TORONTO

STAFF REPORT
ACTION REQUIRED

Operating Variance Report for the Five-Month Period Ended May 31, 2014

Date:	July 21, 2014
To:	Budget Committee
From:	Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	P:\2014\Internal Services\Fp\Bc14018Fp (AFS #19345)

SUMMARY

The purpose of this report is to provide Council with the City of Toronto Operating Variance for the five-month period ended May 31, 2014 as well as year-end projections and to request Council's approval for amendments to the 2014 Approved Operating Budget between Programs that have no net impact to the 2014 Approved Net Operating Budget to ensure accurate reporting and financial accountability.

For the five-month period ended May 31, 2014, Tax Supported Operations reported a favourable net variance of $37.004 million or 2.4%, as noted in Table 1 below.

Table 1
Tax Supported Variance Summary ($ Millions)

	May 2014 Over/(Under)		Projected Y/E 2014 Over/(Under)	
	$	%	$	%
Gross Expenditures	(64.4)	-1.7%	(110.4)	-1.1%
Revenues	(27.4)	-1.2%	(109.2)	-1.8%
Net Expenditures	(37.0)	-2.4%	(1.2)	0.0%

Under-spending was driven largely by salary and benefit savings from vacant positions and a reduction in caseload for Toronto Employment and Social Services. Higher than budgeted revenue from permit applications for Toronto Building, Toronto Hydro Dividend Income and the Municipal Land Transfer Tax has also contributed to the favourable net variance for the five month period. The under-spending was partially offset by over-expenditures for Tax Deficiencies, City Planning and the Vacancy Rebate Program.

Projections indicate that the year-end position will result in a net favourable variance of $1.176 million. The year-end projection is primarily due to projected continuation of salary and benefit savings from vacant positions and reduction in caseload for Toronto Employment and Social Services to year-end. Higher than budgeted revenue from permit applications for Toronto Building, Toronto Hydro Dividend Income and the Municipal Land Transfer Tax realized in the five month period will be maintained to year-end.

The favourable variance noted above will be partially off-set by projected under-achieved net revenue from Court Services ($27.053 million), Toronto Transit Commission Conventional Service ($8.0 million) and Supplementary Taxes ($8.0 million).

Table 2 below summarizes Rate Supported Program net variances:

Table 2
Rate Supported Variance Summary ($ Millions)

	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
Solid Waste Management Services	(0.4)	(2.3)
Toronto Parking Authority	(0.6)	2.0
Toronto Water	0.3	(10.2)
Total Variance	(0.8)	(10.4)

The year-to-date favourable net variance of $0.756 million was driven by the Toronto Parking Authority's under-spending of $0.633 million largely from savings in salaries and benefits for part time cashiers and lower maintenance costs. In addition, Solid Waste Management Services was under-spent by $0.389 million primarily due to lower gross expenditures for various items, mainly driven by delayed payments for waste disposal in alternative landfills and contracted processing due to the billing process.

Toronto Water reported an over-expenditure of $0.267 million mainly due to higher than budgeted utility costs from the colder than expected winter as well as fluctuation in hydro use associated with wastewater treatment process and water transmission and haulage costs of biosolids.

Rate Supported Programs collectively project year-end net under-spending of $10.437 million, primarily from Toronto Water due to higher than budgeted revenues from private water agreements, additional recoveries for new service connections and associated user fees.

Table 3 below summarizes the vacancy rate for the five months ended May 31, 2014 and projections to year-end.

Table 3 Summary of Approved Complement (Includes Capital and Operating Positions)						
Program/Agency	**Year-to-Date**			**Year-End Projections**		
	Vacancy	**Budgeted Gapping**	**Vacancy After Gapping**	**Vacancy**	**Budgeted Gapping**	**Vacancy after Gapping**
City Operations	5.7%	2.5%	3.2%	2.9%	2.5%	0.3%
Agencies	5.1%	2.1%	3.0%	2.3%	2.1%	0.1%
Corporate Accounts	0.8%	0.0%	0.8%	0.0%	0.0%	0.0%
Total Levy Operations	**5.4%**	**2.3%**	**3.1%**	**2.5%**	**2.3%**	**0.2%**
Rate Supported Programs	7.5%	2.3%	5.2%	6.8%	2.3%	4.5%
Grand Total	**5.5%**	**2.3%**	**3.2%**	**2.8%**	**2.3%**	**0.5%**

As of May 31, 2014, the City recorded a vacancy rate of 3.2% after gapping for an approved complement of 53,023.3 positions. The forecasted year-end vacancy rate after gapping is projected to be 0.5% for an approved complement of 52,689.6 positions. A more detailed analysis is provided in the Approved Complement Section of this report.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. City Council approve the budget adjustments detailed in Appendix F to amend the 2014 Approved Operating Budget between Programs that have no impact to the 2014 Approved Net Operating Budget.

FINANCIAL IMPACT

As shown in Table 4 below, Tax Supported Program and Agency planned expenditures were under-spent by $64.377 million or 1.7% gross and $37.004 million or 2.4% net for the five-month period ended May 31, 2014. Projections indicate that the year-end gross budget will be under-spent by $110.368 million or 1.1% and will result in a net favourable variance of $1.176 million.

Table 4 Tax Supported Expenditure Variance ($ Millions)				
	May 2014 Over/(Under)		Projected Y/E 2014 Over/(Under)	
	Gross	Net	Gross	Net
Citizen Centered Services "A"	(63.4)	(15.9)	(96.5)	11.9
Citizen Centered Services "B"	16.2	11.0	(8.6)	(5.1)
Internal Services	(3.1)	(1.9)	(14.4)	(2.9)
City Manager	(3.0)	(1.7)	(1.3)	(0.6)
Other City Programs	(3.4)	(1.7)	(0.4)	(1.2)
Council Appointed Programs	(0.1)	(0.1)	(0.2)	(0.2)
Total – City Operations	(56.8)	(10.3)	(121.3)	2.0
Agencies	(24.3)	(9.1)	(17.2)	7.0
Corporate Accounts	16.8	(17.6)	28.2	(10.2)
Sub-Total	(7.5)	(26.7)	11.0	(3.2)
Total Variance	(64.4)	(37.0)	(110.4)	(1.2)

City Operations reported gross under-spending of $56.838 million or 3.1% with a favourable net variance of $10.262 million or 1.4% as of May 31, 2014. Current projections indicate that City Operations' 2014 year-end gross budget will be $121.337 million or 2.5% below budget; however this will result in a $2.000 million or 0.1% unfavourable net variance, largely due to under-achieved net revenue for Court Services of $27.053 million.

Agencies reported gross under-spending of $24.319 million or 1.8% and $9.097 million or 1.4% of planned net expenditures for the five months ended May 31, 2014. Agencies collectively project gross under-expenditures of $17.190 million or 0.5%. However, this will result in a $7.046 million or 0.4% unfavourable net variance at year-end, largely due to currently projected under-achieved net revenue for the Toronto Transit Commission (Conventional Service) of $8.0 million.

Corporate Accounts were over-spent by $16.780 million or 3.0% gross with a favourable net variance of $17.646 million or 15.6% for the five months ended May 31, 2014, largely driven by higher than budgeted net revenue from the Municipal Land Transfer Tax and Toronto Hydro Dividend Income. Corporate Accounts collectively are forecast to have year-end gross over-expenditures of $28.159 million or 2.0% but a favourable net variance of $10.222 million or 7.9% of the 2014 Approved Operating Budget primarily from increased Municipal Land Transfer Tax net revenue and Toronto Hydro Dividend Income, partially offset by lower Supplementary Taxes.

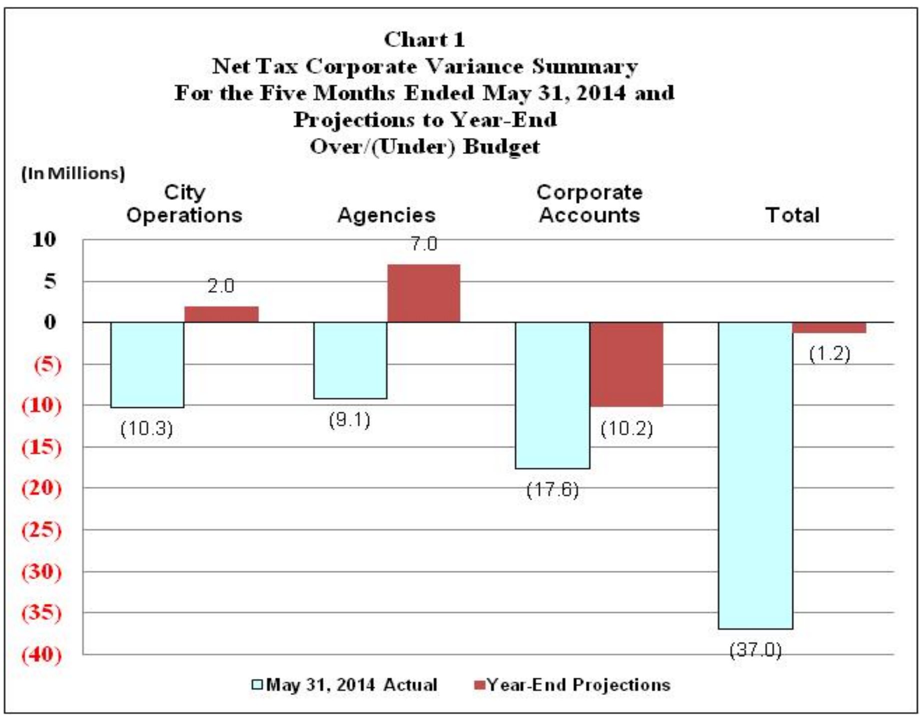
Appendices A, B and C attached summarize net expenditures, gross expenditures, and revenues, respectively. Appendices D and E provide a detailed assessment of the complement and strength for the five months ended May 31, 2014 and year-end projections. Appendix F details the in-year budget adjustments to the 2014 Approved Operating Budget. Appendix G provides detailed variance explanations for each City Program and Agency for the five months ended May 31, 2014 as well as projections to year-end.

ISSUE BACKGROUND

This report is provided pursuant to financial management best 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 2014 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management principles.

Given Council's extended recess starting the end of August for the 2014 Municipal Election, this report provides the five month operating spending status and projections to year-end.

COMMENTS



Tax Supported Programs

City Operations realized net under-spending of $10.262 million or 1.4% of planned expenditures for the five-month period ended May 31, 2014. Major contributors to the net under-spending include:

- Toronto Employment and Social Services' net under-spending of $6.305 million or 9.5% was primarily attributed to lower year-to-date caseload (93,794 actual versus 101,000 budgeted) and lower special diet expenditures.

- With respect to Parks, Forestry and Recreation (PF&R), ice storm costs are being captured in the Non-Program Expenditure Budget and are not allocated by Division so the expectations reported for the first five months do not reflect total costs. Once ice storm clean-up is completed, PF&R will engage additional resources to assist in catching up the deferred work and spending is expected to be on budget at year-end. This assumes that all ice storm costs are fully recovered from the Province.

- Toronto Building's net under-spending of $4.275 million or 61.9% was primarily the result of higher than budgeted revenues of $4.345 million due to the sustained high volume of permit application intake.

- Shelter, Support and Housing Administration's net under-spending of $3.504 million or 4.5% was largely the result of savings in salaries and benefits and uneven timing of revenues from the Community Homelessness Prevention Initiative (CHPI).
- Economic Development and Culture's under-spending of $2.146 million or 13.2% was primarily due to the timing of incurred salaries and benefits and contracted services, which will occur later in the year than originally planned.

- City Manager's Office net under-spending of $1.702 million or 9.5% was due largely to salary and benefit savings arising from vacant positions.

- Toronto Fire Services' net under-expenditure of $1.511 million or 0.9% consisted mainly of under-spending in fringe benefits and various non-payroll expenses combined with unbudgeted Provincial funding received for the Heavy Urban Search and Rescue equipment costs incurred in 2013.

The year-to-date under-spending outlined above was partially offset by the following Programs:

- Transportation Services' net over-spending of $15.734 million or 17.2% was mainly due to higher than expected costs for winter maintenance as a result of the harsh winter conditions. However, the Program anticipates being on budget at year-end conditional on weather conditions.

- City Planning's net unfavourable variance of $1.727 million or 38.7% as revenues were lower than planned by $0.958 million primarily due to a lower than anticipated volume of development application fees.
  - In the event that a year-end deficit does occur, funds will be drawn from the Development Application Review Reserve Fund, as per its intended purpose to offset the deficit.

- Court Services' net unfavourable variance of $0.841 million or 61.4% was primarily from unrealized revenues based on lower volumes of tickets issued and filed by the Toronto Police Service and other enforcement agencies in Toronto. The tickets filed for the period ending May 31, 2014 was 108,714; 47% lower compared to the same period in 2013 (206,085) and 59% lower than 2012 (265,265).

City Operations forecasts net over-spending of $2.000 million or 0.1% at year-end due largely to unrealized revenue for Court Services. The Program is forecasting a net revenue loss of $27.053 million attributable to lower than budgeted fine revenues arising from lower volume of charges filed with the Program by the Toronto Police Service and other enforcement agencies. The projected year-end volume of tickets Court Services expects to receive is 311,124 or 33% lower than 2013 of 467,565.

The forecasted 2014 Approved Net Operating Budget over-expenditures outlined above are projected to be partially offset by the following:

- Toronto Employment and Social Services' projected a net under-expenditure of $9.121 million or 5.3% based on continued lower than planned caseload, which is projected to be 6,500 or 6.4% below the budgeted caseload of 101,000 and lower special diet expenditures.

- Shelter, Support and Housing Administration is projecting year-end net under-spending of $5.681 million or 2.9% primarily due to savings in social housing and hostel services. The projected savings will reduce the necessary reserve contribution by an equal amount, resulting in a year-end $0 net variance.

- Toronto Building is projecting a net revenue increase of $5.0 million or 45.3% primarily based on stronger revenues arising from an anticipated high level of permit application intake.

- Information and Technology is forecasting net under-spending of $1.426 million or 2.1% due largely to vacant positions.

- The Office of the Treasurer is projecting a favourable year-end variance of $1.195 million or 4.0% mainly from vacant positions.

- Legal Services is forecasting a net under-expenditure of $1.180 million or 6.1% as a result of vacant positions.

Agencies reported net under-spending of $9.097 million or 1.4% of planned expenditures for the five months ended May 31, 2014. The variance was driven by the Toronto Transit Commission's Combined Services which reported $7.473 million or 3.5% in net under-spending. This has resulted from lower gross expenditures of $14.328 million or 2.0% largely due to later than planned timing of certain non-labour expenses and saving from vacant positions coupled with lower than budgeted revenue of $6.855 million or 1.4% from weaker than expected ridership results of 3.0 million and a slightly lower average fare stemming from marginally higher monthly pass sales. The under-spending for the Toronto Transit Commission is not expected to continue to year-end.

Agencies are collectively forecasting over-expenditures of $7.046 million or 0.4% of the 2014 Approved Net Operating Budget by year-end. The Toronto Transit Commission’s Conventional Service is forecasting an unfavourable variance of $8.0 million or 1.9% by year-end based on a projected shortfall in passenger revenues as the number of customer journeys for the year is expected to be marginally (about 3.0 million) below target largely due to the severe cold temperatures experienced in January, February and March. Additionally, as noted throughout 2013, higher than anticipated monthly pass sales continue to cause a slight decline in the average fare.

Corporate Accounts experienced net under-spending of $17.646 million or 15.6% for the five months ended May 31, 2014. Projections to year-end indicate that Corporate Accounts will be $10.222 million or 7.9% below the 2014 Approved Net Operating Budget.

Capital and Corporate Financing was at budget for the period ended May 31, 2014. At this time, it is forecasted that Capital and Corporate Financing will be in line with the budget at year-end.

Non-Program Expenditures were over-spent by $7.963 million or 4.2% net for the five-month period ended May 31, 2014. This was driven by over-expenditures for Tax Deficiencies of $10.995 million or 61.6% as a result of appeals, other adjustments and provisions exceeding the budget. In addition, the Vacancy Rebate Program was over-spent by $1.042 million or 11.4% due to adjustments to the pending vacancy rebate amounts set aside for prior years. These amounts reflect adjustments due to surplus/deficit of the provision previously set for vacancy rebates for prior years, when compared to the actuals.

The year-to-date over-spending noted above was partially offset by an under-expenditure of $1.686 million or 9.4% for Other Corporate Expenditures from various items, including emergency human resources, corporate studies, etc. In addition, Solid Waste Management Rebates were lower than planned by of $1.369 million or 1.8% due to changes in the utility billing cycle for several large water accounts converted from flat rate to automated reading. The Rebates are forecast to be on budget by year-end.

Non-Program Expenditures are projected to be over-spent by $0.870 million or 0.2% net by year-end. This is due primarily to the Vacancy Rebate Program which forecasts an over-expenditure of $2.500 million or 11.4% from adjustments to the pending vacancy rebate amounts set aside for prior years.

Tax Deficiencies are forecasting to have a net unfavourable variance of $26.431 million or 50.8% by year-end. Appeals, other adjustments and provisions are expected to exceed the budget by approximately $22.0 million and TIEG grants are projected to be approximately $4.4 million higher than budgeted due to new properties becoming eligible for the grants and timing of applications. City Council, at its meeting of June 11, 12, 13, 2013, directed that any annual shortfall in amounts budgeted for property tax decreases (tax deficiencies) due to assessment appeal losses and the actual amount of tax deficiencies occurring during the year be offset by a contribution from the Assessment Appeal Stabilization Reserve. The contribution from the Assessment Appeal Stabilization Reserve is included in the year-end projections for Tax Deficiencies, resulting in a net zero impact by year-end.

The forecasted year-end over-spending noted above, will be partially offset by under-expenditures for Municipal Property Assessment Corporation (MPAC) fees and Parking Tag and Enforcement Operations. MPAC fees are projected to be $1.024 million or 2.5% lower than budgeted. In addition, net savings from Parking Tag and Enforcement Operations is forecasted at $0.470 million or 0.8% due to the relocation of the Parking Enforcement Headquarters and the lease not being renewed on June 30, 2014.

The Non-Program Expenditure Budget includes ice storm costs, which are currently anticipated to be fully recoverable from the Province. As noted under the Ice Storm Section of this report, the Province will be releasing detailed guidelines later in the summer, which may have an impact on the recoverability of certain costs.

Non-Program Revenues experienced a favourable net variance of $25.609 million or 7.4% for the period ended May 31, 2014. The year-to-date increase in net revenue was primarily due to the following:

- Municipal Land Transfer Tax net revenue of $20.043 million or 16.1% mainly driven by select transactions with high sales prices during January and February.

- Toronto Hydro Dividend Income of $5.600 million or 15.4% above budget based on better than originally forecasted 2013 operating results for Toronto Hydro. Toronto Hydro received a favourable ruling at the Ontario Energy Board which resulted in a one-time increase for 2013.

Non-Program Revenues are projected to be above budget by $11.092 million or 1.1% at year-end largely due to higher than anticipated net revenue from the Municipal Land Transfer Tax of $15.199 million or 4.3% and Toronto Hydro Dividend Income of $5.600 million or 10.2% received to date.

The projected increase will be partially offset by under-achieved net revenue for Supplementary Taxes of $8.000 million or 20.0%. The supplementary/omitted assessment will generate an estimated $32.0 million compared to budgeted revenues of $40.0 million. The Toronto Parking Authority net revenue is expected to decline by $1.500 million or 3.1% from lower on-street parking revenue as a result of increased road work City wide, in addition to the impact of the large number of snow days experienced during the first three months for this year.

Rate Supported Programs were under-spent by $0.756 million compared to net planned expenditures for the five-month period ended May 31, 2014. This under-expenditure was driven by Toronto Parking Authority's net under-spending of $0.633 million largely from savings in salaries and benefits for part time cashiers and lower maintenance costs. In addition, Solid Waste Management Services was under-spent by $0.389 million primarily due to lower gross expenditures for various items, most notably delayed payment for waste disposal in alternative landfills and contracted processing due to the billing process.

The under-spending noted above was partially offset by a net over-expenditure for Toronto Water of $0.267 million mainly due to higher than budget gross expenditures for utility costs from the colder than expected winter as well as fluctuation in hydro use for wastewater treatment process and water transmission and haulage costs of biosolids.

Rate Supported Programs collectively project year-end net under-spending of $10.437 million. Toronto Water is forecasting to be $10.183 million under the 2014 Approved Net Operating Budget. Budgeted revenues are forecasted to be exceeded by $9.069 million, driven by higher than anticipated revenues from private water agreements, additional recoveries for new service connections and associated user fees. In addition, Solid Waste Management Services is projecting net under-spending of $2.253 million. The year-end projection primarily consists of salary and benefits savings due to vacancies, lower contracted SSO processing costs and lower tax expense from due to re-assessment of property values for the Green Lane Landfill and Transfer Stations.

For year-end, the Toronto Parking Authority is projecting a net unfavourable variance of $2.000 million. The unfavourable net variance projection is primarily due to anticipated lower revenues from on-street parking as a result of increased road work City wide, in addition to the impact of the large number of snow days experienced during January, February and March.

Approved Complement

Table 5 provides the approved complement and strength as at May 31, 2014 and projections to year-end. As of May 31, 2014, the City reported a strength of 50,114.1 positions representing a vacancy rate, after approved gapping, of 3.2%. By year-end, the City is projecting a strength of 51,224.6 positions. The projected year-end vacancy rate after approved gapping is expected to be 0.5%.

