



## REPORT FOR ACTION

### Operating Variance Report for the Six Month Period Ended June 30, 2016

**Date:** September 19, 2016

**To:** Budget Committee and Executive Committee

**From:** Deputy City Manager & Chief Financial Officer

**Wards:** All

#### SUMMARY

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The purpose of this report is to provide City Council with the City of Toronto Operating Variance for the six month period ended June 30, 2016 and year-end projections. This report also requests City Council's approval for amendments to the 2016 Approved Operating Budget between Programs that have no impact to the 2016 Approved Net Operating Budget to ensure accuracy of the fiscal accountability and reporting.

As per the Table 1 indicated below, for the six month period ended June 30, 2016, Tax Supported Operations reported a favourable net variance of \$70.164 million or 3.8%, and the year-end projected net variance is anticipated to be \$35.256 million or 0.9% favourable.

Figure 1: Tax Supported Variance Summary (\$ Millions)

Category	June 30, 2016		Projected Y/E 2016	
	Over/(Under)		Over/(Under)	
	\$	%	\$	%
Gross Expenditures	(120.3)	-2.6%	(106.7)	-1.1%
Revenues	(50.1)	-1.8%	(71.4)	-1.2%
<b>Net Expenditures</b>	<b>(70.2)</b>	<b>-3.8%</b>	<b>(35.3)</b>	<b>-0.9%</b>

The favourable year-to-date net variance consists of:

- Significant contribution from the overachieved revenue in Municipal Land Transfer Tax, due to the increasing market growth which resulted in the greater volume of sales (\$41.549 million net).
- Transportation Services' under-expenditure on winter maintenance, which includes lower than expected number of weather related events requiring ploughing and salting, overall decrease in salt usage due to the mild winter, as well as lower than expected utility cut repair volumes (\$16.039 million net).
- Toronto Building reported a favourable variance primarily due to over-achieved revenue driven by the increased building permit applications (\$4.811 million net).
- City Planning's favourable variance is due to the higher development application review fees as well as robust application volumes in Committee of Adjustment (\$4.426 million net).

Current trend is projecting a net favourable year-end variance of \$35.256 million or 0.9%, which represents a decrease from the second fiscal quarter results. The key drivers for the expected net year-end position is largely due to the following:

- Over-achieved revenues from the Municipal Land Transfer Tax due to higher than estimated property sales (\$54.400 million net).
- Stronger than anticipated Toronto Parking Authority Corporate Revenues (\$4.500 million net).
- Over-achieved revenue from City Planning due to the increase volume of community planning development review fees (\$4.365 million net).

The above mentioned savings are offset by projected over-expenditures in the following areas:

- A number of Corporate Accounts that are projecting an unfavourable year-end variance which include: Tax Deficiencies/Write offs, Supplementary Taxes, Toronto Hydro Dividend Income and Other Corporate Expenditures (\$24.835 million net).
- Toronto Transit Commission: Conventional service is projecting an unfavourable year-end variance due to fare revenue shortfall as a result of a decline in the ridership volume (\$15.007 million net).
- Fire Services projection of an unfavourable year-end variance is mainly attributed to the increase in WSIB claim payments in 2016 (\$4.760 million net).

- Toronto Transit Commission: Wheel-Trans service is projecting an unfavourable year-end variance due to continuously increasing demand for service, resulting in increased operating costs (\$4.616 million net).
- Transportation Services year-end projection resulted in the unfavourable variance due to the revenue volume shortfall within Utility Cut Repair program as well as permit parking (\$3.197 million net).
- Municipal Licensing & Standards are projecting an unfavourable net variance by year-end. Over-expenditures and lower than planned revenue is primarily due to the partial year implementation of the newly approved Vehicle for Hire (VFH) Ground Transportation Review (GTR) By-Law (\$2.934 million net).
- Fleet Services is projecting an unfavourable year-end variance due to the increased repair costs of the aging vehicles (\$0.925 million net).

As noted above, a number of City Programs and Agencies are projecting an unfavourable variance for the year-end, with Toronto Transit Commission - Conventional service representing the most significant unfavourable variance of \$15.007 million. Consistent with City's financial management practices and policies, Programs and Agencies projecting an unfavourable year-end variance are required to identify and implement mitigation strategies where possible to address any projected shortfalls.

Figure 2: Rate Supported Net Variance Summary (\$ Millions), which includes the six month and year-end projected results

Rate Supported Programs	June 30, 2016	Projected Y/E 2016
	Over/(Under)	Over/(Under)
Solid Waste Management Services	(5.6)	(5.0)
Toronto Parking Authority	(4.2)	(6.0)
Toronto Water	(21.1)	(22.0)
<b>Total Variance</b>	<b>(31.0)</b>	<b>(33.0)</b>

The year-to-date favourable net variance of \$31.015 million is driven by the following:

- Toronto Water net savings of \$21.124 million, comprised of \$20.361 million in lower expenditures due to under-spending on salaries and benefits as a result of vacancies, savings in chemicals from unused contingencies, and transfer of bio solids as a result of continued beneficial use of the materials. In addition revenues were above budgeted target by \$0.763 million due to the increased demand for new and existing water as well as sewer services.
- Net savings of \$5.643 million in Solid Waste Management Services, largely from salaries and benefits due to unfilled positions, savings from contracted services which include lower hauling costs as well as related delayed payments, and lower recyclable material processing costs due to decreasing volumes.
- Over-achieved revenue from Toronto Parking Authority resulting in a favourable net variance of \$4.248 million due to increased off-street parking in downtown garages by \$3.500 million as well as on street parking by \$1.600 million, offset by marginal over-expenditures on property taxes.

Rate Supported Programs are forecasting a favourable year-end net variance of \$33.020 million. The primary savings are projected from Toronto Water of \$22.035 million, which include under-expenditures on salaries and benefits due to ongoing vacancies, increased revenue of \$6.000 million generated from Toronto Parking Authority, and Solid Waste Management Services savings of \$4.986 million on complement as well as contracted services.

Figure 3: Summary of 2016 Year-To-Date Approved Complement by Vacancy Rate

Program/Agency	2016 Year-to-Date			
	Operating Vacancy %	Capital Vacancy %	Budgeted Gapping %	Operating Vacancy After Gapping
City Operations	5.3%	21.2%	2.5%	2.8%
Agencies	4.2%	19.3%	2.5%	1.7%
Parking Tag Enforcement	3.0%	0.0%	0.0%	3.0%
<b>Total Levy Operations</b>	<b>4.7%</b>	<b>19.9%</b>	<b>2.5%</b>	<b>2.3%</b>
Rate Supported Programs	7.8%	14.5%	3.1%	4.7%
<b>Grand Total</b>	<b>4.9%</b>	<b>19.8%</b>	<b>2.5%</b>	<b>2.4%</b>

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

Note: Vacancy After Gapping % is based on Operating Budget positions only.

Figure 4: Summary of 2016 Year-End Approved Complement Projections by Vacancy Rate.

Program/Agency	2016 Year-to-Date			
	Operating Vacancy %	Capital Vacancy %	Budgeted Gapping %	Operating Vacancy After Gapping
City Operations	2.5%	11.5%	2.5%	0.0%
Agencies	3.1%	1.3%	2.5%	0.6%
Parking Tag Enforcement	5.6%	0.0%	0.0%	5.6%
<b>Total Levy Operations</b>	<b>2.8%</b>	<b>4.7%</b>	<b>2.5%</b>	<b>0.4%</b>
Rate Supported Programs	6.6%	5.6%	3.1%	3.6%
<b>Grand Total</b>	<b>3.1%</b>	<b>4.8%</b>	<b>2.5%</b>	<b>0.6%</b>

Note: Vacancy After Gapping % is based on Operating Budget positions only.

- As of June 30, 2016, the City recorded operating vacancy rate of 2.4% after gapping for an approved complement of 51,619.3 operating positions. Year-to-date vacancy rate for capital positions is 19.8% for an approved complement of 3,442.8 positions.
- The year-end forecast for operating vacancy rate after gapping is projected to be 0.6% for an approved complement of 51,252.3 operating positions. The forecast for capital positions is projected to be at 4.8% vacancy rate for an approved complement of 3,324.8 positions.

The detailed overview of the second fiscal quarter complement is provided in the Approved Complement Section of this report.

## RECOMMENDATIONS

The Deputy City Manager & Chief Financial Officer recommends that:

1. City Council approve the budget adjustments detailed in Appendix F to amend the 2016 Approved Operating Budget between Programs that have no impact to the 2016 Approved Net Operating Budget.
2. City Council direct City Programs and Agencies continue to identify and undertake mitigation strategies to address projected year-end over-expenditures.

## FINANCIAL IMPACT

Tax Supported Program and Agency planned expenditures were under-spent by \$120.298 million or 2.6% gross and \$70.164 million or 3.8 % net at the end of the second fiscal quarter. The year-end projection is forecasting a favourable gross-expenditure variance of \$106.661 million or 1.1%, resulting in a net favourable variance of \$35.256 million or 0.9%.

Figure 5: Tax Supported Expenditure Variance Dashboard (\$ Millions).

	June 30, 2016 Over/(Under)			Projected Y/E 2016 Over/(Under)		
	Gross	Net	Alert	Gross	Net	Alert
Citizen Centred Services "A"	(74.1)	(7.4)	ⓐ	(69.6)	(4.2)	ⓐ
Citizen Centred Services "B"	(23.6)	(25.7)	ⓐ	(12.1)	(4.1)	ⓐ
Internal Services	(11.7)	(3.8)	ⓐ	(18.4)	(2.2)	ⓐ
City Manager	(2.0)	(2.1)	ⓐ	0.7	(1.8)	ⓐ
Other City Programs	(2.2)	(1.5)	ⓐ	(7.3)	(0.5)	ⓐ
Council Appointed Programs	(0.4)	(0.4)	ⓐ	(0.1)	(0.1)	ⓐ
<b>Total - City Operations</b>	<b>(114.0)</b>	<b>(40.9)</b>	<b>ⓐ</b>	<b>(106.7)</b>	<b>(12.9)</b>	<b>ⓐ</b>
Total - Agencies	(10.7)	9.0	ⓐ	(14.8)	13.0	ⓞ
Total - Corporate Accounts	4.3	(38.2)	ⓐ	14.9	(35.4)	ⓐ
<b>Total Variance</b>	<b>(120.3)</b>	<b>(70.2)</b>	<b>ⓐ</b>	<b>(106.7)</b>	<b>(35.3)</b>	<b>ⓐ</b>

(Legend for City Programs & Agencies)

<b>Year-to-Date Net Variance</b>	ⓐ 85% to 105%	ⓞ 0% to 85%	ⓞ >105%
<b>Year-End Net Variance</b>	ⓐ <=100%	ⓞ >100%	

Note: Total - Agencies net over-expenditure represents 1%, which is within G range of 85% to 105%

The individual dashboards by Program/Agency can be found in the Appendix G. The "trend" symbols: "R, Y, G" indicate whether the variance is either "over", "under" or "on budget" for year-to-date as well as projected year-end gross and net expenditures. The "alert" indicators with Green, Yellow or Red colours are measured by percentage with the criteria based on the legend section.

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

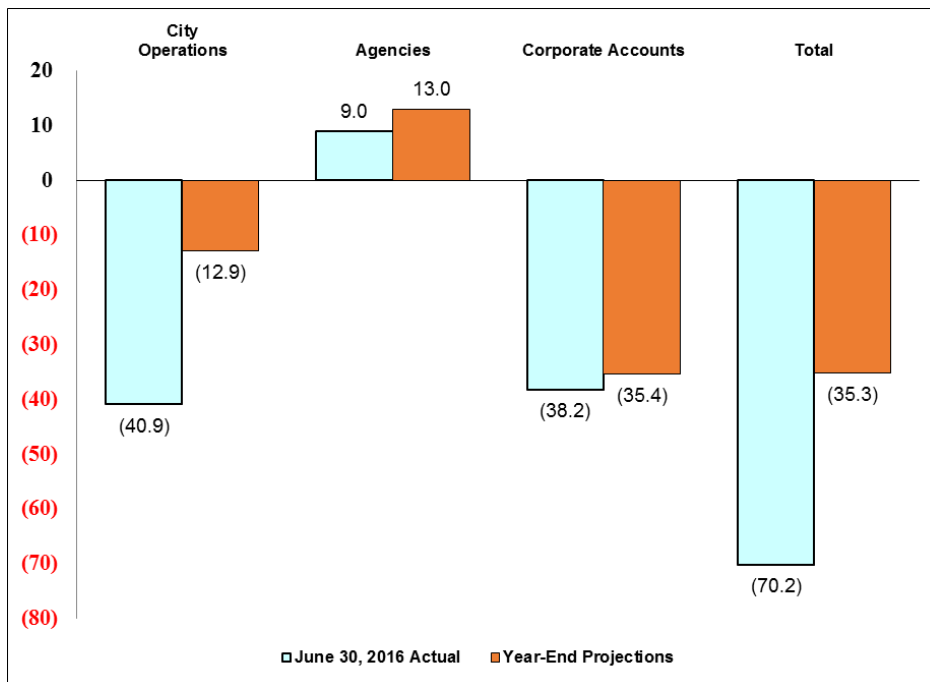
The appendices A, B and C summarize second quarter results and projections to year-end for the City's net variance, gross expenditures and revenues. Appendices D and E provide a detailed assessment of the complement and strength for the six months ended June 30, 2016 and year-end projections. Appendix F provides details on the in-year budget adjustments to the 2016 Approved Operating Budget. Appendix G includes dashboards for each City Program and Agency for the six months ended June 30, 2016 as well as projections to year-end.

## DECISION HISTORY

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 City 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 City Council. In addition, City Council's approval is requested for budget adjustments that amend the 2016 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management policies.

## COMMENTS

Figure 6: Net Tax Corporate Variance Summary Over/ (Under) (\$ Millions)



The chart above shows year-to-date and year-end projected operating results by Program area.

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

- City Operations and Corporate Accounts combined reported a favourable net variance of \$79.123 million for the six month period ended June 30, 2016.
- Agencies are reporting an unfavourable net year-to-date variance of \$8.960 million.
- Projections indicate that the year-end net variance will be \$35.256 million or 0.9% favourable, based on the current trend of each of the three key Program areas.

## City Operations

As of June 30, 2016, City Operations reported gross expenditure variance of \$113.989 million or 4.9% as well as revenue shortfall of \$73.087 million or 5.5%, resulting in a favourable net variance of \$40.902 million or 4.1%. The key drivers for the year-to-date favourable net variance are:

- Savings of \$16.039 million net within Transportation Services due to lower costs and decreased salt usage in the winter maintenance program, under-expenditure on salaries and benefits due to vacant positions, as well as higher permit / application revenues due to higher than expected lane occupancy fees.
- \$4.811 million favourable net variance for Toronto Building is driven mostly by higher than expected building permit applications as well as under-expenditure on salaries and benefits as a result of vacant positions.
- Net savings of \$4.426 million within City Planning, primarily as a result of higher development application review fees and robust application volumes in Committee of Adjustment.
- \$2.905 million net variance for Engineering and Construction Services, due to lower spending on salaries & benefits from vacant positions, as well as lower spending on services & rents related to office and printing supplies, training, and mileage.
- Savings of \$2.772 million net within Facilities, Real Estate, Environment & Energy division. The year-to-date surplus is as a result of higher than planned vacancies combined with over-achieved revenue related to the demand maintenance requests in the first half of 2016.
- \$2.431 million or 3.9% net variance for Toronto Employment & Social Services is primarily due to the lower year-to-date volume of cases by 7.2% than plan. As a result of the decreased caseload, both client benefits and program delivery expenditures were under budget.



City Operations' trend is projecting at year-end, a gross expenditure favourable variance of \$106.742 million or 2.1%, with a revenue shortfall of \$93.842 million or 3.1%. As a result, the year-end net variance is forecasted at \$12.900 million or 0.6% favourable. The key drivers for the favourable variance include:

- City Planning is forecasting savings of \$4.365 million due to the increased revenue from higher volume of community planning development review fees and Committee of Adjustment application user fees.
- Savings of \$3.561 million for Engineering and Construction Services is due to complement vacancies from delays in filling positions.

However, year-end projected savings within City Operations are partially offset by over-expenditures in the following areas:

- Fire Services are projecting an over-expenditure by year-end of \$4.760 million net or 1.1%. Revenue forecast is projected to be on target while gross expenditures will be over the annual plan due to costs related to presumptive cancer and post-traumatic stress disorder WSIB claims, which are not within the control of the Division and are mandated by Provincial legislation.
- Transportation Services are projecting \$3.197 million or 1.5% unfavourable net year-end variance due to a revenue shortfall. The net pressures of under-achieved revenue is primarily within the Utility Cut Repair program as well as permit parking under-recovery due to lower than planned volumes.
- Municipal Licensing & Standards are projecting an unfavourable net variance of \$2.934 million, which is primarily due to the implementation of the newly approved Vehicle for Hire (VFH) Ground Transportation Review (GTR) By-Law. It includes reduction to Taxicab and Limousine fees retroactive to January 1st, 2016, waived fees for accessible taxicab vehicle renewals, elimination of City-run training and training fees, unplanned elimination of Standard Taxicab licence application fees, and Taxi/Limo Driver license replaced with lower VFH fees.
- Fleet Services are projecting an unfavourable net year-end forecast of \$0.925 million. High gross over-expenditure variance of \$2.688 million is due to the increased repair costs of the aging fleet, which is partially offset by savings from lower fuel purchase and lower demand for short term vehicle rentals.

## Agencies

As of June 30, 2016, Agencies reported favourable gross expenditure variance of \$10.651 million or 0.6%, and revenue shortfall of \$19.610 million or 2.4%, which resulted in an unfavourable net variance of \$8.960 million or 1.0%. The key driver for the net over-expenditure is primarily driven by Toronto Transit Commission - Conventional service pressures of \$14.170 million, which is partially offset by savings within Toronto Zoo, Toronto Police Service, and Theaters.

- Year-to-date, Toronto Transit Commission - Conventional service revenue down by \$21.199 million primarily due to the decrease in ridership. The number of customer journeys taken year-to-date to the end of May was 218.9 million, which is 7.4 million or 3.3% less than the plan of 226.3 million journeys. As a result, the unfavourable net year-to-date variance for Toronto Transit Commission - Conventional is \$14.170 million or 5.8%.

For year-end, Agencies are projecting gross expenditures savings of \$14.785 million or 0.4% and under-achieved revenues of \$27.834 million or 1.6%. This will result in a \$13.049 million or 0.7% unfavourable net variance, which is primarily attributed to:

- Toronto Transit Commission: Conventional service is projecting an unfavourable year-end net variance of \$15.007 million or 3.0%, due to ridership decline with a year-end forecast of 544 million riders compared to 553 million target. As a result, TTC - Conventional service is projecting revenue shortfall of \$25.700 million, which is partially offset by gross expenditure savings of \$10.693 million.
- Toronto Transit Commission: Wheel-Trans service is forecasting a \$4.616 million or 4.0% unfavourable net variance at year-end. The net pressure is attributable to the ever-increasing demand for service. Such trend is indicating a 7% increase over the 3.700 million trips planned in 2016. The additional trips have resulted in higher costs for contracted taxi service expenditure, which is partially offset by lower fuel costs and workforce savings.

As noted above, a number of City Programs and Agencies are projecting an unfavourable variance for the year-end, with Toronto Transit Commission - Conventional service representing the most significant unfavourable variance of \$15.007 million. Consistent with City's financial management practices and policies, Programs and Agencies projecting an unfavourable year-end variance are required to identify and implement mitigation strategies where possible to address any projected shortfalls.

## Corporate Accounts

As of June 30, 2016, Corporate Accounts reported gross over expenditure of \$4.342 million or 0.7% and higher than planned revenue of \$42.563 million or 6.2% which resulted in a favourable net variance of \$38.222 million or 61.6%.

- The key driver for the favourable net variance is mainly higher than planned revenue for the Municipal Land Transfer Tax (\$41.549 million net or 19.8%).

The projection to year-end of gross expenditures is forecasted to be over-spent by \$14.866 million or 1.1% combined with \$50.271 million or 3.5% higher than planned revenue, which results in a favourable net variance projection of \$35.405 million or 74.5%.

- The primary factor for the favourable year-end variance projection is the over-achieved Municipal Land Transfer Tax revenue (\$54.400 million net or 11.2%) from higher property sales, as well as higher than planned revenue from Parking Authority Corporate Revenues (\$4.500 million net or 9.6%).

The above mentioned savings are partially offset by Tax Deficiencies/Write offs over-expenditure of \$12.726 million, revenue shortfall in Supplementary Taxes of \$5.700 million, and lower than planned yield from Hydro Dividends of \$4.150 million.

## Approved Complement

Table 6 provides the detailed overview by Program/Agency of the approved operating budget complement and strength at June 30, 2016, including the projections for year-end. As of the end of the second fiscal quarter, the City reported a strength of 49,089.0 operating positions representing a vacancy rate of operating budget positions, after approved gapping, of 2.4%. The year-end projection for complement strength is at 49,680.0 operating positions, with vacancy rate after approved gapping is expected to be 0.6%.

Figure 7: Summary of Approved Complement (Includes Capital and Operating Positions)

Program/Agency	Year-To-Date					Year-End Projections				
	Approved Complement	Strength	Vacancies	Vacancy %	Vacancy After Gapping	Approved Complement	Strength	Vacancies	Vacancy %	Vacancy After Gapping
Citizen Centred Services "A"	13,046.5	12,380.1	(666.4)	5.1%	3.1%	13,070.5	12,777.2	(293.3)	2.2%	0.3%
Citizen Centred Services "B"	6,354.8	6,053.8	(301.0)	4.7%	1.1%	6,354.8	6,149.7	(205.1)	3.2%	0.0%
Internal Services	3,056.0	2,648.5	(407.5)	13.3%	6.6%	3,064.0	2,891.2	(172.8)	5.6%	0.8%
City Manager's Office	428.0	398.0	(30.0)	7.0%	1.4%	428.0	418.0	(10.0)	2.3%	0.0%
Other City Programs	920.3	880.7	(39.5)	4.3%	1.0%	920.3	896.3	(24.0)	2.6%	0.0%
Accountability Offices	54.8	55.0	0.3	-0.5%	0.0%	54.8	57.0	2.3	-4.1%	0.0%
<b>Total City Operations</b>	<b>23,860.3</b>	<b>22,416.2</b>	<b>(1,444.1)</b>	<b>6.1%</b>	<b>2.8%</b>	<b>23,892.3</b>	<b>23,189.4</b>	<b>(702.9)</b>	<b>2.9%</b>	<b>0.0%</b>
Agencies	27,640.0	26,137.5	(1,502.5)	5.4%	1.7%	27,123.1	26,326.1	(797.0)	2.9%	0.6%
Parking Tag Enforcement	394.0	382.0	(12.0)	3.0%	3.0%	394.0	372.0	(22.0)	5.6%	5.6%
<b>Total Levy Operations</b>	<b>51,894.3</b>	<b>48,935.7</b>	<b>(2,958.6)</b>	<b>5.7%</b>	<b>2.3%</b>	<b>51,409.3</b>	<b>49,887.4</b>	<b>(1,521.9)</b>	<b>3.0%</b>	<b>0.4%</b>
Rate Supported Programs	3,167.8	2,914.4	(253.4)	8.0%	4.7%	3,167.8	2,958.8	(209.0)	6.6%	3.6%
<b>Grand Total</b>	<b>55,062.1</b>	<b>51,850.1</b>	<b>(3,212.0)</b>	<b>5.8%</b>	<b>2.4%</b>	<b>54,577.1</b>	<b>52,846.2</b>	<b>(1,730.9)</b>	<b>3.2%</b>	<b>0.6%</b>

Vacancy After Gapping represents the vacancy rate for operating budget positions only.

Appendices D and E provide a detailed overview of the approved operating and capital complement, as well as strength for the six months ended June 30, 2016 including the projections for year-end.

#### City Operations

- Overall City Operations reported a strength of 22,416.2 positions, resulting in 1,444.1 positions below the approved complement of 23,860.3 positions for the six months ended June 30, 2016. The vacancy rate for operating budget positions, after approved gapping, is 2.8%. The key program areas which contributed to the complement vacancy were: Long Term Care Homes and Services, Parks, Forestry and Recreation, Facilities, Real Estate, Environment and Energy, Transportation Services and Information Technology.
- The year-end projection for the complement strength of City Operations is 23,189.4 positions, representing 702.9 positions under the approved complement of 23,892.3 positions. After approved gapping, the projected vacancy rate for operating budget positions is expected to be 0.0%.

#### Agencies

- At the end of the second fiscal quarter, the total complement strength reported by Agencies was 26,137.5 positions resulting in 1,502.5 positions below the approved complement of 27,640.0 positions representing a vacancy rate of operating budget positions, after approved gapping, of 1.7%. The following agencies were the major contributors to the year-to-date vacancies: Toronto

Transit Commission – Conventional Service, Toronto Police Service, Toronto Public Library and Toronto Public Health.

- The year-end complement strength projection for Agencies is 26,326.1 positions, representing 797.0 positions below the approved complement of 27,123.1 positions, with a vacancy rate of 0.6% after approved gapping. Key program areas contributing to the projected year-end vacancies include: Toronto Police Service and Toronto Public Health.

#### Rate Supported Programs

- As of June 30, 2016, Rate Supported Programs reported a strength of 2,914.4 positions, which is 253.4 positions under the approved complement of 3,167.8 positions. The vacancy rate of operating budget positions, after approved gapping, is 4.7%.
- Rate Supported Programs are forecasting a strength of 2,958.8 positions for year-end. After approved gapping, the projected vacancy rate for operating budget positions is expected to be 3.6%. The projected year-end vacant positions are planned to be reduced to 204.0 within operating complement in Toronto Water and Solid Waste Management Services combined.

### **Budget Adjustments**

City Council approval is required for the in-year budget adjustments detailed in Appendix F with no impact to the 2016 Approved Net Operating Budget. The major adjustments are outlined below.

#### **City Programs**

##### *Facilities Transformation Project (FTP):*

##### *Court Services*

The agreement is to transfer facilities management and security related operating budgets for four City-owned facilities and eliminate the associated inter-divisional cost and recovery (IDC/IDR) between Court Services and Facilities Management (FM) for building maintenance, custodial and security services. The result is a total financial impact of \$0 gross and \$1.569 million net increase to the 2016 Approved Operating Budget for FREEE. The Court Services net budget would decrease by the same amount. FM agrees to provide complete building maintenance, including preventative and demand maintenance, custodial services and security services for Court Services in accordance with the Service Level Agreement and approved operating budget transferred.

### *Municipal Licensing & Standards (MLS)*

The agreement is to transfer facilities management and security related operating budgets for eleven City-owned facilities and eliminate the associated inter-divisional cost and recovery (IDC/IDR) between MLS and Facilities Management (FM) for building maintenance, custodial, utilities and security services. The result is a total financial impact of \$0 gross and \$1.328 million net increase to the 2016 Approved Operating Budget for FREEE. The MLS net budget would decrease by the same amount. FM agrees to provide complete building maintenance, including preventative and demand maintenance, custodial services, energy management and security services for MLS in accordance with the Service Level Agreement and approved operating budget transferred.

### *Maintenance for Waste Collection Vehicles:*

#### *Fleet Services*

At its meeting on April 18, 2016, item EX11.20 "Purchase Options for Additional Garbage Trucks", Executive Committee requested to defer the purchase of any new waste collection vehicles until City Council has determined whether it wishes to contract out solid waste collection east of Yonge Street. Consequently, this decision will cause significant delays in the Solid Waste Vehicle Replacement Program and is impacting the state of good repair of the Solid Waste Fleet. This will result in increased operational impacts and costs associated with maintaining the aging fleet to continue to meet current service levels. Funding of \$0.302 million gross and \$0 net for 10.0 temporary positions (9.0 mechanics, 1.0 supervisor) and parts management are being requested to be added to the 2016 City Council Approved Operating Budget for Fleet Services for a 2-year period to maintain the Solid Waste fleet. The cost will be fully recovered from Solid Waste Management Services through interdivisional chargebacks. The annualization cost of \$0.906 million gross and \$0 net will be included in the 2017 Operating Budget Submission for Fleet Services.

### *Project Management Office for TCHC and Social Housing:*

#### *Social Development, Finance & Administration (SDFA)*

The budget adjustment is necessary to establish a Project Management Office (PMO) to oversee, manage and provide direction for the development of the implementation plan for TCHC and Social Housing (EX16.11, Tenants First – A Way Forward for Toronto Community Housing and Social Housing in Toronto), which will result in an increase to the 2016 Approved Staff Complement for SDFA by 4 temporary positions from 2016 to 2018 with funding provided from the Social Housing Stabilization Reserve Fund XQ1106. This report is recommending that City Council approve the pending budget adjustment, to increase the 2016 Approved Operating Budget for Social Development, Finance & Administration by \$0.218 million gross and \$0 net.

*Shelter, Support & Housing Administration (SSHA)*

This report recommends that City Council approve a budget adjustment to increase the 2016 Approved Operating Budget for Shelter, Support Housing and Administration by \$0.218 million gross with funding provided from the Social Housing Stabilization Reserve Fund XQ1106 for \$0 net to fund the Project Management Office (PMO) in SDFA to oversee, manage and provide direction for the development of the implementation plan for TCHC and Social Housing (EX16.11, Tenants First – A Way Forward for Toronto Community Housing and Social Housing in Toronto). Funding for future year expenditures of \$0.658 million gross, \$0 net in 2017 and \$0.668 million gross, \$0 net in 2018 has been included in the 2017 Operating Budget submission for SDFA.

