

# Toronto 2017 BUDGET



## OPERATING BUDGET NOTES



## Heritage Toronto

### 2017 OPERATING BUDGET OVERVIEW

Heritage Toronto raises awareness of Toronto's architectural, archaeological, natural and cultural heritage by delivering volunteer-led walks, bus and cycling tours around the City, installing heritage plaques and markers to commemorate buildings and events, and producing the annual Heritage Toronto Awards event.

### 2017 Operating Budget Highlights

The total cost to deliver these services to Toronto residents is \$0.795 million gross and \$0.298 million net as shown below:

(in \$000's)	2016 Budget	2017 Preliminary Budget	Change	
			\$	%
Gross Expenditures	765.8	794.8	29.0	3.8%
Revenues	459.5	496.5	37.0	8.1%
<b>Net Expenditures</b>	<b>306.3</b>	<b>298.3</b>	<b>(8.0)</b>	<b>(2.6%)</b>

Heritage is able to reduce its 2017 Net Operating Budget by 2.6% while maintaining service levels by realigning its staff complement.

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### CONTACTS

#### Program:

**Kaitlin Wainwright**  
 Director of Programming & Interim Executive Director  
 Tel: (416) 338-0681  
 Email: [Kaitlin.Wainwright@toronto.ca](mailto:Kaitlin.Wainwright@toronto.ca)

#### Corporate:

**Judy Skinner**  
 Manager, Financial Planning  
 Tel: (416) 397-4219  
 E-Mail: [jskinne1@toronto.ca](mailto:jskinne1@toronto.ca)

**Fast Facts**

Heritage Toronto will:

- Deliver 60 public Tours, including walking, bus, and bike tours across Toronto, including new Tours for newcomers and diverse cultural communities.
- Produce 50 interpretive plaques, telling the history and heritage of Toronto’s key people, places, and events.
- Produce 100 Century House plaques
- Deliver 2 "Heritage Primer" symposia and one other lecture event. 200,000+ citizen recreation program registrations processed for 70,000+ courses

**Trends**

- Delivered 75 public tours with average attendance of 47 attendees (18% growth).
- Average tour donations increased by 50%.
- Increased participation in social media channels (added Instagram and gained 1,200 followers).
- Customer satisfaction was recorded at 98% for 2016, a level which Heritage Toronto is striving toward for 2017, 2018 and 2019.

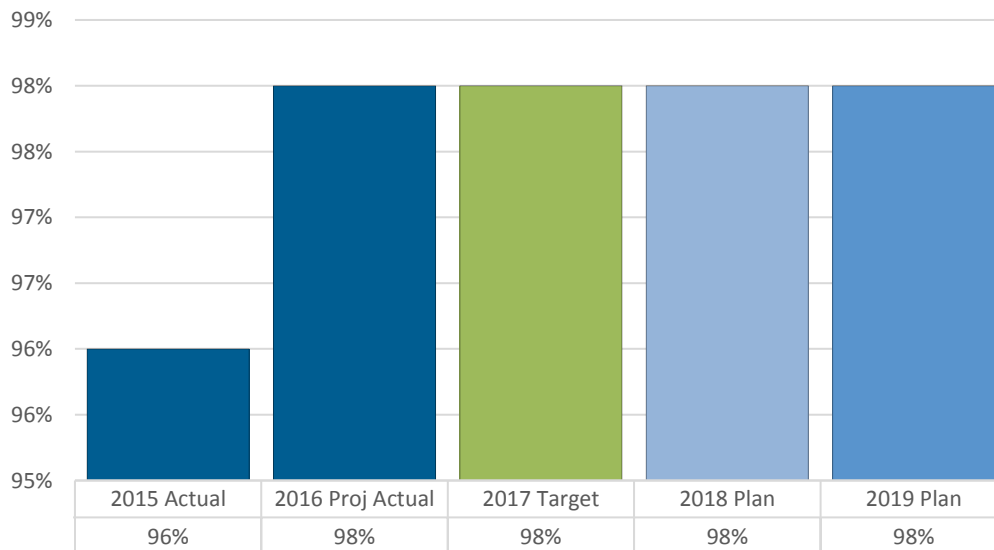
**Key Service Deliverables for 2017**

Heritage Toronto continues to work on increasing awareness about the importance of the City of Toronto's shared heritage and cultural assets among the general population and visitors.

The 2017 Preliminary Operating Budget will support the following objectives:

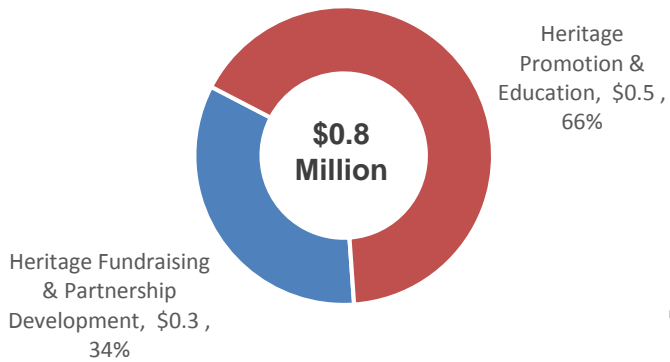
- Maintain Heritage Tour participation at 5,000 individuals in 2017 and customer satisfaction at 98%.
- Research and produce 50 plaques and organize 12 community unveiling events.
- Heritage Awards: Deliver refreshed program, in line with core program review recommendations with an attendance goal of 500.
- Present new programs, including Parks Past, Heritage Primer, and a lecture series
- Redesign the Heritage Toronto website
- Raise 60% of Heritage Toronto's gross expenditures in self-generated funds
- Further grow the social media network to increase awareness and participation for all programs.