Appendices D and E provide a detailed assessment of the approved complement and strength for five months ended May 31, 2014 and projections to year-end.

Table 5
Summary of Approved Complement
(Includes Capital and Operating Positions)

Program/Agency	Year-To-Date						Year-End Projections					
	Complement	Strength	Vacancies	Vacancy %	Budgeted Gapping %	Vacancy after Gapping	Complement	Strength	Vacancies	Vacancy %	Budgeted Gapping %	Vacancy after Gapping
Citizen Centred Services "A"	12,439.1	12,081.6	(357.5)	2.9%	1.6%	1.3%	12,438.4	12,210.0	(228.4)	1.8%	1.6%	0.2%
Citizen Centred Services "B"	6,235.2	5,777.1	(458.1)	7.3%	3.0%	4.4%	6,235.2	5,997.4	(237.8)	3.8%	3.0%	0.9%
Internal Services	2,850.2	2,446.5	(403.7)	14.2%	5.4%	8.8%	2,870.2	2,716.2	(154.0)	5.4%	5.4%	0.0%
City Manager's Office	447.5	390.0	(57.5)	12.8%	4.0%	8.8%	447.5	421.0	(26.5)	5.9%	4.0%	1.9%
Other City Programs	932.7	897.3	(35.4)	3.8%	2.5%	1.2%	923.7	916.7	(7.0)	0.8%	2.6%	-1.8%
Accountability Offices	50.8	50.0	(0.8)	1.5%	0.5%	1.0%	50.8	49.0	(1.8)	3.4%	0.5%	2.9%
Total City Operations	**22,955.5**	**21,642.5**	**(1,313.0)**	**5.7%**	**2.5%**	**3.2%**	**22,965.8**	**22,310.3**	**(655.5)**	**2.9%**	**2.5%**	**0.3%**
Agencies	26,526.0	25,169.3	(1,356.7)	5.1%	2.1%	3.0%	26,182.0	25,586.1	(595.9)	2.3%	2.1%	0.1%
Corporate Accounts	394.0	391.0	(3.0)	0.8%	0.0%	0.8%	394.0	394.0	0.0	0.0%	0.0%	0.0%
Total Levy Operations	**49,875.5**	**47,202.9**	**(2,672.7)**	**5.4%**	**2.3%**	**3.1%**	**49,541.8**	**48,290.4**	**(1,251.4)**	**2.5%**	**2.3%**	**0.2%**
Rate Supported Programs	3,147.8	2,911.2	(236.6)	7.5%	2.3%	5.2%	3,147.8	2,934.1	(213.7)	6.8%	2.3%	4.5%
Grand Total	**53,023.3**	**50,114.1**	**(2,909.2)**	**5.5%**	**2.3%**	**3.2%**	**52,689.6**	**51,224.6**	**(1,465.0)**	**2.8%**	**2.3%**	**0.5%**

City Operations

As indicated in Table 5 above, City Operations collectively reported a strength of 21,642.5 positions, which was 1,313.0 positions below the complement of 22,955.5 positions for the five months ended May 31, 2014. The vacancy rate, after approved gapping, was 3.2%. By year-end, City Operations are projecting a strength of 22,310.3 positions, representing 655.5 positions under the approved complement of 22,965.8 positions. After approved gapping, the projected vacancy rate is expected to be 0.3%.

Agencies

As of May 31, 2014, the combined strength reported by Agencies was 25,169.3 positions which was 1,356.7 positions below the approved complement of 26,526.0 positions representing a vacancy rate, after approved gapping, of 3.0%. Agencies are collectively projecting a year-end strength of 25,586.1 positions, representing 595.9 positions below the complement of 26,182.0 positions, with a vacancy rate of 0.2% after approved gapping.

Rate Supported Programs

Rate Supported Programs reported a strength of 2,911.2 positions, representing 236.6 under the approved complement of 3,147.8 positions, as of May 31, 2014. The vacancy rate, after approved gapping, was 5.2%. By year-end, Rate Supported Programs are forecasting a strength of 2,934.1 positions before gapping. After approved gapping, the projected vacancy rate for the year-end is expected to be 4.5%.

The December 21 and 22, 2013 Ice Storm

The December 21 and 22, 2013 ice storm has had an ongoing impact on the City, as reported to Committees and Council on a number of occasions.

The City's updated cost forecast, as documented in its Expression of Interest to the Provincial Ice Storm Assistance Program, is $77.2 million ($75.0 million for City Divisions and $2.2 million for Agencies and Corporations). $44.5 million of the Divisional costs was expensed in 2013 and expenditures as at May 31, 2014 total $9.7 million. The remaining expenditures of approximately $20.8 million reflects amounts incurred prior to May 23, 2014 that were not yet recorded in the City's records, as well as expenditures forecast to be incurred by October 31, 2014, (the Provincial final deadline for ice storm costs).

The Province will be releasing detailed guidelines later in the summer, which may have an impact on the recoverability of certain costs. Basically, costs must be: directly related to the ice storm, respond to a public health and safety issue and be incremental in nature.

While the City anticipates that most of the submitted storm-related costs will be eligible for reimbursement under the Ice Storm Assistance Program, there remains a risk that costs put forward could be denied through the Provincial audit that will occur for each claim. The most significant area of concern for the City is the potential ineligibility of salaries for staff, primarily in Urban Forestry, assigned to ice storm related work, which was a reassignment from regular forestry responsibilities. Although backfilling costs are eligible, usually the backfill is coincident with the response activities, while the City responded to hazards in the first part of the year, with backlogged work orders to be addressed by incremental resources in the second part of the year. The financial risk to the City should these costs be deemed ineligible, is approximately $5.0 million.

Budget Adjustments

Council approval is required for adjustments to the 2014 Approved Operating Budget. These recommended budget adjustments have no impact to the 2014 Approved Net Operating Budget, as set out in Appendix F. The major adjustments are outlined below.

Change to Exhibition Place's Services

The program map for Exhibition Place is being refined to 2 services from 3 as approved in the 2014 Approved Operating Budget for Exhibition Place. The 2 services are consistent with City Council's direction whereby the BMO Field be granted greater autonomy from the Board of Governors of Exhibition Place. The actual expenditures and revenues will no longer be consolidated with the Board's operations. As a result, this report recommends Council authorize Exhibition Place's 3 services be consolidated into 2 services as outlined below. In addition, 13.5 positions will be removed from the 2014 Approved Operating Budget for Exhibition Place, as staffing at BMO Field is now the responsibility of Maple Leaf Sports and Entertainment, as the operator of BMO Field. There is no impact to the 2014 Approved Net Operating Budget for Exhibition Place from this service budget realignment.

2014 Approved Operating Budget by Service

Service	Gross ($000s)	Net ($000s)
Exhibition Place & Direct Energy Centre	29,184.3	223.9
National Soccer Stadium (BMO Field)	10,677.0	-323.9
Allstream Conference Centre	4,576.8	0.0
Total Program	44,438.1	-100.0

Revised 2014 Approved Operating Budget by Service

Service	**Gross ($000s)**	**Net ($000s)**
Exhibition Place & Direct Energy Centre	39,861.3	-100.0
Allstream Conference Centre	4,576.8	0.0
Total Program	44,438.1	-100.0

Pan American and Parapan American Games – Celebration Live Site:

The report recommends City Council increase the 2014 Approved Operating Budget for Economic Development and Culture by $1.000 million gross and $0 net for the Pan American and Parapan American Games Celebration Live Site at Nathan Phillip's Square. There is a signed agreement with the Province and the City has received the funding. This agreement is for Ontario's $2.0 million contribution to the Panamania Celebration Live Festival at Nathan Phillip's Square, which the City is co-producing with TO2015. Of the $2.0 million, $1.0 million is to be spent in 2014 and $1.0 million in 2015.

Sustainment of Completed Capital Projects:

This report recommends City Council authorize the transfer of $0.835 million gross and net from the 2014 Approved Non-Program Expenditure Budget to City Manager's Office, Human Resources Division to fund 7 permanent positions to sustain completed capital projects.

Payment of Facility Maintenance Services and Associated Costs Provided by FM&RE for City-Owned Buildings Occupied by Fire Services:

This report recommends City Council authorize the transfer of $0.800 million gross and net from Facilities Management and Real Estate (FM&RE)'s 2014 Approved Operating Budget to Fire Services' 2014 Approved Operating Budget to ensure consistency in corporate procedures for payment of facility maintenance services and associated costs provided by FM&RE for City-owned buildings occupied by Fire Services.

Nurses' Program for Emergency Medical Services:

It is recommended that City Council authorize increased base funding of $0.566 million gross and $0 net to EMS' 2014 Approved Operating Budget, to reflect confirmed Provincial funding from the Ministry of Health and Long Term Care (MOHLTC). The 100% Provincial on-going base funding for the Nurses' Program enables EMS to purchase additional nursing hours at hospitals to assist EMS paramedics offload patients at 7 hospitals with the highest offload delays in the City.

<u>Consulting Costs</u>

As at May 31, 2014, Tax and Rate Supported Operations reported actual consulting costs of $1.940 million resulting in under-spending of $.016 million or 0.8% of $1.956 million in planned expenditures.

Utility Costs

As at May 31, 2014, Tax and Rate Supported Operations reported actual utility costs of $73.968 million (compared to the planned expenditures of $64.742 million) resulting in an over-expenditure of $9.227 million or 14.3% compared to plan. The over-expenditure in utility costs was primarily the result of extreme weather conditions. Several Programs have reported higher than planned utility costs, such as Toronto Water, Transportation Services and Facilities Management and Real Estate.

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SIGNATURE

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Roberto Rossini
Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Appendix A – City of Toronto Net Expenditures for Five Months Ended May 31, 2014
Appendix B – City of Toronto Gross Expenditures for Five Months Ended May 31, 2014
Appendix C – City of Toronto Revenues for Five Months Ended May 31, 2014
Appendix D – City of Toronto Complement for Five Months Ended May 31, 2014
Appendix E – City of Toronto Complement Projections for 2014 Year-End
Appendix F – City of Toronto Budget Adjustments for Five Months Ended May 31, 2014
Appendix G – City of Toronto Significant City Programs/Agencies Variance Explanations

Appendix A

CITY OF TORONTO
CONSOLIDATED NET EXPENDITURES VARIANCE
FOR THE FIVE MONTHS ENDED MAY 31, 2014
($000s)

	May 31, 2014				December 31, 2014			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	389.2	389.2	0.0	0.0%	1,194.8	1,194.8	0.0	0.0%
Children's Services	33,062.0	33,061.9	(0.0)	0.0%	76,716.4	76,716.4	0.0	0.0%
Court Services	1,369.5	2,210.4	840.9	61.4%	(13,783.2)	13,269.5	27,052.7	-196.3%
Economic Development & Culture	16,307.5	14,161.9	(2,145.6)	-13.2%	48,692.9	48,692.9	0.0	0.0%
Emergency Medical Services	16,999.8	17,492.1	492.3	2.9%	69,227.3	68,890.3	(337.0)	-0.5%
Long Term Care Homes and Services	9,505.8	9,801.7	295.9	3.1%	45,789.7	45,789.7	0.0	0.0%
Parks, Forestry & Recreation	117,707.6	112,476.4	(5,231.2)	-4.4%	288,878.2	288,878.2	(0.0)	0.0%
Shelter, Support & Housing Administration	77,450.8	73,947.2	(3,503.6)	-4.5%	197,515.8	191,834.8	(5,681.0)	-2.9%
Social Development, Finance & Administration	8,637.9	8,313.5	(324.3)	-3.8%	29,969.4	29,969.4	0.0	0.0%
Toronto Employment & Social Services	66,535.0	60,230.0	(6,305.0)	-9.5%	172,364.1	163,243.3	(9,120.8)	-5.3%
Sub-Total Citizen Centred Services "A"	347,965.0	332,084.3	(15,880.7)	-4.6%	916,565.5	928,479.4	11,913.9	1.3%
Citizen Centred Services "B"								
City Planning	4,465.6	6,193.0	1,727.3	38.7%	15,236.6	16,166.6	930.0	6.1%
Fire Services	167,722.8	166,212.2	(1,510.6)	-0.9%	410,101.3	410,101.3	0.0	0.0%
Municipal Licensing & Standards	5,452.6	5,074.2	(378.5)	-6.9%	20,912.9	20,412.9	(500.0)	-2.4%
Policy, Planning, Finance and Administration	3,232.7	3,176.3	(56.3)	-1.7%	10,509.9	10,428.6	(81.3)	-0.8%
Engineering and Construction Services	4,559.1	4,323.5	(235.6)	-5.2%	7,604.3	7,604.3	0.0	0.0%
Toronto Building	(6,903.9)	(11,178.9)	(4,275.0)	61.9%	(11,031.3)	(16,031.3)	(5,000.0)	45.3%
Transportation Services	91,270.4	107,004.6	15,734.2	17.2%	206,106.5	205,666.0	(440.6)	-0.2%
Sub-Total Citizen Centred Services "B"	269,799.2	280,804.8	11,005.6	4.1%	659,440.3	654,348.5	(5,091.9)	-0.8%
Internal Services								
Office of the Chief Financial Officer	3,820.6	3,610.4	(210.2)	-5.5%	9,445.8	8,959.4	(486.4)	-5.1%
Office of the Treasurer	14,029.2	13,201.3	(827.9)	-5.9%	30,077.2	28,882.2	(1,195.0)	-4.0%
Facilities Management & Real Estate	37,113.4	36,788.8	(324.6)	-0.9%	66,152.9	65,704.9	(448.0)	-0.7%
Fleet Services	450.3	704.5	254.2	56.5%	0.0	0.0	0.0	n/a
Information & Technology	34,502.0	33,764.6	(737.4)	-2.1%	69,066.5	67,640.9	(1,425.6)	-2.1%
311 Toronto	3,531.1	3,520.9	(10.2)	-0.3%	10,285.0	10,960.3	675.3	6.6%
Sub-Total Internal Services	93,446.6	91,590.5	(1,856.1)	-2.0%	185,027.4	182,147.7	(2,879.7)	-1.6%
City Manager								
City Manager's Office	17,936.0	16,234.2	(1,701.7)	-9.5%	45,470.8	44,877.7	(593.1)	-1.3%
Sub-Total City Manager	17,936.0	16,234.2	(1,701.7)	-9.5%	45,470.8	44,877.7	(593.1)	-1.3%
Other City Programs								
City Clerk's Office	11,818.4	11,583.0	(235.3)	-2.0%	32,410.6	32,410.6	0.0	0.0%
Legal Services	7,997.1	6,884.8	(1,112.3)	-13.9%	19,193.2	18,013.4	(1,179.7)	-6.1%
Mayor's Office	373.7	346.6	(27.0)	-7.2%	1,088.5	1,088.5	0.0	0.0%
City Council	7,499.1	7,185.3	(313.9)	-4.2%	19,957.4	19,957.4	0.0	0.0%
Sub-Total Other City Programs	27,688.4	25,999.8	(1,688.5)	-6.1%	72,649.7	71,470.0	(1,179.7)	-1.6%
Accountability Offices								
Auditor General's Office	1,707.8	1,573.0	(134.8)	-7.9%	4,685.1	4,515.9	(169.2)	-3.6%
Integrity Commissioner's Office	93.9	84.1	(9.8)	-10.4%	299.1	299.1	0.0	0.0%
Lobbyist Registrar's Office	392.1	364.1	(28.1)	-7.2%	1,087.4	1,087.4	0.0	0.0%
Ombudsman's Office	603.9	636.1	32.1	5.3%	1,635.8	1,635.8	0.0	0.0%
Sub-Total Council Appointed Programs	2,797.8	2,657.3	(140.5)	-5.0%	7,707.4	7,538.2	(169.2)	-2.2%
TOTAL - CITY OPERATIONS	**759,632.9**	**749,371.0**	**(10,262.0)**	**-1.4%**	**1,886,861.1**	**1,888,861.4**	**2,000.3**	**0.1%**

Appendix A

CITY OF TORONTO
CONSOLIDATED NET EXPENDITURES VARIANCE
FOR THE FIVE MONTHS ENDED MAY 31, 2014
($000s)

	May 31, 2014				December 31, 2014			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	17,733.5	17,544.0	(189.5)	-1.1%	52,764.2	52,281.4	(482.8)	-0.9%
Toronto Public Library	64,734.5	64,714.2	(20.3)	0.0%	167,587.4	167,587.1	(0.3)	0.0%
Association of Community Centres	2,981.7	2,908.0	(73.7)	-2.5%	7,156.0	7,201.8	45.9	0.6%
Exhibition Place	960.0	4.5	(955.5)	-99.5%	(100.0)	(100.0)	0.0	0.0%
Heritage Toronto	123.4	123.4	0.0	0.0%	311.8	311.8	0.0	0.0%
Theatres	1,955.6	2,468.3	512.8	26.2%	4,757.4	5,222.4	465.0	9.8%
Toronto Zoo	7,270.0	7,352.3	82.3	1.1%	11,443.4	11,443.4	0.0	0.0%
Arena Boards of Management	(374.3)	(711.0)	(336.7)	89.9%	(95.8)	23.6	119.4	-124.6%
Yonge Dundas Square	378.6	163.7	(214.9)	-56.8%	392.9	364.1	(28.8)	-7.3%
Toronto & Region Conservation Authority	1,789.1	1,789.1	(0.0)	0.0%	3,372.0	3,372.0	0.0	0.0%
Toronto Transit Commission - Conventional	170,087.2	163,843.6	(6,243.6)	-3.7%	431,081.0	439,081.0	8,000.0	1.9%
Toronto Transit Commission - Wheel Trans	44,064.8	42,835.7	(1,229.1)	-2.8%	106,423.1	106,418.7	(4.4)	0.0%
Toronto Police Service	354,285.9	353,885.9	(400.0)	-0.1%	957,661.2	956,661.2	(1,000.0)	-0.1%
Toronto Police Services Board	1,021.2	992.9	(28.3)	-2.8%	2,358.2	2,290.3	(67.9)	-2.9%
TOTAL - AGENCIES	**667,011.1**	**657,914.6**	**(9,096.5)**	**-1.4%**	**1,745,112.8**	**1,752,158.8**	**7,046.1**	**0.4%**
Corporate Accounts								
Capital & Corporate Financing	271,724.8	271,724.8	0.0	0.0%	654,357.7	654,357.7	0.0	0.0%
Non-Program Expenditures								
- Tax Deficiencies/Write-offs	17,835.7	28,830.7	10,995.0	61.6%	52,000.0	52,000.0	0.0	0.0%
- Assessment Function (MPAC)	20,185.0	19,672.9	(512.1)	-2.5%	40,370.0	39,345.8	(1,024.2)	-2.5%
- Funding of Employee Related Liabilities	19,013.3	19,012.3	(1.0)	0.0%	75,902.6	75,902.6	0.0	0.0%
- 2013 Ice Storm	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Other Corporate Expenditures	17,962.2	16,276.7	(1,685.5)	-9.4%	32,501.2	32,365.3	(135.9)	-0.4%
- Insurance Premiums & Claims	2,333.3	2,333.3	0.0	0.0%	7,300.0	7,300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	25,576.3	25,070.4	(505.9)	-2.0%	61,383.2	60,913.4	(469.8)	-0.8%
- Programs Funded from Reserve Funds	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Vacancy Rebate Program	9,166.7	10,208.3	1,041.6	11.4%	22,000.0	24,500.0	2,500.0	11.4%
- 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	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Solid Waste Management Rebates	76,009.7	74,641.0	(1,368.7)	-1.8%	181,391.9	181,391.9	0.0	0.0%
Non-Program Expenditures	188,082.2	196,045.6	7,963.4	4.2%	474,848.9	475,719.0	870.1	0.2%
Non-Program Revenue								
- Payments in Lieu of Taxes	(38,900.3)	(38,896.5)	3.8	0.0%	(94,653.1)	(94,653.1)	0.0	0.0%
- Supplementary Taxes	0.0	0.0	0.0	n/a	(40,000.0)	(32,000.0)	8,000.0	-20.0%
- Tax Penalties	(10,743.4)	(11,179.5)	(436.1)	4.1%	(29,000.0)	(29,000.0)	0.0	0.0%
- Interest/Investment Earnings	(46,158.2)	(46,158.2)	0.0	0.0%	(124,254.5)	(124,254.5)	0.0	0.0%
- Prior Year Surplus	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Other Corporate Revenues	(2,883.0)	(1,936.5)	946.5	-32.8%	(7,074.0)	(6,867.3)	206.7	-2.9%
- Toronto Hydro Revenues	(36,300.0)	(41,900.0)	(5,600.0)	15.4%	(55,000.0)	(60,600.0)	(5,600.0)	10.2%
- Provincial Revenue	0.0	0.0	0.0	n/a	(91,600.0)	(91,600.0)	0.0	0.0%
- Municipal Land Transfer Tax	(124,465.3)	(144,507.9)	(20,042.6)	16.1%	(349,800.9)	(365,000.0)	(15,199.1)	4.3%
- Third Party Sign Tax	(11,621.8)	(11,616.2)	5.5	0.0%	(10,725.6)	(10,725.6)	0.0	0.0%
- Parking Authority Revenues	(20,177.4)	(20,652.5)	(475.1)	2.4%	(48,425.8)	(46,925.8)	1,500.0	-3.1%
- Administrative Support Recoveries - Water	(7,905.4)	(7,905.4)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	(6,802.8)	(6,802.8)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
- Parking Tag Enforcement & Oper.	(35,158.4)	(35,158.4)	0.0	0.0%	(84,380.2)	(84,380.2)	0.0	0.0%
- Other Tax Revenues	(4,047.2)	(4,025.1)	22.1	-0.5%	(13,877.0)	(13,877.0)	0.0	0.0%
- Woodbine Slots	(1,600.0)	(1,633.0)	(33.0)	2.1%	(15,000.0)	(15,000.0)	0.0	0.0%
Non-Program Revenues	(346,763.2)	(372,372.1)	(25,608.9)	7.4%	(999,090.8)	(1,010,183.2)	(11,092.4)	1.1%
TOTAL - CORPORATE ACCOUNTS	**113,043.8**	**95,398.3**	**(17,645.5)**	**-15.6%**	**130,115.8**	**119,893.5**	**(10,222.3)**	**-7.9%**
NET OPERATING TAX LEVY	**1,539,687.8**	**1,502,683.8**	**(37,004.0)**	**-2.4%**	**3,762,089.7**	**3,760,913.8**	**(1,175.9)**	**0.0%**
NON LEVY OPERATIONS								
Solid Waste Management Services	10,987.4	10,598.2	(389.2)	-3.5%	0.0	(2,253.0)	(2,253.0)	n/a
Toronto Parking Authority	(23,288.4)	(23,921.9)	(633.5)	2.7%	(62,329.8)	(60,329.8)	2,000.0	-3.2%
Toronto Water	(151,168.7)	(150,901.6)	267.1	-0.2%	0.0	(10,183.5)	(10,183.5)	n/a
NON LEVY OPERATING NET EXPENDITURES	**(163,469.6)**	**(164,225.3)**	**(755.6)**	**0.5%**	**(62,329.8)**	**(72,766.3)**	**(10,436.5)**	**n/a**