*Poverty Reduction Strategy Office:*

*Social Development, Finance & Administration (SDFA)*

As part of the development of the City's Poverty Reduction Strategy (EX9.5 TO Prosperity: Toronto Poverty Reduction Strategy), SDFA is establishing a Toronto Poverty Reduction Strategy Office (PRSO) to coordinate and manage the implementation of the strategy. The budget adjustment will increase the 2016 Approved Operating Budget by \$0.083 million gross, \$0 net and 2016 Approved Staff Complement for SDFA by 2 temporary positions required from 2016 to 2018 with funding provided from TESS (\$0.049 million) and Toronto Public Health (\$0.033 million), primarily from savings in salaries and benefits. Future year expenditures have been included in the 2017 Operating Budget submission for SDFA.

*Rockcliff-Smyth/Junction Strategy/731 Runnymede Road Shelter Program:*

*Social Development, Finance & Administration (SDFA)*

This report recommends that City Council approve a budget adjustment to increase the 2016 Approved Operating Budget for SDFA by \$0.120 million gross, \$0 net and 1 temporary position until 2017 with funding provided from Shelter, Support and Housing Administration from savings in salaries and benefits budget to implement the development of the Rockcliff-Smyth/Junction Strategy, a plan for a shelter program at 731 Runnymede Road, Awareness Raising Campaign on Homelessness and Protocol for establishing shelters in neighbourhoods across the city (CD13.1). Future year expenditures of \$0.123 million gross zero net in 2017, has been included in the 2017 Operating Budget submission.

### *Ward Boundary Review:*

#### *City Manager's Office*

This report recommends that City Council approve a budget adjustment to increase the 2016 City Council Approved Operating Budget for the City Manager's Office by \$0.192 million gross and \$0 net, funded from the Innovation Reserve Fund (XR1713). At its meeting of June 10, 2014, City Council approved the use of funds in the amount of \$0.800 million from the Innovation Reserve Fund, for 2014 to 2016 to cover the costs for the Toronto Ward Boundary Review. The amount of \$0.192 million gross and \$0 net represents the unspent balance to provide for the third party consultant to continue with the review.

### *Toronto and Region Conservation Authority Operating Budget:*

#### *Toronto and Region Conservation Authority (TRCA)*

This report recommends that City Council approve a budget adjustment to increase the Toronto and Region Conservation Authority gross operating expenditures by \$2.594 million, fully funded by a corresponding increase in revenues, for a net zero impact. The budget adjustment is required to reconcile the 2016 Council Approved Operating Budget with the 2016 Operating Budget in the amount of \$43.044 million gross, approved by the Authority Meeting #2/16, held on April 1st 2016. The budget adjustment does not impact the City of Toronto 2016 levy of \$8.187 million. Toronto Water contributes \$4.713 million and balance of \$3.474 million is funded by property taxes.

### *Eglinton Flats Tennis Facility Maintenance:*

#### *Parks, Forestry and Recreation*

At its meeting on September 30, 2015, City Council increased the 2015 Parks, Forestry and Recreation Operating Budget by \$51,000.00, (funded by reserve), on a one-time basis, for purpose of tennis court surface repair and the purchase of tennis equipment for the Eglinton Flats courts. As part of the 2016 Budget process, this work was deferred to 2016 but given favourable weather conditions, was completed in 2015 as directed by Council. This report recommends that City Council approve a budget adjustment to decrease the gross expenditure budget by \$0.051 million, and the corresponding reserve withdrawal from the Eglinton Flats Tennis Facility Maintenance Reserve Fund (XR3204), for a net zero impact. This technical adjustment recognizes the completion of work in 2015 and reverses the 2016 budget as it is no longer required.



### *Enterprise Work Management System (eWMS):*

#### *Parks, Forestry and Recreation*

This report recommends that City Council approve a budget adjustment to increase the Urban Forestry gross operating expenditures by \$0.020 million, fully funded from recoveries from capital, for a net zero impact in order to repurpose one a temporary Supervisor Forestry Operations position to a Manager Natural Environment and Forestry Management to better align to the responsibilities to deliver the capital project CPR127-45-04 IT-Enterprise Work Management System (eWMS). This is a city-wide project and will be completed in partnership with Solid Waste Management, Transportation and Toronto Water and will require a full-time manager to ensure consistent business requirements. There is sufficient 2016 Approved cash flow to accommodate this request.

### *Office of the Chief Transformation Officer (OCTO):*

#### *Corporate Accounts*

An in-year budget reallocation of \$1.175 million (\$0 net impact) is recommended in order to create the Office of the Chief Transformation Officer (OCTO) and the position- Chief Transformation Officer (CTO) plus two other staff members. The budget would also cover other office and program related costs as described below.

The mandate of the Office of the Chief Transformation Officer (OCTO) will be to drive and support:

- Select, high-priority, high-impact, corporate-wide business transformation initiatives that will substantially improve the efficiency and effectiveness of the City of Toronto (e.g., Supply Chain Transformation Program and Data Analytics);
- Continuous improvement and program reviews; and
- Other expenditure control programs/projects directly identified under the City's long-term financial plan.

The Chief Transformation Officer (CTO) will report directly to the City Manager and will be responsible for achieving tangible project and program outcomes/savings. This unit will be a foundational piece to improve the City's long-term financial sustainability.

To maximize flexibility and scalability, the unit will be staffed with a mix of permanent and seconded City staff as well as project specific external consultants. It will create project work structures and house the expertise to implement and support its portfolio of work. The unit will draw on existing City expertise, including Management Consultants, Business Analysts, IT Architects, Change Management Specialists, Project Managers and Financial Analysts.

It is recommended that the Office of the Chief Transformation Officer (OCTO) be funded and staffed for five years. After three years, an evaluation of the unit's outcomes will be conducted to determine if the unit should continue. Staff recommend that the annual budget be created and approved at this time to begin the process of modernization and transformation that will lead to real and tangible expenditures savings.

Given that the proposed OCTO is a city-wide initiative aimed at driving savings throughout the city, staff recommend that the budget reside in the City's Non-Program Budget. This is consistent with past practices. In 2011, the City created a budget in Non-Program to fund Service Efficiency and Core Services Review implementation costs.

At this time, staff recommend a budget adjustment of \$262,000 that is available from the City's Non-Program budget which will cover expenditures to the end of the year. Expenditures would be for hiring the 3 new positions, plus initial office start-up costs. Funding also exists within the City's Non-Program Budget to offset anticipated 2017 needs. This funding in the additional amount of \$913,200 (for a total of \$1.175 million) will also be transferred in 2016 to the new OCTO as well.

As such, the program will be fully funded to meet anticipated requirements for 2016 and 2017. Staff will continue to refine the structure of the unit, reporting through the Long Term Financial Direction report and the annual budget process as necessary.

## **Rate Supported Programs**

### *Change in Interdivisional Charges from Fleet:*

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

At its meeting in April 2016, Executive Committee requested to defer the purchase of any new waste collection vehicles. The impact from increased operational costs associated with maintaining the aging fleet to continue to meet the current service levels will be absorbed by SWMS. The cost of \$0.302 million gross and \$0 net reflects an increase to SWMS Interdivisional Charge from Fleet. This increase in IDC will be offset by a corresponding decrease in SWMS contribution to the Waste Management Reserve Fund.

### *Metrolinx Agreement:*

#### *Toronto Water*

As per the 2013 Agreement with Metrolinx concerning cost recovery of City of Toronto Advisory Services, this pending budget adjustment for Toronto Water Utilities Coordination, Rapid Transit Implementation, will allow for required adjustments for 2016 increased salary costs including COLA, progression pay, step increases and other expenses. Two additional temporary full-time positions for Industrial Millwrights are included. The result is a total financial impact of \$0.234 million gross, \$0 net increase to the 2016 Approved Operating Budget for Toronto Water. All expenses will be fully recovered from Metrolinx.

## Utility Costs

At the end of the second fiscal quarter, Tax and Rate Supported Operations reported actual utility costs of \$92.324 million resulting in an under-expenditure of \$3.619 million or 3.8% compared to plan. The year-to-date savings was largely due to: Toronto Water, Exhibition Place and Facilities, Real Estate, Environment and Energy.

The year-end projection for utility costs, Tax and Rate Supported Operations, is an over-expenditure of \$0.502 million or 0.2%, primarily due to hydro as a result of the warmer summer months and higher requirements driven by Transportation Services and Facilities, Real Estate, Environment and Energy.

## Consulting Costs

As of June 30, 2016 Tax and Rate Supported Operations reported actual consulting costs of \$2.881 million resulting in over-expenditure of \$0.020 million or 0.7% of \$2.861 million plan. Year-to-date unfavourable variance in consulting costs is due to the timing differences of transaction postings, which can be partially attributed to Toronto Parking Authority unfavourable variance of \$0.019 million and is projected to be balanced at net zero by year-end.

Tax and Rate Supported Operations are forecasting an unfavourable year-end variance of \$0.260 million or 3.2% for consulting costs due to over-expenditure by Office of the Treasurer to conduct a program review of Purchasing & Materials Management Division, City Manager's Office Ward Boundary Review, and Sony Center non-budgeted expenditure on the third-party consultants who are managing programming work at the theater due to higher than expected volume of events.

## CONTACT

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## SIGNATURE

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Roberto Rossini  
Deputy City Manager & Chief Financial Officer

## **ATTACHMENTS**

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- Appendix A – City of Toronto Net Expenditures for Six Months Ended June 30, 2016
- Appendix B – City of Toronto Gross Expenditures for Six Months Ended June 30, 2016
- Appendix C – City of Toronto Revenues for Six Months Ended June 30, 2016
- Appendix D – City of Toronto Complement for Six Months Ended June 30, 2016
- Appendix E – City of Toronto Complement Projections for 2016 Year-End
- Appendix F – City of Toronto Budget Adjustments
- Appendix G – City of Toronto City Operating Dashboards for City Programs and Agencies

## Appendix A

**CITY OF TORONTO**  
**CONSOLIDATED NET EXPENDITURES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(\$000s)**

	June 30, 2016				December 31, 2016			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	425.9	425.9	(0.0)	0.0%	1,200.8	1,200.8	0.0	0.0%
Children's Services	31,825.4	31,825.4	0.0	0.0%	76,101.3	76,101.3	0.0	0.0%
Court Services	7,735.1	6,642.3	(1,092.8)	-14.1%	8,584.1	6,235.4	(2,348.7)	-27.4%
Economic Development & Culture	42,713.8	42,718.5	4.7	0.0%	58,781.5	58,781.5	(0.0)	0.0%
Toronto Paramedic Services	33,088.6	31,493.4	(1,595.2)	-4.8%	78,921.5	78,139.0	(782.5)	-1.0%
Long Term Care Homes and Services	11,611.5	11,397.7	(213.8)	-1.8%	48,493.3	47,688.5	(804.8)	-1.7%
Parks, Forestry & Recreation	136,938.5	136,942.7	4.2	0.0%	315,908.6	315,908.6	0.0	0.0%
Shelter, Support & Housing Administration	162,098.2	160,273.1	(1,825.2)	-1.1%	348,414.5	348,414.5	(0.0)	0.0%
Social Development, Finance & Administration	12,439.6	12,216.2	(223.4)	-1.8%	32,022.6	31,788.6	(234.0)	-0.7%
Toronto Employment & Social Services	62,689.2	60,258.2	(2,431.0)	-3.9%	137,743.3	137,743.3	(0.0)	0.0%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>501,565.7</b>	<b>494,193.3</b>	<b>(7,372.4)</b>	<b>-1.5%</b>	<b>1,106,171.6</b>	<b>1,102,001.6</b>	<b>(4,170.0)</b>	<b>-0.4%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	5,331.6	905.7	(4,425.9)	-83.0%	15,693.9	11,328.5	(4,365.4)	-27.8%
Fire Services	198,221.7	201,881.5	3,659.8	1.8%	418,652.8	423,412.8	4,760.0	1.1%
Municipal Licensing & Standards	5,514.0	4,526.2	(987.7)	-17.9%	21,220.7	24,154.7	2,934.0	13.8%
Policy, Planning, Finance and Administration	4,013.5	3,825.9	(187.6)	-4.7%	9,759.3	9,488.6	(270.7)	-2.8%
Engineering and Construction Services	5,592.4	2,687.3	(2,905.1)	-51.9%	7,616.9	4,056.4	(3,560.5)	-46.7%
Toronto Building	(6,189.4)	(11,000.0)	(4,810.7)	77.7%	(10,754.5)	(17,563.5)	(6,809.0)	63.3%
Transportation Services	119,402.7	103,364.1	(16,038.6)	-13.4%	207,542.7	210,739.6	3,196.9	1.5%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>331,886.5</b>	<b>306,190.7</b>	<b>(25,695.8)</b>	<b>-7.7%</b>	<b>669,731.8</b>	<b>665,617.0</b>	<b>(4,114.7)</b>	<b>-0.6%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	4,166.5	3,937.7	(228.8)	-5.5%	9,827.6	9,250.0	(577.6)	-5.9%
Office of the Treasurer	10,071.5	9,288.4	(783.1)	-7.8%	28,983.2	27,533.8	(1,449.4)	-5.0%
Facilities, Real Estate, Environment & Energy	45,635.6	42,864.0	(2,771.6)	-6.1%	66,429.6	66,035.9	(393.7)	-0.6%
Fleet Services	298.9	799.6	500.7	167.5%	171.2	1,095.9	924.7	540.1%
Information & Technology	39,324.8	39,127.0	(197.7)	-0.5%	74,248.8	73,749.6	(499.2)	-0.7%
311 Toronto	3,553.8	3,223.0	(330.8)	-9.3%	9,895.1	9,685.0	(210.1)	-2.1%
<b>Sub-Total Internal Services</b>	<b>103,051.1</b>	<b>99,239.8</b>	<b>(3,811.3)</b>	<b>-3.7%</b>	<b>189,555.5</b>	<b>187,350.2</b>	<b>(2,205.3)</b>	<b>-1.2%</b>
<b>City Manager</b>								
City Manager's Office	24,026.7	21,910.3	(2,116.4)	-8.8%	47,555.2	45,745.6	(1,809.6)	-3.8%
<b>Sub-Total City Manager</b>	<b>24,026.7</b>	<b>21,910.3</b>	<b>(2,116.4)</b>	<b>-8.8%</b>	<b>47,555.2</b>	<b>45,745.6</b>	<b>(1,809.6)</b>	<b>-3.8%</b>
<b>Other City Programs</b>								
City Clerk's Office	14,144.5	13,626.5	(518.0)	-3.7%	32,466.1	32,466.1	0.0	0.0%
Legal Services	7,240.6	7,185.7	(54.9)	-0.8%	20,333.9	19,823.8	(510.1)	-2.5%
Mayor's Office	1,017.1	970.2	(46.9)	-4.6%	2,311.1	2,311.1	0.0	0.0%
City Council	9,512.2	8,638.2	(873.9)	-9.2%	20,898.1	20,898.1	0.0	0.0%
<b>Sub-Total Other City Programs</b>	<b>31,914.3</b>	<b>30,420.6</b>	<b>(1,493.7)</b>	<b>-4.7%</b>	<b>76,009.2</b>	<b>75,499.0</b>	<b>(510.1)</b>	<b>-0.7%</b>
<b>Accountability Offices</b>								
Auditor General's Office	2,153.6	1,916.1	(237.5)	-11.0%	5,033.3	5,033.3	0.0	0.0%
Integrity Commissioner's Office	213.7	203.0	(10.7)	-5.0%	484.8	484.8	0.0	0.0%
Lobbyist Registrar's Office	509.0	467.6	(41.4)	-8.1%	1,156.3	1,066.3	(90.0)	-7.8%
Ombudsman's Office	812.5	690.0	(122.5)	-15.1%	1,834.0	1,834.0	0.0	0.0%
<b>Sub-Total Council Appointed Programs</b>	<b>3,688.8</b>	<b>3,276.7</b>	<b>(412.1)</b>	<b>-11.2%</b>	<b>8,508.3</b>	<b>8,418.3</b>	<b>(90.0)</b>	<b>-1.1%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>996,133.1</b>	<b>955,231.4</b>	<b>(40,901.7)</b>	<b>-4.1%</b>	<b>2,097,531.6</b>	<b>2,084,631.8</b>	<b>(12,899.8)</b>	<b>-0.6%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
 Ended June 30th, 2016

## Appendix A

**CITY OF TORONTO**  
**CONSOLIDATED NET EXPENDITURES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(\$000s)**

	June 30, 2016				December 31, 2016			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	21,241.5	20,923.7	(317.8)	-1.5%	59,100.4	58,510.3	(590.1)	-1.0%
Toronto Public Library	84,844.4	84,404.1	(440.3)	-0.5%	176,996.3	177,174.5	178.2	0.1%
Association of Community Centres	3,776.2	3,659.2	(117.0)	-3.1%	7,608.7	7,623.2	14.4	0.2%
Exhibition Place	341.3	(196.1)	(537.4)	-157.5%	(157.0)	(157.0)	0.0	0.0%
Heritage Toronto	153.8	156.0	2.2	1.4%	306.3	306.3	0.0	0.0%
Theatres	2,767.8	2,387.1	(380.6)	-13.8%	5,518.4	5,811.8	293.4	5.3%
Toronto Zoo	7,791.4	6,163.3	(1,628.1)	-20.9%	11,885.0	11,230.0	(655.0)	-5.5%
Arena Boards of Management	(45.8)	(257.6)	(211.8)	462.8%	(8.8)	(8.0)	0.8	-8.7%
Yonge Dundas Square	399.4	406.9	7.5	1.9%	387.3	471.8	84.5	21.8%
Toronto & Region Conservation Authority	1,868.6	1,868.6	0.0	0.0%	3,474.3	3,474.3	0.0	0.0%
Toronto Transit Commission - Conventional	242,831.0	257,001.3	14,170.3	5.8%	493,626.7	508,633.7	15,007.0	3.0%
Toronto Transit Commission - Wheel Trans	58,554.3	59,917.0	1,362.7	2.3%	116,711.9	121,327.6	4,615.7	4.0%
Toronto Police Service	466,360.2	463,410.2	(2,950.0)	-0.6%	1,003,465.1	997,565.1	(5,900.0)	-0.6%
Toronto Police Services Board	680.2	680.2	0.0	0.0%	2,299.4	2,299.4	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>891,564.3</b>	<b>900,524.0</b>	<b>8,959.7</b>	<b>1.0%</b>	<b>1,881,213.9</b>	<b>1,894,262.9</b>	<b>13,048.9</b>	<b>0.7%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	108,921.5	108,921.5	0.0	0.0%	217,843.1	217,843.1	0.0	0.0%
Technology Sustainment	8,955.8	8,955.8	0.0	0.0%	17,911.6	17,911.6	0.0	0.0%
Debt Charges	181,059.7	183,583.8	2,524.2	1.4%	463,372.8	463,372.8	0.0	0.0%
Capital & Corporate Financing	298,937.0	301,461.2	2,524.2	1.4%	699,127.5	699,127.5	0.0	0.0%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	22,773.6	22,768.6	(5.0)	0.0%	29,215.6	41,941.7	12,726.1	43.6%
Assessment Function (MPAC)	20,335.0	20,349.3	14.3	0.1%	40,670.0	40,698.5	28.5	0.1%
Funding of Employee Related Liabilities	32,937.7	32,937.7	0.0	0.0%	65,875.4	65,825.0	(50.4)	-0.1%
Other Corporate Expenditures	21,461.1	24,633.0	3,171.8	14.8%	49,457.9	51,716.5	2,258.6	4.6%
Insurance Premiums & Claims	200.0	200.0	0.0	0.0%	300.0	300.0	0.0	0.0%
Parking Tag Enforcement & Oper.	29,103.8	28,419.7	(684.1)	-2.4%	65,571.0	64,841.0	(730.0)	-1.1%
Programs Funded from Reserve Funds	0.0	0.0	0.0	0.0%	0.0	0.0	(0.0)	-99.7%
Vacancy Rebate Program	11,500.0	11,136.8	(363.2)	-3.2%	23,000.0	23,000.0	0.0	0.0%
Heritage Property Taxes Rebate	1,000.0	967.1	(32.9)	-3.3%	2,000.0	2,000.0	0.0	0.0%
Tax Rebates for Registered Charities	0.0	0.0	0.0	0.0%	(0.0)	0.0	0.0	-100.0%
Solid Waste Management Rebates	83,118.6	82,399.9	(718.7)	-0.9%	153,801.9	153,801.9	0.0	0.0%
Pandemic Influenza Stockpiling	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
<b>Non-Program Expenditures</b>	<b>222,429.8</b>	<b>223,812.0</b>	<b>1,382.2</b>	<b>0.6%</b>	<b>429,891.8</b>	<b>444,124.6</b>	<b>14,232.8</b>	<b>3.3%</b>
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	(85,603.6)	(85,598.6)	5.0	0.0%	(102,829.9)	(102,829.9)	0.0	0.0%
Supplementary Taxes	0.0	0.0	0.0	0.0%	(40,700.0)	(35,000.0)	5,700.0	-14.0%
Tax Penalty Revenue	(13,653.8)	(13,385.1)	268.7	-2.0%	(29,000.0)	(29,000.0)	0.0	0.0%
Interest/Investment Earnings	(55,695.0)	(58,223.5)	(2,528.5)	4.5%	(116,862.9)	(116,862.9)	(0.0)	0.0%
Other Corporate Revenues	(8,682.6)	(7,395.7)	1,286.9	-14.8%	(17,953.4)	(18,140.9)	(187.5)	1.0%
Dividend Income	(55,000.0)	(50,850.0)	4,150.0	-7.5%	(67,500.0)	(63,350.0)	4,150.0	-6.1%
Provincial Revenue	(45,800.0)	(45,800.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
Municipal Land Transfer Tax	(209,590.3)	(251,139.6)	(41,549.3)	19.8%	(485,600.0)	(540,000.0)	(54,400.0)	11.2%
Third Party Sign Tax	(11,951.8)	(12,067.6)	(115.8)	1.0%	(10,835.7)	(10,835.7)	0.0	0.0%
Parking Authority Revenues	(21,424.3)	(24,609.9)	(3,185.6)	14.9%	(46,946.9)	(51,446.9)	(4,500.0)	9.6%
Administrative Support Recoveries - Water	(9,122.2)	(9,122.2)	(0.0)	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
Administrative Support Recoveries - Health & EMS	(11,113.4)	(11,113.4)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
Parking Tag Enforcement & Operations Rev	(40,825.2)	(40,825.2)	0.0	0.0%	(102,413.5)	(102,413.5)	0.0	0.0%
Other Tax Revenues	(7,812.9)	(7,890.2)	(77.3)	1.0%	(13,499.3)	(13,499.3)	0.0	0.0%
Woodbine Slots Revenues	(7,100.0)	(7,482.0)	(382.0)	5.4%	(15,500.0)	(15,900.0)	(400.0)	2.6%
<b>Non-Program Revenues</b>	<b>(583,375.2)</b>	<b>(625,503.1)</b>	<b>(42,127.9)</b>	<b>7.2%</b>	<b>(1,176,541.4)</b>	<b>(1,226,178.9)</b>	<b>(49,637.5)</b>	<b>4.2%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(62,008.3)</b>	<b>(100,229.9)</b>	<b>(38,221.6)</b>	<b>61.6%</b>	<b>(47,522.1)</b>	<b>(82,926.9)</b>	<b>(35,404.7)</b>	<b>74.5%</b>
<b>NET OPERATING TAX LEVY</b>	<b>1,825,689.1</b>	<b>1,755,525.5</b>	<b>(70,163.6)</b>	<b>-3.8%</b>	<b>3,931,223.4</b>	<b>3,895,967.8</b>	<b>(35,255.6)</b>	<b>-0.9%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	(19,332.7)	(24,975.9)	(5,643.3)	29.2%	(0.0)	(4,985.5)	(4,985.5)	n/a
Toronto Parking Authority	(25,537.3)	(29,784.8)	(4,247.5)	16.6%	(52,245.7)	(58,245.7)	(6,000.0)	11.5%
Toronto Water	6,568.5	(14,555.4)	(21,123.9)	-321.6%	0.0	(22,034.8)	(22,034.8)	n/a
<b>NON LEVY OPERATING NET EXPENDITURES</b>	<b>(38,301.4)</b>	<b>(69,316.1)</b>	<b>(31,014.7)</b>	<b>81.0%</b>	<b>(52,245.7)</b>	<b>(85,266.0)</b>	<b>(33,020.3)</b>	<b>63.2%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
 Ended June 30th, 2016

## Appendix B

**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
(\$000s)

	June 30, 2016				December 31, 2016			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	1,358.3	1,188.8	(169.6)	-12.5%	2,977.8	2,977.8	0.0	0.0%
Children's Services	194,887.8	194,097.8	(790.0)	-0.4%	471,176.6	471,176.6	0.0	0.0%
Court Services	21,520.7	20,640.0	(880.7)	-4.1%	50,012.0	47,985.1	(2,026.9)	-4.1%
Economic Development & Culture	47,694.0	47,699.3	5.3	0.0%	77,402.5	78,017.2	614.7	0.8%
Toronto Paramedic Services	95,645.5	94,229.3	(1,416.2)	-1.5%	204,770.7	204,053.5	(717.2)	-0.4%
Long Term Care Homes and Services	114,649.9	107,742.4	(6,907.5)	-6.0%	254,570.0	244,450.6	(10,119.4)	-4.0%
Parks, Forestry & Recreation	195,628.6	190,944.7	(4,683.9)	-2.4%	451,628.1	444,707.4	(6,920.7)	-1.5%
Shelter, Support & Housing Administration	311,881.4	291,537.6	(20,343.8)	-6.5%	679,834.3	676,218.4	(3,615.9)	-0.5%
Social Development, Finance & Administration	23,384.3	17,307.4	(6,076.9)	-26.0%	53,061.9	44,534.0	(8,527.9)	-16.1%
Toronto Employment & Social Services	538,404.5	505,569.0	(32,835.5)	-6.1%	1,100,879.9	1,062,622.0	(38,257.9)	-3.5%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>1,545,055.0</b>	<b>1,470,956.2</b>	<b>(74,098.8)</b>	<b>-4.8%</b>	<b>3,346,313.8</b>	<b>3,276,742.6</b>	<b>(69,571.2)</b>	<b>-2.1%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	18,984.3	18,940.6	(43.7)	-0.2%	43,684.4	43,684.4	0.0	0.0%
Fire Services	206,569.5	209,611.8	3,042.3	1.5%	433,981.5	438,715.5	4,734.0	1.1%
Municipal Licensing & Standards	21,373.1	19,792.0	(1,581.1)	-7.4%	52,062.2	53,423.2	1,361.0	2.6%
Policy, Planning, Finance and Administration	9,583.4	8,894.2	(689.3)	-7.2%	22,207.7	21,611.4	(596.3)	-2.7%
Engineering and Construction Services	31,286.1	27,773.8	(3,512.2)	-11.2%	71,415.7	65,617.7	(5,798.0)	-8.1%
Toronto Building	23,130.4	21,377.4	(1,753.0)	-7.6%	53,825.4	52,016.4	(1,809.0)	-3.4%
Transportation Services	159,782.1	140,740.5	(19,041.6)	-11.9%	388,577.9	378,610.2	(9,967.7)	-2.6%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>470,708.9</b>	<b>447,130.3</b>	<b>(23,578.6)</b>	<b>-5.0%</b>	<b>1,065,754.7</b>	<b>1,053,678.7</b>	<b>(12,076.0)</b>	<b>-1.1%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	7,495.2	6,775.4	(719.8)	-9.6%	16,731.5	15,617.7	(1,113.8)	-6.7%
Office of the Treasurer	34,079.4	31,223.4	(2,856.0)	-8.4%	76,796.3	71,660.4	(5,135.9)	-6.7%
Facilities, Real Estate, Environment & Energy	84,184.8	82,684.1	(1,500.7)	-1.8%	194,264.4	193,662.7	(601.7)	-0.3%
Fleet Services	21,582.9	22,367.1	784.2	3.6%	51,786.1	54,474.3	2,688.2	5.2%
Information & Technology	62,366.5	55,959.6	(6,406.9)	-10.3%	125,832.8	113,191.2	(12,641.6)	-10.0%
311 Toronto	7,536.9	6,578.6	(958.4)	-12.7%	18,975.2	17,425.1	(1,550.1)	-8.2%
<b>Sub-Total Internal Services</b>	<b>217,245.8</b>	<b>205,588.2</b>	<b>(11,657.6)</b>	<b>-5.4%</b>	<b>484,386.4</b>	<b>466,031.4</b>	<b>(18,354.9)</b>	<b>-3.8%</b>
<b>City Manager</b>								
City Manager's Office	27,338.7	25,308.2	(2,030.5)	-7.4%	55,069.0	55,741.1	672.1	1.2%
<b>Sub-Total City Manager</b>	<b>27,338.7</b>	<b>25,308.2</b>	<b>(2,030.5)</b>	<b>-7.4%</b>	<b>55,069.0</b>	<b>55,741.1</b>	<b>672.1</b>	<b>1.2%</b>
<b>Other City Programs</b>								
City Clerk's Office	22,358.7	22,648.4	289.7	1.3%	50,279.1	50,279.1	0.0	0.0%
Legal Services	22,456.7	20,859.4	(1,597.3)	-7.1%	50,766.3	43,444.6	(7,321.7)	-14.4%
Mayor's Office	1,017.1	970.2	(46.9)	-4.6%	2,311.1	2,311.1	0.0	0.0%
City Council	9,512.2	8,655.2	(856.9)	-9.0%	20,938.1	20,938.1	0.0	0.0%
<b>Sub-Total Other City Programs</b>	<b>55,344.7</b>	<b>53,133.2</b>	<b>(2,211.5)</b>	<b>-4.0%</b>	<b>124,294.5</b>	<b>116,972.9</b>	<b>(7,321.7)</b>	<b>-5.9%</b>
<b>Accountability Offices</b>								
Auditor General's Office	2,153.6	1,916.1	(237.5)	-11.0%	5,033.3	5,033.3	0.0	0.0%
Integrity Commissioner's Office	213.7	203.0	(10.7)	-5.0%	484.8	484.8	0.0	0.0%
Lobbyist Registrar's Office	509.0	467.6	(41.4)	-8.1%	1,156.3	1,066.3	(90.0)	-7.8%
Ombudsman's Office	812.5	690.0	(122.5)	-15.1%	1,834.0	1,834.0	0.0	0.0%
<b>Sub-Total Council Appointed Programs</b>	<b>3,688.8</b>	<b>3,276.7</b>	<b>(412.1)</b>	<b>-11.2%</b>	<b>8,508.3</b>	<b>8,418.3</b>	<b>(90.0)</b>	<b>-1.1%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,319,381.8</b>	<b>2,205,392.8</b>	<b>(113,989.1)</b>	<b>-4.9%</b>	<b>5,084,326.7</b>	<b>4,977,585.1</b>	<b>(106,741.7)</b>	<b>-2.1%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
Ended June 30th, 2016