**Customer Satisfaction with Heritage Tours**

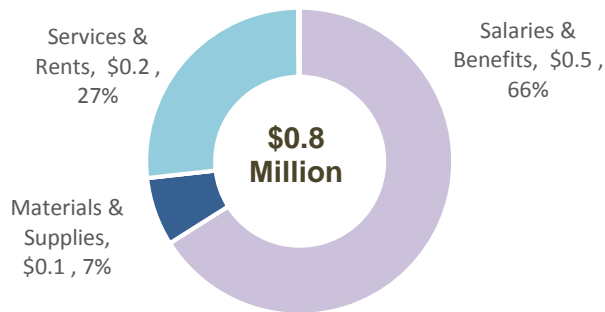


Where the money goes:

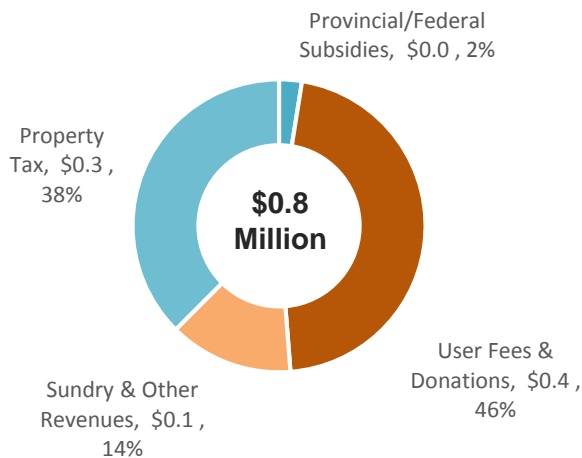
2017 Budget by Service



2017 Budget by Expenditure Category



Where the money comes from:



Our Key Issues & Priority Actions

- **Reduce reliance on City funding** by generating sufficient revenues to fund 60% of Heritage Toronto's gross expenditures:
  - ✓ Heritage Toronto will raise funds through memberships, individual donations, ticket sales and corporate sponsorships to continue meeting its service objectives and reduce reliance on City funding.
  
- **St. Lawrence Market/St. Lawrence Hall Redevelopment:** As part of the planned facility upgrade, Heritage Toronto will be required to relocate its current office from the 3<sup>rd</sup> floor of St. Lawrence Hall to the 2<sup>nd</sup> floor in 2018.
  - ✓ Upon being notified of the redevelopment timeline, Heritage Toronto will plan the relocation and determine any associated moving costs.

2017 Operating Budget Highlights

- The 2017 Preliminary Operating Budget for Heritage Toronto of \$0.795 million in gross expenditures provides funding for two services, Heritage Promotion & Education and Heritage Fundraising & Partnership Development.
- Heritage Toronto realigned its staff complement by converting a vacant director of marketing position to a Manager of Marketing position. This enabled Heritage Toronto to achieve its budget target of a 2.6% decrease from the 2016 Approved Net Operating Budget.
- Staff complement will remain the same from 2016 to 2017.

## Actions for Consideration

Approval of the 2017 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2017 Preliminary Operating Budget for Heritage Toronto of \$0.795 million gross, \$0.298 million net for the following services:

<u>Service</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Heritage Fundraising & Partnership Development	268.1	3.1
Heritage Promotion & Education	526.7	295.2
	<hr/>	<hr/>
<b>Total Program Budget</b>	<b><u>794.8</u></b>	<b><u>298.3</u></b>

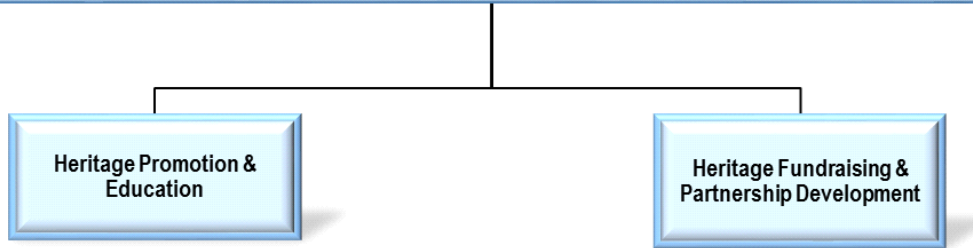
2. City Council approve the 2017 service levels for Heritage Toronto as outlined on pages 14 and 16 of this report, and associated staff complement of 7.0 positions.



# Part 1:

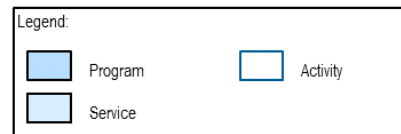
## 2017-2019 Service Overview and Plan

# Program Map



**Purpose:**  
 To raise awareness of Toronto's architectural, archeological, natural and cultural heritage. Heritage Toronto delivers volunteer-led tours around the city; installs historical plaques to commemorate important buildings, people and events; and presents the annual Heritage Toronto Awards and Kilbourn Lecture. The organization also delivers heritage lectures and other educational programs that are contingent on funding and community partnerships

**Purpose:**  
 To actively seek out project grants from governments and foundations, corporate sponsorship, and community partnership opportunities to increase the organizational capacity of Heritage Toronto. Through marketing and communications activities, the organization also raises funds through membership, private donations, advertising sales and special events



Service Customer

**Heritage Promotion & Education**

- City of Toronto Residents
- Visitors
- Event Participants
- Lecture Attendees
- City Council
- Local Businesses
- Local Communities

**Heritage Fundraising & Partnership Development**

- Non Profit Organizations / Foundations
- Corporations
- Community Groups
- Other Levels of Government
- City of Toronto Residents
- Visitors
- Local Heritage Societies

