in the Tax Stabilization Reserve to fund a multi-year strategy to phase in an increase to the City of Toronto's per capita cultural funding pending final year-end audited results and a detailed multi-year strategy from the Deputy City Manager and Chief Financial Officer and General Manager of Economic Development and Culture.

### Consulting Costs

As at September 30, 2012, Tax and Rate Supported Operations reported actual consulting costs of \$3.507 million gross resulting in an under-expenditure of \$3.089 million gross or 46.8% of \$6.597 million in planned expenditures.

### Approved Positions

The City of Toronto budgets and monitors its staff complement based on Approved Positions. As at September 30, 2012, the City reported 43,665.0 full-time approved positions (41,199.1 permanent and 2,455.9 casual/seasonal) and 4,641.2 part-time approved positions (1,823.1 permanent and 2,818.2 casual/seasonal). This strength reflects 1,898.7 vacant positions representing 3.8% of the 2012 Council Approved Complement and is primarily attributed to the timing of hiring for vacant positions and seasonal fluctuations within City Program and Agency workforces.

### Utility Costs

As at September 30, 2012, Tax and Rate Supported Operations reported actual utility costs of \$123.389 million gross (compared to the planned expenditures of \$132.061 million gross) resulting in an under-expenditure of \$8.672 million gross or 6.6% compared to plan for the third quarter. The under-expenditure in utility costs was primarily the result of lower than planned consumption, predominantly in Toronto Water, Toronto Transit Commission and Facilities Management and Real Estate.

## **CONTACT**

Josie La Vita  
Director, Financial Planning  
Phone: 416-397-4229  
Fax: 416-397-4465  
Email: [jlavita@toronto.ca](mailto:jlavita@toronto.ca)

Andy Cui  
Manager, Financial Planning  
Phone: 416-397-4207  
Fax: 416-392-3649  
Email: [acui@toronto.ca](mailto:acui@toronto.ca)

## **SIGNATURE**

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Giuliana Carbone  
Acting Deputy City Manager and Chief Financial Officer

## **ATTACHMENTS**

Appendix A – City of Toronto Net Expenditures for Nine Months Ended September 30, 2012  
Appendix B – City of Toronto Gross Expenditures for Nine Months Ended September 30, 2012  
Appendix C – City of Toronto Revenues for Nine Months Ended September 30, 2012  
Appendix D – City of Toronto Budget Adjustments for Nine Months Ended September 30, 2012  
Appendix E – City of Toronto Significant City Programs/Agencies Variance Explanations



**CITY OF TORONTO**  
**CONSOLIDATED NET EXPENDITURES VARIANCE**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
**(\$000s)**

	September 30, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	1,127.2	1,127.2	(0.0)	0.0%	1,166.1	1,166.1	0.0	0.0%
Children's Services	64,246.1	64,246.1	(0.0)	0.0%	76,146.0	76,146.0	(0.0)	0.0%
Court Services	(2,465.8)	(2,511.0)	(45.2)	1.8%	(13,904.6)	(13,975.9)	(71.3)	0.5%
Economic Development & Culture	37,658.5	37,522.4	(136.1)	-0.4%	43,993.1	45,213.8	1,220.7	2.8%
Emergency Medical Services	43,815.9	43,842.9	27.0	0.1%	65,177.6	64,568.3	(609.3)	-0.9%
Long Term Care Homes and Services	29,198.5	28,575.6	(622.9)	-2.1%	45,654.0	40,754.0	(4,900.0)	-10.7%
Parks, Forestry & Recreation	207,465.3	201,465.3	(6,000.0)	-2.9%	272,596.4	265,596.4	(7,000.0)	-2.6%
Shelter, Support & Housing Administration	188,790.7	185,163.1	(3,627.6)	-1.9%	274,219.5	272,689.0	(1,530.5)	-0.6%
Social Development, Finance & Administration	20,581.2	20,683.2	102.0	0.5%	28,431.4	28,181.4	(250.0)	-0.9%
Toronto Employment & Social Services	147,278.9	139,951.6	(7,327.3)	-5.0%	198,156.1	186,649.0	(11,507.1)	-5.8%
311 Toronto	7,182.1	4,800.2	(2,381.9)	-33.2%	10,028.4	7,798.5	(2,229.9)	-22.2%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>744,878.5</b>	<b>724,866.5</b>	<b>(20,012.0)</b>	<b>-2.7%</b>	<b>1,001,664.0</b>	<b>974,786.6</b>	<b>(26,877.4)</b>	<b>-2.7%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	9,524.1	5,243.9	(4,280.2)	-44.9%	13,451.8	10,720.1	(2,731.7)	-20.3%
Fire Services	265,054.9	264,879.3	(175.6)	-0.1%	354,993.9	357,055.4	2,061.5	0.6%
Municipal Licensing & Standards	12,856.9	10,446.6	(2,410.3)	-18.7%	19,314.0	17,955.6	(1,358.4)	-7.0%
Policy, Planning, Finance and Administration	7,149.0	6,057.6	(1,091.3)	-15.3%	9,764.7	8,496.8	(1,267.9)	-13.0%
Technical Services	12,565.3	10,231.7	(2,333.6)	-18.6%	9,633.5	8,333.5	(1,300.0)	-13.5%
Toronto Building	(7,733.0)	(20,259.8)	(12,526.8)	162.0%	(10,715.3)	(10,715.3)	0.0	0.0%
Toronto Environment Office	1,856.9	1,524.7	(332.2)	-17.9%	2,585.5	1,778.7	(806.8)	-31.2%
Transportation Services	165,405.1	159,145.8	(6,259.3)	-3.8%	206,948.3	198,948.3	(8,000.0)	-3.9%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>466,679.1</b>	<b>437,269.9</b>	<b>(29,409.3)</b>	<b>-6.3%</b>	<b>605,976.4</b>	<b>592,573.1</b>	<b>(13,403.3)</b>	<b>-2.2%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	5,930.0	5,854.9	(75.1)	-1.3%	8,393.5	8,091.6	(301.9)	-3.6%
Office of the Treasurer	18,074.7	17,035.0	(1,039.7)	-5.8%	26,599.9	24,884.3	(1,715.6)	-6.4%
Facilities Management & Real Estate	59,358.4	59,154.1	(204.3)	-0.3%	54,548.3	54,199.3	(348.9)	-0.6%
Fleet Services	1,881.4	1,640.6	(240.8)	-12.8%	76.9	(283.1)	(360.0)	-468.1%
Information & Technology	57,345.4	51,520.1	(5,825.3)	-10.2%	64,329.7	60,067.0	(4,262.7)	-6.6%
<b>Sub-Total Internal Services</b>	<b>142,589.9</b>	<b>135,204.6</b>	<b>(7,385.3)</b>	<b>-5.2%</b>	<b>153,948.3</b>	<b>146,959.1</b>	<b>(6,989.1)</b>	<b>-4.5%</b>
<b>City Manager</b>								
City Manager's Office	25,006.4	24,527.4	(479.0)	-1.9%	37,277.3	35,677.3	(1,600.0)	-4.3%
<b>Sub-Total City Manager</b>	<b>25,006.4</b>	<b>24,527.4</b>	<b>(479.0)</b>	<b>-1.9%</b>	<b>37,277.3</b>	<b>35,677.3</b>	<b>(1,600.0)</b>	<b>-4.3%</b>
<b>Other City Programs</b>								
City Clerk's Office	21,124.6	21,151.6	27.0	0.1%	29,061.8	28,726.1	(335.7)	-1.2%
Legal Services	13,840.7	12,568.3	(1,272.3)	-9.2%	18,948.8	18,515.1	(433.7)	-2.3%
Mayor's Office	1,375.9	1,178.1	(197.8)	-14.4%	1,940.5	1,553.7	(386.8)	-19.9%
City Council	13,959.6	13,188.8	(770.8)	-5.5%	19,385.1	18,376.3	(1,008.8)	-5.2%
<b>Sub-Total Other City Programs</b>	<b>50,300.8</b>	<b>48,086.9</b>	<b>(2,213.9)</b>	<b>-4.4%</b>	<b>69,336.3</b>	<b>67,171.2</b>	<b>(2,165.1)</b>	<b>-3.1%</b>
<b>Accountability Offices</b>								
Auditor General's Office	3,049.8	2,766.1	(283.7)	-9.3%	4,354.4	3,983.0	(371.4)	-8.5%
Integrity Commissioner's Office	153.9	152.5	(1.4)	-0.9%	215.0	209.3	(5.7)	-2.6%
Lobbyist Registrar's Office	762.0	609.9	(152.1)	-20.0%	1,072.3	847.9	(224.4)	-20.9%
Ombudsman's Office	1,029.0	1,026.1	(2.9)	-0.3%	1,444.8	1,426.2	(18.6)	-1.3%
<b>Sub-Total Council Appointed Programs</b>	<b>4,994.7</b>	<b>4,554.6</b>	<b>(440.1)</b>	<b>-8.8%</b>	<b>7,086.5</b>	<b>6,466.4</b>	<b>(620.1)</b>	<b>-8.8%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>1,434,449.4</b>	<b>1,374,509.8</b>	<b>(59,939.6)</b>	<b>-4.2%</b>	<b>1,875,288.8</b>	<b>1,823,633.8</b>	<b>(51,655.0)</b>	<b>-2.8%</b>



**CITY OF TORONTO**  
**CONSOLIDATED NET EXPENDITURES VARIANCE**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
**(\$000s)**