Appendix B

CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE FIVE MONTHS ENDED MAY 31, 2014
($000s)

	May 31, 2014				December 31, 2014			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	1,049.9	1,036.3	(13.6)	-1.3%	2,743.2	2,743.2	0.0	0.0%
Children's Services	176,136.9	175,869.6	(267.3)	-0.2%	420,646.7	420,646.7	0.0	0.0%
Court Services	17,183.6	16,385.6	(798.0)	-4.6%	53,814.3	51,220.1	(2,594.2)	-4.8%
Economic Development & Culture	19,258.7	17,427.7	(1,831.0)	-9.5%	71,094.1	71,094.1	0.0	0.0%
Emergency Medical Services	64,449.8	64,322.2	(127.6)	-0.2%	186,634.9	184,797.9	(1,837.0)	-1.0%
Long Term Care Homes & Services	86,885.9	85,050.0	(1,835.9)	-2.1%	231,799.5	231,799.5	0.0	0.0%
Parks, Forestry & Recreation	152,172.6	146,568.1	(5,604.5)	-3.7%	412,596.7	409,728.6	(2,868.1)	-0.7%
Shelter, Support & Housing Administration	234,454.4	232,597.7	(1,856.7)	-0.8%	644,898.3	640,989.8	(3,908.5)	-0.6%
Social Development, Finance & Administration	11,096.7	10,408.2	(688.6)	-6.2%	41,023.9	40,208.9	(815.0)	-2.0%
Toronto Employment & Social Services	477,702.3	427,307.8	(50,394.5)	-10.5%	1,172,327.4	1,087,880.2	(84,447.2)	-7.2%
Sub-Total Citizen Centred Services "A"	1,240,390.9	1,176,973.2	(63,417.7)	-5.1%	3,237,579.0	3,141,109.0	(96,470.0)	-3.0%
Citizen Centred Services "B"								
City Planning	14,045.8	14,814.9	769.1	5.5%	40,853.2	40,508.2	(345.0)	-0.8%
Fire Services	173,987.7	172,878.6	(1,109.1)	-0.6%	424,734.8	424,734.8	0.0	0.0%
Municipal Licensing & Standards	17,246.5	15,798.1	(1,448.4)	-8.4%	49,881.6	47,881.6	(2,000.0)	-4.0%
Policy, Planning, Finance and Administration	8,163.9	7,444.9	(719.0)	-8.8%	22,225.8	21,529.6	(696.2)	-3.1%
Engineering and Construction Services	23,743.6	21,975.8	(1,767.7)	-7.4%	65,959.0	62,675.0	(3,284.0)	-5.0%
Toronto Buildings	16,064.3	16,134.6	70.3	0.4%	48,321.6	48,321.6	0.0	0.0%
Transportation Services	114,860.1	135,219.1	20,358.9	17.7%	340,084.1	337,843.5	(2,240.6)	-0.7%
Sub-Total Citizen Centred Services "B"	368,111.8	384,266.0	16,154.2	4.4%	992,060.1	983,494.3	(8,565.7)	-0.9%
Internal Services								
Office of the Chief Financial Officer	5,706.6	5,383.7	(322.9)	-5.7%	16,202.5	15,303.6	(898.9)	-5.5%
Office of the Treasurer	27,115.5	25,592.1	(1,523.4)	-5.6%	74,091.0	70,999.2	(3,091.8)	-4.2%
Facilities Management & Real Estate	69,801.4	69,440.5	(360.9)	-0.5%	188,841.5	179,743.4	(9,098.1)	-4.8%
Fleet Services	16,310.1	18,323.7	2,013.6	12.3%	47,788.9	52,536.8	4,747.9	9.9%
Information & Technology	43,764.2	40,964.9	(2,799.4)	-6.4%	110,962.2	104,902.2	(6,060.0)	-5.5%
311 Toronto	6,457.9	6,361.4	(96.5)	-1.5%	17,800.6	17,763.1	(37.5)	-0.2%
Sub-Total Internal Services	169,155.8	166,066.2	(3,089.5)	-1.8%	455,686.8	441,248.3	(14,438.5)	-3.2%
City Manager								
City Manager's Office	20,726.5	17,737.7	(2,988.8)	-14.4%	54,220.6	52,946.5	(1,274.1)	-2.3%
Sub-Total City Manager	20,726.5	17,737.7	(2,988.8)	-14.4%	54,220.6	52,946.5	(1,274.1)	-2.3%
Other City Programs								
City Clerk's Office	20,067.0	18,418.5	(1,648.5)	-8.2%	60,580.1	60,580.1	0.0	0.0%
Legal Services	19,601.9	18,246.6	(1,355.3)	-6.9%	47,044.5	46,624.6	(419.9)	-0.9%
Mayor's Office	373.7	346.6	(27.0)	-7.2%	1,088.5	1,088.5	0.0	0.0%
City Council	7,511.6	7,187.7	(323.9)	-4.3%	22,287.4	22,287.4	0.0	0.0%
Sub-Total Other City Programs	47,554.1	44,199.5	(3,354.7)	-7.1%	131,000.5	130,580.7	(419.9)	-0.3%
Accountability Offices								
Auditor General's Office	1,707.8	1,573.0	(134.8)	-7.9%	4,685.1	4,515.9	(169.2)	-3.6%
Integrity Commissioner's Office	93.9	84.1	(9.8)	-10.4%	299.1	299.1	0.0	0.0%
Lobbyist Registrar's Office	392.1	364.1	(28.1)	-7.2%	1,087.4	1,087.4	0.0	0.0%
Ombudsman's Office	603.9	634.8	30.8	5.1%	1,635.8	1,635.8	0.0	0.0%
Sub-Total Council Appointed Programs	2,797.8	2,656.0	(141.8)	-5.1%	7,707.4	7,538.2	(169.2)	-2.2%
TOTAL - CITY OPERATIONS	**1,848,736.9**	**1,791,898.5**	**(56,838.4)**	**-3.1%**	**4,878,254.3**	**4,756,917.0**	**(121,337.3)**	**-2.5%**

Appendix B

CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE FIVE MONTHS ENDED MAY 31, 2014
($000s)

	May 31, 2014				December 31, 2014			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	87,413.3	84,498.5	(2,914.8)	-3.3%	246,258.6	241,204.0	(5,054.6)	-2.1%
Toronto Public Library	71,350.1	71,977.1	627.0	0.9%	184,170.1	185,266.8	1,096.7	0.6%
Association of Community Centres	3,246.7	3,179.0	(67.7)	-2.1%	7,586.2	7,605.6	19.5	0.3%
Exhibition Place	18,575.7	14,243.5	(4,332.1)	-23.3%	44,438.1	33,761.1	(10,677.0)	-24.0%
Heritage Toronto	286.4	286.4	0.0	0.0%	769.0	769.0	0.0	0.0%
Theatres	10,430.1	8,548.3	(1,881.8)	-18.0%	22,161.3	19,806.7	(2,354.6)	-10.6%
Toronto Zoo	17,840.5	17,261.2	(579.3)	-3.2%	51,755.8	51,755.8	0.0	0.0%
Arena Boards of Management	3,419.6	3,227.1	(192.5)	-5.6%	8,167.6	8,165.5	(2.1)	0.0%
Yonge Dundas Square	731.1	649.1	(82.0)	-11.2%	2,215.6	2,216.6	1.0	0.0%
Toronto & Region Conservation Authority	17,465.8	17,326.0	(139.8)	-0.8%	38,906.0	38,906.0	0.0	0.0%
Toronto Transit Commission - Conventional	654,292.3	641,302.5	(12,989.8)	-2.0%	1,597,559.1	1,598,459.1	900.0	0.1%
Toronto Transit Commission - Wheel Trans	46,424.5	45,086.6	(1,337.9)	-2.9%	112,161.9	112,111.1	(50.8)	0.0%
Toronto Police Service	389,447.2	389,047.2	(400.0)	-0.1%	1,086,001.7	1,085,001.7	(1,000.0)	-0.1%
Toronto Police Services Board	1,021.2	992.9	(28.3)	-2.8%	2,858.2	2,790.3	(67.9)	-2.4%
TOTAL - AGENCIES	**1,321,944.3**	**1,297,625.3**	**(24,319.0)**	**-1.8%**	**3,405,009.2**	**3,387,819.3**	**(17,189.8)**	**-0.5%**
Corporate Accounts								
Capital & Corporate Financing	286,806.0	286,806.0	0.0	0.0%	690,552.4	690,552.4	0.0	0.0%
Non-Program Expenditures								
- Tax Deficiencies/Write-offs	17,835.7	28,830.7	10,995.0	61.6%	52,000.0	78,430.9	26,430.9	50.8%
- Assessment Function (MPAC)	20,185.0	19,672.9	(512.1)	-2.5%	40,370.0	39,345.8	(1,024.2)	-2.5%
- Temporary Borrowing	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Funding of Employee Related Liabilities	19,013.3	19,012.3	(1.0)	0.0%	75,902.6	75,902.6	0.0	0.0%
- 2013 Ice Storm	9,700.0	9,700.0	0.0	0.0%	29,719.9	30,500.0	780.1	2.6%
- Other Corporate Expenditures	35,130.2	33,456.7	(1,673.5)	-4.8%	73,900.4	73,353.4	(547.0)	-0.7%
- Insurance Premiums & Claims	2,333.3	2,333.3	0.0	0.0%	7,300.0	7,300.0	0.0	0.0%
- Parking Tag Enforcement & Oper.	25,576.3	25,070.4	(505.9)	-2.0%	61,383.2	60,913.4	(469.8)	-0.8%
- Programs Funded from Reserve Funds	53,047.0	62,287.0	9,240.0	17.4%	136,384.0	136,384.0	0.0	0.0%
- Vacancy Rebate Program	9,166.7	10,208.3	1,041.6	11.4%	22,000.0	24,500.0	2,500.0	11.4%
- 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	3,046.3	3,046.3	0.0	0.0%	6,579.5	6,579.5	0.0	0.0%
- Solid Waste Management Rebates	76,009.7	74,641.0	(1,368.7)	-1.8%	181,391.9	181,391.9	0.0	0.0%
- Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Expenditures	271,043.5	288,258.9	17,215.4	6.4%	688,931.5	716,601.5	27,670.0	4.0%
Non-Program Revenue								
- Interest/Investment Earnings	407.5	407.5	0.0	0.0%	978.0	978.0	0.0	0.0%
- Other Corporate Revenues	344.7	390.3	45.6	13.2%	894.8	881.6	(13.2)	-1.5%
- Municipal Land Transfer Tax	2,376.8	1,766.7	(610.1)	-25.7%	6,497.2	6,676.5	179.3	2.8%
- Third Party Sign Tax	0.0	0.0	0.0	n/a	896.1	896.1	0.0	0.0%
- Other Tax Revenues	0.0	129.5	129.5	n/a	0.0	323.2	323.2	n/a
Non-Program Revenues	3,129.0	2,694.0	(435.0)	-13.9%	9,266.1	9,755.4	489.3	5.3%
TOTAL - CORPORATE ACCOUNTS	**560,978.4**	**577,758.9**	**16,780.4**	**3.0%**	**1,388,750.0**	**1,416,909.3**	**28,159.3**	**2.0%**
LEVY OPERATING GROSS EXPENDITURES	**3,731,659.6**	**3,667,282.7**	**(64,376.9)**	**-1.7%**	**9,672,013.5**	**9,561,645.6**	**(110,367.9)**	**-1.1%**
NON LEVY OPERATIONS								
Solid Waste Management Services	90,338.6	86,695.5	(3,643.1)	-4.0%	353,914.4	347,550.3	(6,364.1)	-1.8%
Toronto Parking Authority	31,921.4	30,492.4	(1,429.0)	-4.5%	76,106.0	75,606.0	(500.0)	-0.7%
Toronto Water	115,686.5	117,913.9	2,227.4	1.9%	1,021,885.3	1,020,771.3	(1,114.0)	-0.1%
NON LEVY OPERATING GROSS EXPENDITURES	**237,946.6**	**235,101.8**	**(2,844.7)**	**-1.2%**	**1,451,905.7**	**1,443,927.6**	**(7,978.1)**	**-0.5%**

Appendix C

CITY OF TORONTO
CONSOLIDATED REVENUES VARIANCE
FOR THE FIVE MONTHS ENDED MAY 31, 2014
($000s)

	May 31, 2014				December 31, 2014			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	660.7	647.1	(13.6)	-2.1%	1,548.4	1,548.4	0.0	0.0%
Children's Services	143,075.0	142,807.7	(267.3)	-0.2%	343,930.3	343,930.3	0.0	0.0%
Court Services	15,814.1	14,175.2	(1,638.9)	-10.4%	67,597.5	37,950.6	(29,646.9)	-43.9%
Economic Development & Culture	2,951.2	3,265.8	314.6	10.7%	22,401.2	22,401.2	0.0	0.0%
Emergency Medical Services	47,450.0	46,830.2	(619.8)	-1.3%	117,407.6	115,907.6	(1,500.0)	-1.3%
Long Term Care Homes and Services	77,380.1	75,248.3	(2,131.8)	-2.8%	186,009.8	186,009.8	0.0	0.0%
Parks, Forestry & Recreation	34,465.0	34,091.7	(373.3)	-1.1%	123,718.5	120,850.4	(2,868.1)	-2.3%
Shelter, Support & Housing Administration	157,003.6	158,650.5	1,646.9	1.0%	447,382.5	449,154.9	1,772.4	0.4%
Social Development, Finance & Administration	2,458.9	2,094.6	(364.2)	-14.8%	11,054.5	10,239.5	(815.0)	-7.4%
Toronto Employment & Social Services	411,167.3	367,077.8	(44,089.5)	-10.7%	999,963.3	924,636.9	(75,326.4)	-7.5%
Sub-Total Citizen Centred Services "A"	892,425.9	844,888.8	(47,537.1)	-5.3%	2,321,013.5	2,212,629.6	(108,383.9)	-4.7%
Citizen Centred Services "B"								
City Planning	9,580.1	8,621.9	(958.2)	-10.0%	25,616.6	24,341.6	(1,275.0)	-5.0%
Fire Services	6,264.9	6,666.4	401.5	6.4%	14,633.5	14,633.5	0.0	0.0%
Municipal Licensing & Standards	11,793.9	10,723.9	(1,070.0)	-9.1%	28,968.7	27,468.7	(1,500.0)	-5.2%
Policy, Planning, Finance and Administration	4,931.2	4,268.6	(662.6)	-13.4%	11,715.9	11,101.1	(614.8)	-5.2%
Engineering and Construction Services	19,184.5	17,652.4	(1,532.1)	-8.0%	58,354.6	55,070.6	(3,284.0)	-5.6%
Toronto Building	22,968.2	27,313.5	4,345.3	18.9%	59,352.8	64,352.8	5,000.0	8.4%
Transportation Services	23,589.8	28,214.5	4,624.7	19.6%	133,977.5	132,177.5	(1,800.0)	-1.3%
Sub-Total Citizen Centred Services "B"	98,312.6	103,461.2	5,148.6	5.2%	332,619.7	329,145.9	(3,473.9)	-1.0%
Internal Services								
Office of the Chief Financial Officer	1,886.0	1,773.3	(112.7)	-6.0%	6,756.8	6,344.2	(412.6)	-6.1%
Office of the Treasurer	13,086.3	12,390.8	(695.5)	-5.3%	44,013.8	42,117.0	(1,896.8)	-4.3%
Facilities Management & Real Estate	32,688.0	32,651.7	(36.3)	-0.1%	122,688.6	114,038.5	(8,650.1)	-7.1%
Fleet Services	15,859.8	17,619.2	1,759.4	11.1%	47,788.9	52,536.8	4,747.9	9.9%
Information & Technology	9,262.3	7,200.3	(2,062.0)	-22.3%	41,895.7	37,261.3	(4,634.4)	-11.1%
311 Toronto	2,926.8	2,840.5	(86.3)	-2.9%	7,515.6	6,802.8	(712.8)	-9.5%
Sub-Total Internal Services	75,709.2	74,475.7	(1,233.4)	-1.6%	270,659.4	259,100.6	(11,558.8)	-4.3%
City Manager								
City Manager's Office	2,790.5	1,503.4	(1,287.1)	-46.1%	8,749.8	8,068.8	(681.0)	-7.8%
Sub-Total City Manager	2,790.5	1,503.4	(1,287.1)	-46.1%	8,749.8	8,068.8	(681.0)	-7.8%
Other City Programs								
City Clerk's Office	8,248.6	6,835.4	(1,413.1)	-17.1%	28,169.5	28,169.5	0.0	0.0%
Legal Services	11,604.7	11,361.8	(243.0)	-2.1%	27,851.3	28,611.2	759.9	2.7%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
City Council	12.5	2.5	(10.0)	-80.4%	2,330.0	2,330.0	0.0	0.0%
Sub-Total Other City Programs	19,865.8	18,199.6	(1,666.1)	-8.4%	58,350.8	59,110.7	759.9	1.3%
Accountability Offices								
Auditor General's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Integrity Commissioner's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Lobbyist Registrar's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Ombudsman's Office	0.0	(1.3)	(1.3)	n/a	0.0	0.0	0.0	n/a
Sub-Total Council Appointed Programs	0.0	(1.3)	(1.3)	n/a	0.0	0.0	0.0	n/a
TOTAL - CITY OPERATIONS	**1,089,104.0**	**1,042,527.5**	**(46,576.4)**	**-4.3%**	**2,991,393.2**	**2,868,055.5**	**(123,337.7)**	**-4.1%**

Appendix C

CITY OF TORONTO
CONSOLIDATED REVENUES VARIANCE
FOR THE FIVE MONTHS ENDED MAY 31, 2014
($000s)