**Table 1**  
**2017 Preliminary Operating Budget and Plan by Service**

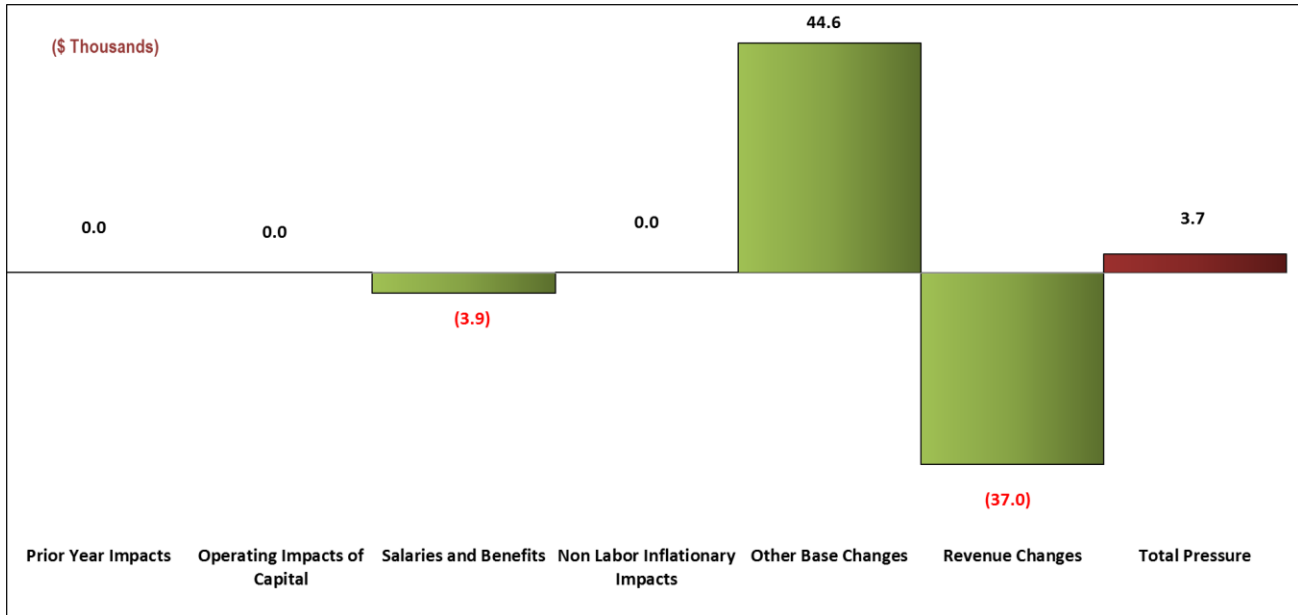
(In \$000s)	2016		2017 Preliminary Operating Budget			2017 Preliminary vs. 2016 Budget Change		Incremental Change			
	Budget	Projected Actual	Base	New/ Enhanced	Total Budget			2018 Plan		2019 Plan	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
<b>Heritage Fundraising &amp; Partnership Development</b>											
Gross Expenditures	264.0	200.2	268.1		268.1	4.1	1.6%	2.4	0.9%	2.7	1.0%
Revenue	191.0	184.9	265.0		265.0	74.0	38.7%				
<b>Net Expenditures</b>	<b>73.0</b>	<b>15.3</b>	<b>3.1</b>		<b>3.1</b>	<b>(69.9)</b>	<b>(95.8%)</b>	<b>2.4</b>	<b>77.4%</b>	<b>2.7</b>	<b>49.1%</b>
<b>Heritage Promotion &amp; Education</b>											
Gross Expenditures	501.8	504.2	526.7		526.7	24.9	5.0%	2.9	0.6%	3.3	0.6%
Revenue	268.5	213.2	231.5		231.5	(37.0)	(13.8%)				
<b>Net Expenditures</b>	<b>233.3</b>	<b>291.0</b>	<b>295.2</b>		<b>295.2</b>	<b>61.9</b>	<b>26.5%</b>	<b>2.9</b>	<b>1.0%</b>	<b>3.3</b>	<b>1.1%</b>
<b>Total Net Expenditures</b>	<b>306.3</b>	<b>306.3</b>	<b>298.3</b>		<b>298.3</b>	<b>(8.0)</b>	<b>(2.6%)</b>	<b>5.3</b>	<b>1.8%</b>	<b>6.0</b>	<b>2.0%</b>
<b>Approved Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>		<b>7.0</b>						

Heritage Toronto's 2017 Preliminary Operating Budget is \$0.795 million gross and \$0.298 million net, representing a 2.6% decrease to the 2016 Approved Net Operating Budget and is in line with the reduction target as set out in the 2017 Operating Budget Directions approved by Council.

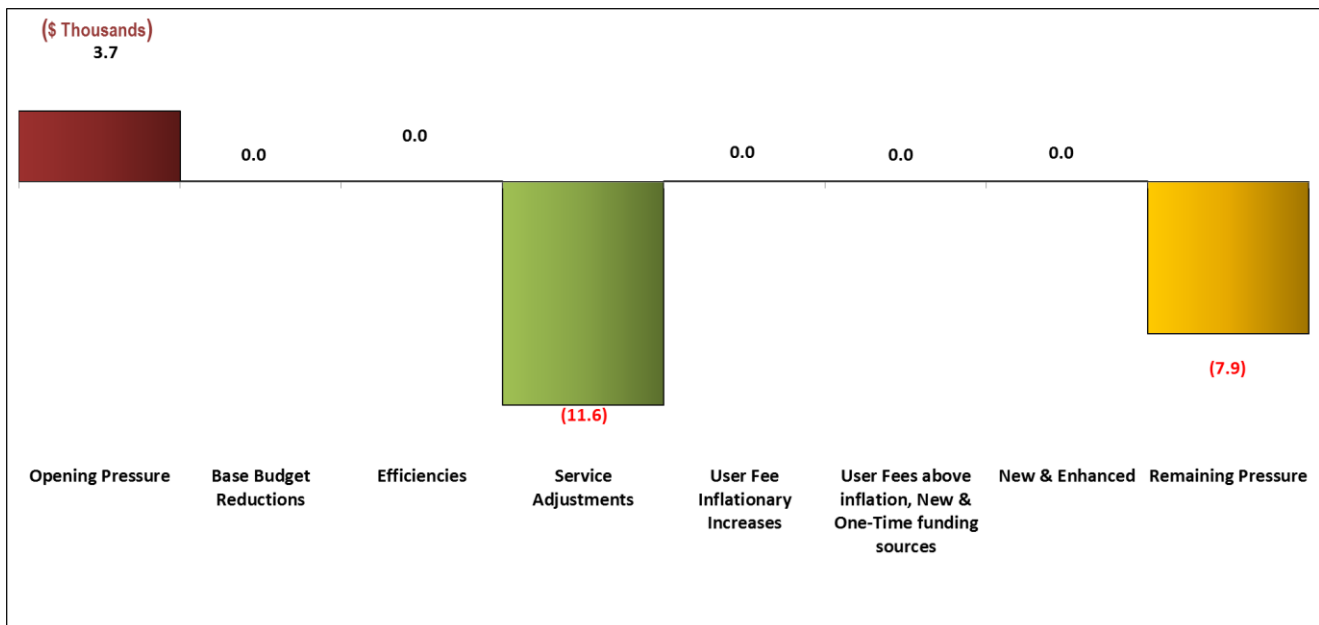
- Base pressures are mainly attributable to salaries and benefits and program support costs offset by program revenues and donations.
- The Agency converted a vacant Director of Marketing position to a Manager of Marketing position with no impact to service levels that result in salary and benefit savings. This has enabled Heritage Toronto to achieve its budget target of a 2.6% decrease from the 2016 Approved Net Operating Budget.
- Approval of the 2017 Preliminary Operating Budget will result in Heritage Toronto maintaining its total staff complement of 7.0 positions.
- The 2018 and 2019 Plan increases are minimal and mostly attributable to wage and benefit adjustments.

