



## REPORT FOR ACTION

### Operating Variance Report for the Five Months Ended May 31, 2020

**Date:** July 7, 2020

**To:** Executive Committee

**From:** Chief Financial Officer and Treasurer

**Wards:** All

#### SUMMARY

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The purpose of this report is to provide City Council with the Operating Variance for the five months ended May 31, 2020 as well as projections to year-end. This report also requests City Council's approval for amendments to the 2020 Approved Operating Budget that have no impact on the City's 2020 Approved Net Operating Budget.

Since mid-March, the City of Toronto, consistent with other major Canadian and GTHA municipalities has been experiencing significant financial impacts, both in the form of added costs and revenue losses as a direct result of the COVID-19 pandemic.

COVID-19 related financial impacts are anticipated to total \$1.9 billion by year-end for the City's Tax Supported Programs, prior to offsets achieved through a series of implemented mitigation strategies that focus on spending and workforce restraints, reducing the year-end shortfall to a projected \$1.350 billion.

- These items are expected to collectively generate \$547.8 million in total offset by year-end, comprised of \$513.7 million in savings from workforce restraints, spending constraints and cost avoidance; \$34.1 million in added offsets available from budget variance; and include 9,980 staff that had been placed on emergency leave within City programs and approximately 2,000 added staffing impacts estimated within City agencies.

The following table summarizes the anticipated year-end COVID-19 financial Impacts, projected offset from mitigations strategies and the resulting financial position of the City's Tax Supported Operations as of May 31, 2020 and the projection at year-end:

Table 1: Tax Supported Operating Variance Summary

Variance (\$M) Favourable / (Unfavourable)	2020 5M YTD			2020 Year-End Projection		
	Budget	Actual	Var	Budget	Actual	Var
<b>Forecast COVID-19 Financial Impacts</b>				<b>4,440.6</b>	<b>6,337.8</b>	<b>(1,897.3)</b>
Implemented Mitigation Strategies reflected in Year-End Projection				N/A	(547.8)	(547.8)
<b>Tax Supported Operating Variance Summary Including Mitigation Savings</b>						
City Operations	922.4	925.8	(3.4)	2,444.9	2,640.6	(195.8)
Agencies	915.1	1,097.7	(182.6)	2,166.6	2,874.7	(708.1)
Corporate Accounts	(112.9)	(85.2)	(27.7)	(187.0)	249.1	(436.1)
<b>Total Variance</b>	<b>1,724.7</b>	<b>1,938.4</b>	<b>(213.7)</b>	<b>4,424.5</b>	<b>5,764.4</b>	<b>(1,340.0)</b>
Less: Toronto Building*	(5.8)	(3.3)	(2.5)	(16.1)	(25.6)	9.5
<b>Adjusted Variance</b>	<b>1,730.5</b>	<b>1,941.6</b>	<b>(211.1)</b>	<b>4,440.6</b>	<b>5,790.1</b>	<b>(1,349.5)</b>
<b>% of Gross Budget</b>			<b>-5.0%</b>			<b>-11.6%</b>

### Year-to-Date and Year-End Spending Results:

As noted in Table 1 above, for the five months ended May 31, 2020 Tax Supported Operations experienced an unfavourable net variance of \$211.1 million or 5.0% of planned expenditures. This is mainly driven by COVID-19 related cost and revenue impacts experienced beginning from mid-March onwards. The impact on the year-to-date results are reflected in the following areas:

- Toronto Transit Commission - Conventional Service (\$190.0 million unfavourable) primarily due to significant loss of ridership revenue from the impact of COVID-19. Ridership losses peaked at 86% below budget in late April and are currently projected to be 80% below budget through the summer. This was partially offset by the implementation of cost containment strategies and matching service capacity to demand.
- Shelter Support and Housing Administration (\$11.5 million unfavourable) primarily due to unplanned COVID-19 related expenditures related to new physical distancing measures implemented in the City's shelter system, as well as underachieved revenues in Hostels and the Social Housing Service.

- Court Services (\$9.4 million unfavourable) due to underachieved revenues resulting from lower than plan ticket issuance and partial suspension of collection activities due to COVID-19.

For year-end, the City is projecting \$1.9 billion in COVID-19 related financial impacts, reduced by \$547.8 million from offset generated through \$513.7 million in mitigation strategies/cost avoidance and \$34.1 million in offsets from budget variance for a net unfavourable variance of \$1.350 billion or 11.6% of the 2020 Gross Operating Budget, adjusted for Toronto Building. The unfavourable variance is primarily driven by COVID-19 financial impacts, resulting in increased emergency social support costs such as Shelter, Seniors Services and Long Term Care, as well as lost revenue in City Services such as TTC, Zoo, Exhibition Place, and Corporate revenues such as Municipal Land Transfer Tax and Municipal Accommodation Tax.

As noted, the projected year-end pressure resulting from COVID-19 related financial impacts of \$1.9 billion has been lessened to \$1.350 billion through a series of mitigation strategies and other offsets, these include:

\$513.7 million in projected savings generated through mitigation strategies and cost avoidance as detailed below:

- Workforce restraints including redeployment of staff to critical and essential service areas; implementing emergency and seasonal / part-time staff layoffs; the implementation of a hiring slowdown; and savings generated from labour negotiations.
  - Workforce restraints have resulted in 9,980 City staff being placed on emergency leave, some of which have since returned back from leave, along with approximately 2,000 added staffing impacts estimated within City agencies.
- Spending restraints such as matching transit service capacity to demand; reducing discretionary spending; reviewing all services for criticality (prioritize critical, essential and priority services).
- Cost avoidance arising from expenditure management and tracking and forecasting COVID-19 related savings.

An additional \$34.1 million in offsets are available from budget variance experienced within MLTT revenues from January 1 to March 31 that will be used to reduce COVID-19 related MLTT financial impacts.

Based on these initiatives, the City has achieved \$188.4 million in offsets within its Tax-Supported programs as of June 28, 2020 and expects to generate a total of \$547.8 million in offset by year-end.

- It is important to note that the projected savings generated through mitigation strategies and cost avoidance are in part based on the City's experience during the pandemic and may either increase or decrease as the emergency situation better

or worsens, consistent with the rate that recovery and restart initiatives begin across the City.

The City Manager and Chief Financial Officer and Treasurer continue to engage with their Federal and Provincial counterparts to obtain funding support for municipalities to offset projected deficits resulting from COVID-19 related financial impacts.

- The City Manager will be reporting to Council in September on the results of these discussion, noting any full or partial offsets to the projected year-end deficit.
- The City Manager will also be reporting to the July Council meeting, providing details on experienced and anticipated COVID-19 related financial impacts along with further mitigation options that would need to be considered by Council during their meeting of September 2020, if municipalities continue to receive inadequate financial support from the Federal and Provincial governments.

### Rate Supported Programs:

Rate Supported Programs reported an unfavourable year-to-date variance of \$8.8 million. The unfavourable variance is attributed to lower than budgeted revenue primarily from Toronto Parking Authority. At year-end, an unfavourable projected variance is anticipated to be \$100.9 million, again primarily driven by significantly lower revenues from Toronto Parking Authority.

Rate Supported Programs are funded entirely by the user fees that are used to pay for the services provided and the infrastructure to deliver them. Solid Waste Management Services and Toronto Water's respective year-end surpluses, if any, must be transferred to the Wastewater and Water Stabilization Reserves and Waste Management Reserve Fund, respectively, to finance capital investments and ongoing capital repairs and maintenance

Table 2: Rate Supported Operating Variance Summary

Variance (\$M) Favourable / (Unfavourable)	2020 5M YTD			2020 Year-End Projection		
	Budget	Actual	Var	Budget	Actual	Var
Solid Waste Management Services	(30.8)	(36.2)	5.4	0.0	(4.5)	4.5
Toronto Parking Authority	(27.5)	(3.9)	(23.6)	(70.1)	26.3	(96.4)
Toronto Water	(142.3)	(151.7)	9.3	0.0	9.0	(9.0)
<b>Total Variance</b>	<b>(200.6)</b>	<b>(191.8)</b>	<b>(8.8)</b>	<b>(70.1)</b>	<b>30.8</b>	<b>(100.9)</b>

## **RECOMMENDATIONS**

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The Chief Financial Officer and Treasurer recommends that:

1. City Council approve the budget adjustments and any associated complement changes detailed in Appendix D1 and Appendix D2 to amend the 2020 Approved Operating Budget, such adjustments to have no impact on the 2020 Approved Net Operating Budget of the City.

## **FINANCIAL IMPACT**

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As of May 31, 2020 the City experienced an unfavourable variance of net revenues and expenses of \$211.1 million. The City is projecting for December 31, 2020 an unfavourable variance of net revenues and expenditures of \$1.350 billion.

Appendices A, B and C provide detailed summary of gross expenditures, revenue and net expenditures for the five month results and projections to year-end by Program and Agency, respectively. Appendix D details the recommended in-year budget adjustments that are fiscally neutral to the 2020 Approved Operating Budget.

## **DECISION HISTORY**

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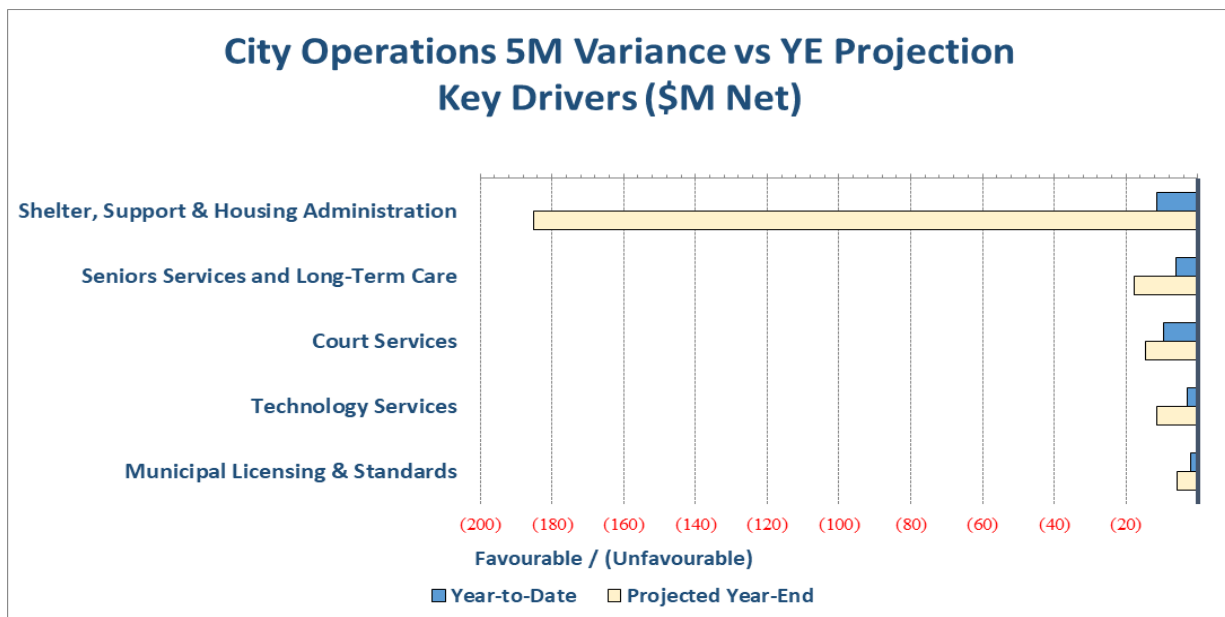
City Council approved the 2020 Rate-Supported Operating Budget of \$931 million gross and \$70 million net revenue (December 17 & 18, 2019) and the 2020 Tax Supported Operating Budget of \$11.593 billion gross and \$4.424 billion net (February 19, 2020). This report is provided pursuant to financial 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 2020 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management policies.

## COMMENTS

### City Operations:

As of May 31, 2020, City Operations reported a favourable gross expenditure variance of \$105.3 million (5%) offset by a revenue shortfall of \$108.7 million (-8%), resulting in an unfavourable net variance of \$3.4 million (-0.4%).

Year-end projections include a small favourable gross expenditure variance of \$3.7 million (0.1%) that is fully offset by a revenue shortfall of \$199.5 million (-6%). As a result, the year-end unfavourable net variance is forecasted to be \$195.8 million (-8%). The key drivers of the favourable net variances are outlined in Figure 1 below:  
 Figure 1: City Operations Variance Summary of Key Program Drivers



- Shelter, Support & Housing Administration: An unfavourable year to date net expenditure variance of \$11.5 million primarily attributable to underachieved revenues in Hostels and the Social Housing Service, partially offset by underspending in these services. The year-end variance is projected to be an unfavourable net expenditure of \$185.2 million primarily attributable to unplanned COVID-19 related expenditures related to new physical distancing measures implemented in the City's shelter system as well as underachieved revenues.
- Seniors Services and Long-Term Care: An unfavourable year to date net variance of \$6.2 million reflects the additional cost of prevention and containment measures in place for COVID-19. By year-end, the program is expected to have an unfavourable net variance of \$17.6 million if COVID-19 emergency funding is not provided by the province to support the extraordinary costs related to the COVID-19 outbreak.

- **Court Services:** An unfavourable year to date net variance of \$9.4 million primarily due to underachieved revenues resulting from lower than plan ticket issuance and partial suspension of collection activities due to COVID-19 partially offset by underspending in salaries and benefits and non-payroll expenses. Consistent with year-to-date results, a \$14.7 million net unfavourable variance is projected for year-end partially offset by hiring delays and savings in non-salary court operation related expenses.
- **Technology Services:** An unfavourable year to date net variance of \$3.0 million due to over expenditure required to enable City-wide staff to telework as a result of COVID 19 and lower than planned recoveries from capital. Consistent with year-to-date results, an unfavourable net variance of \$11.4 million is projected for year-end with continued expenditures from increasing the teleworking capacity and cybersecurity investments to meet associated security requirements.
- **Municipal Licensing & Standards:** An unfavourable year to date net variance of \$1.9 million due to lower than planned revenue primarily from licenses & permits including business licences as well as other fees and service which was partially offset from underspending in salaries and benefits. A similar trend is expected to continue, resulting in a projected unfavourable net variance of \$5.8 million by year-end.

### **Agencies:**

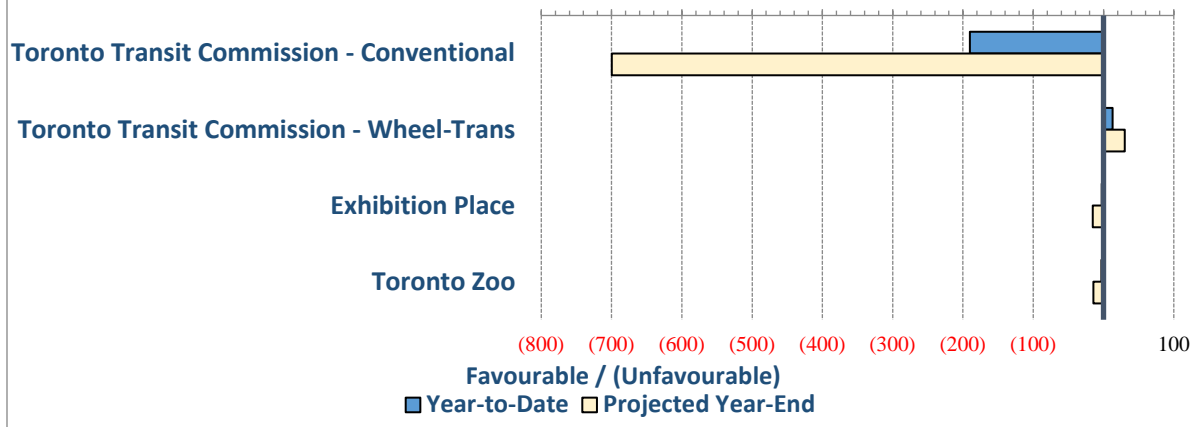
As of May 31, 2020, Agencies reported a favourable gross expenditure variance of \$81.6 million (5%), offset by unfavourable revenue of \$264.1 million (-38%), which resulted in an unfavourable net variance of \$182.6 million (-20%).

Agencies are projecting a year-end favourable gross expenditure of \$160.8 million (4%), however they are also projecting a revenue shortfall of \$868.9.0 million (-46%). As a result, the year-end unfavourable net variance is forecasted to be \$708.1 million (-33%).

The key drivers of the unfavourable net variances are outlined below:

Figure 2: Agencies Variance Summary of Key Program Drivers

## Agencies 5M Variance vs YE Projection Key Drivers (\$M Net)



- Toronto Transit Commission - Conventional Service:** An unfavourable year to date net variance of \$190.0 million mainly attributable to a significant loss of ridership revenue from the impact of COVID-19. Ridership losses peaked at 86% below budget in late April and are currently projected to be 80% below budget through the summer. This was partially offset by the implementation of cost containment strategies and matching service capacity to demand. By year-end, the program is expected to have an unfavourable net variance of \$699.6 million primarily due to ridership revenue continuing to be significantly impacted by COVID-19 with the assumption that 30% ridership will be achieved by fall of 2020. The ridership projections are heavily dependent on the pace of reopening by the Province and the City which can significantly alter revenue projections.
- Toronto Transit Commission - Wheel Trans Service:** A favourable year to date net variance of \$13.0 due to the implementation of cost containment strategies and matching service capacity to demand which partially offset by lower ridership revenue due to the impact of COVID-19. Consistent with year-to-date results, a \$30.1 million net favourable variance is projected for year-end.
- Exhibition Place:** An unfavourable year to date net variance of \$2.6 million due to lower than planned expenditure and revenue from the postponement and cancellation of non-essential events. By year-end, the program is expected to have an unfavourable net variance of \$15.4 million with the assumption that event operations will resume in the fall.



- Toronto Zoo: An unfavourable year to date net variance of \$3.1 million due to lower than planned revenue due to Zoo closure from March 14 to May 19 as a result of COVID-19. The revenue shortfall is partially offset by the launch of the Scenic Safari and by the implementation of cost saving measures resulting in favorable gross expenditures. Consistent with year-to-date results, a \$14.6 million net unfavourable variance is projected for year-end.

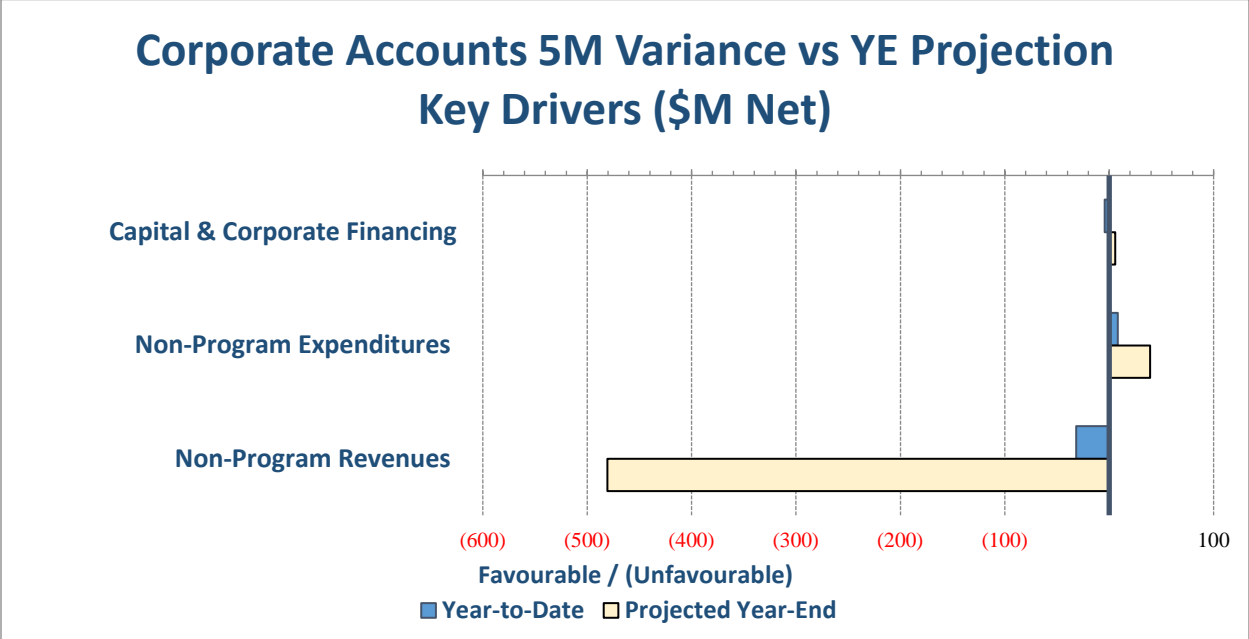
**Corporate Accounts:**

As of May 31, 2020, Corporate Accounts reported a small unfavourable gross expenditure variance of \$0.1 million offset by a revenue shortfall of \$27.6 million (-5%), resulting in an unfavourable net variance of \$27.7 million (-25%).