Appendix A

	September 30, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	30,891.5	29,481.8	(1,409.7)	-4.6%	47,915.2	46,859.0	(1,056.3)	-2.2%
Toronto Public Library	117,864.8	113,958.4	(3,906.4)	-3.3%	164,778.3	159,767.2	(5,011.1)	-3.0%
Association of Community Centres	5,002.2	4,911.7	(90.5)	-1.8%	6,768.3	7,215.0	446.7	6.6%
Exhibition Place	(728.4)	(2,388.6)	(1,660.2)	227.9%	2.4	(1,036.8)	(1,039.2)	-43190.7%
Heritage Toronto	233.8	231.0	(2.8)	-1.2%	311.8	311.8	0.0	0.0%
Theatres	2,527.4	2,758.7	231.3	9.2%	2,981.0	3,624.1	643.1	21.6%
Toronto Zoo	5,728.0	5,665.3	(62.7)	-1.1%	11,110.7	11,064.7	(46.0)	-0.4%
Arena Boards of Management	(5.6)	13.7	19.3	-345.5%	(7.5)	94.3	101.8	-1364.1%
Yonge Dundas Square	347.9	255.5	(92.4)	-26.6%	463.7	263.8	(199.9)	-43.1%
Toronto & Region Conservation Authority	2,578.5	2,578.5	(0.0)	0.0%	3,206.4	3,206.4	0.0	0.0%
Toronto Transit Commission - Conventional	278,060.0	262,262.0	(15,798.0)	-5.7%	410,951.0	373,797.0	(37,154.0)	-9.0%
Toronto Transit Commission - Wheel Trans	71,189.0	68,677.0	(2,512.0)	-3.5%	96,823.0	95,695.0	(1,128.0)	-1.2%
Toronto Police Service	633,298.1	628,798.1	(4,500.0)	-0.7%	935,662.2	927,700.0	(7,962.2)	-0.9%
Toronto Police Services Board	1,844.1	1,844.1	0.0	0.0%	2,251.6	2,251.6	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>1,148,831.3</b>	<b>1,119,047.2</b>	<b>(29,784.1)</b>	<b>-2.6%</b>	<b>1,683,218.2</b>	<b>1,630,813.1</b>	<b>(52,405.0)</b>	<b>-3.1%</b>
<b>Corporate Accounts</b>								
Capital & Corporate Financing	436,634.2	436,634.2	0.0	0.0%	624,105.6	614,105.6	(10,000.0)	-1.6%
<b>Non-Program Expenditures</b>								
- Tax Deficiencies/Write-offs	40,342.7	40,349.5	6.8	0.0%	65,000.0	76,554.1	11,554.1	17.8%
- Assessment Function (MPAC)	28,630.5	28,558.2	(72.3)	-0.3%	38,174.0	38,078.5	(95.5)	-0.3%
- Temporary Borrowing	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Funding of Employee Related Liabilities	53,955.0	53,955.3	0.3	0.0%	71,940.5	71,941.5	1.0	0.0%
- Other Corporate Expenditures	89,953.5	8,004.1	(81,949.4)	-91.1%	73,242.8	50,216.9	(23,025.9)	-31.4%
- Insurance Premiums & Claims	255.0	255.0	0.0	0.0%	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	43,269.4	41,308.3	(1,961.1)	-4.5%	57,692.5	57,519.1	(173.4)	-0.3%
- Vacancy Rebate Program	16,500.0	16,465.6	(34.4)	-0.2%	22,000.0	22,000.0	0.0	0.0%
- Heritage Property Taxes Rebate	0.0	0.0	0.0	n/a	2,000.0	2,000.0	0.0	0.0%
- Solid Waste Management Rebates	116,654.6	112,601.4	(4,053.2)	-3.5%	182,391.9	178,000.0	(4,391.9)	-2.4%
- Pandemic Influenza Stockpiling	1,001.3	0.0	(1,001.3)	-100.0%	1,335.0	1,335.0	0.0	0.0%
<b>Non-Program Expenditures</b>	<b>390,561.9</b>	<b>301,497.4</b>	<b>(89,064.5)</b>	<b>-22.8%</b>	<b>514,076.7</b>	<b>497,945.1</b>	<b>(16,131.6)</b>	<b>-3.1%</b>
<b>Non-Program Revenue</b>								
- Payments in Lieu of Taxes	(92,200.0)	(92,195.0)	5.0	0.0%	(92,200.0)	(112,184.4)	(19,984.4)	21.7%
- Supplementary Taxes	(23,950.0)	(13,010.0)	10,940.0	-45.7%	(50,000.0)	(40,000.0)	10,000.0	-20.0%
- Tax Penalties	(22,408.7)	(24,031.1)	(1,622.4)	7.2%	(29,000.0)	(29,000.0)	0.0	0.0%
- Interest/Investment Earnings	(95,967.4)	(123,983.4)	(28,016.0)	29.2%	(113,623.1)	(128,623.1)	(15,000.0)	13.2%
- Prior Year Surplus	(76,311.5)	(76,311.5)	0.0	0.0%	(101,748.7)	(101,748.7)	0.0	0.0%
- Other Corporate Revenues	(6,500.4)	(8,325.4)	(1,825.0)	28.1%	(7,627.6)	(8,172.6)	(545.0)	7.1%
- Toronto Hydro Revenues	(33,750.0)	(40,966.0)	(7,216.0)	21.4%	(45,000.0)	(47,966.0)	(2,966.0)	6.6%
- Provincial Revenue	(68,700.0)	(68,700.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
- Municipal Land Transfer Tax	(219,100.2)	(260,373.3)	(41,273.1)	18.8%	(288,289.7)	(340,000.0)	(51,710.3)	17.9%
- Personal Vehicle Tax	0.0	(33.5)	(33.5)	n/a	0.0	(33.5)	(33.5)	n/a
- Third Party Sign Tax	(1,186.1)	(14,252.5)	(13,066.4)	1101.6%	(1,581.5)	(24,081.5)	(22,500.0)	1422.7%
- Parking Authority Revenues	(33,236.3)	(31,331.8)	1,904.5	-5.7%	(44,315.0)	(44,051.3)	263.7	-0.6%
- Administrative Support Recoveries - Water	(14,229.8)	(14,229.8)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	(12,245.0)	(12,245.0)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
- Parking Tag Enforcement & Oper.	(60,487.1)	(60,480.1)	7.0	0.0%	(80,649.4)	(80,649.4)	0.0	0.0%
- Other Tax Revenues	(14,395.0)	(14,194.8)	200.2	-1.4%	(14,395.0)	(14,194.8)	200.2	-1.4%
- Woodbine Slots	(11,175.0)	(11,374.9)	(199.9)	1.8%	(14,900.0)	(14,900.0)	0.0	0.0%
<b>Non-Program Revenues</b>	<b>(785,842.5)</b>	<b>(866,038.0)</b>	<b>(80,195.5)</b>	<b>10.2%</b>	<b>(1,010,229.7)</b>	<b>(1,112,505.0)</b>	<b>(102,275.3)</b>	<b>10.1%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>41,353.7</b>	<b>(127,906.4)</b>	<b>(169,260.1)</b>	<b>-409.3%</b>	<b>127,952.6</b>	<b>(454.2)</b>	<b>(128,406.9)</b>	<b>-100.4%</b>
<b>NET OPERATING TAX LEVY</b>	<b>2,624,634.4</b>	<b>2,365,650.7</b>	<b>(258,983.8)</b>	<b>-9.9%</b>	<b>3,686,459.6</b>	<b>3,453,992.6</b>	<b>(232,466.9)</b>	<b>-6.3%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	(2,536.6)	2,172.7	4,709.3	-185.7%	0.0	(654.2)	(654.2)	n/a
Toronto Parking Authority	(42,079.6)	(39,540.3)	2,539.3	-6.0%	(56,403.0)	(56,015.3)	387.7	-0.7%
Toronto Water	(27,673.2)	(35,573.7)	(7,900.5)	28.5%	0.0	(5,319.6)	(5,319.6)	n/a
<b>NON LEVY OPERATING NET EXPENDITURES</b>	<b>(72,289.4)</b>	<b>(72,941.3)</b>	<b>(651.8)</b>	<b>0.9%</b>	<b>(56,403.0)</b>	<b>(61,989.1)</b>	<b>(5,586.1)</b>	<b>9.9%</b>



**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
**(\$000s)**

	September 30, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	1,894.2	1,736.9	(157.3)	-8.3%	2,599.6	2,436.5	(163.1)	-6.3%
Children's Services	309,552.6	304,091.3	(5,461.3)	-1.8%	397,074.4	392,046.4	(5,028.0)	-1.3%
Court Services	34,407.0	35,353.7	946.7	2.8%	52,324.3	54,579.9	2,255.6	4.3%
Economic Development & Culture	46,782.3	45,499.8	(1,282.5)	-2.7%	56,158.2	55,739.6	(418.6)	-0.7%
Emergency Medical Services	121,975.7	121,517.5	(458.2)	-0.4%	174,487.5	172,926.8	(1,560.7)	-0.9%
Long Term Care Homes & Services	165,104.8	157,139.6	(7,965.3)	-4.8%	226,862.5	217,754.0	(9,108.5)	-4.0%
Parks, Forestry & Recreation	286,566.4	277,068.3	(9,498.1)	-3.3%	383,170.4	372,670.4	(10,500.0)	-2.7%
Shelter, Support & Housing Administration	546,602.0	500,697.4	(45,904.6)	-8.4%	792,711.7	777,950.8	(14,760.9)	-1.9%
Social Development, Finance & Administration	28,530.4	27,423.8	(1,106.6)	-3.9%	39,335.5	38,031.5	(1,304.0)	-3.3%
Toronto Employment & Social Services	900,133.5	840,393.0	(59,740.5)	-6.6%	1,225,917.7	1,142,050.2	(83,867.5)	-6.8%
311 Toronto	13,496.7	10,156.1	(3,340.6)	-24.8%	18,476.2	15,266.6	(3,209.6)	-17.4%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>2,455,045.6</b>	<b>2,321,077.4</b>	<b>(133,968.2)</b>	<b>-5.5%</b>	<b>3,369,118.0</b>	<b>3,241,452.7</b>	<b>(127,665.3)</b>	<b>-3.8%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	27,602.1	25,246.3	(2,355.8)	-8.5%	38,824.7	36,104.6	(2,720.1)	-7.0%
Fire Services	276,488.0	276,469.6	(18.4)	0.0%	370,125.8	370,254.0	128.2	0.0%
Municipal Licensing & Standards	32,559.0	29,444.2	(3,114.8)	-9.6%	47,463.4	44,508.5	(2,954.9)	-6.2%
Policy, Planning, Finance and Administration	15,895.9	13,414.3	(2,481.6)	-15.6%	21,948.0	19,537.1	(2,410.9)	-11.0%
Technical Services	50,195.0	42,427.0	(7,768.0)	-15.5%	70,535.4	60,735.4	(9,800.0)	-13.9%
Toronto Buildings	32,622.5	28,886.4	(3,736.1)	-11.5%	46,735.6	46,735.6	0.0	0.0%
Toronto Environment Office	4,228.9	2,252.3	(1,976.7)	-46.7%	5,857.3	4,950.5	(906.8)	-15.5%
Transportation Services	215,814.3	206,425.2	(9,389.1)	-4.4%	327,798.1	312,798.1	(15,000.0)	-4.6%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>655,405.7</b>	<b>624,565.3</b>	<b>(30,840.5)</b>	<b>-4.7%</b>	<b>929,288.3</b>	<b>895,623.8</b>	<b>(33,664.5)</b>	<b>-3.6%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	12,035.7	10,078.6	(1,957.1)	-16.3%	16,436.7	14,067.9	(2,368.8)	-14.4%
Office of the Treasurer	53,396.4	48,672.7	(4,723.7)	-8.8%	73,695.5	68,587.9	(5,107.6)	-6.9%
Facilities Management & Real Estate	128,028.4	122,451.3	(5,577.1)	-4.4%	177,532.5	171,498.7	(6,033.8)	-3.4%
Fleet Services	33,544.2	33,805.4	261.2	0.8%	47,729.6	47,007.3	(722.3)	-1.5%
Information & Technology	73,139.6	63,100.6	(10,039.0)	-13.7%	97,689.4	82,940.9	(14,748.5)	-15.1%
<b>Sub-Total Internal Services</b>	<b>300,144.3</b>	<b>278,108.6</b>	<b>(22,035.7)</b>	<b>-7.3%</b>	<b>413,083.7</b>	<b>384,102.7</b>	<b>(28,981.0)</b>	<b>-7.0%</b>
<b>City Manager</b>								
City Manager's Office	31,433.6	30,770.0	(663.6)	-2.1%	46,128.6	44,300.2	(1,828.4)	-4.0%
<b>Sub-Total City Manager</b>	<b>31,433.6</b>	<b>30,770.0</b>	<b>(663.6)</b>	<b>-2.1%</b>	<b>46,128.6</b>	<b>44,300.2</b>	<b>(1,828.4)</b>	<b>-4.0%</b>
<b>Other City Programs</b>								
City Clerk's Office	34,583.8	33,513.1	(1,070.7)	-3.1%	48,085.9	45,389.4	(2,696.5)	-5.6%
Legal Services	31,253.8	31,189.2	(64.7)	-0.2%	42,166.4	43,107.4	941.0	2.2%
Mayor's Office	1,375.9	1,178.1	(197.8)	-14.4%	1,940.5	1,555.2	(385.3)	-19.9%
City Council	13,959.6	13,294.9	(664.8)	-4.8%	19,385.1	18,482.3	(902.8)	-4.7%
<b>Sub-Total Other City Programs</b>	<b>81,173.2</b>	<b>79,175.3</b>	<b>(1,997.9)</b>	<b>-2.5%</b>	<b>111,577.9</b>	<b>108,534.3</b>	<b>(3,043.6)</b>	<b>-2.7%</b>
<b>Accountability Offices</b>								
Auditor General's Office	3,049.8	2,766.1	(283.7)	-9.3%	4,354.4	3,983.0	(371.4)	-8.5%
Integrity Commissioner's Office	153.9	152.5	(1.4)	-0.9%	215.0	209.3	(5.7)	-2.6%
Lobbyist Registrar's Office	771.0	618.3	(152.7)	-19.8%	1,081.3	856.3	(225.1)	-20.8%
Ombudsman's Office	1,029.0	1,026.7	(2.3)	-0.2%	1,444.8	1,426.8	(18.0)	-1.2%
<b>Sub-Total Council Appointed Programs</b>	<b>5,003.7</b>	<b>4,563.5</b>	<b>(440.1)</b>	<b>-8.8%</b>	<b>7,095.5</b>	<b>6,475.4</b>	<b>(620.2)</b>	<b>-8.7%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>3,528,206.0</b>	<b>3,338,260.0</b>	<b>(189,946.0)</b>	<b>-5.4%</b>	<b>4,876,292.0</b>	<b>4,680,489.1</b>	<b>(195,803.0)</b>	<b>-4.0%</b>