The following graphs summarize the operating budget pressures for this Program. Heritage Toronto has realigned its staff complement which has enabled it to achieve its budget target of -2.6% of the 2016 Approved Operating Budget without impacting existing service levels.

### Key Cost Drivers



### Actions to Achieve Budget Reduction Target





**Table 2  
Key Cost Drivers**

(In \$000s)	2017 Base Operating Budget				Total	
	Heritage Fundraising & Partnership		Heritage Promotion & Education			
	\$	Position	\$	Position	\$	Position
<b>Gross Expenditure Changes</b>						
<b>Salaries and Benefits</b>						
Salary Adjustment	0.4		(8.5)		(8.1)	
Cost of Living Adjustment	2.3		2.8		5.1	
Benefits Adjustment	(3.0)		2.1		(0.9)	
<b>Other Base Changes</b>						
Miscellaneous Materials	9.1		(20.2)		(11.1)	
Other Expenses			55.7		55.7	
<b>Total Gross Expenditure Changes</b>	<b>8.8</b>		<b>31.8</b>		<b>40.7</b>	
<b>Revenue Changes</b>						
Fees & Service Charges	58.5		89.0		147.5	
Sundry Revenues	15.5		(108.0)		(92.5)	
Federal Grants			(18.0)		(18.0)	
<b>Total Revenue Changes</b>	<b>74.0</b>		<b>(37.0)</b>		<b>37.0</b>	
<b>Net Expenditure Changes</b>	<b>(65.2)</b>		<b>68.8</b>		<b>3.7</b>	

Key cost drivers for Heritage Toronto are discussed below:

- Other Base Changes:
  - Other Expenses have increased due to the mix of programs in place for 2017 and an increased number of plaques being issued, partially offset by savings from the relocation of the Heritage Awards event to a smaller venue resulting in an overall increase of \$0.056 million.
- Revenue Changes:
  - An increase in overall revenues of \$0.037 million is attributable to increased donations and an increase in plaque revenues from more Century plaques being issued in 2017, offset by revised expectations for receipts of grants and miscellaneous revenues.

In order to achieve the budget reduction target, the 2017 service changes for Heritage Toronto consists of service efficiency savings of \$0.007 million net as detailed below.

**Table 3**  
**Actions to Achieve Budget Reduction Target**  
**2017 Preliminary Service Change Summary**

Description (\$000s)	Service Changes				Total Service Changes			Incremental Change			
	Heritage Fundraising & Partnership		Heritage Promotion & Education		\$	\$	#	2018 Plan		2019 Plan	
	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
<b>Service Efficiencies</b>											
Conversion of Director of Marketing Position to Manager	(4.6)	(4.6)	(7.0)	(7.0)	(11.6)	(11.6)		(0.7)		(0.1)	
<b>Sub-Total</b>	(4.6)	(4.6)	(7.0)	(7.0)	(11.6)	(11.6)		(0.7)		(0.1)	
<b>Total Changes</b>	(4.6)	(4.6)	(7.0)	(7.0)	(11.6)	(11.6)		(0.7)		(0.1)	

**Service Efficiencies (Savings of \$0.007 million gross & \$0.007 million net)**

*Conversion of Director of Marketing Position to Manager*

- Heritage Toronto will be converting a vacant Director of Marketing position to a Manager of Marketing position by the 2016 year-end, resulting in salary and benefits savings. This will have no impact to the current level of service as the duties and expectations will continue to be the same for the new position.
- This has enabled the Agency to achieve its budget target of a 2.6% decrease from the 2016 Approved Net Operating Budget.

Approval of the 2017 Preliminary Operating Budget for Heritage Toronto will result in a 2018 incremental net cost of \$0.005 million and a 2019 incremental net cost of \$0.006 million to maintain the 2017 service levels, as discussed below:

**Table 5**  
**2018 and 2019 Plan by Program**

Description (\$000s)	2018 - Incremental Increase					2019 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	Position	Gross Expense	Revenue	Net Expense	% Change	Position
<b>Known Impacts:</b>										
<b>Salaries and Benefits</b>										
Progression Pay	5.1		5.1	1.2%		5.2		5.2	1.2%	
Cost of Living Adjustment and Benefits	1.0		1.0	0.8%		0.8		0.8	0.7%	
<b>Other Base Changes</b>										
Miscellaneous Materials & Supplies	(0.7)		(0.7)	(1.0%)						
<b>Sub-Total</b>	5.4		5.4	1.8%		6.0		6.0	2.0%	
<b>Total Incremental Impact</b>	5.4		5.4	1.8%		6.0		6.0	2.0%	

**Known Impacts:**

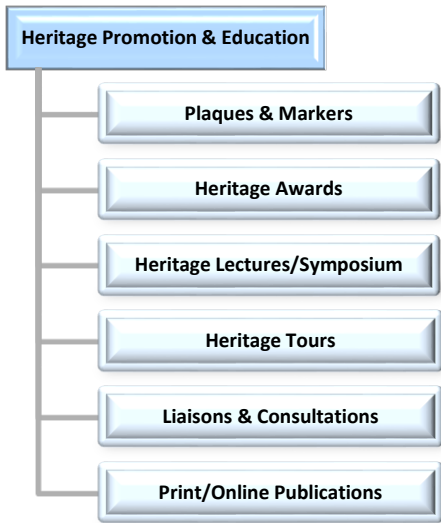
Future year incremental costs are very minimal and primarily attributable to wage and benefit adjustments.