	May 31, 2014				December 31, 2014			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	69,679.8	66,954.5	(2,725.3)	-3.9%	193,494.4	188,922.6	(4,571.8)	-2.4%
Toronto Public Library	6,615.6	7,262.9	647.3	9.8%	16,582.7	17,679.7	1,097.0	6.6%
Association of Community Centres	265.0	271.0	6.0	2.3%	430.2	403.8	(26.4)	-6.1%
Exhibition Place	17,615.7	14,239.0	(3,376.6)	-19.2%	44,538.1	33,861.1	(10,677.0)	-24.0%
Heritage Toronto	163.0	163.0	0.0	0.0%	457.2	457.2	0.0	0.0%
Theatres	8,474.5	6,079.9	(2,394.6)	-28.3%	17,403.9	14,584.3	(2,819.6)	-16.2%
Toronto Zoo	10,570.5	9,908.9	(661.6)	-6.3%	40,312.5	40,312.5	0.0	0.0%
Arena Boards of Management	3,793.9	3,938.1	144.2	3.8%	8,263.4	8,141.9	(121.5)	-1.5%
Yonge Dundas Square	352.5	485.4	132.9	37.7%	1,822.7	1,852.5	29.8	1.6%
Toronto & Region Conservation Authority	15,676.7	15,536.9	(139.8)	-0.9%	35,534.0	35,534.0	0.0	0.0%
Toronto Transit Commission - Conventional	484,205.1	477,458.9	(6,746.2)	-1.4%	1,166,478.1	1,159,378.1	(7,100.0)	-0.6%
Toronto Transit Commission - Wheel Trans	2,359.7	2,250.9	(108.8)	-4.6%	5,738.8	5,692.4	(46.4)	-0.8%
Toronto Police Service	35,161.3	35,161.3	0.0	0.0%	128,340.5	128,340.5	0.0	0.0%
Toronto Police Services Board	0.0	0.0	0.0	n/a	500.0	500.0	0.0	0.0%
TOTAL - AGENCIES	**654,933.2**	**639,710.8**	**(15,222.5)**	**-2.3%**	**1,659,896.4**	**1,635,660.5**	**(24,235.9)**	**-1.5%**
Corporate Accounts								
Capital & Corporate Financing	15,081.2	15,081.2	0.0	0.0%	36,194.7	36,194.7	0.0	0.0%
Non-Program Expenditures								
- Tax Deficiencies/Write-offs	0.0	0.0	0.0	n/a	0.0	26,430.9	26,430.9	n/a
- 2013 Ice Storm	9,700.0	9,700.0	0.0	0.0%	29,719.9	30,500.0	780.1	2.6%
- Other Corporate Expenditures	17,168.0	17,180.0	12.0	0.1%	41,399.2	40,988.1	(411.1)	-1.0%
- Programs Funded from Reserve Funds	53,047.0	62,287.0	9,240.0	17.4%	136,384.0	136,384.0	0.0	0.0%
- Tax Rebates for Registered Charities	3,046.3	3,046.3	0.0	0.0%	6,579.5	6,579.5	0.0	0.0%
Non-Program Expenditures	82,961.3	92,213.3	9,252.0	11.2%	214,082.6	240,882.5	26,799.9	12.5%
Non-Program Revenue								
- Payments in Lieu of Taxes	38,900.3	38,896.5	(3.8)	0.0%	94,653.1	94,653.1	0.0	0.0%
- Supplementary Taxes	0.0	0.0	0.0	n/a	40,000.0	32,000.0	(8,000.0)	-20.0%
- Tax Penalties	10,743.4	11,179.5	436.1	4.1%	29,000.0	29,000.0	0.0	0.0%
- Interest/Investment Earnings	46,565.7	46,565.7	0.0	0.0%	125,232.5	125,232.5	0.0	0.0%
- Prior Year Surplus	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
- Other Corporate Revenues	3,227.7	2,326.8	(900.9)	-27.9%	7,968.8	7,748.9	(219.9)	-2.8%
- Toronto Hydro Revenues	36,300.0	41,900.0	5,600.0	15.4%	55,000.0	60,600.0	5,600.0	10.2%
- Provincial Revenue	0.0	0.0	0.0	n/a	91,600.0	91,600.0	0.0	0.0%
- Municipal Land Transfer Tax	126,842.1	146,274.6	19,432.5	15.3%	356,298.1	371,676.5	15,378.4	4.3%
- Third Party Sign Tax	11,621.8	11,616.2	(5.5)	0.0%	11,621.8	11,621.8	0.0	0.0%
- Parking Authority Revenues	20,177.4	20,652.5	475.1	2.4%	48,425.8	46,925.8	(1,500.0)	-3.1%
- Administrative Support Recoveries - Water	7,905.4	7,905.4	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
- Administrative Support Recoveries - Health & EMS	6,802.8	6,802.8	0.0	0.0%	16,326.7	16,326.7	0.0	0.0%
- Parking Tag Enforcement & Oper.	35,158.4	35,158.4	0.0	0.0%	84,380.2	84,380.2	0.0	0.0%
- Other Tax Revenues	4,047.2	4,154.6	107.4	2.7%	13,877.0	14,200.2	323.2	2.3%
- Woodbine Slots	1,600.0	1,633.0	33.0	2.1%	15,000.0	15,000.0	0.0	0.0%
Non-Program Revenues	349,892.2	375,066.1	25,173.9	7.2%	1,008,356.9	1,019,938.6	11,581.7	1.1%
TOTAL - CORPORATE ACCOUNTS	**447,934.7**	**482,360.6**	**34,425.9**	**7.7%**	**1,258,634.2**	**1,297,015.8**	**38,381.6**	**3.0%**
LEVY OPERATING REVENUES	**2,191,971.8**	**2,164,598.9**	**(27,373.0)**	**-1.2%**	**5,909,923.8**	**5,800,731.8**	**(109,191.9)**	**-1.8%**
NON LEVY OPERATIONS								
Solid Waste Management Services	79,351.2	76,097.3	(3,253.9)	-4.1%	353,914.4	349,803.3	(4,111.1)	-1.2%
Toronto Parking Authority	55,209.8	54,414.3	(795.5)	-1.4%	138,435.8	135,935.8	(2,500.0)	-1.8%
Toronto Water	266,855.2	268,815.5	1,960.3	0.7%	1,021,885.3	1,030,954.8	9,069.5	0.9%
NON LEVY OPERATING REVENUES	**401,416.2**	**399,327.1**	**(2,089.1)**	**-0.5%**	**1,514,235.5**	**1,516,693.9**	**2,458.4**	**0.2%**

Appendix D

TORONTO

CITY OF TORONTO
CONSOLIDATED APPROVED COMPLEMENT
FOR THE FIVE MONTHS ENDED MAY 31, 2014

Program/Agency	Operating Positions				Capital Positions				Total Positions				Gapping	After Gapping
	Approved Complement	Strength	Over / (Under)	%	Approved Compleme	Strength	Over / (Under)	%	Approved Complement	Strength	Over / (Under)	%		
Citizen Centred Services "A"														
Affordable Housing Office	19.0	19.0	0.0	0.0%	0.0	0.0	0.0	0.0%	19.0	19.0	0.0	0.0%	1.9%	-1.9%
Children's Services	942.7	942.7	0.0	0.0%	13.0	9.0	(4.0)	30.8%	955.7	951.7	(4.0)	0.4%	0.1%	0.3%
Court Services	282.0	237.0	(45.0)	16.0%	0.0	0.0	0.0	0.0%	282.0	237.0	(45.0)	16.0%	8.5%	7.5%
Economic Development & Culture	296.0	292.0	(4.0)	1.4%	9.0	9.0	0.0	0.0%	305.0	301.0	(4.0)	1.3%	3.1%	-1.8%
Emergency Medical Services	1,325.0	1,236.0	(89.0)	6.7%	1.5	0.5	(1.0)	66.7%	1,326.5	1,236.5	(90.0)	6.8%	1.3%	5.5%
Long Term Care Homes & Services	2,179.7	2,179.7	0.0	0.0%	0.0	0.0	0.0	0.0%	2,179.7	2,179.7	0.0	0.0%	0.0%	0.0%
Parks, Forestry & Recreation	4,347.6	4,242.7	(104.9)	2.4%	22.0	22.0	0.0	0.0%	4,369.6	4,264.7	(104.9)	2.4%	2.0%	0.4%
Shelter, Support & Housing Administration	717.6	686.5	(31.1)	4.3%	1.0	1.0	0.0	0.0%	718.6	687.5	(31.1)	4.3%	3.2%	1.2%
Social Development, Finance & Administration	131.5	121.5	(10.0)	7.6%	0.0	0.0	0.0	0.0%	131.5	121.5	(10.0)	7.6%	3.3%	4.3%
Toronto Employment & Social Services	2,148.5	2,080.0	(68.5)	3.2%	3.0	3.0	0.0	0.0%	2,151.5	2,083.0	(68.5)	3.2%	1.6%	1.6%
Sub-Total Citizen Centred Services "A"	**12,389.6**	**12,037.1**	**(352.5)**	**2.8%**	**49.5**	**44.5**	**(5.0)**	**10.1%**	**12,439.1**	**12,081.6**	**(357.5)**	**2.9%**	**1.6%**	**1.3%**
Citizen Centred Services "B"														
City Planning	352.0	319.0	(33.0)	9.4%	9.5	8.5	(1.0)	10.5%	361.5	327.5	(34.0)	9.4%	3.8%	5.6%
Fire Services	3,126.8	3,024.8	(102.0)	3.3%	0.0	0.0	0.0	0.0%	3,126.8	3,024.8	(102.0)	3.3%	2.0%	1.3%
Municipal Licensing & Standards	456.0	425.0	(31.0)	6.8%	0.0	0.0	0.0	0.0%	456.0	425.0	(31.0)	6.8%	2.3%	4.5%
Policy, Planning, Finance and Administration	200.4	181.4	(19.0)	9.5%	0.0	0.0	0.0	0.0%	200.4	181.4	(19.0)	9.5%	3.9%	5.6%
Engineering and Construction Services	133.8	112.0	(21.8)	16.3%	414.3	375.1	(39.2)	9.5%	548.1	487.1	(61.0)	11.1%	4.2%	6.9%
Toronto Buildings	425.0	411.0	(14.0)	3.3%	6.0	4.0	(2.0)	33.3%	431.0	415.0	(16.0)	3.7%	2.9%	0.8%
Transportation Services	1,055.4	859.0	(196.4)	18.6%	56.0	57.3	1.3	-2.3%	1,111.4	916.3	(195.1)	17.6%	4.9%	12.7%
Sub-Total Citizen Centred Services "B"	**5,749.4**	**5,332.2**	**(417.2)**	**7.3%**	**485.8**	**444.9**	**(40.9)**	**8.4%**	**6,235.2**	**5,777.1**	**(458.1)**	**7.3%**	**3.0%**	**4.4%**
Internal Services														
Office of the Chief Financial Officer	100.0	92.0	(8.0)	8.0%	12.0	9.0	(3.0)	25.0%	112.0	101.0	(11.0)	9.8%	1.9%	7.9%
Office of the Treasurer	684.0	639.3	(44.7)	6.5%	56.0	19.0	(37.0)	66.1%	740.0	658.3	(81.7)	11.0%	3.0%	8.0%
Facilities Management & Real Estate	799.7	718.7	(81.0)	10.1%	80.0	58.0	(22.0)	27.5%	879.7	776.7	(103.0)	11.7%	3.1%	8.6%
Fleet Services	174.0	156.0	(18.0)	10.3%	0.0	0.0	0.0	0.0%	174.0	156.0	(18.0)	10.3%	3.5%	6.8%
Information & Technology	590.0	499.0	(91.0)	15.4%	175.0	83.0	(92.0)	52.6%	765.0	582.0	(183.0)	23.9%	12.0%	11.9%
311 Toronto	158.0	160.0	2.0	-1.3%	21.5	12.5	(9.0)	41.9%	179.5	172.5	(7.0)	3.9%	2.0%	1.9%
Sub-Total Internal Services	**2,505.7**	**2,265.0**	**(240.7)**	**9.6%**	**344.5**	**181.5**	**(163.0)**	**47.3%**	**2,850.2**	**2,446.5**	**(403.7)**	**14.2%**	**5.4%**	**8.8%**
City Manager														
City Manager's Office	410.5	369.0	(41.5)	10.1%	37.0	21.0	(16.0)	43.2%	447.5	390.0	(57.5)	12.8%	4.0%	8.8%
Sub-Total City Manager	**410.5**	**369.0**	**(41.5)**	**10.1%**	**37.0**	**21.0**	**(16.0)**	**43.2%**	**447.5**	**390.0**	**(57.5)**	**12.8%**	**4.0%**	**8.8%**
Other City Programs														
City Clerk's Office	439.7	410.3	(29.4)	6.7%	11.0	11.0	0.0	0.0%	450.7	421.3	(29.4)	6.5%	3.3%	3.2%
Legal Services	297.0	288.0	(9.0)	3.0%	0.0	0.0	0.0	0.0%	297.0	288.0	(9.0)	3.0%	2.2%	0.8%
Mayor's Office	9.0	12.0	3.0	-33.3%	0.0	0.0	0.0	0.0%	9.0	12.0	3.0	-33.3%	0.0%	-33.3%
City Council	176.0	176.0	0.0	0.0%	0.0	0.0	0.0	0.0%	176.0	176.0	0.0	0.0%	1.3%	-1.3%
Sub-Total Other City Programs	**921.7**	**886.3**	**(35.4)**	**3.8%**	**11.0**	**11.0**	**0.0**	**0.0%**	**932.7**	**897.3**	**(35.4)**	**3.8%**	**2.5%**	**1.2%**
Accountability Offices														
Auditor General's Office	29.5	29.0	(0.5)	1.7%	0.0	0.0	0.0	0.0%	29.5	29.0	(0.5)	1.7%	0.9%	0.8%
Integrity Commissioner's Office	2.0	2.0	0.0	0.0%	0.0	0.0	0.0	0.0%	2.0	2.0	0.0	0.0%	0.0%	0.0%
Lobbyist Registrar's Office	8.3	8.0	(0.3)	3.0%	0.0	0.0	0.0	0.0%	8.3	8.0	(0.3)	3.0%	0.0%	3.0%
Ombudsman's Office	11.0	11.0	0.0	0.0%	0.0	0.0	0.0	0.0%	11.0	11.0	0.0	0.0%	0.0%	0.0%
Sub-Total Accountability Offices	**50.8**	**50.0**	**(0.8)**	**1.5%**	**0.0**	**0.0**	**0.0**	**0.0%**	**50.8**	**50.0**	**(0.8)**	**1.5%**	**0.5%**	**1.0%**
TOTAL - CITY OPERATIONS	22,027.7	20,939.6	(1,088.1)	4.9%	927.8	702.9	(224.9)	24.2%	22,955.5	21,642.5	(1,313.0)	5.7%	2.5%	3.2%
Agencies														
Toronto Public Health	1,838.7	1,703.2	(135.5)	7.4%	38.9	24.7	(14.2)	36.5%	1,877.6	1,727.9	(149.7)	8.0%	5.1%	2.9%
Toronto Public Library	1,737.4	1,682.4	(55.0)	3.2%	0.0	0.0	0.0	0.0%	1,737.4	1,682.4	(55.0)	3.2%	2.7%	0.5%
Association of Community Centres	77.4	77.4	0.0	0.0%	0.0	0.0	0.0	0.0%	77.4	77.4	0.0	0.0%	0.0%	0.0%
Exhibition Place	379.0	379.0	0.0	0.0%	5.0	5.0	0.0	0.0%	384.0	384.0	0.0	0.0%	0.0%	0.0%
Heritage Toronto	7.0	7.0	0.0	0.0%	0.0	0.0	0.0	0.0%	7.0	7.0	0.0	0.0%	0.0%	0.0%
Theatres	156.5	120.5	(36.0)	23.0%	0.0	0.0	0.0	0.0%	156.5	120.5	(36.0)	23.0%	0.0%	23.0%
Toronto Zoo	410.2	402.2	(8.0)	2.0%	0.0	0.0	0.0	0.0%	410.2	402.2	(8.0)	2.0%	2.4%	-0.4%
Arena Boards of Management	67.4	67.4	0.0	0.0%	0.0	0.0	0.0	0.0%	67.4	67.4	0.0	0.0%	0.0%	0.0%
Yonge Dundas Square	6.5	6.5	0.0	0.0%	0.0	0.0	0.0	0.0%	6.5	6.5	0.0	0.0%	0.0%	0.0%
TTC - Conventional & WT	11,955.0	11,786.0	(169.0)	1.4%	1,969.0	1,586.0	(383.0)	19.5%	13,924.0	13,372.0	(552.0)	4.0%	0.0%	4.0%
Toronto Police Service	7,870.0	7,315.0	(555.0)	7.1%	0.0	0.0	0.0	0.0%	7,870.0	7,315.0	(555.0)	7.1%	5.2%	1.9%
Toronto Police Services Board	8.0	7.0	(1.0)	12.5%	0.0	0.0	0.0	0.0%	8.0	7.0	(1.0)	12.5%	0.0%	12.5%
TOTAL - AGENCIES	24,513.1	23,553.6	(959.5)	3.9%	2,012.9	1,615.7	(397.2)	19.7%	26,526.0	25,169.3	(1,356.7)	5.1%	2.1%	3.0%
Corporate Accounts														
Parking Tag Enforcement & Oper.	394.0	391.0	(3.0)	0.8%	0.0	0.0	0.0	0.0%	394.0	391.0	(3.0)	0.8%	0.0%	0.8%
TOTAL - CORPORATE ACCOUNTS	394.0	391.0	(3.0)	0.8%	0.0	0.0	0.0	0.0%	394.0	391.0	(3.0)	0.8%	0.0%	0.8%
TOTAL LEVY OPERATIONS	46,934.8	44,884.3	(2,050.6)	4.4%	2,940.7	2,318.6	(622.1)	21.2%	49,875.5	47,202.9	(2,672.7)	5.4%	2.3%	3.1%
Non Levy Operations														
Solid Waste Management Services	1,075.7	971.2	(104.5)	9.7%	27.0	19.0	(8.0)	29.6%	1,102.7	990.2	(112.5)	10.2%	1.9%	8.3%
Toronto Parking Authority	297.4	293.0	(4.4)	1.5%	0.0	0.0	0.0	0.0%	297.4	293.0	(4.4)	1.5%	0.0%	1.5%
Toronto Water	1,706.3	1,591.7	(114.7)	6.7%	41.4	36.4	(5.0)	12.1%	1,747.7	1,628.0	(119.7)	6.8%	3.0%	3.8%
TOTAL NON LEVY OPERATIONS	3,079.4	2,855.9	(223.6)	7.3%	68.4	55.4	(13.0)	19.0%	3,147.8	2,911.2	(236.6)	7.5%	2.3%	5.2%
GRAND TOTAL	50,014.2	47,740.1	(2,274.1)	4.5%	3,009.1	2,374.0	(635.1)	21.1%	53,023.3	50,114.1	(2,909.2)	5.5%	2.3%	3.2%

