



Operating Variance Report for the Nine Month Period Ended September 30, 2017

Date: November 20, 2017
To: Budget Committee and Executive Committee
From: Acting Chief Financial Officer
Wards: All

SUMMARY

The purpose of this report is to provide City Council with the operating variance for the nine month period ended September 30, 2017 as well as projections to year-end. This report also requests City Council's approval for amendments to the 2017 Approved Operating Budget between Programs that have no impact on the City's 2017 Approved Net Operating Budget.

The following table summarizes the financial position of Tax Supported Operations as of the third fiscal quarter and projection at year-end:

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

Variance	September 30, 2017 Over/(Under)	September 30, 2017 Over/(Under)	Projected Y/E 2017 Over/(Under)	Projected Y/E 2017 Over/(Under)
	\$	%	\$	%
Gross Expenditures	(181.4)	-2.4%	(193.4)	-1.8%
Revenues	66.7	1.4%	(51.6)	-0.8%
Net Expenditures	(248.1)	-8.3%	(141.8)	-3.5%
Less: Toronto Building	(16.8)	201.3%	(12.5)	117.0%
Less: Children's Services	(8.6)	12.9	(12.0)	14.9%

Variance	September 30, 2017 Over/(Under)	September 30, 2017 Over/(Under)	Projected Y/E 2017 Over/(Under)	Projected Y/E 2017 Over/(Under)
Net Expenditures (Excl. Toronto Building & Children's Services)	(222.8)	-7.6%	(117.3)	-3.0%

In accordance with the Building Code Act, the surplus from Toronto Building must be contributed to the Building Code Act Service Improvement Reserve Fund to create and maintain systems and processes which enable service delivery timelines and reporting requirements of the Province's Bill 124, Building Code Statute Law Amendment Act, and 2002 Legislation to be met.

It is important to note, Children's Services year-end under-expenditure of \$12.000 million net is related to Provincial / Federal growth funding to provide 825 new child care subsidies to support growth as directed by City Council on July 4, 2017 (EX26.30). A corresponding in-year adjustment is included in the Appendix F of the report for a one-time contribution to the Child Care Expansion Reserve Fund.

Year-to-Date Spending Results:

As noted in Figure 1 above, for the nine month period ended September 30, 2017, Tax Supported Operations reported a favourable net variance of \$248.103 million or 8.3% and are projecting a year-end surplus of \$141.822 million or 3.5%.

The year-to-date net under-spending was primarily driven by:

- Over-achieved Municipal Land Transfer Tax revenue due to higher than anticipated real estate market activity (\$93.809 million net).
- Under-expenditure by the Toronto Transit Commission of \$80.356 million net primarily as a result of lower departmental material expenditures, labour costs, and accident claims of \$67.755 million net within Conventional Service, and fewer customer journeys than planned within Wheel Trans of \$12.601 million net.
- Under-spending by Transportation Services driven by lower contract costs and decreased salt usage in the winter maintenance program (\$18.103 million net).
- Over-achieved revenue in Toronto Building primarily due to the increasing number of building permit applications (\$16.792 million net).
- Increased revenue from Supplementary Taxes due to a change in the historical supplementary roll delivery date compared to plan (\$15.936 million net).

Favourable variances in other Programs and Agencies are primarily due to under-spending in salaries and benefits as a result of vacant positions. The majority of the vacant positions are expected to be filled by year-end, while other new vacant positions may occur throughout the system. More detailed explanations at the Program / Agency level can be found in the complement section of this report.

Year-End Spending Projections:

Based on this current trend, the City is projecting a net favourable year-end variance of \$141.822 million or 3.5%. The key drivers for the expected year-end net position are largely due to the following:

- Higher than budgeted Municipal Land Transfer Tax revenue as a result of higher than expected sales revenue (\$85.000 million net).
- Toronto Transit Commission - Conventional Service's under-spending of \$35.076 million net is mainly related to labour expenses, employee benefits, PRESTO fees, lower diesel fuel consumption, utilities, depreciation, which are partially offset by passenger revenue increase due to the current trend of customers switching from pass-based fare media to single-ride fare media, and not requiring the budgeted reserve draw of \$14.000 million. While, Wheel - Trans Service favourable variance of \$14.259 million net is attributed to fewer customer journeys than budgeted. As a whole, Toronto Transit Commission is projecting a favourable year-end variance of \$49.335 million net.

Consistent with the 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.

It is important to note that the City's projected year-end under-spending of \$141.822 million is primarily attributed to the projected higher Municipal Land Transfer Tax revenues of \$85.000 million. After isolating Toronto Building projected net revenue, Municipal Land Transfer Tax over-achieved revenue accounts for 66% of the total City's favourable variance for year-end.

Rate Supported Programs:

As noted in Figure 2 below, for the nine month period ended September 30, 2017, Rate Supported Operations reported a favourable net variance of \$14.431 million or 34.3% and are projecting a year-end surplus of \$2.886 million.

Figure 2: Rate Supported Net Variance Summary (\$ Millions)

Rate Supported Programs	September 30, 2017	Projected Y/E 2017
	Over/(Under)	Over/(Under)

Rate Supported Programs	September 30, 2017	Projected Y/E 2017
Solid Waste Management Services	2.6	(1.3)
Toronto Parking Authority	0.3	0.7
Toronto Water	(17.4)	(2.2)
Total Variance	(14.4)	(2.9)

The key year-to-date net under-spending in Rate Supported Program was driven by:

- The negative variance in Solid Waste Management Services of \$2.628 million net or 30.4% is primarily due to over-spending on contracted services, inter-divisional charges for fleet maintenance, debt service charges as well as earlier than planned reserve contributions.
- The negative revenue in Toronto Parking Authority of \$0.306 million net or 0.7% is primarily due to lower than planned off-street parking revenues and loss of sponsorship revenue in the Bike Share Program.
- The positive revenue in Toronto Water of \$17.365 million net is primarily due to advance postings of sale of water and industrial waste agreement revenues, as well as an overall increase in the volume demand for new sewer service connections and private water agreements.

Complement:

Figure 3: 2017 Year-To-Date Vacancy Rate

Program/Agency	2017 Year-to-Date			
	Operating Vacancy %	Capital Vacancy %	Budgeted Gapping %	Operating* Vacancy Rate (After Gapping)
<i>City Operations</i>	3.8%	23.6%	2.4%	1.3%
<i>Agencies</i>	3.5%	19.3%	3.4%	0.1%
<i>Corporate Accounts**</i>	9.0%	0.0%	0.0%	9.0%
Total Levy Operations	3.7%	20.7%	2.9%	0.8%

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Program/Agency	2017 Year-to-Date			
<i>Rate Supported Programs</i>	7.7%	17.7%	3.0%	4.8%
Grand Total	3.9%	20.6%	2.9%	1.0%

**Vacancy after Gapping % is based on operating positions only.*

***Corporate Accounts are largely driven by Parking Enforcement Unit vacancies.*

As of September 30, 2017, the City recorded an operating vacancy rate of 1.0% after gapping for an approved complement of 50,910.6 operating positions. The year-to-date vacancy rate for capital positions was 20.6% for an approved complement of 3,599.5 positions.

Figure 4: 2017 Year-End Projected Vacancy Rate

Program/Agency	2017 Year-End Projection			
	Operating Vacancy %	Capital Vacancy %	Budgeted Gapping %	Operating* Vacancy Rate (After Gapping)
<i>City Operations</i>	2.7%	17.1%	2.4%	0.3%
<i>Agencies</i>	2.8%	7.8%	3.4%	0.0%
<i>Corporate Accounts**</i>	9.0%	0.0%	0.0%	9.0%
Total Levy Operations	2.8%	10.9%	2.9%	0.0%
<i>Rate Supported Programs</i>	7.2%	7.7%	3.0%	4.3%
Grand Total	3.1%	10.9%	2.9%	0.2%

**Vacancy after Gapping % is based on operating positions only.*

***Corporate Accounts are largely driven by Parking Enforcement Unit vacancies.*

The year-end operating vacancy rate after gapping is projected to be 0.2% for an approved complement of 50,912.6 operating positions. The forecasted vacancy rate for capital positions is projected to be 10.9% for an approved complement of 3,461.5 positions.

A detailed overview of the third quarter complement is provided in the Approved Complement Section of this report.

RECOMMENDATIONS

The Acting Chief Financial Officer recommends that:

1. City Council approve the budget adjustments detailed in Appendix F to amend the 2017 Approved Operating Budget between Programs that have no impact to the 2017 Approved Net Operating Budget of the City.
2. City Programs and Agencies projecting year-end over-spending continue to identify and undertake mitigation strategies to address projected year-end over-expenditures.

FINANCIAL IMPACT

Tax Supported Programs and Agencies reported an under-expenditure of \$181.405 million or 2.4% gross and \$248.103 million or 8.3% net at the end of the third quarter. By year-end, Tax Supported Programs and Agencies are forecasting a favourable gross-expenditure variance of \$193.438 million or 1.8%, and a net favourable variance of \$141.822 million or 3.5%. Figure 5 below provides further analysis of year-end projected variance on net expenditures:

Figure 5: Net Expenditures as Reported Over/ (Under) (\$ Millions)

Program	Year-end Projection	% of City's Gross Budget
City Operations	(33.9)	
Agencies	(54.5)	
Corporate Accounts	(53.5)	
Net Operating Tax Levy	(141.8)	1.3%
Less: Toronto Building	(12.5)	
Less: Children's Services	(12.0)	
Adjusted Year-End Projection	(117.3)	1.1%
Less: City Planning	(6.7)	
Less: Municipal Land Transfer Tax	(85.0)	

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Program	Year-end Projection	% of City's Gross Budget
Year-End Under-Spending without MLTT and City Planning	25.6	0.2%
<i>Mainly driven by:</i>		
- Under-spending of \$76.7 million primarily in Court Services, Engineering and Construction Services, Toronto Transit Commission, Toronto Police, and higher than budgeted revenue Supplementary Taxes.		
- Partially offset by over-spending of \$51.5 million primarily in in Shelter, Support & Housing Administration, Fire Services, Parking Tag Enforcement & Operations, Tax Deficiencies / Write-offs, and under-achieved revenue from Hotel Tax.		

- In total Tax Supported Operations is projecting a favourable year-end variance of \$141.822 million. After allocating the projected year-end net revenue of \$12.508 million to the Building Code Act Service Improvement Reserve Fund, and \$12.000 million to Child Care Expansion Reserve Fund, the adjusted, favourable variance, is projected to be \$117.314 million at year-end.
- It is important to note that a large portion of the projected year-end under-spending is attributed to higher than budgeted Municipal Land Transfer Tax revenue. After excluding Toronto Building, Children's Services, City Planning, Municipal Land Transfer Tax, the year-end under-spending from the rest of City Programs / Agencies is projected to be only \$25.611 million or 0.2% of the City's Tax Supported gross budget.

DECISION HISTORY

This report is provided pursuant to financial management best practices and budgetary control. As part of the City of Toronto's financial accountability framework, quarterly and year-end operating variance reports are submitted to Committees and City Council, to provide financial monitoring information on operating results to date and projections to year end, and on an exception 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 2017 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management policies.

The "alert" symbols: "R, Y, G" indicate whether the variance is either "over", "under" or "on budget" for year-to-date as well as for projected year-end gross and net

expenditures. The "alert" Green, Yellow or Red indicators measure the percentage of the variance from budget with the criteria included in the legend in Table 5 above. Appendix G includes dashboards and respective narratives explaining individual variances for each City Program and Agency for the nine months ended September 30, 2017 as well as projections to year-end.

COMMENTS

Figure 6: Tax Supported Expenditure Variance Dashboard (\$ Millions)

	September 30, 2017 Over/(Under)			Projected Y/E 2017 Over/(Under)		
	Gross	Net	Alert	Gross	Net	Alert
Citizen Centred Services "A"	(42.5)	7.3	ⓐ	(67.9)	(5.2)	ⓐ
Citizen Centred Services "B"	(37.1)	(48.3)	ⓐ	(30.6)	(21.4)	ⓐ
Internal Corporate Services	(4.2)	(8.8)	ⓐ	(16.2)	(1.5)	ⓐ
Chief Financial Officer	(3.0)	(3.2)	ⓐ	(3.9)	(2.0)	ⓐ
City Manager	1.5	0.1	ⓐ	3.1	(0.4)	ⓐ
Other City Programs	(7.0)	(3.8)	ⓐ	(7.0)	(3.2)	ⓐ
Council Appointed Programs	(0.6)	(0.6)	ⓐ	(0.2)	(0.2)	ⓐ
Total - City Operations	(92.8)	(57.3)	ⓐ	(122.8)	(33.9)	ⓐ
Total - Agencies	(94.5)	(86.8)	ⓐ	(80.1)	(54.5)	ⓐ
Total - Corporate Accounts	5.9	(104.0)	ⓐ	9.4	(53.5)	ⓐ
Total Variance	(181.4)	(248.1)	ⓐ	(193.4)	(141.8)	ⓐ
Toronto Building	(3.0)	(16.8)	ⓐ	(3.7)	(12.5)	ⓐ
Adjusted Variance	(181.4)	(231.3)		(193.4)	(129.3)	
<small>(Legend for City Programs & Agencies)</small>						
Year-to-Date Net Variance	ⓐ	85% to 105%	Ⓨ	0% to 85%	Ⓡ	>105%
Year-End Net Variance	ⓐ	<=100%	Ⓡ	>100%		

After allocating the projected \$12.508 million net surplus at year-end to the Building Code Act Service Improvement Reserve Fund, the year-end variance for Tax Supported Programs and Agencies is projected to be \$129.314 million net or 3.2%. This represents 1.2% of the City's gross expenditure budget.

Appendices A, B and C provide detailed third quarter results and projections to year-end by Program and Agency, for the net expenditures, gross expenditures and revenues, respectively. Appendices D and E provide a detailed variance between the complement and strength for the nine months ended September 30, 2017 and year-end projections. Appendix F details the recommended in-year budget adjustments to the 2017 Approved Operating Budget.

City Operations

As of September 30, 2017, City Operations reported a favourable gross expenditure variance of \$92.766 million or 2.5% and a revenue shortfall of \$35.462 million or 1.6%,

resulting in a favourable net variance of \$57.303 million or 3.6%. The key drivers of this year-to-date favourable net variance are:

- Under-spending of \$8.552 million net or 12.9% in Children's Services in salaries and benefits as a result of vacant positions, delays in planned opening of 2 child care centres and provincial expansion as a result of a mid-year receipt of subsidy.
- An under-expenditure of \$10.683 million net or 97.6% in Court Services primarily due to under-spending in salaries and benefits as a result of vacant positions, and lower than planned revenue.
- An unfavourable year-to-date variance of \$11.863 million net or 5.2% in Parks, Forestry & Recreation due to unplanned expenditures to mitigate the damage due to high water levels at the Toronto Island, and under-achieved revenue as a result of Spring flooding.
- Over-spending of \$16.268 million net or 6.0% in Shelter, Support & Housing Administration is primarily related to the sustained increase in demand for services in Hostel Services.
- Higher than planned revenue in City Planning of \$6.691 million net or 55.8% due to the increased volume of applications to the Committee of Adjustments and development fees for projects in Toronto and East York Districts.
- Under-spending of \$5.375 million net in Engineering and Construction Services in salaries and benefits due to vacant positions, and higher than planned revenue from full stream application fees due to higher volume of applications from utility companies.
- Higher revenue in Toronto Building of \$16.792 million net due to higher volumes of building permit applications than planned.
- An under-expenditure in Transportation Services of \$18.103 million net or 10.3% as a result of higher than planned right-of-way permit fees and lower costs in the winter maintenance program due to the mild winter conditions.
- Under-expenditure in Information & Technology of \$4.825 million net or 7.7% in salaries and benefits as a result of vacant positions and lower maintenance costs.

City Operations is projecting a year-end gross expenditure favourable variance of \$122.766 million or 2.3%, to be partially offset by the revenue shortfall of \$88.894 million or 2.8%. As a result, the year-end favourable net variance is forecasted to be \$33.873 million. The key drivers of the projected favourable net variance include:

- Under-expenditure of \$12.000 million net in Children's Services as a result of the increased contribution from the Provincial Government late in the year. This unused Provincial funding will be contributed to the Child Care Expansion Reserve Fund to be invested in 2018 as per provincial guidelines. A budget adjustment is included in Appendix F of this report to transfer these funds.
- Under-spending in Court Services of \$5.830 million net, mainly due to operational savings resulting from vacant positions and other non-salary expenses.
- Consistent with the year-to-date experience, City Planning is projecting higher than budgeted revenue of \$6.703 million net to year-end, due to the increased volume of applications and development fees for projects.
- The continued trend in building application permit activity, resulting in a favourable year-end projection of \$12.508 million net in Toronto Building, to be contributed to the Building Code Act Service Improvement Reserve Fund.

The year-end projected favourable variance within City Operations will be partially offset by over-expenditures in the following areas:

- Parks, Forestry and Recreation's year-end unfavourable forecast of \$3.919 million net is primarily driven by Toronto Islands flooding, resulting in lost revenue from ferry, permit and user fees. The City is currently reviewing funding options including insurance recoverable claims for extra-ordinary costs incurred and revenue losses. A report detailing all costs incurred including those of the TRCA will be submitted to Executive Committee prior to year-end.
- Shelter, Support and Housing Administration's projected year-end over-expenditure of \$10.501 million net from sustained demand for Hostel Services resulting from continued occupancy pressures.
- An unfavourable year-end forecast of \$8.517 million net in Fire Services due to over-expenditures in non-salary accounts and WSIB settlements. The Program is continuing to monitor WSIB expenditures throughout the year.

Agencies

As of the nine month period ended on September 30, 2017, Agencies reported a favourable gross expenditure variance of \$94.546 million or 3.5%, and under-achieved revenue of \$7.772 million or 0.6%, which resulted in a favourable net variance of \$86.774 million or 6.0%.

- Toronto Zoo's over-expenditure of \$3.734 million net was primarily related to the revenue loss as a result of a labour disruption with a facility closure of approximately 5 weeks.
- An under-expenditure of \$67.755 million net in Toronto Transit Commission - Conventional Service was primarily driven by lower departmental material expenditures, accident claims and labour costs. However, ridership to the end of August was 1.7% below budget and 0.4% below the 2016 comparable actual experience. Interim results for September indicate a similar trend.
- Toronto Transit Commission - Wheel Trans Service's under-spending of \$12.601 million net or 12.0% results from lower than anticipated customer journeys.
- A favourable year-to-date variance of \$6.675 million net in Toronto Police Service due to under-spending in salaries and benefits as a result of the Service's hiring moratorium.

Agencies are projecting a year-end gross under-expenditure of \$80.121 million or 2.2% and revenue shortfall of \$25.629 million or 1.5%, resulting in a net favourable variance of \$54.493 million or 2.8%.

- Toronto Transit Commission is projecting a favourable year-end net variance of \$35.076 million or 6.4% for its Conventional Service. Forecasted favourable net variance is attributed to under-spending in labour expenses (\$14.4 million), employee benefits (\$10.0 million), PRESTO fees (\$7.0 million), lower diesel fuel consumption (\$6.0 million), utilities (\$3.0 million), depreciation (\$2.0 million), which are partially offset by passenger revenue increase due to the current trend of customers switching from pass-based fare media to single-ride fare media (\$1.3 million), and not requiring the budgeted reserve draw of \$14.0 million. Excluding the budgeted reserve draw in Conventional Service, the year-end favourable variance would have been \$49.076 million net.
- Toronto Transit Commission - Wheel - Trans Service's favourable year-end forecast of \$14.259 million net as a result of fewer customer journeys than budgeted. The expected ridership related to the eligibility requirements hasn't materialized which resulted in under-expenditures.
- A favourable variance of \$8.900 million net is forecasted at year-end as a result of the hiring moratorium and higher than budgeted separations for the Toronto Police Service, with a projection of 215 officer separations compared to the budgeted 160 officer separations.

The year-end projected favourable variance within Agencies is partially offset by the forecasted over-expenditures of \$3.874 million net in Toronto Zoo as a result of lost revenue due to labour disruption. Excluding the impact of the labour disruption, the Zoo expects to be on target with respect to revenues and attendance.

Corporate Accounts

As of September 30, 2017, Corporate Accounts experienced gross over-expenditure of \$5.907 million or 0.5% and over-achieved revenue of \$109.933 million or 9.1%, which resulted in a favourable net variance of \$104.026 million. The following are the key drivers which have contributed to the year-to-date favourable variance:

- An under-spending in Debt Charges of \$7.175 million net resulting from lower than budgeted debt issuance in December of 2016 and lower than forecasted interest rates.
- Higher than planned Tax Increment Equivalent Grants issued of \$19.136 million net due to the change in timing of properties becoming eligible for TIEG grants.
- An under-expenditure in Parking Tag Enforcement & Operations expenses of \$3.168 million net in salaries and benefits as a result of vacant positions, and the delayed implementation of the Administrative Penalty System.
- Lower than planned Solid Waste Management Rebate provided compared to the planned estimates based on the historical billings resulted in under-spending of \$3.512 million net.
- Unrealized revenue in Payments in Lieu of Taxes of \$7.798 million net primarily in assessment-based levies due to decreases in assessment and shifts from Payment in Lieu of Taxes (PILT) to taxable assessment.
- Higher than planned Supplementary Tax revenue of \$15.936 million net due to the change in timing of the delivery of the supplementary roll, as this variance is a timing difference and Supplementary Taxes will be on budget by year-end.
- Higher than planned Interest / Investment Earnings revenue of \$8.829 million net as a result of earlier realization of capital gains and the implementation of the new investment tools: high interest saving account (HISA) and high interest notice account (HINA), and Guaranteed Investment Certificates (GIC), acquired for short term fund in 2017.
- Over-achieved Municipal Land Transfer Tax revenue of \$93.809 million net due to continued outperformance of the housing market. More than three-quarters of MLTT revenue was driven by residential transactions (of one & two single-family residential units). Other properties (triplex, four-plex, commercial and industrial) account for the balance. Within the residential resale category, condo apartment sales now account for more than half of the sales volume in the city, followed by low-rise (detached, semi- and townhomes).

- Unrealized revenue from Parking Tag Enforcement & Operations revenues of \$7.008 million net as a result of fewer tickets being issued, delayed implementation of the Administrative Penalty System, removal of fixed fines, prosecutor intervention at counters and lower MTO fees recovered from vehicle owners.

The projected year-end gross over-expenditure of \$9.450 million or 0.6% combined with \$62.906 million or 3.9% in higher than budgeted revenue, is anticipated to result in a net favourable variance of \$53.457 million.

- The pressure from increased Tax Increment Equivalent Grant (TIEG) payments, Payments in Lieu of Taxes, and Parking Tag Enforcement & Operations is expected to continue to year-end resulting in an unfavourable variance.
- Higher than budgeted Tax Deficiencies / Writeoffs of \$12.468 million net or 22.2% due to posted and pending appeals being higher than budgeted.
- Higher than budgeted Interest / Investment Earnings revenue of \$2.505 million net as a result of new investment tools for short term fund in 2017.
- Year-end projection is offset by the favourable forecast of Municipal Land Transfer Tax of \$85.000 million net, which is lower than achieved year-to-date favourable results, in anticipation of market stabilization in the fourth quarter.
- Unrealized revenue of \$5.000 million net from the City's Hotel & Lodging Tax due to the delayed implementation of the new tax to 2018.

Rate Programs

As per Figure 7 below, Rate Programs reported gross over-expenditure of \$17.360 million or 1.4% and over-achieved revenue of \$31.791 million or 2.5%, which resulted in a favourable net variance of \$14.431 million.

Figure 7: Rate Supported Expenditure Variance Dashboard (\$ Millions)

	September 30, 2017 Over/(Under)			Projected Y/E 2017 Over/(Under)		
	Gross	Net	Alert	Gross	Net	Alert
Solid Waste Management Services	26.2	2.6	Ⓜ	(2.1)	(1.3)	Ⓞ
Toronto Parking Authority	(3.1)	0.3	Ⓜ	(2.5)	0.7	Ⓜ
Toronto Water	(5.8)	(17.4)	Ⓞ	(14.2)	(2.2)	Ⓞ
Total Variance	17.4	(14.4)	Ⓞ	(18.7)	(2.9)	Ⓞ
<small>(Legend for Rate Programs)</small>						
Year-to-Date Net Variance	Ⓞ ≤100%		Ⓜ >100%			
Year-End Net Variance	Ⓞ ≤100%		Ⓜ >100%			

The following are the key drivers which have contributed to the year-to-date favourable variance in Rate Supported Programs:

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

- A year-to-date unfavourable variance of \$\$2.628 million net within Solid Waste Management Services is primarily due to over-spending on contracted services, inter-divisional charges for fleet maintenance, lower than planned debt service charges as well as earlier than planned reserve contributions which are partially offset by higher than planned revenue in multiple service areas as the actual costs were incurred earlier than the planned.
- Toronto Parking Authority's unfavourable year-to-date variance of \$0.306 million net is primarily due to lower than planned off-street parking revenues, as a result of the closure of downtown garages, and loss of sponsorship revenue in the Bike Share Program. This was partially offset by an increase in on-street parking revenue and lower than planned expenditures.
- A favourable year-to-date variance of \$17.365 million net in Toronto Water is due to advance postings of sale of water and industrial waste agreement revenues, as well as an overall increase in the volume demand for new sewer service connections and private water agreements.

Collectively, Rate Supported Programs are projecting a net favourable year-end variance of \$2.886 million. It is primarily driven by Toronto Water as a result of under-spending in salaries and benefits due to vacant positions, lower than anticipated hydro rates and usage efficiencies from process changes at wastewater treatment plants.

Approved Complement

At the end of September 30, 2017, the City reported a strength of 51,768.9 operating and capital positions, representing a vacancy rate for operating budget positions, after approved gapping, of 1.0%. The year-end projected strength is forecasted to be 52,424.5 positions (capital and operating), with a vacancy rate for operating budget positions, after approved gapping, of 0.2%.

Figure 8 provides a detailed overview of the approved complement and strength at September 30, 2017, as well as projections for year-end for both Tax and Rate Supported Programs.

Figure 8: Summary of Approved Complement (Includes Capital and Operating Positions)

Summary of Approved Complement (Includes Capital and Operating Positions)										
Program/Agency	September 30, 2017					Year-End Projections				
	Approved Complement	Strength	Vacancies	Vacancy %	Operating Vacancy After Gapping	Approved Complement	Strength	Vacancies	Vacancy %	Operating Vacancy After Gapping
Citizen Centred Services "A"	12,782.4	12,467.1	(315.3)	2.5%	0.1%	12,785.4	12,560.3	(225.1)	1.8%	0.0%
Citizen Centred Services "B"	6,397.8	6,100.9	(296.9)	4.6%	0.8%	6,397.8	6,160.3	(237.5)	3.7%	0.3%
Internal Corporate Services	2,220.0	1,911.2	(308.8)	13.9%	7.1%	2,225.0	1,966.0	(259.0)	11.6%	4.8%
Chief Financial Officer	772.2	673.2	(99.0)	12.8%	9.1%	760.2	712.2	(48.0)	6.3%	2.7%
City Manager's Office	432.0	406.0	(26.0)	6.0%	0.4%	438.0	431.0	(7.0)	1.6%	0.0%
Other City Programs	969.5	901.0	(68.5)	7.1%	3.6%	970.5	936.4	(34.1)	3.5%	0.0%
Accountability Offices	55.3	54.0	(1.3)	2.3%	2.1%	55.3	55.0	(0.3)	0.5%	0.3%
Total City Operations	23,629.0	22,513.4	(1,115.7)	4.7%	1.3%	23,632.0	22,821.1	(810.9)	3.4%	0.3%
Agencies	27,292.3	25,958.0	(1,334.3)	4.9%	0.1%	27,153.3	26,281.5	(871.8)	3.2%	0.0%
Corporate Accounts	399.0	363.0	(36.0)	9.0%	9.0%	399.0	363.0	(36.0)	9.0%	9.0%
Total Levy Operations	51,320.3	48,834.4	(2,485.9)	4.8%	0.8%	51,184.3	49,465.6	(1,718.7)	3.4%	0.0%
Rate Supported Programs	3,189.9	2,934.5	(255.4)	8.0%	4.8%	3,189.9	2,958.9	(231.0)	7.2%	4.3%
Grand Total	54,510.2	51,768.9	(2,741.3)	5.0%	1.0%	54,374.2	52,424.5	(1,949.7)	3.6%	0.2%

Appendices D and E provide a detailed overview of the approved operating and capital complement, and strength for the nine months ended September 30, 2017 as well as projections to year-end.

City Operations

Year-to-date, City Operations reported a strength of 22,513.4, resulting in 1,115.7 positions below the approved complement of 23,629.0 positions. The vacancy rate for operating positions, after approved gapping, was 1.3%. The key Program areas which contributed to the operating vacancy rate were: Facilities, Real Estate, Environment & Energy, Court Services, Fleet Services, and Legal Services.

The year-end projection for City Operations is forecasted to be 22,821.1 positions, or 810.9 positions under the approved complement of 23,632.0 positions. After approved gapping, the projected vacancy rate for operating positions is forecasted at 0.3%. The operating vacancy rate at year-end is primarily driven by Court Services, and Facilities, Real Estate, Environment & Energy.

Agencies

The year-to-date strength reported by Agencies was 25,958.0 positions which was 1,334.3 positions below the approved complement of 27,292.3 positions. After approved gapping, the vacancy rate for operating positions is 0.1%.

The year-end strength projection for Agencies is anticipated to be 26,281.5 positions, or 871.8 positions below the approved complement of 27,153.3 positions. It represents a full complement after considering the approved gapping for operating positions.

Rate Supported Programs

As of September 30, 2017, Rate Supported Programs reported a strength of 2,934.5 positions, which is 255.4 positions under the approved complement of 3,189.9 positions. The vacancy rate for operating positions, after approved gapping, is 4.8%.

Rate Supported Programs are forecasting a strength of 2,958.9 positions by year-end, which is 231.0 positions under the approved complement of 3,189.9 positions. After approved gapping, the projected vacancy rate for operating positions is expected to be at 4.3%.