**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
**(\$000s)**

	September 30, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	169,236.9	159,118.1	(10,118.8)	-6.0%	239,669.7	231,448.8	(8,220.9)	-3.4%
Toronto Public Library	128,798.7	125,420.8	(3,377.9)	-2.6%	179,705.6	175,356.1	(4,349.5)	-2.4%
Association of Community Centres	5,221.7	5,134.5	(87.2)	-1.7%	7,032.3	7,487.1	454.8	6.5%
Exhibition Place	49,763.6	49,169.5	(594.1)	-1.2%	64,772.7	63,939.0	(833.7)	-1.3%
Heritage Toronto	660.6	232.1	(428.5)	-64.9%	880.8	795.1	(85.7)	-9.7%
Theatres	15,577.2	15,608.2	31.0	0.2%	27,918.7	22,731.7	(5,187.0)	-18.6%
Toronto Zoo	36,419.7	34,423.2	(1,996.5)	-5.5%	45,663.5	43,524.1	(2,139.4)	-4.7%
Arena Boards of Management	5,048.1	4,392.4	(655.7)	-13.0%	6,730.7	6,765.5	34.8	0.5%
Yonge Dundas Square	1,474.1	1,755.0	280.9	19.1%	1,965.3	2,362.3	397.0	20.2%
Toronto & Region Conservation Authority	25,419.8	25,435.0	15.2	0.1%	37,203.0	37,203.0	0.0	0.0%
Toronto Transit Commission - Conventional	1,070,259.0	1,067,812.0	(2,447.0)	-0.2%	1,481,230.0	1,459,617.0	(21,613.0)	-1.5%
Toronto Transit Commission - Wheel Trans	75,234.0	72,813.0	(2,421.0)	-3.2%	102,148.0	101,332.0	(816.0)	-0.8%
Toronto Police Service	676,513.5	673,438.5	(3,075.0)	-0.5%	1,012,031.2	1,013,300.0	1,268.8	0.1%
Toronto Police Services Board	1,844.1	1,844.1	0.0	0.0%	3,231.6	3,231.6	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>2,261,471.1</b>	<b>2,236,596.4</b>	<b>(24,874.7)</b>	<b>-1.1%</b>	<b>3,210,183.2</b>	<b>3,169,093.3</b>	<b>(41,089.9)</b>	<b>-1.3%</b>
<b>Corporate Accounts</b>								
Capital & Corporate Financing	436,634.2	436,634.2	0.0	0.0%	639,127.3	629,127.3	(10,000.0)	-1.6%
<b>Non-Program Expenditures</b>								
- Tax Deficiencies/Write-offs	40,342.7	40,349.5	6.8	0.0%	65,000.0	76,554.1	11,554.1	17.8%
- Assessment Function (MPAC)	28,630.5	28,558.2	(72.3)	-0.3%	38,174.0	38,078.5	(95.5)	-0.3%
- Temporary Borrowing	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Funding of Employee Related Liabilities	53,955.0	53,955.3	0.3	0.0%	71,940.5	71,941.5	1.0	0.0%
- Other Corporate Expenditures	101,424.6	8,975.6	(92,449.0)	-91.2%	86,741.8	60,243.7	(26,498.1)	-30.5%
- Insurance Premiums & Claims	255.0	255.0	0.0	0.0%	300.0	300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	43,269.4	41,308.3	(1,961.1)	-4.5%	57,692.5	57,519.1	(173.4)	-0.3%
- Programs Funded from Reserve Funds	106,274.4	94,419.1	(11,855.3)	-11.2%	141,659.2	132,158.6	(9,500.6)	-6.7%
- Vacancy Rebate Program	16,500.0	16,465.6	(34.4)	-0.2%	22,000.0	22,000.0	0.0	0.0%
- Heritage Property Taxes Rebate	0.0	0.0	0.0	n/a	2,000.0	2,000.0	0.0	0.0%
- Tax Rebates for Registered Charities	5,329.1	5,350.3	21.2	0.4%	5,329.1	5,350.3	21.2	0.4%
- Solid Waste Management Rebates	116,654.6	112,601.4	(4,053.2)	-3.5%	182,391.9	178,000.0	(4,391.9)	-2.4%
- Pandemic Influenza Stockpiling	1,001.3	0.0	(1,001.3)	-100.0%	1,335.0	1,335.0	0.0	0.0%
Non-Program Expenditures	513,636.5	402,238.3	(111,398.2)	-21.7%	674,564.0	647,381.8	(27,182.2)	-4.0%
<b>Non-Program Revenue</b>								
- Interest/Investment Earnings	657.6	566.6	(91.0)	-13.8%	876.9	876.9	0.0	0.0%
- Other Corporate Revenues	717.0	2,673.6	1,956.6	272.9%	918.0	2,826.4	1,908.4	207.9%
- Municipal Land Transfer Tax	4,509.9	4,290.4	(219.5)	-4.9%	5,934.1	5,934.1	0.0	0.0%
- Personal Vehicle Tax	0.0	(32.9)	(32.9)	n/a	0.0	(32.9)	(32.9)	n/a
- Third Party Sign Tax	838.9	0.0	(838.9)	-100.0%	1,118.5	918.4	(200.1)	-17.9%
- Other Tax Revenues	0.0	1,034.7	1,034.7	n/a	0.0	1,034.7	1,034.7	n/a
Non-Program Revenues	6,723.4	8,532.4	1,809.0	26.9%	8,847.5	11,557.6	2,710.1	30.6%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>956,994.1</b>	<b>847,405.0</b>	<b>(109,589.2)</b>	<b>-11.5%</b>	<b>1,322,538.8</b>	<b>1,288,066.8</b>	<b>(34,472.1)</b>	<b>-2.6%</b>
<b>LEVY OPERATING GROSS EXPENDITURES</b>	<b>6,746,671.2</b>	<b>6,422,261.3</b>	<b>(324,409.9)</b>	<b>-4.8%</b>	<b>9,409,014.1</b>	<b>9,137,649.1</b>	<b>(271,365.0)</b>	<b>-2.9%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	186,113.6	174,309.3	(11,804.3)	-6.3%	345,865.0	345,218.0	(647.0)	-0.2%
Toronto Parking Authority	54,467.8	54,886.7	418.9	0.8%	72,326.9	73,427.7	1,100.8	1.5%
Toronto Water	657,560.8	637,476.8	(20,084.0)	-3.1%	893,333.0	868,372.2	(24,960.8)	-2.8%
<b>NON LEVY OPERATING GROSS EXPENDITURES</b>	<b>898,142.2</b>	<b>866,672.8</b>	<b>(31,469.4)</b>	<b>-3.5%</b>	<b>1,311,524.9</b>	<b>1,287,017.9</b>	<b>(24,507.0)</b>	<b>-1.9%</b>



**CITY OF TORONTO**  
**CONSOLIDATED REVENUES VARIANCE**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
**(\$000s)**