Appendix E

TORONTO

CITY OF TORONTO
CONSOLIDATED APPROVED COMPLEMENT
PROJECTIONS TO 2014 YEAR-END

Program/Agency	Operating Positions				Capital Positions				Total Positions				Gapping	After Gapping
	Approved Complement	Strength	Over / (Under)	%	Approved Complement	Strength	Over / (Under)	%	Approved Complement	Strength	Over / (Under)	%		
Citizen Centred Services "A"														
Affordable Housing Office	19.0	19.0	0.0	0.0%	0.0	0.0	0.0	0.0%	19.0	19.0	0.0	0.0%	1.9%	-1.9%
Children's Services	942.7	942.7	0.0	0.0%	13.0	13.0	0.0	0.0%	955.7	955.7	0.0	0.0%	0.1%	-0.1%
Court Services	282.0	256.0	(26.0)	9.2%	0.0	0.0	0.0	0.0%	282.0	256.0	(26.0)	9.2%	8.5%	0.7%
Economic Development & Culture	296.0	296.0	0.0	0.0%	9.0	9.0	0.0	0.0%	305.0	305.0	0.0	0.0%	3.1%	-3.1%
Emergency Medical Services	1,324.3	1,308.3	(16.0)	1.2%	1.5	0.5	(1.0)	66.7%	1,325.8	1,308.8	(17.0)	1.3%	1.3%	0.0%
Long Term Care Homes & Services	2,179.7	2,179.7	0.0	0.0%	0.0	0.0	0.0	0.0%	2,179.7	2,179.7	0.0	0.0%	0.0%	0.0%
Parks, Forestry & Recreation	4,347.6	4,242.7	(104.9)	2.4%	22.0	22.0	0.0	0.0%	4,369.6	4,264.7	(104.9)	2.4%	2.0%	0.4%
Shelter, Support & Housing Administration	717.6	717.6	0.0	0.0%	1.0	1.0	0.0	0.0%	718.6	718.6	0.0	0.0%	3.2%	-3.2%
Social Development, Finance & Administration	131.5	126.5	(5.0)	3.8%	0.0	0.0	0.0	0.0%	131.5	126.5	(5.0)	3.8%	3.3%	0.5%
Toronto Employment & Social Services	2,148.5	2,073.0	(75.5)	3.5%	3.0	3.0	0.0	0.0%	2,151.5	2,076.0	(75.5)	3.5%	1.6%	1.9%
Sub-Total Citizen Centred Services "A"	**12,388.9**	**12,161.5**	**(227.4)**	**1.8%**	**49.5**	**48.5**	**(1.0)**	**2.0%**	**12,438.4**	**12,210.0**	**(228.4)**	**1.8%**	**1.6%**	**0.2%**
Citizen Centred Services "B"														
City Planning	352.0	335.4	(16.6)	4.7%	9.5	8.5	(1.0)	10.5%	361.5	343.9	(17.6)	4.9%	3.8%	1.0%
Fire Services	3,126.8	3,102.8	(24.0)	0.8%	0.0	0.0	0.0	0.0%	3,126.8	3,102.8	(24.0)	0.8%	2.0%	-1.2%
Municipal Licensing & Standards	456.0	451.0	(5.0)	1.1%	0.0	0.0	0.0	0.0%	456.0	451.0	(5.0)	1.1%	2.3%	-1.2%
Policy, Planning, Finance and Administration	200.4	190.4	(10.0)	5.0%	0.0	0.0	0.0	0.0%	200.4	190.4	(10.0)	5.0%	3.9%	1.1%
Engineering and Construction Services	133.8	110.0	(23.8)	17.8%	414.3	380.0	(34.3)	8.3%	548.1	490.0	(58.1)	10.6%	4.2%	6.4%
Toronto Buildings	425.0	413.0	(12.0)	2.8%	6.0	6.0	0.0	0.0%	431.0	419.0	(12.0)	2.8%	2.9%	-0.1%
Transportation Services	1,055.4	943.0	(112.4)	10.6%	56.0	57.3	1.3	-2.3%	1,111.4	1,000.3	(111.1)	10.0%	4.9%	5.1%
Sub-Total Citizen Centred Services "B"	**5,749.4**	**5,545.6**	**(203.8)**	**3.5%**	**485.8**	**451.8**	**(34.0)**	**7.0%**	**6,235.2**	**5,997.4**	**(237.8)**	**3.8%**	**3.0%**	**0.9%**
Internal Services														
Office of the Chief Financial Officer	100.0	100.0	0.0	0.0%	12.0	11.0	(1.0)	8.3%	112.0	111.0	(1.0)	0.9%	1.9%	-1.0%
Office of the Treasurer	684.0	664.0	(20.0)	2.9%	56.0	43.0	(13.0)	23.2%	740.0	707.0	(33.0)	4.5%	3.0%	1.5%
Facilities Management & Real Estate	819.7	791.7	(28.0)	3.4%	80.0	76.0	(4.0)	5.0%	899.7	867.7	(32.0)	3.6%	3.1%	0.4%
Fleet Services	174.0	170.0	(4.0)	2.3%	0.0	0.0	0.0	0.0%	174.0	170.0	(4.0)	2.3%	3.5%	-1.2%
Information & Technology	590.0	528.0	(62.0)	10.5%	175.0	145.0	(30.0)	17.1%	765.0	673.0	(92.0)	12.0%	12.0%	0.0%
311 Toronto	158.0	170.0	12.0	-7.6%	21.5	17.5	(4.0)	18.6%	179.5	187.5	8.0	-4.5%	2.0%	-6.5%
Sub-Total Internal Services	**2,525.7**	**2,423.7**	**(102.0)**	**4.0%**	**344.5**	**292.5**	**(52.0)**	**15.1%**	**2,870.2**	**2,716.2**	**(154.0)**	**5.4%**	**5.4%**	**0.0%**
City Manager														
City Manager's Office	410.5	394.0	(16.5)	-4.0%	37.0	27.0	(10.0)	-27.0%	447.5	421.0	(26.5)	5.9%	4.0%	1.9%
Sub-Total City Manager	**410.5**	**394.0**	**(16.5)**	**-4.0%**	**37.0**	**27.0**	**(10.0)**	**-27.0%**	**447.5**	**421.0**	**(26.5)**	**5.9%**	**4.0%**	**1.9%**
Other City Programs														
City Clerk's Office	439.7	432.7	(7.0)	1.6%	11.0	11.0	0.0	0.0%	450.7	443.7	(7.0)	1.6%	3.3%	-1.7%
Legal Services	297.0	297.0	0.0	0.0%	0.0	0.0	0.0	0.0%	297.0	297.0	0.0	0.0%	2.2%	-2.2%
Mayor's Office	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%	0.0%	0.0%
City Council	176.0	176.0	0.0	0.0%	0.0	0.0	0.0	0.0%	176.0	176.0	0.0	0.0%	1.3%	-1.3%
Sub-Total Other City Programs	**912.7**	**905.7**	**(7.0)**	**0.8%**	**11.0**	**11.0**	**0.0**	**0.0%**	**923.7**	**916.7**	**(7.0)**	**0.8%**	**2.6%**	**-1.8%**
Accountability Offices														
Auditor General's Office	29.5	29.0	(0.5)	1.7%	0.0	0.0	0.0	0.0%	29.5	29.0	(0.5)	1.7%	0.9%	0.8%
Integrity Commissioner's Office	2.0	2.0	0.0	0.0%	0.0	0.0	0.0	0.0%	2.0	2.0	0.0	0.0%	0.0%	0.0%
Lobbyist Registrar's Office	8.3	8.0	(0.3)	3.0%	0.0	0.0	0.0	0.0%	8.3	8.0	(0.3)	3.0%	0.0%	3.0%
Ombudsman's Office	11.0	10.0	(1.0)	9.1%	0.0	0.0	0.0	0.0%	11.0	10.0	(1.0)	9.1%	0.0%	9.1%
Sub-Total Accountability Offices	**50.8**	**49.0**	**(1.8)**	**3.4%**	**0.0**	**0.0**	0.0	**0.0%**	**50.8**	**49.0**	**(1.8)**	**3.4%**	**0.5%**	**2.9%**
TOTAL - CITY OPERATIONS	22,038.0	21,479.5	(558.5)	2.5%	927.8	830.8	(97.0)	10.5%	22,965.8	22,310.3	(655.5)	2.9%	2.5%	0.3%
Agencies														
Toronto Public Health	1,838.7	1,735.7	(103.0)	5.6%	38.9	38.9	0.0	0.0%	1,877.6	1,774.6	(103.0)	5.5%	5.1%	0.4%
Toronto Public Library	1,737.4	1,682.4	(55.0)	3.2%	0.0	0.0	0.0	0.0%	1,737.4	1,682.4	(55.0)	3.2%	2.7%	0.5%
Association of Community Centres	77.4	77.4	0.0	0.0%	0.0	0.0	0.0	0.0%	77.4	77.4	0.0	0.0%	0.0%	0.0%
Exhibition Place	379.0	379.0	0.0	0.0%	5.0	5.0	0.0	0.0%	384.0	384.0	0.0	0.0%	0.0%	0.0%
Heritage Toronto	7.0	7.0	0.0	0.0%	0.0	0.0	0.0	0.0%	7.0	7.0	0.0	0.0%	0.0%	0.0%
Theatres	156.5	156.6	0.1	-0.1%	0.0	0.0	0.0	0.0%	156.5	156.6	0.1	-0.1%	0.0%	-0.1%
Toronto Zoo	410.2	410.2	0.0	0.0%	0.0	0.0	0.0	0.0%	410.2	410.2	0.0	0.0%	2.4%	-2.4%
Arena Boards of Management	67.4	67.4	0.0	0.0%	0.0	0.0	0.0	0.0%	67.4	67.4	0.0	0.0%	0.0%	0.0%
Yonge Dundas Square	6.5	6.5	0.0	0.0%	0.0	0.0	0.0	0.0%	6.5	6.5	0.0	0.0%	0.0%	0.0%
TTC - Conventional & WT	11,736.0	11,688.0	(48.0)	0.4%	1,844.0	1,859.0	15.0	-0.8%	13,580.0	13,547.0	(33.0)	0.2%	0.0%	0.2%
Toronto Police Service	7,870.0	7,466.0	(404.0)	5.1%	0.0	0.0	0.0	0.0%	7,870.0	7,466.0	(404.0)	5.1%	5.2%	-0.1%
Toronto Police Services Board	8.0	7.0	(1.0)	12.5%	0.0	0.0	0.0	0.0%	8.0	7.0	(1.0)	12.5%	0.0%	12.5%
TOTAL - AGENCIES	24,294.1	23,683.2	(610.9)	2.5%	1,887.9	1,902.9	15.0	-0.8%	26,182.0	25,586.1	(595.9)	2.3%	2.1%	0.1%
Corporate Accounts														
Parking Tag Enforcement & Oper.	394.0	394.0	0.0	0.0%	0.0	0.0	0.0	0.0%	394.0	394.0	0.0	0.0%	0.0%	0.0%
TOTAL - CORPORATE ACCOUNTS	394.0	394.0	0.0	0.0%	0.0	0.0	0.0	0.0%	394.0	394.0	0.0	0.0%	0.0%	0.0%
TOTAL LEVY OPERATIONS	46,726.1	45,556.7	(1,169.4)	2.5%	2,815.7	2,733.7	(82.0)	2.9%	49,541.8	48,290.4	(1,251.4)	2.5%	2.3%	0.2%
Non Levy Operations														
Solid Waste Management Services	1,075.7	1,000.4	(75.3)	7.0%	27.0	25.1	(1.9)	7.0%	1,102.7	1,025.5	(77.2)	7.0%	1.9%	5.1%
Toronto Parking Authority	297.4	297.4	0.0	0.0%	0.0	0.0	0.0	0.0%	297.4	297.4	0.0	0.0%	0.0%	0.0%
Toronto Water	1,706.3	1,569.8	(136.5)	8.0%	41.4	41.4	0.0	0.0%	1,747.7	1,611.1	(136.5)	7.8%	3.0%	4.8%
TOTAL NON LEVY OPERATIONS	3,079.4	2,867.7	(211.8)	6.9%	68.4	66.5	(1.9)	2.8%	3,147.8	2,934.1	(213.7)	6.8%	2.3%	4.5%
GRAND TOTAL	49,805.6	48,424.4	(1,381.2)	2.8%	2,884.1	2,800.2	(83.9)	2.9%	52,689.6	51,224.6	(1,465.0)	2.8%	2.3%	0.5%

Appendix F

CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST FIVE MONTHS ENDED MAY 31, 2014
($000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Service "A"				
Economic Development & Culture				
Adjustment to increase Economic Development & Culture's 2014 Operating Budget by $1.0 million gross, net 0 for the 2015 Pan American and Parapan American Games - Celebration Live Site at Nathan Phillips Square. There is a signed agreement with the Province and funds have been received by the City.	1,000.0	1,000.0	0.0	0.0
Adjust Program's 2014 Operating Budget by $0.3 million gross, net 0 to reflect the 2014 agreement between the City and the Ontario Cultural Attractions Fund (OCAF). OCAF is providing financial support to the production of the 2014 Nuit Blanche event.	300.0	300.0	0.0	0.0
Total Economic Development & Culture	1,300.0	1,300.0	0.0	0.0
Emergency Medical Services				
Increase base funding of $0.566 million gross and $0 net from the Ministry of Health and Long Term Care (MOHLTC) to EMS' 2014 Approved Operating Budget. The additional 100% on-going base funding for the Nurses' Program enables EMS to purchase additional nursing hours at hospitals to assist EMS paramedics offload patients at seven hospitals with the highest offload delays in the City of Toronto.	565.8	565.8	0.0	0.0
Additional transfer of $0.164 million net from Emergency Medical Services' 2014 Approved Operating Budget to Facilities Management & Real Estate's 2014 Approved Operating Budget for security and maintenance costs, the majority ($3.106 million) of which was already transferred in the 1st quarter variance report.	(164.5)	0.0	(164.5)	0.0
Total Emergency Medical Services	401.3	565.8	(164.5)	0.0
Shelter, Support & Housing Administration				
Technical adjustment to reallocate budget for legal fees from Homeless & Housing First Solutions to Social Housing System Management.	(71.5)	0.0	(71.5)	0.0
Technical adjustment to reallocate budget for legal fees from Homeless & Housing First Solutions to Social Housing System Management.	71.5	0.0	71.5	0.0
Total Shelter, Support & Housing Administration	0.0	0.0	0.0	0.0
Social Development, Finance & Administration				
After 30 years of successful operations, Employment and Social Development Canada (ESD) has not renewed funding for the City's Youth Employment Toronto Program. This has resulted in the winding down of the program, reducing 5.0 caseworker positions for a financial impact of $0.410 million gross and 0 net. Council has requested the City Manager to advocate for the restoration of this funding in 2015 at its meeting on June 10, 2014 EX42.33.	(409.6)	(409.6)	0.0	(5.0)
Total Social Development, Finance & Administration	(409.6)	(409.6)	0.0	(5.0)
Total Citizen Centred Service "A"	**1,291.7**	**1,456.2**	**(164.5)**	**(5.0)**
Citizen Centred Service "B"				
Fire Services				
To authorize the set up of an IDC-IDR arrangement between Facilities Management & Real Estate (FM&RE) and Fire Services to ensure consistency in corporate procedures related to payment of facility maintenance services and associated costs provided by FM&RE for City-owned buildings occupied by Fire Services. There is net zero impact to the City.	800.0	0.0	800.0	0.0
Total Fire Services	800.0	0.0	800.0	0.0

Appendix F

CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST FIVE MONTHS ENDED MAY 31, 2014
($000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Service "B"				
Muncipal Licensing & Standards				
Transfer 2.0 Support Assistant B's and related positions from Policy, Planning, Finance & Administration following a recommendation by the Internal Audit Review of PPF&A operations in 2010. It was recommended that the license/permit processing function currently performed by ML&S Licensing Clerks be consolidated with the cashiering and permit issuing functions performed by PPF&A. The combination of the functions will reduce wait time for the clients thus enhancing customer service as well as promote efficiency.	147.2	0.0	147.2	2.0
Total Muncipal Licensing & Standards	147.2	0.0	147.2	2.0
Policy, Planning, Finance & Administration				
Transfer 2.0 Support Assistant B's and related positions to Municipal Licensing & Standards following a recommendation by the Internal Audit Review of PPF&A operations in 2010. It was recommended that the license/permit processing function currently performed by ML&S Licensing Clerks be consolidated with the cashiering and permit issuing functions performed by PPF&A. The combination of the functions will reduce wait time for the clients thus enhancing customer service as well as promote efficiency.	(147.2)	0.0	(147.2)	(2.0)
Technical adjustment to cancel IDC-IDR arrangement between IT & Office of the Emergency Management (OEM) in Policy, Planning, Finance & Admin. The budget for OEM including the third party telephone cost recovery was transferred over from Shelter, Support & Housing to PPFA in 2013, but OEM cannot recover from the third party for telephone charges as SSHA did in the past.	(1.5)	0.0	(1.5)	0.0
Total Policy, Planning, Finance & Administration	(148.8)	0.0	(148.8)	(2.0)
Total Citizen Centred Service "B"	**798.5**	**0.0**	**798.5**	**0.0**
Internal Services				
Office of the Treasurer				
Transfer of 2.0 positions from Corporate Information and Technology and 1.0 position from Facilities Management and Real Estate to the Office of the Treasurer's Accounting Services for the SAP Solution Delivery Unit in accordance with the SAP Governance Review. This includes $0.182 million gross and net from Corporate Information and Technology and $0.113 million gross and net from Facilities Management and Real Estate to the Office of the Treasurer's Accounting Services.	295.7	0.0	295.7	3.0
Total Office of the Treasurer	295.7	0.0	295.7	3.0
Facilities Management & Real Estate				
Realign budget for the North York Civic Centre Flex Parking to Real Estate Services from Facilities Management Services where administration and negotiation of the rental agreement are currently being done.	305.0	348.7	(43.7)	0.0
Realign budget for the North York Civic Centre Flex Parking from Facilities Management Services to Real Estate Services where administration and negotiation of the rental agreement are currently being done.	(305.0)	(348.7)	43.7	0.0

Appendix F

CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST FIVE MONTHS ENDED MAY 31, 2014
($000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Internal Services				
Facilities Management & Real Estate				
Technical adjustment to establish 4.0 capital funded project delivery positions: Senior Financial Analyst (1), Senior Business and System Analyst (SAP PM) (1) and Co-ordinators Contract Administation (2) to be fully recovered from the Capital Budget. They are required to implement the Project Tracking Portal Capital Project (CCA215-02) effective October 31,2014, but were not included in the 2014 Capital Budget submission.	103.7	103.7	0.0	4.0
To authorize the set up of an IDC-IDR arrangement between Facilities Management & Real Estate (FM&RE) and Fire Services to ensure consistency in corporate procedures related to payment of facility maintenance services and associated costs provided by FM&RE for City-owned buildings occupied by Fire Services. There is net zero impact to the City.	0.0	800.0	(800.0)	0.0
Additional transfer of $0.164 million net from Emergency Medical Services' 2014 Approved Operating Budget to Facilities Management & Real Estate's 2014 Approved Operating Budget for security and maintenance costs, the majority ($3.106 million) of which was already transferred in the 1st quarter variance report.	0.0	(164.5)	164.5	0.0
Transfer 1.0 position from Facilities Management and Real Estate to the Office of the Treasurer's Accounting Services for the SAP Solution Delivery Unit in accordance with the SAP Governance Review.	(113.4)	0.0	(113.4)	(1.0)
Total Facilities Management & Real Estate	(9.7)	739.3	(748.9)	3.0
Information & Technology				
Transfer 4.0 positions from Information & Technology to Strategic Communications in the City Manager's Office to support Strategic Communications' role as the primary owner responsible for the City's external Web presence. These positions will support digital governance management, web quality assurance, web content creation and publishing, and web product user administrative support, enabling Strategic Communications to deliver on its responsibilities as part of the Web Revitalization Project as well as the ongoing, long-term sustainment of toronto.ca.	(346.5)	0.0	(346.5)	(4.0)
Transfer of 2.0 positions from Corporate Information and Technology to the Office of the Treasurer's Accounting Services for the SAP Solution Delivery Unit in accordance with the SAP Governance Review.	(182.3)	0.0	(182.3)	(2.0)
Technical adjustment to cancel IDC-IDR arrangement between IT & Office of the Emergency Management (OEM) in Policy, Planning, Finance & Admin. The budget for OEM including the third party telephone cost recovery was transferred over from Shelter, Support & Housing to PPFA in 2013, but OEM cannot recover from the third party for telephone charges as SSHA did in the past.	0.0	(1.5)	1.5	0.0
Total Information & Technology	(528.8)	(1.5)	(527.2)	(6.0)
Total Internal Services	**(242.8)**	**737.7**	**(980.5)**	**0.0**

Appendix F

CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST FIVE MONTHS ENDED MAY 31, 2014
($000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
City Manager's Office				
City Manager's Office				
Transfer funding to the City Manager's Office, Human Resources Division from the Non-Program Expenditure Budget to establish seven permanent positions for sustainment of completed Enterprise-wide Capital projects.	834.6	0.0	834.6	7.0
Transfer 4.0 positions to Strategic Communications in the City Manager's Office from Information & Technology to support Strategic Communications' role as the primary owner responsible for the City's external Web presence. These positions will support digital governance management, web quality assurance, web content creation and publishing, and web product user administrative support, enabling Strategic Communications to deliver on its responsibilities as part of the Web Revitalization Project as well as the ongoing, long-term sustainment of toronto.ca.	346.5	0.0	346.5	4.0
Total City Manager's Office	1,181.1	0.0	1,181.1	11.0
Total City Manager's Office	**1,181.1**	**0.0**	**1,181.1**	**11.0**
Other City Programs				
Council				
Technical adjustment to transfer $19,000 from the Council Transition Reserve to the Council Furniture and Equipment Reserve to ensure adequate funding for City Council's 2014 Approved Operating Budget. There is no impact to the Program's gross, revenue and net budget.	0.0	0.0	0.0	0.0
Total Council	0.0	0.0	0.0	0.0
Total Other City Programs	**0.0**	**0.0**	**0.0**	**0.0**
Agencies				
Association of Community Centres				
Transfer funding to the Eastview Community Centre from the 2014 Non-Program Expenditure Budget to fund 2014 progression pay.	13.9	0.0	13.9	0.0
Total Association of Community Centres	13.9	0.0	13.9	0.0
Exhibition Place				
The program map for Exhibition Place is being refined to 2 services from 3 as approved in the 2014 Approved Operating Budget for Exhibition Place. The 2 services are consistent with City Council's direction whereby the BMO Field be granted greater autonomy from the Board of Governors of Exhibition Place. As a result, this report recommends Council authorize Exhibition Place's 3 services be consolidated into 2 services. In addition, 13.5 positions will be removed from the 2014 Approved Operating Budget for Exhibition Place, as staffing at BMO Field is now the responsibility of Maple Leaf Sports and Entertainment, as the operator of BMO Field. There is no impact to the 2014 Approved Net Operating Budget for Exhibition Place from this service budget realignment	0.0	0.0	0.0	(13.5)
Total Exhibition Place	0.0	0.0	0.0	(13.5)

Appendix F

CITY OF TORONTO
BUDGET ADJUSTMENTS
FOR THE FIRST FIVE MONTHS ENDED MAY 31, 2014
($000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Toronto Police Services				
Adjust the Council Approved 2014 Operating Budget for Toronto Police Service to reduce both the gross expenditures and revenues by $0.451 million, for a net zero impact. This reflects a reduction in the Service's budget withdrawal from the Central Sick Pay Reserve Fund (XR1701) and ensure that there is adequate balance in the reserve fund.	(450.6)	(450.6)	0.0	0.0
Total Toronto Police Services	(450.6)	(450.6)	0.0	0.0
Toronto Police Services Board				
The Toronto Police Services Board requires an external consultant with expertise in organizational change to undertake a review of the results of the Chief's Internal Organizational Review and to identify further measures to ensure delivery of policing services is adequate, effective as well as sustainable. $0.300 million will be transferred from the Innovation Reserve Fund to the Toronto Police Services Board's 2014 Operating Budget to fund the review.	300.0	300.0	0.0	0.0
Total Toronto Police Services Board	300.0	300.0	0.0	0.0
Total Agencies	**(136.7)**	**(150.6)**	**13.9**	**(13.5)**
Corporate Accounts				
Other Corporate Expenditures				
Transfer funding from the Non-Program Expenditure Budget to the City Manager's Office, Human Resources Division to establish seven permanent positions for sustainment of completed Enterprise-wide Capital projects.	(834.6)	0.0	(834.6)	0.0
Transfer funding from the 2014 Non-Program Expenditure Budget to the Eastview Community Centre to fund 2014 progression pay.	(13.9)	0.0	(13.9)	0.0
Total Other Corporate Expenditures	(848.5)	0.0	(848.5)	0.0
Total Corporate Accounts	**(848.5)**	**0.0**	**(848.5)**	**0.0**
Total Tax Supported Operations	**2,043.3**	**2,043.3**	**0.0**	**(7.5)**
Total	**2,043.3**	**2,043.3**	**0.0**	**(7.5)**

Appendix G

Operating Variance Report
For Five-Month Period Ended May 31, 2014
Significant Variance by Program and Agency

City Operations

Citizen Centred Services "A"

As shown in Table 6 below, Citizen Centred Services "A" reported a net under-expenditure of $15.881 million or 4.6% of planned expenditures for the five-month period ended May 31, 2014 and are projecting year-end over-spending of $11.914 million or 1.3% compared to the 2014 Approved Net Operating Budget of $916.566 million. The reasons for these variances are discussed below.

Table 6
Citizen Centred Services "A"
Net Expenditure Variance ($ Million)

	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
Affordable Housing Office	0.0	0.0
Children's Services	(0.0)	0.0
Court Services	0.8	27.1
Economic Development and Culture	(2.1)	0.0
Emergency Medical Services	0.5	(0.3)
Long Term Care Homes and Services	0.3	0.0
Parks, Forestry & Recreation	(5.2)	(0.0)
Shelter, Support & Housing Administration	(3.5)	(5.7)
Social Development, Finance & Administration	(0.3)	0.0
Toronto Employment & Social Services	(6.3)	(9.1)
Total	(15.9)	11.9

Affordable Housing Office (AHO) was on budget for the period ended May 31, 2014. The AHO reported lower than planned gross expenditures of $0.013 million or 1.3%, primarily due to under-spending in payroll and non-payroll categories with a corresponding reduction in reserve funding.