## Appendix B

**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(\$000s)**

	June 30, 2016				December 31, 2016			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	101,643.3	97,522.7	(4,120.6)	-4.1%	245,122.7	235,959.9	(9,162.9)	-3.7%
Toronto Public Library	92,759.4	93,389.9	630.5	0.7%	194,589.2	195,683.1	1,093.9	0.6%
Association of Community Centres	3,912.9	3,797.9	(115.0)	-2.9%	7,882.1	7,899.6	17.4	0.2%
Exhibition Place	18,698.7	18,144.7	(554.0)	-3.0%	36,513.9	36,513.9	0.0	0.0%
Heritage Toronto	383.6	329.9	(53.7)	-14.0%	765.8	765.8	0.0	0.0%
Theatres	11,407.6	11,401.3	(6.3)	-0.1%	23,145.1	24,497.9	1,352.8	5.8%
Toronto Zoo	22,524.3	22,963.2	438.9	1.9%	51,065.0	51,035.0	(30.0)	-0.1%
Arena Boards of Management	4,326.2	4,203.2	(123.0)	-2.8%	8,642.9	8,684.7	41.8	0.5%
Yonge Dundas Square	998.9	1,065.9	67.0	6.7%	2,332.4	2,530.3	197.9	8.5%
Toronto & Region Conservation Authority	4,439.4	4,439.4	0.0	0.0%	40,450.3	40,450.3	0.0	0.0%
Toronto Transit Commission - Conventional	866,540.5	859,512.0	(7,028.5)	-0.8%	1,736,756.4	1,726,063.4	(10,693.0)	-0.6%
Toronto Transit Commission - Wheel Trans	62,036.7	63,450.6	1,413.9	2.3%	123,665.9	128,462.6	4,796.7	3.9%
Toronto Police Service	526,218.1	525,018.1	(1,200.0)	-0.2%	1,130,929.0	1,128,529.0	(2,400.0)	-0.2%
Toronto Police Services Board	680.2	680.2	0.0	0.0%	3,049.4	3,049.4	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>1,716,569.7</b>	<b>1,705,919.0</b>	<b>(10,650.8)</b>	<b>-0.6%</b>	<b>3,604,910.2</b>	<b>3,590,124.8</b>	<b>(14,785.4)</b>	<b>-0.4%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	108,921.5	108,921.5	0.0	0.0%	217,843.1	217,843.1	0.0	0.0%
Technology Sustainment	8,955.8	8,955.8	0.0	0.0%	17,911.6	17,911.6	0.0	0.0%
Debt Charges	192,712.7	195,236.9	2,524.2	1.3%	486,678.9	486,678.9	0.0	0.0%
Capital & Corporate Financing	310,590.1	313,114.2	2,524.2	0.8%	722,433.6	722,433.6	0.0	0.0%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	22,773.6	22,768.6	(5.0)	0.0%	61,419.6	74,145.7	12,726.1	20.7%
Assessment Function (MPAC)	20,335.0	20,349.3	14.3	0.1%	40,670.0	40,698.5	28.5	0.1%
Funding of Employee Related Liabilities	32,937.7	32,937.7	0.0	0.0%	65,875.4	65,825.0	(50.4)	-0.1%
Other Corporate Expenditures	25,053.9	28,225.8	3,171.8	12.7%	55,732.4	57,991.0	2,258.6	4.1%
Insurance Premiums & Claims	200.0	200.0	0.0	0.0%	300.0	300.0	0.0	0.0%
Parking Tag Enforcement & Oper.	29,103.8	28,419.7	(684.1)	-2.4%	65,571.0	64,841.0	(730.0)	-1.1%
Programs Funded from Reserve Funds	60,261.6	60,261.6	0.0	0.0%	130,434.7	130,434.7	(0.0)	0.0%
Vacancy Rebate Program	11,500.0	11,136.8	(363.2)	-3.2%	23,000.0	23,000.0	0.0	0.0%
Heritage Property Taxes Rebate	1,000.0	967.1	(32.9)	-3.3%	2,000.0	2,000.0	0.0	0.0%
Tax Rebates for Registered Charities	7,157.4	7,157.4	0.0	0.0%	7,157.4	7,157.4	0.0	0.0%
Solid Waste Management Rebates	83,118.6	82,399.9	(718.7)	-0.9%	153,801.9	153,801.9	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	293,441.6	294,823.8	1,382.2	0.5%	605,962.4	620,195.2	14,232.8	2.3%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Supplementary Taxes	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Tax Penalty Revenue	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Interest/Investment Earnings	566.2	388.0	(178.2)	-31.5%	1,132.4	1,132.4	(0.0)	0.0%
Other Corporate Revenues	1,386.2	1,560.3	174.1	12.6%	2,800.7	2,850.1	49.4	1.8%
Dividend Income	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Provincial Revenue	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Municipal Land Transfer Tax	20,086.3	20,499.5	413.2	2.1%	46,428.4	47,012.6	584.2	1.3%
Third Party Sign Tax	0.0	0.0	0.0	n/a	1,116.1	1,116.1	0.0	0.0%
Parking Authority Revenues	0.0	0.0	0.0	n/a	9,380.0	9,380.0	0.0	0.0%
Administrative Support Recoveries - Water	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Administrative Support Recoveries - Health & EMS	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Parking Tag Enforcement & Operations Rev	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Other Tax Revenues	0.0	26.4	26.4	n/a	0.0	0.0	0.0	n/a
Woodbine Slots Revenues	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Revenues	22,038.6	22,474.2	435.5	2.0%	60,857.6	61,491.2	633.6	1.0%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>626,070.3</b>	<b>630,412.2</b>	<b>4,341.8</b>	<b>0.7%</b>	<b>1,389,253.5</b>	<b>1,404,119.9</b>	<b>14,866.4</b>	<b>1.1%</b>
<b>LEVY OPERATING GROSS EXPENDITURES</b>	<b>4,662,021.9</b>	<b>4,541,723.9</b>	<b>(120,298.0)</b>	<b>-2.6%</b>	<b>10,078,490.4</b>	<b>9,971,829.8</b>	<b>(106,660.6)</b>	<b>-1.1%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	132,102.9	122,610.1	(9,492.8)	-7.2%	389,009.4	377,835.7	(11,173.8)	-2.9%
Toronto Parking Authority	40,454.3	41,135.6	681.3	1.7%	84,742.7	84,742.7	0.0	0.0%
Toronto Water	544,389.7	524,028.5	(20,361.2)	-3.7%	1,158,478.6	1,144,452.6	(14,026.0)	-1.2%
<b>NON LEVY OPERATING GROSS EXPENDITURES</b>	<b>716,947.0</b>	<b>687,774.2</b>	<b>(29,172.7)</b>	<b>-4.1%</b>	<b>1,632,230.7</b>	<b>1,607,031.0</b>	<b>(25,199.8)</b>	<b>-1.5%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
 Ended June 30th, 2016



## Appendix C

**CITY OF TORONTO**  
**CONSOLIDATED REVENUE VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(\$000s)**

	June 30, 2016				December 31, 2016			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Citizen Centred Services "A"</b>								
Affordable Housing Office	932.4	762.9	(169.5)	-18.2%	1,777.0	1,777.0	0.0	0.0%
Children's Services	163,062.4	162,272.4	(790.0)	-0.5%	395,075.4	395,075.4	0.0	0.0%
Court Services	13,785.6	13,997.7	212.1	1.5%	41,427.9	41,749.7	321.8	0.8%
Economic Development & Culture	4,980.2	4,980.8	0.6	0.0%	18,621.0	19,235.7	614.7	3.3%
Toronto Paramedic Services	62,556.9	62,735.9	179.0	0.3%	125,849.2	125,914.5	65.3	0.1%
Long Term Care Homes and Services	103,038.4	96,344.7	(6,693.7)	-6.5%	206,076.7	196,762.1	(9,314.6)	-4.5%
Parks, Forestry & Recreation	58,690.1	54,002.0	(4,688.1)	-8.0%	135,719.5	128,798.8	(6,920.7)	-5.1%
Shelter, Support & Housing Administration	149,783.2	131,264.6	(18,518.6)	-12.4%	331,419.8	327,803.9	(3,615.9)	-1.1%
Social Development, Finance & Administration	10,944.8	5,091.2	(5,853.6)	-53.5%	21,039.3	12,745.4	(8,293.9)	-39.4%
Toronto Employment & Social Services	475,715.3	445,310.8	(30,404.6)	-6.4%	963,136.6	924,878.7	(38,257.9)	-4.0%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>1,043,489.3</b>	<b>976,762.9</b>	<b>(66,726.4)</b>	<b>-6.4%</b>	<b>2,240,142.2</b>	<b>2,174,741.1</b>	<b>(65,401.2)</b>	<b>-2.9%</b>
<b>Citizen Centred Services "B"</b>								
City Planning	13,652.7	18,034.9	4,382.2	32.1%	27,990.5	32,355.9	4,365.4	15.6%
Fire Services	8,347.8	7,730.2	(617.5)	-7.4%	15,328.7	15,302.7	(26.0)	-0.2%
Municipal Licensing & Standards	15,859.1	15,265.7	(593.4)	-3.7%	30,841.5	29,268.5	(1,573.0)	-5.1%
Policy, Planning, Finance and Administration	5,570.0	5,068.3	(501.6)	-9.0%	12,448.4	12,122.8	(325.6)	-2.6%
Engineering and Construction Services	25,693.7	25,086.5	(607.2)	-2.4%	63,798.7	61,561.3	(2,237.4)	-3.5%
Toronto Building	29,319.8	32,377.5	3,057.7	10.4%	64,579.9	69,579.9	5,000.0	7.7%
Transportation Services	40,379.4	37,376.4	(3,003.0)	-7.4%	181,035.2	167,870.6	(13,164.6)	-7.3%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>138,822.4</b>	<b>140,939.6</b>	<b>2,117.1</b>	<b>1.5%</b>	<b>396,022.9</b>	<b>388,061.7</b>	<b>(7,961.3)</b>	<b>-2.0%</b>
<b>Internal Services</b>								
Office of the Chief Financial Officer	3,328.7	2,837.7	(491.0)	-14.8%	6,903.9	6,367.7	(536.2)	-7.8%
Office of the Treasurer	24,007.9	21,935.0	(2,072.9)	-8.6%	47,813.1	44,126.6	(3,686.5)	-7.7%
Facilities, Real Estate, Environment & Energy	38,549.2	39,820.1	1,270.9	3.3%	127,834.8	127,626.8	(208.0)	-0.2%
Fleet Services	21,284.0	21,567.5	283.5	1.3%	51,614.9	53,378.4	1,763.5	3.4%
Information & Technology	23,041.8	16,832.5	(6,209.2)	-26.9%	51,584.0	39,441.6	(12,142.4)	-23.5%
311 Toronto	3,983.1	3,355.6	(627.5)	-15.8%	9,080.1	7,740.1	(1,340.0)	-14.8%
<b>Sub-Total Internal Services</b>	<b>114,194.7</b>	<b>106,348.4</b>	<b>(7,846.2)</b>	<b>-6.9%</b>	<b>294,830.8</b>	<b>278,681.2</b>	<b>(16,149.6)</b>	<b>-5.5%</b>
<b>City Manager</b>								
City Manager's Office	3,312.0	3,397.9	85.9	2.6%	7,513.7	9,995.5	2,481.8	33.0%
<b>Sub-Total City Manager</b>	<b>3,312.0</b>	<b>3,397.9</b>	<b>85.9</b>	<b>2.6%</b>	<b>7,513.7</b>	<b>9,995.5</b>	<b>2,481.8</b>	<b>33.0%</b>
<b>Other City Programs</b>								
City Clerk's Office	8,214.2	9,021.9	807.7	9.8%	17,813.0	17,813.0	0.0	0.0%
Legal Services	15,216.2	13,673.7	(1,542.4)	-10.1%	30,432.3	23,620.8	(6,811.5)	-22.4%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
City Council	0.0	17.0	17.0	n/a	40.0	40.0	0.0	0.0%
<b>Sub-Total Other City Programs</b>	<b>23,430.3</b>	<b>22,712.6</b>	<b>(717.7)</b>	<b>-3.1%</b>	<b>48,285.3</b>	<b>41,473.8</b>	<b>(6,811.5)</b>	<b>-14.1%</b>
<b>Accountability Offices</b>								
Auditor General's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Integrity Commissioner's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Lobbyist Registrar's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Ombudsman's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
<b>Sub-Total Council Appointed Programs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>n/a</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>n/a</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>1,323,248.8</b>	<b>1,250,161.4</b>	<b>(73,087.4)</b>	<b>-5.5%</b>	<b>2,986,795.1</b>	<b>2,892,953.2</b>	<b>(93,841.8)</b>	<b>-3.1%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
 Ended June 30th, 2016

## Appendix C

**CITY OF TORONTO**  
**CONSOLIDATED REVENUE VARIANCE**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(\$000s)**

	June 30, 2016				December 31, 2016			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
<b>Agencies</b>								
Toronto Public Health	80,401.8	76,599.0	(3,802.8)	-4.7%	186,022.3	177,449.6	(8,572.7)	-4.6%
Toronto Public Library	7,915.0	8,985.8	1,070.8	13.5%	17,592.9	18,508.6	915.7	5.2%
Association of Community Centres	136.7	138.7	2.0	1.5%	273.4	276.4	3.0	1.1%
Exhibition Place	18,357.4	18,340.8	(16.6)	-0.1%	36,670.9	36,670.9	0.0	0.0%
Heritage Toronto	229.8	173.9	(55.9)	-24.3%	459.5	459.5	0.0	0.0%
Theatres	8,639.8	9,014.2	374.4	4.3%	17,626.8	18,686.1	1,059.3	6.0%
Toronto Zoo	14,732.9	16,799.9	2,067.0	14.0%	39,180.0	39,805.0	625.0	1.6%
Arena Boards of Management	4,371.9	4,460.8	88.8	2.0%	8,651.7	8,692.7	41.0	0.5%
Yonge Dundas Square	599.5	659.0	59.5	9.9%	1,945.1	2,058.5	113.4	5.8%
Toronto & Region Conservation Authority	2,570.8	2,570.8	0.0	0.0%	36,976.0	36,976.0	0.0	0.0%
Toronto Transit Commission - Conventional	623,709.5	602,510.7	(21,198.8)	-3.4%	1,243,129.7	1,217,429.7	(25,700.0)	-2.1%
Toronto Transit Commission - Wheel Trans	3,482.4	3,533.6	51.2	1.5%	6,954.0	7,135.0	181.0	2.6%
Toronto Police Service	59,857.9	61,607.9	1,750.0	2.9%	127,463.9	130,963.9	3,500.0	2.7%
Toronto Police Services Board	0.0	0.0	0.0	n/a	750.0	750.0	0.0	0.0%
<b>TOTAL - AGENCIES</b>	<b>825,005.4</b>	<b>805,395.0</b>	<b>(19,610.4)</b>	<b>-2.4%</b>	<b>1,723,696.2</b>	<b>1,695,861.9</b>	<b>(27,834.3)</b>	<b>-1.6%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Technology Sustainment	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Debt Charges	11,653.0	11,653.0	0.0	0.0%	23,306.1	23,306.1	0.0	0.0%
Capital & Corporate Financing	11,653.0	11,653.0	0.0	0.0%	23,306.1	23,306.1	0.0	0.0%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	0.0	0.0	0.0	n/a	32,204.0	32,204.0	0.0	0.0%
Assessment Function (MPAC)	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Funding of Employee Related Liabilities	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Other Corporate Expenditures	3,592.8	3,592.8	0.0	0.0%	6,274.5	6,274.5	0.0	0.0%
Insurance Premiums & Claims	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Parking Tag Enforcement & Oper.	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Programs Funded from Reserve Funds	60,261.6	60,261.6	0.0	0.0%	130,434.7	130,434.7	0.0	0.0%
Vacancy Rebate Program	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Heritage Property Taxes Rebate	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Tax Rebates for Registered Charities	7,157.4	7,157.4	0.0	0.0%	7,157.4	7,157.4	0.0	0.0%
Solid Waste Management Rebates	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Pandemic Influenza Stockpiling	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Non-Program Expenditures	71,011.8	71,011.8	0.0	0.0%	176,070.6	176,070.6	0.0	0.0%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	85,603.6	85,598.6	(5.0)	0.0%	102,829.9	102,829.9	0.0	0.0%
Supplementary Taxes	0.0	0.0	0.0	n/a	40,700.0	35,000.0	(5,700.0)	-14.0%
Tax Penalty Revenue	13,653.8	13,385.1	(268.7)	-2.0%	29,000.0	29,000.0	0.0	0.0%
Interest/Investment Earnings	56,261.2	58,611.5	2,350.3	4.2%	117,995.3	117,995.3	0.0	0.0%
Other Corporate Revenues	10,068.8	8,956.0	(1,112.8)	-11.1%	20,754.1	20,991.0	236.9	1.1%
Dividend Income	55,000.0	50,850.0	(4,150.0)	-7.5%	67,500.0	63,350.0	(4,150.0)	-6.1%
Provincial Revenue	45,800.0	45,800.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
Municipal Land Transfer Tax	229,676.6	271,639.1	41,962.5	18.3%	532,028.4	587,012.6	54,984.2	10.3%
Third Party Sign Tax	11,951.8	12,067.6	115.8	1.0%	11,951.8	11,951.8	0.0	0.0%
Parking Authority Revenues	21,424.3	24,609.9	3,185.6	14.9%	56,326.9	60,826.9	4,500.0	8.0%
Administrative Support Recoveries - Water	9,122.2	9,122.2	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
Administrative Support Recoveries - Health & EMS	11,113.4	11,113.4	(0.0)	0.0%	16,326.7	16,326.7	0.0	0.0%
Parking Tag Enforcement & Operations Rev	40,825.2	40,825.2	0.0	0.0%	102,413.5	102,413.5	0.0	0.0%
Other Tax Revenues	7,812.9	7,916.6	103.7	1.3%	13,499.3	13,499.3	0.0	0.0%
Woodbine Slots Revenues	7,100.0	7,482.0	382.0	5.4%	15,500.0	15,900.0	400.0	2.6%
Non-Program Revenues	605,413.8	647,977.2	42,563.4	7.0%	1,237,398.9	1,287,670.1	50,271.1	4.1%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>688,078.6</b>	<b>730,642.0</b>	<b>42,563.4</b>	<b>6.2%</b>	<b>1,436,775.6</b>	<b>1,487,046.8</b>	<b>50,271.1</b>	<b>3.5%</b>
<b>LEVY OPERATING REVENUES</b>	<b>2,836,332.8</b>	<b>2,786,198.4</b>	<b>(50,134.4)</b>	<b>-1.8%</b>	<b>6,147,267.0</b>	<b>6,075,861.9</b>	<b>(71,405.0)</b>	<b>-1.2%</b>
<b>NON LEVY OPERATIONS</b>								
Solid Waste Management Services	151,435.6	147,586.1	(3,849.5)	-2.5%	389,009.4	382,821.2	(6,188.3)	-1.6%
Toronto Parking Authority	65,991.6	70,920.4	4,928.8	7.5%	136,988.4	142,988.4	6,000.0	4.4%
Toronto Water	537,821.2	538,583.9	762.7	0.1%	1,158,478.6	1,166,487.4	8,008.8	0.7%
<b>NON LEVY OPERATING REVENUES</b>	<b>755,248.4</b>	<b>757,090.3</b>	<b>1,841.9</b>	<b>0.2%</b>	<b>1,684,476.4</b>	<b>1,692,296.9</b>	<b>7,820.5</b>	<b>0.5%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
 Ended June 30th, 2016

Appendix D

CITY OF TORONTO  
 CONSOLIDATED APPROVED COMPLEMENT  
 FOR THE SIX MONTHS ENDED JUNE 30, 2016

Program/Agency	Operating Positions				Capital Positions				Total Positions				Operating Vacancy	
	Approved Complement	Strength	Over / (Under)	%	Approved Complement	Strength	Over / (Under)	%	Approved Complement	Strength	Over / (Under)	%	Budgeted Gapping	After Gapping
<b>Citizen Centred Services "A"</b>														
Affordable Housing Office	19.0	18.0	(1.0)	5.3%	0.0	0.0	0.0	0.0%	19.0	18.0	(1.0)	5.3%	1.8%	3.4%
Children's Services	977.9	940.9	(37.0)	3.8%	13.0	13.0	0.0	0.0%	990.9	953.9	(37.0)	3.7%	0.5%	3.3%
Court Services	282.0	222.0	(60.0)	21.3%	0.0	0.0	0.0	0.0%	282.0	222.0	(60.0)	21.3%	15.6%	5.7%
Economic Development & Culture	297.5	283.5	(14.0)	4.7%	10.0	9.0	(1.0)	10.0%	307.5	292.5	(15.0)	4.9%	3.0%	1.7%
Toronto Paramedic Services	1,444.8	1,370.5	(74.3)	5.1%	0.5	0.5	0.0	0.0%	1,445.3	1,371.0	(74.3)	5.1%	1.9%	3.3%
Long Term Care Homes & Services	2,372.0	2,256.4	(115.6)	4.9%	0.0	0.0	0.0	0.0%	2,372.0	2,256.4	(115.6)	4.9%	0.0%	4.9%
Parks, Forestry & Recreation	4,521.9	4,313.8	(208.1)	4.6%	91.3	70.2	(21.1)	23.2%	4,613.2	4,384.0	(229.2)	5.0%	2.2%	2.4%
Shelter, Support & Housing Administration	756.2	709.9	(46.3)	6.1%	1.0	1.0	0.0	0.0%	757.2	710.9	(46.3)	6.1%	3.7%	2.4%
Social Development, Finance & Administration	139.5	122.5	(17.0)	12.2%	0.0	0.0	0.0	0.0%	139.5	122.5	(17.0)	12.2%	3.2%	9.0%
Toronto Employment & Social Services	2,120.0	2,049.0	(71.0)	3.3%	0.0	0.0	0.0	0.0%	2,120.0	2,049.0	(71.0)	3.3%	1.6%	1.8%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>12,930.7</b>	<b>12,286.5</b>	<b>(644.3)</b>	<b>5.0%</b>	<b>115.8</b>	<b>93.7</b>	<b>(22.1)</b>	<b>19.1%</b>	<b>13,046.5</b>	<b>12,380.1</b>	<b>(666.4)</b>	<b>5.1%</b>	<b>1.9%</b>	<b>3.1%</b>
<b>Citizen Centred Services "B"</b>														
City Planning Division	367.0	353.0	(14.0)	3.8%	5.0	5.0	0.0	0.0%	372.0	358.0	(14.0)	3.8%	3.9%	0.0%
Fire Services	3,167.3	3,116.3	(51.0)	1.6%	1.0	1.0	0.0	0.0%	3,168.3	3,117.3	(51.0)	1.6%	2.0%	0.0%
Municipal Licensing & Standards	470.0	442.0	(28.0)	6.0%	3.0	3.0	0.0	0.0%	473.0	445.0	(28.0)	5.9%	2.3%	3.7%
Policy, Planning, Finance and Administration	196.4	185.4	(11.0)	5.6%	0.0	0.0	0.0	0.0%	196.4	185.4	(11.0)	5.6%	4.0%	1.6%
Engineering and Construction Services	131.9	121.2	(10.7)	8.1%	434.2	386.9	(47.3)	10.9%	566.1	508.1	(58.0)	10.2%	4.2%	3.9%
Toronto Building	450.0	423.0	(27.0)	6.0%	6.0	6.0	0.0	0.0%	456.0	429.0	(27.0)	5.9%	2.9%	3.1%
Transportation Services	1,026.8	926.6	(100.2)	9.8%	96.2	84.4	(11.8)	12.3%	1,123.0	1,011.0	(112.0)	10.0%	6.3%	3.4%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>5,809.4</b>	<b>5,567.5</b>	<b>(241.8)</b>	<b>4.2%</b>	<b>545.4</b>	<b>486.3</b>	<b>(59.1)</b>	<b>10.8%</b>	<b>6,354.8</b>	<b>6,053.8</b>	<b>(301.0)</b>	<b>4.7%</b>	<b>3.1%</b>	<b>1.1%</b>
<b>Internal Services</b>														
Office of the Chief Financial Officer	103.0	94.0	(9.0)	8.7%	12.0	9.0	(3.0)	25.0%	115.0	103.0	(12.0)	10.4%	1.9%	6.8%
Office of the Treasurer	660.2	598.3	(61.9)	9.4%	44.0	28.0	(16.0)	36.4%	704.2	626.3	(77.9)	11.1%	2.8%	6.6%
Facilities, Real Estate, Environment & Energy	930.5	823.2	(107.3)	11.5%	88.0	69.0	(19.0)	21.6%	1,018.5	892.2	(126.3)	12.4%	3.7%	7.9%
Fleet Services	176.0	165.0	(11.0)	6.3%	8.0	0.0	(8.0)	100.0%	184.0	165.0	(19.0)	10.3%	3.0%	3.3%
Information & Technology	618.0	551.0	(67.0)	10.8%	231.0	138.0	(93.0)	40.3%	849.0	689.0	(160.0)	18.8%	3.8%	7.1%
311 Toronto	164.0	159.0	(5.0)	3.0%	21.3	14.0	(7.3)	34.1%	185.3	173.0	(12.3)	6.6%	2.4%	0.7%
<b>Sub-Total Internal Services</b>	<b>2,651.7</b>	<b>2,390.5</b>	<b>(261.2)</b>	<b>9.9%</b>	<b>404.3</b>	<b>258.0</b>	<b>(146.3)</b>	<b>36.2%</b>	<b>3,056.0</b>	<b>2,648.5</b>	<b>(407.5)</b>	<b>13.3%</b>	<b>3.3%</b>	<b>6.6%</b>
<b>City Manager</b>														
City Manager's Office	411.0	384.0	(27.0)	6.6%	17.0	14.0	(3.0)	17.6%	428.0	398.0	(30.0)	7.0%	5.2%	1.4%
<b>Sub-Total City Manager</b>	<b>411.0</b>	<b>384.0</b>	<b>(27.0)</b>	<b>6.6%</b>	<b>17.0</b>	<b>14.0</b>	<b>(3.0)</b>	<b>17.6%</b>	<b>428.0</b>	<b>398.0</b>	<b>(30.0)</b>	<b>7.0%</b>	<b>5.2%</b>	<b>1.4%</b>
<b>Other City Programs</b>														
City Clerk's Office	403.0	373.5	(29.5)	7.3%	10.9	9.8	(1.0)	9.6%	413.9	383.3	(30.5)	7.4%	5.1%	2.2%
Legal Services	306.4	294.4	(12.0)	3.9%	0.0	0.0	0.0	0.0%	306.4	294.4	(12.0)	3.9%	2.6%	1.3%
Mayor's Office	20.0	23.0	3.0	-15.0%	0.0	0.0	0.0	0.0%	20.0	23.0	3.0	-15.0%	0.0%	0.0%
City Council	180.0	180.0	0.0	0.0%	0.0	0.0	0.0	0.0%	180.0	180.0	0.0	0.0%	2.9%	0.0%
<b>Sub-Total Other City Programs</b>	<b>909.4</b>	<b>870.9</b>	<b>(38.5)</b>	<b>4.2%</b>	<b>10.9</b>	<b>9.8</b>	<b>(1.0)</b>	<b>9.6%</b>	<b>920.3</b>	<b>880.7</b>	<b>(39.5)</b>	<b>4.3%</b>	<b>3.2%</b>	<b>1.0%</b>
<b>Accountability Offices</b>														
Auditor General's Office	31.5	33.0	1.5	-4.8%	0.0	0.0	0.0	0.0%	31.5	33.0	1.5	-4.8%	0.0%	0.0%
Integrity Commissioner's Office	3.0	3.0	0.0	0.0%	0.0	0.0	0.0	0.0%	3.0	3.0	0.0	0.0%	0.0%	0.0%
Lobbyist Registrar's Office	8.3	7.0	(1.3)	15.2%	0.0	0.0	0.0	0.0%	8.3	7.0	(1.3)	15.2%	0.0%	15.2%
Ombudsman's Office	12.0	12.0	0.0	0.0%	0.0	0.0	0.0	0.0%	12.0	12.0	0.0	0.0%	0.0%	0.0%
<b>Sub-Total Accountability Offices</b>	<b>54.8</b>	<b>55.0</b>	<b>0.3</b>	<b>-0.5%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>	<b>54.8</b>	<b>55.0</b>	<b>0.3</b>	<b>-0.5%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>22,767.0</b>	<b>21,554.4</b>	<b>(1,212.6)</b>	<b>5.3%</b>	<b>1,093.3</b>	<b>861.8</b>	<b>(231.5)</b>	<b>21.2%</b>	<b>23,860.3</b>	<b>22,416.2</b>	<b>(1,444.1)</b>	<b>6.1%</b>	<b>2.5%</b>	<b>2.8%</b>
<b>Agencies</b>														
Toronto Public Health	1,845.9	1,718.0	(127.8)	6.9%	21.1	20.0	(1.1)	5.3%	1,867.0	1,738.0	(129.0)	6.9%	5.1%	1.9%
Toronto Public Library	1,736.0	1,681.0	(55.0)	3.2%	5.0	5.0	0.0	0.0%	1,741.0	1,686.0	(55.0)	3.2%	2.7%	0.5%
Association of Community Centres	77.9	77.9	0.0	0.0%	0.0	0.0	0.0	0.0%	77.9	77.9	0.0	0.0%	0.0%	0.0%
Exhibition Place	356.0	356.0	0.0	0.0%	5.0	5.0	0.0	0.0%	361.0	361.0	0.0	0.0%	0.6%	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	172.9	154.4	(18.5)	10.7%	0.0	0.0	0.0	0.0%	172.9	154.4	(18.5)	10.7%	0.0%	10.7%
Toronto Zoo	394.0	376.0	(18.0)	4.6%	0.0	0.0	0.0	0.0%	394.0	376.0	(18.0)	4.6%	2.3%	2.3%
Arena Boards of Management	67.7	67.7	0.0	0.0%	0.0	0.0	0.0	0.0%	67.7	67.7	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%
Toronto & Region Conservation Authority	419.6	419.6	0.0	0.0%	0.0	0.0	0.0	0.0%	419.6	419.6	0.0	0.0%	0.0%	0.0%
Toronto Transit Commission - Conventional	12,247.0	11,895.0	(352.0)	2.9%	2,229.0	1,793.0	(436.0)	19.6%	14,476.0	13,688.0	(788.0)	5.4%	1.2%	1.7%
Toronto Transit Commission - Wheel Trans	581.0	551.0	(30.0)	5.2%	0.0	0.0	0.0	0.0%	581.0	551.0	(30.0)	5.2%	0.9%	4.3%
Toronto Police Service	7,881.0	7,417.0	(464.0)	5.9%	0.0	0.0	0.0	0.0%	7,881.0	7,417.0	(464.0)	5.9%	3.8%	2.1%
Toronto Police Services Board	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%
<b>TOTAL - AGENCIES</b>	<b>25,379.9</b>	<b>24,314.5</b>	<b>(1,065.4)</b>	<b>4.2%</b>	<b>2,260.1</b>	<b>1,823.0</b>	<b>(437.1)</b>	<b>19.3%</b>	<b>27,640.0</b>	<b>26,137.5</b>	<b>(1,502.5)</b>	<b>5.4%</b>	<b>2.5%</b>	<b>1.7%</b>
<b>Corporate Accounts</b>														
Parking Tag Enforcement & Oper.	394.0	382.0	(12.0)	3.0%	0.0	0.0	0.0	0.0%	394.0	382.0	(12.0)	3.0%	0.0%	3.0%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>394.0</b>	<b>382.0</b>	<b>(12.0)</b>	<b>3.0%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>	<b>394.0</b>	<b>382.0</b>	<b>(12.0)</b>	<b>3.0%</b>	<b>0.0%</b>	<b>3.0%</b>
<b>TOTAL LEVY OPERATIONS</b>	<b>48,540.9</b>	<b>46,250.9</b>	<b>(2,289.9)</b>	<b>4.7%</b>	<b>3,353.5</b>	<b>2,684.8</b>	<b>(668.7)</b>	<b>19.9%</b>	<b>51,894.3</b>	<b>48,935.7</b>	<b>(2,958.6)</b>	<b>5.7%</b>	<b>2.5%</b>	<b>2.3%</b>
<b>Non Levy Operations</b>														
Solid Waste Management Services	1,065.7	975.7	(90.0)	8.4%	43.0	30.0	(13.0)	30.2%	1,108.7	1,005.7	(103.0)	9.3%	3.8%	4.7%
Toronto Parking Authority	302.4	297.0	(5.4)	1.8%	0.0	0.0	0.0	0.0%	302.4	297.0	(5.4)	1.8%	0.0%	1.8%
Toronto Water	1,710.3	1,565.3	(145.0)	8.5%	46.4	46.4	0.0	0.0%	1,756.7	1,611.7	(145.0)	8.3%	2.9%	5.6%
<b>TOTAL NON LEVY OPERATIONS</b>	<b>3,078.4</b>	<b>2,838.0</b>	<b>(240.4)</b>	<b>7.8%</b>	<b>89.4</b>	<b>76.4</b>	<b>(13.0)</b>	<b>14.5%</b>	<b>3,167.8</b>	<b>2,914.4</b>	<b>(253.4)</b>	<b>8.0%</b>	<b>3.1%</b>	<b>4.7%</b>
<b>GRAND TOTAL</b>	<b>51,619.3</b>	<b>49,089.0</b>	<b>(2,530.3)</b>	<b>4.9%</b>	<b>3,442.8</b>	<b>2,761.1</b>	<b>(681.7)</b>	<b>19.8%</b>	<b>55,062.1</b>	<b>51,850.1</b>	<b>(3,212.0)</b>	<b>5.8%</b>	<b>2.5%</b>	<b>2.4%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
 Ended June 30th, 2016