Budget Adjustments

City Council approval is required for the in-year budget adjustments detailed in Appendix F. These recommended adjustments do not impact the 2017 Approved Net Operating Budget. The major adjustments are outlined below.

Parks, Forestry & Recreation (PFR)

Technical Adjustment to Correct Funding Source

At its meeting on November 8th, 2016, City Council adopted the report PE14.2 titled "Growing Toronto's Tree Canopy (Tree Planting Strategy)" which included a new policy that all replacement tree planting funds collected under the Street Tree and Private Tree By-laws (City of Toronto Municipal Code, Chapter 813, Articles II and III) formerly held in the City's deferred revenue accounts be contributed to the Tree Canopy Reserve (XR1220) and that the former deferred revenue accounts be closed. This policy change was required to facilitate long term planning to expand the tree canopy and fund future expenditures for the Tree Planting Strategy.

As a result of this decision, Parks, Forestry and Recreation requires a technical adjustment to correct the funding source of \$4.721 million for 2017 tree planting and maintenance expenditures that were formerly funded from the above-mentioned deferred revenue accounts to the Tree Canopy Reserve (XR1220). There is no impact to the 2017 Council approved service levels for Urban Forestry.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PE14.2>

Shelter, Support & Housing Administration

Funding Adjustment for 2017 Approved Affordable Housing projects

An adjustment of \$4.717 million gross and \$0 million net is to reflect the true costs of 2017 Approved affordable housing projects in line with revised construction and renovation schedules as well as additional allocations to projects of a provincial

reallocation to the City of unused Social Infrastructure Fund-Investment in Affordable Housing program (SIF-IAH) funds from other Ontario Service Managers.

Facilities, Real Estate, Environment & Energy (FREEE)

Addition of 1.0 Temporary, Capital-Funded Project Manager Position to Support the North West Path – Phase 2 Capital Project:

The addition of 1.0 temporary, capital-funded Project Manager position for the duration of 12 months is required to provide support to the North West Path capital project to advance work on Phase 2 of the initiative. The effective start date of the position is November 1, 2017. The total financial impact to FREEE's 2017 Council Approved Operating Budget is an increase of 1.0 position, and an increase of \$0.022 million gross and \$0 net, with an incremental impact of \$0.109 million gross and \$0 net in 2018.

Office of the Chief Financial Officer

Complement Management staffing

To sustain on a permanent basis the complement planning, management, analysis, and reporting functions for the City, the Office of Chief Financial Officer requires to convert two temporary positions to permanent within the Financial Planning Division. The two existing temporary positions work with a permanent FPD staff and bring expertise in Human Resources, Payroll policy, data and information systems. These two positions were previously funded from Information and Technology Division which will no longer be available after the end of year 2017. The requested budget adjustment will provide sustainable funding by repurposing financial studies funding budgeted in the Non-Program expenditure budget. This will ensure ongoing data quality, policy development and compliance for enhanced reporting and forecasting for the City's staff complement.

Toronto Transit Commission - Conventional Service (TTC)

Support of Accident Claim Payments

To better manage annual variants in accident claim expenses, for example 2017 claims that may not settle until 2018 or beyond, the TTC is going to ensure a constant annual budgeted reserve contribution. The TTC will contribute the equivalent of the Accident Claim budget into the Long Term Liability Reserve Fund (XR1728), created specifically for accident claim requirements and then draw from the reserve as required to support actual accident claim payments at the time of settlement. This reflects a \$0 gross and \$0 net change to the TTC 2017 Operating budget, reduction of accident liability expenditures of \$34.050 million gross and an increase to the contribution to Long Term Liability Reserve Fund of \$34.050 million gross.

Toronto and Region Conservation Authority (TRCA)

Toronto and Region Conservation Authority Operating Budget

To increase the Toronto and Region Conservation Authority's (TRCA) gross operating expenditures by \$1.287 million and 14.4 permanent positions, fully funded by a corresponding increase in user fee revenue and other revenue sources, for a net zero impact to reflect the decision from TRCA Authority Meeting ##5/17 on June 23, 2017. This change is required to match the TRCA's Board Approved Budget with the Council Approved Budget. There is no financial impact to the City as this technical amendment relates to the portion of the TRCA budget that support the partner municipalities.

Utility Costs

Tax and Rate Supported Operations reported actual utility costs of \$163.392 million resulting in over expenditures of \$7.844.1 million or 5.0% compared to the plan for the third fiscal quarter. The year-to-date over-expenditures in utilities were primarily experienced by Parks, Forestry and Recreation, Transportation Services and Toronto Water. The unfavourable year-to-date variance in utilities is largely due to billing postings compared to third quarter plan.

Tax and Rate Supported Operations are projecting under-expenditures in utilities of \$3.455 million or 1.5% by year-end, primarily driven by Toronto Water as a result of efficiency initiatives.

Consulting Costs

Tax and Rate Supported Operations reported actual consulting costs for the year-to-date of \$4.161 million, resulting in under-expenditures of \$1.475 million or 26.2%. The year-to-date unfavourable variance was primarily driven by Office of the Treasurer, PMMD Category Management project is being delayed till 2018.

Tax and Rate Supported Operations are forecasting a favourable year-end variance of \$0.431 million or 5.0% for consulting costs.

Donations

The City Donations Policy delegates receipt of donations under \$50,000 to Division Heads and also requires that donations be reported as part of the quarterly variance process. As set out in Figure 9 below, the City received \$0.107 million in the third fiscal quarter.

Figure 9: Summary of Donations Received Less than \$50,000

Donor	Amount (\$000's)	Purpose
Economic Development And Culture		
Individual Donors	11.29	Donation Box
Individual Donors	0.57	General
Dupont by the Castle	0.50	Spadina Museum
<i>Sub-Total</i>	<i>12.36</i>	
Parks, Forestry And Recreation		
Thunderbird TV	0.50	For park improvements
City of Toronto to United Way	(0.49)	Correction reimbursement from Q1
Someplace Nice	0.30	For park improvements
MLSE foundation	3.00	For Flemingdon Park mural
Designated I Ltd	1.00	For park improvements
Designated I Ltd	1.00	For park improvements
<i>Sub-Total</i>	<i>5.31</i>	
City Planning		
Build Toronto	2.50	To support the Urban Design Awards
The Daniels Corporation	5.00	To support the Urban Design Awards
<i>Sub-Total</i>	<i>7.50</i>	
Municipal Licensing & Standards		
Online (E-Pet)	42.20	Care and services related to animals
Private Donors at various shelter locations	34.61	Care and services related to animals
<i>Sub-Total</i>	<i>76.81</i>	
Toronto Police Service		
Citizen Donation	5.00	To Purchase Police Service Dog
<i>Sub-Total</i>	<i>5.00</i>	
Grand Total	106.98	

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SIGNATURE

Joe Farag
Acting Chief Financial Officer

ATTACHMENTS

- Appendix A – City of Toronto Net Expenditures for Nine Months Ended September 30, 2017
- Appendix B – City of Toronto Gross Expenditures for Nine Months Ended September 30, 2017
- Appendix C – City of Toronto Revenues for Nine Months Ended September 30, 2017
- Appendix D – Approved Complement for Nine Months Ended September 30, 2017
- Appendix E – Approved Complement Projections for 2017 Year-End
- Appendix F – Recommended Budget Adjustments
- Appendix G – Operating Dashboards for City Programs and Agencies

Appendix A

CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	September 30, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	948.3	948.3	(0.0)	0.0%	1,170.1	1,170.1	0.0	0.0%
Children's Services	66,243.9	57,691.9	(8,552.1)	-12.9%	80,682.9	68,682.9	(12,000.0)	-14.9%
Court Services	10,949.7	266.5	(10,683.2)	-97.6%	8,077.2	2,246.8	(5,830.4)	-72.2%
Economic Development & Culture	58,720.8	59,237.0	516.2	0.9%	62,269.6	62,524.0	254.4	0.4%
Toronto Paramedic Services	53,970.4	52,632.0	(1,338.4)	-2.5%	78,285.3	77,184.1	(1,101.2)	-1.4%
Long Term Care Homes and Services	24,834.4	24,126.1	(708.3)	-2.9%	47,376.1	46,508.1	(868.0)	-1.8%
Parks, Forestry & Recreation	226,965.9	238,829.1	11,863.2	5.2%	319,040.9	322,960.0	3,919.1	1.2%
Shelter, Support & Housing Administration	271,170.7	287,438.7	16,268.0	6.0%	407,137.4	417,638.0	10,500.6	2.6%
Social Development, Finance & Administration	25,658.7	25,785.0	126.3	0.5%	32,199.3	32,150.3	(49.0)	-0.2%
Toronto Employment & Social Services	78,706.1	78,524.5	(181.7)	-0.2%	110,536.3	110,536.3	(0.0)	0.0%
Sub-Total Citizen Centred Services "A"	818,169.0	825,479.0	7,310.0	0.9%	1,146,775.3	1,141,600.7	(5,174.5)	-0.5%
Citizen Centred Services "B"								
City Planning	11,994.8	5,304.1	(6,690.7)	-55.8%	15,287.2	8,584.6	(6,702.6)	-43.8%
Fire Services	308,702.4	310,989.8	2,287.4	0.7%	422,851.9	431,368.7	8,516.8	2.0%
Municipal Licensing & Standards	11,867.7	8,534.0	(3,333.8)	-28.1%	19,382.4	15,940.9	(3,441.5)	-17.8%
Policy, Planning, Finance and Administration	6,204.2	5,894.1	(310.1)	-5.0%	9,098.6	8,898.9	(199.8)	-2.2%
Engineering and Construction Services	4,612.0	(762.5)	(5,374.5)	-116.5%	4,081.5	(204.8)	(4,286.3)	-105.0%
Toronto Building	(8,340.1)	(25,132.5)	(16,792.4)	201.3%	(10,693.7)	(23,202.0)	(12,508.3)	117.0%
Transportation Services	176,442.8	158,339.5	(18,103.4)	-10.3%	214,208.3	211,423.7	(2,784.6)	-1.3%
Sub-Total Citizen Centred Services "B"	511,483.8	463,166.5	(48,317.4)	-9.4%	674,216.2	652,809.9	(21,406.2)	-3.2%
Chief Financial Officer								
Office of the Chief Financial Officer	6,580.0	6,268.0	(312.0)	-4.7%	9,418.2	8,713.4	(704.8)	-7.5%
Office of the Treasurer	18,792.3	15,897.4	(2,894.9)	-15.4%	28,067.0	26,811.0	(1,256.0)	-4.5%
Sub-Total Chief Financial Officer	25,372.3	22,165.4	(3,206.9)	-12.6%	37,485.2	35,524.4	(1,960.8)	-5.2%
Internal Corporate Services								
Facilities, Real Estate, Environment & Energy	66,928.5	64,911.5	(2,017.0)	-3.0%	69,602.6	69,219.1	(383.5)	-0.6%
Fleet Services	(414.7)	(2,311.4)	(1,896.7)	457.4%	(9.5)	(70.1)	(60.6)	637.4%
Information & Technology	63,062.5	58,237.9	(4,824.7)	-7.7%	75,309.5	74,527.8	(781.7)	-1.0%
311 Toronto	6,168.3	6,064.7	(103.7)	-1.7%	9,825.5	9,546.5	(279.0)	-2.8%
Sub-Total Internal Corporate Services	135,744.7	126,902.6	(8,842.1)	-6.5%	154,728.1	153,223.3	(1,504.8)	-1.0%
City Manager								
City Manager's Office	32,493.6	32,627.6	134.1	0.4%	47,342.5	46,920.4	(422.0)	-0.9%
Sub-Total City Manager	32,493.6	32,627.6	134.1	0.4%	47,342.5	46,920.4	(422.0)	-0.9%
Other City Programs								
City Clerk's Office	22,606.8	22,530.1	(76.7)	-0.3%	32,446.3	32,196.3	(250.0)	-0.8%
Legal Services	14,555.5	11,271.8	(3,283.6)	-22.6%	19,304.0	16,345.8	(2,958.2)	-15.3%
Mayor's Office	1,584.1	1,469.5	(114.6)	-7.2%	2,251.0	2,251.0	0.0	0.0%
City Council	14,740.7	14,422.1	(318.6)	-2.2%	20,359.0	20,359.1	0.0	0.0%
Sub-Total Other City Programs	53,487.0	49,693.6	(3,793.4)	-7.1%	74,360.2	71,152.1	(3,208.1)	-4.3%
Accountability Offices								
Auditor General's Office	4,084.7	3,587.5	(497.2)	-12.2%	5,902.9	5,736.9	(166.0)	-2.8%
Integrity Commissioner's Office	356.7	341.3	(15.4)	-4.3%	506.7	506.7	0.0	0.0%
Lobbyist Registrar's Office	806.4	763.5	(42.9)	-5.3%	1,154.1	1,142.1	(12.0)	-1.0%
Ombudsman's Office	1,274.5	1,242.2	(32.2)	-2.5%	1,810.3	1,792.3	(18.0)	-1.0%
Sub-Total Council Appointed Programs	6,522.3	5,934.6	(587.7)	-9.0%	9,373.9	9,177.9	(196.0)	-2.1%
TOTAL - CITY OPERATIONS	1,583,272.7	1,525,969.3	(57,303.4)	-3.6%	2,144,281.4	2,110,408.8	(33,872.6)	-1.6%

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix A

CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	September 30, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	40,037.6	39,679.0	(358.6)	-0.9%	60,826.9	60,313.2	(513.7)	-0.8%
Toronto Public Library	136,104.2	136,104.2	(0.0)	0.0%	179,107.8	179,107.8	(0.0)	0.0%
Association of Community Centres	5,784.7	5,709.6	(75.1)	-1.3%	7,810.0	7,815.3	5.3	0.1%
Exhibition Place	(6.6)	(981.1)	(974.5)	14864.7%	(124.4)	0.0	124.4	-100.0%
Heritage Toronto	298.4	225.0	(73.4)	-24.6%	298.4	298.4	0.0	0.0%
Theatres	4,268.8	3,269.9	(998.9)	-23.4%	5,907.5	6,346.1	438.6	7.4%
Toronto Zoo	4,295.2	8,029.0	3,733.8	86.9%	12,034.3	15,907.9	3,873.5	32.2%
Arena Boards of Management	74.1	(314.4)	(388.6)	-524.3%	(19.7)	39.8	59.6	-301.8%
Yonge Dundas Square	326.8	175.5	(151.3)	-46.3%	377.4	221.0	(156.4)	-41.4%
Toronto & Region Conservation Authority	2,903.7	2,912.3	8.6	0.3%	3,561.3	3,561.3	0.0	0.0%
Toronto Transit Commission - Conventional	423,225.1	355,470.6	(67,754.5)	-16.0%	546,845.9	511,770.1	(35,075.8)	-6.4%
Toronto Transit Commission - Wheel Trans	104,837.8	92,236.7	(12,601.1)	-12.0%	142,677.8	128,418.9	(14,258.9)	-10.0%
Toronto Police Service	728,221.6	721,546.6	(6,675.0)	-0.9%	1,005,264.5	996,364.5	(8,900.0)	-0.9%
Toronto Police Services Board	1,692.4	1,227.2	(465.2)	-27.5%	2,309.1	2,219.8	(89.3)	-3.9%
TOTAL - AGENCIES	1,452,063.9	1,365,290.0	(86,773.9)	-6.0%	1,966,876.8	1,912,384.1	(54,492.7)	-2.8%
Corporate Accounts								
Capital Financing - Capital from Current	293,483.4	293,483.4	0.0	0.0%	293,902.0	293,902.0	0.0	0.0%
Technology Sustainment	13,433.7	13,433.7	0.0	0.0%	17,911.6	17,911.6	0.0	0.0%
Debt Charges	334,778.4	327,603.0	(7,175.4)	-2.1%	505,349.2	502,729.8	(2,619.4)	-0.5%
Capital & Corporate Financing	641,695.5	634,520.1	(7,175.4)	-1.1%	817,162.9	814,543.4	(2,619.4)	-0.3%
Non-Program Expenditures								
Tax Deficiencies/Writeoffs	62,952.8	62,472.7	(480.1)	-0.8%	56,126.8	68,594.4	12,467.6	22.2%
Tax Increment Equivalent Grants (TIEG)	0.0	19,135.9	19,135.9	n/a	20,372.7	25,318.9	4,946.2	24.3%
Assessment Function (MPAC)	31,702.5	31,727.9	25.4	0.1%	42,270.0	42,303.8	33.8	0.1%
Funding of Employee Related Liabilities	53,011.9	53,011.9	0.0	0.0%	70,828.6	70,828.6	0.0	0.0%
Other Corporate Expenditures	36,536.2	31,490.4	(5,045.8)	-13.8%	44,322.4	41,840.8	(2,481.6)	-5.6%
Insurance Premiums & Claims	225.0	225.0	0.0	0.0%	300.0	300.0	0.0	0.0%
Parking Tag Enforcement & Oper.	49,104.9	45,936.9	(3,168.0)	-6.5%	69,374.8	68,639.2	(735.6)	-1.1%
Programs Funded from Reserve Funds	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Vacancy Rebate Program	13,125.0	13,110.5	(14.5)	-0.1%	17,500.0	17,500.0	0.0	0.0%
Heritage Property Taxes Rebate	1,312.5	935.3	(377.2)	-28.7%	1,750.0	1,031.1	(718.9)	-41.1%
Tax Rebates for Registered Charities	0.0	0.0	0.0	0.0%	0.0	0.0	0.0	0.0%
Solid Waste Management Rebates	110,999.3	107,487.8	(3,511.5)	-3.2%	144,301.9	144,301.9	0.0	0.0%
Pandemic Influenza Stockpiling	375.0	375.0	0.0	0.0%	500.0	500.0	0.0	0.0%
Non-Program Expenditures	359,345.2	365,909.3	6,564.2	1.8%	467,647.2	481,158.7	13,511.5	2.9%
Non-Program Revenue								
Payments in Lieu of Taxes	(100,523.0)	(92,724.9)	7,798.1	-7.8%	(100,523.0)	(92,724.9)	7,798.1	-7.8%
Supplementary Taxes	(15,492.9)	(31,429.1)	(15,936.2)	102.9%	(35,000.0)	(40,000.0)	(5,000.0)	14.3%
Tax Penalty Revenue	(22,834.6)	(22,503.1)	331.5	-1.5%	(29,000.0)	(29,000.0)	0.0	0.0%
Interest/Investment Earnings	(70,664.9)	(79,493.6)	(8,828.7)	12.5%	(100,406.0)	(102,911.0)	(2,505.0)	2.5%
Other Corporate Revenues	(5,469.7)	(5,676.3)	(206.6)	3.8%	(7,981.1)	(8,230.5)	(249.4)	3.1%
Dividend Income	(75,000.0)	(75,000.0)	0.0	0.0%	(75,000.0)	(75,000.0)	0.0	0.0%
Provincial Revenue	(68,700.0)	(68,700.0)	0.0	0.0%	(91,600.0)	(91,600.0)	0.0	0.0%
Municipal Land Transfer Tax	(495,576.0)	(589,385.3)	(93,809.3)	18.9%	(668,000.0)	(753,000.0)	(85,000.0)	12.7%
Third Party Sign Tax	(12,725.9)	(12,016.2)	709.6	-5.6%	(11,035.7)	(11,035.7)	0.0	0.0%
Parking Authority Revenues	(33,086.8)	(32,827.1)	259.7	-0.8%	(49,034.5)	(48,469.2)	565.3	-1.2%
Administrative Support Recoveries - Water	(14,229.8)	(14,229.8)	0.0	0.0%	(18,973.0)	(18,973.0)	0.0	0.0%
Administrative Support Recoveries - Health & EMS	(13,720.0)	(13,720.0)	0.0	0.0%	(16,326.7)	(16,326.7)	0.0	0.0%
Parking Tag Enforcement & Operations Rev	(84,425.5)	(77,417.1)	7,008.4	-8.3%	(112,567.3)	(97,525.2)	15,042.1	-13.4%
Other Tax Revenues	(13,094.5)	(13,210.8)	(116.3)	0.9%	(13,094.5)	(13,094.5)	0.0	0.0%
Hotel & Lodging Tax	0.0	0.0	0.0	0.0%	(5,000.0)	0.0	5,000.0	-100.0%
Woodbine Slots Revenues	(12,250.0)	(12,875.1)	(625.1)	5.1%	(16,000.0)	(16,000.0)	0.0	0.0%
Non-Program Revenues	(1,037,793.5)	(1,141,208.4)	(103,414.9)	10.0%	(1,349,541.8)	(1,413,890.6)	(64,348.9)	4.8%
TOTAL - CORPORATE ACCOUNTS	(36,752.8)	(140,779.0)	(104,026.2)	283.0%	(64,731.7)	(118,188.5)	(53,456.8)	82.6%
NET OPERATING TAX LEVY	2,998,583.8	2,750,480.4	(248,103.4)	-8.3%	4,046,426.5	3,904,604.4	(141,822.1)	-3.5%
NON LEVY OPERATIONS								
Solid Waste Management Services	8,649.1	11,276.9	2,627.8	30.4%	(12,035.7)	(13,362.7)	(1,327.1)	n/a
Toronto Parking Authority	(44,626.6)	(44,321.1)	305.5	-0.7%	(63,414.2)	(62,723.5)	690.7	-1.1%
Toronto Water	(6,079.6)	(23,444.3)	(17,364.7)	285.6%	0.0	(2,250.0)	(2,250.0)	n/a
NON LEVY OPERATING NET EXPENDITURES	(42,057.1)	(56,488.5)	(14,431.4)	34.3%	(75,449.9)	(78,336.3)	(2,886.4)	n/a

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix B

CITY OF TORONTO CONSOLIDATED GROSS EXPENDITURES VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	September 30, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	2,375.7	2,111.9	(263.8)	-11.1%	3,474.3	3,200.8	(273.5)	-7.9%
Children's Services	374,102.6	365,490.3	(8,612.3)	-2.3%	537,902.3	521,202.3	(16,700.0)	-3.1%
Court Services	36,232.7	33,087.4	(3,145.3)	-8.7%	52,706.3	47,517.2	(5,189.0)	-9.8%
Economic Development & Culture	68,138.7	68,326.7	188.0	0.3%	82,875.8	84,523.4	1,647.6	2.0%
Toronto Paramedic Services	153,652.6	153,458.1	(194.5)	-0.1%	212,137.2	212,180.1	42.9	0.0%
Long Term Care Homes and Services	182,015.0	173,678.2	(8,336.8)	-4.6%	257,034.1	245,960.9	(11,073.2)	-4.3%
Parks, Forestry & Recreation	312,340.8	316,881.2	4,540.4	1.5%	457,755.9	443,056.0	(14,699.9)	-3.2%
Shelter, Support & Housing Administration	567,682.1	536,721.9	(30,960.2)	-5.5%	836,888.4	815,864.0	(21,024.4)	-2.5%
Social Development, Finance & Administration	35,016.5	33,639.2	(1,377.3)	-3.9%	50,944.0	44,441.0	(6,503.0)	-12.8%
Toronto Employment & Social Services	803,121.9	808,783.6	5,661.7	0.7%	1,083,491.5	1,089,342.5	5,851.0	0.5%
Sub-Total Citizen Centred Services "A"	2,534,678.7	2,492,178.5	(42,500.2)	-1.7%	3,575,209.6	3,507,288.2	(67,921.4)	-1.9%
Citizen Centred Services "B"								
City Planning	34,597.9	33,467.1	(1,130.8)	-3.3%	48,456.6	47,317.4	(1,139.2)	-2.4%
Fire Services	321,115.3	325,670.3	4,555.0	1.4%	439,953.2	449,023.5	9,070.3	2.1%
Municipal Licensing & Standards	36,891.9	33,977.6	(2,914.3)	-7.9%	53,128.4	50,869.6	(2,258.8)	-4.3%
Policy, Planning, Finance and Administration	16,328.3	14,124.2	(2,204.1)	-13.5%	23,344.7	20,977.7	(2,367.0)	-10.1%
Engineering and Construction Services	51,984.8	45,519.9	(6,464.9)	-12.4%	73,272.6	68,231.9	(5,040.7)	-6.9%
Toronto Building	38,212.5	35,188.5	(3,024.0)	-7.9%	56,097.6	52,369.9	(3,727.8)	-6.6%
Transportation Services	255,321.4	229,416.8	(25,904.6)	-10.1%	402,576.3	377,470.9	(25,105.4)	-6.2%
Sub-Total Citizen Centred Services "B"	754,452.1	717,364.4	(37,087.7)	-4.9%	1,096,829.5	1,066,260.9	(30,568.6)	-2.8%
Chief Financial Officer								
Office of the Chief Financial Officer	12,054.4	10,757.9	(1,296.5)	-10.8%	16,604.1	14,773.2	(1,830.9)	-11.0%
Office of the Treasurer	50,848.5	49,164.0	(1,684.5)	-3.3%	72,214.3	70,142.7	(2,071.6)	-2.9%
Sub-Total Chief Financial Officer	62,902.9	59,921.9	(2,981.0)	-4.7%	88,818.4	84,915.9	(3,902.5)	-4.4%
Internal Corporate Services								
Facilities, Real Estate, Environment & Energy	136,069.7	136,009.7	(60.0)	0.0%	195,293.9	189,091.9	(6,202.0)	-3.2%
Fleet Services	35,626.0	42,002.0	6,376.0	17.9%	54,083.3	59,119.0	5,035.7	9.3%
Information & Technology	92,983.7	82,979.3	(10,004.4)	-10.8%	128,435.2	114,289.9	(14,145.3)	-11.0%
311 Toronto	12,077.6	11,580.2	(497.4)	-4.1%	17,997.2	17,093.3	(903.9)	-5.0%
Sub-Total Internal Corporate Services	276,757.0	272,571.2	(4,185.8)	-1.5%	395,809.6	379,594.0	(16,215.5)	-4.1%
City Manager								
City Manager's Office	38,402.2	39,932.4	1,530.1	4.0%	55,926.5	58,998.8	3,072.4	5.5%
Sub-Total City Manager	38,402.2	39,932.4	1,530.1	4.0%	55,926.5	58,998.8	3,072.4	5.5%
Other City Programs								
City Clerk's Office	35,817.0	35,508.3	(308.8)	-0.9%	50,722.2	49,812.2	(910.0)	-1.8%
Legal Services	43,739.0	37,517.2	(6,221.8)	-14.2%	58,348.7	52,213.7	(6,135.1)	-10.5%
Mayor's Office	1,584.1	1,469.5	(114.6)	-7.2%	2,251.0	2,251.0	0.0	0.0%
City Council	14,740.7	14,432.5	(308.2)	-2.1%	20,631.0	20,641.4	10.4	0.1%
Sub-Total Other City Programs	95,880.8	88,927.5	(6,953.3)	-7.3%	131,952.9	124,918.2	(7,034.7)	-5.3%
Accountability Offices								
Auditor General's Office	4,084.7	3,587.5	(497.2)	-12.2%	5,902.9	5,736.9	(166.0)	-2.8%
Integrity Commissioner's Office	356.7	341.3	(15.4)	-4.3%	506.7	506.7	0.0	0.0%
Lobbyist Registrar's Office	806.4	763.5	(42.9)	-5.3%	1,154.1	1,142.1	(12.0)	-1.0%
Ombudsman's Office	1,274.5	1,242.2	(32.2)	-2.5%	1,810.3	1,792.3	(18.0)	-1.0%
Sub-Total Council Appointed Programs	6,522.3	5,934.6	(587.7)	-9.0%	9,373.9	9,177.9	(196.0)	-2.1%
TOTAL - CITY OPERATIONS	3,769,596.0	3,676,830.4	(92,765.6)	-2.5%	5,353,920.4	5,231,154.0	(122,766.4)	-2.3%

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix B

CITY OF TORONTO
CONSOLIDATED GROSS EXPENDITURES VARIANCE
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017
(\$000s)