# Part 2:

## 2017 Preliminary Operating Budget by Service

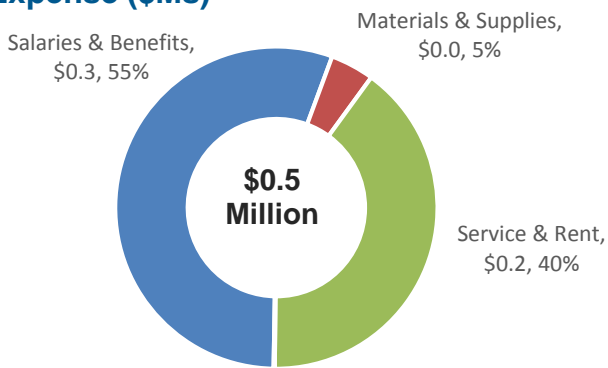
## Heritage Promotion & Education



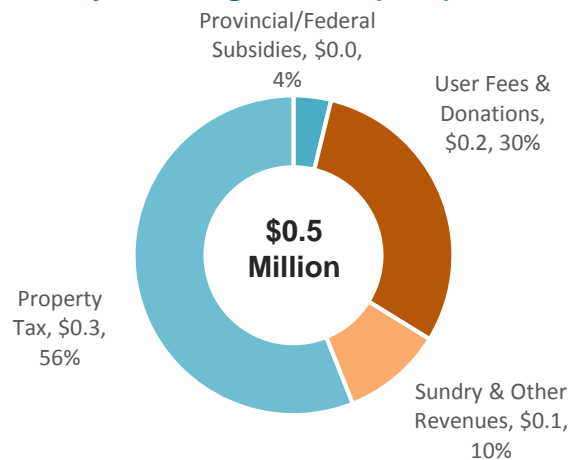
### What We Do

- Raise awareness of Toronto's architectural, archaeological, natural and cultural heritage.
- Deliver volunteer-led walks cycling and bus tours around the city.
- Install plaques and markers to commemorate buildings and events which are important to Toronto's heritage.
- Deliver heritage lectures and other promotional projects that are contingent on funding and community partnerships.

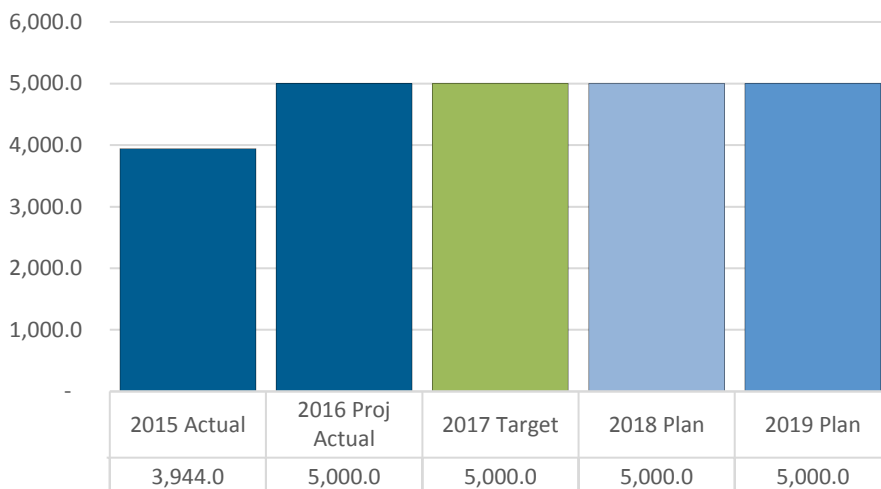
### 2017 Service Budget by Category of Expense (\$Ms)



### Service by Funding Source (\$Ms)



### Number of Participants in Heritage Walks



- After a few years of growth in attendance, Heritage Toronto expects participation in Heritage Walks to remain steady at 5,000 individuals in 2017, 2018 and 2019.