	September 30, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	767.0	609.7	(157.3)	-20.5%	1,433.5	1,270.4	(163.1)	-11.4%
Children's Services	245,306.5	239,845.2	(5,461.3)	-2.2%	320,928.4	315,900.4	(5,028.0)	-1.6%
Court Services	36,872.8	37,864.7	991.9	2.7%	66,228.9	68,555.8	2,326.9	3.5%
Economic Development & Culture	9,123.8	7,977.4	(1,146.4)	-12.6%	12,165.1	10,525.8	(1,639.3)	-13.5%
Emergency Medical Services	78,159.8	77,674.6	(485.2)	-0.6%	109,309.9	108,358.5	(951.4)	-0.9%
Long Term Care Homes and Services	135,906.4	128,564.0	(7,342.4)	-5.4%	181,208.5	177,000.0	(4,208.5)	-2.3%
Parks, Forestry & Recreation	79,101.1	75,603.0	(3,498.0)	-4.4%	110,574.0	107,074.0	(3,500.0)	-3.2%
Shelter, Support & Housing Administration	357,811.3	315,534.3	(42,277.0)	-11.8%	518,492.2	505,261.8	(13,230.4)	-2.6%
Social Development, Finance & Administration	7,949.2	6,740.6	(1,208.6)	-15.2%	10,904.1	9,850.1	(1,054.0)	-9.7%
Toronto Employment & Social Services	752,854.6	700,441.4	(52,413.2)	-7.0%	1,027,761.6	955,401.2	(72,360.4)	-7.0%
311 Toronto	6,314.6	5,355.9	(958.7)	-15.2%	8,447.8	7,468.1	(979.7)	-11.6%
Sub-Total Citizen Centred Services "A"	1,710,167.1	1,596,210.9	(113,956.2)	-6.7%	2,367,454.0	2,266,666.1	(100,787.9)	-4.3%
<b>Citizen Centred Services "B"</b>								
City Planning	18,078.0	20,002.3	1,924.3	10.6%	25,372.8	25,384.5	11.6	0.0%
Fire Services	11,433.1	11,590.3	157.2	1.4%	15,131.9	13,198.6	(1,933.3)	-12.8%
Municipal Licensing & Standards	19,702.1	18,997.6	(704.5)	-3.6%	28,149.4	26,552.9	(1,596.5)	-5.7%
Policy, Planning, Finance and Administration	8,746.9	7,356.7	(1,390.2)	-15.9%	12,183.4	11,040.3	(1,143.0)	-9.4%
Technical Services	37,629.7	32,195.3	(5,434.4)	-14.4%	60,901.9	52,401.9	(8,500.0)	-14.0%
Toronto Building	40,355.5	49,146.2	8,790.7	21.8%	57,450.9	57,450.9	0.0	0.0%
Toronto Environment Office	2,372.0	727.6	(1,644.4)	-69.3%	3,271.8	3,171.8	(100.0)	-3.1%
Transportation Services	50,409.2	47,279.4	(3,129.8)	-6.2%	120,849.8	113,849.8	(7,000.0)	-5.8%
Sub-Total Citizen Centred Services "B"	188,726.6	187,295.4	(1,431.2)	-0.8%	323,311.9	303,050.7	(20,261.2)	-6.3%
<b>Internal Services</b>								
Office of the Chief Financial Officer	6,105.7	4,223.7	(1,882.0)	-30.8%	8,043.2	5,976.3	(2,066.9)	-25.7%
Office of the Treasurer	35,321.7	31,637.7	(3,684.0)	-10.4%	47,095.6	43,703.6	(3,392.0)	-7.2%
Facilities Management & Real Estate	68,670.0	63,297.2	(5,372.8)	-7.8%	122,984.2	117,299.4	(5,684.8)	-4.6%
Fleet Services	31,662.8	32,164.8	502.0	1.6%	47,652.7	47,290.4	(362.3)	-0.8%
Information & Technology	15,794.2	11,580.5	(4,213.6)	-26.7%	33,359.7	22,873.9	(10,485.8)	-31.4%
Sub-Total Internal Services	157,554.4	142,904.0	(14,650.4)	-9.3%	259,135.4	237,143.6	(21,991.8)	-8.5%
<b>City Manager</b>								
City Manager's Office	6,427.2	6,242.6	(184.6)	-2.9%	8,851.2	8,622.8	(228.4)	-2.6%
Sub-Total City Manager	6,427.2	6,242.6	(184.6)	-2.9%	8,851.2	8,622.8	(228.4)	-2.6%
<b>Other City Programs</b>								
City Clerk's Office	13,459.2	12,361.5	(1,097.7)	-8.2%	19,024.1	16,663.3	(2,360.8)	-12.4%
Legal Services	17,413.2	18,620.9	1,207.7	6.9%	23,217.6	24,592.3	1,374.7	5.9%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	1.5	1.5	n/a
City Council	0.0	106.0	106.0	n/a	0.0	106.0	106.0	n/a
Sub-Total Other City Programs	30,872.3	31,088.4	216.0	0.7%	42,241.6	41,363.1	(878.5)	-2.1%
<b>Accountability Offices</b>								
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	9.0	8.4	(0.6)	-7.2%	9.0	8.4	(0.6)	-7.2%
Ombudsman's Office	0.0	0.6	0.6	n/a	0.0	0.6	0.6	n/a
Sub-Total Council Appointed Programs	9.0	9.0	(0.0)	-0.5%	9.0	9.0	(0.0)	-0.5%
<b>TOTAL - CITY OPERATIONS</b>	<b>2,093,756.6</b>	<b>1,963,750.1</b>	<b>(130,006.4)</b>	<b>-6.2%</b>	<b>3,001,003.2</b>	<b>2,856,855.3</b>	<b>(144,147.9)</b>	<b>-4.8%</b>





**CITY OF TORONTO**  
**CONSOLIDATED REVENUES VARIANCE**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**  
**(\$000s)**

	September 30, 2012				December 31, 2012			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	138,345.4	129,636.3	(8,709.2)	-6.3%	191,754.5	184,589.8	(7,164.7)	-3.7%
Toronto Public Library	10,933.9	11,462.4	528.5	4.8%	14,927.3	15,588.9	661.6	4.4%
Association of Community Centres	219.6	222.8	3.3	1.5%	264.0	272.1	8.1	3.1%
Exhibition Place	50,492.0	51,558.1	1,066.1	2.1%	64,770.3	64,975.7	205.4	0.3%
Heritage Toronto	426.8	1.1	(425.7)	-99.7%	569.0	483.3	(85.7)	-15.1%
Theatres	13,049.8	12,849.5	(200.3)	-1.5%	24,937.7	19,107.6	(5,830.1)	-23.4%
Toronto Zoo	30,691.7	28,757.9	(1,933.8)	-6.3%	34,552.8	32,459.4	(2,093.4)	-6.1%
Arena Boards of Management	5,053.7	4,378.6	(675.0)	-13.4%	6,738.2	6,671.2	(67.0)	-1.0%
Yonge Dundas Square	1,126.2	1,499.5	373.3	33.1%	1,501.6	2,098.5	596.9	39.8%
Toronto & Region Conservation Authority	22,841.3	22,856.5	15.2	0.1%	33,996.6	33,996.6	0.0	0.0%
Toronto Transit Commission - Conventional	792,199.0	805,550.0	13,351.0	1.7%	1,070,279.0	1,085,820.0	15,541.0	1.5%
Toronto Transit Commission - Wheel Trans	4,045.0	4,136.0	91.0	2.2%	5,325.0	5,637.0	312.0	5.9%
Toronto Police Service	43,215.4	44,640.4	1,425.0	3.3%	76,369.0	85,600.0	9,231.0	12.1%
Toronto Police Services Board	0.0	0.0	0.0	n/a	980.0	980.0	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>1,112,639.7</b>	<b>1,117,549.1</b>	<b>4,909.4</b>	<b>0.4%</b>	<b>1,526,965.0</b>	<b>1,538,280.2</b>	<b>11,315.1</b>	<b>0.7%</b>
<b>Corporate Accounts</b>								
Capital & Corporate Financing	0.0	0.0	0.0	n/a	15,021.7	15,021.7	0.0	0.0%
<b>Non-Program Expenditures</b>								
- Other Corporate Expenditures	11,471.1	971.5	(10,499.6)	-91.5%	13,499.0	10,026.8	(3,472.2)	-25.7%
- Programs Funded from Reserve Funds	106,274.4	94,419.1	(11,855.3)	-11.2%	141,659.2	132,158.6	(9,500.6)	-6.7%
- Tax Rebates for Registered Charities	5,329.1	5,350.3	21.2	0.4%	5,329.1	5,350.3	21.2	0.4%
- Solid Waste Management Rebates	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
<b>Non-Program Expenditures</b>	<b>123,074.6</b>	<b>100,740.9</b>	<b>(22,333.7)</b>	<b>-18.1%</b>	<b>160,487.3</b>	<b>147,535.7</b>	<b>(12,951.6)</b>	<b>-8.1%</b>
<b>Non-Program Revenue</b>								
- Payments in Lieu of Taxes	92,200.0	92,195.0	(5.0)	0.0%	92,200.0	112,184.4	19,984.4	21.7%
- Supplementary Taxes	23,950.0	13,010.0	(10,940.0)	-45.7%	50,000.0	40,000.0	(10,000.0)	-20.0%
- Tax Penalties	22,408.7	24,031.1	1,622.4	7.2%	29,000.0	29,000.0	0.0	0.0%
- Interest/Investment Earnings	96,625.0	124,550.0	27,925.0	28.9%	114,500.0	129,500.0	15,000.0	13.1%
- Prior Year Surplus	76,311.5	76,311.5	0.0	0.0%	101,748.7	101,748.7	0.0	0.0%
- Other Corporate Revenues	7,217.4	10,999.0	3,781.6	52.4%	8,545.6	10,999.0	2,453.4	28.7%
- Toronto Hydro Revenues	33,750.0	40,966.0	7,216.0	21.4%	45,000.0	47,966.0	2,966.0	6.6%
- Provincial Revenue	68,700.0	68,700.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
- Municipal Land Transfer Tax	223,610.1	264,663.7	41,053.6	18.4%	294,223.8	345,934.1	51,710.3	17.6%
- Personal Vehicle Tax	0.0	0.6	0.6	n/a	0.0	0.6	0.6	n/a
- Third Party Sign Tax	2,025.0	14,252.5	12,227.5	603.8%	2,700.0	24,999.9	22,299.9	825.9%
- Parking Authority Revenues	33,236.3	31,331.8	(1,904.5)	-5.7%	44,315.0	44,051.3	(263.7)	-0.6%
- Administrative Support Recoveries - Water	14,229.8	14,229.8	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	12,245.0	12,245.0	0.0	0.0%	16,326.7	16,326.7	0.0	0.0%
- Parking Tag Enforcement & Oper.	60,487.1	60,480.1	(7.0)	0.0%	80,649.4	80,649.4	0.0	0.0%
- Other Tax Revenues	14,395.0	15,229.5	834.5	5.8%	14,395.0	15,229.5	834.5	5.8%
- Woodbine Slots	11,175.0	11,374.9	199.9	1.8%	14,900.0	14,900.0	0.0	0.0%
<b>Non-Program Revenues</b>	<b>792,565.9</b>	<b>874,570.4</b>	<b>82,004.6</b>	<b>10.3%</b>	<b>1,019,077.2</b>	<b>1,124,062.6</b>	<b>104,985.4</b>	<b>10.3%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>915,640.5</b>	<b>975,311.3</b>	<b>59,670.9</b>	<b>6.5%</b>	<b>1,194,586.2</b>	<b>1,286,620.0</b>	<b>92,033.8</b>	<b>7.7%</b>
<b>LEVY OPERATING REVENUES</b>	<b>4,122,036.7</b>	<b>4,056,610.6</b>	<b>(65,426.1)</b>	<b>-1.6%</b>	<b>5,722,554.4</b>	<b>5,681,755.5</b>	<b>(40,799.0)</b>	<b>-0.7%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	188,650.2	172,136.6	(16,513.6)	-8.8%	345,865.0	345,872.2	7.2	0.0%
Toronto Parking Authority	96,547.4	94,427.0	(2,120.4)	-2.2%	128,729.9	129,443.0	713.1	0.6%
Toronto Water	685,234.0	673,050.5	(12,183.5)	-1.8%	893,333.0	873,691.8	(19,641.2)	-2.2%
<b>NON LEVY OPERATING REVENUES</b>	<b>970,431.6</b>	<b>939,614.1</b>	<b>(30,817.5)</b>	<b>-3.2%</b>	<b>1,367,927.9</b>	<b>1,349,007.0</b>	<b>(18,920.9)</b>	<b>-1.4%</b>



**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2012  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Citizen Centred Service "A"</b>				
<b>Parks, Forestry &amp; Recreation</b>				
Reallocation of 2012 Approved Budget from Community Recreation to Parks Services.	(7.2)	0.0	(7.2)	0.0
Reallocation of 2012 Approved Budget from Community Recreation to Parks Services.	7.2	0.0	7.2	0.0
In-year adjustment to set up inter-divisional recovery from Toronto Water for tree planting provided by Urban Forestry.	1,950.0	1,950.0	0.0	2.0
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	0.0	1,634.6	(1,634.6)	0.0
<b>Total Parks, Forestry &amp; Recreation</b>	<b>1,950.0</b>	<b>3,584.6</b>	<b>(1,634.6)</b>	<b>2.0</b>
<b>Shelter Support &amp; Housing Administration</b>				
To amend Shelter, Support & Housing Admin's 2012 Approved Operating Budget to fund Affordable Housing projects that had been previously approved by Council. As timing of the budgeted cash flow is often out of step with the actual cash flow requirements, this adjustment is required to amend the 2012 Budget to provide actual funding of the following 5 projects: Ghana Amansie; TCHC – Railway Lands Block 32; YWCA; TCHC 60 Richmond St E; and Home Ownership Assistance Program.	3,848.6	3,848.6	0.0	0.0
<b>Total Shelter Support &amp; Housing Administration</b>	<b>3,848.6</b>	<b>3,848.6</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Citizen Centred Service "A"</b>	<b>5,798.6</b>	<b>7,433.2</b>	<b>(1,634.6)</b>	<b>2.0</b>
<b>Citizen Centred Service "B"</b>				
<b>City Planning</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	0.0	(594.5)	594.5	0.0
<b>Total City Planning</b>	<b>0.0</b>	<b>(594.5)</b>	<b>594.5</b>	<b>0.0</b>