	September 30, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	167,852.3	164,309.8	(3,542.4)	-2.1%	246,267.7	241,235.8	(5,031.9)	-2.0%
Toronto Public Library	150,227.3	151,529.0	1,301.7	0.9%	198,993.2	200,287.1	1,294.0	0.7%
Association of Community Centres	6,006.9	5,971.2	(35.8)	-0.6%	8,136.2	8,141.5	5.3	0.1%
Exhibition Place	36,364.9	35,439.5	(925.4)	-2.5%	50,512.0	51,113.2	601.2	1.2%
Heritage Toronto	763.4	537.1	(226.3)	-29.6%	763.4	763.4	0.0	0.0%
Theatres	19,059.9	18,026.3	(1,033.6)	-5.4%	29,404.0	29,903.5	499.5	1.7%
Toronto Zoo	40,497.2	37,456.9	(3,040.3)	-7.5%	52,546.3	49,611.3	(2,935.0)	-5.6%
Arena Boards of Management	6,386.8	5,731.3	(655.5)	-10.3%	9,013.1	8,748.5	(264.5)	-2.9%
Yonge Dundas Square	1,734.9	2,099.5	364.6	21.0%	2,352.5	3,000.8	648.3	27.6%
Toronto & Region Conservation Authority	35,623.0	36,706.0	1,083.0	3.0%	43,532.0	43,532.0	0.0	0.0%
Toronto Transit Commission - Conventional	1,346,663.8	1,279,469.0	(67,194.8)	-5.0%	1,798,481.8	1,748,092.0	(50,389.8)	-2.8%
Toronto Transit Commission - Wheel Trans	111,051.6	97,925.5	(13,126.1)	-11.8%	151,169.3	136,110.4	(15,058.9)	-10.0%
Toronto Police Service	802,072.1	795,022.1	(7,050.0)	-0.9%	1,128,616.9	1,119,216.9	(9,400.0)	-0.8%
Toronto Police Services Board	1,692.4	1,227.2	(465.2)	-27.5%	2,809.1	2,719.8	(89.3)	-3.2%
TOTAL - AGENCIES	2,725,996.4	2,631,450.3	(94,546.0)	-3.5%	3,722,597.4	3,642,476.3	(80,121.2)	-2.2%
Corporate Accounts								
Capital Financing - Capital from Current	293,483.4	293,483.4	0.0	0.0%	293,902.0	293,902.0	0.0	0.0%
Technology Sustainment	13,433.7	13,433.7	0.0	0.0%	17,911.6	17,911.6	0.0	0.0%
Debt Charges	349,785.5	342,610.1	(7,175.4)	-2.1%	529,529.2	526,909.7	(2,619.4)	-0.5%
Capital & Corporate Financing	656,702.7	649,527.3	(7,175.4)	-1.1%	841,342.8	838,723.4	(2,619.4)	-0.3%
Non-Program Expenditures								
Tax Deficiencies/Writeoffs	62,952.8	62,472.7	(480.1)	-0.8%	85,022.0	97,489.6	12,467.6	14.7%
Tax Increment Equivalent Grants (TIEG)	0.0	19,135.9	19,135.9	n/a	20,372.7	25,318.9	4,946.2	24.3%
Assessment Function (MPAC)	31,702.5	31,727.9	25.4	0.1%	42,270.0	42,303.8	33.8	0.1%
Funding of Employee Related Liabilities	53,011.9	53,011.9	0.0	0.0%	70,828.6	70,828.6	0.0	0.0%
Other Corporate Expenditures	41,084.2	40,454.8	(629.4)	-1.5%	54,788.0	52,198.9	(2,589.1)	-4.7%
Insurance Premiums & Claims	225.0	225.0	0.0	0.0%	300.0	300.0	0.0	0.0%
Parking Tag Enforcement & Oper.	49,104.9	45,936.9	(3,168.0)	-6.5%	69,374.8	68,639.2	(735.6)	-1.1%
Programs Funded from Reserve Funds	104,459.2	104,459.2	0.0	0.0%	140,881.3	140,881.3	0.0	0.0%
Vacancy Rebate Program	13,125.0	13,110.5	(14.5)	-0.1%	17,500.0	17,500.0	0.0	0.0%
Heritage Property Taxes Rebate	1,312.5	935.3	(377.2)	-28.7%	1,750.0	1,031.1	(718.9)	-41.1%
Tax Rebates for Registered Charities	5,918.1	5,949.7	31.6	0.5%	5,918.1	5,949.7	31.6	0.5%
Solid Waste Management Rebates	110,999.3	107,487.8	(3,511.5)	-3.2%	144,301.9	144,301.9	0.0	0.0%
Pandemic Influenza Stockpiling	375.0	375.0	0.0	0.0%	500.0	500.0	0.0	0.0%
Non-Program Expenditures	474,270.5	485,282.7	11,012.2	2.3%	653,807.5	667,243.1	13,435.6	2.1%
Non-Program Revenue								
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	1,181.8	1,181.8	0.0	0.0%	1,708.5	1,708.5	0.0	0.0%
Other Corporate Revenues	1,017.2	2,661.7	1,644.5	161.7%	5,470.9	5,517.9	47.0	0.9%
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	35,603.8	35,005.1	(598.7)	-1.7%	47,809.6	46,396.0	(1,413.6)	-3.0%
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	0.0	0.0	0.0	n/a
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	1,024.2	1,024.2	n/a	0.0	0.0	0.0	n/a
Hotel & Lodging Tax	0.0	0.0	0.0	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	37,802.8	39,872.8	2,070.0	5.5%	56,105.1	54,738.5	(1,366.6)	-2.4%
TOTAL - CORPORATE ACCOUNTS	1,168,776.0	1,174,682.8	5,906.8	0.5%	1,551,255.4	1,560,704.9	9,449.6	0.6%
LEVY OPERATING GROSS EXPENDITURES	7,664,368.4	7,482,963.5	(181,404.9)	-2.4%	10,627,773.2	10,434,335.2	(193,438.0)	-1.8%
NON LEVY OPERATIONS								
Solid Waste Management Services	247,212.0	273,415.6	26,203.6	10.6%	381,662.3	379,570.2	(2,092.0)	-0.5%
Toronto Parking Authority	71,469.6	68,377.3	(3,092.2)	-4.3%	96,009.6	93,503.0	(2,506.7)	-2.6%
Toronto Water	893,070.9	887,319.5	(5,751.4)	-0.6%	1,231,928.2	1,217,778.2	(14,150.0)	-1.1%
NON LEVY OPERATING GROSS EXPENDITURES	1,211,752.5	1,229,112.5	17,360.0	1.4%	1,709,600.1	1,690,851.4	(18,748.7)	-1.1%

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix C

CITY OF TORONTO CONSOLIDATED REVENUE VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	September 30, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Citizen Centred Services "A"								
Affordable Housing Office	1,427.4	1,163.6	(263.8)	-18.5%	2,304.2	2,030.7	(273.5)	-11.9%
Children's Services	307,858.7	307,798.5	(60.2)	0.0%	457,219.4	452,519.4	(4,700.0)	-1.0%
Court Services	25,283.0	32,820.9	7,537.9	29.8%	44,629.1	45,270.4	641.3	1.4%
Economic Development & Culture	9,417.9	9,089.7	(328.2)	-3.5%	20,606.1	21,999.4	1,393.3	6.8%
Toronto Paramedic Services	99,682.2	100,826.1	1,143.9	1.1%	133,851.9	134,996.0	1,144.1	0.9%
Long Term Care Homes and Services	157,180.6	149,552.1	(7,628.5)	-4.9%	209,658.0	199,452.8	(10,205.2)	-4.9%
Parks, Forestry & Recreation	85,374.8	78,052.0	(7,322.8)	-8.6%	138,715.0	120,096.0	(18,619.0)	-13.4%
Shelter, Support & Housing Administration	296,511.4	249,283.2	(47,228.2)	-15.9%	429,751.0	398,226.0	(31,525.0)	-7.3%
Social Development, Finance & Administration	9,357.8	7,854.2	(1,503.6)	-16.1%	18,744.7	12,290.7	(6,454.0)	-34.4%
Toronto Employment & Social Services	724,415.7	730,259.1	5,843.4	0.8%	972,955.1	978,806.2	5,851.1	0.6%
Sub-Total Citizen Centred Services "A"	1,716,509.7	1,666,699.5	(49,810.2)	-2.9%	2,428,434.4	2,365,687.5	(62,746.9)	-2.6%
Citizen Centred Services "B"								
City Planning	22,603.1	28,163.0	5,559.9	24.6%	33,169.4	38,732.8	5,563.4	16.8%
Fire Services	12,412.9	14,680.5	2,267.6	18.3%	17,101.3	17,654.8	553.5	3.2%
Municipal Licensing & Standards	25,024.2	25,443.6	419.4	1.7%	33,746.1	34,928.7	1,182.6	3.5%
Policy, Planning, Finance and Administration	10,124.1	8,230.1	(1,894.0)	-18.7%	14,246.1	12,078.9	(2,167.2)	-15.2%
Engineering and Construction Services	47,372.8	46,282.4	(1,090.4)	-2.3%	69,191.1	68,436.7	(754.4)	-1.1%
Toronto Building	46,552.5	60,321.0	13,768.4	29.6%	66,791.4	75,571.9	8,780.5	13.1%
Transportation Services	78,878.6	71,077.3	(7,801.3)	-9.9%	188,368.0	166,047.2	(22,320.9)	-11.8%
Sub-Total Citizen Centred Services "B"	242,968.3	254,197.9	11,229.7	4.6%	422,613.3	413,450.9	(9,162.4)	-2.2%
Chief Financial Officer								
Office of the Chief Financial Officer	5,474.4	4,489.9	(984.5)	-18.0%	7,185.9	6,059.8	(1,126.1)	-15.7%
Office of the Treasurer	32,056.2	33,266.6	1,210.4	3.8%	44,147.3	43,331.7	(815.6)	-1.8%
Sub-Total Chief Financial Officer	37,530.6	37,756.5	225.9	0.6%	51,333.2	49,391.5	(1,941.7)	-3.8%
Internal Corporate Services								
Facilities, Real Estate, Environment & Energy	69,141.2	71,098.2	1,957.0	2.8%	125,691.3	119,872.8	(5,818.5)	-4.6%
Fleet Services	36,040.6	44,313.4	8,272.7	23.0%	54,092.8	59,189.1	5,096.2	9.4%
Information & Technology	29,921.2	24,741.4	(5,179.7)	-17.3%	53,125.7	39,762.1	(13,363.6)	-25.2%
311 Toronto	5,909.3	5,515.5	(393.8)	-6.7%	8,171.6	7,546.8	(624.8)	-7.6%
Sub-Total Internal Corporate Services	141,012.3	145,668.5	4,656.2	3.3%	241,081.5	226,370.7	(14,710.7)	-6.1%
City Manager								
City Manager's Office	5,908.7	7,304.7	1,396.1	23.6%	8,584.0	12,078.4	3,494.4	40.7%
Sub-Total City Manager	5,908.7	7,304.7	1,396.1	23.6%	8,584.0	12,078.4	3,494.4	40.7%
Other City Programs								
City Clerk's Office	13,210.3	12,978.2	(232.1)	-1.8%	18,275.9	17,615.9	(660.0)	-3.6%
Legal Services	29,183.6	26,245.4	(2,938.2)	-10.1%	39,044.8	35,867.9	(3,176.9)	-8.1%
Mayor's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
City Council	0.0	10.4	10.4	n/a	272.0	282.4	10.4	3.8%
Sub-Total Other City Programs	42,393.8	39,234.0	(3,159.9)	-7.5%	57,592.7	53,766.1	(3,826.5)	-6.6%
Accountability Offices								
Auditor General's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Integrity Commissioner's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Lobbyist Registrar's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Ombudsman's Office	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
Sub-Total Council Appointed Programs	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
TOTAL - CITY OPERATIONS	2,186,323.3	2,150,861.1	(35,462.2)	-1.6%	3,209,639.0	3,120,745.2	(88,893.8)	-2.8%

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix C

CITY OF TORONTO CONSOLIDATED REVENUE VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	September 30, 2017				December 31, 2017			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Over / (Under)	%	Budget	Projection	Over / (Under)	%
Agencies								
Toronto Public Health	127,814.7	124,630.9	(3,183.8)	-2.5%	185,440.8	180,922.6	(4,518.2)	-2.4%
Toronto Public Library	14,123.1	15,424.8	1,301.7	9.2%	19,885.4	21,179.4	1,294.0	6.5%
Association of Community Centres	222.2	261.5	39.3	17.7%	326.2	326.2	0.0	0.0%
Exhibition Place	36,371.4	36,420.6	49.2	0.1%	50,636.4	51,113.2	476.8	0.9%
Heritage Toronto	465.0	312.1	(152.9)	-32.9%	465.0	465.0	0.0	0.0%
Theatres	14,791.1	14,756.4	(34.7)	-0.2%	23,496.5	23,557.4	60.9	0.3%
Toronto Zoo	36,202.0	29,427.9	(6,774.1)	-18.7%	40,512.0	33,703.4	(6,808.5)	-16.8%
Arena Boards of Management	6,312.7	6,045.8	(266.9)	-4.2%	9,032.8	8,708.7	(324.1)	-3.6%
Yonge Dundas Square	1,408.1	1,924.0	515.9	36.6%	1,975.1	2,779.8	804.7	40.7%
Toronto & Region Conservation Authority	32,719.3	33,793.7	1,074.4	3.3%	39,970.7	39,970.7	0.0	0.0%
Toronto Transit Commission - Conventional	923,438.7	923,998.4	559.7	0.1%	1,251,635.9	1,236,321.9	(15,314.0)	-1.2%
Toronto Transit Commission - Wheel Trans	6,213.8	5,688.8	(525.0)	-8.4%	8,491.5	7,691.5	(800.0)	-9.4%
Toronto Police Service	73,850.5	73,475.5	(375.0)	-0.5%	123,352.4	122,852.4	(500.0)	-0.4%
Toronto Police Services Board	0.0	0.0	0.0	n/a	500.0	500.0	0.0	0.0%
TOTAL - AGENCIES	1,273,932.5	1,266,160.3	(7,772.2)	-0.6%	1,755,720.7	1,730,092.2	(25,628.5)	-1.5%
Corporate Accounts								
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	15,007.1	15,007.1	0.0	0.0%	24,179.9	24,179.9	0.0	0.0%
Capital & Corporate Financing	15,007.1	15,007.1	0.0	0.0%	24,179.9	24,179.9	0.0	0.0%
Non-Program Expenditures								
Tax Deficiencies/Writeoffs	0.0	0.0	0.0	n/a	28,895.2	28,895.2	0.0	0.0%
Tax Increment Equivalent Grants (TIEG)	0.0	0.0	0.0	n/a	0.0	0.0	0.0	n/a
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	4,548.0	8,964.4	4,416.4	97.1%	10,465.7	10,358.2	(107.5)	-1.0%
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	104,459.2	104,459.2	0.0	0.0%	140,881.3	140,881.3	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	5,918.1	5,949.7	31.6	0.5%	5,918.1	5,949.7	31.6	0.5%
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	114,925.3	119,373.3	4,448.0	3.9%	186,160.3	186,084.4	(75.9)	0.0%
Non-Program Revenue								
Payments in Lieu of Taxes	100,523.0	92,724.9	(7,798.1)	-7.8%	100,523.0	92,724.9	(7,798.1)	-7.8%
Supplementary Taxes	15,492.9	31,429.1	15,936.2	102.9%	35,000.0	40,000.0	5,000.0	14.3%
Tax Penalty Revenue	22,834.6	22,503.1	(331.5)	-1.5%	29,000.0	29,000.0	0.0	0.0%
Interest/Investment Earnings	71,846.8	80,675.4	8,828.7	12.3%	102,114.5	104,619.5	2,505.0	2.5%
Other Corporate Revenues	6,486.9	8,338.0	1,851.1	28.5%	13,452.0	13,748.4	296.4	2.2%
Dividend Income	75,000.0	75,000.0	0.0	0.0%	75,000.0	75,000.0	0.0	0.0%
Provincial Revenue	68,700.0	68,700.0	0.0	0.0%	91,600.0	91,600.0	0.0	0.0%
Municipal Land Transfer Tax	531,179.8	624,390.4	93,210.6	17.5%	715,809.6	799,396.0	83,586.4	11.7%
Third Party Sign Tax	12,725.9	12,016.2	(709.6)	-5.6%	12,151.8	12,151.8	0.0	0.0%
Parking Authority Revenues	33,086.8	32,827.1	(259.7)	-0.8%	49,034.5	48,469.2	(565.3)	-1.2%
Administrative Support Recoveries - Water	14,229.8	14,229.8	0.0	0.0%	18,973.0	18,973.0	0.0	0.0%
Administrative Support Recoveries - Health & EMS	13,720.0	13,720.0	0.0	0.0%	16,326.7	16,326.7	0.0	0.0%
Parking Tag Enforcement & Operations Rev	84,425.5	77,417.1	(7,008.4)	-8.3%	112,567.3	97,525.2	(15,042.1)	-13.4%
Other Tax Revenues	13,094.5	14,235.0	1,140.5	8.7%	13,094.5	13,094.5	0.0	0.0%
Hotel & Lodging Tax	0.0	0.0	0.0	n/a	5,000.0	0.0	(5,000.0)	-100.0%
Woodbine Slots Revenues	12,250.0	12,875.1	625.1	5.1%	16,000.0	16,000.0	0.0	0.0%
Non-Program Revenues	1,075,596.3	1,181,081.3	105,484.9	9.8%	1,405,646.9	1,468,629.1	62,982.3	4.5%
TOTAL - CORPORATE ACCOUNTS	1,205,528.8	1,315,461.7	109,932.9	9.1%	1,615,987.1	1,678,893.4	62,906.3	3.9%
LEVY OPERATING REVENUES	4,665,784.6	4,732,483.1	66,698.5	1.4%	6,581,346.8	6,529,730.8	(51,615.9)	-0.8%
NON LEVY OPERATIONS								
Solid Waste Management Services	238,562.9	262,138.7	23,575.9	9.9%	393,697.9	392,933.0	(765.0)	-0.2%
Toronto Parking Authority	116,096.2	112,698.5	(3,397.7)	-2.9%	159,423.9	156,226.5	(3,197.3)	-2.0%
Toronto Water	899,150.5	910,763.8	11,613.3	1.3%	1,231,928.2	1,220,028.2	(11,900.0)	-1.0%
NON LEVY OPERATING REVENUES	1,253,809.6	1,285,601.0	31,791.4	2.5%	1,785,050.0	1,769,187.7	(15,862.3)	-0.9%

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix D

**CITY OF TORONTO
CONSOLIDATED APPROVED COMPLEMENT
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017**

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
Citizen Centred Services "A"														
Affordable Housing Office	23.0	22.0	(1.0)	4.3%	0.0	0.0	0.0	0.0%	23.0	22.0	(1.0)	4.3%	1.8%	2.5%
Children's Services	969.5	949.5	(20.0)	2.1%	13.0	13.0	0.0	0.0%	982.5	962.5	(20.0)	2.0%	0.4%	1.7%
Court Services	258.0	213.0	(45.0)	17.4%	0.0	0.0	0.0	0.0%	258.0	213.0	(45.0)	17.4%	2.6%	14.8%
Economic Development & Culture	290.5	288.5	(2.0)	0.7%	10.0	10.0	0.0	0.0%	300.5	298.5	(2.0)	0.7%	2.8%	0.0%
Toronto Paramedic Services	1,452.8	1,438.8	(14.0)	1.0%	0.5	0.5	0.0	0.0%	1,453.3	1,439.3	(14.0)	1.0%	1.8%	0.0%
Long Term Care Homes & Services	2,373.9	2,373.9	0.0	0.0%	0.0	0.0	0.0	0.0%	2,373.9	2,373.9	0.0	0.0%	0.0%	0.0%
Parks, Forestry & Recreation	4,295.2	4,184.5	(110.7)	2.6%	137.7	83.4	(54.3)	39.5%	4,432.9	4,267.9	(165.0)	3.7%	2.5%	0.1%
Shelter, Support & Housing Administration	768.4	726.1	(42.3)	5.5%	31.0	2.0	(29.0)	93.5%	799.4	728.1	(71.3)	8.9%	3.6%	1.9%
Social Development, Finance & Administration	147.0	143.0	(4.0)	2.7%	0.0	0.0	0.0	0.0%	147.0	143.0	(4.0)	2.7%	2.8%	0.0%
Toronto Employment & Social Services	2,012.0	2,019.0	7.0	-0.3%	0.0	0.0	0.0	0.0%	2,012.0	2,019.0	7.0	-0.3%	1.7%	0.0%
Sub-Total Citizen Centred Services "A"	12,590.2	12,358.2	(232.0)	1.8%	192.2	108.9	(83.3)	43.4%	12,782.4	12,467.1	(315.3)	2.5%	1.7%	0.1%
Citizen Centred Services "B"														
City Planning Division	375.5	340.5	(35.0)	9.3%	16.5	9.5	(7.0)	42.4%	392.0	350.0	(42.0)	10.7%	3.8%	5.5%
Fire Services	3,173.3	3,130.3	(43.0)	1.4%	1.0	1.0	0.0	0.0%	3,174.3	3,131.3	(43.0)	1.4%	2.0%	0.0%
Municipal Licensing & Standards	476.5	440.5	(36.0)	7.6%	3.0	2.0	(1.0)	33.3%	479.5	442.5	(37.0)	7.7%	2.1%	5.5%
Policy, Planning, Finance and Administration	190.4	180.0	(10.4)	5.4%	0.0	0.0	0.0	0.0%	190.4	180.0	(10.4)	5.4%	4.0%	1.4%
Engineering and Construction Services	128.1	116.1	(12.0)	9.4%	446.0	389.0	(57.0)	12.8%	574.1	505.1	(69.0)	12.0%	4.2%	5.2%
Toronto Building	468.0	438.0	(30.0)	6.4%	0.0	0.0	0.0	0.0%	468.0	438.0	(30.0)	6.4%	2.9%	3.5%
Transportation Services	1,026.6	969.1	(57.5)	5.6%	92.9	84.9	(8.0)	8.6%	1,119.5	1,054.0	(65.5)	5.9%	6.0%	0.0%
Sub-Total Citizen Centred Services "B"	5,838.4	5,614.5	(223.9)	3.8%	559.4	486.4	(73.0)	13.0%	6,397.8	6,100.9	(296.9)	4.6%	3.0%	0.8%
Chief Financial Officer														
Office of the Chief Financial Officer	105.0	88.0	(17.0)	16.2%	12.0	8.0	(4.0)	33.3%	117.0	96.0	(21.0)	17.9%	2.1%	14.1%
Office of the Treasurer	646.2	573.2	(73.0)	11.3%	9.0	4.0	(5.0)	55.6%	655.2	577.2	(78.0)	11.9%	3.0%	8.3%
Sub-Total Chief Financial Officer	751.2	661.2	(90.0)	12.0%	21.0	12.0	(9.0)	42.9%	772.2	673.2	(99.0)	12.8%	2.9%	9.1%
Internal Corporate Services														
Facilities, Real Estate, Environment & Energy	923.0	809.2	(113.8)	12.3%	87.0	74.0	(13.0)	14.9%	1,010.0	883.2	(126.8)	12.6%	3.7%	8.6%
Fleet Services	178.0	147.0	(31.0)	17.4%	8.0	1.0	(7.0)	87.5%	186.0	148.0	(38.0)	20.4%	3.0%	14.4%
Information & Technology	629.0	569.0	(60.0)	9.5%	222.0	150.0	(72.0)	32.4%	851.0	719.0	(132.0)	15.5%	5.5%	4.0%
311 Toronto	160.0	153.0	(7.0)	4.4%	13.0	8.0	(5.0)	38.5%	173.0	161.0	(12.0)	6.9%	2.4%	2.0%
Sub-Total Internal Corporate Services	1,890.0	1,678.2	(211.8)	11.2%	330.0	233.0	(97.0)	29.4%	2,220.0	1,911.2	(308.8)	13.9%	4.1%	7.1%
City Manager														
City Manager's Office	412.0	389.0	(23.0)	5.6%	20.0	17.0	(3.0)	15.0%	432.0	406.0	(26.0)	6.0%	5.2%	0.4%
Sub-Total City Manager	412.0	389.0	(23.0)	5.6%	20.0	17.0	(3.0)	15.0%	432.0	406.0	(26.0)	6.0%	5.2%	0.4%
Other City Programs														
City Clerk's Office	387.3	375.0	(12.3)	3.2%	16.3	13.0	(3.3)	20.0%	403.6	388.0	(15.6)	3.9%	3.9%	0.0%
Legal Services	365.9	313.0	(52.9)	14.5%	0.0	0.0	0.0	0.0%	365.9	313.0	(52.9)	14.5%	2.4%	12.1%
Mayor's Office	20.0	20.0	0.0	0.0%	0.0	0.0	0.0	0.0%	20.0	20.0	0.0	0.0%	3.4%	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%	3.7%	0.0%
Sub-Total Other City Programs	953.2	888.0	(65.2)	6.8%	16.3	13.0	(3.3)	20.0%	969.5	901.0	(68.5)	7.1%	3.3%	3.6%
Accountability Offices														
Auditor General's Office	32.0	32.0	0.0	0.0%	0.0	0.0	0.0	0.0%	32.0	32.0	0.0	0.0%	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%	1.3%	1.7%
Ombudsman's Office	12.0	11.0	(1.0)	8.3%	0.0	0.0	0.0	0.0%	12.0	11.0	(1.0)	8.3%	0.0%	8.3%
Sub-Total Accountability Offices	55.3	54.0	(1.3)	2.3%	0.0	0.0	0.0	0.0%	55.3	54.0	(1.3)	2.3%	0.2%	2.1%
TOTAL - CITY OPERATIONS	22,490.2	21,643.0	(847.1)	3.8%	1,138.9	870.3	(268.6)	23.6%	23,629.0	22,513.4	(1,115.7)	4.7%	2.4%	1.3%
Agencies														
Toronto Public Health	1,834.2	1,752.0	(82.2)	4.5%	17.2	17.0	(0.1)	0.9%	1,851.4	1,769.0	(82.4)	4.4%	5.2%	0.0%
Toronto Public Library	1,729.3	1,640.3	(89.0)	5.1%	5.0	5.0	0.0	0.0%	1,734.3	1,645.3	(89.0)	5.1%	2.7%	2.4%
Association of Community Centres	77.8	77.8	0.0	0.0%	0.0	0.0	0.0	0.0%	77.8	77.8	0.0	0.0%	0.0%	0.0%
Exhibition Place	354.0	354.0	0.0	0.0%	5.0	5.0	0.0	0.0%	359.0	359.0	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	187.7	178.8	(8.9)	4.7%	0.0	0.0	0.0	0.0%	187.7	178.8	(8.9)	4.7%	0.0%	4.7%
Toronto Zoo	394.0	380.0	(14.0)	3.6%	0.0	0.0	0.0	0.0%	394.0	380.0	(14.0)	3.6%	2.3%	1.3%
Arena Boards of Management	66.6	57.6	(9.0)	13.5%	0.0	0.0	0.0	0.0%	66.6	57.6	(9.0)	13.5%	0.0%	13.5%
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	426.6	426.6	0.0	0.0%	0.0	0.0	0.0	0.0%	426.6	426.6	0.0	0.0%	0.0%	0.0%
Toronto Transit Commission - Conventional	11,798.0	11,954.0	156.0	-1.3%	2,350.0	1,892.0	(458.0)	19.5%	14,148.0	13,846.0	(302.0)	2.1%	1.3%	0.0%
Toronto Transit Commission - Wheel Trans	572.0	546.0	(26.0)	4.5%	0.0	0.0	0.0	0.0%	572.0	546.0	(26.0)	4.5%	0.9%	3.6%
Toronto Police Service	7,881.0	7,078.0	(803.0)	10.2%	0.0	0.0	0.0	0.0%	7,881.0	7,078.0	(803.0)	10.2%	6.8%	3.4%
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%
TOTAL - AGENCIES	24,915.1	24,039.0	(876.1)	3.5%	2,377.2	1,919.0	(458.2)	19.3%	27,292.3	25,958.0	(1,334.3)	4.9%	3.4%	0.1%
Corporate Accounts														
Corporate Accounts	399.0	363.0	(36.0)	9.0%	0.0	0.0	0.0	0.0%	399.0	363.0	(36.0)	9.0%	0.0%	9.0%
TOTAL - CORPORATE ACCOUNTS	399.0	363.0	(36.0)	9.0%	0.0	0.0	0.0	0.0%	399.0	363.0	(36.0)	9.0%	0.0%	9.0%
TOTAL LEVY OPERATIONS	47,804.3	46,045.0	(1,759.2)	3.7%	3,516.0	2,789.3	(726.7)	20.7%	51,320.3	48,834.4	(2,485.9)	4.8%	2.9%	0.8%
Non Levy Operations														
Solid Waste Management Services	1,078.6	994.0	(84.6)	7.8%	35.2	28.8	(6.4)	18.3%	1,113.7	1,022.7	(91.0)	8.2%	3.9%	3.9%
Toronto Parking Authority	323.5	315.5	(8.0)	2.5%	0.0	0.0	0.0	0.0%	323.5	315.5	(8.0)	2.5%	0.0%	2.5%
Toronto Water	1,704.3	1,556.3	(148.0)	8.7%	48.4	40.0	(8.4)	17.3%	1,752.7	1,596.3	(156.4)	8.9%	2.9%	5.8%
TOTAL NON LEVY OPERATIONS	3,106.4	2,865.8	(240.6)	7.7%	83.5	68.8	(14.8)	17.7%	3,189.9	2,934.5	(255.4)	8.0%	3.0%	4.8%
GRAND TOTAL	50,910.6	48,910.8	(1,999.8)	3.9%	3,599.5	2,858.1	(741.5)	20.6%	54,510.2	51,768.9	(2,741.3)	5.0%	2.9%	(1.0%)