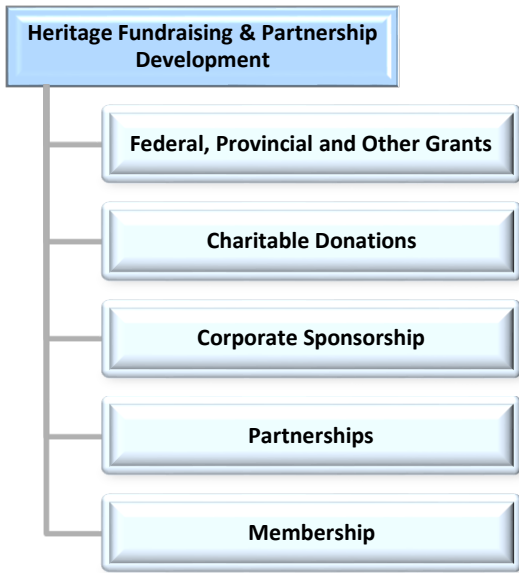
## 2017 Service Levels

Status		2014	2015	2016	2017
Plaques and Markers	Approved	Install 80 plaques and markers	Install 40 plaques and markers	Install 40 plaques and markers	<b>Create 50 Interpretive/Property Plaques; 100 Century House Plaques; Unveil 10 Plaques</b>
Heritage Awards	Approved	Annual Heritage Awards presented with a focus on increasing audience to 900 people	Annual Heritage Awards presented with a focus on increasing audience to 900 people	Annual Heritage Awards presented with a focus on increasing audience to 900 people	<b>Maintain sold-out event at smaller venue (500); grow nominees by 10% to 67 projects.</b>
Heritage Lectures/Symposia	Approved	Deliver one heritage lecture every quarter	Deliver one heritage lecture every two months	Deliver one heritage lecture every quarter	<b>Deliver 2 "Heritage Primer" symposia and one other lecture event.</b>
Heritage Tours	Approved	10% growth in Bike and Bus Tours and Walk Tours	10% growth in Bike and Bus Tours and Walk Tours	5% growth in Bike and Bus Tours, 5,000 Walk Tours	<b>Deliver 60 public heritage tours with 5,000 participants; grow private tours program by 25%; increase average donation to \$3.50 (15%)</b>
Liaisons & Consultations	Approved	Have 100% representation of all Heritage organizations to contribute to the performance report	Have 100% representation of all Heritage organizations to contribute to the performance report	Have 100% representation of all Heritage organizations to contribute to the performance report	Have 100% representation of all Heritage organizations to contribute to the performance report
Print/On-line Publications	Approved	Provide new monthly cultural contributions to the on-line publications	Provide new monthly cultural contributions to the on-line publications	Provide new monthly cultural contributions to the on-line publications	<b>Increase subscription to bi-weekly e-newsletter to 5,000</b>

The 2017 Service Levels have been revised compared with the approved 2016 Service Levels to align with updated targets:

- Plaque and marker service levels have been stratified based on type of plaque or marker.
- Heritage Awards event has been scaled down to a smaller venue to save on venue costs and maintain a sold out event.
- Heritage Tour service levels have been revised to include donation and private tour program growth goals
- E-newsletter subscription service level added to reflect Heritage Toronto's desire to increase online presence

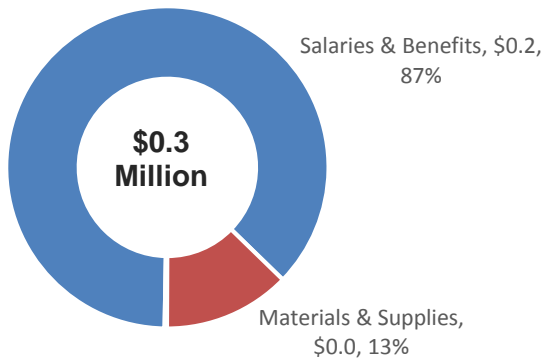
## Heritage Fundraising & Partnership Development



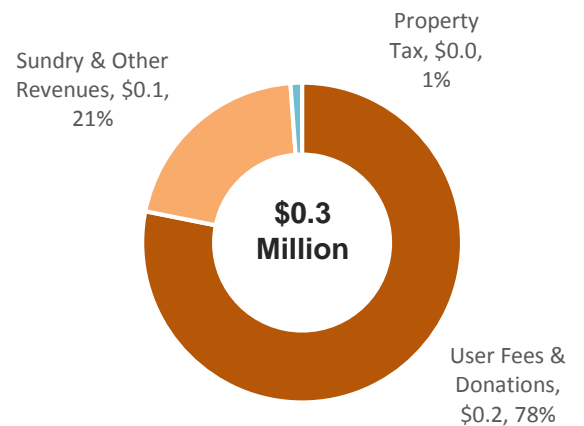
### What We Do

- Actively seek Heritage project grants, sponsorship and partnership opportunities to increase the operational capacity of Heritage Toronto and effectively grow awareness of heritage issues in the City of Toronto.

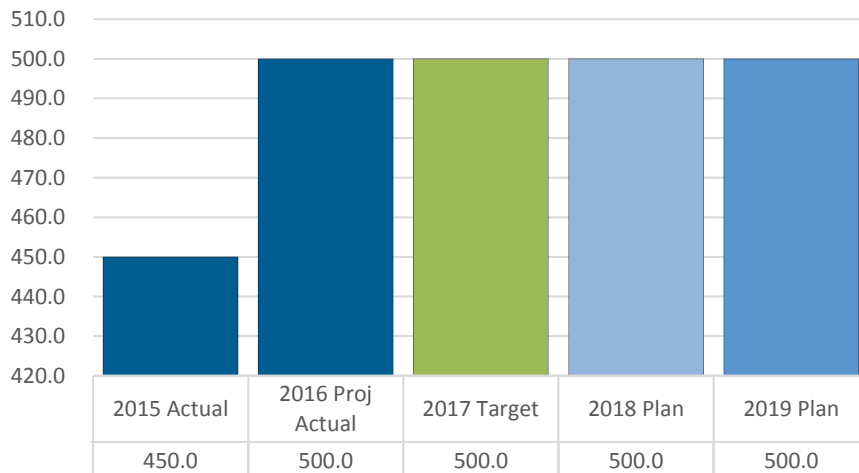
### 2017 Service Budget by Category of Expense (\$Ms)



### Service by Funding Source (\$Ms)



### Heritage Toronto Awards Attendance



- Heritage Toronto tracks attendance at the annual Awards & Lecture event to raise funding through increased sponsorship and awareness of Heritage Toronto's work.
- The attendance goal for 2017-2019 is 500 attendees having scaled down to a smaller venue to ensure a sold-out event.