**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2012  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Fire Services</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	0.0	107.5	(107.5)	0.0
<b>Total Fire Services</b>	0.0	107.5	(107.5)	0.0
<b>Technical Services</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	0.0	1,417.0	(1,417.0)	0.0
<b>Total Technical Services</b>	0.0	1,417.0	(1,417.0)	0.0
<b>Toronto Building</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	0.0	315.6	(315.6)	0.0
<b>Total Toronto Building</b>	0.0	315.6	(315.6)	0.0
<b>Transportation Services</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate the development application review process (DARP).	0.0	1,867.1	(1,867.1)	0.0
<b>Total Transportation Services</b>	0.0	1,867.1	(1,867.1)	0.0
<b>Total Citizen Centred Service "B"</b>	<b>0.0</b>	<b>3,112.7</b>	<b>(3,112.7)</b>	<b>0.0</b>

**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2012  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Other City Programs</b>				
<b>Legal Services</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	0.0	221.1	(221.1)	0.0
<b>Total Legal Services</b>	0.0	221.1	(221.1)	0.0
<b>Total Other City Programs</b>	<b>0.0</b>	<b>221.1</b>	<b>(221.1)</b>	<b>0.0</b>
<b>Agencies</b>				
<b>Toronto Transit Commission - Conventional</b>				
To report on details of in-year increase of \$2.1M in TTC's 2012 operating expenditures to meet growing ridership commencing Sept, 2012, approved on Jun 6, 2012 MM24.30; specifically, this equates to an additional 44.0 Operators and 10.0 Mechanics, and associated materials & supplies costs. TTC ridership is expected to generate more than enough revenue to offset this required increase in operating cost.	2,100.0	2,100.0	0.0	54.0
Adjustment to fund the 2011 and 2012 TTC and Wheel-Trans negotiated settlement that approved a 2% increase in each of 2011, 2012 and 2013. Funding is to be transferred from Non Program to accommodate the increase for 2011 and 2012.	37,182.6	332.6	36,850.0	0.0
Technical adjustment to reduce 9.0 positions from TTC Conventional to reconcile SAP to the 2012 TTC Conventional total approved operating and capital positions of 12,448.0.	0.0	0.0	0.0	(9.0)
<b>Total Toronto Transit Commission - Conventional</b>	<b>39,282.6</b>	<b>2,432.6</b>	<b>36,850.0</b>	<b>45.0</b>
<b>Toronto Transit Commission – Wheel Trans</b>				
Adjustment to fund the 2011 and 2012 TTC and Wheel-Trans negotiated settlement that approved a 2% increase in each of 2011, 2012 and 2013. Funding is to be transferred to accommodate the increase for 2011 and 2012.	1,941.0	0.0	1,941.0	0.0
Technical adjustment to reduce 5.0 positions from TTC Wheel Trans to reconcile SAP to the 2012 TTC Wheel Trans total approved operating and capital positions of 532.0.	0.0	0.0	0.0	(5.0)
<b>Total Toronto Transit Commission - Wheel-Trans</b>	<b>1,941.0</b>	<b>0.0</b>	<b>1,941.0</b>	<b>(5.0)</b>
<b>Total Agencies</b>	<b>41,223.6</b>	<b>2,432.6</b>	<b>38,791.0</b>	<b>40.0</b>

**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2012  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Corporate Accounts</b>				
<b>Non Program Expenditures</b>				
Transfer of funds to the TTC and Wheel Trans for the Agency's negotiated settlement that approved a 2% increase in each of 2011, 2012 and 2013. Funding is to be transferred to accommodate the increase for 2011 and 2012.	(38,791.0)	0.0	(38,791.0)	0.0
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues are being transferred from the 2012 Non-Program Revenue Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	(150.0)	(5,118.4)	4,968.4	0.0
Adjustment to write-off pandemic flu supplies with no net impact on the 2012 Operating Budget. This will be funded from the Emergency Planning Reserve (XQ1406).	624.7	624.7	0.0	0.0
Increase to Tax Rate Stabilization Reserve contribution due to Tax Levy adjustment arising from the finalization of the 2012 Assessment Growth.	1,091.8	1,091.8	0.0	0.0
<b>Total Non Program Expenditures</b>	<b>(37,224.5)</b>	<b>(3,401.9)</b>	<b>(33,822.6)</b>	<b>0.0</b>
<b>Total Corporate Accounts</b>	<b>(37,224.5)</b>	<b>(3,401.9)</b>	<b>(33,822.6)</b>	<b>0.0</b>
<b>Total Levy Operations</b>	<b>9,797.7</b>	<b>9,797.7</b>	<b>0.0</b>	<b>42.0</b>
<b>Non-Levy Operations</b>				
<b>Solid Waste Management Services</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	143.3	143.3	0.0	0.0
<b>Total Solid Waste Management Services</b>	<b>143.3</b>	<b>143.3</b>	<b>0.0</b>	<b>0.0</b>

**CITY OF TORONTO  
BUDGET ADJUSTMENTS  
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2012  
(\$000s)**

	<b>Gross Expenditure</b>	<b>Revenue</b>	<b>Net Expenditure</b>	<b>Position</b>
<b>Toronto Water</b>				
To recover the City's full costs associated with reviewing development applications, Council approved the fee schedule set out in the "Development Application Review Fees" staff report (November 25, 2011); effective April 1, 2012. Consistent with the policy, development application fee revenues will be transferred from the 2012 Non-Program Budget to the various Programs' 2012 Approved Operating Budgets that directly participate in the development application review process (DARP).	197.1	197.1	0.0	0.0
To report the 13.5 positions associated with the Eglinton-Scarborough Crosstown Project undertaken by Toronto Water, previously approved by Council at its meeting on October 30, 2012. The positions were not reported at the time. The cost is fully recovered from Metrolinx/TTC.	0.0	0.0	0.0	13.5
<b>Total Toronto Water</b>	197.1	197.1	0.0	13.5
<b>Total Non-Levy Operations</b>	340.5	340.5	0.0	13.5
<b>Total</b>	10,138.1	10,138.1	0.0	55.5

**Operating Variance Report  
For Nine-Month Period Ended September 30, 2012  
Significant Variance by Program and Agency**

**City Operations**

Citizen Centred Services "A"

As shown in Table 3 below, Citizen Centred Services "A" reported a net under-expenditure of \$20.012 million or 2.7% of planned expenditures for the nine-month period ended September 30, 2012 and projects year-end under-spending of \$26.877 million or 2.7% compared to the 2012 Approved Net Operating Budget of \$1,001.664 million. The reasons for these variances are discussed below:

Table 3 Citizen Centred Services "A" Net Expenditure Variance (\$ Million)		
	September 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)	(0.1)
Economic Development and Culture	(0.1)	1.2
Emergency Medical Services	0.0	(0.6)
Long Term Care Homes and Services	(0.6)	(4.9)
Parks, Forestry & Recreation	(6.0)	(7.0)
Shelter, Support & Housing Administration	(3.6)	(1.5)
Social Development, Finance & Administration	0.1	(0.3)
Toronto Employment & Social Services	(7.3)	(11.5)
311 Toronto	(2.4)	(2.2)
<b>Total</b>	<b>(20.0)</b>	<b>(26.9)</b>

***Economic Development and Culture (EDC)*** reported under-spending of \$0.136 million or 0.4% of planned net expenditures for the nine-month period ended September 30, 2012. The net positive variance resulted from the delay of \$1.282 million of expenditures funded from contributions to third party partnership programs partially off-set by the delay in receiving \$1.146 million of contributions from Federal/Provincial sources and donations. At this time, overall short-term spending restraints had compensated for the unachieved service efficiencies included in the 2012 Budget for Museum Services.

EDC forecasts a year-end variance of \$1.221 million or 2.8% over the 2012 Approved Net Operating Budget attributed to unachieved service efficiencies and alternative service delivery budget

reductions approved for Culture Services (Museums Services) in the 2012 Operating Budget process, and an unplanned property tax payment for the John Street Round House.

***Emergency Medical Services (EMS)*** was over-spent by \$0.027 million or 0.1% of planned net expenditures for the nine-month period ended September 30, 2012. The variance was driven primarily by gross under-spending of \$0.458 million mainly in medical/dental supplies, equipment, cellular phones and uniforms which was more than off-set by a shortfall in revenues of \$0.485 million. The lower than planned revenues of \$0.485 million were due to a Provincial funding shortfall for the Central Ambulance Communication Centre (CACC) Program and was partially off-set by increased revenues of \$0.093 million in EMS' Safe City Program and vehicle auction revenues.

EMS forecasts a favourable year-end variance of \$0.609 million or 0.9% under the 2012 Approved Net Operating Budget as a result of gross savings of \$1.550 million primarily due to additional provincial funding received in October and under spending in non-payroll items, partially off-set by a projected Provincial base funding shortfall for the Central Ambulance Communication Centre (CACC) Program.

Revenues received for the CACC Program have been below the established Provincial subsidy rate of 100%. Negotiations are continuing with the Ministry of Health and Long Term Care to resolve this funding issue.

***Long Term Care Homes and Services (LTCHS)*** reported net under-spending of \$0.623 million or 2.1% of planned expenditures for the nine-month period ended September 30, 2012. The variance consisted of lower than budgeted gross expenditures of \$7.965 million or 4.8% and lower than budgeted revenue of \$7.342 million or 5.4% due to lower than budgeted expenditures. Certain Program expenditures such as high intensity needs and supportive housing are claims based type services that are 100% subsidized as the services are required by individual residents and clients. In addition, general under-spending as the Program awaited Provincial subsidy confirmation to long-term care homes contributed to the positive variance.

LTCHS forecasts a year-end variance of \$4.900 million or 10.7% under the 2012 Approved Net Operating Budget. LTCHS forecasts a year-end gross variance of \$9.109 million or 4.0% in expenditures and \$4.209 million or 2.3% in revenue due to anticipated lower than budgeted claims-based expenditures and unbudgeted one-time Provincial funding from the Ministry of Health Long Term Care.

***Parks, Forestry and Recreation (PF&R)*** reported net under-spending of \$6.0 million or 2.9% of planned expenditures for the nine-month period ended September 30, 2012. The variance consisted of lower than budgeted gross expenditures of \$9.498 million or 3.3% due to salaries and benefit savings from unfilled seasonal and permanent positions and under-spending in materials and supplies, as well as a revenue shortfall of \$3.498 million or 4.4% primarily due to under-achieved ice, facility, and sportsfield permit revenues.

PF&R forecasts a year-end variance of \$7.0 million or 2.6% under the 2012 Approved Net Operating Budget due to savings from seasonal salaries and benefits, materials and supplies, as well

as implemented efficiencies in various program areas such as summer camps totalling \$10.5 million, and partially off-set by under-achieved revenues of \$3.5 million.