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix E

CITY OF TORONTO CONSOLIDATED APPROVED COMPLEMENT PROJECTIONS TO 2017 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
Citizen Centred Services "A"														
Affordable Housing Office	23.0	23.0	0.0	0.0%	0.0	0.0	0.0	0.0%	23.0	23.0	0.0	0.0%	1.8%	0.0%
Children's Services	969.5	969.5	0.0	0.0%	13.0	13.0	0.0	0.0%	982.5	982.5	0.0	0.0%	0.4%	0.0%
Court Services	258.0	234.0	(24.0)	9.3%	0.0	0.0	0.0	0.0%	258.0	234.0	(24.0)	9.3%	2.6%	6.7%
Economic Development & Culture	290.5	289.5	(1.0)	0.3%	10.0	10.0	0.0	0.0%	300.5	299.5	(1.0)	0.3%	2.8%	0.0%
Toronto Paramedic Services	1,452.8	1,445.8	(7.0)	0.5%	0.5	0.5	0.0	0.0%	1,453.3	1,446.3	(7.0)	0.5%	1.8%	0.0%
Long Term Care Homes & Services	2,373.9	2,373.9	0.0	0.0%	0.0	0.0	0.0	0.0%	2,373.9	2,373.9	0.0	0.0%	0.0%	0.0%
Parks, Forestry & Recreation	4,295.2	4,197.4	(97.8)	2.3%	137.7	106.4	(31.3)	22.7%	4,432.9	4,303.8	(129.1)	2.9%	2.5%	0.0%
Shelter, Support & Housing Administration	768.4	735.4	(33.0)	4.3%	31.0	13.0	(18.0)	58.1%	799.4	748.4	(51.0)	6.4%	3.6%	0.7%
Social Development, Finance & Administration	150.0	150.0	0.0	0.0%	0.0	0.0	0.0	0.0%	150.0	150.0	0.0	0.0%	2.8%	0.0%
Toronto Employment & Social Services	2,012.0	1,999.0	(13.0)	0.6%	0.0	0.0	0.0	0.0%	2,012.0	1,999.0	(13.0)	0.6%	1.7%	0.0%
Sub-Total Citizen Centred Services "A"	12,593.2	12,417.4	(175.8)	1.4%	192.2	142.9	(49.3)	25.6%	12,785.4	12,560.3	(225.1)	1.8%	1.7%	0.0%
Citizen Centred Services "B"														
City Planning Division	375.5	349.5	(26.0)	6.9%	16.5	16.5	0.0	0.0%	392.0	366.0	(26.0)	6.6%	3.8%	3.1%
Fire Services	3,173.3	3,128.3	(45.0)	1.4%	1.0	1.0	0.0	0.0%	3,174.3	3,129.3	(45.0)	1.4%	2.0%	0.0%
Municipal Licensing & Standards	476.5	458.5	(18.0)	3.8%	3.0	2.0	(1.0)	33.3%	479.5	460.5	(19.0)	4.0%	2.1%	1.7%
Policy, Planning, Finance and Administration	190.4	180.4	(10.0)	5.3%	0.0	0.0	0.0	0.0%	190.4	180.4	(10.0)	5.3%	4.0%	1.3%
Engineering and Construction Services	128.1	119.1	(9.0)	7.0%	446.0	413.0	(33.0)	7.4%	574.1	532.1	(42.0)	7.3%	4.2%	2.8%
Toronto Building	468.0	438.0	(30.0)	6.4%	0.0	0.0	0.0	0.0%	468.0	438.0	(30.0)	6.4%	2.9%	3.5%
Transportation Services	1,026.6	969.1	(57.5)	5.6%	92.9	84.9	(8.0)	8.6%	1,119.5	1,054.0	(65.5)	5.9%	6.0%	0.0%
Sub-Total Citizen Centred Services "B"	5,838.4	5,642.9	(195.5)	3.3%	559.4	517.4	(42.0)	7.5%	6,397.8	6,160.3	(237.5)	3.7%	3.0%	0.3%
Chief Financial Officer														
Office of the Chief Financial Officer	103.0	96.0	(7.0)	6.8%	12.0	8.0	(4.0)	33.3%	115.0	104.0	(11.0)	9.6%	2.1%	4.7%
Office of the Treasurer	636.2	602.2	(34.0)	5.3%	9.0	6.0	(3.0)	33.3%	645.2	608.2	(37.0)	5.7%	3.0%	2.3%
Sub-Total Chief Financial Officer	739.2	698.2	(41.0)	5.5%	21.0	14.0	(7.0)	33.3%	760.2	712.2	(48.0)	6.3%	2.9%	2.7%
Internal Corporate Services														
Facilities, Real Estate, Environment & Energy	923.0	829.0	(94.0)	10.2%	87.0	75.0	(12.0)	13.8%	1,010.0	904.0	(106.0)	10.5%	3.7%	6.5%
Fleet Services	178.0	164.0	(14.0)	7.9%	8.0	3.0	(5.0)	62.5%	186.0	167.0	(19.0)	10.2%	3.0%	4.9%
Information & Technology	629.0	576.0	(53.0)	8.4%	222.0	152.0	(70.0)	31.5%	851.0	728.0	(123.0)	14.5%	5.5%	2.9%
311 Toronto	165.0	157.0	(8.0)	4.8%	13.0	10.0	(3.0)	23.1%	178.0	167.0	(11.0)	6.2%	2.4%	2.4%
Sub-Total Internal Corporate Services	1,895.0	1,726.0	(169.0)	8.9%	330.0	240.0	(90.0)	27.3%	2,225.0	1,966.0	(259.0)	11.6%	4.1%	4.8%
City Manager														
City Manager's Office	418.0	414.0	(4.0)	1.0%	20.0	17.0	(3.0)	15.0%	438.0	431.0	(7.0)	1.6%	5.2%	0.0%
Sub-Total City Manager	418.0	414.0	(4.0)	1.0%	20.0	17.0	(3.0)	15.0%	438.0	431.0	(7.0)	1.6%	5.2%	0.0%
Other City Programs														
City Clerk's Office	388.3	375.0	(13.3)	3.4%	16.3	13.0	(3.3)	20.0%	404.6	388.0	(16.6)	4.1%	3.9%	0.0%
Legal Services	365.9	348.4	(17.5)	4.8%	0.0	0.0	0.0	0.0%	365.9	348.4	(17.5)	4.8%	2.4%	2.4%
Mayor's Office	20.0	20.0	0.0	0.0%	0.0	0.0	0.0	0.0%	20.0	20.0	0.0	0.0%	3.4%	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%	3.7%	0.0%
Sub-Total Other City Programs	954.2	923.4	(30.8)	3.2%	16.3	13.0	(3.3)	20.0%	970.5	936.4	(34.1)	3.5%	3.3%	0.0%
Accountability Offices														
Auditor General's Office	32.0	32.0	0.0	0.0%	0.0	0.0	0.0	0.0%	32.0	32.0	0.0	0.0%	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%	1.3%	1.7%
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%
Sub-Total Accountability Offices	55.3	55.0	(0.3)	0.5%	0.0	0.0	0.0	0.0%	55.3	55.0	(0.3)	0.5%	0.2%	0.3%
TOTAL - CITY OPERATIONS	22,493.2	21,876.8	(616.4)	2.7%	1,138.9	944.3	(194.6)	17.1%	23,632.0	22,821.1	(810.9)	3.4%	2.4%	0.3%
Agencies														
Toronto Public Health	1,834.2	1,756.0	(78.2)	4.3%	17.2	17.0	(0.1)	0.9%	1,851.4	1,773.0	(78.4)	4.2%	5.2%	0.0%
Toronto Public Library	1,729.3	1,640.3	(89.0)	5.1%	5.0	5.0	0.0	0.0%	1,734.3	1,645.3	(89.0)	5.1%	2.7%	2.4%
Association of Community Centres	77.8	77.8	0.0	0.0%	0.0	0.0	0.0	0.0%	77.8	77.8	0.0	0.0%	0.0%	0.0%
Exhibition Place	354.0	354.0	0.0	0.0%	5.0	5.0	0.0	0.0%	359.0	359.0	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	187.7	184.3	(3.4)	1.8%	0.0	0.0	0.0	0.0%	187.7	184.3	(3.4)	1.8%	0.0%	1.8%
Toronto Zoo	394.0	385.0	(9.0)	2.3%	0.0	0.0	0.0	0.0%	394.0	385.0	(9.0)	2.3%	2.3%	0.0%
Arena Boards of Management	66.6	64.6	(2.0)	3.0%	0.0	0.0	0.0	0.0%	66.6	64.6	(2.0)	3.0%	0.0%	3.0%
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	426.6	426.6	0.0	0.0%	0.0	0.0	0.0	0.0%	426.6	426.6	0.0	0.0%	0.0%	0.0%
Toronto Transit Commission - Conventional	11,798.0	12,090.0	292.0	-2.5%	2,212.0	2,037.0	(175.0)	7.9%	14,010.0	14,127.0	117.0	-0.8%	1.3%	0.0%
Toronto Transit Commission - Wheel Trans	571.0	584.0	13.0	-2.3%	0.0	0.0	0.0	0.0%	571.0	584.0	13.0	-2.3%	0.9%	0.0%
Toronto Police Service	7,881.0	7,061.0	(820.0)	10.4%	0.0	0.0	0.0	0.0%	7,881.0	7,061.0	(820.0)	10.4%	6.8%	3.6%
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%
TOTAL - AGENCIES	24,914.1	24,217.5	(696.6)	2.8%	2,239.2	2,064.0	(175.2)	7.8%	27,153.3	26,281.5	(871.8)	3.2%	3.4%	0.0%
Corporate Accounts														
Corporate Accounts	399.0	363.0	(36.0)	9.0%	0.0	0.0	0.0	0.0%	399.0	363.0	(36.0)	9.0%	0.0%	9.0%
TOTAL - CORPORATE ACCOUNTS	399.0	363.0	(36.0)	9.0%	0.0	0.0	0.0	0.0%	399.0	363.0	(36.0)	9.0%	0.0%	9.0%
TOTAL LEVY OPERATIONS	47,806.3	46,457.3	(1,349.0)	2.8%	3,378.0	3,008.3	(369.7)	10.9%	51,184.3	49,465.6	(1,718.7)	3.4%	2.9%	0.0%
Non Levy Operations														
Solid Waste Management Services	1,078.6	1,000.0	(78.6)	7.3%	35.2	28.8	(6.4)	18.3%	1,113.7	1,028.7	(85.0)	7.6%	3.9%	3.4%
Toronto Parking Authority	323.5	317.5	(6.0)	1.9%	0.0	0.0	0.0	0.0%	323.5	317.5	(6.0)	1.9%	0.0%	1.9%
Toronto Water	1,704.3	1,564.3	(140.0)	8.2%	48.4	48.4	0.0	0.0%	1,752.7	1,612.7	(140.0)	8.0%	2.9%	5.3%
TOTAL NON LEVY OPERATIONS	3,106.4	2,881.8	(224.6)	7.2%	83.5	77.1	(6.4)	7.7%	3,189.9	2,958.9	(231.0)	7.2%	3.0%	4.3%
GRAND TOTAL	50,912.6	49,339.1	(1,573.5)	3.1%	3,461.5	3,085.4	(376.1)	10.9%	54,374.2	52,424.5	(1,949.7)	3.6%	2.9%	(0.2%)

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix F

CITY OF TORONTO PENDING BUDGET ADJUSTMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Citizen Centred Services "A"				
Affordable Housing Office				
Adjustment to create one permanent Program Officer position, offset by deletion of one vacant, temporary Housing Development Officer position. Both positions are 100% funded through federal-provincial administration funding. This change reflects operational needs to fully deliver federal-provincial housing improvement programs, a continuing pressure given the federal government's commitment to sustainable, long-term affordable housing funding through to 2028.	(1.1)	(1.1)	0.0	0.0
Total Affordable Housing Office	(1.1)	(1.1)	0.0	0.0
Children's Services				
Transfer unspent Provincial / Federal growth funding of \$12.0 million as of Sept 30, 2017, as a one-time contribution to the Child Care Expansion Reserve Fund to provide 825 new child care subsidies to support system growth as directed by City Council on July 4, 2017 (EX26.30). This entry reduces the Day Care Expenses and increases Contributions to Reserves with \$0 net impact.	0.0	0.0	0.0	0.0
Daycare Expenditures	(12,000.0)	(12,000.0)	0.0	0.0
Contribution to Child Care Expansion Reserve Fund	12,000.0	12,000.0	0.0	0.0
Total Children's Services	0.0	0.0	0.0	0.0
Economic Development & Culture				
To eliminate inter-departmental recovery through Non Program from TPLC dividends and reflect the full cost of the International Trade Program as funded from City property tax funds. TPLC dividends will be reflected in Non-Program as City revenue, as are other dividends from City-owned corporations.	0.0	(4,180.7)	4,180.7	0.0
Total Economic Development & Culture	0.0	(4,180.7)	4,180.7	0.0
Parks, Forestry & Recreation				
A technical adjustment is required to correct the funding source for the 2017 tree planting and maintenance expenditures in the amount of \$4.721 million, from the former Urban Forestry deferred revenue accounts (now closed) to the Tree Canopy Reserve (XR1220), consistent with the policy for the use of replacement tree funds collected under the Street Tree and Private Tree By-laws (City of Toronto Municipal Code, Chapter 813, Articles II and III).	0.0	0.0	0.0	0.0
To transfer one position from Parks, Forestry and Recreation (PFR) to Financial Planning (FPD) to provide financial planning, budgeting, and management dedicated support to PFR.	(115.1)	0.0	(115.1)	(1.0)

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix F

CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
To increase the revenue estimate for the replacement tree planting funds collected under the Street Tree and Private Tree By-laws (City of Toronto Municipal Code, Chapter 813, Articles II and III) from \$2.8 million to \$3.3 million and that these funds be contributed to the Tree Canopy Reserve (XR1220) to fund future expenditures for the Urban Forestry Tree Planting Strategy.	500.0	500.0	0.0	0.0
To create 1 temporary Support Assistant C position to satisfy the requirements of Minutes of Settlement. The salary cost of this position is fully offset with the previously planned repurposing Foreperson Park 1 position to Foreperson Park 2 and other non-salary reductions, resulting in no financial impact.	(0.0)	0.0	(0.0)	1.0
Total Parks, Forestry & Recreation	384.9	500.0	(115.1)	0.0
Shelter, Support & Housing Administration				
Adjustment to reflect the true costs of 2017 Approved affordable housing projects in line with revised construction and renovation schedules as well as additional allocations to projects of a provincial reallocation to the City of unused Social Infrastructure Fund-Investment in Affordable Housing program (SIF-IAH) funds from other Ontario Service Managers.	4,716.5	4,716.5	0.0	0.0
Total Shelter, Support & Housing Administration	4,716.5	4,716.5	0.0	0.0
Total Citizen Centred Services "A"	5,100.3	1,034.7	4,065.6	0.0
Citizen Centred Services "B"				
Waterfront Secretariat				
To receive a private donation of \$0.020 million and increase the City Planning, The Bentway by \$0.020 million revenue and include a contribution to the Gardner West Public Realm and Improvements Reserve Fund (XR3034) for \$0.020 million for future arts programming on the Bentway.	20.0	20.0	0.0	0.0
Total Waterfront Secretariat	20.0	20.0	0.0	0.0
Total Citizen Centred Services "B"	20.0	20.0	0.0	0.0
Internal Corporate Services				
Facilities, Real Estate, Environment & Energy				
Addition of 1.0 temporary, capital-funded Project Manager position for 12 months commencing November 2017, required to advance progress on the North West Path – Phase 2 capital project. The total financial impact to FREEE's 2017 Council Approved Operating Budget is an increase of 1.0 position, and an increase of \$0.022 million gross and \$0 net in 2017, with an incremental impact of \$0.109 million gross and \$0 net in 2018.	21.5	21.5	0.0	1.0
Total Facilities, Real Estate, Environment & Energy	21.5	21.5	0.0	1.0
Total Internal Corporate Services	21.5	21.5	0.0	1.0

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix F

CITY OF TORONTO PENDING BUDGET ADJUSTMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
Chief Financial Officer				
To transfer one position from Parks, Forestry and Recreation (PFR) to Financial Planning (FPD) to provide financial planning, budgeting, and management dedicated support to PFR.	115.1	0.0	115.1	1.0
To convert 2 temporary complement management staff to permanent Financial Planning analysts to provide ongoing complement planning, management, analysis, and reporting functions for the City, with funding to be transferred from repurposed financial studies funding in Non Program Expenditure Budget.	250.0	0.0	250.0	2.0
Total Chief Financial Officer	365.1	0.0	365.1	3.0
Total City Programs	5,506.9	1,076.2	4,430.7	4.0
Agencies				
Exhibition Place				
Exhibition has had an additional unforeseen three employees retire during the 3rd and 4th quarter of 2017 which requires an additional \$0.030 million to be withdrawn from the City's sickbank reserves. This adjustment will increase Exhibition Place's Operating Budget by \$0.030 million gross and \$0 net to provide authority for the payment, fully funded from the sickbank reserves.	30.0	30.0	0.0	0.0
Total Exhibition Place	30.0	30.0	0.0	0.0
Toronto Transit Commission				
The TTC's 2017 Operating Budget will be adjusted to contribute the equivalent of the Accident Claim budget into the Long Term Liability Reserve Fund (XR1728), to support actual accident claim payments at the time of settlement.	0.0	0.0	0.0	0.0
TTC Accident Claims	(33,200.0)	0.0	(33,200.0)	0.0
Wheel-Trans Accident Claims	(850.0)	0.0	(850.0)	0.0
Contribution to Reserve (XR1728) to support Accident Claim Payments	34,050.0	0.0	34,050.0	0.0
Total Toronto Transit Commission	0.0	0.0	0.0	0.0
Toronto Public Health				
To adjust the 2017 Approved Budget to confirmed federal funding levels for the Healthy Apartment Neighbourhoods as per the letter from the Public Health Agency of Canada received in August, 2017. With the 2017 funding reduced by \$0.511 million, 2018 by \$0.272 million and 2019 to 2022 increased by \$0.742 million.	(510.5)	(510.5)	0.0	0.0
To adjust the 2017 Approved Budget to reflect one-time funding from the Toronto Central Local Health Integration Network for the Overdose Prevention and Response for Health Community Service over a two year period.	216.7	216.7	(0.0)	0.0

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix F

CITY OF TORONTO PENDING BUDGET ADJUSTMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 (\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position
To adjust the 2017 Approved Budget to reflect additional 100% provincial ongoing base funding for the Toronto Overdose Action Plan to be spent by the end of 2017.	27.8	27.8	0.0	0.0
Total Toronto Public Health	(266.0)	(266.0)	(0.0)	0.0
Toronto & Region Conservation Authority				
To increase the Toronto and Region Conservation Authority (TRCA) gross operating expenditures by \$1.287 million and 14.4 permanent positions, fully funded by a corresponding increase in user fee revenue and other revenue sources, for a net zero impact to reflect the decision from TRCA Authority Meeting ##5/17 on June 23, 2017.	1,287.0	1,287.0	0.0	14.4
Total Toronto & Region Conservation Authority	1,287.0	1,287.0	0.0	14.4
Total Agencies	1,051.0	1,051.0	(0.0)	14.4
Corporate Accounts				
Capital & Corporate Financing				
Technical adjustment to account for debt charge expenditures for Solid Waste Management in Capital & Corporate Financing. These are fully recoverable from Solid Waste Management fees, and there is no impact to the City's budget.	36,848.0	36,848.0	0.0	0.0
Total Capital & Corporate Financing	36,848.0	36,848.0	0.0	0.0
Other Corporate Expenditures				
To convert 2 temporary complement management staff to permanent Financial Planning analysts to provide ongoing complement planning, management, analysis, and reporting functions for the City, with funding to be transferred from repurposed financial studies funding in Non Program Expenditure Budget.	(250.0)	0.0	(250.0)	0.0
To create an Administrative Assistant permanent position for Office of the Chief Transformation Officer funded from the existing budget in this program.	(0.0)	0.0	(0.0)	1.0
Total Other Corporate Expenditures	(250.0)	0.0	(250.0)	1.0
Non-Program Revenues				
To eliminate the inter-departmental recovery in Non Program Revenues from TPLC dividends, based on the adjustment in Economic Development to reflect the full cost of the International Trade Program as funded through City tax funding. TPLC dividend will be reflected in Non-Program as City revenue, as are other dividends from City-owned corporations.	(4,180.7)	0.0	(4,180.7)	0.0
Total Non-Program Revenues	(4,180.7)	0.0	(4,180.7)	0.0
Total Corporate Accounts	32,417.3	36,848.0	(4,430.7)	1.0
Total Tax Supported Operations	38,975.3	38,975.3	0.0	19.4

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix F

**CITY OF TORONTO
PENDING BUDGET ADJUSTMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position
Solid Waste Management Services				
To delete one vacant Yard Attendant 1 position in SWM Collection & Litter Operations 3 section, and create one Manager Processing Facilities Major Capital SWM position to lead a new unit: Facilities-Major Capital in the Infrastructure Development & Asset Management section. There is no FTE impact, the net financial impact will be addressed through a reduction of \$0.079 million to the capital contribution to XR1404 in 2017.	0.0	0.0	0.0	0.0
The Manager Business Analysis is being deleted to create the Manager of Integrated Technology Management. The creation of the Manager of Integrated Technology Management position is an outcome of restructuring in the Policy, Planning and Support Section initiated in 2017. There is no FTE impact and no net financial impact as the new position creation is offset by the old position deletion.	0.0	0.0	0.0	0.0
Total Solid Waste Management Services	0.0	0.0	0.0	0.0
Toronto Parking Authority				
In 2017, Toronto Parking Authority changed the Bike Share Program service provider. Based on the new operating model all service costs and revenues flow through the Toronto Parking Authority's budget, compared to the previous model which was structured and reflected net costs only. This adjustment reflects related costs and revenues for 2017 to reflect the change to direct service delivery.	2,170.0	2,170.0	0.0	0.0
This in year adjustment is required to account for 14.5 previously unbudgeted positions. These positions are primarily required for the Off-Street Service to ensure that appropriate maintenance and cleanliness of parking facilities are maintained. The Off-Street Service staff complement will increase by 14.1 positions, 2.1 of which will be accommodated through a reduction of 2.1 positions in the On-Street Service. Added cost of \$0.985 million in 2017 will be funded from the Toronto Parking Authority Reserve Fund (XR6002). In 2018 these costs will be funded from parking revenues. The Bike Share Program which previously had no budgeted staff, will now add 2.5 positions to ensure its continuous operations at cost of \$0.211 million to be funded from membership and other revenues.	1,196.0	1,196.0	0.0	14.5
Total Toronto Parking Authority	3,366.0	3,366.0	0.0	14.5
Total Non Levy Operations	3,366.0	3,366.0	0.0	14.5
Total City Operations	42,341.3	42,341.3	0.0	33.9

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix G

Operating Variance report for the Nine Month Period Ended September 30, 2017 Operating Dashboards for City Programs and Agencies

Citizen Centred Services "A"

Figure 10: Net Variance Summary

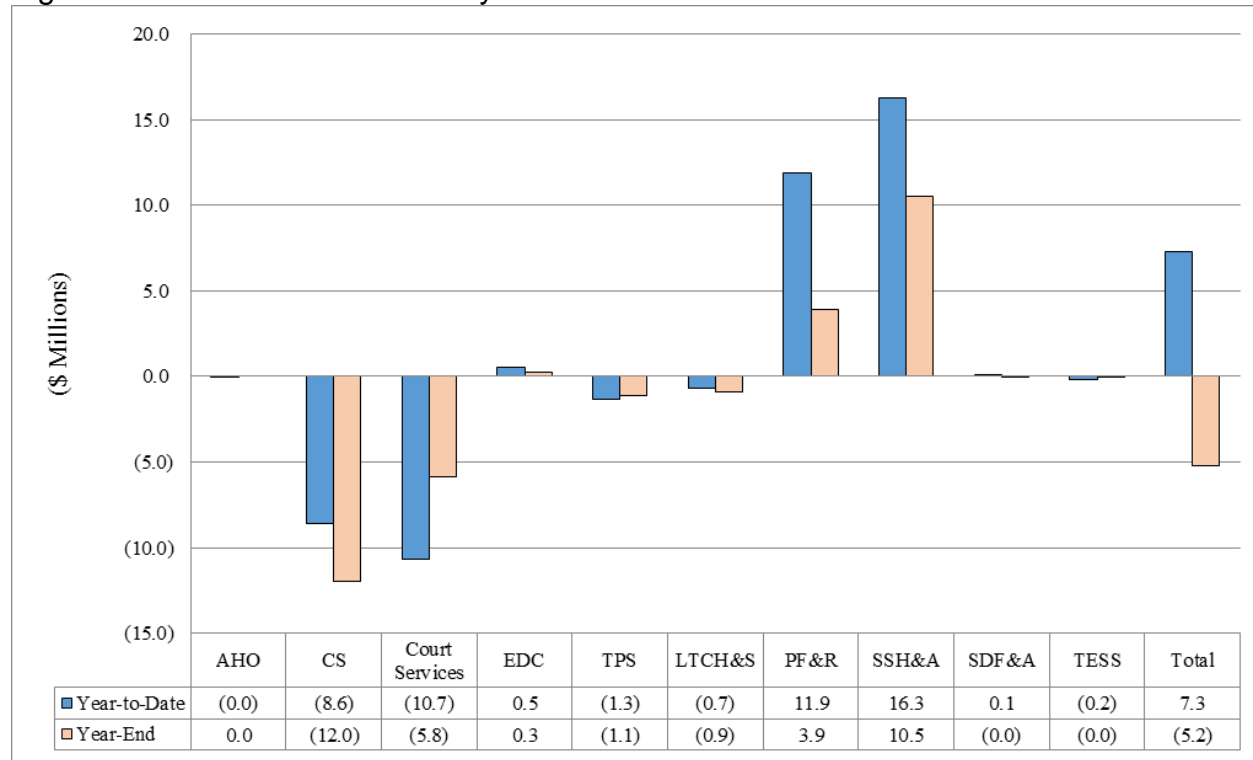


Figure 10 illustrates **Citizen Centred Services "A"** year-to-date and year-end projected net variances. As of September 30, 2017 the Cluster was reporting a net unfavourable variance of \$7.310 million or 0.9%, and projecting a year-end unfavourable variance of \$5.175 million or 0.5% compared to the 2017 Approved Net Operating Budget.

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

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	
Affordable Housing Office	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	(0.2)	▼	(0.2)	▼	(0.0)	—	Ⓚ	(0.1)	▼	(0.1)	▼	0.0	—	Ⓚ
	9-Month	(0.3)	▼	(0.3)	▼	(0.0)	—	Ⓚ	(0.3)	▼	(0.3)	▼	0.0	—	Ⓚ
Children's Services	3-Month	0.0	—	0.6	▲	(0.6)	▼	Ⓚ	0.6	▲	0.6	▲	0.0	—	Ⓚ
	6-Month	(0.5)	▼	(0.5)	▼	(0.0)	—	Ⓚ	0.9	▲	0.9	▲	0.0	—	Ⓚ
	9-Month	(8.6)	▼	(0.1)	▼	(8.6)	—	Ⓚ	(16.7)	▲	(4.7)	▲	(12.0)	—	Ⓚ
Court Services	3-Month	(0.8)	▼	0.6	▲	(1.4)	▼	Ⓚ	(1.8)	▼	1.3	▲	(3.1)	▼	Ⓚ
	6-Month	(1.0)	▼	6.3	▲	(7.3)	▼	Ⓚ	(2.2)	▼	1.5	▲	(3.8)	▼	Ⓚ
	9-Month	(3.1)	▼	7.5	▲	(10.7)	▼	Ⓚ	(5.2)	▼	0.6	▲	(5.8)	▼	Ⓚ
Economic Development & Culture	3-Month	0.7	▲	0.3	▲	0.4	▲	Ⓚ	1.9	▲	1.3	▲	0.6	▲	Ⓚ
	6-Month	0.6	▲	0.4	▲	0.2	▲	Ⓚ	1.2	▲	0.6	▲	0.6	▲	Ⓚ
	9-Month	0.2	▲	(0.3)	▲	0.5	▲	Ⓚ	1.6	▲	1.4	▲	0.3	▲	Ⓚ
Toronto Paramedic Services	3-Month	(0.2)	▼	(0.0)	—	(0.2)	▼	Ⓚ	(0.4)	▼	0.0	—	(0.4)	▼	Ⓚ
	6-Month	(0.3)	▼	1.0	▲	(1.3)	▼	Ⓚ	0.1	▲	1.3	▲	(1.2)	▼	Ⓚ
	9-Month	(0.2)	▼	1.1	▲	(1.3)	▼	Ⓚ	0.0	▲	1.1	▲	(1.1)	▼	Ⓚ
Long Term Care Homes and Services	3-Month	(4.5)	▼	(4.4)	▼	(0.1)	▼	Ⓚ	(6.0)	▼	(5.5)	▼	(0.5)	▼	Ⓚ
	6-Month	(7.6)	▼	(7.1)	▼	(0.5)	▼	Ⓚ	(9.3)	▼	(8.6)	▼	(0.7)	▼	Ⓚ
	9-Month	(8.3)	▼	(7.6)	▼	(0.7)	▼	Ⓚ	(11.1)	▼	(10.2)	▼	(0.9)	▼	Ⓚ

Staff report for action on Operating Variance Report for the Nine Month Period Ended September 30th, 2017

Appendix G

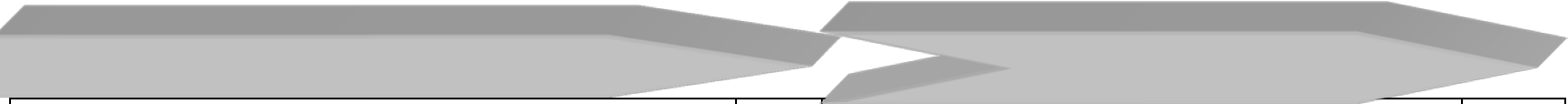
Figure 12: Citizen Centred Services "A" Year-to-Date Variance and Year-End Variance Projection Summary

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	
Parks, Forestry & Recreation	3-Month	(0.8)	▼	(0.8)	▼	0.0	—	Ⓞ	(7.7)	▼	(7.7)	▼	(0.0)	—	Ⓞ
	6-Month	(4.1)	▼	(2.2)	▼	(1.9)	▼	Ⓞ	(15.7)	▼	(19.7)	▼	4.0	▲	Ⓡ
	9-Month	4.5	▼	(7.3)	▼	11.9	▼	Ⓡ	(14.7)	▼	(18.6)	▼	3.9	▲	Ⓡ
Shelter, Support & Housing Administration	3-Month	(23.1)	▼	(23.4)	▼	0.3	▲	Ⓞ	5.4	▲	0.0	—	5.4	▲	Ⓡ
	6-Month	(0.7)	▼	(12.3)	▼	11.6	▲	Ⓡ	(22.1)	▼	(32.5)	▼	10.3	▲	Ⓡ
	9-Month	(31.0)	▼	(47.2)	▼	16.3	▲	Ⓡ	(21.0)	▼	(31.5)	▼	10.5	▲	Ⓡ
Social Development, Finance & Administration	3-Month	(0.4)	▼	(0.2)	▼	(0.2)	▼	Ⓞ	(5.5)	▼	(5.4)	▼	(0.1)	▼	Ⓞ
	6-Month	(0.8)	▼	(0.8)	▼	(0.0)	—	Ⓞ	(5.5)	▼	(5.5)	▼	(0.0)	—	Ⓞ
	9-Month	(1.4)	▼	(1.5)	▼	0.1	—	Ⓞ	(6.5)	▼	(6.5)	▼	(0.0)	—	Ⓞ
Toronto Employment & Social Services	3-Month	(3.4)	▼	(3.4)	▼	(0.0)	—	Ⓞ	(2.8)	▼	(2.8)	▼	0.0	—	Ⓞ
	6-Month	0.4	▲	0.3	▲	0.1	▲	Ⓞ	5.1	▲	5.1	▲	(0.0)	—	Ⓞ
	9-Month	5.7	▲	5.8	▲	(0.2)	▲	Ⓞ	5.9	▲	5.9	▲	(0.0)	—	Ⓞ
Total	3-Month	(32.6)	▼	(30.7)	▼	(1.9)	▼	Ⓞ	(16.4)	▼	(18.2)	▼	1.8	▲	Ⓡ
	6-Month	(14.1)	▼	(15.0)	▼	0.8	▲	Ⓞ	(47.6)	▼	(56.8)	▼	9.2	▲	Ⓡ
	9-Month	(42.5)	▼	(49.8)	▼	7.3	▲	Ⓞ	(67.9)	▼	(62.7)	▼	(5.2)	▼	Ⓞ
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 Nine Month Period Ended September 30th, 2017