The projected year-end favourable gross expenditure variance of \$49.9 million (3%) is offset by a revenue shortfall of \$486.0 million (-26%). As a result, the year-end unfavourable net variance is forecasted to be \$436.1 million (-233%).

The following key drivers have contributed to the unfavourable net variances:

Figure 3: Corporate Accounts Variance Summary of Key Drivers



- Capital & Corporate Financing: A year-to-date unfavourable net variance of \$4.3 million associated with Debt Charges results from the timing of debt issuance compared to calendarized budget estimates. A favourable year-end net variance of \$5.7 million is projected due to lower than forecasted 2020 debt interest rates.

- **Non-Program Expenditures:** A favourable net variance of \$8.1 million due to under expenditure from Parking Enforcement related to lower enforcement activities as a result of COVID-19. The trend is expected to continue to year-end, and along with the under expenditure on Other Corporate Expenditures will result in a year-end overall net favourable variance of \$39.0 million in Total Non-Program Expenditures.
- **Non-Program Revenues:** A unfavourable net variance of \$31.5 million due to impacts from COVID-19 resulting in lower than planned revenues for Municipal Accommodation Tax, Interest and Investment Earnings, Parking Enforcement and Tax Penalty. In addition to year-to-date results, potential lower than budgeted revenue, primarily driven by Municipal Land Transfer Tax, and also includes Toronto Hydro Dividend Income based on the earnings realized in 2019 and lower Casino Woodbine revenues combined, will result in a year-end net unfavourable variance of \$480.7 million.
  - The COVID-19 impacts on MLTT revenue are generally delayed by 60 to 90 days and as a result limited post-COVID experience is available to draw from to establish year-end projections. Impact over the four week period from May 24 to June 21 totalled an estimated \$37.2 million or \$9.3 million per week on average. Staff will continue to monitor sales, listings and closing transaction data throughout the year, with focus on the next few months to determine changes that may occur as recovery and restart initiatives begin across the City and region.

## Rate Programs

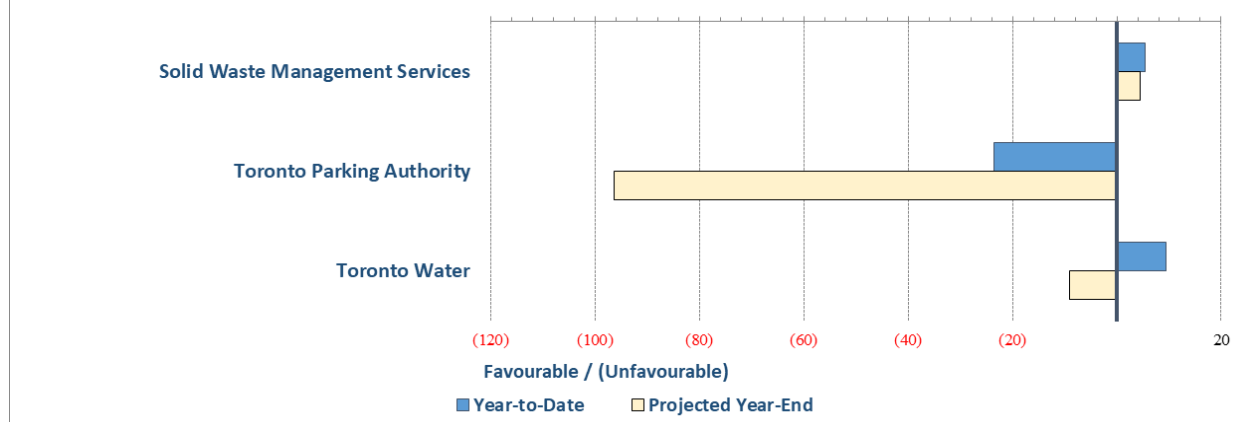
As of May 31, 2020, Rate Programs reported a favourable gross expenditure of \$18.7 million (4%) offset by a revenue shortfall of \$27.5 million (-4%), resulting in an unfavourable net variance of \$8.8 million (4%).

The projected year-end favourable gross expenditure of \$60.1 million (3%) is fully offset by a revenue shortfall of \$161.0 million (-8%). As a result, the year-end unfavourable net variance is forecasted to be \$100.9 million (-144%).

The following key drivers have contributed to the unfavourable net variances:

Figure 4: Rate Supported Expenditure Variance Dashboard

### Rate Programs 5M Variance vs YE Projection Key Drivers (\$M Net)



- Solid Waste Management Services:** A favourable year-to-date net variance of \$5.4 million net primarily from lower than planned salaries and benefits as well as underspending in processing, transfer & haulage expenditures which is offset by lower than planned revenues due to decreased tipping fees at Transfer Stations and reduced quantity of residual disposal fees paid by recycling processor. Consistent with year-to-date results, a \$4.5 million net favourable variance is projected for year-end.
- Toronto Parking Authority:** An unfavourable year-to-date net variance of \$23.6 million due to unfavourable revenue primarily driven by lower Off-Street and On-Street parking and Bike Share due to decreased transaction volume trends resulting from COVID-19. This was partially offset by favourable gross expenditure due to underspending of salaries, wages and benefits mainly from the deferral of the summer student program, and staff on Emergency Leave. By year-end, the program is expected to have an unfavourable net variance of \$96.4 million due to factors that are consistent with year-to-date results.
- Toronto Water:** A favourable year-to-date net variance of \$9.3 million due to lower than planned labour costs that have been experienced as well as lower hydro rates and water consumption due to continued efficiency initiatives. Overall, revenues are over achieved from higher than anticipated revenue from private water agreements as ground water discharge continued despite some COVID-19 related construction site closures as well as higher increased volume of water-main connections. By year-end, the program is expected to have an unfavourable net variance of \$9.0 million due to revenue pressures from lower than planned consumption of water, including sale of water to Region of York. This is partially offset from underspending mainly in salaries and benefits due to a hiring slow down as a result of COVID-19.

## **COVID-19 Impact:**

COVID-19 financial impacts are now trending to \$1.9 billion to year-end for Tax Supported Programs when you incorporate and trend the cost experienced and Provincial and Federal funding received over the first 15 weeks since declaring an emergency in mid-March.

The \$1.9 billion trend to year-end reconciles to the \$1.350 billion year-end projected unfavourable variance when you factor \$547.8 million in projected savings to be generated by year-end through cost mitigation strategies implemented to offset 2020 COVID-19 financial impacts.

Consistent with 2020 budget approval, management continues to focus on outcomes as well as providing and meeting service levels. Due to COVID-19 impacts, changes in service delivery has become a necessity and priority to achieve defined outcomes.

## **CONTACT**

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## **SIGNATURE**

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Heather Taylor  
Chief Financial Officer and Treasurer

## **ATTACHMENTS**

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Appendix A – City of Toronto Net Expenditures for Five Months Ended May 31, 2020  
Appendix B – City of Toronto Gross Expenditures for Five Months Ended May 31, 2020  
Appendix C – City of Toronto Revenues for Five Months Ended May 31, 2020  
Appendix D1/D2 – Pending Budget Adjustments  
Appendix E – Operating Variance Dashboard for City Programs and Agencies

# Appendix A

## CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE FIVE MONTHS ENDED MAY 31, 2020 (\$000s)

	May 31, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Community and Social Services</b>								
Housing Secretariat	436	450	(13)	-3%	535	1,127	(592)	-111%
Children's Services	11,432	10,077	1,355	12%	91,376	88,916	2,460	3%
Court Services	(14,323)	(4,919)	(9,404)	66%	(39,867)	(25,195)	(14,673)	37%
Economic Development & Culture	41,784	41,628	156	0%	76,731	75,585	1,146	1%
Toronto Paramedic Services	26,117	29,703	(3,586)	-14%	88,707	89,668	(961)	-1%
Seniors Services and Long-Term Care	3,170	9,328	(6,157)	-194%	49,640	67,266	(17,626)	-36%
Parks, Forestry & Recreation	105,624	96,972	8,652	8%	324,106	323,711	395	0%
Shelter, Support & Housing Administration	229,969	241,435	(11,466)	-5%	507,266	692,412	(185,146)	-36%
Social Development, Finance & Administration	22,976	15,899	7,077	31%	58,965	51,482	7,483	13%
Toronto Employment & Social Services	30,999	25,995	5,004	16%	89,986	74,226	15,759	18%
<b>Sub-Total Community and Social Services</b>	<b>458,184</b>	<b>466,568</b>	<b>(8,384)</b>	<b>-2%</b>	<b>1,247,443</b>	<b>1,439,198</b>	<b>(191,755)</b>	<b>-15%</b>
<b>Infrastructure and Development Services</b>								
City Planning	851	2,718	(1,867)	-219%	13,551	14,306	(755)	-6%
Fire Services	179,625	177,582	2,043	1%	476,631	476,163	467	0%
Office of Emergency Management	569	539	30	5%	2,607	2,917	(310)	-12%
Municipal Licensing & Standards	2,322	4,226	(1,904)	-82%	12,394	18,177	(5,783)	-47%
Policy, Planning, Finance & Administration	3,090	2,796	294	10%	5,439	4,999	440	8%
Engineering & Construction Services	2,555	1,400	1,155	45%	1,833	1,788	45	2%
Toronto Building	(5,784)	(3,262)	(2,522)	44%	(16,147)	(25,627)	9,481	-59%
Transportation Services	98,784	96,453	2,331	2%	226,402	226,339	63	0%
Transit Expansion	0	0	0	n/a	0.59	0	0.6	100%
<b>Sub-Total Infrastructure and Development Services</b>	<b>282,012</b>	<b>282,452</b>	<b>(440)</b>	<b>0%</b>	<b>722,710</b>	<b>719,062</b>	<b>3,648</b>	<b>1%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer	4,703	4,644	59	1%	13,327	13,016	311	2%
Office of the Controller	16,024	17,305	(1,281)	-8%	40,018	44,693	(4,676)	-12%
<b>Sub-Total Finance and Treasury Services</b>	<b>20,727</b>	<b>21,949</b>	<b>(1,222)</b>	<b>-6%</b>	<b>53,345</b>	<b>57,710</b>	<b>(4,365)</b>	<b>-8%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	39,515	38,683	832	2%	104,376	109,845	(5,469)	-5%
Environment & Energy	4,830	3,713	1,117	23%	13,031	10,757	2,274	17%
Fleet Services	6,388	5,176	1,212	19%	27,317	25,176	2,140	8%
Technology Services	43,162	46,182	(3,020)	-7%	91,675	103,106	(11,431)	-12%
311 Toronto	4,213	3,823	390	9%	10,175	10,383	(209)	-2%
<b>Sub-Total Corporate Services</b>	<b>98,108</b>	<b>97,576</b>	<b>532</b>	<b>1%</b>	<b>246,574</b>	<b>259,267</b>	<b>(12,693)</b>	<b>-5%</b>
<b>City Manager</b>								
City Manager's Office	19,683	18,649	1,034	5%	58,276	56,753	1,523	3%
<b>Sub-Total City Manager</b>	<b>19,683</b>	<b>18,649</b>	<b>1,034</b>	<b>5%</b>	<b>58,276</b>	<b>56,753</b>	<b>1,523</b>	<b>3%</b>
<b>Other City Programs</b>								
City Clerk's Office	13,541	13,063	478	4%	38,928	36,546	2,382	6%
Legal Services	18,664	14,636	4,029	22%	41,644	36,238	5,407	13%
Mayor's Office	821	861	(40)	-5%	2,567	2,567	0	0%
City Council	7,259	6,578	681	9%	21,781	21,781	0	0%
<b>Sub-Total Other City Programs</b>	<b>40,284</b>	<b>35,137</b>	<b>5,147</b>	<b>13%</b>	<b>104,920</b>	<b>97,131</b>	<b>7,789</b>	<b>7%</b>
<b>Accountability Offices</b>								
Auditor General's Office	2,055	2,174	(119)	-6%	7,376	7,376	0	0%
Office of the Integrity Commissioner	237	164	73	31%	762	695	67	9%
Office of the Lobbyist Registrar	418	397	21	5%	1,252	1,252	0	0%
Office of the Ombudsman	716	755	(38)	-5%	2,196	2,196	0	0%
<b>Sub-Total Accountability Offices</b>	<b>3,426</b>	<b>3,489</b>	<b>(63)</b>	<b>-2%</b>	<b>11,586</b>	<b>11,518</b>	<b>67</b>	<b>1%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>922,425</b>	<b>925,821</b>	<b>(3,396)</b>	<b>0%</b>	<b>2,444,854</b>	<b>2,640,640</b>	<b>(195,786)</b>	<b>-8%</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

# Appendix A

## CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE FIVE MONTHS ENDED MAY 31, 2020 (\$000s)

	May 31, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Agencies</b>								
Toronto Public Health	20,790	20,193	597	3%	70,829	74,250	(3,421)	-5%
Toronto Public Library	76,290	74,164	2,126	3%	196,695	196,695	0	0%
Association of Community Centres	3,607	3,199	409	11%	8,661	8,611	49	1%
Exhibition Place	(631)	2,006	(2,637)	418%	(500)	14,880	(15,380)	3076%
Heritage Toronto	129	203	(74)	-57%	411	510	(99)	-24%
TO Live	2,669	3,935	(1,266)	-47%	5,599	8,243	(2,644)	-47%
Toronto Zoo	8,586	11,670	(3,084)	-36%	12,772	27,354	(14,582)	-114%
Arena Boards of Management	(770)	274	(1,043)	136%	(108)	2,135	(2,243)	2078%
Yonge Dundas Square	22	551	(529)	-2382%	0	315	(315)	n/a
CreateTO	0	0	0	n/a	0	0	0	n/a
Toronto & Region Conservation Authority	1,764	1,764	0	0%	4,268	4,268	0	0%
Toronto Transit Commission - Conventional	278,656	468,682	(190,026)	-68%	642,582	1,342,171	(699,589)	-109%
Toronto Transit Commission - Wheel-Trans	59,673	46,719	12,954	22%	147,246	117,148	30,099	20%
Toronto Police Service	463,037	463,037	0	0%	1,076,195	1,076,195	0	0%
Toronto Police Services Board	1,316	1,316	0	0%	1,930	1,930	0	0%
<b>TOTAL - AGENCIES</b>	<b>915,139</b>	<b>1,097,713</b>	<b>(182,574)</b>	<b>-20%</b>	<b>2,166,580</b>	<b>2,874,705</b>	<b>(708,125)</b>	<b>-33%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0	0	0	n/a	337,447	337,447	0	0%
Technology Sustainment	0	0	(0)	n/a	19,912	19,912	0	0%
Debt Charges	194,790	199,077	(4,287)	-2%	598,414	592,750	5,665	1%
Capital & Corporate Financing	194,790	199,077	(4,287)	-2%	955,774	950,109	5,665	1%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	26,963	26,986	(23)	0%	65,422	65,422	0	0%
Tax Increment Equivalent Grants (TIEG)	12,201	11,650	551	5%	29,287	27,959	1,328	5%
Assessment Function (MPAC)	22,947	23,058	(111)	0%	45,893	46,115	(222)	0%
Funding of Employee Related Liabilities	17,708	17,708	0	0%	70,833	70,833	0	0%
Other Corporate Expenditures	41	41	(0)	0%	(8,402)	(37,239)	28,837	-343%
Parking Tag Enforcement & Oper.	22,680	16,577	6,103	27%	62,112	53,018	9,094	15%
Programs Funded from Reserve Funds	6,775	6,775	0	0%	(0)	(0)	0	0%
Heritage Property Taxes Rebate	970	972	(2)	0%	2,329	2,329	0	0%
Tax Rebates for Registered Charities	0	(0)	0	n/a	0	0	0	n/a
Solid Waste Management Rebates	38,716	37,109	1,607	4%	75,371	75,371	0	0%
Tax Increment Funding (TIF)	0	0	0	n/a	1,814	1,814	0	0%
<b>Non-Program Expenditures</b>	<b>149,001</b>	<b>140,875</b>	<b>8,126</b>	<b>5%</b>	<b>344,660</b>	<b>305,623</b>	<b>39,037</b>	<b>11%</b>
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	(37,737)	(35,660)	(2,078)	6%	(96,389)	(92,126)	(4,263)	4%
Supplementary Taxes	0	0	0	n/a	(34,000)	(34,000)	0	0%
Tax Penalty Revenue	(13,289)	(6,114)	(7,175)	54%	(32,000)	(29,715)	(2,285)	7%
Interest/Investment Earnings	(42,194)	(33,932)	(8,262)	20%	(114,810)	(66,962)	(47,848)	42%
Other Corporate Revenues	(1,121)	(896)	(225)	20%	(10,955)	(9,758)	(1,196)	11%
Dividend Income	(26,250)	(25,000)	(1,250)	5%	(105,000)	(92,600)	(12,400)	12%
Provincial Revenue	(21,454)	(21,454)	(0)	0%	(91,600)	(91,600)	0	0%
Municipal Land Transfer Tax	(226,703)	(233,967)	7,265	-3%	(725,023)	(475,793)	(249,230)	34%
Third Party Sign Tax	(9,007)	(9,825)	818	-9%	(9,007)	(9,825)	818	-9%
Parking Authority Revenues	(15,835)	(11,156)	(4,679)	30%	(54,739)	(12,668)	(42,071)	77%
Administrative Support Recoveries - Water	(4,743)	(4,743)	0	0%	(18,973)	(18,973)	0	0%
Administrative Support Recoveries - Health & EMS	(2,607)	(2,607)	0	0%	(10,427)	(10,427)	0	0%
Parking Tag Enforcement & Operations Rev	(39,995)	(37,384)	(2,611)	7%	(114,840)	(60,901)	(53,939)	47%
Other Tax Revenues	(2,303)	(2,645)	342	-15%	(10,192)	(10,254)	62	-1%
Municipal Accommodation Tax	(9,870)	3,334	(13,204)	134%	(31,545)	19,416	(50,961)	162%
Casino Woodbine	(3,554)	(3,085)	(469)	13%	(27,900)	(10,442)	(17,458)	63%
Non-Program Revenues	(456,662)	(425,134)	(31,528)	7%	(1,487,400)	(1,006,627)	(480,772)	32%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(112,871)</b>	<b>(85,183)</b>	<b>(27,689)</b>	<b>25%</b>	<b>(186,967)</b>	<b>249,104</b>	<b>(436,070)</b>	<b>233%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>1,724,693</b>	<b>1,938,351</b>	<b>(213,658)</b>	<b>-12%</b>	<b>4,424,467</b>	<b>5,764,449</b>	<b>(1,339,981)</b>	<b>-30%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	(30,789)	(36,200)	5,410	-18%	0	(4,474)	4,474	n/a
Toronto Parking Authority	(27,492)	(3,933)	(23,559)	86%	(70,100)	26,269	(96,369)	137%
Toronto Water	(142,349)	(151,687)	9,338	-7%	0	9,039	(9,039)	n/a
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>(200,631)</b>	<b>(191,820)</b>	<b>(8,811)</b>	<b>4%</b>	<b>(70,100)</b>	<b>30,835</b>	<b>(100,935)</b>	<b>144%</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix B