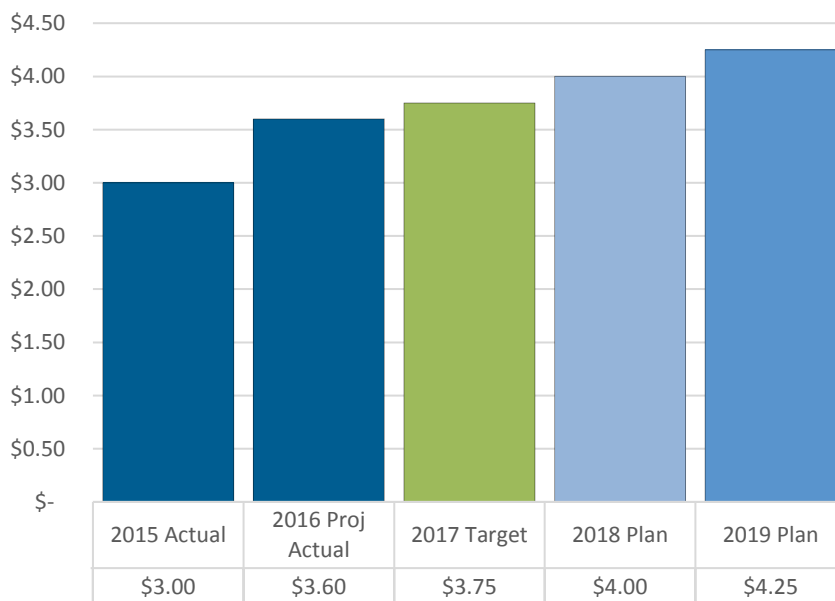
### 2017 Service Levels

	Status	2014	2015	2016	2017
Federal Grants	Approved	Maintain 15% of operations funded from Federal Grants			Achieve 7% (\$56,000) in grants from federal/provincial governments and private foundations
Provincial Grants	Approved	Maintain 25% of operations funded from Provincial Grants			
Other Grants	Approved	-			
Charitable Donations	Approved	Increase the number of donations to HT by 10%			Increase charitable donations to Heritage Toronto by 10%; establish one Planned Giving relationship
Corporate Sponsorship	Approved	Long-term commitments from corporate sponsors around 5%			Increase revenue from corporate sponsorship by 5%
Partnerships	Approved	Retain 25% of secured partnership value for Heritage Toronto operations			Retain 25% of secured partnership value for Heritage Toronto operations
Membership	Approved	-			Increase membership by 5% and membership revenue by 10% through new membership program

The 2017 Service Levels have been revised compared with the approved 2016 Service Levels to align with updated targets:

- Grants target has been consolidated to provide the agency with the flexibility to manage the sources from which grants are received.
- Membership service level set given the new membership program which provides members with preferred access to various Heritage sites, newsletters, early access to tour schedules and various other benefits.

### Average Donation per Person to Heritage Toronto Tours



- Heritage Toronto anticipates raising 60% of its gross expenditures from self-generated fundraising activities, through memberships, individual donations, ticket sales and corporate sponsorships
- The average donation received per person at a free Heritage Walk was \$3.60 in 2016 representing a 20% increase from 2015.
- Heritage Toronto anticipates average donations per person to go up to \$3.75 in 2017, \$4.00 in 2018 and \$4.25 in 2019.

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# Part 3:

## Issues for Discussion

## Issues Impacting the 2017 Budget

### ***Budget Reduction Target***

- At its meeting on July 12, 2016, the "2017 Budget Process: Budget Directions and Schedule" staff report (EX16.37) was submitted for consideration and adopted by City Council regarding the establishment of the 2017 Budget Process and the scheduling of the review and approval of the Tax and Rate Supported 2017 Operating Budget and 2017-2026 Capital Budget and Plan for the City of Toronto.

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-94519.pdf>

- City Council adopted an across the board budget reduction target of -2.6% net below the 2016 Approved Net Operating Budgets for all City Programs and Agencies utilizing strategies including but not limited to controlling expenditures through cost saving measures, and exploring all services for efficiency savings including opportunities from business process reengineering, streamlining, transformation and innovation to service delivery.
- Heritage Toronto will convert a vacant Director of Marketing position to that of a Manager of Marketing position by the 2016 year-end which will result in salary and benefits savings of \$0.012 million in 2017 as illustrated below.

### **Savings from Conversion of Marketing Position**

<b>Description (\$000s)</b>	<b>2017</b>
<b>Salary and Benefits for New Manager of Marketing Position</b>	
Salary	55.0
Benefits	<u>16.5</u>
	71.5
<b>Less: Salary and Benefits for Discontinued Director of Marketing Position</b>	
Salary	65.2
Benefits	<u>17.9</u>
	83.1
<b>Net Savings</b>	(11.6)

- This change has enabled Heritage Toronto to achieve its budget target of -2.6% of the 2016 Approved Net Operating Budget. There will be no impact to service delivery as the duties and expectations continue to be the same for the new position.

## Issues Impacting Future Years

### ***Office Relocation***

- As part of the redevelopment of the North Market building at St. Lawrence Market, Council has approved a capital project to reconfigure and upgrade the facilities at St. Lawrence Hall, where Heritage Toronto currently has its offices on the 3rd floor.
- The plan includes a move for Heritage Toronto to the 2nd floor of the building in 2018. No firm timeline has been set for the redevelopment. Any relocation costs associated for Heritage Toronto with this project are expected to be minor. As the costs and project timeline become known, Heritage Toronto will budget these relocation costs accordingly.



# Appendices

# Appendix 1

## 2016 Service Performance

### Key Service Accomplishments

In 2016, Heritage Toronto accomplished the following:

#### Heritage Promotion and Education

- ✓ Produced popular Toronto the Just exhibit as part of city-wide Myseum Intersections festival
- ✓ Delivered 75 public Tours with average attendance of 47 (18% growth); average Tours donation increased by 50%
- ✓ On track to produce 50 interpretive plaques and more than 100 Century House plaques
- ✓ On track to deliver 10 plaque presentations with an average attendance of 180
- ✓ Delivered 42nd Heritage Toronto Awards and 20th Kilbourn Lecture with an attendance of 500 and increase in projects nominated; net revenue increased by over 15%.
- ✓ Scheduled to deliver Heritage 101 (Heritage Primer) event on “What is Heritage?”