Appendix G

Citizen Centred Services "A"







<p>Affordable Housing Office:</p> <ul style="list-style-type: none"> Favourable net variance due to lower than plan gross expenditures resulting from hiring delays and savings in non-payroll expenditures such as professional and technical services with a corresponding reduction in planned federal-provincial revenue. 1.0 position below approved complement which after considering gapping is equivalent to a 2.5% operating vacancy rate. 	<p>G</p>	<ul style="list-style-type: none"> Consistent with historical trends, the division is projecting a net zero variance at the end of 2017 with revenues matched to anticipated program expenditures. Full complement is projected at the end of 2017. 	<p>G</p>
<p>Children's Services:</p> <ul style="list-style-type: none"> Favourable net variance primarily due to underspending in salaries and benefits, with vacancies due to staff turnover, delays in opening 2 child care centres and provincial expansion. Delays in completing facility renovations are further contributing towards year to date variance. 	<p>G</p>	<ul style="list-style-type: none"> Year end favourable variance, with gross underspending from salaries and benefits due to vacancies throughout the year, which will be offset by the corresponding unrealized provincial subsidy. With the significant increase in Provincial and Federal subsidy received mid-year (focused on increasing access to affordable child care by expanding capital capacity, supporting additional fee subsidies, and reducing the cost of child care for families), any program under spending related to growth will be contributed to the Child Care Expansion Reserve Fund to be spent by the end of 2018 	<p>G</p>

<ul style="list-style-type: none"> 20 positions below the approved complement, which after considering budgeted gapping is equivalent to a 1.7 % operating vacancy rate, with vacancies primarily related to delays in hiring new positions required for the new growth-related programming. 		<ul style="list-style-type: none"> Appendix F includes a budget adjustment to this effect. Full complement is projected. 	
<p>Court Service:</p> <ul style="list-style-type: none"> Favourable net variance primarily due to under-spending in salaries and benefits from vacant positions and other non-salary expenses and over-achieved revenues due to the shift in the method of recognizing revenue versus the budget distribution. 45 positions below the approved complement mainly due to positions held vacant as a result of delays in implementing the Administrative Penalty Tribunal and Red Light Camera Expansion and 2018 organizational change affecting Court's administration of disputed parking tag matters, which after considering gapping is equivalent to a 14.8% vacancy rate. 	Y	<ul style="list-style-type: none"> Net favourable variance mainly due to operational savings resulting from vacant positions and other non-salary expenses. 24 positions below the approved complement due to positions held vacant as a result of delay in implementation of Red Light Camera Expansion and for the 2018 organizational changes affecting Court's administration of disputed parking tag matters, which after considering gapping is equivalent to a 6.7% vacancy rate. 	G
<p>Economic Development & Culture:</p> <ul style="list-style-type: none"> Economic Development and Culture reported unfavourable net expenditures of \$0.516 million or 0.9% over the 2017 Approved Operating Budget. <ul style="list-style-type: none"> Unfavourable expenditures in overspending in consulting costs due to unbudgeted TO Core 	G	<ul style="list-style-type: none"> Economic Development and Culture projects year-end unfavourable variance of \$0.254 million or 0.4% over the 2017 Approved Operating Budget. 	R

<p>Study (a study on film studios in Toronto) and program evaluation for Business Services, and higher than planned utilities expenditures due to longer winter season.</p> <ul style="list-style-type: none"> Unfavourable year-to-date revenues driven by the loss of a lead sponsor for Nuit Blanche for \$0.328 million. 		<ul style="list-style-type: none"> Unfavourable expenditures driven by unbudgeted studies and strategies such as the Imagination, Manufacturing, Innovation, Technology (IMIT) review, and program evaluation for Business Services. The loss of the lead sponsor for the Nuit Blanche resulted in lower revenues and expenditures. Both expenditures and revenues are anticipated to be higher than budget due to additional funding from the other orders of government for the Starter Company and Canada 150 Celebrations. 	
<ul style="list-style-type: none"> 2.0 positions below approved complement due to unexpected staff turnover. This represents a vacancy rate of 0.7% or 2.1% lower than the 2.8% budgeted gapping rate. 		<ul style="list-style-type: none"> 1.0 position below the approved complement due to unexpected staff turnover. The Program will not meet its gapping target and the pressures on salaries and benefits will be offset by underspending in consulting and contracted services. 	
<p>Long-Term Care Homes & Services:</p> <ul style="list-style-type: none"> Net favourable variance due to under-spending from a delay in re-opening Kipling Acres Phase II; cost-control measures in areas where Provincial funding enhancements have been delayed and/or not yet confirmed; as well as under-spending in 100% claims-based programs, which are fully subsidized. 		<ul style="list-style-type: none"> Net favourable variance reflects delay in re-opening Kipling Acres Phase II, as well as under-spending in 100% claims-based programs. 	

<ul style="list-style-type: none"> • Nil positions below the approved complement, which is equivalent to 0% vacancy rate. 	<ul style="list-style-type: none"> • Nil positions below the approved complement, which is equivalent to 0% vacancy rate.
<p>Parks, Forestry & Recreation:</p> <ul style="list-style-type: none"> • Under-spending in salaries and benefits due to delayed hiring for capital projects and operating initiatives approved in the 2017 operating budget. • This underspending is partially offset by under-achieved user fee revenue for parks permits, recreational facilities, memberships and drop-in recreational programs and the loss of ferry revenue as a result of the Spring flooding. • A total of \$1.061 million in unplanned expenditures has been incurred to date to mitigate the damage due to high water level at the Toronto Island and related revenue are underachieved by \$5.585 million. This is partially offset by savings in staff and fuel costs of 0.346 million, resulting in a total financial impact of \$6.300 million to date. • Hydro costs are also overspent by \$2.450 million. 	<p style="text-align: center;">R</p> <ul style="list-style-type: none"> • Underachieved revenues of \$18.619 million related to ferry, parks & recreation permit and user fees are projected to year-end. This revenue shortfall will be partially offset by expenditure savings of \$14.700 million, resulting in an unfavourable year end projection of \$3.919 million. • The 2017-2018 impact of the high water levels on the operating budget is projected to be \$8.450 million, with \$7.150 million incurred in 2017 and the balance of \$1.300 M in 2018. The 2017 costs include \$1.154 million in emergency mitigation, \$4.945 million in loss of ferry, recreation and permit revenues, and up to 1.397 million in proposed rent abatements in 2017. These costs are partially offset by savings in staff and fuel costs of 0.346 million. • The City is currently reviewing funding options including insurance recoverable claims for extra-ordinary costs incurred and revenue losses as a result of this Spring flooding. • A report detailing all costs incurred including those of the TRCA will be submitted prior to year-end. <p style="text-align: center;">R</p>

<ul style="list-style-type: none"> 165 positions below approved complement due to delays in filling newly created positions. After considering budgeted gapping, this represents the equivalent of a 0.1% operating vacancy rate. 		<ul style="list-style-type: none"> 129.1 positions below approved complement, representing full complement after budgeted gapping. 	
<p>Shelter, Support & Housing Administration:</p> <ul style="list-style-type: none"> Net unfavourable variance primarily attributable to lower than planned expenditures in Social Housing due to implementation delays in projects funded by the City's allocation under various Federal-Provincial grant programs. Lower expenditures in Social Housing have been more than offset by overspending in Hostel Services resulting from a sustained increase in demand for services as well as lower grant revenue draws and timing differences in revenue recognition. 	R	<ul style="list-style-type: none"> SSHA projects a net unfavourable year end variance primarily attributable to overspending in Hostel Services resulting from continuing occupancy pressures partly mitigated by an anticipated year-end favorable variance in Social Housing due to hiring delays and savings in housing provider subsidies for mortgage payments, operating and rent subsidies. 	R
<ul style="list-style-type: none"> 71.3 positions below approved complement which after considering gapping is equivalent to a 1.9% operating vacancy rate. 		<ul style="list-style-type: none"> 51 positions below approved complement which after considering gapping is equivalent to a 0.7% operating vacancy rate 	
<p>Social Development, Finance and Administration:</p> <ul style="list-style-type: none"> Unfavourable net variance primarily due to unbudgeted expenditures related to the "Toronto for All Campaign", which supports public education initiatives. 	G	<ul style="list-style-type: none"> Minor favourable net variance attributable to general underspending, with gross under spending in various expenditure line items and delays in delivering the Tower Renewal Hi-Rise Retrofit Improvement Program, which is fully funded by the reserves. 	G
<ul style="list-style-type: none"> 4 positions below the approved complement due to delays in hiring, representing full complement after budgeted gapping. 		<ul style="list-style-type: none"> Full complement 	

<p>Toronto Employment & Social Services:</p> <ul style="list-style-type: none"> • Net expenditures were under budget by \$0.182 million or 0.2% as higher than anticipated Ontario Works (OW) benefits are offset by higher expenditure based provincial subsidies. The average caseload of 84,004 cases is effectively flat to budget. 		<ul style="list-style-type: none"> • TESS is projecting a zero net variance with higher gross expenditures fully offset by higher expenditure based provincial subsidies. 	
<ul style="list-style-type: none"> • 7.0 positions above the approved complement, which after considering gapping is at full complement. 		<ul style="list-style-type: none"> • 13 positions below the approved complement which after considering gapping is at full complement. 	
<p>Toronto Paramedic Services:</p> <ul style="list-style-type: none"> • Lower gross expenditures primarily due to under-spending in salaries and benefits resulting from operations overtime savings and vacancies in CACC and Operations Support Services and over-achieved revenues due to increase of Land Ambulance Grant. 		<ul style="list-style-type: none"> • Net favourable variance mainly due to increased Land Ambulance Grant funding. 	
<ul style="list-style-type: none"> • 14 positions below the approved complement, which after considering gapping is at full complement. 		<ul style="list-style-type: none"> • 7 positions below the approved complement which after considering gapping is equivalent to 0% vacancy rate. 	

Appendix G

Citizen Centred Services "B"

Figure 13: Net Variance Summary

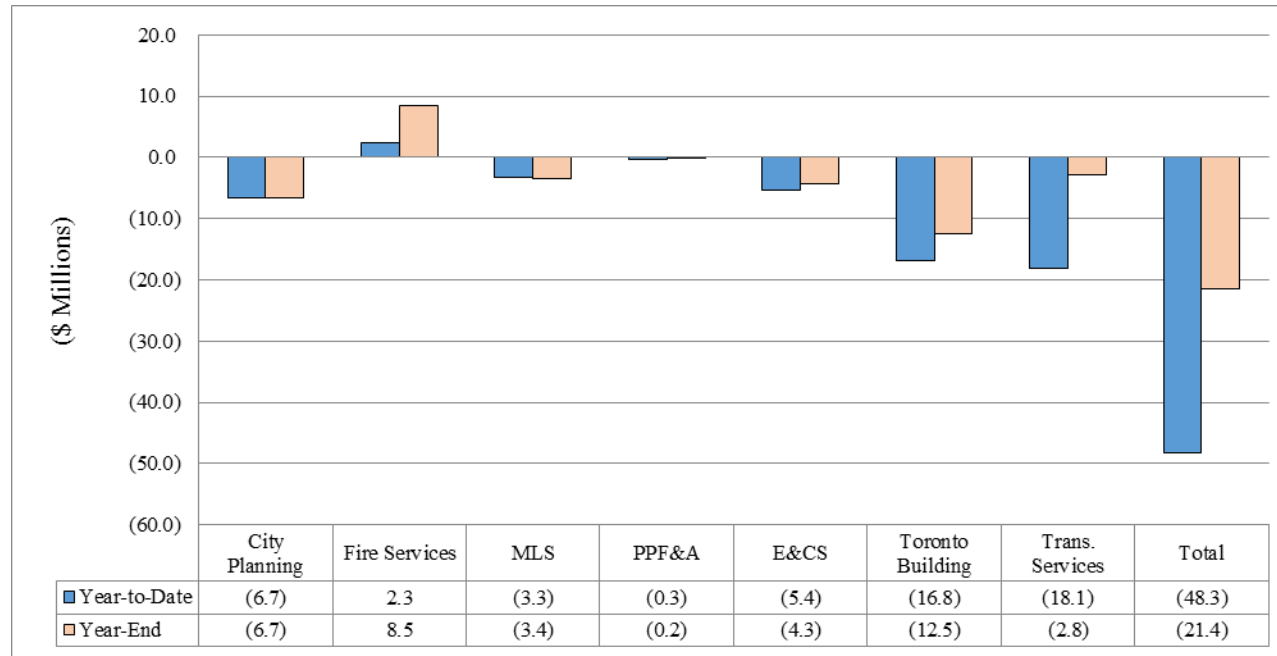


Figure 13 provides an overview of **Citizen Centred Services "B"** is year-to-date and year-end projected net variances. As of September 30, 2017 the Cluster is reporting a net favourable variance of \$48.317 million or 9.4%, and projecting a year-end positive variance of \$21.406 million or 3.2% compared to the 2017 Approved Net Operating Budget

Appendix G

Figure 14: Citizen Centred Services "B" 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	(0.7)	▼	0.2	▲	(0.9)	▼	⊙	(0.3)	▼	0.7	▲	(1.0)	▼	⊙
	6-Month	(1.0)	▼	1.3	▲	(2.3)	▼	⊙	(0.6)	▼	2.9	▲	(3.4)	▼	⊙
	9-Month	(1.1)	▼	5.6	▲	(6.7)	▼	⊙	(1.1)	▼	5.6	▲	(6.7)	▼	⊙
Fire Services	3-Month	(0.3)	▼	1.0	▲	(1.2)	▼	⊙	1.0	▲	0.6	▲	0.5	▲	Ⓡ
	6-Month	2.5	▲	1.6	▲	0.9	▲	⊙	6.7	▲	0.6	▲	6.2	▲	Ⓡ
	9-Month	4.6	▲	2.3	▲	2.3	▲	⊙	9.1	▲	0.6	▲	8.5	▲	Ⓡ
Municipal Licensing & Standards	3-Month	(1.1)	▼	0.2	▲	(1.3)	▼	Ⓨ	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(2.2)	▼	0.5	▲	(2.7)	▼	Ⓨ	(2.3)	▼	0.3	▲	(2.6)	▼	⊙
	9-Month	(2.9)	▼	0.4	▲	(3.3)	▼	Ⓨ	(2.3)	▼	1.2	▲	(3.4)	▼	⊙
Policy, Planning, Finance and Administration	3-Month	(0.8)	▼	(0.8)	▼	(0.0)	—	⊙	(1.4)	▼	(1.1)	▼	(0.2)	▼	⊙
	6-Month	(1.6)	▼	(1.5)	▼	(0.1)	▼	⊙	(1.8)	▼	(1.6)	▼	(0.2)	▼	⊙
	9-Month	(2.2)	▼	(1.9)	▼	(0.3)	▼	⊙	(2.4)	▼	(2.2)	▼	(0.2)	▼	⊙
Engineering and Construction Services	3-Month	(2.0)	▼	(1.3)	▼	(0.7)	▼	Ⓨ	(4.8)	▼	(4.6)	▼	(0.2)	▼	⊙
	6-Month	(5.0)	▼	(1.4)	▼	(3.6)	▼	Ⓨ	(6.2)	▼	(2.5)	▼	(3.6)	▼	⊙
	9-Month	(6.5)	▼	(1.1)	▼	(5.4)	▼	Ⓨ	(5.0)	▼	(0.8)	▼	(4.3)	▼	⊙

Appendix G



Figure 15: Citizen Centred Services "B" 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 Building	3-Month	(1.3)	▼	(0.2)	▼	(1.1)	▼	⊕	(2.9)	▼	0.0	—	(2.9)	▼	⊕
	6-Month	(2.4)	▼	9.0	▲	(11.4)	▼	⊕	(3.5)	▼	14.4	▲	(17.9)	▼	⊕
	9-Month	(3.0)	▼	13.8	▲	(16.8)	▼	⊕	(3.7)	▼	8.8	▲	(12.5)	▼	⊕
Transportation Services	3-Month	0.1	▲	4.5	▲	(4.5)	▼	⊕	(36.3)	▼	(39.4)	▼	3.1	▲	Ⓡ
	6-Month	0.7	▲	5.5	▲	(4.9)	▼	⊕	(22.1)	▼	(24.0)	▼	1.9	▲	Ⓡ
	9-Month	(25.9)	▲	(7.8)	▲	(18.1)	▼	⊕	(25.1)	▼	(22.3)	▼	(2.8)	▲	⊕
Total	3-Month	(6.1)	▼	3.6	▲	(9.8)	▼	⊕	(44.8)	▼	(44.0)	▼	(0.8)	▼	⊕
	6-Month	(8.9)	▼	15.0	▲	(23.9)	▼	⊕	(29.8)	▼	(10.0)	▼	(19.8)	▼	⊕
	9-Month	(37.1)	▼	11.2	▲	(48.3)	▼	⊕	(30.6)	▼	(9.2)	▼	(21.4)	▼	⊕
Year-to-Date Net Variance	⊕	85% to 105%	Ⓡ	0% to 85%	Ⓡ	>105%	Year-End	⊕	<=100%	Ⓡ	>100%				





Appendix G

Citizen Centred Services "B"

<p>City Planning:</p> <ul style="list-style-type: none"> • Favourable gross expenditures of \$1.131 million mainly due to vacancies, offset by increased interdivisional charges for postage, copying and printing fees. • Favourable revenue of \$5.560 million due to volume of applications to the Committee of Adjustments and development fees for projects in Toronto and East York Districts. • Favourable net expenditures of \$6.691 million attributed to strong revenue year to date and underspent salaries and benefits. 	<p>G</p>	<ul style="list-style-type: none"> • Favourable projected gross expenditures of \$1.139 million mainly due to vacancies, offset by increased interdivisional charges for postage, copying and printing fees for increased development review and study activities. • Projecting favourable revenue of \$5.563 million due to volume of applications to the Committee of Adjustments and development fees for projects in Toronto and East York Districts. • Favourable net expenditures of \$6.703 million attributed to strong revenue year to date and underspent salaries and benefits. 	<p>G</p>
<ul style="list-style-type: none"> • 42.0 positions below 392.0 approved complement, which after considering the budgeted gapping rate, is equivalent to 5.5% operating vacancy rate. • City Planning is working on filling the vacant positions which provide challenges due to the temporary duration of the positions as well as finding appropriate work spaces for the new hires. 		<ul style="list-style-type: none"> • City Planning is projected to be 26 positions below the approved complement, which after considering the budgeted gapping rate, is equivalent to 3.1% operating vacancy rate. 	
<p>Fire Services:</p> <ul style="list-style-type: none"> • Unfavourable net variance with over spending primarily due to WSIB awards arising from claims for 14 work-related cancers and work-related Post 	<p>G</p>	<ul style="list-style-type: none"> • Year-end unfavourable net of \$8.517 million is primarily due to over-expenditures in non-salary expenses and WSIB settlements 	<p>R</p>

<p>Traumatic Stress Disorder; with offsetting over achieved revenues from false alarm revenue and an unbudgeted one-time HUSAR provincial grant.</p>		<p>of \$7.576 million. Fire services will continue to monitor and report WSIB expenditures throughout the year.</p>	
<ul style="list-style-type: none"> 43 positions below the approved complement due to vacancies from retirement and the timing of the hiring a new recruitment class, which after considering gapping, represents full complement. 		<ul style="list-style-type: none"> 45 positions below approved complement, reflecting anticipated retirements and the hiring of new recruits which, after considering gapping, represents full complement. 	
<p>Municipal Licensing & Standards:</p> <ul style="list-style-type: none"> Under-expenditures totaling \$4.32 million mainly arise from a combination of salaries and benefits savings (\$2.86 million) which are mainly due to processing time to fill vacancies. The balance of underspending of \$1.46 million mainly included delay in obtaining a work plan from Toronto Wildlife Centre which has delayed the 2017 Grant and lower spending on contracted services for delayed audit services. Under-expenditures also included the delayed procurement of new uniforms and computer software, lower than planned credit related merchant fees and in-town meterage and parking. Staff vacancies are causing less spending for protective equipment, external training, software and meterage. <ul style="list-style-type: none"> Underspending was partially offset by over-expenditures of \$1.41 million and mainly includes the impact of the new accrual policy implementation (\$0.84 million) in regards to vehicle reserve contributions and inter-divisional charges. Miscellaneous expenditure accounts (\$0.57 million) were also overspent including 		<ul style="list-style-type: none"> Projecting to be under budget by \$3.44 million with net expenditures of \$15.94 million at year-end. Expenditures of \$50.87 million are projected to be under budget by \$2.26 million or 4.3% at year-end mainly due to staff vacancies and to delay in receiving the work plan for Toronto Wildlife Centre grant disbursement. <ul style="list-style-type: none"> Hiring and complement functions have been centralized to streamline the process to manage consistency and timing. Measures such as succession planning initiatives have been established through developmental opportunities with the goal of securing a pool of qualified candidates to fill vacancies in a more timely manner. Revenue of \$34.93 million is estimated to be over-achieved by \$1.18 million or 3.5% or at year-end. <ul style="list-style-type: none"> The Program is anticipating underachievement in Animal Services 	

<p>contracted staff, furniture & fixtures, cell phones, medical supplies, emergency veterinary expenditures due increased activity.</p> <ul style="list-style-type: none"> Higher than planned revenue of \$1.60 million was comprised of higher revenue of \$0.65 million due to higher than expected volumes of PTC (Private Transportation Company) applications, trip fees and accrual of recoveries from SWMS (\$0.37 million) as well as higher than planned revenue from licenses & permits (\$0.37 million) and increased insurance recoveries (\$0.14 million). Offsetting revenue shortfalls of \$1.18 million were driven by lower than planned Apartment Building Standards registration, inspection and audit fee revenue and transfers from capital (\$0.26 million). In addition, there was delayed reserve funding of \$0.92 million mainly due to the delay in obtaining a work plan from Toronto Wildlife Centre so that the funding has not yet been advanced from the reserve account. 		<p>revenue due to waived fees for low-income individuals, lower than planned volumes for animal adoptions and delayed grant funding for the Toronto Wildlife Centre, however, these shortfalls are expected to be offset by higher revenues from PTC.</p>	
<ul style="list-style-type: none"> As of the 3rd quarter, ML&S is 37 positions below total approved complement of 479.5 positions due to an on-going recruiting process with most of the positions to be filled in the coming months. After considering budgeted gapping, this is equivalent to a 5.5% operating vacancy rate. The Program is continuing the process of recruiting qualified candidates and repurposing positions. 		<ul style="list-style-type: none"> It is anticipated that ML&S will be 19 positions below the total approved complement of 479.5 due to on-going recruiting issues. After considering budgeted gapping, this is equivalent to a 1.7% operating vacancy rate. The Division is hiring temporary staff to mitigate the length of time it takes to fill positions permanently. 	

<p>Policy, Planning, Finance & Administration:</p> <ul style="list-style-type: none"> • Favourable gross expenditures of \$2.204 million mainly due to project delays with the Metrolinx Regional Express Rail project and lower salaries and benefits from vacancies. • Revenue shortfall of \$1.894 million attributed to a reduced chargeback to Metrolinx due to the project delays with the Regional Express Rail project and reduced interdivisional recoveries from Toronto Water and Solid Waste Management due to vacancies in positions servicing these clients. • Favourable net expenditures of \$0.310 million due to vacancies. <hr/> <ul style="list-style-type: none"> • 10.4 positions below approved complement of 190.4, which after considering the budgeted gapping rate, is equivalent to a 1.4% operating vacancy rate. 		<ul style="list-style-type: none"> • Favourable projected gross expenditures of \$2.367 million due to project delays with the Metrolinx Regional Express Rail (RER) and reduced salaries and benefits expenditures from vacancies earlier in the year. • Unfavourable revenue projected of \$2.167 million due to a lower chargeback to Metrolinx for the RER and due to vacancies in positions servicing Toronto Water and Solid Waste Management. • Favourable projected net expenditures of \$0.200 million due to vacancies. <hr/> <ul style="list-style-type: none"> • Projecting 10.0 positions below approved complement of 190.4, which after considering the budgeted gapping rate, is equivalent to a 1.3% operating vacancy rate. 	
<p>Engineering and Construction Services:</p> <ul style="list-style-type: none"> • Under-spending in salaries and benefits due to vacant positions. • Lower recoveries from client capital projects resulting from vacant positions. • Partially offset by higher full stream application fees due to higher volume of applications from utility companies. <hr/> <ul style="list-style-type: none"> • 69.0 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 		<ul style="list-style-type: none"> • Under-spending in salaries and benefits expected to continue due to vacant positions. • Lower recoveries from client capital projects will also continue as a result of the vacant positions. • Partially offset by higher full stream application fees due to projection of higher volume of applications from utility companies. <hr/> <ul style="list-style-type: none"> • Significant targeted recruitment efforts will continue with the aim of reducing vacancies to 42.0 positions below the approved complement. A combination of issues will 	

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).

- After considering budgeted gapping, it is equal to a 5.2% operating vacancy rate.

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.

- After considering budgeted gapping, it is equal to a 2.8% operating vacancy rate.

Toronto Building:

- Other gross expenditures are \$3.024 million under budget mainly due to under-spending in salaries and benefits as a result of vacant positions, and
- Under-spending in equipment, service charges and inter-divisional charges due to timing.
- Positive revenue variance of \$13.768 million driven by a higher volume of building permit applications than anticipated.



- Projecting positive net expenditures of \$12.508 million at year end. Gross expenditures will be under budget by \$3.728 million mainly due to vacant positions.
- Revenue will be over-achieved by \$8.781 million due to higher than expected building permit applications.
- Toronto Building continues to actively monitor its spending against the Council Approved 2017 Operating Budget. Any year end surplus or deficit will be contributed to or from the Building Code Act Service Improvement Reserve Fund that creates and maintains systems and processes which enable service delivery timelines and reporting requirements of the Province's Bill 124, Building Code Statute Law Amendment Act, and 2002 Legislation to be met.



<ul style="list-style-type: none"> • 30 positions below approved complement, which after gapping is equivalent to a 3.5% vacancy rate. • Toronto Building continues to actively recruit to address the filling of vacant positions. 		<ul style="list-style-type: none"> • 30 positions below approved complement of 468.0 positions. 	
<p>Transportation Services:</p> <ul style="list-style-type: none"> • Lower 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 lower utility cut repair expenditures due to lower than expected volumes. • Partially offset by higher than planned costs for street lighting maintenance contracts and street lighting hydro costs. • Under-achieved utility cut repair revenue due to lower than expected volumes. • Partially offset by higher right-of-way permit fees due to higher than expected construction activity, higher volume of street occupation application fees, and higher boulevard parking permit fees. 	G	<ul style="list-style-type: none"> • Lower contract 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. • Partially offset by under-achieved utility cut repair net revenue due to lower than expected volumes. 	G
<ul style="list-style-type: none"> • 65.5 positions below the approved complement due to a combination of events that result in a 'domino effect' within the Program (i.e. retirements and transfers to other Divisions are often then filled through internal promotions which result in no net change to the vacancy rate while the hiring process proceeds). • After considering budgeted gapping, it reflects full complement. 		<ul style="list-style-type: none"> • 65.5 positions below the approved complement, after considering budgeted gapping this reflects full complement. • Transportation Services continues to implement an accelerated hiring program to address the filling of vacant positions. 	

Appendix G

Chief Financial Officer

Figure 16: Net Variance Summary

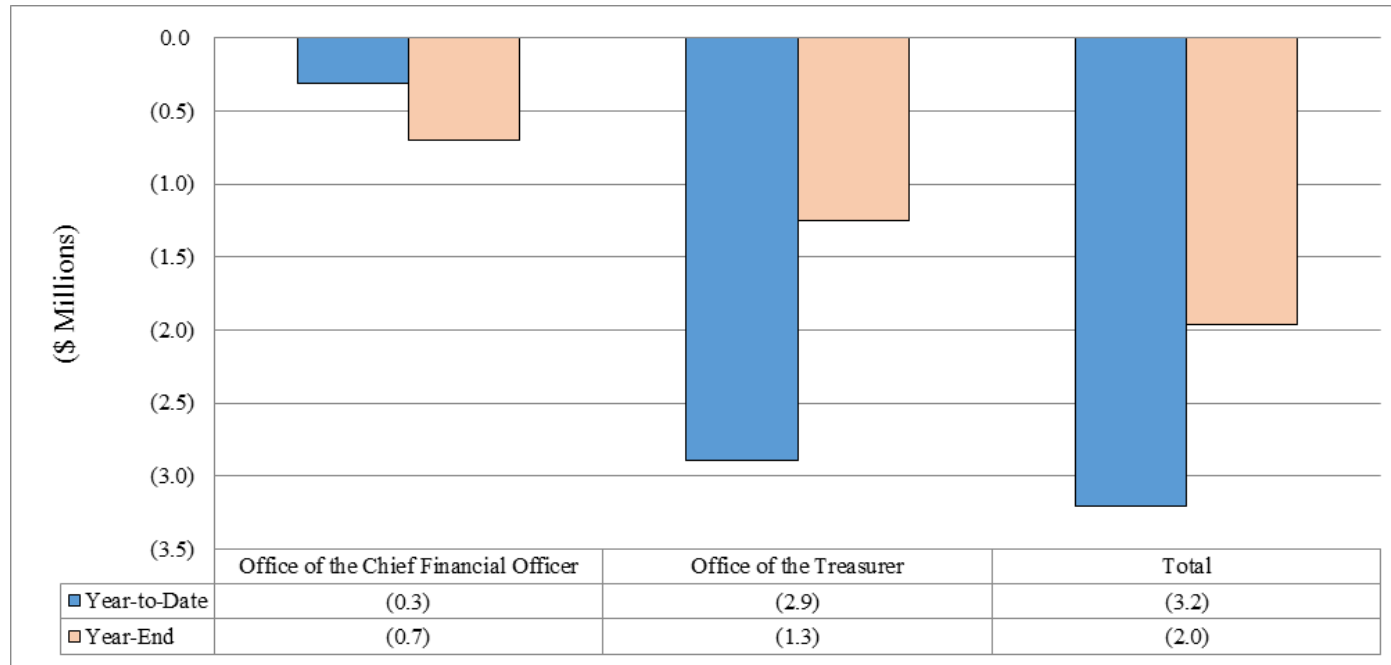


Figure 16 is summarizing Chief Financial Officer year-to-date and year-end projected net variances. As of September 30, 2017 **Chief Financial Officer** reported a net favourable variance of \$3.207 million or 12.6%, and projecting a year-end positive variance of \$1.961 million or 5.2% compared to the 2017 Approved Net Operating Budget.