At this time, it is forecasted that the AHO will be on budget by year-end.

As of May 31, 2014, the AHO reported a full complement of 19.0 positions. AHO projects full complement to be maintained by year-end.

Children's Services was on budget for the five-month period ended May 31, 2014. Gross expenditures were $0.267 million or 0.2% lower than planned attributed to savings in purchased child care, reflecting differing child mix from that planned with a corresponding reduction in reserve funding. At this time, it is forecasted that Children Services will continue to be on budget at year-end.

As of May 31, 2014, Children Services reported a strength of 951.7 positions which was 4.0 positions or 0.4% below the approved complement of 955.7 positions. The 4 vacancies were a timing gap, reflecting the difference between Council approval of the Service Efficiency Implementation Capital Project and time required to process the job call. These vacancies will have no impact on completion of this project, as the time required to hire additional staff was factored into the budgeted cash flow of the capital project. By year-end, Children Services projects a strength of 955.7 positions, reflecting full complement.

Court Services reported an unfavourable net variance of $0.841 million or 61.4% of planned expenditures for the five-month period ended May 31, 2014. The net variance consisted primarily of unfavourable revenues based on lower volumes of tickets issued and filed by enforcement agencies in Toronto. The year-to-date revenue shortfall of $1.639 million was partially offset by savings of $0.798 million mainly in salaries and benefits and other non-salary line items.

With 70% of revenues expected in the latter part of the year, Court Services forecasts a year-end net over-expenditure of $27.053 million or 196.3% mainly attributable to lower than budgeted fine revenues of $29.647 million arising from lower volume of charges filed by the Toronto Police Service and other enforcement agencies, partially offset by cost savings of $2.594 million in salaries and benefits and lower contracted services resulting from the lower volume of tickets processed.

The tickets filed for the period ending May 31, 2014 was 108,714, 47% lower compared to the same period in 2013 (206,085) and 59% lower than 2012 (265,265). If the declining trend continues, the 2014 projected year-end volume of tickets will be 311,124 or 33% lower than 2013 of 467,565, representing $30.000 million in lower fine revenues.

As of May 31, 2014, Court Services reported a strength of 237.0 positions which was 45.0 positions or 7.5% below complement after budgeted gapping. Court Services is expecting staff changes (returning from leave) during the second half of 2014.

By year-end, Court Services is projecting a strength of 256.0 positions; 26.0 positions or 9.2% below the approved complement of 282.0 positions. Maintaining 26.0 vacant positions will exceed the budgeted gapping rate of 8.5% or $1.886 million by $0.614 million at year-end, primarily attributed to lower processing of tickets.

Economic Development and Culture (EDC) reported net under-spending of $2.146 million or 13.2% of planned expenditures for the five-month period ended May 31, 2014. The under-expenditure was primarily due to the timing of incurred salaries and benefits and contracted services, which will occur later in the year than planned ($1.796 million). Also contributing to the under-expenditure was a favourable revenue variance ($0.315 million) mainly due to third party revenue that was received earlier in the year than expected. At this time, it is forecasted that EDC will be on budget at year-end.

At May 31, 2014, EDC reported a strength of 301 positions, down 4 or 1.3% from the approved complement of 305 positions.

EDC projects a year-end strength of 305 positions, representing full complement, and expects to achieve its budgeted gapping rate through savings realized during the year.

Emergency Medical Services (EMS) reported net over-spending of $0.492 million or 2.9% of planned expenditures for the five-month period ended May 31, 2014. The unfavourable variance consisted mainly of a shortfall in Provincial subsidy (that was below the established subsidy rate of 100%) for the Central Ambulance Communication Centre (CACC) of $0.620 million, partially offset by savings of $0.128 million primarily for medical supplies and uniforms which are expected to continue to year-end.

EMS forecasts year-end net under-spending of $0.337 million or 0.5% due to savings in various items such as salaries and benefits, medical supplies and uniforms.

As of May 31, 2014, EMS reported a strength of 1,236.5 positions which was 90.0 positions or 6.8% below the approved complement of 1,326.5 positions. A recruitment class is planned in June to fill all vacant paramedic positions including 61.0 paramedic positions approved by City Council. The current vacancy rate after budgeted gapping is 5.5%.

At year-end, EMS projects a strength of 1,308.8 positions which is 17.0 positions or 1.3% under the complement of 1,325.8 positions. EMS will maintain an average of 16.0 non-paramedic positions vacant to meet the 2014 budgeted gapping rate of 1.3% or $1.972 million and will therefore be at full complement.

Long-Term Care Homes and Services (LTCHS) reported net over-spending of $0.296 million or 3.1% for the five-month period ended May 31, 2014. This variance reflected lower than budgeted gross expenditures of $1.836 million or 2.1% and under-achieved revenue of $2.132 million or 2.8% primarily attributed to reduced program expenditures in areas where Provincial funding has not yet been made available. Certain program services, such as high intensity needs and supportive housing are claims-based, 100% Provincially subsidized services and LTCHS ensures no spending occurs until the Ministry of Health and Long-Term Care (MOHLTC) or Local Health Integration Network (LHIN) funding approvals are received. The net over-spending of $0.296 million was a result of timing of expenditures and associated revenues due to the MOHLTC delayed confirmation of LTCHS' 2014 Program revenues.

At this time, it is forecasted that LTCHS will be on budget at year-end.

LTCHS reported a strength of 2,179.7 positions for the five-month period ended May 31, 2014, representing full complement and is expected to maintain its approved complement of 2,179.7 positions to year-end.

Parks, Forestry and Recreation (PF&R) reported net under-spending of $5.231 million or 4.4% of planned expenditures for the five-month period ended May 31, 2014. The variance was primarily due to under-spending in Urban Forestry as a result of re-directing resources to the December 2013 ice storm clean-up. Ice storm costs are being captured in the Non-Program Expenditure Budget and are not allocated by Division. Once ice storm clean-up is completed, PF&R will engage additional resources to catch up on deferred work and spending is expected to be on budget at year-end.

As of May 31, 2014, PF&R reported a strength of 4,264.7 positions which was 104.9 positions or 2.4% below the complement of 4,369.6 positions. The vacancies represent delays in filling seasonal positions through work selection which have been an on-going challenge for PF&R. All permanent vacancies have been filled or backfilled. After budgeted gapping the vacancy rate is currently only 0.4%.

By year-end, PF&R is projecting a strength of 4,264.7 positions which is 104.9 positions or 2.4% below the approved complement of 4,369.6 positions. PF&R is expecting to achieve its budgeted gapping rate of 2.0% (approximately 100 position equivalents) through savings from delays in filling positions and turn-over experienced throughout the year.

Shelter, Support and Housing Administration (SSHA) reported net under-spending of $3.504 million or 4.5% for the five-month period ended May 31, 2014. The gross expenditures were $1.857 million, or 0.8% below plan, with revenue of $1.647 million or 1.0% higher than plan. The gross under-spending was primarily comprised of under-spending in salaries and benefits due to delays in hiring qualified staff, and lower than planned contract and other administrative service costs. The favourable revenue of $1.647 million was primarily due to the uneven distribution of the Community Homelessness Prevention Initiative (CHPI) funding model, as funding no longer moves with actual bed nights, but flows quarterly from the Province.

SSHA is projecting a year-end net under-expenditure of $5.681 million or 2.9% with under-spending experienced in social housing and hostel services. As the projected under-spending will be offset by a reduction in the contribution from Program reserves, SSHA forecasts a year-end $0 net variance.

As of May 31, 2014, SSHA reported a strength of 687.5 positions, which was 31.1 positions or 4.3% below the complement of 718.6 positions. This represents an actual vacancy rate of 1.2% after budgeted gapping. It is anticipated that the 31.1 vacancies will be filled during the third quarter, once the job calls have been completed and new staff is in place. As a result, the Program does not anticipate a significant service level impact. By year-end, SSHA is projecting a full complement.

Social Development, Finance and Administration (SDFA) reported net under-spending of $0.324 million or 3.8% for the five-month period ended May 31, 2014. Expenditures were $0.689 million or 6.2% below plan, with the variance mainly attributed to vacant positions, lower than planned expenditures in Federal and third party funded programs and general under-spending in various line items. As a result, revenue was $0.364 million or 14.8% lower than plan, which offset the under-spending.

SDFA forecasts a year-end $0 net variance, with gross expenditures and revenues $0.815 million less than plan, reflecting the loss of funding from the Federal government for the Youth Employment Program and a reduction in commitments for the Tower Renewal Energy Retrofit Pilot Program due to delay in uptake.

As of May 31, 2014, SDFA reported a strength of 121.5 positions which was 10.0 positions or 7.6% below the approved complement of 131.5 positions. This represents a temporary actual vacancy rate of 4.3% after budgeted gapping. While a portion of the vacancies have been filled, current vacancies include the 4 new positions included in the 2014 Approved Operating Budget, as well as 2 staff temporarily assigned to other Divisions providing development opportunities.

SDFA is projecting a preliminary year-end strength of 126.5 positions compared to an approved complement of 131.5 positions. It is anticipated that all of the vacant positions will be filled by the third quarter. However, the Youth Employment Program is being cancelled due to loss of funding from the Federal government. As a result, this report includes a recommended adjustment to delete 5.0 positions, which will bring the approved complement to 126.5 positions.

Toronto Employment and Social Services (TESS) reported net under-spending of $6.305 million or 9.5% for the five-month period ended May 31, 2014. The variance was due to lower than budgeted gross expenditures of $50.395 million or 10.5% and lower than budgeted revenue of $44.090 million or 10.7%. These variances were primarily the result of lower caseload (93,794 actual versus 101,000 budgeted) and lower special diet expenditures.

Toronto Employment and Social Services forecasts a year-end net under-expenditure of $9.121 million or 5.3% which consist of lower than budgeted gross expenditures of $84.447 million or 7.2% and lower than budgeted revenue of $75.326 million or 7.5% based on continued lower than planned caseload, which is projected to be 6,500 or 6.4% below the budgeted caseload of 101,000 and lower special diet expenditures. The caseload will continue to be closely monitored in relation to the current labour market and economic conditions.

As of May 31, 2014, TESS reported a strength of 2,083.0 positions which was 68.5 positions or 3.2% below the approved complement of 2,151.5 positions. The current staffing level is consistent with TESS' actual average monthly caseload of 93,794 cases to date and represents a vacancy rate of 1.6% after budgeted gapping.

By year-end, TESS is projecting a strength of 2,076.0 positions, which is 75.5 positions or 3.5% below the approved complement of 2,151.5 positions. TESS will maintain 75.5 positions vacant based on a projected average monthly caseload of 94,500 (6,500 below the budgeted caseload of 101,000) which will result in a vacancy rate of 1.9% after budgeted gapping.

Citizen Centred Services “B”

As indicated in Table 7 below, Citizen Centred Services “B” Programs collectively reported net over-spending of $11.006 million or 4.1% for the five months ended May 31, 2014, and are projecting an under-expenditure of $5.092 million or 0.8% of the 2014 Approved Net Operating Budget by year-end. Major causes of the variances are discussed below.

Table 7 Citizen Centred Services "B" Net Expenditure Variance ($ Million)		
	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
City Planning	1.7	0.9
Fire Services	(1.5)	0.0
Municipal Licensing & Standards	(0.4)	(0.5)
Policy, Planning, Finance & Administration	(0.1)	(0.1)
Engineering & Construction Services	(0.2)	0.0
Toronto Building	(4.3)	(5.0)
Transportation Services	15.7	(0.4)
Total	11.0	(5.1)

City Planning reported net over-spending of $1.727 million or 38.7% for the five-month period ended May 31, 2014. This variance reflected higher than budgeted gross expenditures of $0.769 million or 5.5% primarily due to the timing of expenditures for employee benefit premiums such as those for CPP and EI which mostly occur early in the year and services for Heritage Conservation District and other studies. Revenues were below planned by $0.958 million or 10.0%, mainly due to a lower than planned volume of development application fees.

For year-end, City Planning is projecting over-spending of $0.930 million or 6.1% of the 2014 Approved Net Operating Budget of $15.237 million. Gross expenditures are forecasted to be $0.345 million or 0.8% under-spent primarily due to lower salary and benefit costs due to vacant positions. The Program is making every effort to fill key positions in order to deliver service levels. Revenues at year-end are projected to be lower than budget by $1.275 million or 5.0% due to weaker than expected development application revenues. The Program will continue to monitor development application revenues throughout the year and take actions to mitigate the projected year-end pressure of $0.930 million net. In the event that a year-end deficit does occur, funds will be drawn from the Development Application Review Reserve Fund, as per its intended purpose to offset the deficit.

As of May 31, 2014, the Program reported a strength of 327.5 positions which was 34.0 positions or 9.4% below the complement of 361.5 positions. This represented an actual gapping rate of 3.8% which was equal to the budgeted gapping rate (approximately 14 equivalent positions). The current vacancies include 5.0 seasonal positions (May to Sept) for the Toronto Employment Survey, 12.0 new positions as per the Program's 2014 Approved Operating Budget and 14.0 required to meet the gapping budget. The Program is currently undertaking 29 hiring processes, which will result in promotions and/or new hires. By year-end, City Planning is projecting a strength of 343.9 positions which results in a vacancy rate of only 1% once budgeted gapping is taken into account.

Toronto Fire Services (TFS) reported net under-spending of $1.511 million or 0.9% of planned expenditures for the five-month period ended May 31, 2014. The net under-expenditure consisted mainly in fringe benefit costs of $0.900 million and various non-payroll expenses of

$0.200 million combined with unbudgeted Provincial funding of $0.300 million received for the Heavy Urban Search and Rescue equipment costs incurred in 2013.

At this time, it is forecasted that TFS will be on budget at year-end. The year-end forecast does not include the financial impact of the recently approved additional eligibility criteria of six additional types of cancers for Workplace Safety and Insurance Board claims.

As of May 31, 2014, TFS reported a strength of 3,024.8 positions which was 102.0 positions or 1.3% below the complement after budgeted gapping. A recruitment class of 41 is scheduled to start on June 2 and another class is scheduled for the fourth quarter in compliance with Local Union 3888 agreement that requires TFS to initiate a recruitment class once vacancies for firefighter operations reach 40 positions.

TFS is projecting a strength of 3,102.8 positions which is 24.0 positions or 0.8% under the approved complement of 3,126.8 positions. The 24.0 positions will remain vacant to partially meet the budgeted gapping rate of 2.0% or $7.978 million.

Municipal Licensing and Standards (MLS) reported net under-spending of $0.379 million or 6.9% of planned expenditures for the five-month period ended May 31, 2014. Under-expenditures of $1.448 million were partially offset by under-achieved revenues of $1.070 million. The variance reflects lower than planned expenditures of $1.051 million for salaries and benefits due to staff vacancies as well as non-salary under-spending of $0.105 million for contracted services for advertising and promotion primarily for Toronto Animal Services (TAS); $0.124 million mainly for cell phones and contracted construction of animal treatment facilities. The Program had under-achieved revenue of $1.070 million which was 9.1% lower than planned primarily due to lower than anticipated volumes for business licences and permits, user fees and service charges including Sign Bylaw fees.

For year-end, MLS is projecting a $0.5 million or 2.4% favourable net expenditure variance compared to the 2014 Approved Operating Budget. This variance is comprised of an under-expenditure of $2.0 million primarily for salaries and benefits partially offset by under-achieved revenue of $1.5 million. The under-achieved revenue is the result of lower than anticipated volumes of business licences, permits and user fees. As approved by Council, this ongoing revenue issue is currently being addressed by the Program with a comprehensive operational and user fee review.

As of May 31, 2014, the Program reported a strength of 425.0 positions which was 31.0 positions below the approved complement of 456.0 positions representing a current vacancy rate of 4.5% after budgeted gapping.

Through an on-going hiring process, MLS is expecting to hire 26.0 positions during the second half of the year. As a result, the initial projected strength at year-end is 451.0 positions compared to an approved complement of 456.0. However, this report includes a recommended adjustment to the complement whereby 2.0 positions and associated budget will be transferred from PPF&A to MLS. With this change, MLS will have a total strength of 453.0 positions compared to an approved complement of 458.0 positions by year-end.

Policy, Planning, Finance and Administration (PPF&A) reported net under-spending of $0.056 million or 1.7% of planned expenditures for the five-month period ended May 31, 2014. Under-expenditures of $0.719 million were partially offset by under-achieved revenues of $0.663 million. The expenditure variance was the result of lower than planned expenditures of $0.325 million for salaries and benefits due to vacant positions. Non-salary accounts were also under-spent by $0.329 million which was comprised of lower than planned spending for utilities, delayed interdepartmental charges and cost control savings for contracted services, equipment and material supply accounts. Revenue was under-achieved by $0.663 million which was 13.4% lower than planned. This under-achieved recovery of revenue was directly related to under-spending in salaries and benefits for positions that provide services to client Divisions.

For year-end, PPF&A is projecting under-spending of $0.081 million or 0.8% compared to the 2014 Approved Net Operating Budget. This is comprised of under-spending of $0.696 million in gross expenditures reflecting the impact of vacancies and cost control offset by related under-achieved recoveries of $0.615 million.

As of May 31, 2014, the Program reported a strength of 181.4 positions which was 19.0 positions below the complement of 200.4 positions. The current vacancy rate is running at 5.6% after budgeted gapping.

With on-going hiring, by year-end, the initial projected strength is 190.4 positions versus an approved complement of 200.4. However, this report includes a recommended adjustment to the complement by 2.0 positions and the associated budget will be transferred from PPF&A to MLS. As a result, PPF&A will have a total strength of 188.4 positions compared to an approved complement of 198.4 positions by year-end. PPF&A will continue to maintain cost control and is working with Human Resources on an ongoing basis to fill staff vacancies. The year-end vacancy rate after gapping is projected to be only 1.1%.

Engineering and Construction Services reported net under-spending of $0.236 million or 5.2% of planned net expenditures for the five-month period ended May 31, 2014. Gross expenditures were lower than planned by $1.768 million or 7.4% due primarily to under-spending in salaries and benefits from vacant positions ($1.595 million) and lower than planned contracted services ($0.131 million) as a result of delays in executing third party work. These lower expenditures were partially offset by under-achieved revenues of $1.532 million or 8.0% mostly attributed to a reduction in capital recoveries for vacant positions ($1.196 million), delays in filling positions for Rapid Transit Implementation ($0.480 million) and the delayed implementation of the 18.3% fee collected for the management of contracts for the Toronto Transit Commission, etc. ($0.586 million).

Engineering and Construction Services forecasts to be on budget at year-end. Year-end expenditures are projected to be under-spent ($3.284 million) in salaries and benefits due to vacant positions and lower than planned contracted services as a result of delays in executing third party work. However, these lower expenditures will be fully offset by lower than budgeted recoveries from client capital projects ($3.284 million) resulting from vacant positions.

As of May 31, 2014, Engineering and Construction Services reported a strength of 487.1 positions which was 61.0 positions below the complement of 548.1 positions. This represented a vacancy rate of 6.9% after budgeted gapping (approximately 24 equivalent positions). By year-end, Engineering and Construction Services is projecting a strength of 490.0 positions which is 58.1 positions below the complement of 548.1 positions.

Engineering and Construction Services is in the midst of a Program-wide restructuring, aimed at improving efficiencies and increasing annual capital delivery rates, to support the forecasted growth in the Capital Program needs of Toronto Water and Transportation Services. This also involves the utilization of a program management approach, involving multi-year contracts for engineering and construction services, managed by specialized program teams.

Once the restructuring plans are finalized, and the specialized project and program management needs identified, the Program plans to launch an aggressive recruitment campaign. However, as experienced in the past, filling vacancies has been an on-going challenge for Engineering and Construction Services due to competitiveness in the market place. While considering the Capital Variance Report for the Year Ended December 31, 2013 at its meeting of July 8-11, 2014, Council directed that there be a review of salary compensation for professional engineer and project management professionals to facilitate retention of qualified professionals.

To further support the longer term staffing and succession planning needs, the Program's hiring strategy includes the training, development and promotion of existing staff, active engagement of student co-op programs with colleges and universities and recruitment of new graduates.

Toronto Building was under-spent by $4.275 million or 61.9% net for the five-month period ended May 31, 2014. The variance was driven by higher than planned revenues of $4.345 million or 18.9% mainly due to the sustained high volume of permit application intake experienced. Gross expenditures were nominally higher than planned by $0.070 million or 0.4% mainly due to higher payroll expenses, as well as overtime salary expense as a result of the sustained high permit volumes. Gross expenditures were partially offset by nominal under-spending in non-salary accounts primarily for cell phones, parking rental space and computer hardware maintenance.

For year-end, Toronto Building is projecting to be on budget for gross expenditures and is projecting to be $5.0 million or 8.4% over the 2014 Approved Revenue Budget of $59.353 million. This revenue projection is based on the anticipated high level of permit application intake being sustained to year-end.

For the five-month period ended May 31, 2014 the strength was 415.0 positions, 16.0 positions or 3.7% under the approved complement of 431.0 positions. The budgeted gapping rate is 2.9%; current gapping is running at 2.0%. There are currently 15.0 positions actively under recruitment at various stages of the hiring process, which is expected to reduce the number of vacancies over the next few months. By year-end, the variance is projected to be 12.0 positions basically at full complement after budgeted gapping.