**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
**(\$000s)**

	May 31, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Community and Social Services</b>								
Housing Secretariat	3,812	1,851	1,961	51%	15,082	13,946	1,136	8%
Children's Services	251,010	222,857	28,153	11%	634,940	577,530	57,410	9%
Court Services	12,914	10,071	2,843	22%	35,940	26,043	9,897	28%
Economic Development & Culture	44,896	43,824	1,072	2%	92,058	84,754	7,304	8%
Toronto Paramedic Services	91,477	92,168	(691)	-1%	245,803	246,021	(217)	0%
Seniors Services and Long-Term Care	95,689	100,855	(5,166)	-5%	272,878	288,360	(15,483)	-6%
Parks, Forestry & Recreation	142,377	119,185	23,192	16%	460,438	395,448	64,990	14%
Shelter, Support & Housing Administration	421,586	424,905	(3,319)	-1%	1,008,300	1,172,313	(164,013)	-16%
Social Development, Finance & Administration	27,654	20,764	6,890	25%	76,831	78,585	(1,755)	-2%
Toronto Employment & Social Services	444,111	421,306	22,805	5%	1,094,564	1,110,663	(16,099)	-1%
<b>Sub-Total Community and Social Services</b>	<b>1,535,526</b>	<b>1,457,786</b>	<b>77,740</b>	<b>5%</b>	<b>3,936,835</b>	<b>3,993,664</b>	<b>(56,828)</b>	<b>-1%</b>
<b>Infrastructure and Development Services</b>								
City Planning	18,382	16,516	1,866	10%	54,346	50,698	3,649	7%
Fire Services	188,607	187,649	957	1%	497,373	496,475	898	0%
Office of Emergency Management	1,219	1,189	30	2%	3,267	3,567	(300)	-9%
Municipal Licensing & Standards	19,496	18,518	977	5%	62,739	58,005	4,734	8%
Policy, Planning, Finance & Administration	5,810	5,353	457	8%	17,035	15,947	1,087	6%
Engineering & Construction Services	24,850	22,092	2,758	11%	73,088	65,931	7,157	10%
Toronto Building	20,130	17,072	3,058	15%	60,851	52,755	8,096	13%
Transportation Services	141,987	131,263	10,724	8%	416,591	397,806	18,785	5%
Transit Expansion	3,159	1,207	1,952	62%	8,672	5,559	3,113	36%
<b>Sub-Total Infrastructure and Development Services</b>	<b>423,639</b>	<b>400,858</b>	<b>22,780</b>	<b>5%</b>	<b>1,193,963</b>	<b>1,146,744</b>	<b>47,219</b>	<b>4%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer	5,579	5,554	26	0%	17,143	16,392	751	4%
Office of the Controller	28,297	26,951	1,346	5%	80,802	77,030	3,773	5%
<b>Sub-Total Finance and Treasury Services</b>	<b>33,876</b>	<b>32,505</b>	<b>1,371</b>	<b>4%</b>	<b>97,945</b>	<b>93,421</b>	<b>4,524</b>	<b>5%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	62,685	65,794	(3,108)	-5%	193,993	202,302	(8,310)	-4%
Environment & Energy	5,038	4,371	667	13%	17,125	13,439	3,685	22%
Fleet Services	17,688	15,786	1,902	11%	62,628	59,212	3,416	5%
Technology Services	52,356	54,727	(2,371)	-5%	129,175	133,796	(4,621)	-4%
311 Toronto	6,246	5,761	485	8%	19,072	18,150	922	5%
<b>Sub-Total Corporate Services</b>	<b>144,013</b>	<b>146,438</b>	<b>(2,425)</b>	<b>-2%</b>	<b>421,993</b>	<b>426,900</b>	<b>(4,907)</b>	<b>-1%</b>
<b>City Manager</b>								
City Manager's Office	20,725	20,733	(8)	0%	63,679	62,420	1,259	2%
<b>Sub-Total City Manager</b>	<b>20,725</b>	<b>20,733</b>	<b>(8)</b>	<b>0%</b>	<b>63,679</b>	<b>62,420</b>	<b>1,259</b>	<b>2%</b>
<b>Other City Programs</b>								
City Clerk's Office	16,945	16,124	821	5%	52,774	48,391	4,383	8%
Legal Services	24,085	19,606	4,479	19%	67,332	59,305	8,027	12%
Mayor's Office	821	861	(40)	-5%	2,567	2,567	0	0%
City Council	7,259	6,578	681	9%	21,781	21,781	0	0%
<b>Sub-Total Other City Programs</b>	<b>49,109</b>	<b>43,169</b>	<b>5,940</b>	<b>12%</b>	<b>144,454</b>	<b>132,044</b>	<b>12,410</b>	<b>9%</b>
<b>Accountability Offices</b>								
Auditor General's Office	2,055	2,174	(119)	-6%	7,376	7,376	0	0%
Office of the Integrity Commissioner	237	164	73	31%	762	695	67	9%
Office of the Lobbyist Registrar	418	397	21	5%	1,252	1,252	0	0%
Office of the Ombudsman	716	755	(38)	-5%	2,196	2,196	0	0%
<b>Sub-Total Accountability Offices</b>	<b>3,426</b>	<b>3,489</b>	<b>(63)</b>	<b>-2%</b>	<b>11,586</b>	<b>11,518</b>	<b>67</b>	<b>1%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,210,314</b>	<b>2,104,978</b>	<b>105,336</b>	<b>5%</b>	<b>5,870,455</b>	<b>5,866,711</b>	<b>3,744</b>	<b>0%</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix B

**CITY OF TORONTO**  
**CONSOLIDATED GROSS EXPENDITURES VARIANCE**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
**(\$000s)**

	May 31, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Agencies</b>								
Toronto Public Health	86,143	78,643	7,499	9%	270,641	274,062	(3,421)	-1%
Toronto Public Library	83,764	81,414	2,350	3%	217,334	217,334	0	0%
Association of Community Centres	3,740	3,296	444	12%	8,979	8,894	85	1%
Exhibition Place	21,600	16,950	4,649	22%	56,874	48,334	8,540	15%
Heritage Toronto	408	317	91	22%	1,100	953	147	13%
TO Live	15,180	9,176	6,004	40%	38,699	14,988	23,710	61%
Toronto Zoo	19,033	14,619	4,414	23%	52,134	39,028	13,107	25%
Arena Boards of Management	3,750	3,396	354	9%	9,963	8,620	1,342	13%
Yonge Dundas Square	1,132	745	387	34%	3,934	2,332	1,602	41%
CreateTO	5,860	5,554	306	5%	14,409	14,409	0	0%
Toronto & Region Conservation Authority	3,946	3,946	0	0%	9,470	9,470	0	0%
Toronto Transit Commission - Conventional	821,263	777,246	44,017	5%	1,987,171	1,897,471	89,700	5%
Toronto Transit Commission - Wheel-Trans	63,456	48,959	14,497	23%	156,483	122,150	34,333	22%
Toronto Police Service	479,115	482,573	(3,458)	-1%	1,221,216	1,229,516	(8,300)	-1%
Toronto Police Services Board	1,316	1,316	0	0%	5,342	5,342	0	0%
<b>TOTAL - AGENCIES</b>	<b>1,609,704</b>	<b>1,528,150</b>	<b>81,554</b>	<b>5%</b>	<b>4,053,748</b>	<b>3,892,903</b>	<b>160,845</b>	<b>4%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0	0	0	n/a	340,220	340,220	0	0%
Technology Sustainment	0	0	(0)	n/a	19,912	19,912	0	0%
Debt Charges	195,958	200,245	(4,287)	-2%	666,665	661,000	5,665	1%
Capital & Corporate Financing	195,958	200,245	(4,287)	-2%	1,026,797	1,021,132	5,665	1%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	26,963	26,986	(23)	0%	65,422	65,422	0	0%
Tax Increment Equivalent Grants (TIEG)	12,201	11,650	551	5%	29,287	27,959	1,328	5%
Assessment Function (MPAC)	22,947	23,058	(111)	0%	45,893	46,115	(222)	0%
Funding of Employee Related Liabilities	17,708	17,708	0	0%	70,833	70,833	0	0%
Other Corporate Expenditures	1,242	1,242	0	0%	21,251	(7,586)	28,837	136%
Parking Tag Enforcement & Oper.	22,680	16,577	6,103	27%	62,112	53,018	9,094	15%
Programs Funded from Reserve Funds	43,402	43,402	0	0%	143,778	143,778	0	0%
Heritage Property Taxes Rebate	970	972	(2)	0%	2,329	2,329	0	0%
Tax Rebates for Registered Charities	2,212	2,295	(83)	-4%	7,733	7,733	0	0%
Solid Waste Management Rebates	38,716	37,109	1,607	4%	85,371	85,371	0	0%
Tax Increment Funding (TIF)	0	0	0	n/a	1,814	1,814	0	0%
Non-Program Expenditures	189,041	180,998	8,043	4%	535,823	496,786	39,037	7%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	0	0	0	n/a	0	0	0	n/a
Supplementary Taxes	0	0	0	n/a	0	0	0	n/a
Tax Penalty Revenue	0	0	0	n/a	0	0	0	n/a
Interest/Investment Earnings	3,808	2,154	1,654	43%	10,723	6,730	3,993	37%
Other Corporate Revenues	281	713	(431)	-153%	848	1,200	(352)	-41%
Dividend Income	0	0	0	n/a	0	0	0	n/a
Provincial Revenue	0	0	0	n/a	0	0	0	n/a
Municipal Land Transfer Tax	29,834	35,754	(5,920)	-20%	72,668	72,668	0	0%
Third Party Sign Tax	0	0	0	n/a	0	0	0	n/a
Parking Authority Revenues	0	0	0	n/a	0	0	0	n/a
Administrative Support Recoveries - Water	0	0	0	n/a	0	0	0	n/a
Administrative Support Recoveries - Health & EMS	0	0	0	n/a	0	0	0	n/a
Other Tax Revenues	0	129	(129)	n/a	0	310	(310)	n/a
Municipal Accommodation Tax	12,511	11,547	964	8%	30,027	28,130	1,898	6%
Casino Woodbine	0	0	0	n/a	0	0	0	n/a
Non-Program Revenues	46,434	50,297	(3,863)	-8%	114,265	109,037	5,228	5%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>431,433</b>	<b>431,540</b>	<b>(107)</b>	<b>0%</b>	<b>1,676,885</b>	<b>1,626,955</b>	<b>49,930</b>	<b>3%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>4,251,451</b>	<b>4,064,668</b>	<b>186,783</b>	<b>4%</b>	<b>11,601,088</b>	<b>11,386,569</b>	<b>214,519</b>	<b>2%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	110,452	103,608	6,844	6%	378,904	363,042	15,861	4%
Toronto Parking Authority	40,280	35,141	5,139	13%	101,772	82,324	19,448	19%
Toronto Water	378,524	371,798	6,725	2%	1,390,427	1,365,671	24,756	2%
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>529,256</b>	<b>510,547</b>	<b>18,709</b>	<b>4%</b>	<b>1,871,103</b>	<b>1,811,038</b>	<b>60,065</b>	<b>3%</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020



## Appendix C

**CITY OF TORONTO**  
**CONSOLIDATED REVENUE VARIANCE**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
(\$000s)

	May 31, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Community and Social Services</b>								
Housing Secretariat	3,376	1,402	(1,974)	-58%	14,547	12,820	(1,728)	-12%
Children's Services	239,579	212,780	(26,798)	-11%	543,564	488,614	(54,950)	-10%
Court Services	27,238	14,991	(12,247)	-45%	75,808	51,237	(24,570)	-32%
Economic Development & Culture	3,112	2,196	(917)	-29%	15,327	9,169	(6,158)	-40%
Toronto Paramedic Services	65,360	62,465	(2,895)	-4%	157,097	156,353	(744)	0%
Seniors Services and Long-Term Care	92,519	91,527	(991)	-1%	223,238	221,095	(2,143)	-1%
Parks, Forestry & Recreation	36,753	22,212	(14,540)	-40%	136,333	71,737	(64,595)	-47%
Shelter, Support & Housing Administration	191,617	183,470	(8,147)	-4%	501,035	479,901	(21,133)	-4%
Social Development, Finance & Administration	4,678	4,865	187	4%	17,866	27,103	9,237	52%
Toronto Employment & Social Services	413,112	395,311	(17,801)	-4%	1,004,578	1,036,437	31,859	3%
<b>Sub-Total Community and Social Services</b>	<b>1,077,343</b>	<b>991,218</b>	<b>(86,124)</b>	<b>-8%</b>	<b>2,689,393</b>	<b>2,554,466</b>	<b>(134,927)</b>	<b>-5%</b>
<b>Infrastructure and Development Services</b>								
City Planning	17,531	13,798	(3,733)	-21%	40,796	36,392	(4,404)	-11%
Fire Services	8,982	10,067	1,086	12%	20,742	20,311	(431)	-2%
Office of Emergency Management	650	650	0	0%	660	650	(10)	-2%
Municipal Licensing & Standards	17,174	14,292	(2,881)	-17%	50,345	39,828	(10,517)	-21%
Policy, Planning, Finance & Administration	2,719	2,556	(163)	-6%	11,596	10,948	(648)	-6%
Engineering & Construction Services	22,295	20,692	(1,604)	-7%	71,255	64,143	(7,112)	-10%
Toronto Building	25,914	20,334	(5,580)	-22%	76,998	78,383	1,385	2%
Transportation Services	43,203	34,810	(8,393)	-19%	190,189	171,468	(18,722)	-10%
Transit Expansion	3,159	1,207	(1,952)	-62%	8,671	5,559	(3,112)	-36%
<b>Sub-Total Infrastructure and Development Services</b>	<b>141,627</b>	<b>118,406</b>	<b>(23,221)</b>	<b>-16%</b>	<b>471,253</b>	<b>427,682</b>	<b>(43,570)</b>	<b>-9%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer	876	910	34	4%	3,816	3,375	(441)	-12%
Office of the Controller	12,273	9,647	(2,627)	-21%	40,785	32,336	(8,449)	-21%
<b>Sub-Total Finance and Treasury Services</b>	<b>13,149</b>	<b>10,556</b>	<b>(2,593)</b>	<b>-20%</b>	<b>44,601</b>	<b>35,712</b>	<b>(8,889)</b>	<b>-20%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	23,170	27,110	3,941	17%	89,616	92,457	2,841	3%
Environment & Energy	208	659	450	216%	4,094	2,682	(1,411)	-34%
Fleet Services	11,300	10,610	(690)	-6%	35,311	34,036	(1,276)	-4%
Technology Services	9,194	8,545	(649)	-7%	37,500	30,690	(6,810)	-18%
311 Toronto	2,033	1,938	(95)	-5%	8,897	7,767	(1,131)	-13%
<b>Sub-Total Corporate Services</b>	<b>45,905</b>	<b>48,862</b>	<b>2,957</b>	<b>6%</b>	<b>175,418</b>	<b>167,633</b>	<b>(7,786)</b>	<b>-4%</b>
<b>City Manager</b>								
City Manager's Office	1,042	2,084	1,042	100%	5,403	5,666	264	5%
<b>Sub-Total City Manager</b>	<b>1,042</b>	<b>2,084</b>	<b>1,042</b>	<b>100%</b>	<b>5,403</b>	<b>5,666</b>	<b>264</b>	<b>5%</b>
<b>Other City Programs</b>								
City Clerk's Office	3,404	3,061	(343)	-10%	13,846	11,845	(2,001)	-14%
Legal Services	5,420	4,970	(451)	-8%	25,688	23,068	(2,620)	-10%
Mayor's Office	0	0	0	n/a	0	0	0	n/a
City Council	0	0	0	n/a	0	0	0	n/a
<b>Sub-Total Other City Programs</b>	<b>8,825</b>	<b>8,031</b>	<b>(793)</b>	<b>-9%</b>	<b>39,534</b>	<b>34,913</b>	<b>(4,622)</b>	<b>-12%</b>
<b>Accountability Offices</b>								
Auditor General's Office	0	0	0	n/a	0	0	0	n/a
Office of the Integrity Commissioner	0	0	0	n/a	0	0	0	n/a
Office of the Lobbyist Registrar	0	0	0	n/a	0	0	0	n/a
Office of the Ombudsman	0	0	0	n/a	0	0	0	n/a
<b>Sub-Total Accountability Offices</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>1,287,890</b>	<b>1,179,158</b>	<b>(108,732)</b>	<b>-8%</b>	<b>3,425,601</b>	<b>3,226,071</b>	<b>(199,530)</b>	<b>-6%</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