Appendix G

Figure 17: Chief Financial Officer 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	(0.4)	▼	(0.3)	▼	(0.1)	▼	Ⓞ	(0.8)	▼	(0.6)	▼	(0.3)	▼	Ⓞ
	6-Month	(0.8)	▼	(0.5)	▼	(0.3)	▼	Ⓞ	(1.3)	▼	(0.5)	▼	(0.7)	▼	Ⓞ
	9-Month	(1.3)	▼	(1.0)	▼	(0.3)	▼	Ⓞ	(1.8)	▼	(1.1)	▼	(0.7)	▼	Ⓞ
Office of the Treasurer	3-Month	(0.4)	▼	(0.3)	▼	(0.1)	▼	Ⓞ	(0.5)	▼	(0.3)	▼	(0.2)	▼	Ⓞ
	6-Month	(0.0)	—	1.3	▲	(1.3)	▼	Ⓞ	(2.4)	▼	(1.3)	▼	(1.2)	▼	Ⓞ
	9-Month	(1.7)	—	1.2	▲	(2.9)	▼	Ⓢ	(2.1)	▼	(0.8)	▼	(1.3)	▼	Ⓞ
Total	3-Month	(0.8)	▼	(0.6)	▼	(0.2)	▼	Ⓞ	(1.3)	▼	(0.8)	▼	(0.4)	▼	Ⓞ
	6-Month	(0.8)	▼	0.8	▲	(1.6)	▼	Ⓞ	(3.7)	▼	(1.8)	▼	(1.9)	▼	Ⓞ
	9-Month	(3.0)	▼	0.2	▲	(3.2)	▼	Ⓞ	(3.9)	▼	(1.9)	▼	(2.0)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			

Appendix G

Chief Financial Officer

<p>Office of the Chief Financial Officer:</p> <ul style="list-style-type: none"> Favourable YTD variance is mainly due to delays in filling operating and capital vacancies partially offset by corresponding lower capital and reserve/reserve funds recoveries. 21.0 vacant positions or 14.1% below the approved complement after budgeted gapping. The impact of vacancies is being mitigated by having critical work performed by existing staff. 		<ul style="list-style-type: none"> Projected year-end net favourable variance is mainly due to savings from delays in filling vacant positions. 11.0 vacant positions below the approved complement at year end which, after considering budgeted gapping, is equivalent to 4.7% vacancy rate. Recruitment is underway for all vacant positions. 	
<p>Office of the Treasurer:</p> <ul style="list-style-type: none"> Favourable YTD gross expenditure variance is mainly due to the delays in filling vacant positions, partially offset by overspending in postage charges and recruitment costs. Favourable YTD revenue variance is mainly due to higher user fees and recoveries from delayed capital work offset by lower recoveries from other divisions for dedicated staffing arrangements. 78.0 vacant positions or 8.3% below the approved complement after budgeted gapping. The impact of vacancies is being mitigated by having critical work performed by existing staff. 		<ul style="list-style-type: none"> Projected year-end net favourable variance is mainly due to savings from delays in filling vacant operational positions. This is partially offset by underachieved revenues mainly due to lower recoveries from reserve/reserve funds and recoveries from other divisions for dedicated staffing arrangements. 37.0 vacant positions below the approved complement at year end which, after considering budgeted gapping, is equivalent to 2.3% vacancy rate Recruitment is underway for all vacant positions. 	

Appendix G

Internal Corporate Services

Figure 18: Net Variance Summary

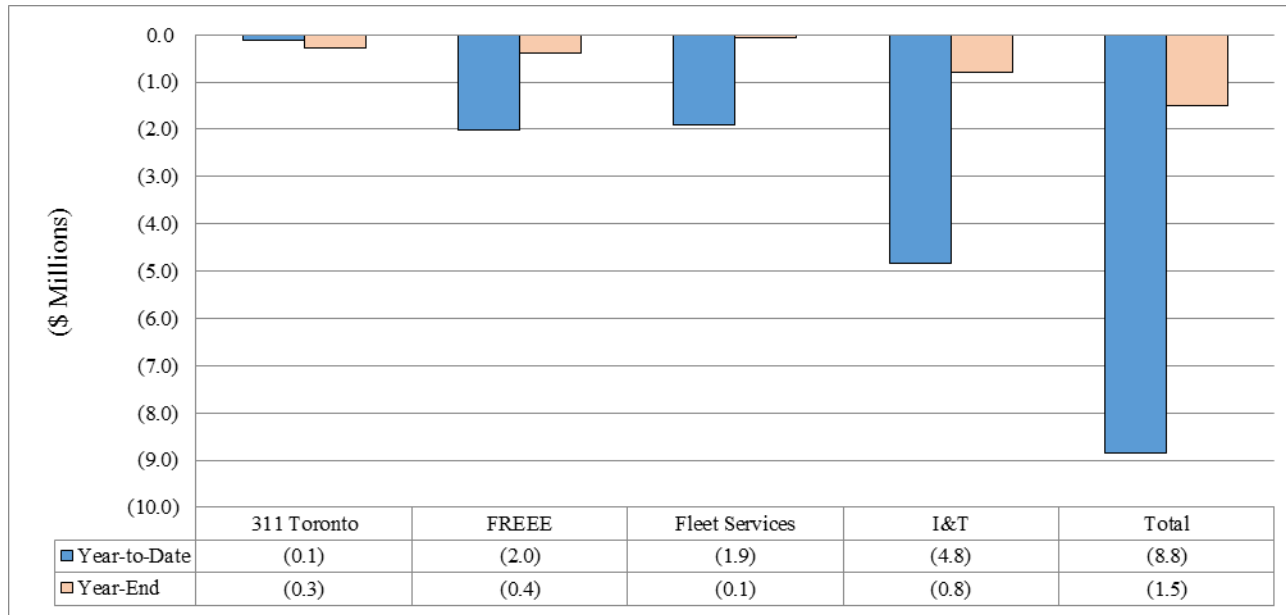


Figure 18 is summarizing Internal Corporate Services year-to-date and year-end projected net variances. As of September 30, 2017 **Internal Corporate Services** reported a net favourable variance of \$8.842 million or 6.5%, and projecting a year-end positive variance of \$1.505 million or 1.0% compared to the 2017 Approved Net Operating Budget.

Appendix G

Figure 19: Internal Corporate 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	
Facilities, Real Estate, Environment & Energy	3-Month	(2.2)	▼	(0.2)	▼	(2.0)	▼	Ⓞ	(6.5)	▼	(6.4)	▼	(0.1)	▼	Ⓞ
	6-Month	(1.7)	▼	1.4	▲	(3.1)	▼	Ⓞ	(4.5)	▼	(4.4)	▼	(0.2)	▼	Ⓞ
	9-Month	(0.1)	▼	2.0	▲	(2.0)	▼	Ⓞ	(6.2)	▼	(5.8)	▼	(0.4)	▼	Ⓞ
Fleet Services	3-Month	0.6	▲	0.9	▲	(0.3)	▼	Ⓡ	3.0	▲	3.2	▲	(0.2)	▼	Ⓞ
	6-Month	4.3	▲	7.9	▲	(3.6)	▼	Ⓞ	3.2	▲	4.4	▲	(1.2)	▼	Ⓞ
	9-Month	6.4	▲	8.3	▲	(1.9)	▼	Ⓞ	5.0	▲	5.1	▲	(0.1)	▼	Ⓞ
Information & Technology	3-Month	(3.2)	▼	(2.1)	▼	(1.1)	▼	Ⓞ	(9.2)	▼	(9.2)	▼	(0.0)	—	Ⓞ
	6-Month	(7.6)	▼	(3.2)	▼	(4.5)	▼	Ⓞ	(13.5)	▼	(12.5)	▼	(1.0)	▼	Ⓞ
	9-Month	(10.0)	▼	(5.2)	▼	(4.8)	▼	Ⓞ	(14.1)	▼	(13.4)	▼	(0.8)	▼	Ⓞ
311 Toronto	3-Month	(0.2)	▼	(0.1)	▼	(0.1)	▼	Ⓞ	(0.4)	▼	(0.3)	▼	(0.2)	▼	Ⓞ
	6-Month	(0.6)	▼	(0.2)	▼	(0.3)	▼	Ⓞ	(0.5)	▼	(0.3)	▼	(0.2)	▼	Ⓞ
	9-Month	(0.5)	▼	(0.4)	▼	(0.1)	▼	Ⓞ	(0.9)	▼	(0.6)	▼	(0.3)	▼	Ⓞ
Total	3-Month	(5.0)	▼	(1.5)	▼	(3.5)	▼	Ⓞ	(13.2)	▼	(12.7)	▼	(0.5)	▼	Ⓞ
	6-Month	(5.6)	▼	5.9	▲	(11.6)	▼	Ⓞ	(15.3)	▼	(12.7)	▼	(2.6)	▼	Ⓞ
	9-Month	(4.2)	▼	4.7	▲	(8.8)	▼	Ⓞ	(16.2)	▼	(14.7)	▼	(1.5)	▼	Ⓞ
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 Nine Month Period Ended September 30th, 2017.

Appendix G

Internal Corporate Services

<p>Facilities, Real Estate, Environment & Energy:</p> <ul style="list-style-type: none"> Underspending is mainly driven by a large number of vacancies across the Division with 47.6% of total vacancies coming from Facilities Management (FM) due to restructuring. This is partially offset by overspending in contracted services related to demand maintenance work, as well as higher year-to-date utility costs from the inclusion of an accrual in accordance with Accounting Services' new accrual policy. The September accrual has resulted in a misalignment between the year-to-date Budget and actuals, as the Budget reflects utility accounts for the first eight months of the year based on historical actuals and billing cycles. Under-collection of revenues is attributed to lower than anticipated leasing revenues from credits applied to tenants based on the reconciliation of property taxes and common area maintenance (CAM) charges, as well as reduced recoveries from capital and reserve funds from underspending in Environment & Energy programs and consulting services related to the City-Wide Real Estate Review project. A portion of this is recovered through higher inter-departmental revenues and other revenue sources from both internal and external clients. 	<p>G</p>	<ul style="list-style-type: none"> Underspending in salaries and benefits from vacant positions will be the main driver of the surplus expected. This will be partially offset by over-expenditures in contracted services costs anticipated due to demand maintenance requests and the use of external service providers to deliver services in the absence of internal resources. The year-end forecast also takes into account the cost impact of the Province of Ontario's new Fair Hydro Plan which has resulted in a significant reduction in the year-end overspend originally forecasted in the Q1 Operating Variance Report. 	<p>G</p>
<ul style="list-style-type: none"> 126.8 positions below the approved complement. Vacancy drivers include staff turnover from 		<ul style="list-style-type: none"> 106.0 positions below the approved complement. Key drivers of projected 	

<p>retirements, staff taking on new opportunities across the City, as well as general delays in hiring relating to the implementation of the new FM structure. After considering budgeted gapping, current vacancies represent the equivalent of an 8.6% vacancy rate.</p> <ul style="list-style-type: none"> The impacts of vacancies across the program include existing staff working extra hours to cover 24/7 and critical operations, a greater reliance on external contractors to support operations and delays to address work order requests. Overall, the program is mitigating these impacts as much as possible to meet service levels. 		<p>vacancies include staff turnover resulting from 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 6.5% vacancy rate.</p> <ul style="list-style-type: none"> The division is expecting the vacancy rate to decrease in 2017 as the new FM structure is implemented and a number of these positions will be filled. FREEE is working with Corporate HR to ensure vacant positions are filled in a timely manner. 	
<p>Fleet Services:</p> <ul style="list-style-type: none"> Unfavourable gross expenditures of \$6.376 million is due to timing of accruals for maintenance and fuel costs, increased maintenance costs for vehicles that have passed their optimum life, and higher fuel costs for TTC and TDSB. These variances are partially offset by savings from staff vacancies due to shortage of trade workers in the industry. Increase in recoveries from client divisions due to higher expenditure for maintenance costs, and accrual of expenses earlier than budgeted. 		<ul style="list-style-type: none"> Anticipated increases in maintenance costs for vehicles and equipment that have passed their optimum life, and higher fuel consumption for TTC and TCSB vehicles, which will be offset by higher recoveries from client divisions. 	
<ul style="list-style-type: none"> 38 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 14.4% vacancy rate. Service levels are being maintained through increased overtime and contract work. 		<ul style="list-style-type: none"> 19 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 4.9% vacancy rate. 	

<p>Information & Technology:</p> <ul style="list-style-type: none"> • Favourable YTD expenditure variance is mainly due to vacant operating and project positions and maintenance costs, offset by lower recoveries from capital, costs associated with a dedicated HR team for IT staff recruitment, and lower recoveries from interdivisional revenues. • Unfavourable YTD revenue variance is mainly due to lower recoveries from other divisions for capital projects 		<ul style="list-style-type: none"> • Projected year-end favourable variance is mainly due to underspending from capital vacancies, offset by corresponding lower recoveries from capital. 	
<ul style="list-style-type: none"> • 132 vacancies or 4.0% below the approved compliment after budgeted gapping. • Most vacant positions are being filled with internal candidates. To mitigate impacts on service levels, overtime has been used and will continue to be used to provide ongoing services with recruitment underway. 		<ul style="list-style-type: none"> • 123.0 vacant positions below the approved complement at year end which, after considering budgeted gapping, is equivalent to 2.9% vacancy rate. • I & T continues to work closely with a dedicated team of HR professionals to fill vacant positions. Recruitment is underway for all vacant positions. 	
<p>311 Toronto:</p> <ul style="list-style-type: none"> • Underspending is mainly attributed to vacancies in the Project Management Office (PMO) and underspending in contracts due to various contract negotiations and IT technologies currently being upgraded. This is partially offset by an increase in operating salary expenses. • Revenues are under-collected as result of vacancies in PMO resulting in under-recoveries from capital projects. • Achieved 81% of calls answered within 75 seconds, compared to the 80% Council approved service level. 		<ul style="list-style-type: none"> • Minor net favourable variance is 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. 	

- 12.0 positions below the approved complement due to gapping as four out of twelve positions are kept vacant to meet the divisional gapping target. After considering budgeted gapping, this represents the equivalent of 2.0% vacancy rate.
- There is no service level impact resulting from these vacancies.

- 11.0 positions below the approved complement due to 4.0 gapped operating positions expected to be vacant based on the timing of capital projects commencing. After considering budgeted gapping, this represents the equivalent of 2.4% vacancy rate.
- There is no service level impact resulting from these vacancies.

Appendix G

City Manager's Office

The City Manager's Office reported net unfavourable year-to-date variance of \$0.134 million and is forecasting a favourable year-end variance of \$0.422 million or 0.9% compared to the 2017 Approved Net Operating Budget.

Figure 20: 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	\$	trend	
City Manager's Office	3-Month	0.4	▲	0.4	▲	(0.0)	—	Ⓞ	2.1	▲	2.5	▲	(0.4)	▼	Ⓞ
	6-Month	1.7	▲	1.0	▲	0.7	▲	Ⓞ	3.1	▲	3.5	▲	(0.4)	▼	Ⓞ
	9-Month	1.5	▲	1.4	▲	0.1	▲	Ⓞ	3.1	▲	3.5	▲	(0.4)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓜ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			

City Manager's Office:

- Slightly unfavourable YTD net variance is mainly due to lower recoveries for capital projects.
- 26.0 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 0.4% vacancy rate.

Ⓞ

- Projected year-end net favourable variance is mainly due to staff vacancies.
- 7.0 positions below the approved complement, and after considering budgeted gapping, this represents full complement.

Ⓞ

Appendix G

Other City Programs

Figure 21: Net Variance Summary

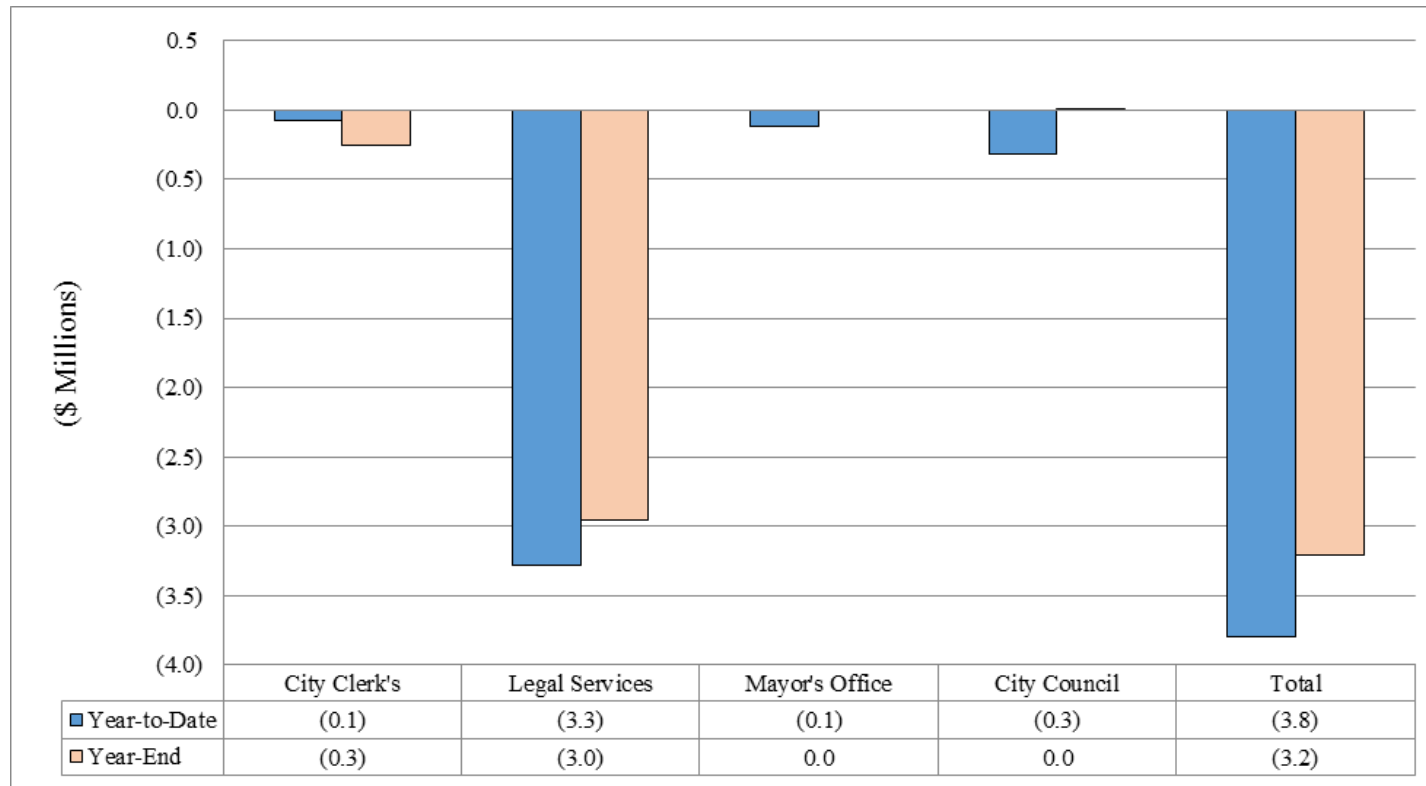


Figure 21 illustrates program specific year-to-date and year-end projected net variances. As of September 30, 2017 **Other City Programs** are reporting a net favourable variance of \$3.793 million or 7.1%, and projecting a positive net variance of \$3.208 million or 4.3% at year-end.

Appendix G





Figure 22: 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	(0.3)	▼	(0.1)	▼	(0.2)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.1)	▼	0.1	▲	(0.1)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	(0.3)	▼	(0.2)	▲	(0.1)	▼	Ⓞ	(0.9)	—	(0.7)	—	(0.3)	—	Ⓞ
Legal Services	3-Month	(2.6)	▼	(2.4)	▼	(0.2)	▼	Ⓞ	(2.7)	▼	(2.4)	▼	(0.3)	▼	Ⓞ
	6-Month	(5.5)	▼	(6.7)	▼	1.2	▲	Ⓡ	(2.3)	▼	(2.1)	▼	(0.2)	▼	Ⓞ
	9-Month	(6.2)	▼	(2.9)	▼	(3.3)	▲	Ⓨ	(6.1)	▼	(3.2)	▼	(3.0)	▼	Ⓞ
Mayor's Office	3-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
City Council	3-Month	(0.1)	▼	0.1	▲	(0.2)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ	0.0	—	0.0	—	(0.0)	—	Ⓞ
	9-Month	(0.3)	▼	0.0	—	(0.3)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Total	3-Month	(3.0)	▼	(2.4)	▼	(0.6)	▼	Ⓞ	(2.7)	▼	(2.4)	▼	(0.3)	▼	Ⓞ
	6-Month	(5.7)	▼	(6.6)	▼	0.9	▲	Ⓞ	(2.3)	▼	(2.1)	▼	(0.2)	▼	Ⓞ
	9-Month	(7.0)	▼	(3.2)	▼	(3.8)	▼	Ⓞ	(7.0)	▼	(3.8)	▼	(3.2)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓨ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			

Appendix G

Other City Programs

<p>City Clerk's Office:</p> <ul style="list-style-type: none"> Slightly favourable net variance is mainly due to underspending in salaries and benefits as a result of delay in filling vacancies. 15.6 positions below the approved complement, and after considering budgeted gapping, this represents full complement. 	G	<ul style="list-style-type: none"> Projected year-end variable variance is mainly due to staff vacancies. 16.6 positions below the approved complement, and after considering budgeted gapping, this represents full complement. 	G
<p>Legal Services:</p> <ul style="list-style-type: none"> Favourable gross expenditure of \$6.222 million is due to staff vacancies resulting from delay in implementation of the Administrative Penalty System and the Development Application Fee Review which is currently underway, and hiring junior staff at lower rates. On a net basis, \$3.284 million lower than budget is mainly due to lower Inter-divisional Recoveries resulting from vacancies. 	Y	<ul style="list-style-type: none"> Projected year-end favourable net variance is mainly due to lower expenditures resulting from vacancies and positions filled with junior positions at lower costs, and higher revenue from Development Application Fees. Legal staff are working overtime to maintain service levels, and actively filling the vacant positions. 	G
<ul style="list-style-type: none"> Down 52.9 positions or 12.1% below the approved complement after budgeted gapping. Hiring process is underway to fill vacancies. Legal staff are working overtime to maintain service levels. 		<ul style="list-style-type: none"> 17.5 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 2.4% vacancy rate. 	

<p>Mayor's Office:</p> <ul style="list-style-type: none"> • Favourable variance is mainly due to lower spending in salaries and benefits. • Full complement. 		<ul style="list-style-type: none"> • The projection is to be on budget at year-end. • Full complement. 	
<p>City Council:</p> <ul style="list-style-type: none"> • Favourable variance is mainly due to underspending in Councillors' Constituency Services and Office Budgets and Councillors and Staff Salaries & Benefits as a result of different staffing strategies adopted by various Councillors, partially offset by higher spending in Council General Budget. • Full complement. 		<ul style="list-style-type: none"> • Projection is to be on budget at year-end. • Full complement. 	

Appendix G

Accountability Offices

Figure 23: Net Variance Summary

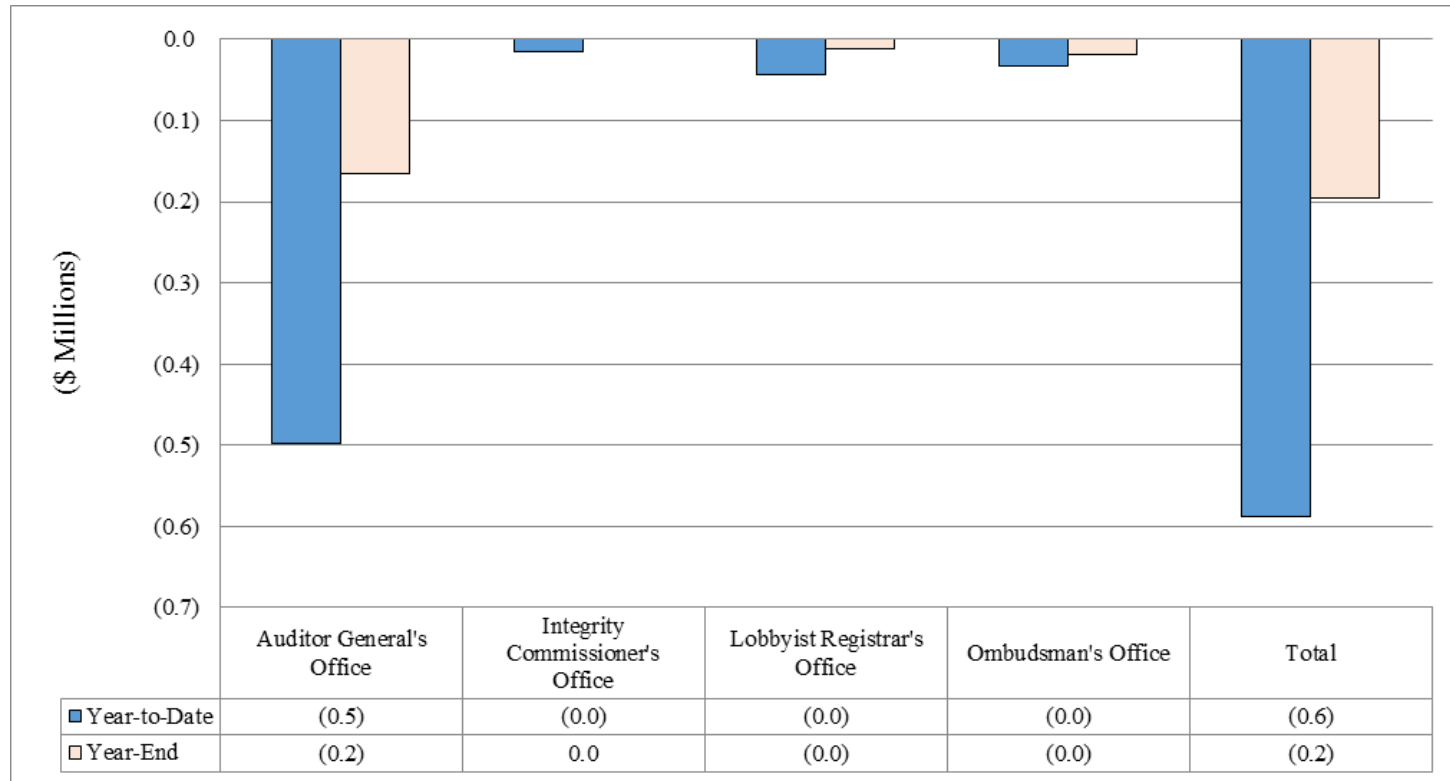


Figure 23 provides an overview of the Accountability Offices year-to-date and year-end projected net variances. As of September 30, 2017 **Accountability Offices** are reporting a net favourable variance of \$0.588 million or 9.0%, and projecting positive year-end net variance of \$0.196 million.

Appendix G

Figure 24: 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	\$	trend	
Auditor General's Office	3-Month	(0.3)	▼	0.0	—	(0.3)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓜ
	6-Month	(0.5)	▼	0.0	—	(0.5)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓜ
	9-Month	(0.5)	▼	0.0	—	(0.5)	▼	Ⓜ	(0.2)	—	0.0	—	(0.2)	—	Ⓜ
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	—	Ⓜ
	9-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)	—	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓜ
	9-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓜ	(0.0)	—	0.0	—	(0.0)	—	Ⓜ
Ombudsman'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	—	Ⓜ
	9-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓜ	(0.0)	—	0.0	—	(0.0)	—	Ⓜ
Total	3-Month	(0.3)	▼	0.0	—	(0.3)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓜ
	6-Month	(0.6)	▼	0.0	—	(0.6)	▼	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓜ
	9-Month	(0.6)	▼	0.0	—	(0.6)	▼	Ⓜ	(0.2)	▼	0.0	—	(0.2)	▼	Ⓜ
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 Nine Month Period Ended September 30th, 2017.