Transportation Services reported net over-spending of $15.734 million or 17.2% of planned expenditures for the five-month period ended May 31, 2014. This unfavourable variance was the result of higher than planned gross expenditures of $20.359 million or 17.7% mainly due to higher than expected costs for winter maintenance as a result of the harsh winter conditions ($7.893 million), higher salt usage ($6.474 million), higher than planned utility costs for street lighting ($1.098 million) and higher contractor costs for road and bridge repairs ($6.662 million). These higher expenditures were partially offset by under-spending in salaries and benefits from vacant positions ($1.953 million). Revenues were $4.625 million or 19.6% higher than planned primarily due to stronger license and permit fee revenue from greater construction activity ($1.355 million) and the receipt of higher than planned transfers from the Toronto Parking Authority ($4.679 million) during this period.

Transportation Services is forecasting a favourable year-end variance of $0.441 million or 0.2% under the 2014 Approved Net Operating Budget due to full year savings in salaries and benefits from vacant positions ($5.179 million), lower contractor costs ($2.000 million) for road and bridge maintenance and lower expenditures for various discretionary expenses ($0.300 million). These lower expenditures will be partially offset by higher than planned salt usage in the winter maintenance program ($4.729 million) and lower than budgeted recoveries ($2.0 million) from Toronto Water and external utilities for utility cut repairs (due to the assumption of contracts for the permanent cut repair component by Engineering and Constructions Services, which reduces the overhead cost recovery). This favourable year-end projection assumes that the harsh winter conditions experienced in the first quarter of the year will not repeat in November and December. If the experience from earlier in the year repeats, this will result in a reduction to the projected year-end under-spending.

As of May 31, 2014, Transportation Services reported a strength of 916.3 positions which was 195.1 positions below the complement of 1,111.4 positions. This represents an actual vacancy rate of 12.7% after the budgeted gapping.

By year-end, Transportation Services is projecting a strength of 1,000.3 positions which is 111.1 positions below the complement of 1,111.4 positions. Transportation Services has implemented an accelerated hiring program to address the filling of vacant positions in 2014. Accordingly, the vacancy rate will be reduced significantly down to 5.1% after budgeted gapping.

Internal Services

As shown in Table 8 below, during the five months ended May 31, 2014, Internal Services Programs collectively reported a net under-expenditure of $1.856 million or 2.0% and project year-end under-spending of $2.880 million or 1.6% compared to the 2014 Approved Net Operating Budget as discussed below.

Table 8 Internal Services Net Expenditure Variance ($ Million)		
	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
311 Toronto	(0.0)	0.7
Office of the Chief Financial Officer	(0.2)	(0.5)
Office of the Treasurer	(0.8)	(1.2)
Facilities Management & Real Estate	(0.3)	(0.4)
Fleet Services	0.3	0.0
Information & Technology	(0.7)	(1.4)
Total	(1.9)	(2.9)

311 Toronto reported a net under-expenditure of $0.010 million or 0.3% of planned expenditures for the five-month period ended May 31, 2014, as under-spending from vacancies was offset by using part-time staff in meeting service levels for the increased call volumes which have increased by 25%. This has resulted in an increase of calls handled by 11% and service requests created by 36% when compared to the same period last year. The increased call volumes have caused longer wait times as 311 Toronto has not met its service standard with only 60% of calls answered within 75 seconds compared to the target of 80%. By year-end, 311 Toronto is projecting an unfavourable variance of $0.675 million over the 2014 Approved Net Operating Budget as the call volumes will remain high.

As of May 31, 2014, the Program reported a strength of 172.5 positions which represents a vacancy rate of 1.9% after budgeted gapping. To mitigate the impact on service levels arising from high call volumes, 311 Toronto will continue to use part-time staff working longer hours to address the call volumes. By year-end, 311 Toronto is projecting a staff strength of 187.5 positions or 4.5% above the 2014 approved complement. 311 Toronto is expecting not to meet the gapping target of $0.329 million.

The ***Office of the Deputy City Manager and Chief Financial Officer*** reported net under-spending of $0.210 million or 5.5% for the five months ended May 31, 2014 mainly due to savings in salaries and benefits for vacant positions. As the vacancies will gradually be filled during the remainder of the year, the projected net favourable variance at year-end is $0.486 million or 5.1% due to under-spending already realized from the vacant positions.

As of May 31, 2014, the Office of the Chief Financial Officer reported a strength of 101.0 positions which was 11.0 positions or 9.8% below the complement of 112.0 positions. Of the 11.0 positions, 8.0 are operating vacancies including 2.0 held for gapping, and 3.0 are capital positions, which were approved in the 2014 Approved Capital Budget. There is no service level impact at this time. By year-end, the Office of the Chief Financial Officer is projecting a strength of 111.0 positions, which is 1.0 position or 0.9% below the complement of 112.0 positions.

To mitigate potential impacts on service levels, overtime has been used to offset the vacant positions. Both Corporate Finance and Financial Planning are currently working with Human Resources to fill the vacant positions.

The ***Office of the Treasurer*** reported net under-spending of $0.828 million or 5.9% for the five-month period ended May 31, 2014. Gross expenditures were lower than planned by $1.523 million or 5.6%. The favourable variance was due to under-spending from vacant capital and corporate initiatives ($0.823 million), vacant operating positions ($0.400 million), savings for administration of the Municipal Land Transfer Tax ($0.100 million) and savings from printing contracts with new vendors ($0.200 million). This was partially off-set by lower recoveries of $0.700 million in revenues for dedicated staffing arrangements (capital and corporate).

The Office of the Treasurer is forecasting a favourable year-end variance of $1.195 million or 4.0% under the 2014 Approved Net Operating Budget mainly due to salary under-spending.

As of May 31, 2014, the Office of the Treasurer reported a strength of 658.3 positions which was 81.7 positions or 11.0% below the complement of 740.0 positions. There were 44.7 operating vacancies of which 20.0 were held to achieve the gapping rate, and 37.0 were capital positions, of which 30.0 were approved in the 2014 Approved Capital Budget. The current vacancy rate after approved gapping is 8.0%.

By year-end, the strength is projected to be 707.0 positions, which is 33.0 positions or 4.5% below the complement of 740.0 positions. Thirteen of the projected vacancies are capital project delivery positions with hiring delayed due to a delay in issuing the RFP for the Cross Application Timesheet Initiative and 20.0 operating positions held for gapping. To mitigate potential impacts on service levels, the Division will utilize part time staff and overtime to cover front-line services. By year-end, the expected vacancy rate will be only 1.5% after approved gapping.

Facilities Management and Real Estate (FM&RE) reported a net under-expenditure of $0.325 million or 0.9% for the five-month period ended May 31, 2014. This was largely attributed to under-spending from vacancies offset partly by higher energy consumption required to heat the City's buildings as a result of the extreme winter weather.

The Program is projecting under-expenditures of $0.448 million or 0.7% below the 2014 Approved Net Operating Budget at year-end. The key factors contributing to the favourable variance include under-spending from vacant positions offset by higher energy consumption required to heat the City's buildings as a result of the extreme winter weather experienced during the first quarter of 2014, as mentioned above. It is anticipated that utility costs will exceed budget by $1.125 million at year-end.

As of May 31, 2014, the Program reported a strength of 776.7 positions which was 103.0 positions or 8.6% under budget after the approved gapping. Of the 103.0 vacancies, 27.5 positions were held vacant to achieve the full year gapping rate of 3.1%. The impact of additional vacancies is being mitigated by having some of the critical work performed by external vendors and staff working extra hours to cover 24/7 operations. Some delays in executing client work order requests including capital projects, processing vendor invoices and slower response time resulted in reduced customer services. The Program has initiated the requisitions and is working diligently with Human Resources to ensure these vacancies are filled as soon as possible. By year-end, the Program is projecting a strength of 867.7 positions or a vacancy rate of 0.4% after approved gapping.

Fleet Services reported net over-spending of $0.254 million for the five months ended May 31, 2014. Gross expenditures were higher than planned by $2.014 million or 12.3% mainly due to increased fuel consumption and maintenance requirements by client Divisions as well as additional consultation requirements from the Fleet Operations Review. Revenues were higher than planned by $1.759 million or 11.1% as a result of additional recoveries from the increased demand for fuel and maintenance offset by a lower than anticipated cost recovery from auction proceeds.

At this time, it is projected that Fleet Services will be on budget at year-end. Fleet Services will continue to monitor the budget and find efficiencies to offset the pressures mentioned above.

As of May 31, 2014, the Program reported a strength of 156.0 positions which was 18.0 positions or 6.8% below budget after approved gapping. Of the 18.0 vacancies, 7.0 positions are being held vacant to achieve the full year gapping rate of 3.5%. The impact of vacancies, which has resulted in longer maintenance turnaround times, is being mitigated by using overtime and external service contracts as short term measures.

Fleet Services is projecting a strength of 170.0 positions or 2.3% below the approved complement of 174.0 positions at year-end. The Program is working diligently with Human Resources to ensure these vacancies are filled on a timely basis and the vacancy rate is expected to be at full employment.

Information and Technology reported favourable under-spending of $0.737 million or 2.1% of planned net expenditures for the five-month period ended May 31, 2014. Gross expenditures were lower than planned by $2.799 million or 6.4%. The favourable variance was mainly due to under-spending from vacant positions. Revenues were below budget by $2.062 million or 22.3% as a result of lower recoveries due to the vacant capital funded positions.

Information and Technology is forecasting a favourable year-end variance of $1.426 million or 2.1% under the 2014 Approved Net Operating Budget. While there is a dedicated process to expedite hiring to fill all urgent operational and capital positions, savings in salaries ($3.800 million) will continue until the vacancies are filled. These savings will be utilized in part to fund additional Human Resource professionals who have been hired to expedite the recruitment process. This net under-spending also accounts for a reduction in revenues of $1.200 million not recovered from the IT Sustainment Reserve for vacant capital positions.

As of May 31, 2014, Information and Technology reported a strength of 582.0 positions which was 183.0 positions or 11.9% below budget after approved gapping. Excluding the 34.0 positions held (4.0%) to achieve its gapping rate, there were 149.0 vacant positions, of which 92.0 were capital positions.

By year-end, the Program is projecting a strength of 673.0 positions which is 92.0 positions or 12.0% below the complement of 765.0 positions. The Information and Technology Division continue to face recruiting challenges, including intense competition for qualified IT resources. However, it is important to note that this level of employment represents a 0% vacancy rate after budgeted gapping.

Information and Technology is working to ensure that services are maintained to a satisfactory level and the necessary IT support is provided to City Divisions in a timely manner. The overall delays in recruiting positions primarily impacts the delivery and support for IT business solution capital projects in progress or planned across the City and ongoing service sustainment and support. The City has a large number of business transformation projects that require significant resources from both the Divisions and Information and Technology. Information and Technology is continuing to implement resource planning for IT projects in partnership with the Divisions (assessing risks and reprioritizing work in alignment with business needs), enhancing IT programs and project management maturity and focussing on key opportunities for process and performance improvements.

City Manager's Office

The ***City Manager's Office*** reported a net under-expenditure of $1.702 million or 9.5% of planned expenditures for the five-month period ended May 31, 2014. This was primarily due to under-spending in salaries and benefits mainly attributed to vacant positions, most of which are expected to be filled by year-end.

At this time, it is projected that City Manager's Office will have a year-end net favourable variance of $0.593 million or 1.3%, primarily from under-spending in salaries and benefits.

Table 9
City Manager's Office
Net Expenditure Variance ($ Million)

	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
City Manager's Office	(1.7)	(0.6)

As of May 31, 2014, the City Manager's Office reported a strength of 390.0 positions which was 57.5 positions or 8.8% below budget after approved gapping. Of the 57.5 vacancies, 39.5 were held vacant to achieve the budgeted gapping rate of 4.0%. There was no impact to service levels as the workload for active staff increased. The Program is working diligently with Human Resources to ensure these vacancies are filled on a timely basis.

By year-end, the City Manager's Office is projecting a strength of 421.0 positions which represents a vacancy rate of 1.9% after approved gapping.

Other City Programs

Other City Programs (see Table 10 below) reported an under-expenditure of $1.689 million or 6.1% for the five-month period ended May 31, 2014; and projects year-end under-spending of $1.180 million or 1.6% compared to the 2014 Approved Net Operating Budget.

Table 10
Other City Programs
Net Expenditure Variance ($ Million)

	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
City Clerk's Office	(0.2)	0.0
Legal Services	(1.1)	(1.2)
Mayor's Office	(0.0)	0.0
City Council	(0.3)	0.0
Total	(1.7)	(1.2)

The ***City Clerk's Office*** reported a net under-expenditure of $0.235 million or 2.0% for the five months ended May 31, 2014. This was primarily due to under-spending of $0.633 million in services and rents, partially offset by lower revenues for print and mail services from internal and external clients. At this time, it is forecasted that the City Clerk's Office will be on budget by year-end.

As of May 31, 2014, the City Clerk's Office reported a strength of 421.3 positions which was 29.4 positions or 6.5% below the complement of 450.7 positions. Of the 29.4 vacancies, 7.0 were held vacant to achieve the full year gapping rate of 3.3%. The remaining 22.4 positions are in various stages of being filled. The vacancy rate is 3.2% after approved gapping.

By year-end, the City Clerk's Office is projecting a strength of 443.7 positions which is 7.0 positions or 1.6% below the complement of 450.7 positions. There is no anticipated impact to service levels from the vacant positions.

Legal Services reported net under-spending of $1.112 million or 13.9% for the five-month period ended May 31, 2014. The variance consisted of lower than expected gross expenditures of $1.355 million or 6.9% mainly due to vacant positions, partially offset by lower revenue recoveries from other Divisions of $0.243 million or 2.1%.

Legal Services is forecasting a year-end net favourable variance of $1.180 million or 6.1% largely due to vacant positions.

As of May 31, 2014, Legal Services reported a strength of 288.0 positions which was 9.0 positions or 3.0% below the approved complement of 297.0 positions, mainly due to keeping 5.0 positions vacant to meet its budgeted gapping rate of 2.3% or $0.870 million. This gapping strategy has resulted in the Division not being able to maintain the level of service required to meet client demands. Increased workload, primarily due to City Council requests to attend

Ontario Municipal Board (OMB) meetings does not support maintaining vacant positions. To meet deadlines imposed by the Courts and/or the OMB and to reduce risk to the City, the Division will fill all vacancies by year-end.

The Mayor's Office reported net under-spending of $0.027 million or 7.2% of planned expenditures for the five-month period ended May 31, 2014. This was due largely to under-spending of $0.020 million in non-salary expenditures. At this time, it is forecasted that the Mayor's Office will be on budget at year-end.

The Mayor's Office reported a strength of 11.0 positions and the Mayor for the five-month period ended May 31, 2014. A projected year-end strength and complement is not provided for the Mayor's Office, as staffing requirements will be highly dependent upon the Mayor-elect.

City Council reported net under-spending of $0.314 million or 4.2% of planned expenditures for the five-month period ended May 31, 2014. This was mainly attributed to under-spending of $0.439 million in Councillors constituency services and office budget and $0.174 million in staff salaries and benefits, partially offset by over-spending in City Council's general expense budget. At this time, it is forecasted that City Council will be on budget at year-end.

City Council reported a strength of 176.0 positions for the five-month period ended May 31, 2014, representing full complement. City Council is expected to maintain its approved complement of 176.0 positions to year-end.

Accountability Offices

Accountability Offices collectively realized net under-spending of $0.141 million or 5.0% below planned expenditures for the five-month period ended May 31, 2014, as noted in Table 11 below. Overall, these Offices project under-spending of $0.169 million or 2.2% of their 2014 Approved Net Operating Budget at year-end.

Table 11
Accountability Offices
Net Expenditure Variance ($ Million)

	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
Auditor General's Office	(0.1)	(0.2)
Integrity Commissioner's Office	(0.0)	0.0
Lobbyist Registrar's Office	(0.0)	0.0
Ombudsman's Office	0.0	0.0
Total	(0.1)	(0.2)

The ***Office of the Auditor General*** reported under-spending of $0.135 million or 7.9% for the five-month period ended May 31, 2014. This was mainly due to lower than planned expenditures for salaries and benefits.

The Office of the Auditor General is forecasting under-spending of $0.169 million or 3.6% at year-end due to vacant positions.

The Office of the Auditor General reported a strength of 29.0 positions or 0.5 positions below the approved complement of 29.5 positions for the five months ended May 31, 2014. The Office of the Auditor General's strength is expected to be 29.0 positions at year-end with no anticipated impact to service levels.

The ***Office of the Integrity Commissioner*** reported under-spending of $0.010 million or 10.4% below the 2014 Approved Operating Budget for the five-months ended May 31, 2014. This was primarily a result from lower than planned expenditures for salaries and benefits. At this time, it is forecasted that the Office of the Integrity Commissioner will be on budget at year-end.

The Office of the Integrity Commissioner reported a strength of 2.0 positions for the five-month period ended May 31, 2014, representing full complement. The Office of the Integrity Commissioner is expected to maintain its approved complement of 2.0 positions to year-end.

The ***Office of the Lobbyist Registrar*** reported under-spending of $0.028 million or 7.2% below the 2014 Approved Net Operating Budget for the five-month period ended May 31, 2014. This was primarily from under-expenditures in salaries and benefits. At this time, it is forecasted the Office of the Lobbyist Registrar will be on budget at year-end.

The Office of the Lobbyist Registrar reported a strength of 8.0 positions which was 0.3 positions below the approved complement of 8.3 positions for the five-month period ended May 31, 2014, and is expected to be at 8.0 positions at year-end with no expected impact to service levels.

The ***Office of the Ombudsman*** reported over-spending of $0.032 million or 5.3% above the 2014 Approved Net Operating Budget for the five-month period ended May 31, 2014. This was primarily due to additional expenditures to support investigations. At this time, it is forecasted that the Office of the Ombudsman will be on budget at year-end.

The Office of the Ombudsman reported a strength of 11.0, representing full complement, for the five-month period ended May 31, 2014. The Office of the Ombudsman is forecasting a strength of 10.0 positions or 1.0 position below the approved complement of 11.0 positions at year-end.

Agencies

Agencies collectively reported under-spending of $9.097 million or 1.4% below planned net expenditures for the five-month period ended May 31, 2014 and project an over-expenditure at year-end of $7.046 million or 0.4% compared to their combined 2014 Approved Net Operating Budget, as outlined in Table 12 below.

Table 12 Agencies Net Expenditure Variance ($ Million)		
	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
Toronto Public Health	(0.2)	(0.5)
Toronto Public Library	(0.0)	(0.0)
Association of Community Centres	(0.1)	0.0
Exhibition Place	(1.0)	0.0
Heritage Toronto	0.0	0.0
Theatres	0.5	0.5
Toronto Zoo	0.1	0.0
Arena Boards of Management	(0.3)	0.1
Yonge Dundas Square	(0.2)	(0.0)
Toronto & Region Conservation Authority	(0.0)	0.0
Toronto Transit Commission - Conventional	(6.2)	8.0
Toronto Transit Commission - Wheel Trans	(1.2)	(0.0)
Toronto Police Service	(0.4)	(1.0)
Toronto Police Services Board	(0.0)	(0.1)
Total	(9.1)	7.0

Toronto Public Health (TPH) reported net under-spending of $0.190 million or 1.1% of planned expenditures for the five-month period ended May 31, 2014. This variance was driven by lower than planned gross expenditures of $2.914 million; off-set by a decrease in revenues of $2.725 million. The gross under-expenditure of $2.914 million or 3.3% was mainly attributed to under-spending of $1.616 million or 0.9% in salaries and benefits from vacant positions and $1.307 million or 6.3% in non-payroll expenditures across various public health programs. Revenues were under-achieved by $2.725 million or 3.9% due to the corresponding under-spending across various Provincially cost-shared and fully funded programs.

Toronto Public Health is forecasting a year-end variance of $0.483 million or 0.9% under the 2014 Approved Net Operating Budget due to under-spending in salaries and benefits arising from vacant positions.

As of May 31, 2014, TPH reported a strength of 1,727.9 positions which was 149.7 positions or 8.0% below the complement of 1,877.6 positions. This represented an actual gapping rate of 7.1% which exceeded the budgeted gapping rate of 5.1% (approximately 95.7 equivalent positions). The complement of 1,877.6 positions includes 3.25 additional temporary positions required to complete capital projects.

By year-end, TPH is projecting a strength of 1,774.6 positions which is 103.0 positions or 5.5% below the complement of 1,877.6 positions. TPH will continue to work with Human Resources to address its recruitment and staffing process issues. An additional three full time staff from Human Resources will be focusing on filling TPH's vacant positions by year-end.

Toronto Public Library (TPL) reported net under-spending of $0.020 million or 0.03% of planned expenditures for the five-month period ended May 31, 2014. The variance was primarily due to additional revenue of $0.647 million from grants mainly from the Toronto Public Library Foundation, which offset the associated over-expenditures of $0.023 million in utility costs and $0.613 million in materials, supplies, equipment and services.

At this time, it is forecasted that TPL will be on budget by year-end.

As of May 31, 2014, TPL reported a strength of 1,682.4 positions which was 55.0 positions or 3.2% below the complement of 1,737.4 positions. TPL's strength is below the complement, mainly to meet the approved gapping rate (budgeted gapping rate of 2.7% or approximately 60 equivalent positions).