Appendix E

**CITY OF TORONTO  
CONSOLIDATED APPROVED COMPLEMENT  
PROJECTIONS TO 2016 YEAR-END**

Program/Agency	Operating Positions				Capital Positions				Total Positions				Operating Vacancy	
	Approved Complement	Strength	Over / (Under)	%	Approved Complement	Strength	Over / (Under)	%	Approved Complement	Strength	Over / (Under)	%	Budgeted Gapping	After Gapping
<b>Citizen Centred Services "A"</b>														
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%	1.8%	0.0%
Children's Services	977.9	977.9	0.0	0.0%	13.0	13.0	0.0	0.0%	990.9	990.9	0.0	0.0%	0.5%	0.0%
Court Services	282.0	228.0	(54.0)	19.1%	0.0	0.0	0.0	0.0%	282.0	228.0	(54.0)	19.1%	15.6%	3.6%
Economic Development & Culture	313.5	313.5	0.0	0.0%	10.0	10.0	0.0	0.0%	323.5	323.5	0.0	0.0%	3.0%	0.0%
Toronto Paramedic Services	1,444.8	1,427.5	(17.3)	1.2%	0.5	0.5	0.0	0.0%	1,445.3	1,428.0	(17.3)	1.2%	1.9%	0.0%
Long Term Care Homes & Services	2,372.0	2,372.0	0.0	0.0%	0.0	0.0	0.0	0.0%	2,372.0	2,372.0	0.0	0.0%	0.0%	0.0%
Parks, Forestry & Recreation	4,521.9	4,395.0	(126.8)	2.8%	97.3	87.2	(10.1)	10.4%	4,619.2	4,482.2	(137.0)	3.0%	2.2%	0.6%
Shelter, Support & Housing Administration	756.2	728.2	(28.0)	3.7%	1.0	1.0	0.0	0.0%	757.2	729.2	(28.0)	3.7%	3.7%	0.0%
Social Development, Finance & Administration	141.5	141.5	0.0	0.0%	0.0	0.0	0.0	0.0%	141.5	141.5	0.0	0.0%	3.2%	0.0%
Toronto Employment & Social Services	2,120.0	2,063.0	(57.0)	2.7%	0.0	0.0	0.0	0.0%	2,120.0	2,063.0	(57.0)	2.7%	1.6%	1.1%
<b>Sub-Total Citizen Centred Services "A"</b>	<b>12,948.7</b>	<b>12,665.6</b>	<b>(283.2)</b>	<b>2.2%</b>	<b>121.8</b>	<b>111.7</b>	<b>(10.1)</b>	<b>8.3%</b>	<b>13,070.5</b>	<b>12,777.2</b>	<b>(293.3)</b>	<b>2.2%</b>	<b>1.9%</b>	<b>0.3%</b>
<b>Citizen Centred Services "B"</b>														
City Planning Division	367.0	353.0	(14.0)	3.8%	5.0	5.0	0.0	0.0%	372.0	358.0	(14.0)	3.8%	3.9%	0.0%
Fire Services	3,167.3	3,158.3	(9.0)	0.3%	1.0	1.0	0.0	0.0%	3,168.3	3,159.3	(9.0)	0.3%	2.0%	0.0%
Municipal Licensing & Standards	470.0	459.0	(11.0)	2.3%	3.0	3.0	0.0	0.0%	473.0	462.0	(11.0)	2.3%	2.3%	0.1%
Police, Planning, Finance and Administration	196.4	188.4	(8.0)	4.1%	0.0	0.0	0.0	0.0%	196.4	188.4	(8.0)	4.1%	4.0%	0.0%
Engineering and Construction Services	131.9	123.2	(8.7)	6.6%	434.2	392.9	(41.3)	9.5%	566.1	516.1	(50.0)	8.8%	4.2%	2.4%
Toronto Building	450.0	437.0	(13.0)	2.9%	6.0	6.0	0.0	0.0%	456.0	443.0	(13.0)	2.9%	2.9%	0.0%
Transportation Services	1,026.8	935.3	(91.5)	8.9%	96.2	87.7	(8.6)	8.9%	1,123.0	1,022.9	(100.1)	8.9%	6.3%	2.6%
<b>Sub-Total Citizen Centred Services "B"</b>	<b>5,809.4</b>	<b>5,654.2</b>	<b>(155.2)</b>	<b>2.7%</b>	<b>545.4</b>	<b>495.6</b>	<b>(49.9)</b>	<b>9.1%</b>	<b>6,354.8</b>	<b>6,149.7</b>	<b>(205.1)</b>	<b>3.2%</b>	<b>3.1%</b>	<b>0.0%</b>
<b>Internal Services</b>														
Office of the Chief Financial Officer	103.0	97.0	(6.0)	5.8%	12.0	9.0	(3.0)	25.0%	115.0	106.0	(9.0)	7.8%	1.9%	3.9%
Office of the Treasurer	660.2	639.2	(21.0)	3.2%	44.0	40.0	(4.0)	9.1%	704.2	679.2	(25.0)	3.6%	2.8%	0.4%
Facilities, Real Estate, Environment & Energy	938.5	899.2	(39.3)	4.2%	88.0	81.0	(7.0)	8.0%	1,026.5	980.2	(46.3)	4.5%	3.7%	0.5%
Fleet Services	176.0	170.0	(6.0)	3.4%	8.0	8.0	0.0	0.0%	184.0	178.0	(6.0)	3.3%	3.0%	0.4%
Information & Technology	618.0	585.0	(33.0)	5.3%	231.0	185.0	(46.0)	19.9%	849.0	770.0	(79.0)	9.3%	3.8%	1.6%
311 Toronto	164.0	160.0	(4.0)	2.4%	21.3	17.8	(3.5)	16.5%	185.3	177.8	(7.5)	4.0%	2.4%	0.0%
<b>Sub-Total Internal Services</b>	<b>2,659.7</b>	<b>2,550.4</b>	<b>(109.3)</b>	<b>4.1%</b>	<b>404.3</b>	<b>340.8</b>	<b>(63.5)</b>	<b>15.7%</b>	<b>3,064.0</b>	<b>2,891.2</b>	<b>(172.8)</b>	<b>5.6%</b>	<b>3.3%</b>	<b>0.8%</b>
<b>City Manager</b>														
City Manager's Office	411.0	404.0	(7.0)	1.7%	17.0	14.0	(3.0)	17.6%	428.0	418.0	(10.0)	2.3%	5.2%	0.0%
<b>Sub-Total City Manager</b>	<b>411.0</b>	<b>404.0</b>	<b>(7.0)</b>	<b>1.7%</b>	<b>17.0</b>	<b>14.0</b>	<b>(3.0)</b>	<b>17.6%</b>	<b>428.0</b>	<b>418.0</b>	<b>(10.0)</b>	<b>2.3%</b>	<b>5.2%</b>	<b>0.0%</b>
<b>Other City Programs</b>														
City Clerk's Office	403.0	386.0	(17.0)	4.2%	10.9	10.9	0.0	0.0%	413.9	396.9	(17.0)	4.1%	5.1%	0.0%
Legal Services	306.4	300.4	(6.0)	2.0%	0.0	0.0	0.0	0.0%	306.4	300.4	(6.0)	2.0%	2.6%	0.0%
Mayor's Office	20.0	19.0	(1.0)	5.0%	0.0	0.0	0.0	0.0%	20.0	19.0	(1.0)	5.0%	0.0%	5.0%
City Council	180.0	180.0	0.0	0.0%	0.0	0.0	0.0	0.0%	180.0	180.0	0.0	0.0%	2.9%	0.0%
<b>Sub-Total Other City Programs</b>	<b>909.4</b>	<b>885.4</b>	<b>(24.0)</b>	<b>2.6%</b>	<b>10.9</b>	<b>10.9</b>	<b>0.0</b>	<b>0.0%</b>	<b>920.3</b>	<b>896.3</b>	<b>(24.0)</b>	<b>2.6%</b>	<b>3.2%</b>	<b>0.0%</b>
<b>Accountability Offices</b>														
Auditor General's Office	31.5	32.0	0.5	-1.6%	0.0	0.0	0.0	0.0%	31.5	32.0	0.5	-1.6%	0.0%	0.0%
Integrity Commissioner's Office	3.0	3.0	0.0	0.0%	0.0	0.0	0.0	0.0%	3.0	3.0	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	12.0	14.0	2.0	-16.7%	0.0	0.0	0.0	0.0%	12.0	14.0	2.0	-16.7%	0.0%	0.0%
<b>Sub-Total Accountability Offices</b>	<b>54.8</b>	<b>57.0</b>	<b>2.3</b>	<b>-4.1%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>	<b>54.8</b>	<b>57.0</b>	<b>2.3</b>	<b>-4.1%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>22,793.0</b>	<b>22,216.6</b>	<b>(576.4)</b>	<b>2.5%</b>	<b>1,099.3</b>	<b>972.8</b>	<b>(126.5)</b>	<b>11.5%</b>	<b>23,892.3</b>	<b>23,189.4</b>	<b>(702.9)</b>	<b>2.9%</b>	<b>2.5%</b>	<b>0.0%</b>
<b>Agencies</b>														
Toronto Public Health	1,845.9	1,738.0	(107.8)	5.8%	21.1	20.0	(1.1)	5.3%	1,867.0	1,758.0	(109.0)	5.8%	5.1%	0.8%
Toronto Public Library	1,736.0	1,687.0	(49.0)	2.8%	5.0	5.0	0.0	0.0%	1,741.0	1,692.0	(49.0)	2.8%	2.7%	0.1%
Association of Community Centres	77.9	77.9	0.0	0.0%	0.0	0.0	0.0	0.0%	77.9	77.9	0.0	0.0%	0.0%	0.0%
Exhibition Place	356.0	356.0	0.0	0.0%	5.0	5.0	0.0	0.0%	361.0	361.0	0.0	0.0%	0.6%	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	172.9	170.9	(2.0)	1.2%	0.0	0.0	0.0	0.0%	172.9	170.9	(2.0)	1.2%	0.0%	1.2%
Toronto Zoo	394.0	388.0	(6.0)	1.5%	0.0	0.0	0.0	0.0%	394.0	388.0	(6.0)	1.5%	2.3%	0.0%
Arena Boards of Management	67.7	67.7	0.0	0.0%	0.0	0.0	0.0	0.0%	67.7	67.7	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%
Toronto & Region Conservation Authority	419.6	419.6	0.0	0.0%	0.0	0.0	0.0	0.0%	419.6	419.6	0.0	0.0%	0.0%	0.0%
Toronto Transit Commission - Conventional	11,870.0	11,818.0	(52.0)	0.4%	2,105.0	2,079.0	(26.0)	1.2%	13,975.0	13,897.0	(78.0)	0.6%	1.2%	0.0%
Toronto Transit Commission - Wheel Trans	565.0	565.0	0.0	0.0%	0.0	0.0	0.0	0.0%	565.0	565.0	0.0	0.0%	0.9%	0.0%
Toronto Police Service	7,881.0	7,328.0	(553.0)	7.0%	0.0	0.0	0.0	0.0%	7,881.0	7,328.0	(553.0)	7.0%	3.8%	3.2%
Toronto Police Services Board	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%
<b>TOTAL - AGENCIES</b>	<b>24,986.9</b>	<b>24,217.1</b>	<b>(769.9)</b>	<b>3.1%</b>	<b>2,136.1</b>	<b>2,109.0</b>	<b>(27.1)</b>	<b>1.3%</b>	<b>27,123.1</b>	<b>26,326.1</b>	<b>(797.0)</b>	<b>2.9%</b>	<b>2.5%</b>	<b>0.6%</b>
<b>Corporate Accounts</b>														
Parking Tag Enforcement & Oper.	394.0	372.0	(22.0)	5.6%	0.0	0.0	0.0	0.0%	394.0	372.0	(22.0)	5.6%	0.0%	5.6%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>394.0</b>	<b>372.0</b>	<b>(22.0)</b>	<b>5.6%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>	<b>394.0</b>	<b>372.0</b>	<b>(22.0)</b>	<b>5.6%</b>	<b>0.0%</b>	<b>5.6%</b>
<b>TOTAL LEVY OPERATIONS</b>	<b>48,173.9</b>	<b>46,805.6</b>	<b>(1,368.3)</b>	<b>2.8%</b>	<b>3,235.5</b>	<b>3,081.8</b>	<b>(153.6)</b>	<b>4.7%</b>	<b>51,409.3</b>	<b>49,887.4</b>	<b>(1,521.9)</b>	<b>3.0%</b>	<b>2.5%</b>	<b>0.4%</b>
<b>Non Levy Operations</b>														
Solid Waste Management Services	1,065.7	993.7	(72.0)	6.8%	43.0	38.0	(5.0)	11.6%	1,108.7	1,031.7	(77.0)	6.9%	3.8%	3.0%
Toronto Parking Authority	302.4	302.4	0.0	0.0%	0.0	0.0	0.0	0.0%	302.4	302.4	0.0	0.0%	0.0%	0.0%
Toronto Water	1,710.3	1,578.3	(132.0)	7.7%	46.4	46.4	0.0	0.0%	1,756.7	1,624.7	(132.0)	7.5%	2.9%	4.8%
<b>TOTAL NON LEVY OPERATIONS</b>	<b>3,078.4</b>	<b>2,874.4</b>	<b>(204.0)</b>	<b>6.6%</b>	<b>89.4</b>	<b>84.4</b>	<b>(5.0)</b>	<b>5.6%</b>	<b>3,167.8</b>	<b>2,958.8</b>	<b>(209.0)</b>	<b>6.6%</b>	<b>3.1%</b>	<b>3.6%</b>
<b>GRAND TOTAL</b>	<b>51,252.3</b>	<b>49,680.0</b>	<b>(1,572.3)</b>	<b>3.1%</b>	<b>3,324.8</b>	<b>3,166.2</b>	<b>(158.6)</b>	<b>4.8%</b>	<b>54,577.1</b>	<b>52,846.2</b>	<b>(1,730.9)</b>	<b>3.2%</b>	<b>2.5%</b>	<b>0.6%</b>

Staff report for action on Operating Variance Report for the Six Month Period  
Ended June 30th, 2016

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2016  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Citizen Centred Services "A"</b>				
<b>Children's Services</b>				
The budget adjustment will amend the 2016 Approved Budget for Children's Services to reflect the recovery of additional 2016 COLA from Non-Program as Children's Service will not be receiving additional Provincial funding to offset the 2016 COLA increase.	0.0	(608.6)	608.6	0.0
<b>Total Children's Services</b>	<b>0.0</b>	<b>(608.6)</b>	<b>608.6</b>	<b>0.0</b>
<b>Court Services</b>				
This adjustment will transfer the inter-divisional cost and recovery (IDC/IDR) between Court Services and Facilities, Real Estate, Environment and Energy (FREEE) originally set up for providing building maintenance, custodial and security services in City-owned facilities due to the implementation of the Facilities Transformation Project (FTP).	(1,568.5)	0.0	(1,568.5)	0.0
<b>Total Court Services</b>	<b>(1,568.5)</b>	<b>0.0</b>	<b>(1,568.5)</b>	<b>0.0</b>
<b>Parks, Forestry &amp; Recreation</b>				
To increase Parks, Forestry & Recreation 2016 Approved Operating Budget by \$0.024 million gross, fully funded from recoveries from capital, in order to realign resources to meet the capital delivery needs of the Enterprise Work Management System (eWMS) project.	20.4	20.4	0.0	0.0
To decrease Parks, Forestry & Recreation 2016 Approved Operating Budget by \$0.051 million gross, and the corresponding reserve withdrawal from the Eglinton Flats Tennis Facility Maintenance Reserve Fund (XR3204), for a net zero impact to recognize the completion of work in 2015 and reverse the 2016 budget no longer required.	(51.0)	(51.0)	0.0	0.0
To increase the Parks, Forestry, & Recreation gross operating expenditure by \$0.072 million to reflect the increase of interdivisional recovery (IDR) to Fleet Services due to the reallocation of 2016 COLA and discretionary expenditure cut from Non-Program.	71.5	0.0	71.5	0.0
<b>Total Parks, Forestry &amp; Recreation</b>	<b>40.9</b>	<b>(30.6)</b>	<b>71.5</b>	<b>0.0</b>
<b>Shelter, Support &amp; Housing Administration</b>				
This budget adjustment will increase the 2016 Approved Staff Complement for SDFR by 4 temporary positions. The funding is provided from the Social Housing Stabilization Reserve Fund XQ1106 to establish a Project Management Office (PMO).	217.8	217.8	0.0	0.0
<b>Total Shelter, Support &amp; Housing Administration</b>	<b>217.8</b>	<b>217.8</b>	<b>0.0</b>	<b>0.0</b>

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2016  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Social Development, Finance &amp; Administration</b>				
To increase Shelter, Support and Housing Administration 2016 Approved Operating Budget by \$0.218 million gross and \$0 net, in order to fund Project Management Office (PMO) in SDFA. The corresponding recovery for a net \$0 change will be drawn from Social Housing Stabilization Reserve Fund XQ1106.	217.8	217.8	(0.0)	4.0
To increase the 2016 Approved Operating Budget by \$0.082 million gross, \$0 net and increase 2016 Approved Staff Complement for SDFA by 2 temporary positions. The funding is provided from TESS (\$0.049 million) and Toronto Public Health (\$0.033 million) to establish a Toronto Poverty Reduction Strategy Office (PRSO).	82.4	82.4	0.0	2.0
The budget adjustment will increase the 2016 Approved Operating Budget for SDFA by \$0.047 million gross, \$0 net and will add 1 temporary position. The funding is provided by Shelter, Support and Housing Administration to implement the development of the Rockcliff-Smythe/Junction Strategy.	47.0	47.0	0.0	1.0
<b>Total Social Development, Finance &amp; Administration</b>	<b>347.1</b>	<b>347.1</b>	<b>(0.0)</b>	<b>7.0</b>
<b>Toronto Paramedic Services</b>				
The budget adjustment will increase the 2016 Approved Budget by \$0.050 million gross, \$0 net and the 2016 Approved Staff Complement for TPS by 2 temporary Superintendent Education and Development positions required from 2016 to 2018, with funding from Toronto Employment and Social Services (TESS) for course preparation for the Primary Care Paramedic Course for underprivileged students.	50.0	50.0	0.0	2.0
The adjustment will change the 2016 Approved Staff Complement with no net impact by converting 2 Paramedic Level 3 positions from temporary to permanent for the TTC Medics Program which was set up as a pilot project in 2008 and has since become part of Toronto Paramedic Services' base service delivery.	0.0	0.0	0.0	0.0
The budget adjustment will increase the 2016 Approved Budget by \$0.094 million gross, \$0 net and the 2016 Approved Staff Complement by 1 temporary Application and Technology Support Specialist position fully funded by the Province to continue the development of the Community Access Notification (CAN) System.	93.8	93.8	0.0	1.0
The budget adjustment will decrease the 2016 Approved Budget by \$0.002 million gross, fully offset by the reduction in revenues, for a net zero impact to reflect the reallocation of 5 positions from Safe City and Communications Program into Equipment Retrieval Program to better address operational growth.	(1.8)	(1.8)	0.0	0.0
<b>Total Toronto Paramedic Services</b>	<b>142.0</b>	<b>142.0</b>	<b>0.0</b>	<b>3.0</b>
<b>Total Citizen Centred Services "A"</b>	<b>(820.7)</b>	<b>67.7</b>	<b>(888.4)</b>	<b>10.0</b>

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2016  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Citizen Centred Services "B"</b>				
<b>Municipal Licensing &amp; Standards</b>				
The agreement between ML&S and FREEE is to transfer facilities management and security related operating budgets and eliminate the associated inter-divisional cost and recovery (IDC/IDR) between ML&S and Facilities Management (FM) for building maintenance, custodial, utilities and security services. The result is a total financial impact of \$1.328 gross and net decrease to the 2016 Approved Operating Budget for ML&S.	(1,327.6)	0.0	(1,327.6)	0.0
<b>Total Municipal Licensing &amp; Standards</b>	<b>(1,327.6)</b>	<b>0.0</b>	<b>(1,327.6)</b>	<b>0.0</b>
<b>Transportation Services</b>				
To increase the Transportation Services gross operating expenditure by \$0.100 million to reflect the increase of interdivisional recovery (IDR) from Fleet Services due to the reallocation of 2016 COLA and discretionary expenditure cut from Non-Program.	99.7	0.0	99.7	0.0
<b>Total Transportation Services</b>	<b>99.7</b>	<b>0.0</b>	<b>99.7</b>	<b>0.0</b>
<b>Total Citizen Centred Services "B"</b>	<b>(1,227.9)</b>	<b>0.0</b>	<b>(1,227.9)</b>	<b>0.0</b>
<b>Internal Services</b>				
<b>Facilities, Real Estate, Environment &amp; Energy</b>				
A budget adjustment is required to transfer the inter-divisional cost and recovery (IDC/IDR) between Municipal Licensing and Standards (MLS) and Facilities, Real Estate, Environment & Energy (FREEE) relating to the provision of building maintenance, custodial energy management and security services to City-owned facilities of MLS, due to the implementation of the Facilities Transformation Project (FTP).	0.0	(1,327.6)	1,327.6	0.0
A budget adjustment is required to eliminate the inter-divisional cost and recovery (IDC/IDR) between Court Services and Facilities, Real Estate, Environment & Energy (FREEE) relating to the provision of building maintenance, custodial and security services to City-owned facilities utilized by Court Services, due to the implementation of the Facilities Transformation Project (FTP).	0.0	(1,568.5)	1,568.5	0.0
<b>Total Facilities, Real Estate, Environment &amp; Energy</b>	<b>0.0</b>	<b>(2,896.1)</b>	<b>2,896.1</b>	<b>0.0</b>

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2016  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Fleet Services</b>				
To recover 2016 COLA from Transportation Services, and Parks, Forestry and Recreation.	0.0	191.5	(191.5)	0.0
To reallocate savings to Transportation Services resulting from the 2016 discretionary expenditure cuts in Fleet Services.	0.0	(20.3)	20.3	0.0
To provide funding for 10.0 temporary positions due to operational impacts and costs associated with maintaining the aging fleet to continue to meet current service levels for Solid Waste Management Operations.	302.1	302.1	0.0	10.0
<b>Total Fleet Services</b>	<b>302.1</b>	<b>473.3</b>	<b>(171.2)</b>	<b>10.0</b>
<b>Total Internal Services</b>	<b>302.1</b>	<b>(2,422.8)</b>	<b>2,724.9</b>	<b>10.0</b>
<b>City Manager's Office</b>				
To increase the 2016 City Manager's Office gross expenditure budget by \$0.192 million, fully funded from the unspent / carried forward funding from the Innovation Reserve Fund, for a net zero impact to continue the Ward Boundary Review.	191.6	191.6	0.0	0.0
<b>Total City Manager's Office</b>	<b>191.6</b>	<b>191.6</b>	<b>0.0</b>	<b>0.0</b>
<b>Total City Programs</b>	<b>(1,554.9)</b>	<b>(2,163.5)</b>	<b>608.6</b>	<b>20.0</b>
<b>Agencies</b>				
<b>Association of Community Centres</b>				
COLA transferred from Non-Program.	87.8	0.0	87.8	0.0
<b>Total Association of Community Centres</b>	<b>87.8</b>	<b>0.0</b>	<b>87.8</b>	<b>0.0</b>
<b>Toronto Police Service</b>				
COLA transferred from Non-Program.	1,279.4	0.0	1,279.4	0.0
<b>Total Toronto Police Service</b>	<b>1,279.4</b>	<b>0.0</b>	<b>1,279.4</b>	<b>0.0</b>
<b>Toronto Police Services Board</b>				
COLA transferred from Non-Program.	39.0	0.0	39.0	0.0
<b>Total Toronto Police Services Board</b>	<b>39.0</b>	<b>0.0</b>	<b>39.0</b>	<b>0.0</b>