Appendix G

Accountability Offices

<p>Auditor General's Office:</p> <ul style="list-style-type: none"> Favourable variance is mainly due to lower spending in salaries and benefits as a result of delay in hiring temporary staff. Full complement. 	<p>G</p>	<ul style="list-style-type: none"> Projected year-end favourable variance is mainly due to underspending in salaries & benefits as a result of delay in staff hiring. Full complement. 	<p>G</p>
<p>Integrity Commissioner's Office:</p> <ul style="list-style-type: none"> Slightly favourable variance is mainly due to lower spending in salaries & benefits as a result of staff vacancy. Full complement. 	<p>G</p>	<ul style="list-style-type: none"> The projection is to be on budget at year-end. Full complement. 	<p>G</p>
<p>Lobbyist Registrar's Office:</p> <ul style="list-style-type: none"> Slightly favourable variance is mainly due to underspending in services and rents. 0.3 position below the approved complement, and after considering budgeted gapping, this represents the equivalent of 1.7% vacancy rate. 	<p>G</p>	<ul style="list-style-type: none"> The projection is to be on budget at year-end. 0.3 positions below the approved complement, and after considering budgeted gapping, this represents the equivalent of 1.7% vacancy rate. 	<p>G</p>
<p>Ombudsman's Office:</p> <ul style="list-style-type: none"> Slightly favourable variance is mainly due to lower spending in services and rents for the period, partly offset by higher spending in salaries and benefits. 1.0 positions or 8.3% below the approved complement of 12.0. 	<p>G</p>	<ul style="list-style-type: none"> Projected year-end variance is slightly favourable. Full complement. 	<p>G</p>

Appendix G

Agencies

Figure 25: Net Variance Summary

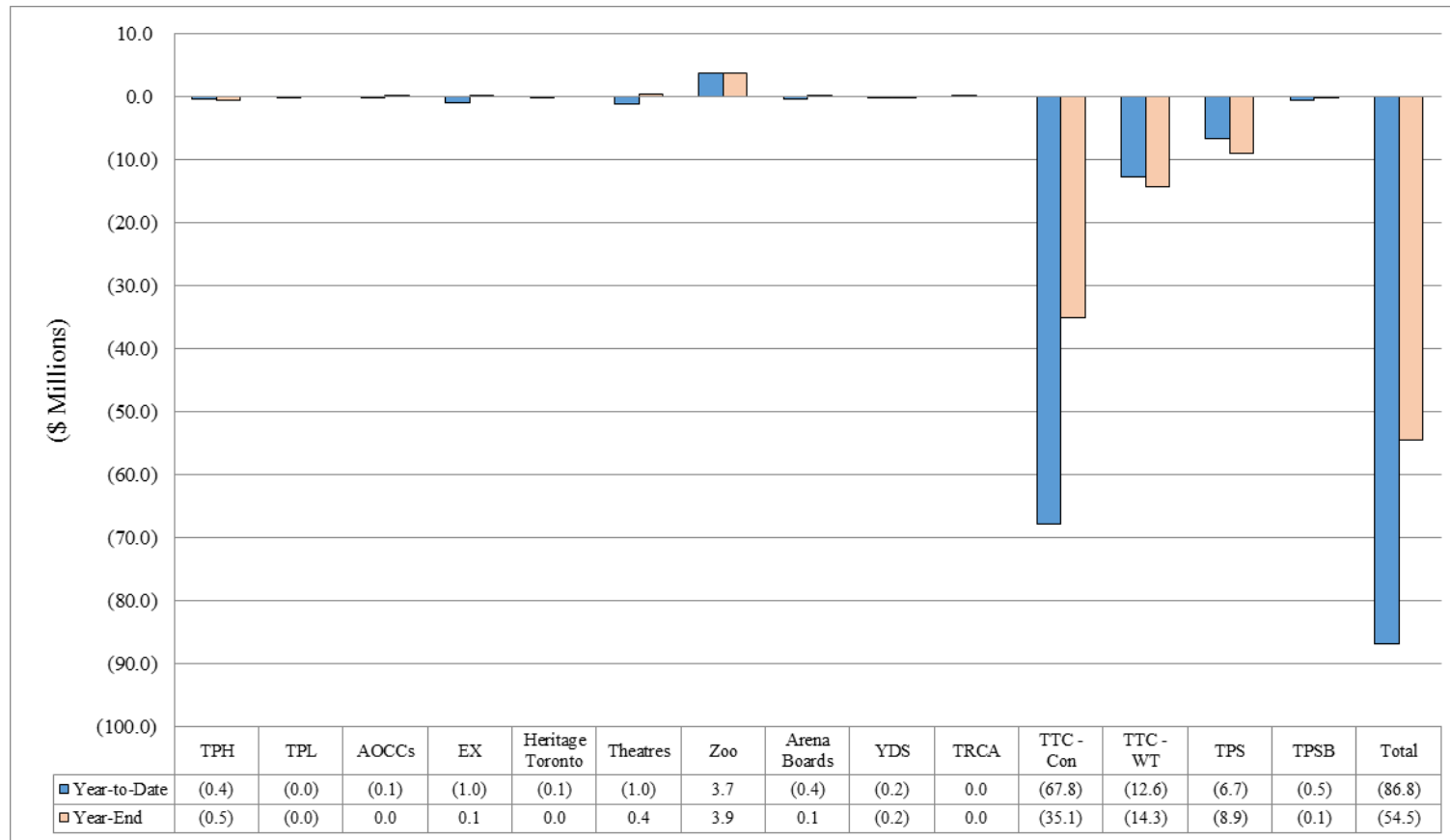


Figure 25 illustrates **Agencies'** specific year-to-date and year-end projected net variances. As of September 30, 2017 **Agencies** are reporting a net favourable variance of \$86.774 million or 6.0%, and are projecting a year-end positive variance of \$54.493 million or 2.8% compared to the 2017 Approved Net Operating Budget.

Appendix G

Figure 26: 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	(1.0)	▼	(0.8)	▼	(0.3)	▼	⊙	(2.7)	▼	(2.2)	▼	(0.5)	▼	⊙
	6-Month	(2.2)	▼	(1.8)	▼	(0.4)	▼	⊙	(3.9)	▼	(3.4)	▼	(0.5)	▼	⊙
	9-Month	(3.5)	▼	(3.2)	▼	(0.4)	▼	⊙	(5.0)	▼	(4.5)	▼	(0.5)	▼	⊙
Toronto Public Library	3-Month	(0.5)	▼	0.2	▲	(0.7)	▼	⊙	0.3	▲	0.3	▲	0.0	—	⊙
	6-Month	0.9	▲	0.9	▲	(0.0)	—	⊙	0.9	▲	0.9	▲	0.0	—	⊙
	9-Month	1.3	▲	1.3	▲	(0.0)	—	⊙	1.3	▲	1.3	▲	(0.0)	—	⊙
Association of Community Centres	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	(0.0)	—	(0.0)	—	(0.0)	—	⊙
	6-Month	(0.0)	—	0.0	—	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	(0.0)	—	0.0	—	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Exhibition Place	3-Month	(2.6)	▼	(2.0)	▼	(0.6)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(1.4)	▼	(0.7)	▼	(0.7)	▼	⊙	2.9	▲	0.9	▲	2.1	▲	Ⓡ
	9-Month	(0.9)	▼	0.0	▼	(1.0)	▼	⊙	0.6	▲	0.5	▲	0.1	▲	Ⓡ
Heritage Toronto	3-Month	(0.1)	▼	(0.1)	▼	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.1)	▼	(0.1)	▼	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	(0.2)	▼	(0.2)	▼	(0.1)	—	Ⓜ	0.0	—	0.0	—	0.0	—	⊙

Appendix G

Figure 27: 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	
Theatres	3-Month	0.2	▲	0.8	▲	(0.6)	▼	Ⓚ	(0.4)	▼	(0.5)	▼	0.1	▲	Ⓜ
	6-Month	(0.9)	▼	(0.6)	▼	(0.3)	▼	Ⓞ	2.5	▲	0.4	▲	2.1	▲	Ⓜ
	9-Month	(1.0)	▼	(0.0)	▼	(1.0)	▼	Ⓚ	0.5	▲	0.1	▲	0.4	▲	Ⓜ
Toronto Zoo	3-Month	(0.6)	▼	(0.9)	▼	0.3	▲	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(3.6)	▼	(7.1)	▼	3.6	▲	Ⓜ	(3.3)	▼	(7.3)	▼	4.0	▲	Ⓜ
	9-Month	(3.0)	▼	(6.8)	▼	3.7	▲	Ⓜ	(2.9)	▼	(6.8)	▼	3.9	▲	Ⓜ
Arena Boards of Management	3-Month	(0.1)	▼	0.5	▲	(0.5)	▼	Ⓞ	(0.0)	—	(0.0)	—	(0.0)	—	Ⓞ
	6-Month	(0.1)	▼	0.3	▲	(0.4)	▼	Ⓞ	(0.9)	▼	(0.9)	▼	(0.0)	—	Ⓞ
	9-Month	(0.7)	▼	(0.3)	▲	(0.4)	▼	Ⓞ	(0.3)	▼	(0.3)	▼	0.1	—	Ⓜ
Yonge Dundas Square	3-Month	0.0	—	0.1	▲	(0.1)	▼	Ⓚ	0.3	▲	0.4	▲	(0.1)	▼	Ⓞ
	6-Month	0.3	▲	0.6	▲	(0.3)	▼	Ⓚ	0.6	▲	0.8	▲	(0.2)	▼	Ⓞ
	9-Month	0.4	▲	0.5	▲	(0.2)	▼	Ⓚ	0.6	▲	0.8	▲	(0.2)	▼	Ⓞ
Toronto & Region Conservation Authority	3-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.2)	▼	(0.2)	▼	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	1.1	▼	1.1	▼	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ

Appendix G

Figure 28: 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 Transit Commission - Conventional	3-Month	(13.8)	▼	(2.4)	▼	(11.4)	▼	⊙	(8.5)	▼	(8.5)	▼	(0.0)	—	⊙
	6-Month	(44.3)	▼	(0.0)	—	(44.2)	▼	⊙	(34.5)	▼	(19.4)	▼	(15.1)	▼	⊙
	9-Month	(67.2)	▼	0.6	—	(67.8)	▼	⊙	(50.4)	▼	(15.3)	▼	(35.1)	▼	⊙
Toronto Transit Commission - Wheel Trans	3-Month	(2.0)	▼	(0.0)	—	(2.0)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(7.1)	▼	(0.2)	▼	(6.9)	▼	⊙	(11.6)	▼	(0.5)	▼	(11.1)	▼	⊙
	9-Month	(13.1)	▼	(0.5)	▼	(12.6)	▼	⊙	(15.1)	▼	(0.8)	▼	(14.3)	▼	⊙
Toronto Police Service	3-Month	(0.3)	▼	0.1	▲	(0.3)	▼	⊙	(1.1)	▼	0.2	▲	(1.3)	▼	⊙
	6-Month	(3.2)	▼	0.1	▲	(3.3)	▼	⊙	(6.3)	▼	0.2	▲	(6.5)	▼	⊙
	9-Month	(7.1)	▼	(0.4)	▲	(6.7)	▼	⊙	(9.4)	▼	(0.5)	▲	(8.9)	▼	⊙
Toronto Police Services Board	3-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	(0.1)	▼	0.0	—	(0.1)	▼	⊙
	6-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	(0.1)	▼	0.0	—	(0.1)	▼	⊙
	9-Month	(0.5)	—	0.0	—	(0.5)	—	⊙	(0.1)	▼	0.0	—	(0.1)	▼	⊙
Total	3-Month	(20.7)	▼	(4.5)	▼	(16.2)	▼	⊙	(12.2)	▼	(10.3)	▼	(1.9)	▼	⊙
	6-Month	(61.9)	▼	(8.9)	▼	(53.0)	▼	⊙	(53.5)	▼	(28.3)	▼	(25.2)	▼	⊙
	9-Month	(94.5)	▼	(7.8)	▼	(86.8)	▼	⊙	(80.1)	▼	(25.6)	▼	(54.5)	▼	⊙





Year-to-Date Net Variance
 ⊙ 85% to 105%
 ⊙ 0% to 85%
 ⊙ >105%
 Year-End
 ⊙ ≤100%
 ⊙ >100%

Appendix G





City Agencies

<p>Toronto Public Health:</p> <ul style="list-style-type: none"> • Under-expenditures mainly for salaries and benefits due to retirements, short term leaves and unfilled positions. <hr/> <ul style="list-style-type: none"> • 82.2 positions below approved complement which after considering gapping represents full complement. 	<p>G</p>	<ul style="list-style-type: none"> • Net favourable variance is expected to continue to 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. <hr/> <ul style="list-style-type: none"> • 78.4 positions below approved complement which after considering gapping represents full complement. 	<p>G</p>
<p>Toronto Public Library:</p> <ul style="list-style-type: none"> • Toronto Public Library reported no net expenditure variance to the 2017 Approved Operating Budget with an unfavourable expenditure variance of \$1.302 million and a favourable revenue variance of \$1.302 million. <ul style="list-style-type: none"> • The unfavourable expenditure variance is primarily driven by higher than budgeted utility costs and increased library programming initiatives such as the Summer Reading Club, and Museums & Arts Pass. • Favourable revenue variances can be attributable to higher than budgeted grants from the TPL Foundation and increased revenues from photocopying and public printing services. 	<p>G</p>	<ul style="list-style-type: none"> • Toronto Public Library expects no year-end variance at this time. 	<p>G</p>

<ul style="list-style-type: none"> 89.0 positions below approved complement due to the extended closure of the North York Centre Library branch. After budgeted gapping, this represents 2.4% operating vacancy rate. 		<ul style="list-style-type: none"> Year-end complement will be 89.0 positions below the approved complement of 1,729 operating positions due to the extended closure of the North York Centre Library branch. 	
<p>Association of Community Centres:</p> <ul style="list-style-type: none"> Favourable variance due to lower seasonal usage for utilities and timing of expenses for merit pay and various office administration costs. 	G	<ul style="list-style-type: none"> Minor unfavourable net variance is projected due to cost-savings not actualized due to delay in phone system installation. 	G
<ul style="list-style-type: none"> Full Complement 		<ul style="list-style-type: none"> Full Complement 	
<p>Exhibition Place:</p> <ul style="list-style-type: none"> Exhibition Place reported a favourable net variance of \$0.974 million below the 2017 Approved Operating Budget. <ul style="list-style-type: none"> Favourable utilities expenditure variance of \$0.657 million driven by management energy initiatives and savings from energy retrofit projects resulted in the overall favourable variance. 	G	<ul style="list-style-type: none"> Exhibition Place projects an unfavourable year-end net variance of \$0.124 million above the 2017 Approved Operating Budget <ul style="list-style-type: none"> Exhibition Place projects overspending arising from a \$2.120 million due to non-recoverable property taxes reassessment net of recoveries from tenants. Exhibition Place will be able to partially absorb this loss from additional revenue from events such as Alibaba and Hillary Clinton Book tour and other events booked at the Beanfield Centre 	R
<ul style="list-style-type: none"> Full Complement 		<ul style="list-style-type: none"> Full Complement 	

<p>Heritage Toronto:</p> <ul style="list-style-type: none"> Heritage Toronto reported favourable net variance \$0.073 million below the 2017 Approved Operating Budget. <ul style="list-style-type: none"> Favourable gross expenditure arising from the timing of programs (Heritage Awards, year-end donation drive and the historical plaques program) which are set to take place in the fourth quarter. The Heritage Toronto Awards is a large part of their budget comprising of \$0.030 in expenditures and \$0.090 in revenues. 		<ul style="list-style-type: none"> Heritage Toronto projects meetings its budgeted net expenditure position of \$0.298 million by year-end. 	
<ul style="list-style-type: none"> Full Complement 		<ul style="list-style-type: none"> Full Complement 	
<p>Theatres:</p> <ul style="list-style-type: none"> Civic Theatres Toronto reported favourable year-to-date net expenditures of \$0.999 million or 23.4% below the 2017 Approved Operating Budget. <ul style="list-style-type: none"> Sony Centre reported favourable net variance of \$0.614 million driven by higher volume of programming activities and concession sales partially offset by programming support costs. St. Lawrence Centre for the Arts reported net favourable variance of \$0.028 million driven by lower volume of programming activities which resulted from lower programming expenditures of \$0.505 million partially offset by lower programming revenues of \$0.478 million. Toronto Centre for the Arts reported net favourable variance of \$0.255 million driven by higher than budgeted programming activities at its Lyric and George Weston Theatres. 		<ul style="list-style-type: none"> Civic Theatres Toronto projects a year-end unfavourable variance of \$0.439 million or 7.4% above the 2017 Approved Operating Budget. <ul style="list-style-type: none"> Leadership Development forecasts unfavourable year-end net expenditures of \$1.324 million primarily driven by restructuring and severance costs. These costs are partially offset by favourable variances at the Sony Centre and Toronto Centre for the Arts due to higher usage of the Theatres. St. Lawrence Centre for the Arts anticipates year-end favourable variance of \$0.051 million or 3.0% below the 2017 Approved Operating Budget due to lower volume of activities. 	

<ul style="list-style-type: none"> Underspending in Leadership Development of \$0.102 million due to timing of marketing expenditures. 			
<ul style="list-style-type: none"> 8.9 positions below the approved complement of 187.7 due to lower programming activities at the Sony Centre and St. Lawrence Centre. There is no budgeted gapping for CTT. 		<ul style="list-style-type: none"> 3.4 positions below the approved complement of 187.7 due to lower programming activities at Toronto Centre for the Arts and St. Lawrence Centre for the Arts, partially offset by higher activities at the Sony Centre. 	
<p>Toronto Zoo:</p> <ul style="list-style-type: none"> Toronto Zoo reported unfavourable net expenditure variance of \$3.734 million or 86.9% over the 2017 Approved Operating Budget. <ul style="list-style-type: none"> The Zoo was closed to the public for approximately 5 weeks due to labour disruptions which resulted in a revenue loss of \$6.8 million. This is partially offset by lower expenditures of \$3.0 million reflecting foregone operating costs such as wages and inventory costs for retail inventories. 	R	<ul style="list-style-type: none"> Toronto Zoo projects unfavourable net expenditure variance of \$3.874 million or 32.2% over the 2017 Approved Operating Budget. <ul style="list-style-type: none"> Unfavourable results are primarily driven by the labour disruptions. This will be partially offset with the help of the Zoo's Panda exhibit fall programming which will restore the budgeted attendance levels for the remainder of the year. Excluding the impacts of the labour disruptions, the Zoo expects to be on target with respect to revenues and attendance. 	R
<ul style="list-style-type: none"> 14.0 positions below approved complement of 394.0 positions due to natural turnover. After considering budgeted gapping, this represents the equivalency of 1.3% vacancy rate. 		<ul style="list-style-type: none"> 9.0 positions below approved complement of 394.0 positions due to natural turnover. After budgeted gapping, this represents full complement. 	

<p>Arena Boards of Management:</p> <ul style="list-style-type: none"> • Arena Boards of Management reported a favourable net expenditure variance of \$0.389 million below the 2017 Approved Operating Budget <ul style="list-style-type: none"> • George Bell Arena reported a unfavourable net expenditure variance of \$0.025 million due to revenue shortfalls from unsold ice and cancelled summer programming • Leaside Arena reported a favourable net expenditure variance of \$0.030 million due to revenue increases from advertising and ice rental. • William H. (Bill) Bolton Arena and Moss Park Arena reported a favourable net expenditure variance of \$0.260 million and \$0.095 million respectively, due to prepaid revenue for the winter leagues 		<ul style="list-style-type: none"> • Arena Boards of Management project an unfavourable year-end net variance of \$0.060 million above the 2017 Approved Operating Budget <ul style="list-style-type: none"> • George Bell Arena projects an unfavourable net variance of \$0.001 million due to unsold ice and cancelled programming • Leaside Gardens Arena projects an unfavourable net variance of \$0.052 million due to lost revenues from shortage of staff and increased overtime costs to maintain 2017 approved service levels 	
<ul style="list-style-type: none"> • Variance of 9.0 positions below the approved complement is attributed to vacancies at Leaside Gardens. 		<ul style="list-style-type: none"> • Full Complement 	
<p>Yonge Dundas Square (YDS):</p> <ul style="list-style-type: none"> • Yonge-Dundas Square reported net favourable variance of \$0.151 million below the 2017 Approved Operating Budget <ul style="list-style-type: none"> • Unfavourable expenditure variance of \$0.364 million due to the increased contract staff needed to support new business initiatives and plans. • Favourable revenue variance of \$0.515 million due to new business agreements, initiatives and plans (Signage agreement) 		<ul style="list-style-type: none"> • Yonge-Dundas Square projects a favourable year-end net variance of \$0.156 million below the 2017 Approved Operating Budget. <ul style="list-style-type: none"> • Projected unfavourable gross expenditure variance of \$0.648 million due to anticipated increase in contract staff and construction. 	

		<ul style="list-style-type: none"> Year-end projected revenue increase of \$0.804 million due to the new revenues from the signage agreement. Projected favourable year-end net variance of \$0.156 million due increased revenue. 	
<ul style="list-style-type: none"> Full Complement 		<ul style="list-style-type: none"> Full Complement 	
Toronto & Region Conversation Authority: <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Each year, TRCA receives the City of Toronto funding share which maintains the ratio between TRCA's other funding partner municipalities. In 2017, TRCA will receive the full funding amount as approved by Council, resulting in no year-end variance. 	G
<ul style="list-style-type: none"> Full Complement 		<ul style="list-style-type: none"> Full Complement 	
Toronto Transit Commission – Conventional: <ul style="list-style-type: none"> Ridership to the end of August was 1.7% below budget and 0.4% below the 2016 comparable actual. Interim results for September indicate similar trends. Revenue under budget \$0.56M mainly attribute to: <ul style="list-style-type: none"> Other income \$1.352M, Outside City & Charters \$0.927M, partially offset by increases in Passenger Revenues: \$0.5M, Commuter parking \$1.034M and Rent revenue \$0.167M. Operating expenses were under budget, largely due to workforce being under budgeted strength and savings on departmental material, Accident claims and energy costs: <ul style="list-style-type: none"> \$37.907M under budget related to both departmental material expenses and Salaries. 	Y	<ul style="list-style-type: none"> Current forecasts indicate that ridership could fall approximately 7.8 million rides below the target of 543.8 million (or 536.0 million) with passenger revenue increasing about \$1.3 million. The more favourable revenue projection is mainly due to the current trend of customers switching from pass-based fare media to single-ride fare media, particularly PRESTO e-purse, which has resulted in an increase in the average fare. Staff will continue to closely monitor and scrutinize additional results and will provide an update on the year-end projected 	G

<p>TTC has identified material variances are a result from the specific timing of when certain expenses will occur.</p> <ul style="list-style-type: none"> Employee Benefits under budget by \$10.4M, resulting from delays in filling positions and the need to have some operating staff on capital projects. Accident Claims cash payments are under budget by \$10.367M. The remaining under spend is resulting from utilities (\$4.694M), Diesel (\$5.364M), and other Non-Departmental (\$1.891) 		<p>ridership and passenger revenues in due course.</p> <ul style="list-style-type: none"> Currently, a \$15.1 million (or 2.7%) year-end subsidy surplus is projected. The key budget variances that account for this projection are as follows: <p>Revenue: Stabilization Reserve Draw: \$14.0 million decrease Passenger Revenues: \$1.3 million increase Expenditures decreases: Labour expenses \$14.4 million, Employee Benefits \$10 million, Non-labour \$8 million, PRESTO fees \$7, Diesel \$6.0 million, Utilities \$3.0 million, Depreciation \$2.0 million.</p>	
<ul style="list-style-type: none"> 302 positions below the approved complement due to hiring and capital project challenges 		<ul style="list-style-type: none"> Projected strength of 14,127 positions reflects 117 positions below complement, after considering and achieving the gapping target throughout the year. 	
<p>Toronto Transit Commission – Wheel-Trans:</p> <ul style="list-style-type: none"> There were 330,000 customer journeys taken during May, which was 22,000 (6.3%) less than the budget of 352,000 journeys. The number of customer journeys taken year-to-date to the end of May was 1.672 million, which was 65,000 (3.7%) less than the budget of 1.737 million journeys Wheel - Trans Service is favourable YTD variance of \$13.126 million net as a result of lower than anticipated customer journeys. The anticipated 	<p style="text-align: center;">G</p>	<ul style="list-style-type: none"> Customer journeys are projected to be slightly off target at 4.312M vs budget of 4.723M. Wheel - Trans Service is projecting a favourable year-end variance of \$14.259 million net as a result of lower than anticipated customer journeys. The anticipated customer journeys related to the AODA eligibility has been lower than 	<p style="text-align: center;">G</p>

customer journeys related to the AODA eligibility has been lower than anticipated resulting in reduced expenditures.		anticipated resulting in reduced expenditures.	
<ul style="list-style-type: none"> 26.0 positions below approved complement due to hiring challenges. 		<ul style="list-style-type: none"> Projected strength of 584.0 positions reflects a complement above the approved, this is due to hiring challenges. 	
<p>Toronto Police Service:</p> <ul style="list-style-type: none"> Underspending in salaries are the result of increased separations, as well as the moratorium on hiring The Toronto Police Service is expected, on average to be below its budgeted strength throughout the year. 	G	<ul style="list-style-type: none"> A net favourable variance of \$8.9 million is expected at year end as a result of the hiring moratorium and increased separations, as 215 officer separations are projected versus the 160 which was budgeted A portion of the salary savings is projected to be offset by premium pay spending, necessitated by the large number of vacancies. 	G
<ul style="list-style-type: none"> 803 positions below full complement is a result of increased separations and higher than expected attrition rates. After gapping considerations, this represents a 3.4% gapping rate. 		<ul style="list-style-type: none"> 820 positions below approved complement. After gapping considerations, this represents a 3.6% gapping rate. 	
<p>Toronto Police Services Board:</p> <ul style="list-style-type: none"> Underspending in salaries and benefits as a result of one vacant position in the earlier part of the year. 	Y	<ul style="list-style-type: none"> A favourable variance is expected at year end as a result of the cost savings related to the vacant position in the earlier part of the year. 	G
<ul style="list-style-type: none"> Full Complement 		<ul style="list-style-type: none"> Full Complement 	

Appendix G

Corporate Accounts

Figure 29: Net Variance Summary

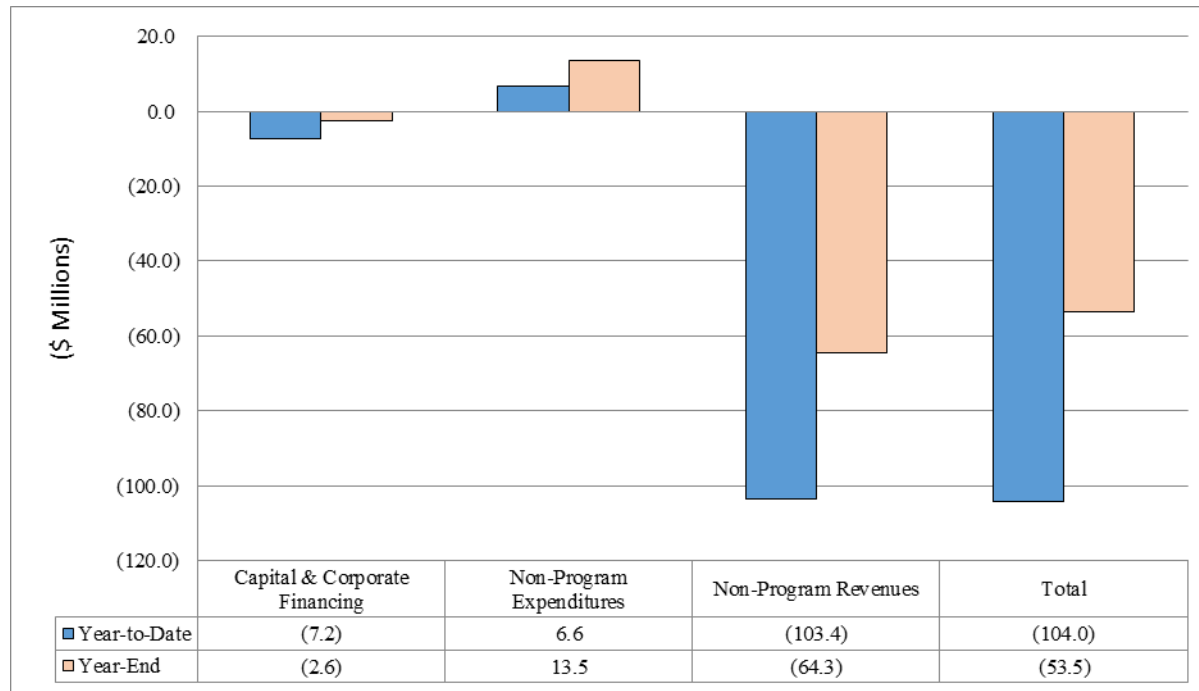


Figure 29 provides an overview of year-to-date and year-end projected net variances. As of September 30, 2017 **Corporate Accounts** have experienced a net favourable variance of \$104.026 million or 283.0%, and are expected to result in a year-end positive variance of \$53.457 million or 82.6% compared to the 2017 Approved Net Operating Budget.

Appendix G

Capital & Corporate Financing







The Capital and Corporate Financing accounts were under-spent by \$7.175 million or 1.1% for the nine month period ended September 30, 2017 and is expected to be \$2.619 million or 0.3% under-spent at year-end.

Figure 30: 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 Expenditures		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	—	Ⓞ
	9-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	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Debt Charges	3-Month	(1.9)	▼	0.2	▲	(2.1)	▼	Ⓞ	(3.5)	▼	0.2	▲	(3.7)	▼	Ⓞ
	6-Month	3.0	▲	1.8	▲	1.3	▲	Ⓞ	(5.5)	▼	0.0	—	(5.5)	▼	Ⓞ
	9-Month	(7.2)	▲	0.0	▲	(7.2)	▲	Ⓞ	(2.6)	▼	0.0	—	(2.6)	▼	Ⓞ
Total	3-Month	(1.9)	▼	0.2	▲	(2.1)	▼	Ⓞ	(3.5)	▼	0.2	▲	(3.7)	▼	Ⓞ
	6-Month	3.0	▲	1.8	▲	1.3	▲	Ⓞ	(5.5)	▼	0.0	—	(5.5)	▼	Ⓞ
	9-Month	(7.2)	▼	0.0	—	(7.2)	▼	Ⓞ	(2.6)	▼	0.0	—	(2.6)	▼	Ⓞ
Year-to-Date Net Variance	Ⓞ	85% to 105%	Ⓜ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%				

Appendix G

Capital & Corporate Financing

<p>Capital & Corporate Financing:</p> <ul style="list-style-type: none"> Actual expenses have been incurred as planned. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
<p>Technology Sustainment:</p> <ul style="list-style-type: none"> Actual expenses have been incurred as planned. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
<p>Debt Charges:</p> <ul style="list-style-type: none"> Favourable variance is largely as the result of not issuing \$150 million in debt for December of 2016, and lower interest rates than plan. 		<ul style="list-style-type: none"> Favourable year-end projection is due to unissued debt of \$150 million that was planned for December of 2016, and lower than forecasted interest rates in 2017, some of which were partially offset by the reopening of a 30 year debt issue. The reopening of last year's issue instead of new 30 year issue caused the sinking fund deposit to start a year earlier. 	