# Appendix C

## CITY OF TORONTO CONSOLIDATED REVENUE VARIANCE FOR THE FIVE MONTHS ENDED MAY 31, 2020 (\$000s)

	May 31, 2020				December 31, 2020			
	Year-To-Date		Actual vs Budget		Year-End		Projection vs Budget	
	Budget	Actual	Favourable / (Unfavourable)	%	Budget	Projection	Favourable / (Unfavourable)	%
<b>Agencies</b>								
Toronto Public Health	65,352	58,450	(6,902)	-11%	199,811	199,811	(0)	0%
Toronto Public Library	7,474	7,250	(224)	-3%	20,640	20,640	0	0%
Association of Community Centres	133	97	(36)	-27%	318	282	(36)	-11%
Exhibition Place	22,231	14,945	(7,286)	-33%	57,374	33,454	(23,920)	-42%
Heritage Toronto	279	113	(165)	-59%	689	443	(246)	-36%
TO Live	12,511	5,241	(7,270)	-58%	33,099	6,746	(26,354)	-80%
Toronto Zoo	10,447	2,949	(7,498)	-72%	39,362	11,673	(27,689)	-70%
Arena Boards of Management	4,520	3,122	(1,397)	-31%	10,070	6,485	(3,585)	-36%
Yonge Dundas Square	1,110	194	(916)	-82%	3,934	2,017	(1,917)	-49%
CreateTO	5,860	5,554	(306)	-5%	14,409	14,409	0	0%
Toronto & Region Conservation Authority	2,182	2,182	0	0%	5,203	5,203	0	0%
Toronto Transit Commission - Conventional	542,607	308,564	(234,043)	-43%	1,344,589	555,300	(789,289)	-59%
Toronto Transit Commission - Wheel-Trans	3,783	2,240	(1,543)	-41%	9,237	5,002	(4,234)	-46%
Toronto Police Service	16,077	19,535	3,458	22%	145,021	153,321	8,300	6%
Toronto Police Services Board	0	0	0	n/a	3,412	3,412	0	0%
<b>TOTAL - AGENCIES</b>	<b>694,565</b>	<b>430,437</b>	<b>(264,128)</b>	<b>-38%</b>	<b>1,887,168</b>	<b>1,018,198</b>	<b>(868,969)</b>	<b>-46%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0	0	0	n/a	2,773	2,773	0	0%
Technology Sustainment	0	0	0	n/a	0	0	0	n/a
Debt Charges	1,168	1,168	0	0%	68,250	68,250	0	0%
Capital & Corporate Financing	1,168	1,168	0	0%	71,023	71,023	0	0%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	0	0	0	n/a	0	0	0	n/a
Tax Increment Equivalent Grants (TIEG)	0	0	0	n/a	0	0	0	n/a
Assessment Function (MPAC)	0	0	0	n/a	0	0	0	n/a
Funding of Employee Related Liabilities	0	0	0	n/a	0	0	0	n/a
Other Corporate Expenditures	1,201	1,201	0	0%	29,653	29,653	0	0%
Programs Funded from Reserve Funds	36,627	36,627	0	0%	143,778	143,778	0	0%
Heritage Property Taxes Rebate	0	0	0	n/a	0	0	0	n/a
Tax Rebates for Registered Charities	2,212	2,295	83	4%	7,733	7,733	0	0%
Solid Waste Management Rebates	0	0	0	n/a	10,000	10,000	0	0%
Tax Increment Funding (TIF)	0	0	0	n/a	0	0	0	n/a
Non-Program Expenditures	40,040	40,123	83	0%	191,163	191,163	0	0%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	37,737	35,660	(2,078)	-6%	96,389	92,126	(4,263)	-4%
Supplementary Taxes	0	0	0	n/a	34,000	34,000	0	0%
Tax Penalty Revenue	13,289	6,114	(7,175)	-54%	32,000	29,715	(2,285)	-7%
Interest/Investment Earnings	46,002	36,086	(9,916)	-22%	125,533	73,692	(51,841)	-41%
Other Corporate Revenues	1,402	1,609	207	15%	11,803	10,958	(845)	-7%
Dividend Income	26,250	25,000	(1,250)	-5%	105,000	92,600	(12,400)	-12%
Provincial Revenue	21,454	21,454	(0)	0%	91,600	91,600	0	0%
Municipal Land Transfer Tax	256,536	269,721	13,185	5%	797,691	548,461	(249,230)	-31%
Third Party Sign Tax	9,007	9,825	818	9%	9,007	9,825	818	9%
Parking Authority Revenues	15,835	11,156	(4,679)	-30%	54,739	12,668	(42,071)	-77%
Administrative Support Recoveries - Water	4,743	4,743	0	0%	18,973	18,973	0	0%
Administrative Support Recoveries - Health & EMS	2,607	2,607	0	0%	10,427	10,427	0	0%
Parking Tag Enforcement & Operations Rev	39,995	37,384	(2,611)	-7%	114,840	60,901	(53,939)	-47%
Other Tax Revenues	2,303	2,774	471	20%	10,192	10,564	372	4%
Municipal Accommodation Tax	22,381	8,214	(14,168)	-63%	61,572	8,714	(52,858)	-86%
Casino Woodbine	3,554	3,085	(469)	-13%	27,900	10,442	(17,458)	-63%
Non-Program Revenues	503,096	475,431	(27,664)	-5%	1,601,665	1,115,665	(486,001)	-30%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>544,304</b>	<b>516,723</b>	<b>(27,581)</b>	<b>-5%</b>	<b>1,863,852</b>	<b>1,377,851</b>	<b>(486,001)</b>	<b>-26%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>2,526,758</b>	<b>2,126,317</b>	<b>(400,441)</b>	<b>-16%</b>	<b>7,176,621</b>	<b>5,622,121</b>	<b>(1,554,500)</b>	<b>-22%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	141,242	139,808	(1,434)	-1%	378,904	367,516	(11,388)	-3%
Toronto Parking Authority	67,772	39,074	(28,698)	-42%	171,872	56,055	(115,817)	-67%
Toronto Water	520,873	523,485	2,612	1%	1,390,427	1,356,632	(33,795)	-2%
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>729,887</b>	<b>702,367</b>	<b>(27,520)</b>	<b>-4%</b>	<b>1,941,203</b>	<b>1,780,203</b>	<b>(161,000)</b>	<b>-8%</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
**( \$000s )**

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
<b>Community and Social Services</b>					
<b>Economic Development &amp; Culture</b>					
To increase the 2020 Council Approved Operating Budget for EDC by \$360,000 gross (\$400,000 - \$40,000 hold back to issued in 2021), net \$0; fully funded from the Construction Hoarding Sign Fee Reserve Fund (XR1219). EDC will collaborate with Toronto Arts Council (TAC) to support artists and art organizations with their participation in the 2020 Nuit Blanche and preparation for the 2021 Year of Public Art. TAC has agreed to administer this Animating Toronto Streets program and will review / issue grants directly to applications.	360.0	360.0	0.0	0.0	0.0
<b>Total Economic Development &amp; Culture</b>	<b>360.0</b>	<b>360.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Housing Secretariat</b>					
An increase in the 2020 Approved Operating Budget of Housing Secretariat of \$0.628 million gross, \$0 net fully funded from the Capital Revolving Reserve Fund for Affordable Housing (XR1058) in order to advance development projects under Phase II of the Housing Now Initiative.	628.2	628.2	0.0	0.0	0.0
Increase the 2020 Approved Operating Budget for the Housing Secretariat by \$0.650 million revenue and net representing the administrative fee portion of the City's 2020 - 21 allocation under the Canada-Ontario Community Housing Initiative (COCHI) transferred from Shelter, Support and Housing Administration (SSHA) to the Housing Secretariat to ensure the timely and efficient commitment of Year 2 of COCHI funding.	650.1	650.1	0.0	0.0	0.0
<b>Total Housing Secretariat</b>	<b>1,278.3</b>	<b>1,278.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Shelter, Support &amp; Housing Administration</b>					
Position # 10142372 Financial System Analyst was budgeted up to June 30th 2020 funded by SHAIIP provincially funded program. The position is not included in 2021 PEP Projection. Position tab doesn't allow to extend the date till March 31 2022, hence, a new temporary position is created to add budget for 2020-22. The position is currently occupied. The positions is requested by the Program to be extended till March 2022 and funded from Homes for Good program. The unallocated admin funding is repurposed to fund this position. There is no net cost to the City.	0.0	0.0	0.0	1.0	0.0

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
**( \$000s )**

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
In response to centralizing the communication function under strategic communication, 2 positions (10044376 COMMUNICATIONS REPRESENTATIVE & 10101582 Policy development Officer) were moved to City Manager's Office at the beginning of the year and are not part of CMR. The budget for 2020 from January 1st is only now transferred as agreed with CMO.	(102.4)	0.0	(102.4)	0.0	102.4
OPHI program was budgeted during the budget process based on funding allocation from MMAH. A part of the funding allocation was attributed to shared delivery of housing allowance and admin fee to Minister of Finance which will not be received to and disbursed by the City. City will only administer but the funding will be disbursed by MMAH to clients and MOF. Hence the budget is reduced to reflect the proposed changes.	(6,457.4)	(6,457.4)	0.0	0.0	0.0
Decrease the 2020 Approved Operating Budget for Shelter, Support and Housing Administration (SSHA) by \$0.650 million gross, \$0 net representing the administrative fee portion of the City's 2020 - 21 allocation under the Canada-Ontario Community Housing Initiative (COCHI) transferred from SSHA to the Housing Secretariat to ensure the timely and efficient commitment of Year 2 of COCHI funding on capital repairs. The program funding is transferred from Social Housing to Affordable Housing programs within SSHA operating budget within the same service, managed by Housing Secretariat division. The above changes will have no net impact.	(650.1)	(650.1)	0.0	0.0	0.0
An increase in the 2020 Approved Operating Budget of Housing Secretariat of \$25.404 million gross, \$0 net fully funded from the Capital Revolving Reserve Fund for Affordable Housing (XR1058), Development Charges Reserve Fund (XR2116) and Provincial Grants and Subsidies in order to advance development projects.	25,404.6	25,404.6	0.0	0.0	0.0

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
**(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
Increase the 2020 Approved Operating Budget for SSHA by \$0.142 million gross, \$0 net and 1 temporary full-time Budget Coordinator position for a duration of 36 months fully funded from the City's allocation under the federal Reaching Home program.	142.0	142.0	0.0	1.0	142.0
<b>Total Shelter, Support &amp; Housing Administration</b>	<b>18,336.7</b>	<b>18,439.2</b>	<b>(102.4)</b>	<b>2.0</b>	<b>244.5</b>
<b>Social Development, Finance &amp; Administration</b>					
This is a technical adjustment to move the budget for the capital project team for the Human Services Integration Office from TESS to SDFA. In the migration of the HSIO positions to SDFA, the original transfer was for 87 operating positions. There are an additional 11 temporary capital positions currently in TESS that need to be transferred to SDFA. The transfer will have no net impact as SDFA will recover the cost of the positions through a transfer from capital from TESS.	1,425.9	1,425.9	0.0	0.0	(1,425.7)
<b>Total Social Development, Finance &amp; Administration</b>	<b>1,425.9</b>	<b>1,425.9</b>	<b>0.0</b>	<b>0.0</b>	<b>(1,425.7)</b>
<b>Toronto Employment &amp; Social Services</b>					
	(1,425.9)	(1,425.9)	0.0	0.0	1,425.7
<b>Total Toronto Employment &amp; Social Services</b>	<b>(1,425.9)</b>	<b>(1,425.9)</b>	<b>0.0</b>	<b>0.0</b>	<b>1,425.7</b>
<b>Toronto Paramedic Services</b>					
Increase to MOH 2020-2021 CACC base grant of \$624K. The funding will add 4 FTEs to Paramedic Services complement.	624.0	624.0	(0.0)	4.0	(138.4)
One time MOH grant of \$117K approved in April 2020 to fund inter-facility transport for critically ill neonatal and paediatric patients..	117.3	117.3	0.0	0.0	0.0
One time CACC grant \$624K received in March 2020 for CACC facility expansion.	624.1	624.1	0.0	0.0	0.0
<b>Total Toronto Paramedic Services</b>	<b>1,365.4</b>	<b>1,365.4</b>	<b>(0.0)</b>	<b>4.0</b>	<b>(138.4)</b>
<b>Total Community and Social Services</b>	<b>21,340.4</b>	<b>21,442.8</b>	<b>(102.4)</b>	<b>6.0</b>	<b>106.0</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix D1

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE FIVE MONTHS ENDED MAY 31, 2020  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
<b>Infrastructure and Development Services</b>					
<b>City Planning</b>					
To transfer accrued interest from the Gardiner West Public Realm Reserve Fund to the Bentway Conservancy, increasing the City Planning Operating Budget by \$0.080 million and \$0 net. This adjustment is only for 2020 budget and will be included in the May 2020 Operating variance report for approval.	80.3	80.3	0.0	0.0	0.0
<b>Total City Planning</b>	<b>80.3</b>	<b>80.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Engineering &amp; Construction Services</b>					
To transfer 1.0 permanent Support Assistant B position from Engineering & Construction Services to Transportation Services, fully funded by capital projects within Transportation Services. The position will manage the legal execution of construction contracts and professional services agreements related to Transportation Services.	(45.6)	(45.6)	(0.0)	(1.0)	0.0
<b>Total Engineering &amp; Construction Services</b>	<b>(45.6)</b>	<b>(45.6)</b>	<b>(0.0)</b>	<b>(1.0)</b>	<b>0.0</b>
<b>Municipal Licensing &amp; Standards</b>					
Disbursements to eligible owners and drivers for the Vehicle for Hire Accessibility Fund Program. To be funded from the Vehicle for Hire Reserve Fund (XR1505) resulting in a net zero effect.	4,552.8	4,552.8	0.0	0.0	0.0
To reflect the transfer of administration function for Dangerous Dog Tribunal from Municipal Licensing & Standards Division to City Clerks which will result in a budget decrease of \$74.2k gross and net.	(74.2)	0.0	(74.2)	0.0	0.0
<b>Total Municipal Licensing &amp; Standards</b>	<b>4,478.7</b>	<b>4,552.8</b>	<b>(74.2)</b>	<b>0.0</b>	<b>0.0</b>
<b>Transportation Services</b>					
To transfer 1.0 permanent Support Assistant B position from Engineering & Construction Services to Transportation Services, fully funded by capital projects within Transportation Services. The position will manage the legal execution of construction contracts and professional services agreements related to Transportation Services.	45.6	45.6	0.0	1.0	0.0
<b>Total Transportation Services</b>	<b>45.6</b>	<b>45.6</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>
<b>Total Infrastructure and Development Services</b>	<b>4,559.0</b>	<b>4,633.1</b>	<b>(74.2)</b>	<b>0.0</b>	<b>0.0</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
(\$000s)

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
<b>Total Finance and Treasury Services</b>	<b>562.1</b>	<b>0.0</b>	<b>562.1</b>	<b>5.0</b>	<b>(36.4)</b>
<b>City Manager's Office</b>					
Transfer 7 positions from Executive Management to Strategic & Corporate Policy as a result of a Divisional review to realign work function	0.0	0.0	0.0	0.0	(0.0)
Transfer 2 positions from SSHA to Strategic Communications to consolidate communication function	102.4	0.0	102.4	1.0	(2.9)
Transfer 2 Director positions from Non-Program to P&E for transformation Initiatives	449.5	0.0	449.5	2.0	(31.0)
Transfer 1 vacant position from Non-Program to Executive Management	133.9	0.0	133.9	1.0	12.2
Transfer positions from City Manager's Office to FPD as a result of a Divisional review to realign work function	(562.1)	0.0	(562.1)	(5.0)	(0.9)
<b>Total City Manager's Office</b>	<b>123.7</b>	<b>0.0</b>	<b>123.7</b>	<b>(1.0)</b>	<b>-22.6</b>
<b>Other City Programs</b>					
<b>City Clerk's Office</b>					
To reflect the transfer of administration function for Dangerous Dog Tribunal from Municipal Licensing & Standards Division which will result in a budget increase of \$74.2k gross and net.	74.2	0.0	74.2	0.0	0.0
<b>Total City Clerk's Office</b>	<b>74.2</b>	<b>0.0</b>	<b>74.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Other City Programs</b>	<b>74.2</b>	<b>0.0</b>	<b>74.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Total City Programs</b>	<b>26,659.3</b>	<b>26,076.0</b>	<b>583.4</b>	<b>10.0</b>	<b>47.0</b>

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
**( \$000s )**

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
<b>Agencies</b>					
<b>Exhibition Place</b>					
To increase the 2020 Council Approved Operating Budget for Exhibition Place by \$0.180 million gross and \$0 net, funded by the Sick Leave Reserve Fund, to cover additional unanticipated payout costs associated with vested accumulated sick time upon staff turnover and retirement.	180.0	180.0	0.0	0.0	0.0
<b>Total Exhibition Place</b>	<b>180.0</b>	<b>180.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Toronto Police Services Board</b>					
To increase gross expenditure budget for Police Services Board by \$0.575 million gross and \$0 net, funded by Police Legal Reserve, in order to meet the increased demand for legal services as a result of statutory and governance functions that the Toronto Police Board is responsible for.	575.0	575.0	0.0	0.0	0.0
<b>Total Toronto Police Services Board</b>	<b>575.0</b>	<b>575.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Toronto Public Health</b>					
To increase the 2020 Approved Operating Budget for Toronto Public Health by \$0.065 million gross and \$0 net in order to receive a Planning and Dissemination Grant from the Canadian Institutes of Health Research. This grant will fund a pilot program designed to bring researchers and city decision-makers together to collaborate, design, implement and evaluate healthy cities programs related to active transportation and design of public spaces.	65.0	65.0	0.0	0.0	0.0
<b>Total Toronto Public Health</b>	<b>65.0</b>	<b>65.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Toronto Public Library</b>					
To transfer COLA funding from Non-Program Expenditure Budget, based on the ratified collective bargaining agreement between TPL Board and CUPE LOCAL 4948 of \$1.515 million gross and net	1,515.0	0.0	1,515.0	0.0	0.0
<b>Total Toronto Public Library</b>	<b>1,515.0</b>	<b>0.0</b>	<b>1,515.0</b>	<b>0.0</b>	<b>0.0</b>



## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**  
**(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2021 Incremental Outlook (Net)
<b>Toronto Zoo</b>					
To increase the 2020 Council Approved Operating Budget for Toronto Zoo by \$263,000 gross, \$0 net for 4 permanent full time unionized positions, fully funded from Toronto Zoo Wildlife Conservancy recoveries. During the 2020 budget process, these positions were deleted as they were transferred to the Toronto Zoo Wildlife Conservancy. Due to implications in the union agreement, these positions will remain in Toronto Zoo and be seconded to the Toronto Zoo Wildlife Conservancy.	263.0	263.0	0.0	4.0	0.0
<b>Total Toronto Zoo</b>	<b>263.0</b>	<b>263.0</b>	<b>0.0</b>	<b>4.0</b>	<b>0.0</b>
<b>Total Agencies</b>	<b>2,598.0</b>	<b>1,083.0</b>	<b>1,515.0</b>	<b>4.0</b>	<b>0.0</b>
<b>Corporate Accounts</b>					
<b>Non-Program Expenditures</b>					
To transfer COLA funding from Non-Program Expenditure Budget, based on the ratified collective bargaining agreement between TPL Board and CUPE LOCAL 4948 of \$1.515 million gross and net.	(1,515.0)	0.0	(1,515.0)	0.0	0.0
Transfer 1 vacant position from Non-Program to Executive Management.	(133.9)	0.0	(133.9)	(1.0)	(12.2)
Transfer 2 vacant position from Non-Program to People & Equity.	(449.5)	0.0	(449.5)	(2.0)	31.0
<b>Total Non-Program Expenditures</b>	<b>(2,098.4)</b>	<b>0.0</b>	<b>(2,098.4)</b>	<b>(3.0)</b>	<b>18.8</b>
<b>Total Corporate Accounts</b>	<b>(2,098.4)</b>	<b>0.0</b>	<b>(2,098.4)</b>	<b>(3.0)</b>	<b>18.8</b>
<b>Total Tax Supported Operations</b>	<b>27,159.0</b>	<b>27,159.0</b>	<b>0.0</b>	<b>11.0</b>	<b>0.0</b>
<b>Toronto Water</b>					
To balance an IDC/IDR with Corporate Real Estate Management (CREM) that was included in CREM's 2020 Council Approved Operating Budget related to the Fire and Life Safety (FLS) initiative in support of the establishment of a centralized City-wide FLS Program Office. The incremental increase of \$0.206 million will be funded by Toronto Water's Capital Financing reserves, netting to 0.	0.0	0.0	0.0	0.0	0.0
<b>Total Toronto Water</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Non Levy Operations</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total City Operations</b>	<b>27,159.0</b>	<b>27,159.0</b>	<b>0.0</b>	<b>11.0</b>	<b>0.0</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix D2

**CITY OF TORONTO**  
**PENDING COLA BUDGET ADJUSTMENTS**  
**FOR THE FIVE MONTHS ENDED MAY 31, 2020**

( \$000s )