**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2016  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Toronto Public Health</b>				
The adjustment will change the 2016 Approved Staff Complement for TPH with no net impact by moving 2 Public Health Nurse positions from Foundational Standard, Chronic Diseases and Injuries and Family Health Service to Environmental Health Service to better align with the Provincial financial reporting structure.	0.0	0.0	0.0	0.0
Decrease the 2016 Approved Staff Complement of TPH with no net impact by deleting 2.6 positions (1 Supervisor and 1.6 Registered Public Nurse) and adding 2 positions (1 Quality Improvement Specialist and 1 Associate Director PH) to the Vaccine Preventable Disease program in the Communicable Disease Control directorate to enhance the services provided to child care centres and support the increased complexity and diversity of data systems used in the Immunization Information Centre to meet the requirements set by the Ontario Public Health Standards and the Immunization of School Pupils Act.	0.0	0.0	0.0	(0.6)
Adjustment required to transfer 1 Support Assistant B position from Chronic Diseases and Injuries Service to Foundational Standard Service to better align the positions with Managers in the same functional area with no net impact.	0.0	0.0	0.0	0.0
Adjustment to decrease the 2016 Approved Staff Complement by deleting 4 positions (3.0 FTEs) - 1 Support Assistant B, 1 (0.45 FTE) Support Assistant B and 1 (0.55 FTE) Family Home Visitor in Family Health and 1 System Integrator in Infectious Diseases, 100% funded by the Province necessary to offset salary and benefits pressures due to the lack of increased funding from the Province.	0.0	0.0	0.0	(3.0)
Adjustment to decrease the 2016 Approved Staff Complement by 7 temporary Dental and Oral Health positions which have expired with no net impact.	0.0	0.0	0.0	(1.1)
Adjustment to decrease the 2016 Approved Staff Complement by 2 temporary capital positions positions which have expired with no net impact	0.0	0.0	0.0	(0.5)
<b>Total Toronto Public Health</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(5.2)</b>
<b>Toronto Public Library</b>				
COLA transferred from Non-Program	178.3	0.0	178.3	0.0
<b>Total Toronto Public Library</b>	<b>178.3</b>	<b>0.0</b>	<b>178.3</b>	<b>0.0</b>

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2016  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Toronto &amp; Region Conservation Authority</b>				
To increase the Toronto and Region Conservation Authority (TRCA) gross operating expenditures by \$2.594 million and 7 permanent positions, fully funded by a corresponding increase in fees revenue and provincial subsidy, for a net zero impact to reflect the decision from Authority Meeting #2/16 on April 1st, 2016.	2,593.7	2,593.7	0.0	7.0
<b>Total Toronto &amp; Region Conservation Authority</b>	<b>2,593.7</b>	<b>2,593.7</b>	<b>0.0</b>	<b>7.0</b>
<b>Total Agencies</b>	<b>4,178.1</b>	<b>2,593.7</b>	<b>1,584.4</b>	<b>1.8</b>
<b>Corporate Accounts</b>				
<b>Other Corporate Expenditures</b>				
COLA transferred to Toronto Police Services and Toronto Police Service Board.	(1,318.4)	0.0	(1,318.4)	0.0
COLA transferred to the Parking Tags and Enforcement Unit	(8.6)	0.0	(8.6)	0.0
Budget adjustment to reverse the transfer of \$0.609 million in revenues from Non-Program to Children's Services approved by Council as part of the Q1 Operating Variance Report. \$0.609 million in revenue was transferred from Non-Program to Children's Services with the assumption that COLA costs would be partially offset by Provincial revenues. It is confirmed that Children's Service will not be receiving additional Provincial funding.	0.0	608.6	(608.6)	0.0
COLA transferred to Association of Community Centres	(87.8)		(87.8)	0.0
COLA transferred to Toronto Public Library	(178.3)		(178.3)	0.0
To reallocate budgets (\$1.175 million) within Non-Program to fund the Office of the Chief Transformation Officer (OCTO) on a full annual basis. The funds being reallocated come from the City's Non-Program Budget (\$262,000 unused pilot program to fund employee accommodation costs across divisions arising from the implementation of service efficiency initiatives coming out of the Core Service Review process and \$913,000 unused salary provision budget). As a result of the reallocation, there is no gross or net impact on the City's total budget.	0.0	0.0	0.0	3.0
<b>Total Other Corporate Expenditures</b>	<b>(1,593.0)</b>	<b>608.6</b>	<b>(2,201.6)</b>	<b>3.0</b>
<b>Parking Tag Enforcement &amp; Operations</b>				
COLA transferred to the Parking Tags and Enforcement Unit	8.6	0.0	8.6	0.0
<b>Total Parking Tag Enforcement &amp; Operations</b>	<b>8.6</b>	<b>0.0</b>	<b>8.6</b>	<b>0.0</b>
<b>Total Corporate Accounts</b>	<b>(1,584.4)</b>	<b>608.6</b>	<b>(2,193.0)</b>	<b>3.0</b>
<b>Total Tax Supported Operations</b>	<b>1,038.8</b>	<b>1,038.8</b>	<b>0.0</b>	<b>24.8</b>

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2016  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
<b>Solid Waste Management Services</b>				
At its meeting in April 2016, Executive Committee requested to defer the purchase of any new waste collection vehicles. This results in increased operational impacts and costs associated with maintaining the aging fleet to continue to meet current service levels. Funding for 10 temporary positions (9 mechanics, 1 supervisor) and parts management are being requested by Fleet Services to be added in 2016 for a 2 year period. The cost of \$0.302 million reflects an increase to SWMS Interdivisional Charge from Fleet. This increase in IDC will be offset by a corresponding decrease in SWMS contribution to the Waste Management Reserve Fund.	0.0	0.0	0.0	0.0
<b>Total Solid Waste Management Services</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Toronto Water</b>				
To increase Toronto Water 2016 Approved Operating Budget by \$0.234 million gross and \$0 net, to reflect the 2016 salary and other cost increases, and the addition of two temporary full time positions for increasing technical support for Metrolinx projects. These expenses will be fully funded by Metrolinx based on the current agreement.	234.2	234.2	(0.0)	2.0
<b>Total Toronto Water</b>	<b>234.2</b>	<b>234.2</b>	<b>(0.0)</b>	<b>2.0</b>
<b>Total Non Levvy Operations</b>	<b>234.2</b>	<b>234.2</b>	<b>(0.0)</b>	<b>2.0</b>
<b>Total City Operations</b>	<b>1,273.1</b>	<b>1,273.1</b>	<b>0.0</b>	<b>26.8</b>

**Operating Variance report for the Six Month Period Ended June 30, 2016  
Operating Dashboards for City Programs and Agencies**

**Citizen Centred Services "A"**

Figure 8: Net Variance Summary

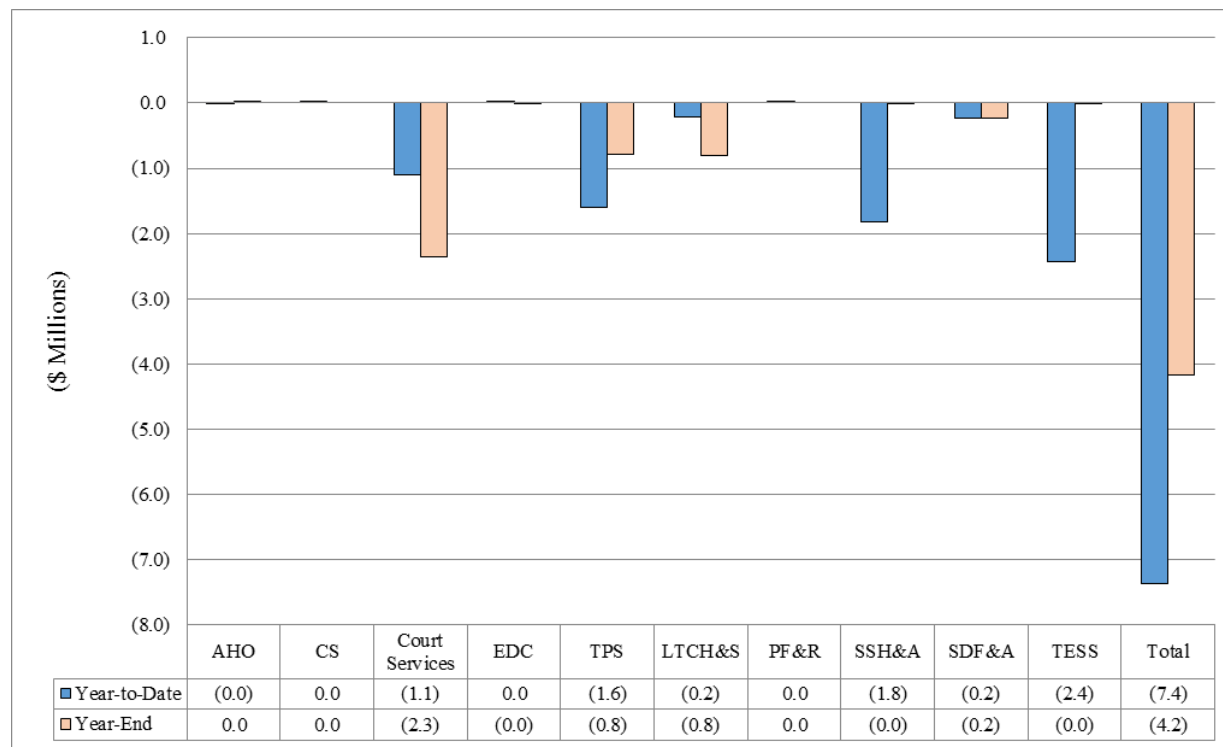


Figure 8 is illustrating **Citizen Centred Services "A"** year-to-date and year-end projected net variance. As of June 30, 2016 the cluster is reporting a net favourable variance of \$7.372 million or 1.5%, and projecting a year-end positive variance of \$4.170 million or 0.4% compared to the 2016 Approved Net Operating Budget.

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

Appendix G

Figure 9: Citizen Centred Services "A" Year-to-Date Variance and Year-End Variance Projection Summary





City Program/Agency	Quarter	Year-to-Date								Year-End Projection							
		Gross Expenditures		Revenue		Net Variance			Alert	Gross Expenditures		Revenue		Net Variance			Alert
		\$	trend	\$	trend	\$	%	trend		\$	trend	\$	trend	\$	%	trend	
Affordable Housing Office	3-Month	(0.1)	▼	(0.1)	▼	(0.0)	-0.1%	—	⊙	0.0	—	0.0	—	0.0	0.0%	—	⊙
	6-Month	(0.2)	▼	(0.2)	▼	(0.0)	0.0%	—	⊙	0.0	—	0.0	—	0.0	0.0%	—	⊙
Children's Services	3-Month	(0.3)	▼	(0.3)	▼	0.0	0.0%	—	⊙	(0.3)	▼	(0.3)	▼	0.0	0.0%	—	⊙
	6-Month	(0.8)	▼	(0.8)	▼	0.0	0.0%	—	⊙	0.0	—	0.0	—	0.0	0.0%	—	⊙
Court Services	3-Month	(0.3)	▼	(0.1)	▼	(0.2)	-4.5%	▼	⊙	(1.0)	▼	(0.6)	▼	(0.4)	-4.3%	▼	⊙
	6-Month	(0.9)	▼	0.2	▲	(1.1)	-14.1%	▼	⊙	(2.0)	▼	0.3	▲	(2.3)	-27.4%	▼	⊙
Economic Development & Culture	3-Month	(0.4)	▼	(0.5)	▼	0.1	0.5%	▲	⊙	(0.7)	▼	(0.7)	▼	0.0	0.0%	—	⊙
	6-Month	0.0	—	0.0	—	0.0	0.0%	—	⊙	0.6	▲	0.6	▲	(0.0)	0.0%	—	⊙
Toronto Paramedic Services	3-Month	(1.0)	▼	(0.1)	▼	(0.9)	-13.2%	▼	⊙	(1.2)	▼	(0.4)	▼	(0.8)	-1.0%	▼	⊙
	6-Month	(1.4)	▼	0.2	▲	(1.6)	-4.8%	▼	⊙	(0.7)	▼	0.1	▲	(0.8)	(0.0)	▼	⊙
Long Term Care Homes and Services	3-Month	(5.4)	▼	(5.3)	▼	(0.1)	-5.8%	▼	⊙	(4.7)	▼	(4.6)	▼	(0.1)	-0.3%	▼	⊙
	6-Month	(6.9)	▼	(6.7)	▼	(0.2)	-1.8%	▼	⊙	(10.1)	▼	(9.3)	▼	(0.8)	(0.0)	▼	⊙
Parks, Forestry & Recreation	3-Month	(7.0)	▼	(6.1)	▼	(0.9)	-1.4%	▼	⊙	(2.8)	▼	(3.0)	▼	0.2	0.1%	▲	⊙
	6-Month	(4.7)	▼	(4.7)	▼	0.0	0.0%	—	⊙	(6.9)	▼	(6.9)	▼	0.0	0.0%	—	⊙
Shelter, Support & Housing Administration	3-Month	(11.0)	▼	(8.7)	▼	(2.3)	-2.8%	▼	⊙	(0.2)	▼	(0.2)	▼	0.0	0.0%	—	⊙
	6-Month	(20.3)	▼	(18.5)	▼	(1.8)	-1.1%	▼	⊙	(3.6)	▼	(3.6)	▼	(0.0)	0.0%	—	⊙
Social Development, Finance & Administration	3-Month	(2.1)	▼	(1.9)	▼	(0.2)	-3.4%	▼	⊙	(5.5)	▼	(5.5)	▼	0.0	0.0%	—	⊙
	6-Month	(6.1)	▼	(5.9)	▼	(0.2)	-1.8%	▼	⊙	(8.5)	▼	(8.3)	▼	(0.2)	-0.7%	▼	⊙
Toronto Employment & Social Services	3-Month	(28.0)	▼	(26.2)	▼	(1.8)	-6.0%	▼	⊙	(39.6)	▼	(38.4)	▼	(1.3)	-0.9%	▼	⊙
	6-Month	(32.8)	▼	(30.4)	▼	(2.4)	-3.9%	▼	⊙	(38.3)	▼	(38.3)	▼	(0.0)	0.0%	—	⊙
Total	3-Month	(55.6)	▼	(49.3)	▼	(6.3)	-1.8%	▼	⊙	(56.0)	▼	(53.6)	▼	(2.4)	-1.0%	▼	⊙
	6-Month	(74.1)	▼	(66.7)	▼	(7.4)	-1.5%	▼	⊙	(69.6)	▼	(65.4)	▼	(4.2)	-0.4%	▼	⊙
Year-to-Date Net Variance	⊙	85% to 105%	⊙	0% to 85%	⊙	>105%		Year-End	⊙	<=100%	⊙	>100%					

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

**Citizen Centred Services "A"**

<p><b>Affordable Housing Office:</b></p> <ul style="list-style-type: none"> <li>• Underspending resulted from lower than anticipated non-payroll items (meterage, professional &amp; technical services) offset by lower budgeted draws from federal-provincial administration fees and reserves.</li> <li>• 1.0 positions below approved complement which after considering budgeted gapping is equivalent to 3.4% vacancy rate.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• AHO is projecting to be on budget at year-end, which is consistent with historical spending rates as lower than planned expenditures are offset by lower than planned reserve contributions.</li> <li>• Full complement is projected.</li> </ul>	<p>G</p>
<p><b>Children's Services:</b></p> <ul style="list-style-type: none"> <li>• Minor savings in salaries and benefits, primarily resulting from vacant positions, which is offset by a lower than budgeted reserve draw.</li> <li>• 37 positions below the approved complement primarily due to delays in opening 2 TELCCCs, which after gapping is equivalent to 3.3% vacancy rate.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• Children Services is projecting to be on budget at year-end, which is consistent with historical spending rates as lower than planned expenditures are offset by lower than planned reserve contributions.</li> <li>• Full complement is projected.</li> </ul>	<p>G</p>
<p><b>Court Service:</b></p> <ul style="list-style-type: none"> <li>• Savings in salaries and benefits from vacant positions and other non-salary expenses. The over-achieved revenue is primarily due to the mix of charges filed to date by enforcement agencies resulted in a net favourable variance.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• Net favourable variance is mainly due to operational savings resulting from the lower volume of tickets filed, predominantly by TPS and over-achieved revenues due to the mix of charges filed by enforcement agencies.</li> </ul>	<p>G</p>

<ul style="list-style-type: none"> <li>60 positions below the approved complement is due to reduced staffing requirements, reflecting the lower ticket volumes, After considering budgeted gapping, complement vacancy rate is equivalent to a 5.7%.</li> </ul>		<ul style="list-style-type: none"> <li>54 positions below the approved complement due to reduced staffing requirements, reflecting lower ticket volumes. After considering budgeted gapping, the vacancy rate is equivalent to a 3.6%.</li> </ul>	
<p><b>Economic Development &amp; Culture:</b></p> <ul style="list-style-type: none"> <li>Under-spending driven by unfilled new and vacant position which is offset by unbudgeted consulting costs for "TO Core Study" and RFP on a study of film studies in Toronto.</li> </ul>	G	<ul style="list-style-type: none"> <li>A revenue increase of \$0.6 million is projected to year-end. It is projected that there will be no net variance as associated expenditures will be scaled back to correspond with available funding.</li> </ul>	G
<ul style="list-style-type: none"> <li>15.0 positions below the approved complement mainly due to the delay in hiring new positions including those approved in 2016. After considering budgeted gapping, this represents the equivalent of a 1.7% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>Full complement is projected for year-end, representing a 0% vacancy rate and planned gapping of 3.0% is expected to be achieved.</li> </ul>	
<p><b>Long Term Care Homes &amp; Services:</b></p> <ul style="list-style-type: none"> <li>Year-to-date spending is below the budget due to minor delay in the Kipling Acres Phase II project, as well as cost-control measures in areas where Provincial funding enhancements included in the Program's 2016 Approved Operating Budget have been delayed and will be available until later in the year.</li> </ul>	G	<ul style="list-style-type: none"> <li>Net favourable variance is partially as a result of minor delay in the Kipling Acres Phase II project, now scheduled to be completed in Q3 2016. And general underspending in program areas that are claims based.</li> </ul>	G
<ul style="list-style-type: none"> <li>115.6 positions below budget due to minor delay in Kipling Acres Phase II project, which after considering gapping is equivalent to 4.9% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>Full Complement</li> </ul>	

<p><b>Parks, Forestry &amp; Recreation:</b></p> <ul style="list-style-type: none"> <li>• Under-spending salaries and benefits due to delays relating to the commissioning of new recreation facilities, delayed hiring for capital projects and operating initiatives approved in the 2016 operating budget</li> <li>• Partially offset by under-achieved user fee revenue for parks permits, recreational facilities, memberships and drop-in recreational programs</li> </ul>		<ul style="list-style-type: none"> <li>• No variance is expected at year-end. The savings in salaries and benefits due to the delayed filling of positions will be fully offset by increased facility maintenance costs caused by aging infrastructure and a shortfall in permit revenues.</li> </ul>	
<ul style="list-style-type: none"> <li>• 229.2 positions below approved complement due to positions not yet required to meet programming needs and delays in filling newly created positions. After considering budgeted gapping, this represents the equivalent of a 2.4% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>• 137 positions below approved complement which after considering budgeted gapping, represents the equivalent of a 0.6% vacancy rate.</li> </ul>	
<p><b>Shelter, Support &amp; Housing Administration:</b></p> <ul style="list-style-type: none"> <li>• Lower than anticipated spending in Hostel Services, Social Housing and Housing Policy as a result of lower per diem payments to POS providers, delays in hiring for the Street-to-Homes program and implementation delays relating to Housing Allowances to outreach clients.</li> <li>• Temporary underspending in Affordable Housing office due to delays in construction projects offset by a corresponding decrease in provincial subsidy and reserve fund draws (net zero impact).</li> </ul>		<ul style="list-style-type: none"> <li>• SSHA is projecting \$3.6 million in gross expenditure savings resulting from lower than anticipated expenses in Hostel Services and hiring delays in the Social Housing Unit.</li> <li>• Anticipated gross savings will be used to mitigate the impact of 2016 reserve draws. Overall, SSHA forecasts a year end net variance of zero.</li> </ul>	
<ul style="list-style-type: none"> <li>• 46.3 positions below the approved complement, which after considering budgeted gapping is equivalent to 2.4% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>• 18.3 vacancies are expected to be filled during the year bringing the complement count to 28 below the approved complement, which after considering budgeted gapping is equivalent to 0.0% vacancy rate.</li> </ul>	



<p><b>Social Development, Finance and Administration:</b></p> <ul style="list-style-type: none"> <li>Under-expenditure in salaries and benefits is due to hiring delays as well as temporary delays in the Tower Renewal – High-Rise Retrofit Improvement Support, and Healthy Kids Community Challenge grants programs.</li> </ul>	G	<ul style="list-style-type: none"> <li>Net favourable variance is due to under-expenditure in the Tower Renewal High-Rise Retrofit Improvement Support program, as well as savings in salaries and benefits due to staff turnover and delays in hiring staff.</li> </ul>	G
<ul style="list-style-type: none"> <li>17.0 positions below the approved complement due to delayed hiring of the 9 new positions and staff turnover, which after budgeted gapping, is equivalent to 9.0% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>Full complement.</li> </ul>	
<p><b>Toronto Employment &amp; Social Services:</b></p> <ul style="list-style-type: none"> <li>Lower gross expenditures due to lower than budgeted caseload. Lower average monthly caseload with actual volumes of 83,585, 6,415 cases or 7.2% lower than planned volumes of 90,000. Underachieved revenue is due to lower cost shared expenditures.</li> </ul>	G	<ul style="list-style-type: none"> <li>Lower gross expenditures due to lower caseload driven client benefits and program delivery expenditures. Year –end average monthly caseload projection is 84,000, 6,000 cases or 6.7% lower than budget. Offset by lower expenditure based provincial subsidies and lower draw from reserves.</li> </ul>	G
<ul style="list-style-type: none"> <li>71 positions or 3.3% below the approved complement due to lower caseload, which after considering gapping is equivalent to a 1.8% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>57 positions or 2.7% below the approved complement due to lower projected caseload, which after considering gapping is equivalent to a 1.1% vacancy rate.</li> </ul>	
<p><b>Toronto Paramedic Services:</b></p> <ul style="list-style-type: none"> <li>Lower gross expenditures are primarily due to savings in salaries and benefits as the majority of paramedic hiring will occur in the second half of the year.</li> <li>Over-achieved revenues mainly due to receipt of the Land Grant funding for the 2016 cost of living allowance that has offset shortfalls in the Central Ambulance Communication Centre funding.</li> </ul>	G	<ul style="list-style-type: none"> <li>Net favourable variance due primarily to projected savings in salaries and benefits and other non-payroll items, and over-achieved revenues due to higher than expected COLA increases for Land Ambulance Provincial Grant which will partially offset the projected revenue shortfall in CACC.</li> </ul>	G

- 74.3 positions below the approved complement due to CACC vacancies to address the Provincial funding shortfall and hiring for some paramedic positions to start later in the year. After considering gapping it is equivalent to 3.3% vacancy rate.

- 17.3 positions below the approved complement which after considering gapping is equivalent to 0% vacancy rate.

**Citizen Centred Services "B"**

Figure 10: Net Variance Summary

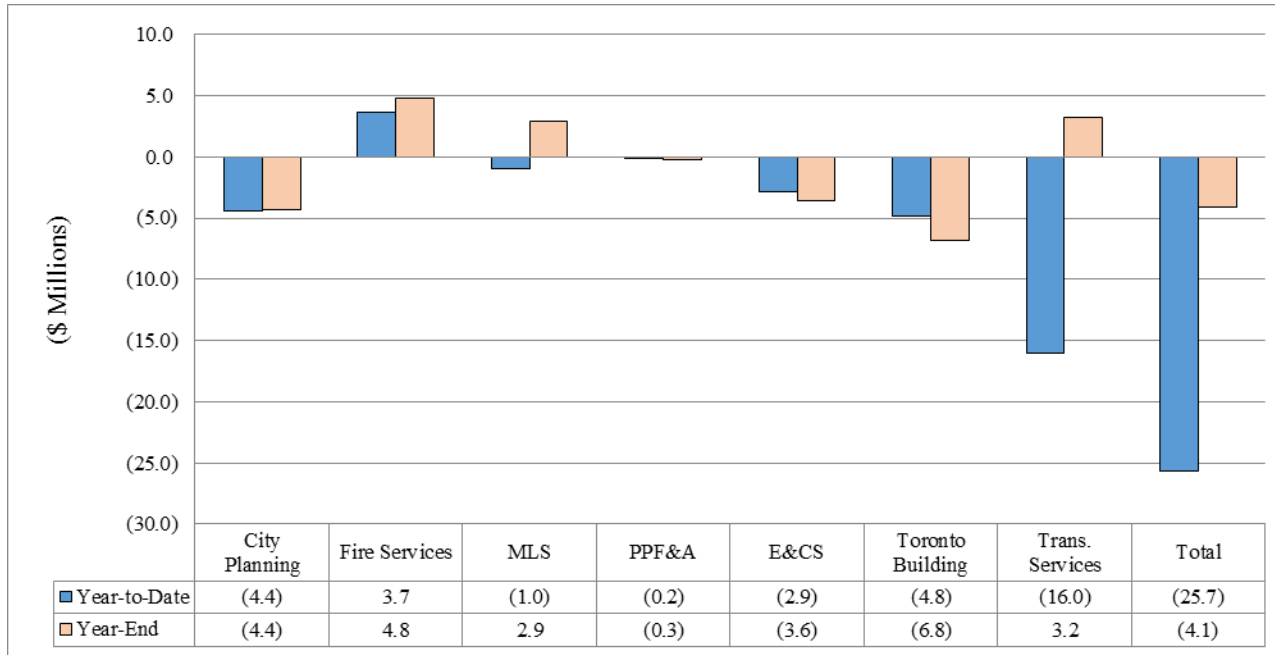


Figure 10 is illustrating **Citizen Centred Services "B"** year-to-date and year-end projected net variance. As of June 30, 2016 the cluster is reporting a net favourable variance of \$25.696 million or 7.7%, and projecting a year-end positive variance of \$4.115 million or 0.6% compared to the 2016 Approved Net Operating Budget.