***Shelter, Support and Housing Administration (SSHA)*** reported under-spending of \$3.627 million net or 1.9% of planned expenditures for the nine months ended September 30, 2012. The variance is comprised of lower than planned gross expenditures of \$45.904 million or 8.4%, primarily due to under-spending in Social Housing of \$30.760 million; under spending of \$7.800 million in Housing and Homelessness Supports; and, delays in funding Affordable Housing projects of \$6.400 million.

The under spending in Social Housing reflects project milestone delays in the Federal stimulus program of \$26.960 million and savings in social housing cost drivers of \$3.800 million.

Revenues are \$42.277 million or 11.8% lower than budget, primarily resulting from the corresponding delays in delivering in Federal and Provincial grants to third parties, and delays in funding Affordable Housing projects.

Net savings of \$3.627 million are attributable to \$2.090 million in Social Housing savings (primarily savings from RGI/rent supplements, and mortgage renewals); \$0.710 million in Hostel Services (increased Provincial subsidy due to higher than budgeted bed-nights and savings in non-salary expenses); and, \$0.820 million in other Program operating costs.

SSHA is forecasting a \$1.530 million net savings at year-end, with projected gross under spending of \$14.761 million and a reduction in revenues of \$13.230 million, attributable to savings in Social Housing of \$11.9 million, off-set by a compensating reduction in the reserve draw, temporary delays in grants to third parties of \$0.5 million, and additional expenditure savings that were fully funded by other orders of government. The savings of \$1.503 million is primarily related to expenditures in the shelter system, attributable to reduced non-salary program operational costs.

***Social Development, Finance and Administration (SDFA)*** reported net over-spending of \$0.102 million or 0.5% for the nine months September 30, 2012, reflecting gross expenditure under-spending (\$1.107 million), attributable to both under spending in 100% Federally funded projects, and general under spending across the division, and lower than planned revenues (\$1.209 million), mainly attributable to 100% Federally funded projects.

SDFA forecasts year-end net under-spending \$0.250 million or 0.9%, with gross under-spending of \$1.304 million or 3.3% and revenue of \$1.054 million or 9.7% below plan, reflecting the under-spending in Federally funded projects due to start-up delays pending confirmation of funding. The net under-spending of \$0.250 million or 0.9% is due to operational savings and reflects changes in cost-sharing methodology.

***Toronto Employment and Social Services (TESS)*** reported net under-spending of \$7.327 million or 5.0% of planned expenditures for the nine-month period ended September 30, 2012. The variance consisted of lower than budgeted gross expenditures of \$59.741 million or 6.6% and lower than budgeted revenue of \$52.413 million or 7.0% due to a lower caseload (101,492 actual versus 105,363 budgeted), caseload mix (higher proportion of singles as compared to families) and lower special diet expenditures than budgeted.



TESS forecasts a year-end variance of \$11.507 million or 5.8% under the 2012 Approved Net Operating Budget due to a revised caseload mix of higher singles compared to families which results in lower expenditures per case, lower caseload, and lower special diet expenditures. The year-end average monthly caseload is projected to be 4,000 lower than the budgeted caseload of 108,500. The 2012 budgeted caseload has been increased by 2,500, from 106,000 to 108,500, to reflect the expanded caseload count the Province is using in its revised funding approach for cost of administration (COA).

**311 Toronto** reported net under-spending of \$2.382 million or 33.2% of planned expenditures for the nine-month period ended September 30, 2012. Gross expenditures were under-spent by \$3.341 million. This was comprised of \$2.341 million in lower than anticipated salary and benefit spending due to delays in filling vacant positions. In addition, non-salary costs were under-spent by \$1.028 million, as the annual payment for software maintenance and professional services that was budgeted in the third quarter, will not be paid until the fourth quarter. Recoveries were under-achieved by \$0.969 million, as a result of lower than budgeted recoveries from the Capital Budget due to vacant positions for capital project delivery.

311 Toronto forecasts a year-end variance of \$2.230 million or 22.2% under the 2012 Approved Net Operating Budget due largely to savings in salaries and benefits arising from delays in filling vacant positions.

### Citizen Centred Services “B”

As indicated in Table 4 below, Citizen Centred Services “B” Programs collectively reported net under-spending of \$29.409 million or 6.3% for the nine months ended September 30, 2012, and project an under-expenditure of \$13.403 million or 2.2% of the 2012 Approved Net Operating Budget by year-end. Major causes of the variances are discussed below:

Table 4 Citizen Centred Services "B" Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
City Planning	(4.3)	(2.7)
Fire Services	(0.2)	2.1
Municipal Licensing & Standards	(2.4)	(1.4)
Policy, Planning, Finance and Administration	(1.1)	(1.3)
Technical Services	(2.3)	(1.3)
Toronto Building	(12.5)	0.0
Toronto Environment Office	(0.3)	(0.8)
Transportation Services	(6.3)	(8.0)
<b>Total</b>	<b>(29.4)</b>	<b>(13.4)</b>

**City Planning** reported net under-spending of \$4.280 million or 44.9% for the nine-month period ended September 30, 2012. The positive variance consisted of lower than budgeted gross expenditures of \$2.356 million or 8.5% due to savings in salaries and benefits of \$1.826 million resulting from delays in filling vacant positions. The Program is committed to bringing staffing levels up to more sustainable levels in order to address workload pressures.

Due to an increase in development application fees, on average by 30% effective April 1, 2012 and an increase in development related fees such as development charges; building permits; and, parks levy in 2012, applicants submitted and paid for development applications earlier than anticipated. As a result, revenues exceeded budget by \$1.924 million or 10.6%, with a more pronounced impact in the first and second quarter. This volume trend will likely not be sustainable into the rest of the year. The Program anticipates the year-end revenue to be on budget.

City Planning forecasts a year-end positive variance of \$2.732 million or 20.3% under the 2012 Approved Net Operating Budget due to savings in salaries and benefits arising from delays in filling vacant positions.

**Toronto Fire Services (TFS)** was under-spent by \$0.176 million or 0.1% of planned net expenditures for the nine-month period ended September 30, 2012. The variance was driven primarily from higher than planned revenues of \$0.157 million partially off-set by gross over-expenditures of \$0.018 million.

The gross under-expenditure of \$0.018 million was largely due to over-spending in salaries and benefits of \$0.679 million mainly as a result of Workers Safety and Insurance Board (WSIB) claim payments, more than off-set by savings of \$0.697 million in non-payroll items such as fire and emergency supplies, equipment and contracted services.

Higher than budgeted revenues of \$0.157 million consisted of "other revenues" of \$0.851 million mainly resulting from scrap vehicle sales, recoveries for the Heavy Urban Search and Rescue (HUSAR) team deployment to Elliot Lake incident and Toronto Hydro payments for radio system services, partially off-set by lower than budgeted false alarm user fees of \$0.694 million.

TFS is projecting a year-end net variance of \$2.062 million or 0.6% above the 2012 Approved Net Operating Budget mainly due to a projected revenue shortfall of \$1.933 million as the volume of chargeable false alarm continues to decline.

**Municipal Licensing and Standards (MLS)** experienced net under-spending of \$2.410 million or 18.7% of planned expenditures for the nine-month period ended September 30, 2012. The year-to-date expenditures were \$3.115 million under-budget which was directly attributed to salary and benefit savings due to delays in filling vacant positions. Revenues were under-achieved by \$0.705 million or 3.6% due to overstatement of the 2012 revenue budget resulting in Toronto Animal Services Licensing revenues being under by \$0.396 million; business licenses revenues being under by \$0.561 million; and, property standards of \$0.639 million.

For year-end, MLS is projecting a net variance of \$1.358 million or 7.0% below the 2012 Approved Net Operating Budget. This is primarily due to savings in salaries and benefits arising from delays in filling vacant positions that will be partially off-set by lower than planned revenues.

***Policy, Planning, Finance and Administration (PPF&A)*** reported net under-spending of \$1.091 million or 15.3% for the nine-month period ended September 30, 2012. The positive variance reflects lower than planned gross expenditures of \$2.482 million or 15.6%, mainly due to savings in salaries and benefits from delays in filling vacant positions and acquiring office equipment. Revenues are lower than planned by \$1.390 million or 15.9% due to overall under-spending in gross expenditures and respective reduction in reserve recoveries for these expenses.

PPF&A forecasts a year-end variance of \$1.268 million or 13.0% under the 2012 Approved Net Operating Budget with a majority of the current vacancies to be filled in the fourth quarter of 2012.

***Technical Services*** reported net under-spending of \$2.334 million or 18.6% of planned expenditures for the nine-month period ended September 30, 2012. This positive variance consisted of lower than budgeted gross expenditures of \$7.768 million or 15.5% due primarily to savings in salaries and benefits from delays in filling vacant positions (\$5.500 million) and lower than budgeted inter-divisional charges that will be reflected in the fourth quarter (\$1.200 million). Revenues were lower than budgeted by \$5.434 million or 14.4% mostly attributed to a reduction of capital recoveries resulting from the vacant positions.

Technical Services forecasts a year-end variance of \$1.300 million or 13.5% under the 2012 Approved Net Operating Budget due mostly to savings in salaries and benefits from delays in filling vacant positions (\$7.800 million) and lower than budgeted services and rents (\$2.0 million) as a result of delays in executing third party work. These lower expenditures are partially off-set by lower than anticipated recoveries from client capital projects (\$6.100 million) and lower than budgeted revenues from fewer utility applications and reduced recoveries due to delays in third party work (\$2.400 million).

The ***Toronto Environment Office*** reported net under-spending of \$0.332 million or 17.9% for the nine-month period ended September 30, 2012. The favourable variance reflects lower than budgeted gross expenditures of \$1.977 million or 46.7% due to staged grant payouts and lower than anticipated staffing levels. The Live Green Toronto Grant expenditure is \$1.062 million lower than planned due to contracts under development and pending deliverables of approved projects. The Program forecasts a 100% grant uptake which will eliminate the variance by end-year. Salaries and benefits expenditures are \$0.482 million below budget. In addition, services and rents are below budget by \$0.391 million mainly due to the Program's vacancy levels. The Program is actively filling these vacancies to reduce the year-end budget variances. Revenues are lower than planned by \$1.644 million or 69.3% mainly due to overall under-spending in gross expenditure and respective reduction in reserve recoveries for these expenses.

The Toronto Environment Office forecasts a year-end net variance of \$0.807 million or 31.2% under the 2012 Approved Net Operating Budget due to savings in salary and benefits arising from delays in filling vacant positions.

**Transportation Services** reported net under-spending of \$6.259 million or 3.8% of planned expenditures for the nine-month period ended September 30, 2012. The variance consisted of lower than budgeted gross expenditures of \$9.389 million or 4.4% mainly due to savings in salaries and benefits from delays in filling vacant positions (\$2.738 million), lower salt usage (\$2.468 million), and lower winter maintenance costs due to mild winter weather (\$5.836 million). Revenues were lower than budgeted by \$3.130 million or 6.2% primarily due to lower contributions from capital and reserve funds (\$6.449 million), partially off-set by earlier than expected recoveries from Toronto Water (\$1.282 million) and higher than budgeted licenses and permit fee revenue due to the increased volume of construction activity (\$2.648 million).