Division	2020 L416 COLA 1%	2020 L79 COLA 1%	Total
311 Toronto	N/A	103.0	103.0
Accounting Services	N/A	55.7	55.7
Children's Services	N/A	607.5	607.5
City Clerk's Office	4.7	175.4	180.1
City Manager's Office	N/A	9.6	9.6
City Planning	N/A	310.1	310.1
Corporate Finance	N/A	9.7	9.7
Corporate Real Estate Management	107.1	258.6	365.7
Court Services	N/A	146.6	146.6
Economic Development & Culture	9.3	129.6	139.0
Engineering & Construction Services	N/A	52.7	52.7
Environment & Energy	N/A	29.0	29.0
Financial Planning	N/A	3.9	3.9
Fire Services	N/A	28.4	28.4
Fleet Services	98.7	31.3	130.1
Housing Secretariat	N/A	14.8	14.8
Legal Services	N/A	160.9	160.9
Municipal Licensing & Standards	57.1	292.4	349.6
Office of Emergency Management	N/A	1.4	1.4
Office of the Controller	N/A	2.2	2.2
Parks, Forestry & Recreation	1038.1	1412.6	2450.8
Pension, Payroll & Employee Benefits	N/A	77.5	77.5
Policy, Planning, Finance & Administration	N/A	88.1	88.1
Purchasing & Materials Mgmt.	8.7	77.5	86.2
Revenue Services	N/A	173.7	173.7
Seniors Services and Long-Term Care	21.6	1665.3	1686.9
Shelter, Support & Housing Administration	0.8	476.1	477.0
Social Development, Finance & Administration	N/A	123.6	123.6
Technology Services	N/A	394.9	394.9
Toronto Employment & Social Services	N/A	1234.5	1234.5
Toronto Paramedic Services	61.7	165.2	226.9
Toronto Public Health	N/A	1420.3	1420.3
Transit Expansion	N/A	0.6	0.6
Transportation Services	259.7	401.8	661.5
<b>Total Tax Supported Programs/ Agencies</b>	<b>1,668</b>	<b>10,135</b>	<b>11,802</b>
Solid Waste Management Services	525.5	108.0	633.5
Toronto Water	790.8	342.8	1133.6
<b>Total Rate Programs</b>	<b>1,316</b>	<b>451</b>	<b>1,767</b>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix E

Figure 6: Community and Social 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	
Housing Secretariat	5-Month	2.0	▲	(2.0)	▼	(0.0)	—	⊙	1.1	▲	(1.7)	▼	(0.6)	▼	Ⓜ
Children's Services	5-Month	28.2	▲	(26.8)	▼	1.4	▲	⊙	57.4	▲	(55.0)	▼	2.5	▲	⊙
Court Services	5-Month	2.8	▲	(12.2)	▼	(9.4)	▼	Ⓜ	9.9	▲	(24.6)	▼	(14.7)	▼	Ⓜ
Economic Development & Culture	5-Month	1.1	▲	(0.9)	▼	0.2	▲	⊙	7.3	▲	(6.2)	▼	1.1	▲	⊙
Toronto Paramedic Services	5-Month	(0.7)	▼	(2.9)	▼	(3.6)	▼	Ⓜ	(0.2)	▼	(0.7)	▼	(1.0)	▼	Ⓜ
Seniors Services and Long-Term Care	5-Month	(5.2)	▼	(1.0)	▼	(6.2)	▼	Ⓜ	(15.5)	▼	(2.1)	▼	(17.6)	▼	Ⓜ
Parks, Forestry & Recreation	5-Month	23.2	▲	(14.5)	▼	8.7	▲	⊙	65.0	▲	(64.6)	▼	0.4	▲	⊙
Shelter, Support & Housing Administration	5-Month	(3.3)	▼	(8.1)	▼	(11.5)	▼	⊙	(164.0)	▼	(21.1)	▼	(185.1)	▼	Ⓜ
Social Development, Finance & Administration	5-Month	6.9	▲	0.2	▲	7.1	▲	Ⓜ	(1.8)	▼	9.2	▲	7.5	▲	⊙
Toronto Employment & Social Services	5-Month	22.8	▲	(17.8)	▼	5.0	▲	Ⓜ	(16.1)	▼	31.9	▲	15.8	▲	⊙
Total	5-Month	77.7	▲	(86.1)	▼	(8.4)	▼	⊙	(56.8)	▼	(134.9)	▼	(191.8)	▼	Ⓜ
<b>Year-to-Date Net Variance</b>		⊙	85% to 105%	Ⓜ	0% to 85%	Ⓜ	>105%	<b>Year-End</b>	⊙	<=100%	Ⓜ	>100%			

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix E

### Community and Social Services

#### Five Month Results

#### Year-End Projections

<p><b>Housing Secretariat:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$2.0 million primarily due to timing differences in year-to-date budget versus actual due to delays in advancing some of the Housing Now Initiative approved sites due to the ongoing COVID-19 pandemic, as well as underspending in salaries and benefits resulting from delays in filling vacant positions.</li> <li>• Underachieved revenues of \$2.0 million resulting from timing differences in the transfer and recognition of budgeted reserve draws required to fund affordable housing development projects.</li> <li>• Unfavourable net variance \$0.01 million due to delays in revenue recognition related to plan, offset by savings in salaries and benefits resulting from hiring delays.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable gross expenditure variance of \$1.1 million primarily due to underspending in projects under the "Housing Now" initiative as well as underspending in salaries and benefits resulting from delays in filling vacant positions and underspending in consulting fees related to HousingTO 2020-2030 Action Plans.</li> <li>• Projected underachieved revenues resulting from lower than planned recognition of budgeted reserve draws and timing differences resulting from "Housing Now" Initiative project timelines.</li> <li>• Unfavourable net variance of \$0.6 million due to underachieved revenues more than offset by lower than plan expenditures resulting from project implementation delays and savings in salaries and benefits.</li> </ul>
<p><b>Children's Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$28.2 million is primarily attributable to the COVID-19 pandemic, reflecting the provincially mandated closure of all licensed child care centres, and facilities providing indoor recreation, including EarlyOnChild and Family Centres. Consequently, underspending occurred in child care fee subsidy expenditures, operating grants,</li> </ul>	<ul style="list-style-type: none"> <li>• Favourable gross variance of \$57.4 million is primarily attributable to underspending in fee subsidies, operating grants, and the 100% provincially funded programs, including the Provincial Wage Enhancement, and EarlyOnChild and Family Centres and the closure of all licensed child care due to COVID-19.</li> </ul>

<p>and the 100% provincially funded programs; as well, salaries and benefits are underspent resulting from unfilled vacancies and temporarily discontinued programming.</p> <ul style="list-style-type: none"> <li>• Under achieved revenues of \$26.8 million corresponds to both underspending in the delivery of provincially and federally funded programs, as well as the impact of the provincial direction to eliminate charging parental fees where care is not being provided.</li> <li>• Favourable net of \$1.4 million reflects underspending in salaries and benefits with other operational savings resulting from the withdrawal of service in response to the provincially declared state of emergency.</li> </ul>	<ul style="list-style-type: none"> <li>• Revenues are projected to be underachieved by \$55.0 million, both reflecting the withdrawal of services and with the gradual re-opening and mandated capacity reductions of licensed child care centres that commenced in mid-June</li> <li>• Favourable net of \$2.5 million reflects underspending in salaries and benefits with other operational savings resulting from the reduced services delivered throughout the year.</li> </ul>
<p><b>Court Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$2.8 million due to underspending in salaries and benefits resulting from hiring delays and lower than anticipated expenditures for tribunal members' honorarium, payments to province and interpreter services.</li> <li>• Underachieved revenues of \$12.2 million primarily due to lower than plan ticket issuance including delayed implementation of the Automated Speed Enforcement initiative (plan 210,827, actual 126, 581), and partial suspension of collection activities as a result of COVID-19.</li> <li>• Unfavourable net variance of \$9.4 million primarily due to underachieved revenues resulting from lower than plan ticket issuance and partial suspension of collection activities due to COVID-19 partially offset by underspending in salaries and benefits and non-payroll expenses.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable gross expenditure variance of \$9.9 million due to underspending in salaries and benefits resulting from delays in hiring and lower non-payroll expenditures such as honorarium for tribunal members, payments to province and interpreter costs.</li> <li>• Projected underachieved revenues of \$24.6 million primarily due to lower than plan issuance of tickets, delayed implementation of the Automated Speed Enforcement (ASE) initiative and partial suspension of collection efforts as a result of COVID-19. Provincial courts are currently closed and it is unknown when they will reopen. If courts remain closed there will be farther adverse effect than currently projected on revenues.</li> <li>• Projected unfavourable year-end net variance of \$14.7 million resulting from under achieved revenues as indicated above, partially offset by</li> </ul>

	hiring delays and non-salary court operation related expenses.
<p><b>Economic Development &amp; Culture:</b></p> <ul style="list-style-type: none"> <li>• Favourable net expenditures of \$0.2 million or 0.4% below the 2020 Approved Operating Budget is due to:</li> <li>• Favorable gross expenditure of \$1.1 million is primarily driven by underspending in salaries and benefits resulting from delays in hiring, vacancy and savings from recreation and part time bargaining unit workers not working during COVID-19. Other savings include reduction in travel expenses, cancellation of Doors Open Event.</li> <li>• Underachieved revenue of \$0.9 million is mainly attributed to loss of sponsorship funding for cancelled City events and small business services, film permitting fees, admissions and fees for programs and camps, as well as rentals at closed Museums and Cultural Centres as a result of COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Economic Development and Culture (EDC) projects a favorable net expenditures of \$1.1 million by year-end primarily due to:</li> <li>• Underspending in salaries and benefits due to hiring slow-down and emergency leaves.</li> <li>• Savings from cancelled/modified City events. These savings will be partially offset by COVID-19 related cost expenditures and revenue loss in film permit fees, sponsorship funding and program fees for courses and camps, as well as rentals at closed Museums and Cultural Centres.</li> </ul>
<p><b>Toronto Paramedic Services:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$0.7 million primarily attributable to COVID-19 related costs and WSIB pressure related to Bill 184, partially offset by lower expenditures in salaries and benefits due to hiring delays as a result of COVID-19.</li> <li>• Underachieved revenues of \$2.9 million corresponding to underspending in salaries and benefits due to hiring delays, in addition to the loss of user fee revenue as a result of the COVID-19 related shutdown of First Aid/CPR Training. The program expects that the outstanding Land Ambulance Grant revenue will be fully received by Q4.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable gross expenditure variance of \$0.2 million due to COVID-19 related costs and WSIB pressures, partially offset by delays in hiring and overtime savings due to fewer special events.</li> <li>• Underachieved revenues of \$0.7 million due to underspending in salaries and benefits as a result of hiring delays and lower user fee revenues as a results of COVID-19 shutdowns, partially offset by unbudgeted COVID-19 related grants of \$5.5 million confirmed by the Province.</li> <li>• Projected unfavourable net expenditure variance of \$1.0 million primarily due to COVID-related and WSIB pressures.</li> </ul>

<ul style="list-style-type: none"> <li>• Unfavourable net variance of \$3.6 million primarily due to COVID-19 related and WSIB pressures, partially offset by hiring slowdowns and reduced paramedic overtime.</li> </ul>	
<p><b>Seniors Services and Long-Term Care:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$5.2 million mainly due increased salary and benefits of \$4.1 million and non-payroll expenditures mainly from additional PPE and cleaning supplies related to the COVID-19 response that required creating new roles to screen people entering and exiting the homes, to adhere to more stringent cleaning protocols and to support residents at mealtimes.</li> <li>• Underachieved revenues of \$1.0 million mainly from reduced recoveries from Community Based Programming such as Homemaker and Nursing services that have been limited to serve only high-risk clients during the COVID-19 pandemic.</li> <li>• Unfavourable net variance of \$6.2 million reflects the additional cost of prevention and containment measures in place for COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable gross expenditure variance of \$15.5 million is comprised of extraordinary and ongoing incremental costs in response to COVID-19. This includes costs to maintain screening staff/procedures, PPE, Infection Control Prevention and additional staff to support functions previously performed by volunteers.</li> <li>• Underachieved revenues of \$2.1 million mainly due to reduced provincial recoveries for Community Based Programming mostly suspended during the COVID-19 pandemic. Included in the projections is additional emergency and pandemic funding of \$1.9 million from the Ministry.</li> <li>• On April 15th, the Ontario government announced that "an investment of \$243 million in COVID-19 emergency funding is available to homes to cover the costs associated with securing the staffing, supplies, and capacity they need at this unprecedented time." Revenue projections will be adjusted to reflect any additional funding received from other levels as part of future period variance reports.</li> <li>• Projected net unfavourable variance of \$17.6 million reflects the pressure on the City if funding is not provided by the province to support the extraordinary costs related to the COVID-19 outbreak.</li> </ul>

	<ul style="list-style-type: none"> <li>Excluded from the projections are additional costs and revenues associated with the \$4 p/hr Provincial pandemic pay program for front-line workers expected to cost roughly \$6 million. To date, costs have not been incurred and revenues have not been received that are expected to be fully funded by the province.</li> </ul>
<p><b>Parks, Forestry &amp; Recreation:</b></p> <ul style="list-style-type: none"> <li>Parks, Forestry &amp; Recreation has experienced a year-to-date favourable net variance of \$8.7 million, consisting of a favourable gross expenditure variance of \$23.2 million partially offset by an unfavourable revenue variance of \$14.5 million, driven by the COVID-19 pandemic experienced in 2020.</li> <li>Favourable gross expenditure variance is primarily attributable to COVID-19 related underspending including the cancellation of spring programming; delayed hiring for seasonal and recreational workers; reduced facility usage payments; and under-spending for utilities, service and rent, supplies and equipment.</li> <li>Unfavourable revenue variance is mainly due to lower than anticipated registration sales; permit revenues; ticket sales and user fees, all driven by the requirement for PFR to close community facilities and parks during the COVID-19 pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>PFR is projecting a slight favourable net variance of \$0.4 million by year-end. Consistent with year-to-date results, anticipated favourable expenditures of \$65.0 million and unfavourable revenues of \$64.6 million are driven by the COVID-19 pandemic experienced in 2020.</li> <li>Expenditures are expected to be favourable due to reduced salaries and benefits; underspending associated with seasonal and recreational programming; and lower than planned service and rent costs.</li> <li>Revenues are anticipated to be under-achieved in 2020 due to reduced registration sales; ticket sales; and permits issued; related to COVID-19.</li> <li>Both revenues and expenses will be highly dependent on the duration of COVID-19; and the activities and behaviours during the reopening and recovery phases.</li> </ul>
<p><b>Shelter, Support &amp; Housing Administration:</b></p> <ul style="list-style-type: none"> <li>Unfavourable gross expenditure variance of \$3.3 million. Unplanned expenditures of \$34.6 million for the City's COVID-19 response have been significantly offset by underspending in Hostel Services resulting from savings in hotel costs for the Refugee Response</li> </ul>	<ul style="list-style-type: none"> <li>Projected unfavourable gross expenditure variance of \$164.0 million. Physical distancing measures implemented to prevent an outbreak of COVID-19 in shelters required an addition of up to 3,000 beds to the City's shelter system. To sustain the COVID-19</li> </ul>



<p>program, as well as lower than planned expenditures in the Social Housing service. Further, underspending in provincially funded social housing retrofit projects (SHAIP) resulting from COVID-19 related delays are fully offset by lower recognition of revenues for these projects for a net zero impact.</p> <ul style="list-style-type: none"> <li>• Underachieved revenues of \$8.1 million. Underachieved revenues reflect prorated ask from the federal government to support the Refugee Response program in 2020 which have not be received, as well as lower revenue recognition for social housing retrofit projects. The City has so far received a total of \$50.1 million from the federal and provincial governments to support the COVID-19 response. These funds fully offset the City's year to date spending for COVID-19 and partially offsets underachieved revenues in Hostel Services and social housing retrofit projects.</li> <li>• Unfavourable net expenditure variance of \$11.5 million primarily attributable to underachieved revenues in Hostels and the Social Housing Service, partially offset by underspending in these services.</li> </ul>	<p>response, unplanned spending of \$181.1 million is projected by the end of 2020. These expenditures will be partially offset by underspending in Social Housing and Hostel Services on the assumption that the reduced rate of refugee influx so far experienced will continue to the end of 2020. As well, COVID-19 expenditure projections are based on current lower pricing for operational costs for food, hotel and services which may increase as lockdown measures are eased across the City.</p> <ul style="list-style-type: none"> <li>• Projected underachieved revenues of \$21.1 million. The projections do not include the City's ask of \$77 million from the federal government to sustain the Refugee Response initiative in 2020 which has not been received. Projected underachieved revenues also reflects lower revenue recognition for provincially funded social housing programs and retrofit capital projects due to COVID-19 related project delays partially offset by federal and provincial funding received to support Toronto's COVID-19 response.</li> <li>• Projected unfavourable net expenditure variance of \$185.1 million primarily attributable to unplanned COVID-19 related expenditures and underachieved revenues. The City's federal funding request of \$77 million to sustain Refugee Response initiative has not been received. If these funds are received before the end of 2020, the projected year end net expenditure variance could be reduced to approximately \$108.2 million.</li> </ul>
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<p><b>Social Development, Finance and Administration:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$6.9 million primarily from underspending from the Transit Fare Equity program due to lower ridership of \$3.2 million, slower than anticipated grant payments for the Community Partnership and Investment Program of \$2.7 million, underspending in salaries and benefits of \$0.8 million due to vacancies in the Human Services Integration Office (HSIO); and savings of \$0.4 million from the delayed implementation of community development and revitalization projects. Underspending is partially offset by accelerated spending in federally funded programming, including the Toronto Youth Job Corps program.</li> <li>• Overachieved revenues of \$0.2 million correspond to increase federal funding due to accelerated spending in federally funded programming.</li> <li>• Favourable net variance of \$7.1 million is primarily from underspending in the Transit Fare Equity program, slower than anticipated payments through CPIP and underspending in salaries and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavourable gross expenditure variance of \$1.8 million mainly due to emergency spending for COVID related expenditures of \$9.6 million to support vulnerable residents, partially offset by \$6.2 million in underspending from the Transit Fare Equity program due to lower ridership and \$1.5 million in underspending in salaries and benefits due to vacancies.</li> <li>• Overachieved revenues of \$9.2 million correspond mainly to relief provided by the Province under Social Services Assistance Relief fund and a grant from the Canadian Medical Association. Emergency.</li> <li>• Favourable net variance of \$7.5 million primarily from underspending in the Transit Fare Equity program and salaries and benefits.</li> </ul>
<p><b>Toronto Employment &amp; Social Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$22.8 million primarily due a lower than budgeted caseload and the COVID-19 related shut down, which reduced the issuance of financial, medical and employment benefits. While caseload has increased marginally since March, the average monthly year-to-date caseload was 81,443, 1,557 or 1.9% lower than budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable year-end gross expenditure variance of \$16.1 million resulting from the unbudgeted COVID-19 Emergency Benefit, which is projected to provide \$27.0 million in benefits to OW recipients, partially offset by lower program delivery expenditures. Caseload is projected to be on-budget for the year at 83,000 as government support programs such as the Canada Emergency Response Benefit (CERB) and Employment</li> </ul>

<ul style="list-style-type: none"> <li>• Unfavourable revenue variance of \$17.8 million attributed to lower than planned expenditure based provincial subsidies.</li> <li>• Favourable net expenditure variance of \$5.0 million mainly attributable to lower program delivery costs.</li> </ul>	<p>Insurance are expected to alleviate pressure on the OW program.</p> <ul style="list-style-type: none"> <li>• Projected overachieved revenues of \$31.9 million mainly as a result of the unbudgeted 100% provincially funded COVID-19 Emergency Benefit.</li> <li>• Favourable year-end net variance of \$15.8 million primarily attributable to lower program delivery expenses.</li> </ul>
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## Appendix E