Appendix G

Figure 11: Citizen Centred Services "A" Year-to-Date Variance and Year-End Variance Projection Summary





City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
City Planning	3-Month	0.0	—	2.3	▲	(2.3)	▼	⓪	0.0	—	2.6	▲	(2.6)	▼	⓪
	6-Month	(0.0)	—	4.4	▲	(4.4)	▼	⓪	0.0	—	4.4	▲	(4.4)	▼	⓪
Fire Services	3-Month	1.2	▲	(0.2)	▼	1.4	▲	⓪	3.2	▲	0.0	—	3.2	▲	Ⓜ
	6-Month	3.0	▲	(0.6)	▼	3.7	▲	⓪	4.7	▲	(0.0)	—	4.8	▲	Ⓜ
Municipal Licensing & Standards	3-Month	(0.7)	▼	(0.4)	▼	(0.3)	▼	⓪	(0.2)	▼	(1.1)	▼	0.9	▲	Ⓜ
	6-Month	(1.6)	▼	(0.6)	▼	(1.0)	▼	⓪	1.4	▲	(1.6)	▼	2.9	▲	Ⓜ
Policy, Planning, Finance and Administration	3-Month	(0.3)	▼	(0.2)	▼	(0.1)	▼	⓪	(0.4)	▼	(0.3)	▼	(0.2)	▼	⓪
	6-Month	(0.7)	▼	(0.5)	▼	(0.2)	▼	⓪	(0.6)	▼	(0.3)	▼	(0.3)	▼	⓪
Engineering and Construction Services	3-Month	(1.2)	▼	(0.3)	▼	(0.9)	▼	⓪	(4.0)	▼	(4.0)	▼	0.0	—	⓪
	6-Month	(3.5)	▼	(0.6)	▼	(2.9)	▼	⓪	(5.8)	▼	(2.2)	▼	(3.6)	▼	⓪
Toronto Building	3-Month	(0.8)	▼	1.8	▲	(2.6)	▼	⓪	(1.0)	▼	5.0	▲	(6.0)	▼	⓪
	6-Month	(1.8)	▼	3.1	▲	(4.8)	▼	⓪	(1.8)	▼	5.0	▲	(6.8)	▼	⓪
Transportation Services	3-Month	(11.2)	▼	(0.2)	▼	(11.0)	▼	⓪	(15.0)	▼	(16.3)	▼	1.3	▲	Ⓜ
	6-Month	(19.0)	▼	(3.0)	▼	(16.0)	▼	⓪	(10.0)	▼	(13.2)	▼	3.2	▲	Ⓜ
Total	3-Month	(13.1)	▼	2.7	▲	(15.8)	▼	⓪	(17.4)	▼	(14.1)	▼	(3.3)	▼	⓪
	6-Month	(23.6)	▼	2.1	▲	(25.7)	▼	⓪	(12.1)	▼	(8.0)	▼	(4.1)	▼	⓪
Year-to-Date Net Variance	⓪	85% to 105%	⓪	0% to 85%	Ⓜ	>105%	Year-End	⓪	<=100%	Ⓜ	>100%				

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016





**Citizen Centred Services "B"**

<p><b>City Planning:</b></p> <ul style="list-style-type: none"> <li>• City Planning reported a net under-expenditure of \$4.400 million.</li> <li>• Expenditures are on budget.</li> <li>• Higher revenues of \$4.400 million due primarily to higher development application review fees (6 projects greater than \$0.500 million) and robust application volumes in Committee of Adjustment units.</li> </ul>	<p>Y</p>	<ul style="list-style-type: none"> <li>• Expenditures are projected to be on budget at year end primarily as a result of lower salaries and benefits due to positions which were vacant during the year (\$0.400 million), offset by higher requirements (postage, copying, printing, HR, merchant fee costs) for increased development review and study activity (\$0.400 million).</li> <li>• Revenues are projected to be higher than budget by \$4.365 million due to the year to date community planning development review fees and Committee of Adjustment application user fees that are expected to carry to year end.</li> <li>• Surplus funds in the Development Application Review, Decision and Implementation Service at year end will be contributed to the Development Application Review Reserve Fund. In the event that a year-end deficit occurs, funds will be drawn from the Development Application Review Reserve Fund, as per its intended purpose, to offset any deficit.</li> </ul>	<p>G</p>
<ul style="list-style-type: none"> <li>• 14 positions below approved complement, which after considering gapping target of 3.9%, reflects full complement.</li> </ul>		<ul style="list-style-type: none"> <li>• City Planning is anticipating to be 14 positions below approved complement, which after considering gapping target of 3.9%, reflects full complement.</li> </ul>	



Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016



<p><b>Fire Services:</b></p> <ul style="list-style-type: none"> <li>Higher than budgeted savings in salaries and benefits, arising from vacancies. The savings from non-salary expenditures were offset by increased WSIB assessment due to work-related cancer claims.</li> <li>Revenues were lower than the budget target with false alarm volumes below the plan.</li> </ul>		<ul style="list-style-type: none"> <li>Year-end unfavourable variance of \$4.760 million due to costs related to presumptive cancer and post-traumatic stress disorder WSIB claims, which are not within the control of the Division and are mandated by Provincial legislation. Notwithstanding, TFS is taking every action possible to minimize the overall impact of the projected over-spending relating to the unfunded WSIB claims by delaying, where operationally possible, the planned hiring of Operations staff. In addition, TFS will closely monitor non-essential spending to identify further opportunities.</li> </ul>	
<ul style="list-style-type: none"> <li>51 positions below approved complement due to retirements and delays in hiring new Fire Prevention and Public education positions, which after considering gapping, is equivalent to a 0% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>9 positions below approved complement, which after considering approved gapping, is equivalent to a 0% vacancy rate.</li> </ul>	
<p><b>Municipal Licensing &amp; Standards:</b></p> <ul style="list-style-type: none"> <li>Under-expenditures totaling \$1.738 million mainly are from salaries and benefits, due to processing time to fill vacancies. Underspensing also included materials &amp; supplies as well as the delayed procurement of new uniforms, lower amounts of taxi IDs, delayed utility charges for natural gas, lower spending for office supplies as well as lower spending on contracted services for vet fees, external training, wireless communications, advertising, construction, printing and in-town meterage and parking.</li> </ul>		<ul style="list-style-type: none"> <li>Expenditures are estimated to be \$1.3 million over-spent primarily related to the implementation of new regulatory framework due to the recently approved Vehicle for Hire (VFH) - Ground Transportation Review (GTR) By-Law.</li> <li>Revenue is anticipated to be \$1.6 million less than budget at year-end. Of this amount:</li> </ul>	

<ul style="list-style-type: none"> <li>• There are also delayed inter-divisional charges from Legal Services.</li> <li>• Partially offsetting over-expenditures totaling \$0.157 million mainly include general contracted services, medical/dental services, furnishings &amp; medical equipment, user fee consultants and waste disposal. Credit card discounts were overspent due to reduced budget.</li> <li>• Lower than planned net revenue of \$0.593 million was driven by the volume of business licenses, particularly for Toronto Taxicab Licence (TTL). The current lower volume of new taxi license applications and renewals and training resulted in lower revenue and was influenced by the Ground Transportation Review (GTR). There was also under-achieved licensing, permits &amp; fee revenue from Toronto Animal Services and Property Standards. Under-achieved revenue was partially offset by the receipt of Insurance Loss Recovery.</li> </ul>		<ul style="list-style-type: none"> <li>• \$0.6 million is primarily due to the outcomes of the GTR review which includes: <ul style="list-style-type: none"> <li>• The freeze of taxi licence renewal fees at 2015 rates (Q1/Q2);</li> <li>• Waived fees for accessible taxicab vehicle renewals, elimination of training;</li> <li>• Elimination of Standard Taxicab licence application fees; and,</li> <li>• Taxi/Limo Driver license replaced with lower VFH fees.</li> <li>• This variance will be partially offset by new Private Transportation Companies (PTC) Revenue and increased renewal fees for Ambassador Taxicabs transitioning to Standard Taxicabs.</li> <li>• Other under-achieved revenue includes lower volume of re-inspection fees (\$0.3 million) and Animal Services waived fees for low-income individuals and lower volumes for pet licensing and adoptions (\$0.5 million).</li> </ul> </li> </ul>	
<ul style="list-style-type: none"> <li>• 28 positions below approved complement due to an on-going recruiting process which, after considering budgeted gapping, is equivalent to a 3.7% vacancy rate.</li> <li>• The Program is continuing the process of recruiting qualified candidates. Outstanding vacancies include Standards, Licensing and Animal Care &amp; Control Officers (13), Support staff (9) and Management (6).</li> </ul>		<ul style="list-style-type: none"> <li>• It is anticipated that MLS will be 11 positions below the approved complement of 473 or 0.1% vacancy rate due to on-going recruiting, which reflects the budgeted gapping rate of 2.3%.</li> </ul>	

<p><b>Policy, Planning, Finance &amp; Administration:</b></p> <ul style="list-style-type: none"> <li>• Lower expenditures of \$0.643 million (excluding utilities) mainly due to vacant positions, lower than planned requirement for computer hardware and software, office and printing supplies. Services &amp; Rents are also below budget mainly due to timing of transactions relating to other professional services and managed print charges.</li> <li>• Lower revenues of \$0.502 million mainly due to inter-divisional recoveries from Toronto Water and Solid Waste Management reflecting lower gross expenditures for services provided to these clients. Recovery from ECS is also below budget due to a vacant position in MCIC.</li> </ul>		<ul style="list-style-type: none"> <li>• PPF&amp;A is projecting a net under-expenditure of \$0.271 million (including utilities) at year end.</li> <li>• Lower expenditures of \$0.596 million primarily due to projected under-spending in salaries and benefits as a result of vacant positions.</li> <li>• Offset by lower revenues of \$0.325 million primarily due to lower inter-divisional recoveries from Solid Waste Management and Toronto Water reflecting lower gross expenditures.</li> </ul>	
<ul style="list-style-type: none"> <li>• 11 positions below the approved complement, equal to 1.6% vacancy rate after gapping.</li> </ul>		<ul style="list-style-type: none"> <li>• PPF&amp;A is projecting 8 vacant positions by year end, which is equal to 0% vacancy rate after gapping.</li> </ul>	
<p><b>Engineering and Construction Services:</b></p> <ul style="list-style-type: none"> <li>• Under-expenditure in salaries and benefits due to vacant positions.</li> <li>• Lower recoveries from client capital projects resulting from vacant positions.</li> <li>• Partially offset by higher development and full stream application fees due to higher volume of applications.</li> </ul>		<ul style="list-style-type: none"> <li>• Under-expenditure in salaries and benefits expected to continue due to vacant positions.</li> <li>• Lower costs due to delay of the Capital Works Procedure Manual project and reduced expenditures for mileage.</li> <li>• Lower recoveries from client capital projects will also continue as a result of the vacant positions.</li> <li>• Partially offset by higher development and full stream application fees due to projection of higher volume of applications.</li> </ul>	



<ul style="list-style-type: none"> <li>• 58.0 positions below the approved complement due to a combination of challenges, namely exits (retirements and transfers to other Divisions) and internal promotions which result in no net change to the vacancy rate, lack of success attracting and recruiting senior technical professionals, and a limited supply of top calibre talent in key business areas (e.g., bridge engineers).</li> <li>• After considering budgeted gapping, it is equal to a 3.9% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>• Significant targeted recruitment efforts will continue with the aim of reducing vacancies to 50.0 positions below the approved complement. A combination of issues will continue to pose staffing challenges, including exits (retirements and transfers to other Divisions) and internal promotions which result in no net change to the vacancy rate, difficulties attracting senior technical professionals, and a limited supply of top calibre talent in key business areas.</li> <li>• After considering budgeted gapping, it is equal to a 2.4% vacancy rate.</li> </ul>	
<p><b>Toronto Building:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures are \$1.8 million under budget mainly due to under spending in salaries and benefits as a result of vacant positions.</li> <li>• Timing related under-spending in computer hardware/software, credit card merchant fees and inter-divisional charges also contribute to positive gross expenditure variance.</li> <li>• Positive revenue variance of \$3.1 million driven by higher than expected building permit applications.</li> </ul>		<ul style="list-style-type: none"> <li>• Projecting positive net expenditures of \$6.8 million at year end. Gross expenditures will be under budget by \$1.8 million mainly due to vacant positions.</li> <li>• Revenue will be over-achieved by \$5.0 million due to higher than expected building permit applications.</li> </ul>	
<ul style="list-style-type: none"> <li>• 27 positions below approved complement, which after gapping is equivalent to a 3.1% vacancy rate. More than 20 new positions will be recruited around August 2016 reducing the number of vacancies to full complement.</li> </ul>		<ul style="list-style-type: none"> <li>• Toronto Building continues to actively recruit to address the filling of vacant positions. Year-end forecast is 13.0 positions below approved complement of 456.0 positions, reflecting full complement after considering budgeted gapping.</li> </ul>	

<p><b>Transportation Services:</b></p> <ul style="list-style-type: none"> <li>• Lower costs and decreased salt usage in the winter maintenance program due to the mild winter conditions, and under-spending in salaries and benefits due to vacant positions.</li> <li>• Partially offset by higher costs for traffic signal maintenance contracts due to demand related to Ontario One Call, and higher street lighting hydro costs.</li> <li>• Under-achieved utility cut repair revenue and permit parking fees due to lower than expected volumes.</li> <li>• Partially offset by higher permit / application revenues due to higher than expected lane occupancy fees.</li> </ul>		<ul style="list-style-type: none"> <li>• Additional costs for traffic signal maintenance contracts due to demand related to Ontario One Call, etc.</li> <li>• Higher street lighting hydro costs.</li> <li>• Under-achieved utility cut repair revenue and permit parking fees due to lower than expected volumes.</li> <li>• Partially offset by lower contract costs and decreased salt usage in the winter maintenance program due to the mild winter conditions, under-spending in salaries and benefits due to vacant positions, and higher permit / application revenues due to higher than expected lane occupancy fees.</li> <li>• For the remainder of 2016, Transportation Services will review all discretionary expenditures and a strategy to deal with the non-weather related over expenditures, which will be coordinated with the office of the DCM &amp; CFO.</li> </ul>	
<ul style="list-style-type: none"> <li>• 112.0 positions below the approved complement due to a combination of events that result in a 'domino effect' within the Program, retirements and transfers to other Divisions, which are often then filled through internal promotions. As a result there is no net change to the vacancy rate while the hiring process proceeds.</li> <li>• After considering budgeted gapping, it is equal to a 3.4% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>• 100.1 positions below the approved complement, after considering budgeted gapping it is equal to a 2.6% vacancy rate.</li> <li>• Transportation Services continues to implement an accelerated hiring program to address the filling of vacant positions.</li> </ul>	

**Internal Services**

Figure 12: Net Variance Summary

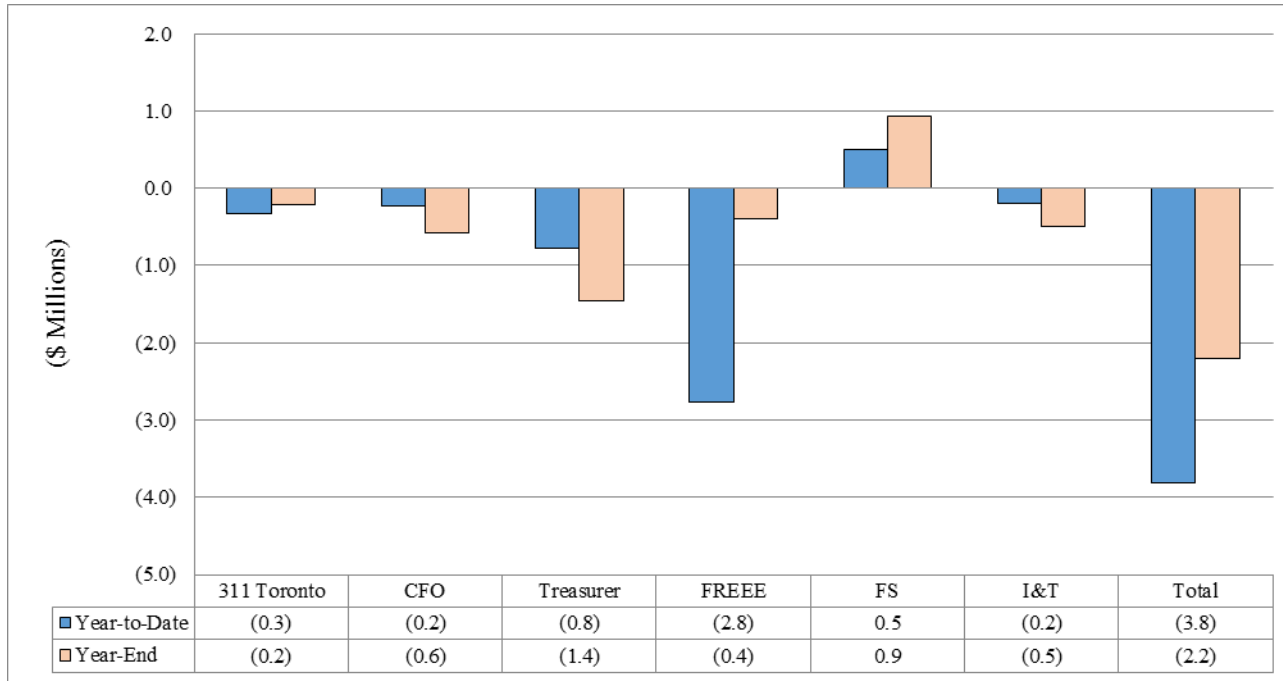


Figure 12 is illustrating program specific year-to-date and year-end projected net variance. As of June 30, 2016 **Internal Services** reported a net favourable variance of \$3.811 million or 3.7%, and projecting a year-end positive variance of \$2.205 million or 1.2% compared to the 2016 Approved Net Operating Budget.



Appendix G





Figure 13: Internal Services Year-to-Date Variance and Year-End Variance Projection Summary



City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Office of the Chief Financial Officer	3-Month	(0.2)	▼	(0.1)	▼	(0.1)	▼	⊕	(0.6)	▼	(0.3)	▼	(0.2)	▼	⊕
	6-Month	(0.7)	▼	(0.5)	▼	(0.2)	▼	⊕	(1.1)	▼	(0.5)	▼	(0.6)	▼	⊕
Office of the Treasurer	3-Month	(1.4)	▼	(1.2)	▼	(0.2)	▼	⊕	(2.4)	▼	(1.5)	▼	(0.9)	▼	⊕
	6-Month	(2.9)	▼	(2.1)	▼	(0.8)	▼	⊕	(5.1)	▼	(3.7)	▼	(1.4)	▼	⊕
Facilities, Real Estate, Environment & Energy	3-Month	(0.3)	▼	(0.2)	▼	(0.1)	▼	⊕	(1.0)	▼	(0.5)	▼	(0.5)	▼	⊕
	6-Month	(1.5)	▼	1.3	▲	(2.8)	▼	⊕	(0.6)	▼	(0.2)	▼	(0.4)	▼	⊕
Fleet Services	3-Month	0.2	▲	(0.3)	▼	0.5	▲	⊗	1.5	▲	1.5	▲	(0.1)	▼	⊕
	6-Month	0.8	▲	0.3	▲	0.5	▲	⊗	2.7	▲	1.8	▲	0.9	▲	⊗
Information & Technology	3-Month	(4.3)	▼	(4.3)	▼	(0.0)	—	⊕	(7.7)	▼	(7.6)	▼	(0.2)	▼	⊕
	6-Month	(6.4)	▼	(6.2)	▼	(0.2)	▼	⊕	(12.6)	▼	(12.1)	▼	(0.5)	▼	⊕
311 Toronto	3-Month	(0.5)	▼	(0.3)	▼	(0.2)	▼	⊕	(1.4)	▼	(1.3)	▼	(0.2)	▼	⊕
	6-Month	(1.0)	▼	(0.6)	▼	(0.3)	▼	⊕	(1.6)	▼	(1.3)	▼	(0.2)	▼	⊕
Total	3-Month	(6.4)	▼	(6.4)	▼	(0.1)	▼	⊕	(11.7)	▼	(9.7)	▼	(2.0)	▼	⊕
	6-Month	(11.7)	▼	(7.8)	▼	(3.8)	▼	⊕	(18.4)	▼	(16.1)	▼	(2.2)	▼	⊕
Year-to-Date Net Variance		⊕ 85% to 105%	⊕	⊕ 0% to 85%	⊕	⊗ >105%		Year-End	⊕ <=100%	⊕	⊗ >100%	⊕	⊕	⊕	⊕

**Internal Services**

<p><b>Office of the Chief Financial Officer:</b></p> <ul style="list-style-type: none"> <li>• Delays in filling operating and capital vacancies partially offset by corresponding lower interdivisional, capital and reserve/reserve funds recoveries.</li> <li>• 12.0 vacant positions or 6.8% below the approved complement after budgeted gapping.</li> <li>• 3 positions are in various stages of being filled.</li> <li>• The impact of vacancies is being mitigated by having critical work performed by existing staff.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• Delays in filling operating positions results in under-spending.</li> <li>• 9.0 vacant positions or 3.9% below the approved complement after budgeted gapping.</li> </ul>	<p>G</p>
<p><b>Office of the Treasurer:</b></p> <ul style="list-style-type: none"> <li>• Delays in filling operating and capital vacancies partially offset by corresponding lower recoveries from capital, reserve/reserve funds and from other divisions.</li> <li>• Spending control and savings applied to all divisions.</li> <li>• 77.9 vacant positions or 6.6% below the approved complement after budgeted gapping.</li> <li>• To mitigate potential impacts on service levels, part-time and overtime has been used to cover front line services while recruitment strategies are underway.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• Delays in filling vacancies partially reduced by lower transfers of capital/reserve/reserve funds and inter-divisional recoveries.</li> <li>• Reduced expenditures in the pandemic influenza initiative and overall spending control and expenditure monitoring.</li> <li>• 25.0 vacant positions below approved complement which after considering budgeted gapping, is equivalent to 0.4% vacancy rate.</li> </ul>	<p>G</p>

<p><b>Facilities, Real Estate, Environment &amp; Energy:</b></p> <ul style="list-style-type: none"> <li>• Underspending mainly driven by lower utility costs as a result of warmer winter conditions in Q1 compared to previous years and savings from a large number of vacancies across the division with over 60% in Facilities Management (FM) due to restructuring. This has been partially offset by overspending in contracted services for external service providers.</li> <li>• Over-collection of revenues is attributed to higher than planned costs related to demand maintenance requests in the first half of 2016. A portion of which will be recovered through inter-departmental revenues and other revenue sources from internal and external clients. In addition, leasing revenues and recoveries from capital to cover operating costs are higher than anticipated for the first half of the year.</li> </ul>		<ul style="list-style-type: none"> <li>• Underspending in salaries and benefits from vacant positions will be the main driver of the surplus expected.</li> <li>• This under-spending will be partially offset by over expenditures in utilities from usage increases driven by anticipated higher hydro requirements during the summer months, as well as contracted services costs due to demand maintenance requests and the use of external service providers to deliver services in the absence of internal resources.</li> </ul>	
<ul style="list-style-type: none"> <li>• 126.3 positions below the approved complement. Vacancy drivers include staff turnover from retirements, staff taking on new opportunities across the City, as well as general delays in hiring relating to implementation of the new FM structure. After considering budgeted gapping, current vacancies represent the equivalent of a 7.9% vacancy rate.</li> <li>• The impacts of vacancies across the program include existing staff working extra hours to cover 24/7 and critical operations, and a greater reliance on external contractors to support operations and address work order requests. Overall, the program is mitigating these impacts as much as possible to meet service levels.</li> </ul>		<ul style="list-style-type: none"> <li>• 46.3 positions below the approved complement, primarily due to retirements, staff taking on new opportunities across the City and general delays in the hiring process. After considering budgeted gapping, this represents the equivalent of a 0.5% vacancy rate.</li> <li>• The division is expecting the vacancy rate to decrease in 2016 as the new FM structure is implemented over the coming months, a number of these positions will be posted.</li> <li>• FREEE is working with corporate HR to ensure vacant positions are filled as soon as possible.</li> </ul>	

<p><b>Fleet Services:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$0.784 million due to increased maintenance costs offset by lower fuel purchase, lower demand for short term vehicle rentals, and delays in hiring positions.</li> <li>• Decrease in demand for fuel and vehicle rentals, as noted above, results in corresponding decreases in recoveries from client divisions.</li> <li>• Unfavourable net expenditure variance of \$0.501 million mainly due increased repair costs required to maintain the City's fleet.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• 19 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 3.3% vacancy rate.</li> <li>• No impact on service levels due to increased overtime and contract work.</li> </ul>		<ul style="list-style-type: none"> <li>• Anticipated decrease in fuel demand and rentals in the second half of the year, which will be offset by the decrease in recoveries from client divisions.</li> <li>• Unfavourable net expenditure variance of \$0.925 million, resulting from increased repair costs on maintaining vehicles past their optimal age.</li> <li>• Fleet Services will monitor expenditures, in particular fleet maintenance costs, to ensure the efficient use of budgeted funds and recoveries.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• 6 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 0.4% vacancy rate.</li> </ul>	
<p><b>Information &amp; Technology:</b></p> <ul style="list-style-type: none"> <li>• Under-spending in gross expenditures was mainly attributed to project vacancies offset by a corresponding under-recovery from capital.</li> <li>• Under-spending from vacant operating positions partially offset by the cost of overtime incurred to maintain service levels for 311 Toronto, SAP and Geospatial applications and the unfunded dedicated HR team for IT staff recruitment.</li> </ul>		<ul style="list-style-type: none"> <li>• Savings from operating vacancies partially offset by overtime costs, renovation of office space at Dyas Road to accommodate the increasing staff complement and unfunded dedicated HR team for IT recruitment.</li> <li>• Under-spending from capital vacancies are offset by corresponding lower recoveries from capital.</li> <li>• Overtime has been used to maintain service levels to clients and the cost offset from vacant operating positions.</li> </ul>	

<ul style="list-style-type: none"> <li>• There were 160.0 vacancies (67.0 operating and 93.0 capital) including 30.0 held for gapping, representing a vacancy rate of 7.1% after budgeted gapping.</li> <li>• Even though, the hiring has continued at a positive momentum, the vacancy rate has been consistent as a result of 23 additional positions in 2016, internal staff movement to new positions, staff retirements and resignations.</li> <li>• To mitigate impacts on service levels, overtime has been used and will continue to be used to provide ongoing services with recruitment strategies underway.</li> <li>• Capital positions and funding are planned to be staged with project readiness and time-lines. Many of these capital vacancies are expected to be filled later this year in accordance with the status of projects and milestones to ensure financial projection is aligned with planned project budget, schedules and deliverables.</li> </ul>		<ul style="list-style-type: none"> <li>• 79.0 vacant positions below approved complement, which after considering budgeted gapping, is equivalent to 1.6% vacancy rate.</li> <li>• I &amp; T continues to work closely with a dedicated team of HR professionals to fill both operating and capital positions as per the I &amp; T Division priorities and project schedules.</li> </ul>	
<p><b>311 Toronto:</b></p> <ul style="list-style-type: none"> <li>• Under-spending mainly attributed to efficient scheduling practices implemented within the 311 Contact Centre and vacancies within the Project Management Office as a result of the delays of the enterprise-wide capital projects (Payment Module and Online Booking).</li> <li>• Additional factors include lower than expected Contact Centre infrastructure support and maintenance costs as well as underspending in training and conference related expenditures.</li> </ul>		<ul style="list-style-type: none"> <li>• Minor net favourable variance mainly due to expected favourable contract negotiation results with vendors for Contact Centre infrastructure support and maintenance, and the modification of Contact Centre staff hours via the optimized scheduling implementation.</li> </ul>	



<ul style="list-style-type: none"> <li>• Revenues are underachieved as a result of labour cost underspending on capital projects and lower than budgeted inter-divisional recovery (IDR) from Toronto Public Health as a result of interdivisional discussions.</li> <li>• Achieved 82% of calls answered within 75 seconds, compared to the 80% Council approved service level.</li> </ul>			
<ul style="list-style-type: none"> <li>• 12.25 positions (5 operating and 7.25 capital) below the approved complement due to gapping. The four out of five operating positions are kept vacant to meet divisional gapping target, as well as contingent on the timing of commenced capital projects that are now in the process of filling vacancies. After considering budgeted gapping, this represents the equivalent of 0.7% vacancy rate.</li> <li>• No service level impact resulting from these vacancies which are primarily for the delivery of capital projects. Recruitment is currently in progress for these capital funded positions.</li> </ul>		<ul style="list-style-type: none"> <li>• 7.5 positions below the approved complement due to 4.0 gapped operating positions and 3.5 capital positions expected to be vacant based on the timing of capital projects commencing. After considering budgeted gapping, vacancy rate is 0.0%.</li> <li>• No service level impact resulting from these vacancies which are primarily for the delivery of capital projects. Recruitment is currently in progress for these capital funded positions</li> </ul>	

### City Manager's Office

The City Manager's Office reported a net favourable year-to-date variance of \$2.116 million or 8.8%, and forecasting a favourable year-end variance of \$1.810 million or 3.8% compared to the 2016 Approved Net Operating Budget.

Figure 14: City Manager's Office Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend			
City Manager's Office	3-Month	(0.0)	—	0.3	▲	(0.3)	▼	Ⓞ	0.3	▲	1.9	▲	(1.6)	▼	Ⓞ
	6-Month	(2.0)	▼	0.1	▲	(2.1)	▼	Ⓞ	0.7	▲	2.5	▲	(1.8)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓨ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			



<p><b>City Manager's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net expenditures mainly due to under-spending in salaries and benefits as a result of unfilled vacancies.</li> </ul>	<span style="font-size: 2em;">Ⓞ</span>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance is mainly attributed to savings in salaries and benefits as a result of unfilled vacancies.</li> </ul>	<span style="font-size: 2em;">Ⓞ</span>
<ul style="list-style-type: none"> <li>30.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 1.4% vacancy rate.</li> <li>These positions are in various stages of being filled.</li> </ul>		<ul style="list-style-type: none"> <li>10.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 0% vacancy rate.</li> </ul>	

### Other City Programs

Figure 15: Net Variance Summary

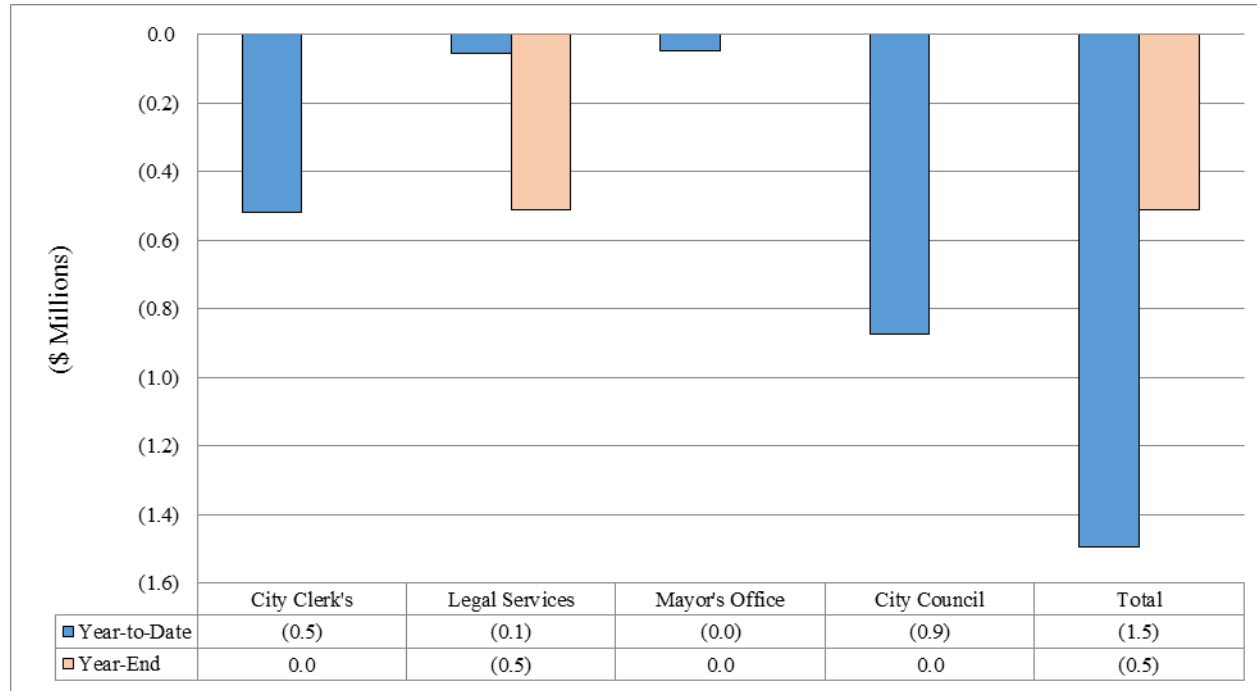


Figure 15 is illustrating program specific year-to-date and year-end projected net variance. As of June 30, 2016 **Other City Programs** are reporting a net favourable variance of \$1.494 million or 4.7%, and projecting a year-end positive variance of \$0.510 million or 0.7% compared to the 2016 Approved Net Operating Budget.