Transportation Services forecasts a year-end variance of \$8.0 million or 3.9% under the 2012 Approved Net Operating Budget due to savings in salaries and benefits from delays in filling vacant positions (\$5.0 million) and lower than budgeted winter maintenance costs (\$10.0 million) contingent on winter weather conditions in the remaining months of 2012. These lower net expenditures are partially off-set by projected lower than budgeted recoveries from reserve funds related to transit shelter, road and sidewalk repair (\$7.0 million) based on reduced annual expenditures.

### Internal Services

As shown in Table 5 below, during the nine months ended September 30, 2012, Internal Services Programs collectively reported a net under-expenditure of \$7.385 million or 5.2%, and project year-end under-spending of \$6.989 million or 4.5% compared to the 2012 Approved Operating Net Budget due to the following:

Table 5 Internal Services Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Office of the Chief Financial Officer	(0.1)	(0.3)
Office of the Treasurer	(1.0)	(1.7)
Facilities Management & Real Estate	(0.2)	(0.3)
Fleet Services	(0.2)	(0.4)
Information & Technology	(5.8)	(4.3)
Total	(7.4)	(7.0)

The **Office of the Treasurer** reported net under-spending of \$1.040 million or 5.8% of planned expenditures for the nine-month period ended September 30, 2012. Lower than planned gross expenditures of \$4.724 million or 8.8% resulted mainly from savings in salaries and benefits of \$4.200 million arising from delays in filling vacant positions. Revenues were under-achieved by \$3.684 million or 10.4% as a result of the delays in recovering costs for corporate (Municipal Land Transfer Tax and Pandemic Warehousing) and capital initiatives.

The Office of the Treasurer forecasts a year-end variance of \$1.716 million or 6.4% under the 2012 Approved Net Operating Budget mainly due to delays in filling vacant positions.

***Facilities Management and Real Estate (FMRE)*** reported net under-spending of \$0.204 million or 0.3% of planned expenditures for the nine-month period ended September 30, 2012. The unfavourable variance reflects lower than budgeted gross expenditures of \$5.557 million or 4.4% due to delay in paying property taxes for the last half of the year off-set by lower than planned utility costs, higher vacancies than expected and under-spending in salary costs for staff dedicated to the Transit Expansion. Revenue was \$5.373 million or 7.8% lower than anticipated due to delayed Transit Expansion recoveries, lower rental revenue and less than planned project management fees from capital projects.

FMRE forecasts a year-end net variance of \$0.349 million or 0.6% under the 2012 Approved Net Operating Budget due to anticipated utility savings throughout the year.

***Information and Technology*** reported net under-expenditures of \$5.825 million or 10.2% for the nine-month period ended September 30, 2012. The gross expenditures are below budget by \$10.039 million or 13.7% resulting from delays in filling vacant positions and savings in hardware and software maintenance costs. Lower than planned recoveries of \$4.214 million mainly due to delays in filling capital-funded positions.

Information and Technology is forecasting a year-end positive variance of \$4.263 million or 6.6% below the 2012 Approved Net Operating Budget. This is comprised of anticipated under-spending of \$2.763 million arising from delays in filling vacant positions; savings of \$1.200 million in software maintenance costs resulting from implementation of new vendor products for enterprise systems management, efficiencies and lower prices on some contracts as well as \$0.300 million in expected savings in lower telephone costs resulting from the ongoing United Communications project.

#### City Manager's Office

The ***City Manager's Office*** reported net under-spending of \$0.479 million or 1.9% of planned expenditures for the nine months ended September 30, 2012. This favourable variance consisted of lower than budgeted gross expenditures of \$0.664 million or 2.0% and is mostly attributable to under-spending in salaries and benefits as a result of delays in filling vacant positions.

The City Manager's Office forecasts a year-end variance of \$1.600 million or 4.3% under the 2012 Approved Net Operating Budget mainly due to savings from the delay in filling vacant positions.

Table 6 City Manager's Office Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
City Manager's Office	(0.5)	(1.6)

### Other City Programs

Other City Programs (see Table 7 below) reported a net under-expenditure of \$2.214 million or 4.4% below planned expenditures for the nine-month period ended September 30, 2012; and project a year-end under-expenditure of \$2.165 million or 3.1% compared to the collective 2012 Approved Net Operating Budget.

Table 7 Other City Programs Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
City Clerk's Office	0.0	(0.3)
Legal Services	(1.3)	(0.4)
Mayor's Office	(0.2)	(0.4)
City Council	(0.8)	(1.0)
Total	(2.2)	(2.2)

The **City Clerk's Office** reported over-spending of \$0.027 million or 0.1% of planned net expenditures for the nine months ended September 30, 2012. Salaries and benefits were under-spent by \$0.527 million or 2.0% due to delays in filling vacant positions and lower benefit costs and services and rents were under-spent by \$0.201 million or 3.6% mainly due to lower advertising costs for public notices and professional services. Revenues were under-achieved at the end of the nine-month period by \$1.098 million or 8.2%. This is due to lower revenues generated from print and mail services as a result of lower client demand from City Divisions and lower recoveries from reserve funds and third parties.

City Clerk's Office forecasts a year-end variance of \$0.336 million or 1.2% under the 2012 Approved Net Operating Budget. The actual year-end result will depend on service demands from City Divisions for information production services including printing, mailing and high-speed photocopying services.

**Legal Services** reported net under-spending of \$1.272 million or 9.2% of planned expenditures for the nine-month period ended September 30, 2012. This favourable variance reflects lower than budgeted gross expenditures of \$0.065 million or 0.2% due to a combination of salary and benefits

savings resulting from delays in filling vacant positions for the Transit Expansion project which were off-set by over-expenditures in professional and technical services for court fees and survey and mapping. Higher than planned revenues of \$1.208 million or 6.9% were realized due to Legal Services undertaking additional work which provided recoveries primarily from Court Services (\$1.450 million); Claims (\$0.151 million); Solid Waste Management Services (\$0.093 million); and, Toronto Public Health (\$0.045 million). The increased revenue was partially off-set by lower than expected recoveries from user fees and service charges (\$0.239 million) and contributions from the Arbitration and Legal Awards Reserve Fund (\$0.225 million).

Legal Services forecasts a year-end net variance of \$0.434 million or 2.3% under the 2012 Approved Net Operating Budget due to higher than planned revenue for additional work undertaken.

**City Council** reported net under-spending of \$0.771 million or 5.5% of planned expenditures for the nine-month period ended September 30, 2012. This is mainly attributable to under-spending of \$0.036 million in Council's office budget and under-spending of \$0.729 million in Council's staff salaries and benefits budget.

City Council forecasts a year-end savings of \$1.009 million or 5.2% compared to the 2012 Approved Net Operating Budget.

#### Accountability Offices

Accountability Offices collectively realized net under-spending of \$0.440 million or 8.8% below planned expenditures for the nine-month period ended September 30, 2012. Overall, these Offices project under-spending of \$0.620 million or 8.8% of their 2012 Approved Net Operating Budget at year-end.

Table 8 Accountability Offices Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Auditor General's Office	(0.3)	(0.4)
Integrity Commissioner's Office	(0.0)	(0.0)
Lobbyist Registrar's Office	(0.2)	(0.2)
Ombudsman's Office	(0.0)	(0.0)
Total	(0.4)	(0.6)

The **Office of the Lobbyist Registrar** reported a net under spending of \$0.152 million or 20.0% of planned expenditures for the nine month period ended September 30, 2012. This is due largely to

under spending in salaries and benefits of \$0.110 million and under spending of \$0.041 million in non-salary expenditures, mainly in Services and Rents of \$0.036 million.

The Office of the Lobbyist Registrar forecasts a year-end net under spending of \$0.224 million or 20.9% under the 2012 Approved Net Operating Budget mainly due to savings in salaries and benefits as a result of staff vacancies.

The *Office of the Auditor General* reported a net under spending of \$0.284 million or 9.3% of planned expenditures for the nine month period ended September 30th, 2012. This is mainly due to under spending in salaries and benefits, resulting from vacancies.

The Office of the Auditor General forecasts a year-end net under spending of \$0.371 million or 8.5% under the 2012 Approved Net Operating Budget attributed to under spending in salaries and benefits as a result of vacancies.

### Agencies

Agencies collectively reported under-spending of \$29.784 million or 2.6% below planned net expenditures for the nine-month period ended September 30, 2012 and project an under-expenditure at year-end of \$52.405 million or 3.1% compared to their combined 2012 Approved Net Operating Budget, as outlined in Table 9 below.

Table 9 Agencies Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Toronto Public Health	(1.4)	(1.1)
Toronto Public Library	(3.9)	(5.0)
Association of Community Centres	(0.1)	0.4
Exhibition Place	(1.7)	(1.0)
Heritage Toronto	(0.0)	0.0
Theatres	0.2	0.6
Toronto Zoo	(0.1)	(0.0)
Arena Boards of Management	0.0	0.1
Yonge Dundas Square	(0.1)	(0.2)
Toronto & Region Conservation Authority	(0.0)	0.0
Toronto Transit Commission - Conventional	(15.8)	(37.2)
Toronto Transit Commission - Wheel Trans	(2.5)	(1.1)
Toronto Police Service	(4.5)	(8.0)
Toronto Police Services Board	0.0	0.0
Total	(29.8)	(52.4)



**Toronto Public Health (TPH)** reported net under-spending of \$1.410 million or 4.6% of planned expenditures for the nine months ended September 30, 2012. This variance was driven by lower than budgeted gross expenditures of \$10.119 million; off-set by a decrease in revenues of \$8.709 million. The gross under-expenditure of \$10.119 million or 6.0% is mainly attributable to the under-spending of \$7.568 million or 4.5% in salaries and benefits which reflect delays in filling vacant positions as well as delays in opening and start-up for the Healthy Smiles Ontario Program (HSO) Clinics. In addition, there were also delays in hiring staff for 100% Provincially funded and cost-shared programs that received approval for annual base funding in the third quarter of 2012 including: the Enhanced Food Safety, Community Food Handler and Bed Bug Programs. The non-payroll expenditures were under-spent by \$2.551 million or 1.5% across various Provincially cost-shared and fully funded programs. Revenues were under-achieved by \$8.709 million or 6.3% due to the corresponding under-spending across various Provincially cost-shared and fully funded programs.

Toronto Public Health projects year-end spending of \$1.056 million or 2.2% below the 2012 Approved Net Operating Budget as the under-expenditure in salaries and benefits is expected to be reduced in the latter part of the year as the recruitment process is completed for a number of active competitions currently underway.

**Toronto Public Library (TPL)** reported net under-spending of \$3.906 million or 3.3% of planned expenditures for the nine-month period ended September 30, 2012. The favourable variance was driven by lower than planned gross expenditures of \$3.378 million, and higher than planned revenue of \$0.529 million. The gross under-expenditure of \$3.378 million or 2.6% was primarily due to savings from the labour disruption in March of 2012 and additional savings in salaries and benefits resulting from the 2012 Voluntary Separation Program. A favourable revenue variance of \$0.529 million or 4.8% reflects unbudgeted grants and donations received to off-set the costs of specific library programs.

TPL forecasts a year-end variance of \$5.011 million or 3.0% under the 2012 Approved Net Operating Budget primarily attributable to savings resulting from the March 2012 labour disruption and additional savings in salaries and benefits resulting from the 2012 Voluntary Separation Program.

**Exhibition Place** reported net under-spending of \$1.660 million for the nine-month period ended September 30, 2012. The variance consisted of lower than budgeted gross expenditures of \$0.594 million or 1.2% due to utility savings generated from Energy Retrofit Program (ERP) projects. The savings will be used to pay back ERP loans at year-end.