Figure 7: Infrastructure and Development 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	
City Planning	5-Month	1.9	▲	(3.7)	▼	(1.9)	▼	Ⓜ	3.6	▲	(4.4)	▼	(0.8)	▼	Ⓜ
Fire Services	5-Month	1.0	▲	1.1	▲	2.0	▲	Ⓞ	0.9	▲	(0.4)	▼	0.5	▲	Ⓞ
Office of Emergency Management	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	(0.3)	▼	(0.0)	—	(0.3)	▼	Ⓜ
Municipal Licensing & Standards	5-Month	1.0	▲	(2.9)	▼	(1.9)	▼	Ⓜ	4.7	▲	(10.5)	▼	(5.8)	▼	Ⓜ
Policy, Planning, Finance & Administration	5-Month	0.5	▲	(0.2)	▼	0.3	▲	Ⓞ	1.1	▲	(0.6)	▼	0.4	▲	Ⓞ
Engineering & Construction Services	5-Month	2.8	▲	(1.6)	▼	1.2	▲	Ⓨ	7.2	▲	(7.1)	▼	0.0	—	Ⓞ
Toronto Building	5-Month	3.1	▲	(5.6)	▼	(2.5)	▼	Ⓨ	8.1	▲	1.4	▲	9.5	▲	Ⓞ
Transportation Services	5-Month	10.7	▲	(8.4)	▼	2.3	▲	Ⓞ	18.8	▲	(18.7)	▼	0.1	▲	Ⓞ
Transit Expansion	5-Month	2.0	▲	(2.0)	▼	0.0	—	Ⓨ	3.1	▲	(3.1)	▼	0.0	—	Ⓞ
Total	5-Month	22.8	▲	(23.2)	▼	(0.4)	▼	Ⓞ	47.2	▲	(43.6)	▼	3.6	▲	Ⓞ
<b>Year-to-Date Net Variance</b>		Ⓞ	85% to 105%	Ⓨ	0% to 85%	Ⓜ	>105%	<b>Year-End</b>	Ⓞ	<=100%	Ⓜ	>100%			

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

Appendix E  
**Infrastructure and Development Services**

<b>Five Month Results</b>	<b>Year-End Projections</b>
<p><b>City Planning:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable net expenditure variance of \$1.9 million comprised of:</li> <li>• Favourable gross expenditure variance of \$1.9 million due to staffing vacancies, resulting in underspending in salaries and benefits as well as lower costs relating to materials, supplies and services.</li> <li>• Unfavourable revenue variance of \$3.7 million due to lower user and other fees primarily in development application review fees, impacted by the COVID-19 related shutdown of services and lower capital, reserve fund and other recoveries due to staff vacancies, timing of projects and billing delays, primarily in transit planning.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavourable net expenditure variance of \$0.8 million comprised of:</li> <li>• Favourable gross expenditure variance of \$3.6 million is projected due to underspending in salaries and benefits as a result of vacant positions and lower than anticipated material, supplies and services and rents.</li> <li>• Unfavourable revenue variance of \$4.4 million is projected primarily due to lower than anticipated development application review and other fees, in addition to lower capital, reserve fund and other recoveries resulting from vacancies and non-salary underspending.</li> </ul>
<p><b>Fire Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$1.0 million is mainly due to underspending in salary and benefits of \$2.3 million, and underspending in various non-salary expenses of \$0.07 million which more than offsets the year to date overspending for the WSIB costs of \$1.5 million.</li> <li>• Over achieved revenues of \$1.1 million are primarily due to false alarm fees that exceed the budget by \$0.3 million and the receipt of the HUSAR grant of \$0.6 million, budgeted in 2019, but received in 2020.</li> <li>• Favourable net variance of \$2.0 million reflects gross underspending mostly in salary and benefits and over</li> </ul>	<ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$0.9 million is comprised of underspent salaries and benefits of \$1.9 million and underspending in non-salary operational expenses of \$0.2 million, offset by projected COVID-19 expenditures of \$1.3 million.</li> <li>• Revenues are projected to be under achieved by \$0.4 million, primarily due to a reduction in false alarm occurrences.</li> <li>• Favourable net variance of \$0.5 million, with gross underspending fully offsetting under achieved revenues, as noted above.</li> </ul>

<p>achieved revenues from false alarm fees and receipt of the 2019 HUSAR grant.</p>	
<p><b>Office of Emergency Management:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$0.03 million is mainly due to underspending in salary and benefits</li> <li>• Revenues are as planned and reflect the receipt of the provincial grant.</li> <li>• Favourable net of \$0.03 million, reflecting the gross underspending in salaries and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• Overspending of \$0.3 million is primarily attributable to COVID-19 related expenditures.</li> <li>• Revenues are projected to be under achieved by \$0.01 million, reflecting grant receipts that are below budget.</li> <li>• Unfavourable variance of \$0.3 million, reflects COVID-19 related expenditures and underachieved revenues.</li> </ul>
<p><b>Municipal Licensing &amp; Standards:</b></p> <ul style="list-style-type: none"> <li>• Under-expenditures totaling \$1.5 million mainly arise from salaries and benefits savings due to processing time to fill vacancies as well as the impact of the COVID-19 hiring slow-down (\$0.8 million). Under-expenditures are also driven by lower contracted services costs due to proactive cannabis enforcement (\$0.2 million), lower than planned audit fees (\$0.2 million) and miscellaneous underspending of \$0.3 million for stationary, computer hd/sw, footwear, medical supplies, furnishings and hydro.</li> <li>• These under-expenditures were partially offset by over-expenditures of \$0.5 million mainly due to higher than planned expenditures for contracted services including misc. supplies for health &amp; safety, janitorial, animal services, advertising and unplanned mechanical repairs (\$0.7 million) as well as contracted waste disposal and roofing repair (\$0.119 million).</li> <li>• Lower than planned revenue of \$2.9 million was primarily comprised of \$2.1 million in higher than expected volumes of PTC (Private Transportation Company)</li> </ul>	<ul style="list-style-type: none"> <li>• Projecting to be over budget at year-end with an unfavourable net expenditure variance (deficit) of \$5.8 million.</li> <li>• Expenditures of \$58.0 million are projected to be under budget by \$4.7 million or 7.5% at year-end primarily due to staff vacancies and includes:</li> <li>• Vacancy related underspending in salaries and benefits (\$1.4 million) mainly due to the length of time it takes to fill staff positions as well as the impact of the COVID-19 hiring slow-down;</li> <li>• Lower than planned contribution expense to the Accessibility Reserve Fund (\$1.9 million) due to lower than anticipated volumes of non-compliance fees collected as a result of COVID-19;</li> <li>• Lower than anticipated spending in cannabis enforcement due to proactive planning (\$0.5 million); and,</li> </ul>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

<p>applications, trip fees offset by lower than planned revenue of \$5.0 million from licenses &amp; permits including business licences (\$3.956 million) as well as other fees and service charges including recoveries for cannabis enforcement and animal services fees.</p> <ul style="list-style-type: none"> <li>• The resulting net expenditures reflect an unfavourable variance (deficit) of \$1.9 million as of the 5 month period ended May 31, 2020.</li> </ul>	<ul style="list-style-type: none"> <li>• Lower spending on compliance audit services (\$0.4 million) resulting from deferral of the Short-Term Rental program implementation.</li> <li>• Revenue of \$39.8 million is projected to be under-achieved by \$10.5 million or 20.9% at year-end. The Program is anticipating:</li> <li>• Lower than anticipated business licences revenue (\$4.8 million) due to the lower volume of applications as a result of COVID-19 emergency closures;</li> <li>• Lower than anticipated accessibility fee collection (\$1.9 million) and Private Transportation Companies trip fees (\$0.2 million) due to lower volumes as a result of COVID-19;</li> <li>• Deferral of Short-Term Rental program implementation (\$1.2 million) as a result of COVID-19 emergency closures;</li> <li>• Waived application and permit fees for boulevard cafes (\$0.8 million) as part of the CafeTO initiative;</li> <li>• Lower than anticipated gaming services revenue (\$0.7 million) as a result of COVID-19 emergency closures; and,</li> <li>• Lower recoveries from the cannabis reserve fund (\$0.5 million) resulting from lower expenditures due to proactive enforcement.</li> <li>• The shutdown of operations due to COVID-19 has significantly impacted revenues (approximately 21% reduction). Private Transportation Company revenues, Business Licenses and permits experienced the largest losses in volume and associated revenue.</li> </ul>
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<p><b>Policy, Planning, Finance &amp; Administration:</b></p> <ul style="list-style-type: none"> <li>• PPF&amp;A has a favourable net expenditure variance of \$0.3 million comprised of:</li> <li>• Favourable gross expenditure variance of \$0.5 million due to staffing vacancies and hiring delays resulting from COVID-19 emergency closures, as well as lower costs relating to supplies, equipment, and utilities due to lower usage.</li> <li>• Unfavourable revenue variance of \$0.2 million due to lower inter-divisional recoveries from client divisions reflecting lower gross expenditures as a result of vacancies and offset by higher recoveries from capital projects due to timing difference.</li> </ul>	<ul style="list-style-type: none"> <li>• PPF&amp;A has a favourable net expenditure variance of \$0.4 million comprised of:</li> <li>• Favourable gross expenditure variance of \$1.1 million is projected due to underspending in salaries and benefits as a result of vacant positions and hiring slow down due to COVID-19; and lower than anticipated spending in equipment materials &amp; supplies and contract services.</li> <li>• Unfavourable revenue variance of \$0.6 million is projected from lower capital as well as lower interdivisional recoveries due to staffing vacancies resulting from COVID-19 emergency closures.</li> </ul>
<p><b>Engineering and Construction Services:</b></p> <ul style="list-style-type: none"> <li>• Under-spending in salaries &amp; benefits and related non-salary expenses due to vacant positions as a result of the highly competitive market for engineering professionals.</li> <li>• Lower recoveries from client capital projects resulting from vacant positions, and lower user fees/recoveries mostly due to TTC project delays.</li> <li>• The under-spending and lower recoveries from client capital projects are partially offset by higher development application review fees and full stream application fees due to higher volume of applications from utility companies, and higher development engineering review and inspection revenue due to a larger than expected volume of work.</li> </ul>	<ul style="list-style-type: none"> <li>• Under-spending in salaries &amp; benefits and related non-salary expenses are expected to continue due to vacant positions.</li> <li>• Lower recoveries from client capital projects as a result of the vacant positions, and lower user fees mostly due to TTC project delays and Metrolinx transit-related work delays will also continue.</li> <li>• The under-spending and lower recoveries from client capital projects will continue to be partially offset by higher development application review fees and full stream application fees due to projection of higher volume of applications from utility companies; and, higher development engineering review and inspection revenue due to a larger than expected volume of work.</li> </ul>



<p><b>Toronto Building:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$3.1 million primarily due to hiring delays resulting from vacancies and partially from COVID-19 impacts.</li> <li>• Revenues are under achieved by \$5.6 million due to a lower volume of building permit applications resulting from the COVID-19 emergency closures.</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$8.1 million at year end primarily due to vacancies and hiring slow down as a result of COVID-19, and under spending in contracted services.</li> <li>• Revenues at year end are projected to be overachieved by \$1.4 million primarily due to anticipated increases in permit application volumes as the service delivery resumes.</li> </ul>
<p><b>Transportation Services:</b></p> <ul style="list-style-type: none"> <li>• Lower costs for the school crossing guard program due to school closures since mid-March; under-spending in salaries &amp; benefits and related non-salary expenses due to vacant positions as a result of the City's hiring slow-down and delayed implementation of the divisional re-organization; and, lower costs for the winter maintenance program due to favourable weather conditions in the first half of 2020.</li> <li>• Lower capital recoveries due to vacant positions; lower right-of-way permit &amp; inspection fees due to the suspension of construction activities as ordered by the Province for a period of time; and, lower revenues for temporary parking permits due to reduced demand since mid-March.</li> </ul>	<ul style="list-style-type: none"> <li>• Under-spending in salaries &amp; benefits and related non-salary expenses due to vacant positions resulting from the City's hiring slow-down; lower costs for the school crossing guard program due to school closures from March to July; lower costs for the winter maintenance program due to favourable weather conditions in the first half of 2020; and decreased utility cut repair costs due to the suspension of construction activities.</li> <li>• Partially offset by higher costs for road &amp; bridge repairs due to efforts to accelerate repair work; and, increased costs for Paid Duty Officers required for the ActiveTO initiative (road closures, etc.) throughout the summer months.</li> <li>• Lower recoveries from capital projects resulting from vacant positions and the impact on capital delivery from suspension of construction activities; and lower recoveries related to Automatic Speed Enforcement (ASE) and Red Light Cameras (RLC) from other municipalities due to lower</li> </ul>

	<p>volume of charges and delayed implementation in speed enforcement.</p> <ul style="list-style-type: none"> <li>• Lower reserve fund recoveries (i.e. Public Realm RF; etc.) as net costs incurred are expected to be lower than planned; lower fees &amp; service charges due to reduction in right-of-way permit fees due to lower construction activity; under-achieved temporary parking permit fees due to lower demand resulting from slowdown of economic and outdoor activities; and, lower utility cut revenue due to reduced activity.</li> </ul>
<p><b>Transit Expansion:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$2.0 million primarily due to vacant positions and under spending in professional and technical services.</li> <li>• Revenues are under achieved by \$2.0 million due to lower expenditure recoveries from Metrolinx and capital.</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$3.1 million at year end due to vacant positions and less spending in non-salary related expenses.</li> <li>• Revenues at year end are projected to be underachieved by \$3.1 million due to lower expenditure recoveries from Metrolinx and capital.</li> </ul>

## Appendix E

Figure 8: Finance and Treasury Services Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection							
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert	
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend		
Office of the Chief Financial Officer	5-Month	0.0	—	0.0	—	0.1	▲	Ⓞ	0.8	▲	(0.4)	▼	0.3	▲	Ⓞ	
Office of the Controller	5-Month	1.3	▲	(2.6)	▼	(1.3)	▼	Ⓡ	3.8	▲	(8.4)	▼	(4.7)	▼	Ⓡ	
Total	5-Month	1.4	▲	(2.6)	▼	(1.2)	▼	Ⓡ	4.5	▲	(8.9)	▼	(4.4)	▼	Ⓡ	
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End		Ⓞ	<=100%	Ⓡ	>100%			

## Appendix E

### Finance and Treasury Services

Nine Month Results	Year-End Projections
<p><b>Office of the Chief Financial Officer &amp; Treasurer:</b></p> <ul style="list-style-type: none"><li>Favourable net expenditure variance of \$0.1 million is in line with budget.</li></ul>	<ul style="list-style-type: none"><li>Net favourable variance of \$0.3 million is mainly due to underspend in salaries and benefits resulting from Hiring Slowdown/delays.</li></ul>
<p><b>Office of the Controller:</b></p> <ul style="list-style-type: none"><li>Unfavourable net expenditure variance of \$1.3 million is mainly attributable to unbudgeted administrative costs, as well as, lower user fees collected due to COVID-19, partially offset by underspend in salaries &amp; benefits due to staffing delays.</li></ul>	<ul style="list-style-type: none"><li>Net unfavourable variance of \$4.7 million is mainly attributable to lower user fees revenue and higher administrative costs related to COVID-19, partially offset by underspend in salaries and benefits resulting from Hiring Slowdown and Emergency Leave protocols.</li></ul>

## Appendix E

Figure 9: 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	
Corporate Real Estate Management	5-Month	(3.1)	▼	3.9	▲	0.8	▲	Ⓞ	(8.3)	▼	2.8	▲	(5.5)	▼	Ⓜ
Environment & Energy	5-Month	0.7	▲	0.5	▲	1.1	▲	Ⓢ	3.7	▲	(1.4)	▼	2.3	▲	Ⓞ
Fleet Services	5-Month	1.9	▲	(0.7)	▼	1.2	▲	Ⓢ	3.4	▲	(1.3)	▼	2.1	▲	Ⓞ
Technology Services	5-Month	(2.4)	▼	(0.6)	▼	(3.0)	▼	Ⓜ	(4.6)	▼	(6.8)	▼	(11.4)	▼	Ⓜ
311 Toronto	5-Month	0.5	▲	(0.1)	▼	0.4	▲	Ⓞ	0.9	▲	(1.1)	▼	(0.2)	▼	Ⓜ
Total	5-Month	(2.4)	▼	3.0	▲	0.5	▲	Ⓞ	(4.9)	▼	(7.8)	▼	(12.7)	▼	Ⓜ

<b>Year-to-Date</b>	Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓜ	>105%	<b>Year-End</b>	Ⓞ	<=100%	Ⓜ	>100%
<b>Net Variance</b>											

## Appendix E

### Corporate Services

#### Five Month Results

#### Year-End Projections

##### Corporate Real Estate Management

- Favourable net variance of \$0.8 million is primarily attributable to one-time property tax rebates related to CREM's leasing portfolio, as well as staff vacancies and reduced maintenance and utility consumption at City facilities that have been closed or operating with reduced hours due to the COVID-19 pandemic.
  - Gross expenditures are unfavorable due to additional costs to address COVID-19 operational requirements including increased custodial and security services at City facilities, further supplemented by reduced leasing revenues and project management fee recoveries from capital project delays impacted by the pandemic.
  - CREM has gone above the standard level of service in a number of areas, specifically related to cleaning and security. CREM will focus on filling only essential positions deemed critical to support base operations and City priorities in an attempt to contain costs and reinforce the focus on COVID-19 response and recovery efforts. Preventative and on-demand maintenance will be prioritized for health and safety and legislated requirements while seeking opportunities to decrease spending on other non-essential maintenance. CREM has already begun implementing these actions at City facilities that have been closed, or operating under reduced hours and activity due to the pandemic.
- Net unfavourable variance of \$5.5 million is expected to be driven by COVID-19 impacts with overspending in custodial, maintenance and security services, as well as lower one-time revenues from delays in turning over retail space in Union Station, slightly offset by the collection of one-time property tax rebates.
  - Although CREM has gone above the standard level of service with respect to custodial and security services to address the COVID-19 pandemic, there is no anticipated impact to other divisional service levels. CREM will focus on filling only essential positions deemed critical to support base operations and City priorities in an attempt to contain costs and reinforce the focus on COVID-19 response and recovery efforts. Preventative and on-demand maintenance will be prioritized for health and safety and legislated requirements while seeking opportunities to decrease spending on other non-essential maintenance.