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Figure 16: Other City Programs Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
City Clerk's Office	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.3	▲	0.8	▲	(0.5)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Legal Services	3-Month	(1.0)	▼	(1.7)	▼	0.7	▲	Ⓡ	(0.9)	▼	(0.5)	▼	(0.4)	▼	Ⓞ
	6-Month	(1.6)	▼	(1.5)	▼	(0.1)	▼	Ⓞ	(7.3)	▼	(6.8)	▼	(0.5)	▼	Ⓞ
Mayor's Office	3-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
City Council	3-Month	(0.5)	▼	0.0	—	(0.5)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.9)	▼	0.0	—	(0.9)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Total	3-Month	(1.6)	▼	(1.7)	▼	0.1	▲	Ⓞ	(0.9)	▼	(0.5)	▼	(0.4)	▼	Ⓞ
	6-Month	(2.2)	▼	(0.7)	▼	(1.5)	▼	Ⓞ	(7.3)	▼	(6.8)	▼	(0.5)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			

**Other City Programs**

<p><b>City Clerk's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net expenditures mainly due to higher revenue from higher internal demand for mailing, printing and copying services and, underspending in salaries and benefits due to the delay in filling vacancies.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>Consistent with historical financial performance, the City Clerk's Office is projecting to be on budget at year-end.</li> </ul>	<p>G</p>
<ul style="list-style-type: none"> <li>30.5 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 2.2% vacancy rate.</li> <li>These positions are in various stages of being filled.</li> </ul>		<ul style="list-style-type: none"> <li>17.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 0% vacancy rate.</li> </ul>	
<p><b>Legal Services:</b></p> <ul style="list-style-type: none"> <li>Favourable gross expenditures of \$1.597 million or 7.1% due to staff vacancies and lower than budget for inter-divisional charges with Toronto Police Services resulting from lower requirement for court attendance and security.</li> <li>Unfavourable revenue of \$1.542 million due to lower inter-divisional recovery resulting from under expenditures as noted above.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>Favourable net variance mainly due to staff vacancies at year-end.</li> <li>Legal Services is to manage workload that resulted from the staff vacancies and filling some of the vacancies by year-end.</li> </ul>	<p>G</p>
<ul style="list-style-type: none"> <li>Currently, hiring process is underway to fill vacancies. Due to staff changes and retirements, the division is understaffed.</li> <li>12 positions below the approved complement, and after considering budget gapping, this represents the equivalent of 1.3% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>6 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 0.0% vacancy rate.</li> </ul>	

<ul style="list-style-type: none"> <li>• Legal staff are working overtime to try to maintain service levels. These positions are in various stages of being filled.</li> </ul>			
<p><b>Mayor's Office:</b></p> <ul style="list-style-type: none"> <li>• Favourable variance due to lower spending in services and rents.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• The projection is to be on budget at year-end.</li> </ul>	<p>G</p>
<ul style="list-style-type: none"> <li>• 3.0 positions over the approved complement of 20.0, with 18.0 staff, 4.0 summer interns and the Mayor.</li> </ul>		<ul style="list-style-type: none"> <li>• 1.0 position below the approved complement.</li> </ul>	
<p><b>City Council:</b></p> <ul style="list-style-type: none"> <li>• Lower staff salaries and benefits due to different staffing strategies adopted by various Councillors.</li> <li>• Lower spending in Councillors' Constituency Services and Office Budgets.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• The projection is to be on budget at year-end.</li> </ul>	<p>G</p>
<ul style="list-style-type: none"> <li>• Full complement.</li> </ul>		<ul style="list-style-type: none"> <li>• Full complement.</li> </ul>	

**Accountability Offices**

Figure 17: Net Variance Summary

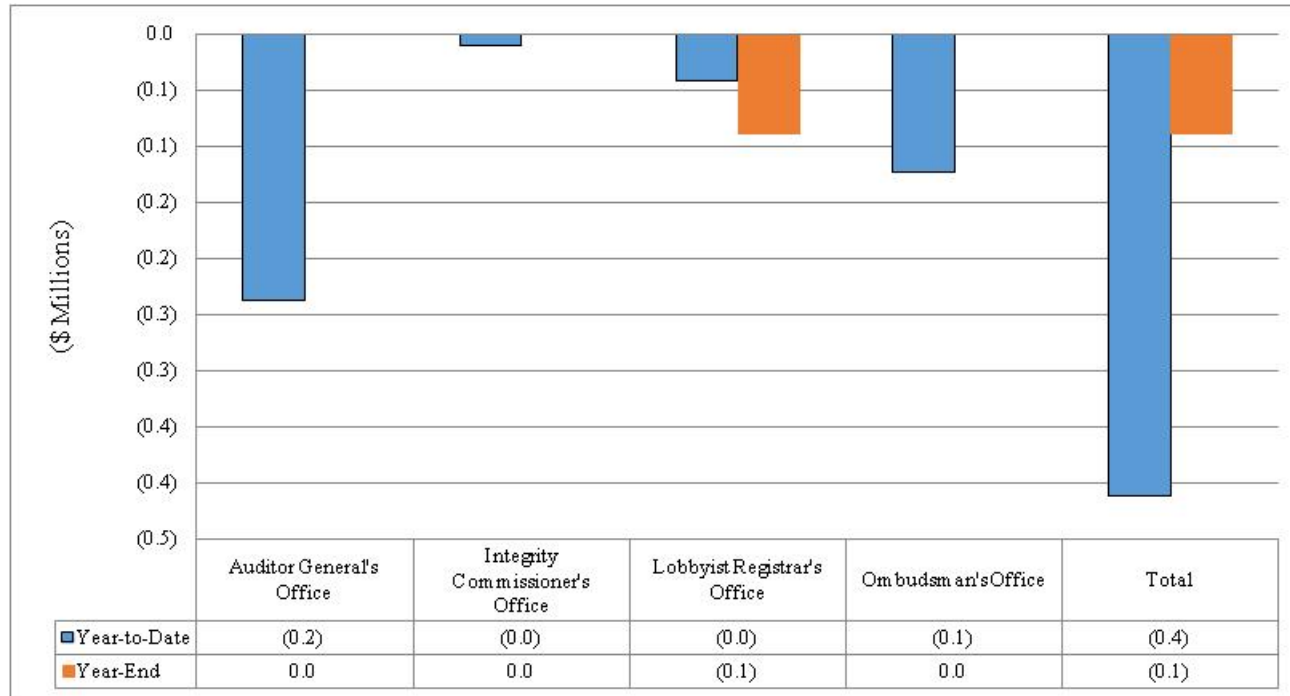


Figure 17 is illustrating program specific year-to-date and year-end projected net variance. As of June 30, 2016 **Accountability Offices** are reporting a net favourable variance of \$0.412 million or 11.2%, and projecting a year-end positive variance of \$0.090 million or 1.1% compared to the 2016 Approved Net Operating Budget.

Appendix G

Figure 18: Accountability Offices Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend			
Auditor General's Office	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.2)	▼	0.0	—	(0.2)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Integrity Commissioner's Office	3-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Lobbyist Registrar's Office	3-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ
Ombudsman's Office	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓞ
Total	3-Month	(0.2)	▼	0.0	—	(0.2)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.4)	▼	0.0	—	(0.4)	▼	Ⓞ	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ
<b>Year-to-Date Net Variance</b>		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	<b>Year-End</b>	Ⓞ	<=100%	Ⓡ	>100%			



**Accountability Offices**

<p><b>Auditor General's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable variance mainly due to lower spending in salaries and benefits.</li> <li>1.5 positions or 4.8% above the approved complement. The Office has hired 3.0 temporary junior Audit staff to manage its workload with funding from staff vacancies during the year.</li> </ul>	G	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> <li>0.5 positions over the approved complement due to temporary staff hired to deal with workload.</li> </ul>	G
<p><b>Integrity Commissioner's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable variance mainly due to lower spending in services and rents and salaries and benefits.</li> <li>On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> <li>Full complement.</li> </ul>	G
<p><b>Lobbyist Registrar's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable variance mainly due to lower spending in services and rents.</li> <li>1.3 position or 15.2% below the approved complement. This represents 1.0 Lobbyist Registrar which will be appointed effective September 12, 2016 and 0.5 temporary position which is only filled if required to manage higher work volumes.</li> </ul>	G	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance mainly due to salary and benefits savings as a result of staff vacancy during the year.</li> <li>0.5 positions below the approved complement.</li> </ul>	G
<p><b>Ombudsman's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable variance mainly due to lower spending in salaries and benefits and services and rents.</li> <li>On budget.</li> </ul>	Y	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> <li>2.0 temporary positions over the approved complement to assist with the investigative workload until year-end.</li> </ul>	G

**Agencies**

Figure 19: Net Variance Summary

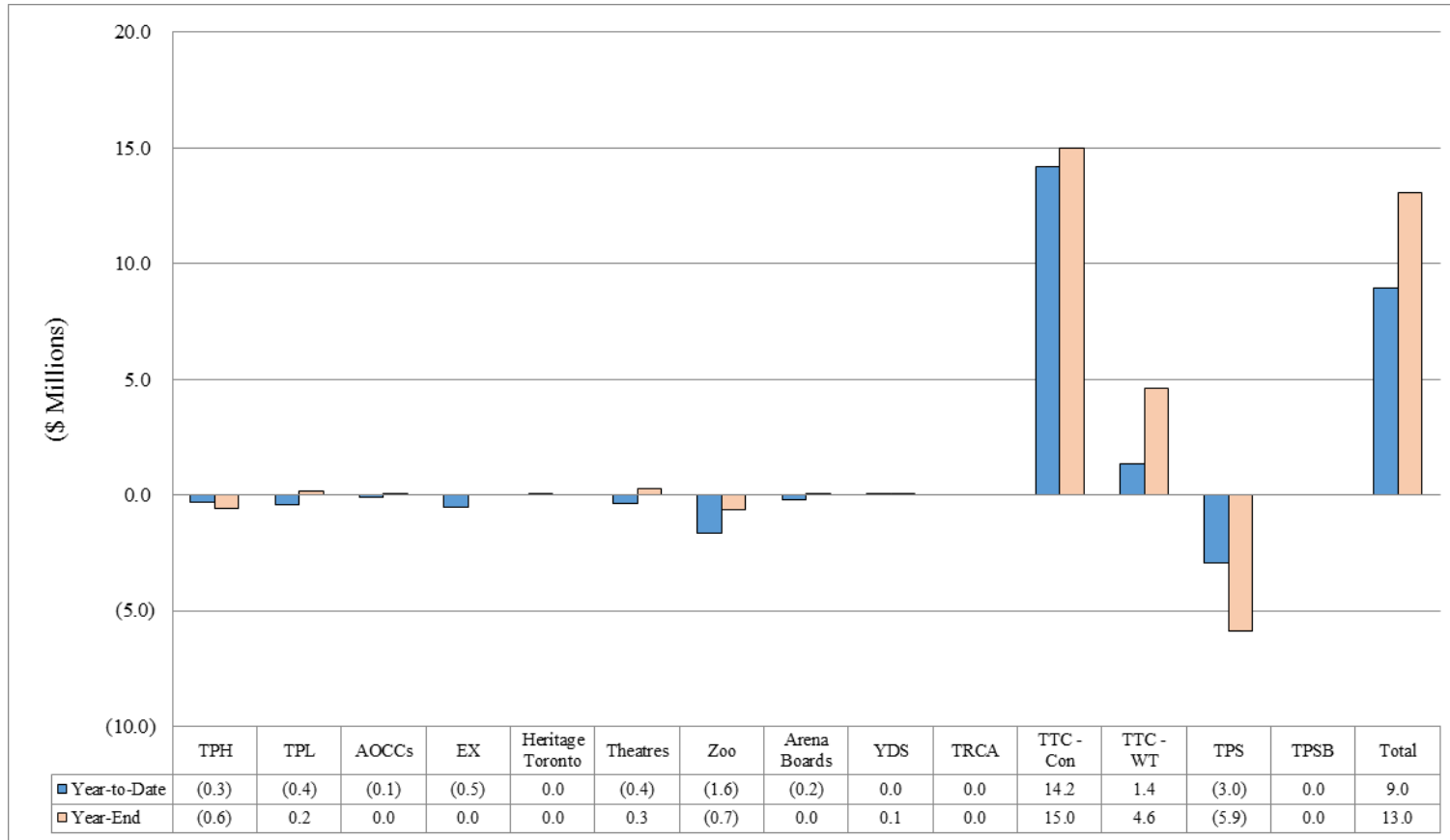


Figure 19 is illustrating program specific year-to-date and year-end projected net variance. As of June 30, 2016 **Agencies** are reporting a net unfavourable variance of \$8.960 million or 1.0%, and projecting a year-end negative variance of \$13.049 million or 0.7% compared to the 2016 Approved Net Operating Budget.

Appendix G

Figure 20: Agencies Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date								Year-End Projection							
		Gross Expenditures		Revenue		Net Variance			Alert	Gross Expenditures		Revenue		Net Variance			Alert
		\$	trend	\$	trend	\$	%	trend		\$	trend	\$	trend	\$	%	trend	
Toronto Public Health	3-Month	(1.2)	▼	(1.1)	▼	(0.1)	-0.7%	▼	⊕	(2.4)	▼	(2.2)	▼	(0.3)	-0.5%	▼	⊕
	6-Month	(4.1)	▼	(3.8)	▼	(0.3)	-1.5%	▼	⊕	(9.2)	▼	(8.6)	▼	(0.6)	-1.0%	▼	⊕
Toronto Public Library	3-Month	0.1	▲	0.3	▲	(0.3)	-0.6%	▼	⊕	0.4	▲	0.4	▲	0.0	0.0%	—	⊕
	6-Month	0.6	▲	1.1	▲	(0.4)	-0.5%	▼	⊕	1.1	▲	0.9	▲	0.2	0.1%	▲	⊗
Association of Community Centres	3-Month	(0.1)	▼	0.0	—	(0.1)	-3.6%	▼	⊕	0.0	—	0.0	—	0.0	0.0%	—	⊕
	6-Month	(0.1)	▼	0.0	—	(0.1)	-3.1%	▼	⊕	0.0	—	0.0	—	0.0	0.2%	—	⊕
Exhibition Place	3-Month	(1.4)	▼	(1.2)	▼	(0.2)	7.4%	▼	⊗	0.0	—	0.0	—	0.0	0.0%	—	⊕
	6-Month	(0.6)	▼	(0.0)	—	(0.5)	-157.5%	▼	⊕	0.0	—	0.0	—	0.0	0.0%	—	⊕
Heritage Toronto	3-Month	(0.0)	—	(0.0)	—	(0.0)	-2.1%	—	⊕	0.0	—	0.0	—	0.0	0.0%	—	⊕
	6-Month	(0.1)	▼	(0.1)	▼	0.0	1.4%	—	⊕	0.0	—	0.0	—	0.0	0.0%	—	⊕
Theatres	3-Month	(0.1)	▼	0.2	▲	(0.3)	-16.4%	▼	⊕	0.3	▲	0.3	▲	(0.0)	-0.4%	—	⊕
	6-Month	(0.0)	—	0.4	▲	(0.4)	-13.8%	▼	⊕	1.4	▲	1.1	▲	0.3	5.3%	▲	⊗
Toronto Zoo	3-Month	0.3	▲	0.9	▲	(0.6)	-9.4%	▼	⊕	0.0	—	0.0	—	0.0	0.0%	—	⊕
	6-Month	0.4	▲	2.1	▲	(1.6)	-20.9%	▼	⊕	(0.0)	—	0.6	▲	(0.7)	-5.5%	▼	⊕
Arena Boards of Management	3-Month	(0.2)	▼	0.1	▲	(0.3)	101.6%	▼	⊗	0.0	—	0.0	—	(0.0)	20.5%	—	⊕
	6-Month	(0.1)	▼	0.1	▲	(0.2)	462.8%	▼	⊗	0.0	—	0.0	—	0.0	-8.7%	—	⊕
Yonge Dundas Square	3-Month	(0.0)	—	0.0	—	(0.0)	-15.6%	—	⊕	0.2	▲	0.1	▲	0.1	13.4%	▲	⊗
	6-Month	0.1	▲	0.1	▲	0.0	1.9%	—	⊕	0.2	▲	0.1	▲	0.1	21.8%	▲	⊗

Appendix G





Figure 21: Agencies Year-to-Date Variance and Year-End Variance Projection Summary





City Program/Agency	Quarter	Year-to-Date								Year-End Projection							
		Gross Expenditures		Revenue		Net Variance			Alert	Gross Expenditures		Revenue		Net Variance			Alert
		\$	trend	\$	trend	\$	%	trend		\$	trend	\$	trend	\$	%	trend	
Toronto & Region Conservation Authority	3-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ
Toronto Transit Commission - Conventional	3-Month	(1.3)	▼	(10.2)	▼	8.8	12.9%	▲	Ⓡ	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ
	6-Month	(7.0)	▼	(21.2)	▼	14.2	5.8%	▲	Ⓡ	(10.7)	▼	(25.7)	▼	15.0	3.0%	▲	Ⓡ
Toronto Transit Commission - Wheel Trans	3-Month	0.3	▲	0.0	—	0.3	1.5%	▲	Ⓞ	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ
	6-Month	1.4	▲	0.1	▲	1.4	2.3%	▲	Ⓞ	4.8	▲	0.2	▲	4.6	4.0%	▲	Ⓡ
Toronto Police Service	3-Month	(34.1)	▼	(15.4)	▼	(18.7)	-7.5%	▼	Ⓞ	(2.9)	▼	(1.3)	▼	(1.6)	-0.2%	▼	Ⓞ
	6-Month	(1.2)	▼	1.8	▲	(3.0)	-0.6%	▼	Ⓞ	(2.4)	▼	3.5	▲	(5.9)	-0.6%	▼	Ⓞ
Toronto Police Services Board	3-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ	0.0	—	0.0	—	0.0	0.0%	—	Ⓞ
Total	3-Month	(37.9)	▼	(26.5)	▼	(11.4)	1.0%	▼	Ⓞ	(4.4)	▼	(2.6)	▼	(1.9)	0.7%	▼	Ⓞ
	6-Month	(10.7)	▼	(19.6)	▼	9.0	1.0%	▲	Ⓞ	(14.8)	▼	(27.8)	▼	13.0	0.7%	▲	Ⓡ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End		Ⓞ	<=100%	Ⓡ	>100%				

**City Agencies**

<p><b>Toronto Public Health:</b></p> <ul style="list-style-type: none"> <li>• Under-expenditures in salaries and benefits, mainly in 100% provincially funded programs due to higher than anticipated vacancies resulting in under-achieved revenues.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• Net favourable variance is expected to continue towards year end. Actions such as strategic hiring practices and on-going monitoring are being done to ensure that vacancies are filled and the service levels remain consistent.</li> </ul>	<p>G</p>
<ul style="list-style-type: none"> <li>• 129 positions below approved complement, which after considering gapping is equivalent to a 1.9% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>• 109 positions below approved complement which after considering gapping is equivalent to a 0.8% vacancy rate.</li> </ul>	
<p><b>Toronto Public Library:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable expenditure variance of \$0.631 million arising from utility costs, equipment, services and rents is related to programs funded by donations from the TPL Foundation.</li> <li>• Higher than planned revenue of \$1.071 million as a result of grants from the Toronto Public Library Foundation to fund the costs of specific programs results in a favourable net result of \$0.444 million for the quarter.. The general library fund revenues are higher than actual salary and benefit expenditures as a result of retirements, staff movement and organizational restructuring.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• The year-end forecast related to consulting, utility and other expenditures are currently being forecast with an unfavourable expenditure variance of \$1.094 million and a continued favourable revenue variance of \$0.915 million, projecting \$0.178 million unfavourable net variance at year end.</li> <li>• The projected year end net variance of \$0.178M is the result of 2016 Cost of Living budgetary increases pending approval at the end of Q2.</li> </ul>	<p>R</p>
<ul style="list-style-type: none"> <li>• 55 Positions below the approved complement, after considering gapping is a 0.5% vacancy rate, largely due to retirements and organizational restructuring.</li> </ul>		<ul style="list-style-type: none"> <li>• Vacant positions are expected to be filled as a result of the new organizational structure with salaries and benefits projected to be fully spent by end of year.</li> </ul>	







		<ul style="list-style-type: none"> <li>49 positions below approved complement equivalent to a 0.1% vacancy rate.</li> </ul>	
<b>Association of Community Centres:</b> <ul style="list-style-type: none"> <li>Under-expenditure in salaries and benefits and other non-salary budgets.</li> </ul>	G	<ul style="list-style-type: none"> <li>Over-expenditure in salary costs largely due to unbudgeted Employer Health Tax expense and increased from the building usage at Swansea Town Hall.</li> <li>Over-achieved revenues due to increased building usage at Swansea Town Hall.</li> </ul>	G
<ul style="list-style-type: none"> <li>Full complement</li> </ul>		<ul style="list-style-type: none"> <li>Full complement</li> </ul>	
<b>Exhibition Place:</b> <ul style="list-style-type: none"> <li>Favourable net expenditure variance of \$0.537 million is due to savings in utilities expense of \$0.534 million arising from implementation of management energy initiatives and Energy Retrofit Projects (ERP).</li> </ul>	Y	<ul style="list-style-type: none"> <li>Exhibition Place expects to have a net zero variance.</li> </ul>	G
<ul style="list-style-type: none"> <li>Full complement</li> </ul>		<ul style="list-style-type: none"> <li>Full complement</li> </ul>	
<b>Heritage Toronto:</b> <ul style="list-style-type: none"> <li>Unfavourable net expenditure variance of \$0.002 million is due to the timing and/or cancellation of funding for various programs which are either yet to take place or have been put on hold.</li> </ul>	G	<ul style="list-style-type: none"> <li>Heritage Toronto expects to generate little variance as programs are conducted contingent on funding being received. Any surpluses that were expected to be generated from now cancelled programs, are offset by a decrease in salaries and an increase in revenues from Century House plaques.</li> </ul>	G
<ul style="list-style-type: none"> <li>Full complement</li> </ul>		<ul style="list-style-type: none"> <li>Complement for the year to be affected by the replacement of the Executive Director after his resignation in September, and the replacement of the Director's position with that of a Manager.</li> </ul>	

<p><b>Theatres:</b></p> <ul style="list-style-type: none"> <li>• All three Civic Theatres reported higher utility expenditures of \$0.069 million or 10.8% over the approved budget driven by usage.</li> <li>• Sony Centre and St. Lawrence Centre experienced increased demand for programming and performances contributing to the higher than planned revenue. This was partially offset by:</li> <li>• Lower than planned revenue reported by Toronto Centre for the Arts due to fewer bookings,</li> <li>• Increased staffing and programming driven expenses at all three Theatres, and</li> <li>• Unanticipated consultant costs for programming at Sony Centre.</li> <li>• The Leadership Development reported underspending of \$0.227 million due to delayed CEO search process.</li> </ul>		<ul style="list-style-type: none"> <li>• Small unfavourable year-end net variance is forecasted primarily driven by one time human resources related expenses at St. Lawrence Centre, and higher than planned consulting costs for event programming at Sony Centre.</li> </ul>	
<ul style="list-style-type: none"> <li>• 18.5 positions below the approved complement of 172.9 primarily driven by lower bookings at St. Lawrence Centre. There is no budgeted gapping; this represents 10.7% below the approved complement.</li> </ul>		<ul style="list-style-type: none"> <li>• 2.0 positions below the approved complement of 172.9 driven by lower bookings at Toronto Centre for the Arts, partially offset by higher bookings at St. Lawrence Centre. There is no budgeted gapping; this represents 1.2% below the approved complement.</li> </ul>	
<p><b>Toronto Zoo:</b></p> <ul style="list-style-type: none"> <li>• Toronto Zoo's revenue was reported over-budget primarily due to:</li> <li>• Favourable mix in visitor attendance resulting in higher admissions revenue, and</li> <li>• Increased merchandise sales driven by the attractions of panda cubs, lion cubs, baby polar cub, and baby rhino.</li> </ul>		<ul style="list-style-type: none"> <li>• Toronto Zoo forecasts lower net expenditures of \$0.655 million by the year-end, reflecting 5.5% reduction over the 2016 net budget driven by higher retail sales and visitor attendance.</li> </ul>	

<ul style="list-style-type: none"> <li>Expenditures are over budget due to higher number of special events than planned and timing of the consulting costs.</li> </ul>			
<ul style="list-style-type: none"> <li>18.0 positions below the approved complement of 394.0 positions, due to timing delays in hiring resulting in an after budgeted gapping vacancy rate of 2.3%.</li> </ul>		<ul style="list-style-type: none"> <li>6 positions below the approved complement of 394.0 positions due to unanticipated retirements and staff turnover.</li> </ul>	
<p><b>Arena Boards of Management:</b></p> <ul style="list-style-type: none"> <li>Favourable net expenditure variance of \$0.212 million was due to higher than anticipated revenues for certain ice programs and the timing of pre-payments on others (\$0.088 million favourable), combined with a general slowdown in activity (\$0.123 million favourable) for most arenas resulting in reduced support expenses and moderately lower utility costs (offset by unanticipated hydro rate increases).</li> </ul>		<ul style="list-style-type: none"> <li>Arena Boards expect to generate little or zero variance.</li> </ul>	
<ul style="list-style-type: none"> <li>Full complement</li> </ul>		<ul style="list-style-type: none"> <li>Full complement</li> </ul>	
<p><b>Yonge Dundas Square (YDS):</b></p> <ul style="list-style-type: none"> <li>Favourable net expenditure variance of \$0.008 million is due to:</li> <li>Revenues (\$0.059 million favourable), due to unplanned additional demands on the Square arising from events such as Ribfest, North by North, etc.</li> <li>Expenditures (\$0.067 million unfavourable):</li> <li>Strategic review/stakeholder consultation costs of \$0.080 million originally budgeted for in 2015.</li> <li>Additional utilities costs of \$0.015 million – an invoice in dispute and Hydro costs at rates higher than the budgeted economic factors.</li> </ul>		<ul style="list-style-type: none"> <li>YDS is currently projecting a negative variance of \$0.085 million for the year primarily due to strategic review/stakeholder consultation costs being incurred in 2016, which was originally planned for in 2015 and would have been covered by the surplus earned in that year. The 2015 surplus compensates for this variance.</li> <li>Higher than expected utility costs (which are being addressed by a review and a switch in utility providers). Overall, event activity is higher for YDS in the current year.</li> </ul>	



<ul style="list-style-type: none"> <li>Offsetting savings of \$0.030 million arising mostly from timing of Pride festivities taking place in July instead of June.</li> </ul>			
<ul style="list-style-type: none"> <li>Full complement.</li> </ul>		<ul style="list-style-type: none"> <li>Full complement.</li> </ul>	
<p><b>Toronto &amp; Region Conversation Authority:</b></p> <ul style="list-style-type: none"> <li>As year-to-date, the actuals are on budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>Each year, TRCA receives the City of Toronto funding share which maintains the ratio between TRCA's other funding municipalities. In 2016, TRCA will receive the full funding amount as approved by Council, resulting in no year-end variance.</li> </ul>	G
<p><b>Toronto Transit Commission – Conventional:</b></p> <ul style="list-style-type: none"> <li>There were 41.3 million customer journeys taken during May, which was 1.2 million (2.8%) less than the budget of 42.5 million journeys.</li> <li>The number of customer journeys taken year-to-date to the end of May was 218.9 million, which was 7.4 million (3.3%) less than the budget of 226.3 million journeys.</li> <li>788.0 positions below the approved complement due to hiring and capital project challenges, which after gapping is equivalent to a 1.7% vacancy rate. The TTC intends to fill these vacant positions before the end of the year to ensure full complement after gapping.</li> <li>436.0 vacant capital positions relate to a number of capital projects, including but not limited to: Scarborough Subway Extension, Toronto-York Spadina Subway Extension, Automatic Train Control, Environmental Programs, Structure Rehabilitation, Escalator Overhaul, and Wilson Yard Expansion.</li> </ul>	R	<ul style="list-style-type: none"> <li>Based on these results, and in the absence of any substantive changes involving the various factors that may influence ridership for the remainder of the year, no improvement is expected at this time in the estimated 2016 year-end actual ridership of 540 to 545 million noted above.</li> <li>Projected strength of 13,897.0 positions reflects essentially full complement, after considering and achieving the gapping target throughout the year.</li> </ul>	R