Appendix G

Non-Program Expenditures

Non-Program Expenditures have an unfavourable net year-to-date variance of \$6.564 million or 1.8%, and are forecasted to result in an unfavourable net variance of \$13.512 million or 2.9% at year-end.

Figure 31: 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	0.2	▲	0.0	—	0.2	▲	⊙	1.5	▲	0.0	—	1.5	▲	Ⓜ
	6-Month	12.6	▲	0.0	—	12.6	▲	Ⓜ	12.5	▲	0.0	—	12.5	▲	Ⓜ
	9-Month	(0.5)	▲	0.0	—	(0.5)	▲	⊙	12.5	▲	0.0	—	12.5	▲	Ⓜ
Tax Increment Equivalent Grants (TIEG)	3-Month	N/A	—	N/A	—	N/A	—	N/A	N/A	—	N/A	—	N/A	—	N/A
	6-Month	9.9	▲	0.0	—	9.9	▲	Ⓜ	9.9	▲	0.0	—	9.9	▲	Ⓜ
	9-Month	19.1	▲	0.0	—	19.1	▲	Ⓜ	4.9	▲	0.0	—	4.9	▲	Ⓜ
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	—	⊙
	9-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	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙

Appendix G

Figure 32: 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	
Other Corporate Expenditures	3-Month	1.2	▲	1.3	▲	(0.1)	▼	⊙	(0.5)	▼	0.0	—	(0.5)	▼	⊙
	6-Month	0.4	▲	1.9	▲	(1.6)	▼	⊙	(0.5)	▼	0.0	—	(0.5)	▼	⊙
	9-Month	(0.6)	▲	4.4	▲	(5.0)	▼	⊙	(2.6)	▼	(0.1)	—	(2.5)	▼	⊙
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	—	⊙
	9-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Parking Tag Enforcement & Oper.	3-Month	(0.4)	▼	0.0	—	(0.4)	▼	⊙	(2.0)	▼	0.0	—	(2.0)	▼	⊙
	6-Month	(2.4)	▼	0.0	—	(2.4)	▼	⊙	(3.5)	▼	0.0	—	(3.5)	▼	⊙
	9-Month	(3.2)	▼	0.0	—	(3.2)	▼	⊙	(0.7)	▼	0.0	—	(0.7)	▼	⊙
Programs Funded from Reserve Funds	3-Month	(6.7)	▼	(6.7)	▼	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(3.6)	▼	(3.6)	▼	0.1	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	▼	0.0	▼	0.0	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
Vacancy Rebate Program	3-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.5)	▼	0.0	—	(0.5)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	(0.0)	▼	0.0	—	(0.0)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙

Appendix G











Figure 33: 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	
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	—	⊙
	9-Month	(0.4)	—	0.0	—	(0.4)	—	⊙	(0.7)	—	0.0	—	(0.7)	—	⊙
Tax Rebates for Registered Charities	3-Month	0.8	▲	0.8	▲	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.1	▲	0.0	—	0.1	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	▲	0.0	—	0.0	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
Solid Waste Management Rebates	3-Month	1.5	▲	0.0	—	1.5	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(6.7)	▼	0.0	—	(6.7)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	(3.5)	▼	0.0	—	(3.5)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Pandemic Influenza Stockpiling	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	—	⊙
	9-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Total	3-Month	(3.5)	▼	(4.6)	▼	1.1	▲	⊙	(0.9)	▼	0.0	—	(0.9)	▼	⊙
	6-Month	9.8	▲	(1.7)	▼	11.4	▲	⊙	18.3	▲	0.0	—	18.3	▲	Ⓡ
	9-Month	11.0	▲	4.4	▲	6.6	▲	⊙	13.4	▲	(0.1)	▼	13.5	▲	Ⓡ
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 Nine Month Period Ended September 30th, 2017.

Appendix G

Non-Program Expenditures

<p>Tax Deficiencies/Write-Offs:</p> <ul style="list-style-type: none"> As of September 2017, a \$0.480 million favourable variance is realized; however, most appeals do get processed at year-end and unfavourable variance should be anticipated. 		<ul style="list-style-type: none"> By year-end, a \$12.468 million unfavourable variance is projected due to posted appeals and expected appeals to be processed are anticipated to be higher than budgeted. 	
<p>Tax Increment Equivalent Grants (TIEG)</p> <ul style="list-style-type: none"> As of September 2017, a \$19.136 million unfavourable variance was reported due to the earlier realization of TIEG grants compared to plan. 		<ul style="list-style-type: none"> By year-end, a \$4.946 million unfavourable variance is projected due to the earlier than budgeted start date of TIEG grants. 	
<p>Assessment Function (MPAC):</p> <ul style="list-style-type: none"> The year-to-date unfavourable variance of \$0.025 million is due to MPAC fees being higher than planned. 		<ul style="list-style-type: none"> The unfavourable variance of \$0.034 million is projected by year-end as a result of MPAC fees being higher than budgeted. 	
<p>Funding Employee Related Liabilities:</p> <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
<p>Other Corporate Expenditures:</p> <ul style="list-style-type: none"> Under-spending is largely attributed to the unrealized actuals compared to plan, as well as under-spending on salaries and benefits due to vacant positions that are in the process of being filled. 		<ul style="list-style-type: none"> Favourable variance is forecasted as a result of lower than budgeted salaries. 	

Insurance Premiums & Claims: <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	G
Parking Tag Enforcement & Operations: <ul style="list-style-type: none"> Favourable gross expenditures of \$3.168 million due to savings from Parking Enforcement Officer vacancies, and delayed implementation of the Administrative Penalty System (APS), which is partially offset by increased MTO Search Fees. The MTO Search Fees are expected to decrease in Q4 due to changes to internal APS processes, which will reduce the number of vehicle owner information searches required. 	G	<ul style="list-style-type: none"> Favourable gross expenditures of \$0.736 million due to savings from Parking Enforcement Officer vacancies, delayed in implementation of the Administrative Penalty System, which is partially offset by increased MTO Search Fees. 	G
<ul style="list-style-type: none"> 34 vacancies or 8.6% below the approved complement. 		<ul style="list-style-type: none"> 36 vacancies or 9.1% below the approved complement. Toronto Police Parking Enforcement is expected, on average, to be below its approved complement. 	
Programs Funded from Reserve Funds: <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	G
Vacancy Rebate Program: <ul style="list-style-type: none"> The vacancy rebates processed and expected to be processed were below the Q3 plan by \$0.015 million, but are expected to be on budget at year-end. 	G	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	G
Heritage Property Tax Rebates: <ul style="list-style-type: none"> Favourable year-to-date variance of \$0.377 million is due to potential/expected applicants (previously enquired about the rebate program) did not apply 	Y	<ul style="list-style-type: none"> Favourable net variance projection at year-end of \$0.719 million is primarily driven by lower number of applicants for the 2017 rebates. 	G

for the 2017 rebates. The original plan was based on the estimates provided by Heritage Preservation Services, factoring in those potential applicants.			
Tax Rebates for Registered Charities: <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
Solid Waste Management Rebates: <ul style="list-style-type: none"> A favourable year-to-date variance of \$3.512 million due to unrealized actuals compared to plan. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
Pandemic Influenza Stockpiling: <ul style="list-style-type: none"> As planned for this period. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	

Appendix G

Non-Program Revenues are reported to have a favourable variance of \$103.415 million or 10.0% for the period ended September 30, 2017; and it is projected that Non-Program Revenues will be \$64.349 million or 4.8% above the 2017 Approved Net Operating Budget at year-end.

Figure 34: 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	—	(4.0)	▼	4.0	▲	⊙	0.0	—	(3.7)	▼	3.7	▲	Ⓡ
	9-Month	0.0	—	(7.8)	▼	7.8	▲	Ⓡ	0.0	—	(7.8)	▼	7.8	▲	Ⓡ
Supplementary Taxes	3-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	16.5	▲	(16.5)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	15.9	▲	(15.9)	▼	⊙	0.0	—	5.0	—	(5.0)	—	⊙
Tax Penalty Revenue	3-Month	0.0	—	0.3	▲	(0.3)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.4	▲	(0.4)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	(0.3)	▲	0.3	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Interest/Investment Earnings	3-Month	(0.1)	▼	0.1	▲	(0.2)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	(0.0)	—	4.5	▲	(4.5)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	8.8	▲	(8.8)	▼	⊙	0.0	—	2.5	—	(2.5)	—	⊙
Other Corporate Revenues	3-Month	(0.1)	▼	1.1	▲	(1.2)	▼	⊙	0.0	—	0.5	▲	(0.5)	▼	⊙
	6-Month	0.6	▲	1.4	▲	(0.8)	▼	⊙	0.0	—	0.2	▲	(0.1)	▼	⊙
	9-Month	1.6	▲	1.9	▲	(0.2)	▼	⊙	0.0	—	0.3	▲	(0.2)	▼	⊙

Appendix G

Figure 35: 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	
Dividend Income	3-Month	0.0	—	(50.0)	▼	50.0	▲	Ⓜ	0.0	—	0.7	▲	(0.7)	▼	Ⓞ
	6-Month	0.0	—	12.5	▲	(12.5)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	▲	0.0	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
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	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Municipal Land Transfer Tax	3-Month	(0.0)	—	32.4	▲	(32.5)	▼	Ⓞ	(0.0)	—	32.4	▲	(32.5)	▼	Ⓞ
	6-Month	3.3	▲	64.8	▲	(61.5)	▼	Ⓞ	0.3	▲	30.3	▲	(30.0)	▼	Ⓞ
	9-Month	(0.6)	▲	93.2	▲	(93.8)	▼	Ⓞ	(1.4)	▲	83.6	▲	(85.0)	▼	Ⓞ
Third Party Sign Tax	3-Month	0.0	—	11.1	▲	(11.1)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	(0.5)	▼	0.5	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	(0.7)	▼	0.7	▲	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓞ
Parking Authority Revenues	3-Month	0.0	—	0.1	▲	(0.1)	▼	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.6	▲	(0.6)	▼	Ⓞ	0.0	—	(0.5)	▼	0.5	▲	Ⓜ
	9-Month	0.0	—	(0.3)	▲	0.3	▼	Ⓞ	0.0	—	(0.6)	▼	0.6	▲	Ⓜ
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	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ

Appendix G

Figure 36: 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	
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	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Parking Tag Enforcement & Operations Rev	3-Month	0.0	—	(0.2)	▼	0.2	▲	Ⓞ	0.0	—	0.0	—	(0.0)	—	Ⓞ
	6-Month	0.0	—	(10.6)	▼	10.6	▲	Ⓜ	0.0	—	(15.0)	▼	15.0	▲	Ⓜ
	9-Month	0.0	—	(7.0)	▼	7.0	▲	Ⓜ	0.0	—	(15.0)	▼	15.0	▲	Ⓜ
Other Tax Revenues	3-Month	0.1	▲	0.1	▲	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.7	▲	0.7	▲	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	1.0	▲	1.1	▲	(0.1)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Hotel & Lodging Tax	3-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	(5.0)	▼	5.0	▲	Ⓜ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	(5.0)	▼	5.0	▲	Ⓜ









Appendix G

Figure 37: 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	
Woodbine Slots Revenues	3-Month	0.0	—	0.0	—	(0.0)	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	6-Month	0.0	—	0.6	▲	(0.6)	▼	⊕	0.0	—	0.0	—	0.0	—	⊕
	9-Month	0.0	—	0.6	▲	(0.6)	▼	⊕	0.0	—	0.0	—	0.0	—	⊕
Total	3-Month	(0.1)	▼	(4.9)	▼	4.8	▲	⊕	(0.0)	—	33.7	▲	(33.7)	▼	⊕
	6-Month	4.6	▲	86.9	▲	(82.3)	▼	⊕	0.4	▲	6.2	▲	(5.8)	▼	⊕
	9-Month	2.1	▲	105.5	▲	(103.4)	▼	⊕	(1.4)	▼	63.0	▲	(64.3)	▼	⊕
Year-to-Date Net Variance		⊕	>=95%	⊗	<95%	Year-End		⊕	<=100%	⊗	>100%				

Appendix G

Non-Program Revenues

<p>Payments In Lieu of Taxes (PILs):</p> <ul style="list-style-type: none"> As of September 2017, a \$7.798 million unfavourable variance was realized due to: <ul style="list-style-type: none"> \$7.5 million unfavourable in assessment-based levies due to decreases in assessment and shifts from PIL to taxable assessment, \$0.5 million unfavourable due to posted appeals and expected appeals to be processed were higher than budget, offset by \$0.2 million favourable because Heads & Beds levies were higher than budget. 		<ul style="list-style-type: none"> At year-end, a \$7.798 million unfavourable variance is projected which is primarily related to the transfer of PIL to tax property. 	
<p>Supplementary Taxes:</p> <ul style="list-style-type: none"> A favourable variance of \$15.936 million was realized due to the change of timing of supplementary roll delivery. 		<ul style="list-style-type: none"> The year-end actual is projected to be \$40.000 million due to higher than budgeted assessed values and number of properties. 	
<p>Tax Penalties:</p> <ul style="list-style-type: none"> The unfavourable variance of \$0.332 million was realized as a result of interest revenue, after provision adjustment, being slightly lower than plan. 		<ul style="list-style-type: none"> Projected to be on budget at year-end. 	
<p>Interest & Investment Earnings:</p> <ul style="list-style-type: none"> The favourable variance of \$8.829 million is due to: <ul style="list-style-type: none"> More active short term fund and working capital management Earlier realization of capital gains 		<ul style="list-style-type: none"> New investment tools (high interest saving account - HISA and high interest notice account - HINA, and GICs) acquired for short term fund in 2017. 	

		<ul style="list-style-type: none"> The above-market rates in these new HISA / HINA deposit accounts are not contracted and not sustainable in the long term. As Bank of Canada increases rates, these above-market bank rates started to decrease and likely reverting back to market rate. The rate was already reduced once since the Bank of Canada raised the rates; therefore, this unforecasted increase in income is not necessarily sustainable. 	
Other Corporate Revenues: <ul style="list-style-type: none"> Slightly favourable variance was the result of higher than planned sundry revenue and higher revenues from Gaming & Registry account. 	G	<ul style="list-style-type: none"> Slightly favourable variance is projected as a result of higher than budgeted sundry revenue and higher revenues from Gaming & Registry account. 	G
Dividend Income: <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Forecast to be on budget at year-end. 	G
Provincial Revenue: <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Forecast to be on budget at year-end. 	G
Municipal Land Transfer Tax (MLTT): <ul style="list-style-type: none"> Other Expenditures for the first 9 months of 2017 are lower than budget by \$0.599 million. This was mainly due to lower than expected transactions and IDC costs. Revenue is higher than budget by \$93.211 million for the first 9 months of this year. This is mainly due to higher than expected sales revenue during this period. 	G	<ul style="list-style-type: none"> The year-end expenditures are projected to have a favourable variance of \$1.414 million. It is due to a potential slow-down of sales activities (due to new Provincial legislations to cool the real estate market, and increase of interest rate) in the balance of this year. Assuming a slow-down of sales activities (described above) for the rest of 2017, the 	G

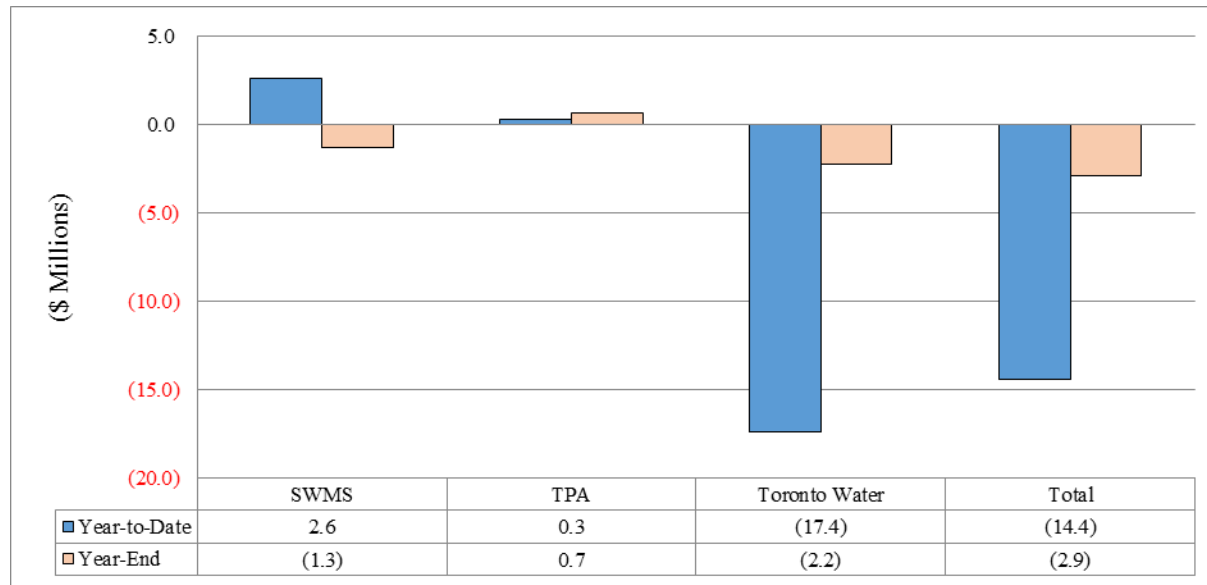
		favourable variance of year-end revenue is estimated to be \$83.586 million.	
Third Party Sign Tax: <ul style="list-style-type: none"> Unfavourable year-to-date variance of \$0.710 million is due to a reduction in the number of taxable signs together with interest and penalty fees that the program haven't yet collected/billed. 	R	<ul style="list-style-type: none"> Forecast to be on budget at year-end 	G
Parking Authority Revenues: <ul style="list-style-type: none"> Year-to-date unfavourable variance of \$0.260 million is a result of lower off-street revenue than plan. 	G	<ul style="list-style-type: none"> Projected unfavourable variance of \$0.565 million due to lower off-street revenue primarily from closures of CP's #32, #1, and #262. The unfavourable variance is partially offset by higher transaction volume stemming from the GreenP app adoption. 	R
Administrative Support Recoveries – Toronto Water: <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	G
Administrative Support Recoveries – Health & EMS: <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Projected to be on budget at year-end. 	G
Parking Tag and Enforcement Operations: <ul style="list-style-type: none"> Revenue is unfavourable by \$7.008 million due to fewer tickets being issued, delayed implementation of APS, removal of fixed fines, prosecutor intervention at counters and MTO Fees recoveries from vehicle owners. 	R	<ul style="list-style-type: none"> Revenue is expected to be unfavourable by \$15.042 by year-end due to ongoing fewer tickets being issued, delayed implementation of APS, removal of fixed fines, prosecutor intervention at counters 	R

<ul style="list-style-type: none"> 1,685,400 parking tickets issued to September 30, 2017. 		<p>and MTO Fees recoveries from vehicle owners.</p> <ul style="list-style-type: none"> 2,268,000 tickets expected to be issued by year-end. 	
<p>Other Tax Revenues:</p> <ul style="list-style-type: none"> As of September 2017, an unfavourable variance of \$0.116 million was realized, as a result of the following: <ul style="list-style-type: none"> \$0.674 million favourable because levies on Hydro properties were higher than budgeted, offset by \$0.69 million unfavourable resulting from appeals posted and required provision being more than budgeted. 	G	<ul style="list-style-type: none"> It is anticipated that posted and pending appeals will result in this account reaching budget by year-end. 	G
<p>Hotel and Lodging Tax:</p> <ul style="list-style-type: none"> As planned for this period. 	G	<ul style="list-style-type: none"> Unfavourable variance of \$5 million is projected for year-end as a result of delayed implementation. 	R
<p>Woodbine Slots:</p> <ul style="list-style-type: none"> Year-to-date higher than planned electronic gaming revenues at Woodbine Slots. 	G	<ul style="list-style-type: none"> Projected to be on budget at year-end 	G

Appendix G

Rate Supported Programs

Figure 38: Net Variance Summary



Rate Supported Programs, which include Solid Waste Management Services, Toronto Parking Authority and Toronto Water, have reported a favourable net variance \$14.431 million at the end of the third fiscal quarter, and are projecting a positive year-end variance of \$2.886 million as outlined in Figure 38 above.

Appendix G



Figure 39: 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	(1.5)	▼	(5.0)	▼	3.5	▲	Ⓜ	(6.5)	▼	(2.9)	▼	(3.6)	▼	Ⓞ
	6-Month	16.5	▲	23.7	▲	(7.2)	▼	Ⓞ	(6.1)	▼	(2.5)	▼	(3.6)	▼	Ⓞ
	9-Month	26.2	▲	23.6	▲	2.6	▼	Ⓜ	(2.1)	▼	(0.8)	▼	(1.3)	▼	Ⓞ
Toronto Parking Authority	3-Month	(0.6)	▼	(0.7)	▼	0.1	▲	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.8)	▼	0.0	—	(0.8)	▼	Ⓞ	0.9	▲	0.2	▲	0.7	▲	Ⓜ
	9-Month	(3.1)	▼	(3.4)	—	0.3	▼	Ⓜ	(2.5)	▲	(3.2)	▲	0.7	▲	Ⓜ
Toronto Water	3-Month	(4.0)	▼	5.4	▲	(9.4)	▼	Ⓞ	(12.1)	▼	2.1	▲	(14.1)	▼	Ⓞ
	6-Month	0.4	▲	31.7	▲	(31.3)	▼	Ⓞ	(13.7)	▼	2.6	▲	(16.3)	▼	Ⓞ
	9-Month	(5.8)	▲	11.6	▲	(17.4)	▼	Ⓞ	(14.2)	▼	(11.9)	▲	(2.2)	▼	Ⓞ
Total	3-Month	(6.1)	▼	(0.2)	▼	(5.8)	▼	Ⓞ	(18.5)	▼	(0.8)	▼	(17.7)	▼	Ⓞ
	6-Month	16.1	▲	55.4	▲	(39.3)	▼	Ⓞ	(18.9)	▼	0.3	▲	(19.2)	▼	Ⓞ
	9-Month	17.4	▲	31.8	▲	(14.4)	▼	Ⓞ	(18.7)	▼	(15.9)	▼	(2.9)	▼	Ⓞ
Year-to-Date Net Variance		Ⓞ	<=100%	Ⓜ	>100%	Year-End		Ⓞ	<=100%	Ⓜ	>100%				

Appendix G

Rate Supported Programs

<p>Solid Waste Management Services (SWMS):</p> <ul style="list-style-type: none">• Under-expenditures totaling \$4.02 million mainly arise from a combination of salaries and benefits savings of \$3.69 million due to vacancies in Collections and Litter Operations.<ul style="list-style-type: none">• There was also year-to-date savings of \$0.33 million due lower than planned Payments in Lieu of Taxes.• These savings are offset by higher than planned expenditures of \$30.22 million mainly for contracted services, capital contributions and inter-divisional charges for fleet maintenance.<ul style="list-style-type: none">• Contracted collection and processing services over-spending of \$8.09 million includes waste, recyclables and organics (SSO) collection with associated transfer and haulage costs (\$1.15 million). More spending than expected (\$6.94 million) was due the impact of the new accrual policy implementation.• Unplanned debt service charges as well as earlier than planned reserve contributions resulted in over-spending of \$18.19 million. A further \$2.84 million over-spend was due to additional charges to maintain the aging fleet including unbudgeted accruals.• Utility costs were \$0.92 million more than planned due to consumption rate of hydro at transfer stations and natural gas for vehicles.	R	<ul style="list-style-type: none">• Projecting a net capital contribution increase of \$1.327 million at year end.• Expenditures are estimated to be \$2.09 million under-spent primarily related to ongoing staff vacancies (\$3.5 million), lower contracted services cost (\$1.0 million) including lower projected tonnages of organics and leaf & yard waste, garbage, durable goods and recycling, lower anticipated charges for Revenue Services (\$0.5 million) and lower than planned communications costs (\$0.3 million). These savings will be offset by:<ul style="list-style-type: none">• Net over-spending of \$2.07 million is projected for Collections & Litter Operations due to contamination issues and variances in tonnage estimates.• Net over-spending of \$1.05 million projected for fleet maintenance costs.• Revenue is anticipated to be \$0.77 million less than budget at year-end.<ul style="list-style-type: none">• \$1.94 million in under-achieved revenue is mainly driven by the decline in the volume of multi-residential user fees and lower bags & tags fees due to lower volumes.	G
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<ul style="list-style-type: none"> Higher than planned revenue of \$27.81 million was primarily due to the impact of the new accrual policy implementation. This was mainly experienced in Stewardship Funding (\$17.13 million), Tipping Fees (\$2.57 million), Residual Processing Fees (\$1.36 million) and Sale of Recyclables and Scrap (\$6.49 million). <ul style="list-style-type: none"> Offsetting reduced revenues of \$4.23 million were due to Bin Fees (\$3.53 million), delayed Transfer from Capital (\$0.399 million) as a result of the delay in capital projects and less than planned recoveries from Special Events (\$0.270 million). Combined, this results in a Net Over-expenditure of \$2.63 million or 30.4% as of the 3rd quarter. 		<ul style="list-style-type: none"> \$0.78 million in under-achieved revenue due to slow start-up of special event clean-up fees. \$0.20 million additional revenue is projected due to anticipated recoveries from the operator related to hydro usage at the Disco Road Transfer Station. \$1.75 million additional revenue for projected increased recoveries from the sale of recyclable material and scrap primarily due to market prices for fibre. Total net under-expenditures at year-end will be contributed to the Waste Management reserve fund to support the SWMS Capital program. 	
<ul style="list-style-type: none"> SWMS was 91 positions below total approved complement due to an on-going recruiting process which, after considering budgeted gapping, is equivalent to a 3.9% operating vacancy rate. The Program continues to have difficulty recruiting qualified candidates for positions such as the Solid Waste Load Operator, Heavy Equipment Operator, and skilled trade roles. <ul style="list-style-type: none"> Of the total position variance, 21 positions are being held vacant in order to facilitate backfilling for staff participating in the TGP (Talent Growth Plan). 		<ul style="list-style-type: none"> It is projected that SWMS will be 85 positions below the total approved complement of 1,113.7 positions due to on-going recruiting issues and provision for the TGP. <ul style="list-style-type: none"> After considering budgeted gapping for 2017, this equates to an operating vacancy rate of 3.4%. 	
<p>Toronto Parking Authority:</p> <ul style="list-style-type: none"> Favourable gross expenditure variance of \$3.092 million mainly due to lower than anticipated utility costs, parking equipment repair costs, depreciation and municipal taxes, partially offset by higher credit 		<ul style="list-style-type: none"> Projected favourable gross expenditure variance of \$2.507 million mostly due to lower utility costs, parking equipment repair costs, depreciation and municipal taxes. It 	

<p>card processing fees, security costs for downtown garages and corporate offices, as well as rent expenses for managed lots and higher cost of the Bike Share Program.</p> <ul style="list-style-type: none"> • Lower than anticipated off-street parking revenues, mostly due to closure of downtown garages, and loss of sponsorship revenue in the Bike Share Program, are partially offset by an increase in on-street revenues due to higher transaction volume from the Green P app adoption, resulting in an unfavourable revenue variance of \$3.398 million. • Unfavourable year to date net variance is \$0.306 million. 		<p>is anticipated that savings from on-street and off-street parking will be offset by higher rent expenses for managed lots and credit card processing fees.</p> <ul style="list-style-type: none"> • Projected increase in on-street parking revenues will be offset by a loss of off-street parking revenue due to closure of Carparks 1, 32 and 262, as well as loss of sponsorship revenue for the Bike Share Program resulting in a projected unfavourable revenue variance of \$3.197 million. • Year-end projected net revenue shortfall of \$0.691 million is due to the Bike Share Program net revenue shortfall. On-Street and Off-Street Parking net revenues are projected on budget. 	
<ul style="list-style-type: none"> • 8 positions or 2.5% below approved. There is no budgeted gapping. 		<ul style="list-style-type: none"> • Projecting staff strength of 317.5 is 6 positions or 1.9% below the staff complement of 323.5 positions. 	
<p>Toronto Water:</p> <ul style="list-style-type: none"> • Favourable gross expenditure variance of \$5.751 million: underspending in salaries and benefits as a result of vacancies, lower than anticipated demand for chemicals, professional and technical services and lower than anticipated payments in-lieu of taxes totalling \$10.890 million, were offset by over expenditure from interdivisional charges and hydro billings as a result of advance postings previously not planned. • Favourable revenue variance of \$11.613 million is primarily due to late postings of sale of water and 		<ul style="list-style-type: none"> • Projected gross under-expenditure of \$14.150 million at year end, primarily because of projected underspending in salaries and benefits due to vacancies, lower than anticipated hydro rates and more efficient usage, underspending in chemicals as a result of efficiencies from process changes at wastewater treatment plants, and savings in parts, materials and professional and technical services mostly due to a milder winter. 	

<p>industrial waste agreement revenues (\$17.980 million), and an overall increase in a volume of new sewer service connections and private water agreements (\$6.376 million).</p> <ul style="list-style-type: none"> • Favourable net variance is \$17.365 million. It is anticipated that variances resulting from unplanned postings will be reduced gradually by the year-end. 		<ul style="list-style-type: none"> • Revenues are projected to be lower than budgeted by \$11.9 million as a result of lower volume sold due to a wet spring and summer, offset by an increase in new water and sewer service connections and private water agreements. • Projected favourable year-end net variance is \$2.250 million. 	
<ul style="list-style-type: none"> • 156.4 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 5.8% operating vacancy rate. • 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. • The 2010-2020 Strategic Plan includes enhancement of recruiting strategies and development and implementation of an Enterprise Knowledge Retention Program. 		<ul style="list-style-type: none"> • It is anticipated that there will be 140 positions below approved complement, which equals to 5.3% operating vacancy rate after considering budgeted gapping. 	