<p><b>Environment &amp; Energy (EE):</b></p> <ul style="list-style-type: none"> <li>• Favourable net variance of \$1.1 million is primarily attributable to underspending in contracted services on net-zero carbon emission initiatives, as well as staff vacancies due to a primary focus on COVID-19 contract procurement and essential recruitment. This is partially offset by some higher than anticipated spending in the Eco-Roof and Waste Reduction Grants.</li> <li>• Favourable net variance is further supplemented by the higher revenues collected from various external grants and new construction payments related to actual energy savings realized.</li> <li>• There is no impact to current service levels. Net-Zero strategy development work has been delayed due to staff redeployments, and prioritization of COVID-19 related staffing and procurement activities. The Environment &amp; Energy Division (EED) is working diligently with internal and external partners to understand the impact of COVID-19 on Climate Action plans and commit to reporting back to Council in the first half of 2021. EED is also working through the new Hiring Slow Down recruitment process for the staffing of 18.0 new positions supporting these plans and activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Net favourable variance of \$2.3 million is expected as year-to-date results are projected to continue to year-end.</li> <li>• There is no anticipated impact to service levels. Net-Zero strategy development work has been delayed due to staff redeployments, and prioritization of COVID-19 related staffing and procurement activities. EED is working diligently with internal and external partners to understand the impact of COVID-19 on Climate Action plans and commit to reporting back to Council in the first half of 2021. EED is also working through the new Hiring Slow Down recruitment process for the staffing of 18.0 new positions supporting these plans and activities.</li> </ul>
<p><b>Fleet Services:</b></p> <ul style="list-style-type: none"> <li>• COVID-19 related savings from delayed hiring, lower fuel consumption along with lower fuel prices are offset by unbudgeted COVID-19 expenses for higher vehicle rental and cleaning costs resulting in a favourable gross expenditure of \$1.9 million. This is offset by lower recoveries for fuel volumes for a favourable net expenditure of \$1.2 million.</li> </ul>	<ul style="list-style-type: none"> <li>• Net favourable variance expected at year-end of \$2.1 million reflects COVID-19 impacts from delayed hiring and lower fuel prices.</li> </ul>

<p><b>Technology Services:</b></p> <ul style="list-style-type: none"> <li>Expenditures to allow City-wide staff to telework as a result of COVID 19 are slightly offset by delayed hiring resulting in an unfavourable gross expenditure of \$2.4 million. This is in addition to lower recoveries (\$0.6 million) from capital for an unfavourable net expenditure of \$3.0 million.</li> </ul>	<ul style="list-style-type: none"> <li>Unfavourable net variance expected at year-end of \$11.4 million from increasing the teleworking capacity in the City due to COVID 19 and cybersecurity investments to meet security requirements in the face increasing use of technology and remote working.</li> </ul>
<p><b>311 Toronto:</b></p> <ul style="list-style-type: none"> <li>Savings in the Project Management Office (\$0.4 million) and the cancellation of planned training (\$0.1 million) underlie the gross expenditure favourability due to COVID-19, which is slightly offset by lower recoveries (\$0.1 million) from capital resulting in a favourable net expenditure of \$0.4 million.</li> <li>Achieved 82% of calls answered within 75 seconds, meeting the 80% Council approved service level.</li> </ul>	<ul style="list-style-type: none"> <li>Net unfavourable variance expected at year-end of \$0.2 million reflects L79 COLA which is not currently in the budget and contingencies arising from COVID-19.</li> </ul>



## Appendix E

### City Manager's Office

Figure 10: 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	5-Month	(0.0)	—	1.0	▲	1.0	▲	Ⓜ	1.3	▲	0.3	▲	1.5	▲	Ⓞ	
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓜ	0% to 85%	Ⓜ	>105%	Year-End	Ⓞ	<=100%	Ⓜ	>100%				

Five Month Results	Year-End Projections
<p><b>City Manager's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$1.0 million or 5.3 %, partly due to higher interdivisional recoveries from temporary short-term unbudgeted service agreements with City divisions and underspending in Training/Development Expenses, as a result of cancelling courses provided by external vendors due to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance of \$1.5 million or 2.6% mainly due to staff vacancies , underspending for the FCM &amp; ICMA Conferences that have been cancelled due to COVID-19</li> </ul>

## Appendix E

Figure 11: 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	5-Month	0.8	▲	(0.3)	▼	0.5	▲	Ⓞ	4.4	▲	(2.0)	▼	2.4	▲	Ⓞ
Legal Services	5-Month	4.5	▲	(0.5)	▼	4.0	▲	Ⓡ	8.0	▲	(2.6)	▼	5.4	▲	Ⓞ
Mayor's Office	5-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
City Council	5-Month	0.7	▲	0.0	—	0.7	▲	Ⓡ	0.0	—	0.0	—	0.0	—	Ⓞ
Total	5-Month	5.9	▲	(0.8)	▼	5.1	▲	Ⓡ	12.4	▲	(4.6)	▼	7.8	▲	Ⓞ
<b>Year-to-Date Net Variance</b>		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	<b>Year-End</b>	Ⓞ	<=100%	Ⓡ	>100%			

## Appendix E

### Other City Programs

Five Month Results	Year-End Projections
<p><b>City Clerk's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.5 million or 3.5% due to underspending in Information Production's mailing and printing services, staff vacancies, delay in staff hiring and staff on emergency leave due to the COVID-19 emergency situation.</li> </ul>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance of \$2.4 million mainly due to end mainly due to a lower internal client demand for mail, print and copy services, staff vacancies, and staff emergency leave as a result of the COVID-19 emergency situation.</li> </ul>
<p><b>Legal Services:</b></p> <ul style="list-style-type: none"> <li>Favourable variance of \$4.0 million net is primarily attributable to lower salaries and benefits resulting from staff vacancies and implementation of Emergency Leave status in response to COVID-19, partially offset by higher than budgeted Fees and Service Charges due to timing.</li> </ul>	<ul style="list-style-type: none"> <li>Net favourable variance of \$5.4 million is mainly due to underspend in salaries and benefits resulting from Emergency Leave and Hiring Slowdown/delays in response to COVID-19.</li> </ul>
<p><b>Mayor's Office:</b></p> <ul style="list-style-type: none"> <li>Unfavourable net variance of \$0.04 million or 4.9 % due to higher spending in salaries and benefits.</li> </ul>	<ul style="list-style-type: none"> <li>The projection is to be on budget at year-end.</li> </ul>
<p><b>City Council:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.7 million or 9.4% due to underspending in Staff Salaries and Benefits, Councillors' Constituency Services and Office Budgets and Council General Budget.</li> </ul>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance is dependent on future spending patterns.</li> </ul>

## Appendix E

Figure 12: 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	5-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
Office of the Integrity Commissioner	5-Month	0.1	▲	0.0	—	0.1	▲	Ⓡ	0.1	▲	0.0	—	0.1	▲	⊙
Office of the Lobbyist Registrar	5-Month	0.0	—	0.0	—	0.0	—	Ⓡ	0.0	—	0.0	—	0.0	—	⊙
Office of the Ombudsman	5-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
Total	5-Month	(0.1)	▼	0.0	—	(0.1)	▼	⊙	0.1	▲	0.0	—	0.1	▲	⊙
<b>Year-to-Date Net Variance</b>	<b>⊙</b>	85% to 105%	<b>Ⓨ</b>	0% to 85%	<b>Ⓡ</b>	>105%		<b>Year-End</b>	<b>⊙</b>	<=100%	<b>Ⓡ</b>	>100%			

## Appendix E

### Accountability Offices

Five Month Results	Year-End Projections
<b>Auditor General's Office:</b> <ul style="list-style-type: none"><li>Unfavourable variance of \$0.1 million or 5.8% due to higher spending in Salaries &amp; Benefits, Services &amp; Rents and Equipment for the period. There are no significant budget impacts due to the COVID-19 emergency situation.</li></ul>	<ul style="list-style-type: none"><li>The projection is to be on budget at year-end.</li></ul>
<b>Office of the Integrity Commissioner:</b> <ul style="list-style-type: none"><li>Favourable variance of \$0.1 million or 30.9% due to underspent salaries and benefits resulting from staff vacancy early in the year, and lower spending in Services &amp; Rents.</li></ul>	<ul style="list-style-type: none"><li>Projected favourable variance of \$0.1 million at year-end due to COVID-19-related underspending on legal services and investigative expenses.</li></ul>
<b>Office of the Lobbyist Registrar:</b> <ul style="list-style-type: none"><li>Favourable variance of \$0.02 million or 5.0 % due mainly to lower spending in Services &amp; Rents. There are no budget impacts related to the COVID-19 emergency situation.</li></ul>	<ul style="list-style-type: none"><li>The projection is to be on budget at year-end.</li></ul>
<b>Office of the Ombudsman:</b> <ul style="list-style-type: none"><li>Unfavourable variance of \$0.04 million or 5.4% due to higher spending in Salary and Benefits for the period, this was partially offset by lower spending in Services and Rents. There are no COVID-19-related budget impacts.</li></ul>	<ul style="list-style-type: none"><li>The projection is to be on budget at year-end.</li></ul>

## Appendix E

Figure 13: 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	5-Month	7.5	▲	(6.9)	▼	0.6	▲	Ⓞ	(3.4)	▼	(0.0)	—	(3.4)	▼	Ⓜ
Toronto Public Library	5-Month	2.3	▲	(0.2)	▼	2.1	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Association of Community Centres	5-Month	0.4	▲	(0.0)	—	0.4	▲	Ⓜ	0.1	▲	(0.0)	—	0.0	—	Ⓞ
Exhibition Place	5-Month	4.6	▲	(7.3)	▼	(2.6)	▼	Ⓜ	8.5	▲	(23.9)	▼	(15.4)	▼	Ⓜ
Heritage Toronto	5-Month	0.1	▲	(0.2)	▼	(0.1)	▼	Ⓨ	0.1	▲	(0.2)	▼	(0.1)	▼	Ⓜ
TO Live	5-Month	6.0	▲	(7.3)	▼	(1.3)	▼	Ⓨ	23.7	▲	(26.4)	▼	(2.6)	▼	Ⓜ
Toronto Zoo	5-Month	4.4	▲	(7.5)	▼	(3.1)	▼	Ⓜ	13.1	▲	(27.7)	▼	(14.6)	▼	Ⓜ
Arena Boards of Management	5-Month	0.4	▲	(1.4)	▼	(1.0)	▼	Ⓜ	1.3	▲	(3.6)	▼	(2.2)	▼	Ⓜ
Yonge Dundas Square	5-Month	0.4	▲	(0.9)	▼	(0.5)	▼	Ⓨ	1.6	▲	(1.9)	▼	(0.3)	▼	Ⓜ
CreateTO	5-Month	0.3	▲	(0.3)	▼	0.0	—	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓞ
Toronto & Region Conservation Authority	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Toronto Transit Commission - Conventional	5-Month	44.0	▲	(234.0)	▼	(190.0)	▼	Ⓨ	89.7	▲	(789.3)	▼	(699.6)	▼	Ⓜ
Toronto Transit Commission - Wheel-Trans	5-Month	14.5	▲	(1.5)	▼	13.0	▲	Ⓜ	34.3	▲	(4.2)	▼	30.1	▲	Ⓞ
Toronto Police Service	5-Month	(3.5)	▼	3.5	▲	0.0	—	Ⓞ	(8.3)	▼	8.3	▲	0.0	—	Ⓞ
Toronto Police Services Board	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
<b>Total</b>	5-Month	<b>81.6</b>	<b>▲</b>	<b>(264.1)</b>	<b>▼</b>	<b>(182.6)</b>	<b>▼</b>	<b>Ⓨ</b>	<b>160.8</b>	<b>▲</b>	<b>(869.0)</b>	<b>▼</b>	<b>(708.1)</b>	<b>▼</b>	<b>Ⓜ</b>
<b>Year-to-Date Net Variance</b>		<b>Ⓞ</b>	85% to 105%	<b>Ⓨ</b>	0% to 85%	<b>Ⓜ</b>	>105%	<b>Year-End</b>	<b>Ⓞ</b>	<=100%	<b>Ⓜ</b>	>100%			

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

**Appendix E  
City Agencies**

**Five Month Results**

**Year-End Projections**

<p><b>Toronto Public Health:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$7.5 million mainly attributed to underspending in salary and benefits of \$5.9 million, which includes delays in processing overtime claims for non-union employees working in the IMS response and non-payroll expenditures of \$1.6 million reflecting savings resulting from the suspension of non-essential programs and services during the COVID-19 pandemic.</li> <li>• Underachieved revenues of \$6.9 million are mainly due to lower provincial revenue recovered as a result of lower expenditures.</li> <li>• Favourable net variance of \$0.6 million predominately attributed to underspending in Province and City funded programs as a result of the COVID-19 response measures put in place.</li> <li>• Approximately 67% of TPH employees have been redeployed to Incident Management System (IMS) functions in support of TPH's management of COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable gross expenditure variance of \$3.4 million mainly in salaries and benefits for extraordinary costs in response to the COVID-19 outbreak and additional resources to support the case and contact tracing functions in IMS.</li> <li>• Projected revenues are equal to budget. The Ministry of Health has indicated that extraordinary costs in response to the COVID-19 outbreak that are over and above the Provincial grant will be fully funded by the Province. Revenue projections will be adjusted to reflect any additional funding received from other levels as part of future period variance reports.</li> <li>• Projected net unfavourable year-end variance of \$3.4 million reflects the pressure to the city budget if funding is not provided by the province to support the extraordinary costs related to the COVID-19 outbreak.</li> </ul>
<p><b>Toronto Public Library:</b></p> <ul style="list-style-type: none"> <li>• For the 5 Month period, Toronto Public Library (TPL) reported a favorable net variance of \$2.1 million, consisting of a favorable gross expenditure variance of</li> </ul>	<ul style="list-style-type: none"> <li>• Toronto Public Library is projected to be on budget at year-end. The year-end forecast is uncertain at this time and could be impacted by COVID-19, and service closure and reinstatement.</li> </ul>

<p>\$2.3 million and an unfavourable revenue variance of \$0.2 million.</p> <ul style="list-style-type: none"> <li>• Expenditures were lower than plan as a result of reduced spending in employee remuneration and benefits, utilities, guard services and library programming which is directly attributable to the Ontario state of emergency declaration and closure of library branches due to COVID-19.</li> <li>• Revenues were lower than plan due decreased fines and fees and venue and community room rental revenue related to branch closures.</li> </ul>	
<p><b>Association of Community Centres:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross variance of \$0.4 million primarily driven by underspending in materials and supplies, utilities and services and rents as a result of the COVID-19 shutdown.</li> <li>• Underachieved revenues of \$0.04 million due to loss of room rentals for two months as a result of COVID-19.</li> <li>• Favourable net variance of \$0.4 million mainly driven by underspending related to COVID-19 shutdowns.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable gross expenditure variance of \$0.1 million primarily due to the savings related to the COVID-19 shutdown during the beginning of the year being offset by increased materials and supplies, utilities and services and rents as centres reopen.</li> <li>• Underachieved revenues of \$0.04 million due to lower room rentals as a result of COVID-19.</li> <li>• Projected favourable net variance of \$0.05 million due to savings experienced from the COVID-19 shutdowns, partially offset by reopening and recovery costs expected in the remainder of the year</li> </ul>
<p><b>Exhibition Place:</b></p> <ul style="list-style-type: none"> <li>• Exhibition Place reported an unfavourable net variance of \$2.6 million to the 2020 Approved Operating Budget driven by:</li> <li>• A favourable gross expenditure variance of \$4.6 million from the postponement and cancellation of non-essential expenditures/purchases, as well costs directly associated with event revenues.</li> </ul>	<ul style="list-style-type: none"> <li>• Exhibition Place projects an unfavourable net variance of \$15.4 million to the 2020 Approved Operating Budget. Exhibition Place has projected revenues and expenditures on the assumption that operations will resume in the fall.</li> <li>• A favourable gross expenditure variance of \$8.5 million from decreased purchases, lower staffing</li> </ul>



<ul style="list-style-type: none"> <li>An unfavourable revenue variance of \$7.3 million from event cancellations due to COVID-19.</li> </ul>	<p>levels during closers and costs associated with events during the halt of operation due to COVID-19.</p> <ul style="list-style-type: none"> <li>An unfavourable revenue variance of \$23.9 million from lost revenues from events, and parking.</li> </ul>
<p><b>Heritage Toronto:</b></p> <ul style="list-style-type: none"> <li>Heritage Toronto reported an unfavourable net variance of \$0.1 million to the 2020 Approved Operating Budget drive by:</li> <li>A favourable gross expenditure variance of \$0.1 million from decreased tour and program expenses as well as a full-time position remaining vacant during COVID-19 emergency orders.</li> <li>An unfavourable revenue variance of \$0.2 million from tours and awards programs being cancelled, as well as a decrease in sponsorships due to COVID-19. These lost revenues are slightly mitigated by the expenses that would accompany them.</li> </ul>	<ul style="list-style-type: none"> <li>Heritage Toronto projects an unfavourable net variance of \$0.1 million to the 2020 Approved Operating Budget, consisting of:</li> <li>A favourable gross expenditure variance of \$0.1 million resulting from COVID-19 as programs have been cancelled and additional savings from salaries and benefits will be realized. These savings are offset by the lost revenues from tours and the awards program. However, operations are anticipated to resume in the fall, and normal expenditures from operations is expected.</li> <li>An unfavourable revenue variance of \$0.2 million is projected as Heritage Toronto does not expect tours to run until the fall and the Heritage awards program has been cancelled.</li> </ul>
<p><b>TO Live:</b></p> <ul style="list-style-type: none"> <li>Unfavourable net expenditure of \$1.3 million or 47.4% above the 2020 Approved Operating Budget is driven by:</li> <li>Significant revenue loss of \$6.3 million due to closure of TO Live's venues since March 16 as a result of COVID-19</li> <li>The shortfall in revenue is partially offset by savings of \$4.6 million in direct costs associated with cancelled/postponed events as well as building and administrative overheads. TO Live has also reduced its staffing level and generated savings of \$0.4 million.</li> </ul>	<ul style="list-style-type: none"> <li>Unfavorable net expenditure of \$2.6 million by year-end is projected due to COVID-19 implication.</li> <li>To mitigate its revenue shortfall, TO Live will continue to implement cost savings measures, further staff reductions as well as reducing its budgeted contribution of sponsorship revenue to the Facility Fee Reserve Fund.</li> </ul>

<p><b>Toronto Zoo:</b></p> <ul style="list-style-type: none"> <li>• Unfavorable net expenditure of \$3.1 million or 35.9% above the 2020 Approved Operating Budget is driven by:</li> <li>• Unfavorable revenue of \$7.5 million due to Zoo closure from March 14 to May 19 as a result of COVID-19. The revenue shortfall is partially offset by the launch of the Scenic Safari on May 20. This initiative helps generate some cash flow (\$0.7 million in May) to support daily essential operations at the Zoo.</li> <li>• To mitigate the impact of COVID-19, the Zoo implemented cost saving measures resulting in favorable gross expenditure of \$4.4 million. To meet the needs of the living inhabitants at the Zoo, ongoing expenditures are still required.</li> <li>• The Zoo attracted 0.080 million visitors, representing 42% decrease from attendance target of 0.138 million as of May.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavorable net expenditure of \$14.6 million by year-end is projected due to COVID-19 implications:</li> <li>• Revenue is forecasted to be unfavorable by \$27.7 million partially offset by the offering of the Scenic Safari (\$6.8 million) and the "Zoo Food For Life" fundraising campaign launched by the Toronto Zoo Wildlife Conservancy which helps raise funds to feed animals in the Zoo (\$0.6 million).</li> <li>• Gross expenditure is anticipated to be favorable by \$13.1 million as the Zoo continues to implement cost saving measures.</li> </ul>
<p><b>Arena Boards of Management:</b></p> <ul style="list-style-type: none"> <li>• The Arena Boards of Management reported an unfavourable net variance of \$1.0 million to the 2020 Approved Operating Budget driven by:</li> <li>• A favourable gross expenditure variance of \$0.4 million from the postponement and cancellation of non-essential expenditures/purchases, as well costs directly associated with ice-time and room booking revenues.</li> <li>• An unfavourable revenue variance of \$1.4 million from cancelled programming and closed facilities due to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• The Arena Boards of Management project an unfavourable net variance of \$2.2 million to the 2020 Approved Operating Budget. The Arena Boards of Management have projected revenues and expenditures on the assumptions that operations will resume in the fall.</li> <li>• A favourable gross expenditure variance of \$1.3 million from decreased purchases, lower staffing levels during closures and costs associated with ice-time during the halt of operation due to COVID-19.</li> <li>• An unfavourable revenue variance of \$3.6 million from lost revenues due to the closure of facilities.</li> </ul>