<p><b>Toronto Transit Commission – Wheel-Trans:</b></p> <ul style="list-style-type: none"> <li>• There were 0.304 million customer journeys taken during May, which was 0.016 million (6%) more than the budget of 0.288 million journeys.</li> <li>• The number of customer journeys taken year-to-date to the end of May was 1.568 million, which was 0.080 million (5%) more than the budget of 1.488 million journeys.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• 30.0 positions below approved complement due to hiring challenges, which after gapping is equal to a 4.3% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>• 30.0 positions below approved complement due to hiring challenges, which after gapping is equal to a 4.3% vacancy rate.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Projected strength of 565.0 positions reflects full complement, after considering and achieving the gapping target throughout the year.</li> </ul>	
<p><b>Toronto Police Service:</b></p> <ul style="list-style-type: none"> <li>• Expenditures are \$1.200 million lower than planned as a result of reduced hiring.</li> <li>• The Service has cancelled uniform hiring for the remainder of 2016 and plans to reduce civilian hiring for the remainder of the year.</li> <li>• Revenues are \$1.750 million higher than planned as a result of one-time revenues from liabilities and other adjustments.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Currently there are a total of 464 positions below the approved complement. After considering budgeted gapping, this represents the equivalent of a 2.1% vacancy rate.</li> </ul>		<ul style="list-style-type: none"> <li>• Expenditures are forecast at \$2.400 million lower than planned as a result of decreased salaries due to reduced hiring, and increased premium pay costs.</li> <li>• Revenues are expected to be \$3.500 million higher than planned due to one-time revenues related to Pay Equity and Pan Am. It is anticipated that the recommendations of transformation task force will mitigate the service impacts of the reduced staffing.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Projected to have 553 positions below the approved complement. After considering budgeted gapping, this represents the equivalent of a 3.2% gapping rate.</li> </ul>	
<p><b>Toronto Police Services Board:</b></p> <ul style="list-style-type: none"> <li>• Year-to-date net expenditures are on budget.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Full complement.</li> </ul>		<ul style="list-style-type: none"> <li>• Year-end net expenditures are projected to be on budget</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Full complement.</li> </ul>	

**Corporate Accounts**

Figure 22: Net Variance Summary

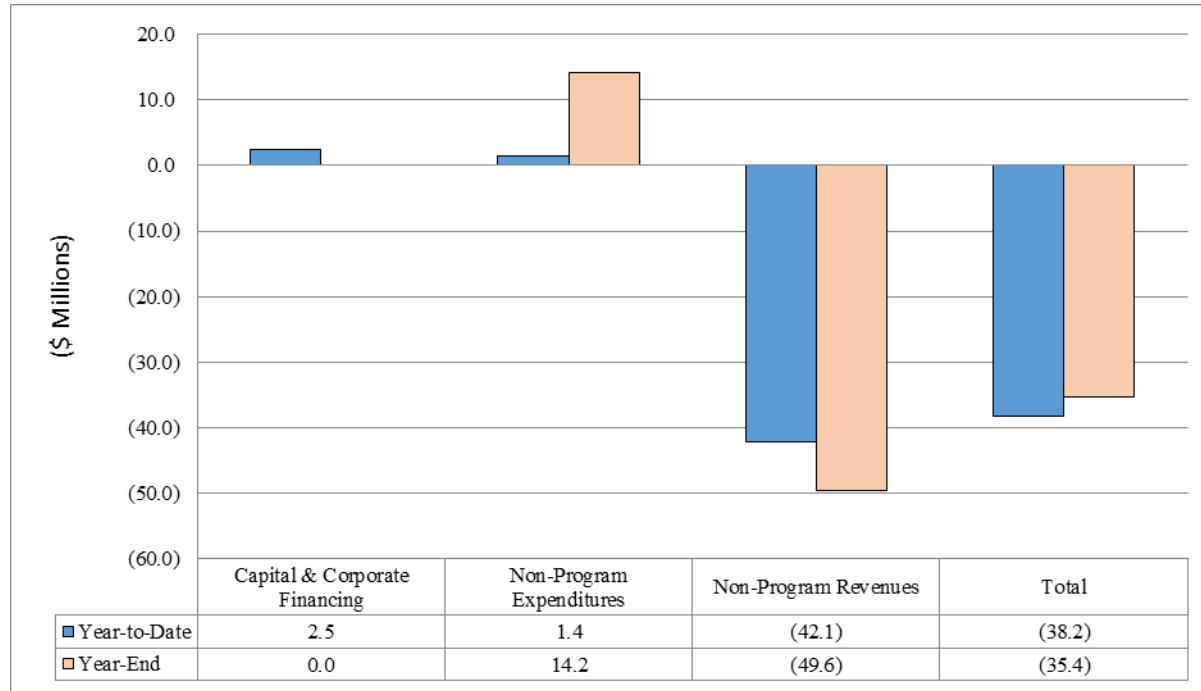


Figure 22 is illustrating program specific year-to-date and year-end projected net variance. As of June 30, 2016 **Corporate Accounts** are reporting a net favourable variance of \$38.222 million or 61.6%, and projecting a year-end positive variance of \$35.405 million or 74.5% compared to the 2016 Approved Net Operating Budget.







### Capital & Corporate Financing

Capital and Corporate Financing reported an unfavourable net variance of \$2.524 million or 1.4% for the six month period ended June 30, 2016 and projects to be on budget at year-end.

Figure 23: Capital & Corporate Financing Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Capital Financing - Capital from Current	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Technology Sustainment	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Debt Charges	3-Month	(1.4)	▼	0.0	—	(1.4)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	2.5	▲	0.0	—	2.5	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
Total	3-Month	(1.4)	▼	0.0	—	(1.4)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	2.5	▲	0.0	—	2.5	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
<b>Year-to-Date Net Variance</b>		⊙	85% to 105%	⊙	0% to 85%	Ⓜ	>105%	<b>Year-End</b>	⊙	<=100%	Ⓜ	>100%			

**Capital & Corporate Financing**

<p><b>Capital &amp; Corporate Financing:</b></p> <ul style="list-style-type: none"> <li>Actuals are on budget.</li> </ul>		<ul style="list-style-type: none"> <li>Projected to be on budget at year-end.</li> </ul>	
<p><b>Technology Sustainment:</b></p> <ul style="list-style-type: none"> <li>Actuals are on budget.</li> </ul>		<ul style="list-style-type: none"> <li>Projected to be on budget at year-end.</li> </ul>	
<p><b>Debt Charges:</b></p> <ul style="list-style-type: none"> <li>Unfavourable variance is due to earlier than forecasted issuance of debt. Thus, the cost of issuance (commission, legal fees and etc.) and interest were being recorded in Q2 instead of being spread out during the year.</li> </ul>		<ul style="list-style-type: none"> <li>Projected to be on budget at year-end.</li> </ul>	

Appendix G

**Non-Program Expenditures**

Non-Program Expenditures have an unfavourable net year-to-date variance of \$1.382 million or 0.6%, and forecasting an unfavourable net variance of \$14.233 million or 3.3% at year-end.

Figure 24: Non-Program Expenditures Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Tax Deficiencies/Writeoffs	3-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	3.6	▲	0.0	—	3.6	▲	Ⓜ
	6-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	12.7	▲	0.0	—	12.7	▲	Ⓜ
Assessment Function (MPAC)	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Funding of Employee Related Liabilities	3-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓢ	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	(0.1)	▼	0.0	—	(0.1)	▼	⊙
Other Corporate Expenditures	3-Month	1.2	▲	(0.1)	▼	1.2	▲	Ⓜ	2.0	▲	(0.2)	▼	2.2	▲	Ⓜ
	6-Month	3.2	▲	0.0	—	3.2	▲	Ⓜ	2.3	▲	0.0	—	2.3	▲	Ⓜ
Insurance Premiums & Claims	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Parking Tag Enforcement & Oper.	3-Month	0.0	—	0.0	—	0.0	—	⊙	(0.5)	▼	0.0	—	(0.5)	▼	⊙
	6-Month	(0.7)	▼	0.0	—	(0.7)	▼	⊙	(0.7)	▼	0.0	—	(0.7)	▼	⊙
Programs Funded from Reserve Funds	3-Month	1.8	▲	1.8	▲	0.0	—	⊙	2.7	▲	2.7	▲	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	(0.0)	—	0.0	—	(0.0)	—	⊙

Appendix G

Figure 25: Non-Program Expenditures Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Vacancy Rebate Program	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.4)	▼	0.0	—	(0.4)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Heritage Property Taxes Rebate	3-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Tax Rebates for Registered Charities	3-Month	(0.2)	▼	(0.2)	▼	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Solid Waste Management Rebates	3-Month	1.6	▲	0.0	—	1.6	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.7)	▼	0.0	—	(0.7)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Total	3-Month	4.2	▲	1.6	▲	2.7	▲	⊙	7.8	▲	2.5	▲	5.2	▲	Ⓡ
	6-Month	1.4	▼	0.0	▼	1.4	▼	⊙	14.2	▼	0.0	▲	14.2	▼	⊙

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

<b>Tax Deficiencies/Write-Offs:</b> <ul style="list-style-type: none"> <li>As of June 2016, a small favourable variance was realized because posted appeals and expected appeals to be processed were slightly lower than budgeted.</li> </ul>	G	<ul style="list-style-type: none"> <li>Unfavourable variance is projected based on a change in the calculation of TIEG grants and inclusion of a property whose starting year changed from 2017 to 2015, resulting in an unbudgeted amount.</li> </ul>	R
<b>Assessment Function (MPAC):</b> <ul style="list-style-type: none"> <li>The year-to-date unfavourable variance of \$0.014 million for Municipal Property Assessment Corporation (MPAC) is due to higher than planned fees.</li> </ul>	G	<ul style="list-style-type: none"> <li>Municipal Property Assessment Corporation (MPAC) is expected to be \$0.029 million unfavourable by year-end as a result of the fees being higher than planned.</li> </ul>	G
<b>Funding Employee Related Liabilities:</b> <ul style="list-style-type: none"> <li>On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>Under-spending on payments to firefighters, surviving spouses and dependants.</li> </ul>	G
<b>Other Corporate Expenditures:</b> <ul style="list-style-type: none"> <li>Net over-spending from contingencies for the potential labour disruption.</li> </ul>	R	<ul style="list-style-type: none"> <li>Unfavourable projected net variance, as a result of corporate contingency spending on labour disruption measures.</li> </ul>	R
<b>Insurance Premiums &amp; Claims:</b> <ul style="list-style-type: none"> <li>On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>On budget.</li> </ul>	G
<b>Parking Tag Enforcement &amp; Operations:</b> <ul style="list-style-type: none"> <li>Favourable gross expenditures year-to-date is partially due to savings from vacant positions.</li> </ul>	G	<ul style="list-style-type: none"> <li>Favourable gross expenditures of \$0.730 million due to savings from Parking Enforcement Officer separations.</li> </ul>	G



<ul style="list-style-type: none"> <li>• Payments to the Province on target as habitual offenders continue to pay at Service Ontario.</li> </ul>			
<ul style="list-style-type: none"> <li>• Staffing is 12 positions or 3% below the approved complement at June 30 due to Parking Officer vacancies.</li> </ul>		<ul style="list-style-type: none"> <li>• Down 22 positions or 5.6% below the approved complement.</li> <li>• Toronto Police Parking Enforcement is expected, on average, to be below its approved complement.</li> </ul>	
<b>Programs Funded from Reserve Funds:</b> <ul style="list-style-type: none"> <li>• On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>• On budget.</li> </ul>	G
<b>Vacancy Rebate Program:</b> <ul style="list-style-type: none"> <li>• Vacancy rebates processed and expected to be processed were slightly below planned.</li> </ul>	G	<ul style="list-style-type: none"> <li>• Forecast to be on budget at year-end.</li> </ul>	G
<b>Heritage Property Tax Rebates:</b> <ul style="list-style-type: none"> <li>• Heritage rebates processed and expected to be processed were slightly below planned.</li> </ul>	G	<ul style="list-style-type: none"> <li>• Expenditures are projected to be on budget at year-end.</li> </ul>	G
<b>Tax Rebates for Registered Charities:</b> <ul style="list-style-type: none"> <li>• On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>• Projected to be on budget at year-end.</li> </ul>	G
<b>Solid Waste Management Rebates:</b> <ul style="list-style-type: none"> <li>• As at June 2016, the expenditures are slightly lower than budget by \$0.719 million (or 0.9%).</li> </ul>	G	<ul style="list-style-type: none"> <li>• On budget.</li> </ul>	G

Appendix G

**Non-Program Revenues**

Figure 26: Non-Program Revenues Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Payments in Lieu of Taxes	3-Month	0.0	—	(0.0)	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	6-Month	0.0	—	(0.0)	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
Supplementary Taxes	3-Month	0.0	—	0.0	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	6-Month	0.0	—	0.0	—	0.0	—	⊕	0.0	—	(5.7)	▼	5.7	▲	⊗
Tax Penalty Revenue	3-Month	0.0	—	(0.2)	▼	0.2	▲	⊕	0.0	—	0.0	—	0.0	—	⊕
	6-Month	0.0	—	(0.3)	▼	0.3	▲	⊕	0.0	—	0.0	—	0.0	—	⊕
Interest/Investment Earnings	3-Month	0.0	—	0.0	—	(0.0)	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	6-Month	(0.2)	▼	2.4	▲	(2.5)	▼	⊕	0.0	—	0.0	—	0.0	—	⊕
Other Corporate Revenues	3-Month	0.6	▲	0.6	▲	0.0	—	⊕	0.7	▲	0.7	▲	(0.1)	▼	⊕
	6-Month	0.2	▲	(1.1)	▼	1.3	▲	⊗	0.0	—	0.2	▲	(0.2)	▼	⊕
Dividend Income	3-Month	0.0	—	(4.2)	▼	4.2	▲	⊗	0.0	—	(4.2)	▼	4.2	▲	⊗
	6-Month	0.0	—	(4.2)	▼	4.2	▲	⊗	0.0	—	(4.2)	▼	4.2	▲	⊗
Provincial Revenue	3-Month	0.0	—	0.0	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	6-Month	0.0	—	0.0	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
Municipal Land Transfer Tax	3-Month	0.6	▲	18.0	▲	(17.5)	▼	⊕	0.0	—	17.5	▲	(17.5)	▼	⊕
	6-Month	0.4	▲	42.0	▲	(41.5)	▼	⊕	0.6	▲	55.0	▲	(54.4)	▼	⊕

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Third Party Sign Tax	3-Month	0.0	—	(0.5)	▼	0.5	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.1	▲	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Parking Authority Revenues	3-Month	0.0	—	2.0	▲	(2.0)	▼	⊙	0.0	—	2.3	▲	(2.3)	▼	⊙
	6-Month	0.0	—	3.2	▲	(3.2)	▼	⊙	0.0	—	4.5	▲	(4.5)	▼	⊙
Administrative Support Recoveries - Water	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Administrative Support Recoveries - Health & EMS	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Parking Tag Enforcement & Operations Rev	3-Month	0.0	—	2.9	▲	(2.9)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Other Tax Revenues	3-Month	0.1	▲	0.1	▲	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.1	▲	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Woodbine Slots Revenues	3-Month	0.0	—	0.1	▲	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.4	▲	(0.4)	▼	⊙	0.0	—	0.4	▲	(0.4)	▼	⊙
Total	3-Month	1.3	▲	18.9	▲	(17.6)	▼	⊙	0.7	▲	16.3	▲	(15.7)	▼	⊙
	6-Month	0.4	▲	42.6	▲	(42.1)	▼	⊙	0.6	▲	50.3	▲	(49.6)	▼	⊙
Year-to-Date Net Variance	⊙	>=95%	Ⓡ	<95%	Year-End		⊙	<=100%	Ⓡ	>100%					



**Non-Program Revenues** reported a favourable variance of \$42.128 million or 7.2% for the period ended June 30, 2016; and it is projected that Non-Program Revenues will be \$49.638 million or 4.2% above the 2016 Approved Net Operating Budget at year-end.

Staff report for action on Operating Variance Report for the Six Month Period Ended June 30th, 2016

**Non-Program Revenues**

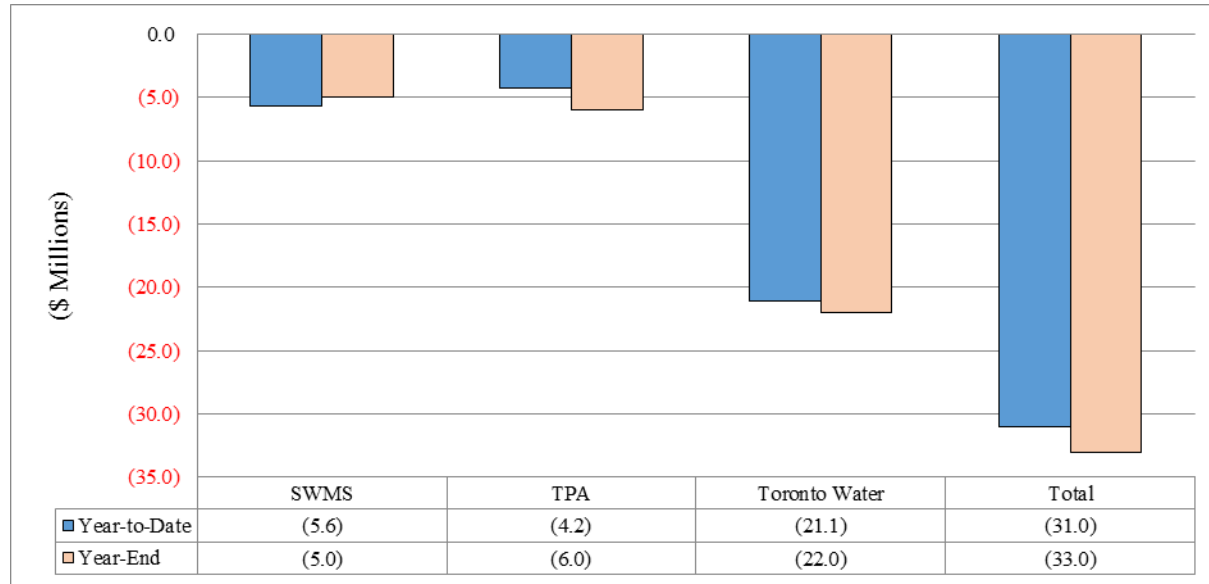
<b>Payments In Lieu of Taxes (PILs):</b> <ul style="list-style-type: none"> <li>Unfavourable variance of \$0.005 million was realized because posted appeals and expected appeals to be processed were slightly higher than planned.</li> </ul>	G	<ul style="list-style-type: none"> <li>Revenues are forecast to be on budget at year-end.</li> </ul>	G
<b>Supplementary Taxes:</b> <ul style="list-style-type: none"> <li>On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>Projecting to have an underachieved revenue at year-end based on the latest MPAC assessment.</li> </ul>	R
<b>Tax Penalties:</b> <ul style="list-style-type: none"> <li>Tax penalties/interest and adjustments were slightly below planned.</li> </ul>	G	<ul style="list-style-type: none"> <li>On budget at year-end.</li> </ul>	G
<b>Interest &amp; Investment Earnings:</b> <ul style="list-style-type: none"> <li>Slightly higher revenue due to timing differences.</li> </ul>	G	<ul style="list-style-type: none"> <li>Projected to be on budget at year-end.</li> </ul>	G
<b>Other Corporate Revenues:</b> <ul style="list-style-type: none"> <li>Minor unfavourable variances as a result of lower than planned interest income and exchange rate losses.</li> </ul>	R	<ul style="list-style-type: none"> <li>Forecasted a positive variance of \$0.188 million largely from stronger than budgeted Registry and Gaming Revenue.</li> </ul>	G
<b>Toronto Hydro Revenues:</b> <ul style="list-style-type: none"> <li>Driven by lower than planned 2015 net income for Toronto Hydro (\$135.0 million planned versus \$126.7 million actual). The revenue for 2016 is from dividends received that are based on 2015 actual net income.</li> </ul>	R	<ul style="list-style-type: none"> <li>The result of lower than planned 2015 net income for Toronto Hydro (\$135.0 million planned versus \$126.7 million actual).</li> </ul>	R
<b>Provincial Revenue:</b> <ul style="list-style-type: none"> <li>On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>Forecast to be on budget at year-end.</li> </ul>	G

<b>Municipal Land Transfer Tax (MLTT):</b> <ul style="list-style-type: none"> <li>Mainly due to higher than planned sales.</li> </ul>	G	<ul style="list-style-type: none"> <li>Primarily from higher than planned sales.</li> </ul>	G
<b>Third Party Sign Tax:</b> <ul style="list-style-type: none"> <li>Slight decrease in net revenue due to the number of taxable signs.</li> </ul>	G	<ul style="list-style-type: none"> <li>On budget by year-end.</li> </ul>	G
<b>Parking Authority Revenues:</b> <ul style="list-style-type: none"> <li>Driven by stronger than planned revenues from on-street parking and off-street garages in downtown fringe areas due to higher than anticipated customer volume.</li> </ul>	G	<ul style="list-style-type: none"> <li>Projecting a net surplus mostly due to higher off-street parking revenues.</li> </ul>	G
<b>Administrative Support Recoveries – Toronto Water:</b> <ul style="list-style-type: none"> <li>On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>Projected to be on budget at year-end.</li> </ul>	G
<b>Administrative Support Recoveries – Health &amp; EMS:</b> <ul style="list-style-type: none"> <li>On budget.</li> </ul>	G	<ul style="list-style-type: none"> <li>On budget at year-end.</li> </ul>	G
<b>Parking Tag and Enforcement Operations:</b> <ul style="list-style-type: none"> <li>Revenue is on budget year-to-date.</li> <li>1,165,587 parking tickets issued to June 30, 2016.</li> </ul>	G	<ul style="list-style-type: none"> <li>Revenues are expected to be on budget as fewer ticket issuances is anticipated during the year, due to the increasing compliance results from increased fine levels.</li> <li>2.2 million tickets expected to be issued by year-end.</li> </ul>	G
<b>Other Tax Revenues:</b> <ul style="list-style-type: none"> <li>An unfavourable variance was realized because posted appeals, and expected appeals to be processed, were slightly higher than planned.</li> </ul>	G	<ul style="list-style-type: none"> <li>Projected to be on budget at year-end.</li> </ul>	G

<p><b>Woodbine Slots:</b></p> <ul style="list-style-type: none"> <li>Gross gaming revenues at Woodbine continued to exceed expectation, resulting in a \$0.382 million or 5.4% positive variance for the City's hosting fees.</li> </ul>		<ul style="list-style-type: none"> <li>Projected an overachieved revenue for year- end, as the trend is expected to continue for the rest of the year.</li> </ul>	
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**Rate Supported Programs**

Figure 27: Net Variance Summary







**Rate Supported Programs**, which include Solid Waste Management Services, Toronto Parking Authority and Toronto Water, have reported a favourable net variance \$31.015 million at the end of the second fiscal quarter, and are projecting a positive year-end variance of \$33.020 million, as outlined in Chart 9 above.

Appendix G

Figure 28: Rate Supported Programs Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Solid Waste Management Services	3-Month	(6.2)	▼	1.2	▲	(7.4)	▼	⊙	(5.2)	▼	(2.6)	▼	(2.6)	▼	⊙
	6-Month	(9.5)	▼	(3.8)	▼	(5.6)	▼	⊙	(11.2)	▼	(6.2)	▼	(5.0)	▼	⊙
Toronto Parking Authority	3-Month	0.2	▲	2.9	▲	(2.7)	▼	⊙	0.0	—	3.0	▲	(3.0)	▼	⊙
	6-Month	0.7	▲	4.9	▲	(4.2)	▼	⊙	0.0	—	6.0	▲	(6.0)	▼	⊙
Toronto Water	3-Month	(6.7)	▼	4.3	▲	(11.0)	▼	⊙	(14.1)	▼	5.4	▲	(19.5)	▼	⊙
	6-Month	(20.4)	▼	0.8	▲	(21.1)	▼	⊙	(14.0)	▼	8.0	▲	(22.0)	▼	⊙
Total	3-Month	(12.6)	▼	8.4	▲	(21.0)	▼	⊙	(19.3)	▼	5.8	▲	(25.1)	▼	⊙
	6-Month	(29.2)	▼	1.8	▲	(31.0)	▼	⊙	(25.2)	▼	8.4	▲	(33.0)	▼	⊙

<b>Year-to-Date Net Variance</b>		<=100%		>100%	<b>Year-End</b>		<=100%		>100%
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**Rate Supported Programs**

<p><b>Solid Waste Management Services (SWMS):</b></p> <ul style="list-style-type: none"> <li>• Under-expenditures totaling \$9.49 million mainly arise from a combination of salaries and benefits savings due to vacancies, lower expenditures for contracted services, as well as delayed inter-divisional charges and contribution to reserve funds.</li> <li>• Contracted services under-spending includes Single Stream Recyclable Materials (SSRM), Organics (SSO), Glass, Yard and Hazardous Waste collection and processing; lower cost of hauling City waste to Green Lane as a result of lower fuel prices as well as related delayed payments and lower advertising/communications programs.</li> <li>• Lower than planned net revenue of \$3.85 million was driven by lower residential user fees due to single family clients downsizing their bins and multi-residential clients opting out of the City's collection system; delayed receiving of recyclable material processing residue disposal fees and lower bags and tags fees due to lower volumes. These reduced revenues were partially offset by higher transfer station tipping fees due to higher tonnages.</li> </ul>	<p>G</p>	<ul style="list-style-type: none"> <li>• Projecting net under-expenditures (surplus) of \$4.99 million at year end.</li> <li>• Expenditures are estimated to be \$11.17 million under-spent primarily related to ongoing vacancies and lower contracted services cost for lower projected tonnages of organics, durable goods and recyclables.</li> <li>• Revenue is anticipated to be \$6.19 million less than budget at year-end. The variance is mainly driven by the anticipated decline in the volume of residential user fees, lower volumes of waste disposed at Green Lane and lower prices for resale of recyclables.</li> <li>• Any total net under-expenditure at year-end will be contributed to the Waste Management reserve fund.</li> </ul>	<p>G</p>
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<ul style="list-style-type: none"> <li>• 103.0 positions below approved complement due to an on-going recruiting process which, after considering budgeted gapping, is equivalent to a 4.7% vacancy rate. The Program continues to have difficulty recruiting qualified candidates.</li> <li>• Other positions are being held vacant in order to facilitate backfilling for staff participating in the TMP (Talent Management Program).</li> </ul>		<ul style="list-style-type: none"> <li>• It is anticipated that SWMS will be 77.0 positions below the approved complement of 1,108.7 due to on-going recruiting issues and provision for the TMP.</li> <li>• After considering budgeted gapping for 2016, this equates to a vacancy rate of 3.0%.</li> </ul>	
<p><b>Toronto Parking Authority:</b></p> <ul style="list-style-type: none"> <li>• Higher expenditures of \$0.7 million mainly due to higher property tax for CP 15 (Yorkville Avenue)</li> <li>• Parking revenues higher by \$4.9 million including higher on-street and off street revenues for garages in downtown fringe areas due to higher than anticipated customer volume.</li> </ul>	G	<ul style="list-style-type: none"> <li>• Projecting a net surplus of \$6.0 million compared to budget of \$52.246 million, mostly due to higher off-street parking revenues.</li> <li>• Expenditures are projected as budgeted at \$84.743 million. It is anticipated that savings from salaries and benefits will be offset by higher rent expenses for managed lots and property tax for CP 15.</li> </ul>	G
<ul style="list-style-type: none"> <li>• 5.4 positions or 1.8% below approved complement due to delayed hiring of staff. There is no budgeted gapping.</li> </ul>		<ul style="list-style-type: none"> <li>• Projecting positions at approved staff complement levels of 302.4 positions.</li> </ul>	
<p><b>Toronto Water:</b></p> <ul style="list-style-type: none"> <li>• Reported net under expenditure of \$21.1 million at June 30, 2016.</li> <li>• Lower expenditures of \$20.4 million mainly due to underspending in salaries and benefits as a result of vacancies, lower than anticipated demand for chemicals, electricity, professional and technical services as well as underspending in the transfer costs of bio solids, as a result of continued beneficial use for sludge.</li> </ul>	G	<ul style="list-style-type: none"> <li>• Projecting a net favourable variance of \$19.5 million at year-end.</li> <li>• Lower spending of \$14.1 million primarily because of projected under-spending in salaries and benefits due to vacancies, lower than anticipated hydro rates and usage, and savings in chemicals from unused contingencies.</li> </ul>	G

<ul style="list-style-type: none"> <li>Higher revenues of \$0.8 million primarily due to an increase in new water and sewer service connections.</li> </ul>		<ul style="list-style-type: none"> <li>Revenues are projected to be higher than budgeted by \$5.4 million due to the forecasted higher volume of water sold and an increase in new water and sewer service connections.</li> <li>Toronto Water will continue to monitor water consumption throughout the peak period (July to September) and address changes in water consumption as appropriate in the 3rd quarter.</li> </ul>	
<ul style="list-style-type: none"> <li>145 positions below approved complement due to the aging workforce / retirements and extended recruitment period for certain positions such as skilled trades and certified operators. After considering budgeted gapping it equals to 5.6% vacancy rate.</li> <li>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.</li> <li>The 2010-2020 Strategic Plan includes enhancement of recruiting strategies and development and implementation of an Enterprise Knowledge Retention Program.</li> </ul>		<ul style="list-style-type: none"> <li>It is anticipated there will be 132.0 positions below the approved complement, which is equal to a 4.8% vacancy rate after considering budgeted gapping.</li> </ul>	