By year-end, TPL is projecting a strength of 1,682.4 positions, which is 55.0 positions or 3.2% below the approved complement of 1,737.4 positions, which will be in-line with the budgeted gapping rate of 2.7% or $3.832 million.

The ***Association of Community Centres (AOCCs)*** reported net under-spending of $0.074 million or 2.5% for the five-month period ended May 31, 2014. The variance consisted of lower than planned gross expenditures of $0.068 million, primarily due to under-spending in salaries and benefits and utility costs and delays in the purchase of materials and supplies. Revenues were $0.006 million higher than planned, with revenues from Swansea Town Hall reflecting an uneven revenue distribution over the year.

The Association of Community Centres forecasts over-spending of $0.046 million or 0.6% at year-end due to higher than planned gross expenditures of $0.020 million for increased contracted services and lower than planned revenues of $0.026 million from Swansea Town Hall reflecting the loss in rental revenue arising from the closure of the Swansea Nursery School effective June 30, 2014.

The Association of Community Centres reported a strength of 77.4 positions for the five-month period ended May 31, 2014, representing full complement, and is expected to maintain its approved complement of 77.4 positions to year-end.

Exhibition Place reported net under-spending of $0.955 million or 99.5% of planned expenditures for the five-month period ended May 31, 2014. The variance consisted of lower than planned gross expenditures of $4.332 million of which $3.670 million was due to the exclusion of BMO Field's year-to-date actual expenses. Revenues were $3.377 million lower than planned of which $2.800 million was due to the exclusion of BMO Field's year-to-date actual revenue. As directed by Council at its meeting of April 1, 2014, BMO Field revenues are replaced by a fee of $0.450 million for 2014.

Excluding the impact for removal of BMO Field, there was a net under-spending of $0.112 million or 37% due primarily to management energy initiatives and savings from energy retrofit projects ($0.671 million) which was partially offset by lower than budgeted revenues at Direct Energy and Allstream Centres ($0.558 million).

At this time, it is forecasted that Exhibition Place will be on budget by year-end.

As of May 31, 2014, Exhibition Place reported a full complement of 384.0 positions and anticipates maintaining its full complement to year-end. The complement includes the recommended adjustment whereby 13.5 positions will be deleted as staffing at BMO Field is now the responsibility of Maple Leaf Sports and Entertainment, as the operator of BMO Field.

Heritage Toronto reported no net variance for the five-month period ended May 31, 2014 and is projecting to be on budget at year-end.

As of May 31, 2014, Heritage Toronto reported a strength of 7.0 positions which was in line with the approved complement and is expected to maintain this strength to year-end.

Theatres reported an unfavourable net variance of $0.513 million or 26.2% over planned expenditures for the five-month period ended May 31, 2014 and is projecting year-end over-spending of $0.465 million or 9.8%.

The year-to-date unfavourable variance was primarily attributed to fewer performances and events booked than budgeted at Sony Centre for the Performing Arts ($0.479 million) and higher utility costs at Toronto Centre for the Arts ($0.034 million) due to a cold winter, while St. Lawrence Centre for the Arts was on budget.

By year-end, Sony Centre for the Performing Arts is projecting an unfavourable net variance of $0.485 million primarily due to fewer attractions booked and under-achieved sponsorship revenues. This will be partially offset by St. Lawrence Centre for the Arts cost savings of $0.020 million. Toronto Centre for the Arts expects to be on budget by year-end.

As of May 31, 2014, Theatres reported a combined strength of 120.5 positions which is 36.0 positions or 23.0% below the complement of 156.5 positions. By year-end, Theatres are projecting a strength of 156.6 positions which is 0.1 positions or 0.1% above the approved complement. Strength for the Theatres varies depending on the number of performances and events held at each venue during the year.

The ***Toronto Zoo*** reported net over-spending of $0.082 million or 1.1% for the five-month period ended May 31, 2014. The net over-expenditure was primarily attributed to the combined effect of lower attendance revenue partially offset by operating initiatives which were held back from starting until more certainty over revenue expectations was determined.

At this time, it is forecasted that the Toronto Zoo will be on budget at year-end.

As of May 31, 2014, the Toronto Zoo reported a strength of 402.2 positions compared to an approved complement of 410.2 positions. The 8.0 vacancies were from timing delays in the recruitment process. By year-end, the Toronto Zoo is projecting strength of 410.2 positions, representing full complement and will achieve its budgeted gapping rate of 2.4%.

The ***Arena Boards of Management*** reported net under-spending of $0.337 million or 89.9% for the five months ended May 31, 2014. This was mostly driven by early collection of ice revenue and some expenditures being deferred to later in the year at the Leaside Arena and changes in the timing of revenues and expenditures at the Forest Hill Arena.

At this time, the Arena Boards are forecasting year-end net over-spending of $0.119 million driven by lower than anticipated programming revenue at the Bill Bolton Arena and lost banquet hall and ball hockey revenue due to construction at the Leaside Arena.

The Arena Boards reported a strength of 67.4 positions representing full complement for the five-month period ended May 31, 2014 and projects the same strength by year-end.

The ***Yonge-Dundas Square*** reported net under-spending of $0.215 million or 56.8% for the five months ended May 31, 2014. Revenue was $0.133 million higher than budgeted due to sponsorship revenue being stronger than expected, as well as the timing of permit and event support revenues. Gross expenditures were $0.082 million lower than budgeted mostly due to the timing of programming, contracted services and maintenance costs.

The Yonge-Dundas Square is projecting under-spending of $0.029 million or 7.3% at year-end driven by higher than budgeted sponsorship revenue.

The Yonge-Dundas Square reported a strength of 6.5 positions representing full complement for the five-month period ended May 31, 2014 and projects the same strength by year-end.

Toronto Transit Commission (TTC) (including both Conventional and Wheel-Trans) reported net under-spending of $7.473 million or 3.5% of planned expenditures for the five-month period ended May 31, 2014. This resulted from lower gross expenditures of $14.328 million or 2.0% largely due to the timing of certain non-labour expenses and vacant positions coupled with lower than budgeted revenue of $6.855 million or 1.4% from lower than expected ridership results of 3.0 million and a slightly lower average fare stemming from marginally higher monthly pass sales.

The TTC is forecasting over-spending of $7.996 million or 1.5% of the 2014 Approved Net Operating Budget at year-end primarily due to a shortfall in Conventional Service's passenger revenues of $7.1 million as the number of customer journeys for the year is expected to be about 3.0 million below target largely due to the severe cold temperatures experienced in January, February and March. Additionally, as noted throughout 2013, higher than anticipated monthly pass sales continue to cause a slight decline in the average fare. TTC staff continue to monitor both ridership and revenue performance and will provide updates in subsequent variance reports.

As of May 31, 2014, the TTC reported a strength of 13,372.0 positions which was 552.0 positions or 4.0% below the complement of 13,924.0 positions. This includes 1,586.0 capital positions which were 383.0 or 19.5% below the capital complement of 1,969.0 positions.

By year-end, the TTC is projecting a strength of 13,547.0 positions, which is 33.0 positions or 0.2% less than the approved complement of 13,580.0 positions. The year-end projection includes 1,859.0 capital positions which are 15.0 positions or 0.8% higher than the capital complement of 1,844 positions. The decrease of 344.0 positions or 2.5% in the approved complement as of May 31, 2014 of 13,924.0 to the projected year-end complement of 13,580.0 positions is primarily due to summer student and temporary positions.

Some of the current vacancies represent new positions added to the 2014 Approved Operating Budget. A significant portion of these positions have not been filled at this time due to the recruitment process which began early this year and requires additional time for job evaluations after the completion of a job description and prior to the commencement of the advertising process. In addition, given the number of vacancies due to new positions, some of which are highly specialized, and the usual spike in retirements early in the year, Human Resources is managing a large volume of concurrent recruitment requests. Also, in most cases where vacancies are filled with internal applicants, the resulting vacancy causes cascading effect. In all cases, staff is actively working on filling all vacant positions as soon as possible and are assessing options and methods to expedite the process.

Toronto Police Service (TPS) reported net under-spending of $0.400 million or 0.1% for the five-month period ended May 31, 2014 due to lower than planned salaries and additional recoveries from the Provincial government.

The Toronto Police Service is projecting net under-spending of $1.0 million or 0.1% at year-end. This projected under-spending consists of lower than planned expenditures for salaries in the amount of $2.0 million due to higher than expected separations and stronger than expected revenues of $0.400 million due to additional recoveries from the Provincial government for prisoner transport. This was partially offset by an over-expenditure of $1.0 million for premium pay and over-expenditures of $0.4 million for benefits.

The Service reported a strength of 555.0 positions or 7.1% below the complement of 7,870 positions for the five-month period ended May 31, 2014. The 2014 Approved Operating Budget included funding to resume hiring with a class of 60 recruits in December 2013 and 3 classes in 2014 with class sizes established at 100, 80 and 120 respectively.

The Service is projecting that resumed hiring will reduce vacant positions to 404.0 or 5.1% below the complement of 7,870 positions at year-end which includes its budgeted gapping rate of 5.2% or approximately 390 equivalent positions. The Service expected to be below its approved complement in 2014 and therefore budgeted for increased gapping accordingly.

Toronto Police Services Board (TPSB) reported net under-spending of $0.028 million or 2.8% of planned expenditures for the five-month period ended May 31, 2014. The variance consisted of lower than budgeted salaries and benefits expenditures due to elimination of 1 permanent chauffeur position as of January 27, 2014.

As a result of eliminating this position, TPSB forecasts a year-end variance of $0.068 million or 2.9% below the 2014 Approved Net Operating Budget of $2.358 million. The permanent savings and corresponding reduction of 1 position will be reflected in the 2015 Operating Budget submission.

As of May 31, 2014, the Toronto Police Services Board reported a strength of 7.0 positions which was 1.0 position (12.5%) below the approved complement of 8.0 positions and projects the same strength at year-end.

Corporate Accounts

Corporate Accounts experienced net under-spending of $17.646 million or 15.6% for the five months ended May 31, 2014. Projections to year-end indicate that Corporate Accounts will be $10.222 million or 7.9% below the 2014 Approved Net Operating Budget

Table 13
Corporate Accounts
Net Expenditure Variance ($ Million)

	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
Capital & Corporate Financing	0.0	0.0
Non-Program Expenditures	8.0	0.9
Non-Program Revenues	(25.6)	(11.1)
Total	(17.6)	(10.2)

Capital and Corporate Financing was at budget for the period ended May 31, 2014. At this time, it is forecasted that Capital and Corporate Financing will be in line with the budget at year-end.

Non-Program Expenditures were over-spent by $7.963 million or 4.2% net for the five-month period ended May 31, 2014. This was driven by over-expenditures for Tax Deficiencies of $10.995 million or 61.6% as a result of appeals, other adjustments and provisions exceeding the budget. In addition, the Vacancy Rebate Program was over-spent by $1.042 million or 11.4% due to adjustments to the pending vacancy rebate amounts set aside for prior years. These amounts reflect adjustments due to surplus/deficit of the provision previously set for vacancy rebates for prior years, when compared to the actuals.

The year-to-date over-spending noted above was partially offset by an under-expenditure of $1.686 million or 9.4% for Other Corporate Expenditures from various items, including emergency human resources, corporate studies, etc. In addition, Solid Waste Management Rebates were lower than planned by of $1.369 million or 1.8% due to changes in the utility billing cycle for several large water accounts converted from flat rate to automated reading. The Rebates are forecast to be on budget by year-end.

Non-Program Expenditures are projected to be over-spent by $0.870 million or 0.2% net by year-end. This is due primarily to the Vacancy Rebate Program which forecasts an over-expenditure of $2.500 million or 11.4% from adjustments to the pending vacancy rebate amounts set aside for prior years.

Tax Deficiencies are forecasting to have a net unfavourable variance of $26.431 million or 50.8% by year-end. Appeals, other adjustments and provisions are expected to exceed the budget by approximately $22.0 million and TIEG grants are projected to be approximately $4.4 million higher than budgeted due to new properties becoming eligible for the grants and timing of applications. City Council, at its meeting of June 11, 12, 13, 2013, directed that any annual shortfall in amounts budgeted for property tax decreases (tax deficiencies) due to assessment appeal losses and the actual amount of tax deficiencies occurring during the year be offset by a contribution from the Assessment Appeal Stabilization Reserve. The contribution from the Assessment Appeal Stabilization Reserve is included in the year-end projections for Tax Deficiencies, resulting in a net zero impact by year-end.

The forecasted year-end over-spending noted above, will be partially offset by under-expenditures for Municipal Property Assessment Corporation (MPAC) fees and Parking Tag and Enforcement Operations. MPAC fees are projected to be $1.024 million or 2.5% lower than budgeted. In addition, net savings from Parking Tag and Enforcement Operations is forecasted at $0.470 million or 0.8% due to the relocation of the Parking Enforcement Headquarters and the lease not being renewed on June 30, 2014.

The Non-Program Expenditure Budget includes ice storm costs, which are currently anticipated to be fully recoverable from the Province. As noted under the Ice Storm Section of this report, the Province will be releasing detailed guidelines later in the summer, which may have an impact on the recoverability of certain costs.

Non-Program Revenues experienced a favourable net variance of $25.609 million or 7.4% for the period ended May 31, 2014. The year-to-date increase in net revenue was primarily due to the following:

- Municipal Land Transfer Tax net revenue of $20.043 million or 16.1% mainly driven by select transactions with high sales prices during January and February.

- Toronto Hydro Dividend Income of $5.600 million or 15.4% above budget based on better than originally forecasted 2013 operating results for Toronto Hydro. Toronto Hydro received a favourable ruling at the Ontario Energy Board which resulted in a one-time increase for 2013.

Non-Program Revenues are projected to be above budget by $11.092 million or 1.1% at year-end largely due to higher than anticipated net revenue from the Municipal Land Transfer Tax of $15.199 million or 4.3% and Toronto Hydro Dividend Income of $5.600 million or 10.2% received to date.

The projected increase will be partially offset by under-achieved net revenue for Supplementary Taxes of $8.000 million or 20.0%. The supplementary/omitted assessment will generate an estimated $32.0 million compared to budgeted revenues of $40.0 million. The Toronto Parking Authority net revenue is expected to decline by $1.500 million or 3.1% from lower on-street parking revenue as a result of increased road work City wide, in addition to the impact of the large number of snow days experienced during the first three months for this year.

Rate Supported Programs

Rate Supported Programs, which include Solid Waste Management Services, Toronto Parking Authority and Toronto Water, collectively reported net under-spending of $0.756 million for the five-month period ended May 31, 2014 and are projecting an under-expenditure at year-end of $10.437 million, as outlined in Table 14 below.

Table 14
Non Levy Operations
Net Expenditure Variance ($ Million)

	May 2014 Over/(Under)	Projected Y/E 2014 Over/(Under)
Solid Waste Management Services	(0.4)	(2.3)
Toronto Parking Authority	(0.6)	2.0
Toronto Water	0.3	(10.2)
Total	(0.8)	(10.4)

Solid Waste Management Services (SWMS) reported net under-spending of $0.389 million or 3.5% of planned expenditures for the five-month period ended May 31, 2014, reflecting under-expenditures of $3.643 million that was partially offset by under-achieved revenues of $3.254 million. The gross expenditure variance was primarily driven by pending payments for waste disposal in alternate landfills of $3.961 million, delayed expenditures of $1.666 million for contracted processing of SSO (due to the on-going commissioning of the Disco facility) and material recycling and by $1.586 million for pending contributions to reserves. The expenditure variance also consisted of lower than planned salary and benefit expenditures of $1.725 million due to various vacancies including temporary seasonal workers.

As of May 31, 2014, revenue was 4.1% or $3.254 million lower than planned primarily due to lower revenue of $1.453 million from the sale of recyclable material due to weaker commodity prices; as well as lower revenue of $4.192 million including receipts from Green Lane paid waste disposal, residual disposals from contracted processing, school fees, yellow bag fees and hazardous waste recoveries. This decreased revenue was partially offset by $2.511 million more revenue from transfer station tipping fees of $0.884 million due to higher tonnages and earlier than planned recovery from capital of $0.364 million. Early receipt of residential volume based user fees totaled $1.101 million and additional revenue from Toronto Water bio-solid disposal was $0.162 million.

For year-end 2014, SWMS is projecting a net surplus of $2.253 million. The year-end projection consists of expenditure savings of $6.364 million from salary and benefits due to vacant positions, lower tax expense from re-assessment and lower contracted SSO processing costs as the Disco facility completes the commissioning phase wherein concurrent processing is considered a capital expenditure. Revenue is projected to be under-achieved by $4.111 million driven by continuing lower commodity prices for recyclable materials and lower tonnages of paid waste at Green Lane due to 2014 fee increases.

As of May 31, 2014, SWMS' strength was 990.2 positions reflecting a variance of 112.5 positions or 8.3% below budget after approved gapping. This will be somewhat mitigated as seasonal workers will be hired over the summer period. The Program is also conducting succession planning through a Divisional Talent Management Program (TMP) to develop staff at multiple management and non-management levels utilizing 73 vacancy positions. The 18 month TMP began in May 2013. By year-end, the vacancy rate is expected to be 5.1% after approved gapping.

Toronto Parking Authority reported a favourable net expenditure variance of $0.633 million or 2.7% for the five-month period ended May 31, 2014. The variance consisted of lower than budgeted gross expenditures of $1.584 million or 5.1%, mostly due to under-spending in salaries and benefits for part time cashiers and lower maintenance costs. These savings were partially offset by increased utility costs ($0.156 million) and lower than anticipated revenues from on-street parking ($0.795 million).

For year-end, the Toronto Parking Authority is projecting a net unfavourable variance of $2.000 million or 3.2% below the 2014 Approved Operating Budget of $62.330 million. The unfavourable net variance projection is primarily due to anticipated lower revenues from on-street parking as a result of increased road work levels City wide, in addition to the impact of the large number of snow days experienced during the first three months.

As of May 31, 2014, the Authority reported 4.4 vacant positions representing 1.5% of its total complement of 297.4 positions**.** By year-end, the Toronto Parking Authority is projecting the strength of 297.4, which equals its complement of 297.4 positions. It is anticipated that 4.4 vacant positions will be filled by year-end. These positions are required for monitoring cameras located at various automated carparks.

Toronto Water (TW) reported a net unfavourable variance of $0.267 million or 0.2% of planned expenditures for the five-month period ended May 31, 2014. The variance reflected higher than budgeted gross expenditures of $2.227 million or 1.9%, mainly due to $5.814 million in higher utility costs and $1.512 million in higher contracted service costs for emergency repairs arising from the colder than expected winter as well as fluctuations in hydro use associated with wastewater treatment processes and water transmission and $3.902 million in higher haulage costs of biosolids at Ashbridges Bay Treatment Plant. This over-expenditure was partially offset by under-spending in salaries and benefits ($3.089 million) due to vacant positions, lower than expected interdivisional charges for services from other Divisions ($4.519 million), and other expenditures and transfers such as payments to other municipalities, grants, vehicle reserve and credit card charges ($1.393 million). Revenues were higher by $1.960 million or 0.7%, mainly from increased recoveries for new sewer connections due to higher economic activity, recoveries associated with insurance loss claims and late payment charges, as well as a slight increase in the sale of water.

Toronto Water forecasts a favourable year-end variance of $10.183 million compared to the 2014 Approved Net Operating Budget. Gross expenditures are projected at $1.114 million below budget. Continuing impact of higher utility ($5.814 million) and haulage ($2.443 million) costs experienced in the first quarter, and projected additional costs for cleaning of storm water ponds

($0.7 million), will be partially offset by continued under-spending in salaries and benefits arising from vacant positions ($10.070 million). Revenues are forecasted to be exceeded by $9.069 million, mainly due to higher than anticipated revenues from private water agreements ($2.128 million), additional recoveries for new service connections ($4.4 million) and associated user fees ($2.541 million). Due to uncertainty in the residential sale of water during summer months, year-end revenues from sale of water and wastewater surcharges are forecasted to be on budget. The actual water consumption trends will continue to be monitored throughout the peak period (July to September) and year-end revenue projections will be revised accordingly, based on actual consumption recorded in third quarter.

As of May 31, 2014, Toronto Water reported a strength of 1,628.0 positions which was 119.7 positions or 6.8% below the complement of 1,747.7 positions. This represented an actual vacancy rate after budgeted gapping of 3.8% (approximately 51 positions). By year-end, Toronto Water is projecting a strength of 1,611.1 positions before gapping, which is lower than the year to date strength of 1,628.0 positions, due to the fact that year-end vacancy projections are based on permanent staff, while the reported year to date strength includes also a number of seasonal positions that are usually filled at this time of the year. After approved gapping, the vacancy rate to year-end is projected to be 4.8%.

Toronto Water continues to experience a high rate of vacancies predominately related to the aging workforce/retirements; vacancies resulting from staff promotions and transfers; extended recruitment period for screening and testing prospective candidates for certain positions such as skilled trades and certified operators; and, difficulty attracting qualified candidates for key senior positions. As a result, Toronto Water has been unable to completely perform pro-active preventative maintenance resulting in emergency repairs and higher than normal overtime and repair costs.

In order to address the above challenges and to ensure continued compliance with legislative requirements, Toronto Water identified and included in its Strategic Plan (2010-2020) two specific strategies: (i) enhance recruiting strategies and improve the ability to fill key vacancies and (ii) develop and implement an Enterprise Knowledge Retention Program. To achieve these strategies, Toronto Water has a number of key initiatives in place such as: "On the Job" Training Program, Workforce Development Program and a Leadership Training Program, Career Edge, Career Bridge programs and University Mentorship Programs.