Exhibition Place forecasts year-end net savings of \$1.039 million attributed to increased revenue from new business and increased cost efficiencies for CNEA. The \$1.039 million projected surplus is attributed to CNEA services and will be allocated to the Exhibition Place Stabilization Reserve for the sole purpose of assisting the CNEA to become independent from the Board and the City in 2013.

**Toronto Zoo** reported net under-spending of \$0.063 million or 1.1% of planned expenditures for the nine-month period ended September 30, 2012.

Toronto Zoo forecasts a year-end net variance of \$0.046 million or 0.4% under budget. Revenue is forecast to be \$2.093 million under budget attributed to reduction in fund raising contributions. Expenditure costs will be reduced by \$2.139 million through cost containment measures to off-set the revenue shortfall.

***Toronto Transit Commission (TTC)*** reported a net under-spending of \$18.309 million or 5.2% (Conventional and Wheel-Trans combined) of planned expenditures for the nine-month period ended September 30, 2012. This favourable variance is the result of higher than planned revenue of \$13.442 million or 1.7% due to greater than planned ridership results to date with 380.8 million riders versus a budget of 371.7 million. The Commission also experienced lower than planned gross expenditures of \$4.867 million or 0.4% due to lower diesel fuel prices; reduced accident claim settlement costs; lower utilization of certain healthcare benefits 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 \$38.282 million or 7.5% under the 2012 Approved Net Operating Budget due to projected TTC ridership level of 514 million for 2012, which is 11 million greater than budgeted for the year. Ridership revenue is projected to be \$15.4 million above budget and diesel fuel, accident claim settlements, employee costs, hydro, utilities and labour rates are projected to be lower by \$21.2 million.

The projected year-end variance is based on a TTC and Wheel-Trans budget that includes the funding for the new Collective Bargaining Agreement (CBA). Approval for this budget adjustment to transfer \$38.791 million to TTC and Wheel-Trans for the CBA from the provision made in the Non-Program Expenditure Budget is recommended in this report.

***Toronto Police Service (TPS)*** reported net under-spending of \$4.5 million or 0.7% of planned expenditures for the nine-month period ended September 30, 2012. This under-expenditure is driven by lower than planned salaries and benefits, materials and supplies expenditures of \$3.075 million or 0.5% and a higher than budgeted revenue of \$1.425 million or 3.3% due to greater than planned fees and recoveries.

As per Toronto Police Service's adjusted gross expenditures and revenues, the projecting year-end spending is \$7.962 million or 0.9% below the 2012 Approved Net Operating Budget of \$935.662 million. This projected under-expenditure consists of projected lower than planned spending on salaries and benefits in the amount of \$2.9 million, lower than planned fuel and telephone costs in the amount of \$3.2 million and higher than planned revenues of \$1.9 million from increased background check requests, paid duty administration fees and greater than budgeted recoveries for overseas secondments.

### Corporate Accounts

***Corporate Accounts*** experienced a net favourable variance of \$169.260 million of planned expenditures for the nine-month period ended September 30, 2012. Projections to year-end indicate a favourable variance of \$128.407 million below the 2012 Approved Net Operating Budget, as noted below:

Table 10 Corporate Accounts Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Capital & Corporate Financing	0.0	(10.0)
Non-Program Expenditures	(89.1)	(16.1)
Non-Program Revenues	(80.2)	(102.3)
Total	(169.3)	(128.4)

**Capital and Corporate Financing** is forecast to be \$10.0 million or 1.3% under the 2012 Approved Net Operating budget of \$624.106 million at year-end owing to less funds being borrowed than planned and favourable interest rates.

**Non-Program Expenditures** were under-spent by \$89.064 million or 22.8% of planned expenditures for the nine-month period ended September 30, 2012. The under-expenditure was largely driven by the unsettled union agreement for Fire Services; savings arising from the negotiated wage settlement of 0% for CUPE Local 416 and Local 79; and, the negotiated wage settlement with Toronto Transit Commission's Local 113 which was included in the year-to-date under-spending. Under-spending was also experienced for Solid Waste Management Rebates (\$4.053 million); Parking Tag and Enforcement Operations (\$1.961 million); and, Pandemic Influenza Stockpiling (\$1.001 million).

Forecasted Non-Program Expenditures reflect net under-spending of \$16.132 million or 3.1% at year-end. The projected favourable variance is due largely to savings realized from the negotiated wage settlements for CUPE Local 416 and Local 79. Under-spending of \$4.392 million for Solid Waste management Rebates is also projected by year-end. This under-expenditure will be partially off-set by higher than planned payments for Tax Deficiencies/Write-Offs (\$11.554 million) due to higher than anticipated assessment and tax appeals. It is recommended that a portion of the wage savings for CUPE Local 79 and Local 416 staff be transferred to the Tax Stabilization Reserve to fund the negotiated 1.5% one-time non-base non-pensionable lump sum payment and the 1.95% increase to the employer health tax in 2013 Recommended Operating Budget.

**Non-Program Revenues** realized a positive variance of \$80.196 million or 10.2% above planned revenue for the period ended September 30, 2012; and it is projected that Non-Program Revenues will be \$102.275 million or 10.1% above the 2012 Approved Net Operating Budget at year-end.

The forecasted year-end variance are largely due to \$51.710 million in Municipal Land Transfer Tax (MLTT) revenue in excess of the budget of \$288.290 million; extra \$15.000 million in Interest/Investment Earnings due to a more robust cash flow combined with favourable interest rates during 2012 which allowed more income to be generated from short-term investments; additional \$19.984 million in Payments In Lieu of Taxes due largely to less appeals than budgeted; \$22.500 million in Third Party Sign Taxes reflects the collection of retroactive Third Party Sign Taxes, now that the Supreme Court of Canada has not granted leave to appeal the Ontario Court of Appeal's decision on April 2, 2012 that the Third Party Sign Tax may be applied to all signs regardless of the

date they were installed, enabling the City to retroactively bill for past due payments; and, an additional \$2.966 million in Toronto Hydro dividend income.

The year-end revenues forecasted above will be partially off-set by a decline in Supplementary Taxes of \$10.000 million or 20.0%.

### Rate Supported Programs

Rate Supported Programs, which include Solid Waste Management Services, Toronto Parking Authority and Toronto Water, collectively reported net under-spending of \$0.652 million or 0.9% for the nine-month period ended September 30, 2012 and are projecting an under-expenditure at year-end of \$5.586 million or 9.9%, as outlined in Table 11 below.

Table 11 Non Levy Operations Net Expenditure Variance (\$ Million)		
	September 2012 Over/(Under)	Projected Y/E 2012 Over/(Under)
Solid Waste Management Services	4.7	(0.7)
Toronto Parking Authority	2.5	0.4
Toronto Water	(7.9)	(5.3)
Total	(0.7)	(5.6)

***Solid Waste Management Services (SWMS)*** reported net over-spending of \$4.709 million of planned expenditures for the nine-month period ended September 30, 2012. The unfavourable variance as of September 30, 2012 primarily results from higher costs of \$4.0 million for Source Separated Organics (SSO) processing due to the delayed commissioning of the Disco SSO Processing Facility; unexpected higher expenditures of \$0.7 million for waste / recycling / organics bins for the new non-residential fee program; higher net expenditures of \$8 million due to the delay of other budgeted expenditures and revenues; lower year to date revenue of \$2.5 million from sales of recyclable materials due to lower than forecasted commodity prices; and lower net revenue of \$0.5 million that was also incurred due to an ongoing but recently resolved legal dispute concerning a recyclables processing contract.

Additional net costs resulting in an unfavourable variance as of September 30, 2012 noted above have been somewhat offset by savings in salaries and benefits of \$8.6 million due to unfilled positions and laying off of temporary seasonal staff as a result of the contracting-out of collection in District 2; utility cost savings as of September of \$0.3 million; savings of \$0.7 million in material and supplies; computer hardware, software and communication equipment; higher revenue of \$0.8 million for tipping fees at Transfer Stations and the Green Lane landfill for paid commercial waste; and a one-time provincial grant of \$0.5 million received for collection truck modification.

SWMS is projecting a year-end favourable variance of \$0.654 million, representing a projected net surplus. This mainly arises from projected full-year savings in salaries and benefits of \$8.2 million, off-set by an increased cost of \$4.0 million for recyclables and SSO processing due to the delay of the Disco SSO facility work; an unexpected cost of \$0.7 million for bins for Charities, Institutions & Religious Organizations (CIRO) customers; and unfavourable revenue projections at year-end that are primarily impacted by lower revenue of \$2.5 million from the sale of recyclable materials off-set by increased tipping fees for commercial residual waste and the receipt of one-time Provincial Stewardship funding for collection truck modification. Final sales of recyclables and waste tonnages in 2012 will be dependent on the volume of waste produced and the broader resale markets for commodities.

**Toronto Water** reported net under-spending of \$7.901 million or 28.5% of planned expenditures for the nine-month period ended September 30, 2012. This favourable variance reflects lower than planned gross expenditures of \$20.084 million, mainly due to \$12.1 million in salary and benefit savings arising from delays in filling vacant positions, and \$4.0 million in under-spending for hydro costs, due to later than planned invoice payments. Expenditure savings are partially off-set by lower than budgeted revenue of \$12.184 million, reflecting continuing lower water consumption trends arising from water efficiency measures.

Toronto Water is projecting a year-end favourable variance of \$5.320 million under the 2012 Approved Net Operating Budget of \$516.606 million. Forecasted year-end gross expenditures are expected to be \$24.961 million or 2.8% lower than the 2012 Approved Gross Operating Budget of \$383.957 million, reflecting savings of \$16.5 million from delays in filling vacant positions and lower than anticipated Hydro costs of \$4.2 million. The Program's contribution to its capital reserve is projected to be \$5.320 million or 1.0% higher than budgeted, largely as a result of net expenditure savings.

Toronto Water is projecting that year-end water sales and sewer surcharges will be 2.2% or \$19.641 million below the 2012 Approved Revenue Budget of \$895.244 million. The projected revenue loss reflects lower water consumption of \$13.9 million, and lower than anticipated revenues from the sale of water to York Region of \$3.2 million. The projected year-end net revenue short-fall for lower than planned water sales and sewer surcharges of \$19.6 million has been taken into account in developing the current and future year consumption projections in the 2013 Water Rate Model.

The **Toronto Parking Authority** reported an unfavourable net expenditure variance of \$2.539 million or 6.0% below planned expenditures budget for the nine-month period ended September 30, 2012. The Toronto Parking Authority is projecting a year-end positive variance estimated at \$0.388 million or 0.7% under its 2012 Approved Net Operating Budget of (\$56.403) million. The Toronto Parking Authority is forecasting additional revenue of \$0.713 million or 0.6%, based on rate increases implemented in August/September of 2012. This increase in revenue will be off-set by higher rent expense projections of \$1.109 million or 1.5%, related to increased rent costs for managed lots which are determined as a percentage of the income generated from those lots.

It is important to note that the 2012 Approved Operating Budget includes a net revenue target of (\$3.720) million, requiring the Authority to identify ongoing increased revenues above 2011

budgeted levels. This revenue target maintains the City's 75% share of net revenue consistent with the 2011 Non-Program Revenue Budget of (\$41.994) million.