#### Fundraising and Partnership Development

- ✓ Raised \$163,000 in corporate sponsorships to support three core programs (Plaques, Tours, Awards/Lecture)
- ✓ On track to raise \$14,000 in membership fees, \$20,000 in ticket sales, and \$30,000 in donations; raised \$150,000 in plaque fees and \$5,000 in grants
- ✓ Increased participation in social media channels (added Instagram and gained 1200 followers)
- ✓ Introduced donations through event registration page
- ✓ Redesigned Membership Program for a planned 2017 launch

#### General Operations

- ✓ Implemented new Strategic Plan and three-year Operational Plan

## Appendix 2

### 2017 Preliminary Operating Budget by Expenditure Category

#### Program Summary by Expenditure Category

Category of Expense (\$000's)	2014	2015	2016	2016	2017	2017 Change		Plan	
	Actual	Actual	Budget	Projected Actual *	Preliminary Budget	from 2016 Budget	%	2018	2019
	\$	\$	\$	\$	\$	\$		\$	\$
Salaries and Benefits	543.4	527.8	540.9	511.9	524.8	(16.1)	(3.0%)	530.7	536.7
Materials and Supplies	102.2	77.3	67.9	49.0	57.4	(10.5)	(15.5%)	56.8	56.8
Equipment							-		
Services & Rents	121.8	124.0	155.7	143.5	211.4	55.7	35.8%	211.4	211.4
Contributions to Capital							-		
Contributions to Reserve/Res Funds			1.3		1.3			1.3	1.3
Other Expenditures	2.6						-		
Interdivisional Charges							-		
<b>Total Gross Expenditures</b>	<b>770.0</b>	<b>729.1</b>	<b>765.8</b>	<b>704.4</b>	<b>794.8</b>	<b>29.0</b>	<b>3.8%</b>	<b>800.2</b>	<b>806.2</b>
Interdivisional Recoveries							-		
Provincial Subsidies							-		
Federal Subsidies			38.0		20.0	(18.0)	(47.4%)	20.0	20.0
Other Subsidies	1.6						-		
User Fees & Donations	189.8	192.0	220.0	317.7	367.5	147.5	67.0%	367.5	367.5
Transfers from Capital Fund							-		
Contribution from Reserve/Reserve Funds	84.0	33.6					-		
Sundry Revenues	181.6	191.4	201.5	80.4	109.0	(92.5)	(45.9%)	109.0	109.0
<b>Total Revenues</b>	<b>457.0</b>	<b>417.0</b>	<b>459.5</b>	<b>398.1</b>	<b>496.5</b>	<b>37.0</b>	<b>8.1%</b>	<b>496.5</b>	<b>496.5</b>
<b>Total Net Expenditures</b>	<b>313.0</b>	<b>312.1</b>	<b>306.3</b>	<b>306.3</b>	<b>298.3</b>	<b>(8.0)</b>	<b>(2.6%)</b>	<b>303.7</b>	<b>309.7</b>
<b>Approved Positions</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>			<b>7.0</b>	<b>7.0</b>

\* Based on the 2016 9-month Operating Variance Report

Heritage Toronto expects to meet the net expenditure budget and generate little variance as programs are conducted contingent on funding being received. As such, program expenditures and revenues are highest in the fourth quarter with the completion of the year's final program in October. Savings from the vacant Executive Director position will be used toward a new sound system for the Tours program and a salary increment for the interim director.

For additional information regarding the 2016 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2016" (BU 26.4) considered by City Council at its meeting on December 13, 2016.

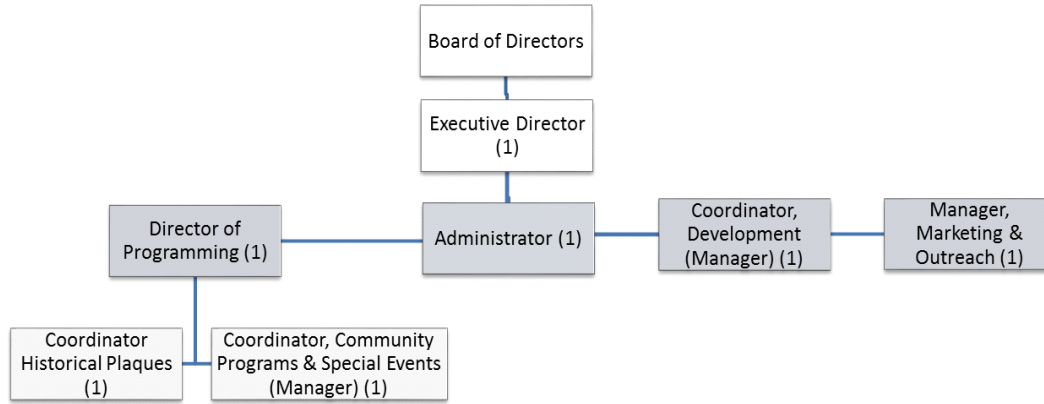
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.BU26.4>

#### Impact of 2016 Operating Variance on the 2017 Preliminary Operating Budget

- There are no impacts from the 2016 Operating Variance on the 2017 Operating Budget.

# Appendix 3

## 2017 Organization Chart



## 2017 Total Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	3.0	3.0	1.0		7.0
Temporary					
<b>Total</b>	3.0	3.0	1.0		7.0

## Appendix 6

### Inflows/Outflows to/from Reserves & Reserve Funds

#### Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2016 \$	Withdrawals (-) / Contributions (+)		
			2017 \$	2018 \$	2019 \$
<b>Projected Beginning Balance</b>		<b>19,645.5</b>	<b>19,645.5</b>	<b>19,646.8</b>	<b>19,648.1</b>
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			1.3	1.3	1.3
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>19,645.5</b>	<b>19,646.8</b>	<b>19,648.1</b>	<b>19,649.4</b>
<b>Other Program / Agency Net Withdrawals &amp; Contributions</b>					
<b>Balance at Year-End</b>		<b>19,645.5</b>	<b>19,646.8</b>	<b>19,648.1</b>	<b>19,649.4</b>

\* Based on 9-month 2016 Reserve Fund Variance Report