<p><b>Yonge Dundas Square (YDS):</b></p> <ul style="list-style-type: none"> <li>• Yonge-Dundas Square reported an unfavourable net variance of \$0.5 million to the 2020 Approved Operating Budget, driven by:</li> <li>• A favourable gross expenditure variance of \$0.4 million due to program and event cancellations due to COVID-19.</li> <li>• An unfavourable revenue variance of \$0.9 million due to program and event cancellation revenues, as reference above. These revenues were slightly offset by expenditures associated with these programs and events.</li> </ul>	<ul style="list-style-type: none"> <li>• Yonge-Dundas Square projects an unfavourable net variance of \$0.3 million to the 2020 Approved Operating Budget. Yonge-Dundas Square is expecting restrictions to ease in the summer and has projected their revenues and expenditures with this expectation.</li> <li>• This is driven by a projected unfavourable revenue variance of \$1.9 million and a favourable gross expenditure variance of \$1.6 million from cancelled programs and events and the revenues/expenditures associated them.</li> </ul>
<p><b>CreateTO:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditures of \$0.3 million is attributable to delayed spending in project investigative and marketing costs that are expected to be fully spent by year-end.</li> <li>• Funding recovery from Build Toronto, TPLC and the City aligns with expenditures, resulting in a net zero variance to Budget.</li> </ul>	<ul style="list-style-type: none"> <li>• CreateTO is projecting to be on budget by year-end.</li> </ul>
<p><b>Toronto &amp; Region Conservation Authority:</b></p> <ul style="list-style-type: none"> <li>• As planned for this period.</li> </ul>	<ul style="list-style-type: none"> <li>• Each year, TRCA receives the City of Toronto funding share which maintains the ratio between TRCA's other funding partner municipalities. In 2020, TRCA will receive the full funding amount as approved by Council, resulting in no year-end variance.</li> </ul>

<p><b>Toronto Transit Commission – Conventional:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$44.0 million primarily due to the implementation of cost containment strategies and the matching service capacity to demand, partially offset by the implementation of safety measures and additional disinfection procedures required due to COVID-19.</li> <li>• Revenues are under achieved by \$234.0 million at the end of the five month period. Due to the impact of COVID-19, TTC has lost the majority of its ridership revenue. Ridership losses peaked at 86% below budget in late April are currently at 80% below budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$89.7 million primarily due to the implementation of cost containment strategies and the matching service capacity to demand, partially offset by the implementation of safety measures and additional disinfection procedures required due to COVID-19.</li> <li>• Revenues at year end are projected to be under achieved by \$789.3 million as the impact of COVID-19 will continue to significantly impact ridership levels. Ridership levels are heavily dependent on the pace of reopening by the Province and the City. The current year end projection is based on a 30% of budget fall ridership scenario.</li> </ul>
<p><b>Toronto Transit Commission – Wheel-Trans:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$14.5 million primarily due to the implementation of cost containment strategies and matching service capacity to demand.</li> <li>• Revenues are under achieved by \$1.5 million as Wheel-Trans ridership has been approximately 80% below budget since mid-March, due to the impact of COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$34.3 million primarily due to the implementation of cost containment strategies and matching service capacity to demand.</li> <li>• Revenues at year end are projected to be under achieved by \$4.2 million as the impact of COVID-19 will continue to significantly impact ridership levels.</li> </ul>
<p><b>Toronto Police Service:</b></p> <ul style="list-style-type: none"> <li>• Toronto Police Service (TPS) is on plan as of May 31, 2020.</li> <li>• Gross expenditures are \$3.5 million unfavourable mainly due to premium pay and unbudgeted expenses that are being funded by in-year grant funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Toronto Police Service is projecting to be on budget at year-end.</li> <li>• The financial impacts of COVID-19 are difficult to accurately predict as this pandemic is without precedent and the length of the pandemic is unknown. Although there are projected COVID-19</li> </ul>

<ul style="list-style-type: none"> <li>• Increased expenditures in enforcement due to COVID-19 have been more than offset by pandemic related savings in court premium pay, salaries from delayed hiring and group benefit costs.</li> <li>• Favourable revenue variance of \$3.5 million is primarily related to the in-year grants which offset lost revenues as there is less demand for paid duties and vulnerable sector screenings resulting from COVID-19.</li> </ul>	<p>savings, these savings offset overall budget pressures for the Service that existed pre-pandemic, allowing the Service to come in on budget.</p>
<p><b>Toronto Police Services Board:</b></p> <ul style="list-style-type: none"> <li>• Toronto Police Services Board (TPSB)'s spending was on plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Toronto Police Services Board is projected to be on budget at year-end.</li> <li>• Included in the 2020 Budget is a recommended budget adjustment of \$0.6 million gross and \$0 net to increase expenditures for legal services, funded by the Police Legal Reserve.</li> </ul>

## Appendix E

### Capital & Corporate Financing

Figure 14: 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	5-Month	0.0	—	0.0	—	0.0	—	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓜ
Technology Sustainment	5-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓜ
Debt Charges	5-Month	(4.3)	▼	0.0	—	(4.3)	▼	Ⓜ	5.7	▲	0.0	—	5.7	▲	Ⓜ
Total	5-Month	(4.3)	▼	0.0	—	(4.3)	▼	Ⓜ	5.7	▲	0.0	—	5.7	▲	Ⓜ
Year-to-Date Net Variance		Ⓜ	85% to 105%	Ⓜ	0% to 85%	Ⓜ	>105%	Year-End	Ⓜ	<=100%	Ⓜ	>100%			

## Appendix E

### Capital & Corporate Financing

#### Five Month Results

#### Year-End Projections

<b>Capital &amp; Corporate Financing:</b> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget, CFC fund will be repurposed to support COVID-19 recovery funding.</li> </ul>
<b>Technology Sustainment:</b> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<b>Debt Charges:</b> <ul style="list-style-type: none"> <li>Unfavourable gross expenditure of \$4.3 million due to higher debt charges.</li> </ul>	<ul style="list-style-type: none"> <li>5.7 million Favourable variance primarily due to lower than forecasted 2020 debt issuance rates.</li> </ul>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

## Appendix E

Figure 15: 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	5-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Tax Increment Equivalent Grants (TIEG)	5-Month	0.6	▲	0.0	—	0.6	▲	Ⓞ	1.3	▲	0.0	—	1.3	▲	Ⓞ
Assessment Function (MPAC)	5-Month	(0.1)	▼	0.0	—	(0.1)	▼	Ⓞ	(0.2)	▼	0.0	—	(0.2)	▼	Ⓜ
Funding of Employee Related Liabilities	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Other Corporate Expenditures	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	28.8	▲	0.0	—	28.8	▲	Ⓞ
Parking Tag Enforcement & Oper.	5-Month	6.1	▲	0.0	—	6.1	▲	Ⓜ	9.1	▲	0.0	—	9.1	▲	Ⓞ
Programs Funded from Reserve Funds	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Heritage Property Taxes Rebate	5-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Tax Rebates for Registered Charities	5-Month	(0.1)	▼	0.1	▲	0.0	—	Ⓜ	0.0	—	0.0	—	0.0	—	Ⓞ
Solid Waste Management Rebates	5-Month	1.6	▲	0.0	—	1.6	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Tax Increment Funding (TIF)	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Total	5-Month	8.0	▲	0.1	▲	8.1	▲	Ⓜ	39.0	▲	0.0	—	39.0	▲	Ⓞ
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 Five Months Ended May 31, 2020

## Appendix E

### Non-Program Expenditures

Five Month Results	Year-End Projections
<p><b>Tax Deficiencies/Write-Offs:</b></p> <ul style="list-style-type: none"> <li>Unfavourable gross expenditure of \$0.02 million was realized, primarily because of unbudgeted costs to defend the City's assessment base.</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Tax Increment Equivalent Grants (TIEG)</b></p> <ul style="list-style-type: none"> <li>Favourable gross expenditure of \$0.6 million was realized because estimates for eligible properties (current and prior years) were modified to reflect the expected grants.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results, a favourable variance of \$1.3 million net is projected.</li> </ul>
<p><b>Assessment Function (MPAC):</b></p> <ul style="list-style-type: none"> <li>Unfavourable gross expenditure of \$0.1 million a result of MPAC fees being higher.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year to date results, an unfavourable variance of \$0.2 million net is projected.</li> </ul>
<p><b>Funding Employee Related Liabilities:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>
<p><b>Other Corporate Expenditures:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>Lower than budgeted gross expenditures of \$28.8 million due to salaries and benefits underspending.</li> </ul>
<p><b>Parking Tag Enforcement &amp; Operations:</b></p> <ul style="list-style-type: none"> <li>Favourable gross expenditures variance of \$6.1 million is due to lower MTO Search Fees for vehicle owner information searches and lower Premium Pay for Parking Enforcement Officers due to lower overtime and parking enforcement activity in response to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>Favourable gross expenditures variance of \$9.1 million is due to anticipated fewer MTO vehicle owner information searches performed as a result of COVID-19.</li> </ul>
<p><b>Programs Funded from Reserve Funds:</b></p> <ul style="list-style-type: none"> <li>On budget</li> </ul>	<ul style="list-style-type: none"> <li>On budget</li> </ul>



<b>Heritage Property Tax Rebates:</b> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<b>Tax Rebates for Registered Charities:</b> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<b>Solid Waste Management Rebates:</b> <ul style="list-style-type: none"> <li>• Favourable variance of \$1.6 million is mainly attributable to the actual historical billings being lower the plan.</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<b>Tax Increment Funding (TIF):</b> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>

## Appendix E

Figure 16: 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	5-Month	0.0	—	(2.1)	▼	(2.1)	▼	Ⓡ	0.0	—	(4.3)	▼	(4.3)	▼	Ⓡ
Supplementary Taxes	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Tax Penalty Revenue	5-Month	0.0	—	(7.2)	▼	(7.2)	▼	Ⓡ	0.0	—	(2.3)	▼	(2.3)	▼	Ⓡ
Interest/Investment Earnings	5-Month	1.7	▲	(9.9)	▼	(8.3)	▼	Ⓡ	4.0	▲	(51.8)	▼	(47.8)	▼	Ⓡ
Other Corporate Revenues	5-Month	(0.4)	▼	0.2	▲	(0.2)	▼	Ⓡ	(0.4)	▼	(0.8)	▼	(1.2)	▼	Ⓡ
Dividend Income	5-Month	0.0	—	(1.3)	▼	(1.3)	▼	Ⓞ	0.0	—	(12.4)	▼	(12.4)	▼	Ⓡ
Provincial Revenue	5-Month	0.0	—	(0.0)	—	(0.0)	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Municipal Land Transfer Tax	5-Month	(5.9)	▼	13.2	▲	7.3	▲	Ⓞ	0.0	—	(249.2)	▼	(249.2)	▼	Ⓡ
Third Party Sign Tax	5-Month	0.0	—	0.8	▲	0.8	▲	Ⓞ	0.0	—	0.8	▲	0.8	▲	Ⓞ
Parking Authority Revenues	5-Month	0.0	—	(4.7)	▼	(4.7)	▼	Ⓡ	0.0	—	(42.1)	▼	(42.1)	▼	Ⓡ
Administrative Support Recoveries - Water	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Administrative Support Recoveries - Health & EMS	5-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
Parking Tag Enforcement & Operations Rev	5-Month	0.0	—	(2.6)	▼	(2.6)	▼	Ⓡ	0.0	—	(53.9)	▼	(53.9)	▼	Ⓡ
Other Tax Revenues	5-Month	(0.1)	▼	0.5	▲	0.3	▲	Ⓞ	(0.3)	▼	0.4	▲	0.1	▲	Ⓞ
Municipal Accommodation Tax	5-Month	1.0	▲	(14.2)	▼	(13.2)	▼	Ⓡ	1.9	▲	(52.9)	▼	(51.0)	▼	Ⓡ
Casino Woodbine	5-Month	0.0	—	(0.5)	▼	(0.5)	▼	Ⓡ	0.0	—	(17.5)	▼	(17.5)	▼	Ⓡ
Total	5-Month	(3.9)	▼	(27.7)	▼	(31.5)	▼	Ⓡ	5.2	▲	(486.0)	▼	(480.7)	▼	Ⓡ

**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 Five Months Ended May 31, 2020

## Appendix E

### Non-Program Revenues

Five Month Results	Year-End Projections
<p><b>Payments In Lieu of Taxes (PILs):</b></p> <ul style="list-style-type: none"> <li>• A \$2.1 million unfavourable net variance was realized, primarily due to:</li> <li>• \$2.3 million unfavourable variance resulting from appeals posted and provision being greater than budget</li> <li>• Offset by \$0.2 million favourable variance with assessment-based levies being higher than budget.</li> </ul>	<ul style="list-style-type: none"> <li>• At year-end, a \$4.3 million unfavourable net variance is projected, due to:</li> <li>• \$5.1 million unfavourable variance resulting from appeals posted for taxation years 2014-2019 being greater than appeal provision</li> <li>• Offset by \$0.7 million favourable variance with assessment-based levies being greater than budget               <ul style="list-style-type: none"> <li>• \$0.1 million favourable variance with passenger-based levies being greater than budget.</li> </ul> </li> </ul>
<p><b>Supplementary Taxes:</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Tax Penalty Revenue</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$7.2 million was realized because City did not earn interest during April and May 2020, as a result of COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• The shortfall is expected to continue, with an unfavourable variance of \$2.3 million projected by year-end.</li> </ul>
<p><b>Interest &amp; Investment Earnings:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$1.7 million mainly attributed to:           <ul style="list-style-type: none"> <li>• External legal costs lower than originally budgeted. There was a cancellation of the first TIB meeting in early 2020 due to the pandemic.</li> <li>• Audit costs have not been incurred as it has been delayed due to the pandemic</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$4.0 million consistent with year to date results.</li> <li>• Unfavourable revenue variance of \$51.8 million mainly attributed to income earned in the short-term fund was lower than expected as there was a transfer of cash to a new equities manager in February, Bank of Canada drastically reduced the interest rate by 1% in March and the average</li> </ul>

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

<ul style="list-style-type: none"> <li>• Other business expenses have been lower due to fewer Investment Board meetings being held than originally forecasted.</li> <li>• Investment manager's fees were lower than budgeted by as there was a delay with the agreement negotiation for the last Equities manager (expected to start in Q1 of 2021), and a delay in the start for Real Assets allocations, also delayed to 2021.</li> <li>• Unfavourable revenue variance of \$9.9 million mainly attributed to: <ul style="list-style-type: none"> <li>• Income earned in the short-term fund was lower than expected as there was a transfer of cash to a new equities manager in February.</li> <li>• Bank of Canada drastically reduced the interest rate by 1% in March.</li> </ul> </li> </ul> <p>The average cash balance was lower than originally forecasted, therefore earning less interest at the lowered interest rate.</p>	<p>cash balance was lower than originally forecasted, therefore earning less interest at the lowered interest rate.</p>
<p><b>Other Corporate Revenues:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable variance of \$0.2 million net is mainly attributed to COVID-19 having limited the City's ability to provide registry services to the public which is negatively impacting the revenues generated.</li> </ul>	<ul style="list-style-type: none"> <li>• At year-end, a \$1.2 million unfavourable variance is projected, mainly due to decrease in marriage licences and wedding chamber rental revenues as a result of COVID-19.</li> </ul>
<p><b>Dividend Income:</b></p> <ul style="list-style-type: none"> <li>• Lower than planned hydro dividend revenue of \$1.3 million as a result of lower Toronto Hydro earnings in 2019.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavourable year-end variance of \$12.4 million due to lower Toronto Hydro earnings in 2019.</li> </ul>
<p><b>Provincial Revenue:</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Municipal Land Transfer Tax (MLTT):</b></p> <ul style="list-style-type: none"> <li>• Higher than planned revenue of \$7.3 million net due to higher than expected sales revenue occurring from</li> </ul>	

Staff report for action on Operating Variance Report for the Five Months Ended May 31, 2020

<p>January 1 to March 31, partially offset by revenue decline attributed to COVID-19 following March 31.</p>	<ul style="list-style-type: none"> <li>• Unfavourable variance projection of \$249.2 million net due to lower than expected sales revenue as the result of COVID-19 impacts</li> <li>• Given the limited experience / timeframe to draw from, adjustments to the projected MLTT impact may occur as more information becomes available over time. Staff will continue to monitor data throughout the year, with focus on the next few months to determine changes that may occur as recovery and restart initiatives begin across the City and region.</li> </ul>
<p><b>Third Party Sign Tax:</b></p> <ul style="list-style-type: none"> <li>• Revenue is overachieved by \$0.8 million mainly due to:</li> <li>• An small increase in the number of electronic signs</li> <li>• A shift for some signs to a higher tax class (and rate).</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year to date results, a favourable variance of \$0.8 million net is projected.</li> </ul>
<p><b>Parking Authority Revenues:</b></p> <ul style="list-style-type: none"> <li>• Revenue is unfavourable by \$4.7 million due to COVID-19</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year to date results, an unfavourable revenue variance of \$42.1 million is projected due to COVID-19 impacts.</li> </ul>
<p><b>Administrative Support Recoveries – Toronto Water:</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Administrative Support Recoveries – Health &amp; EMS:</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Parking Tag and Enforcement Operations:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable revenue variance of \$2.6 million is due to lower late fees and penalty charges collected for late payments in response to COVID-19.</li> <li>• 449,708 parking tickets issued to May 31, 2019.</li> </ul>	<ul style="list-style-type: none"> <li>• Unfavourable revenue variance of \$53.9 million is mainly due to lower revenue in parking fees/fines, late fees and penalty charges for late payments. This is in line with the significant decrease in parking enforcement activity with projected</li> </ul>

	number of parking tickets issued to be 1.4 million below budgeted on the basis of lower traffic volume, motorist behaviour, and commuting trends due to COVID-19.
<b>Other Tax Revenues:</b> <ul style="list-style-type: none"> <li>Favourable variance of \$0.3 million was realized, primarily because the 2020 Hydro properties interim levy was higher than budgeted.</li> </ul>	<ul style="list-style-type: none"> <li>At year-end, a \$0.1 million favourable variance is projected, primarily because the 2020 Hydro properties total levy is projected to be higher than budget.</li> </ul>
<b>Municipal Accommodation Tax:</b> <ul style="list-style-type: none"> <li>Unfavourable variance of \$13.2 million is mainly attributed to reduction in revenue due to the state of emergency to tackle COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>At year-end, a \$51.0 million unfavourable variance projected due to the loss in revenue of \$52.9M resulting from negative impact of COVID-19 and offset by \$1.9 million in lower than anticipated payment to Destination Toronto.</li> </ul>
<b>Casino Woodbine:</b> <ul style="list-style-type: none"> <li>Revenue shortfall of \$0.5 million due to COVID-19 causing a shutdown to the casino.</li> </ul>	<ul style="list-style-type: none"> <li>At year end, a \$17.5 million shortfall is projected due to COVID-19 impacts. Year-end forecast assumes an August re-opening with social distancing protocols in effect.</li> </ul>

## Appendix E

Figure 5: 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	5-Month	6.8	▲	(1.4)	▼	5.4	▲	Ⓢ	15.9	▲	(11.4)	▼	4.5	▲	Ⓢ
Toronto Parking Authority	5-Month	5.1	▲	(28.7)	▼	(23.6)	▼	Ⓡ	19.4	▲	(115.8)	▼	(96.4)	▼	Ⓡ
Toronto Water	5-Month	6.7	▲	2.6	▲	9.3	▲	Ⓢ	24.8	▲	(33.8)	▼	(9.0)	▼	Ⓡ
Total	5-Month	18.7	▲	(27.5)	▼	(8.8)	▼	Ⓢ	60.1	▲	(161.0)	▼	(100.9)	▼	Ⓡ
<b>Year-to-Date Net Variance</b>		<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓢ</span> 85% to 105%	<span style="background-color: #FFFF00; border: 1px solid black; padding: 2px;">Ⓢ</span> 0% to 85%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓡ</span> >105%	<b>Year-End</b>		<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓢ</span> <=100%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓡ</span> >100%							

## Appendix E

### Rate Supported Programs

#### Five Month Results

#### Year-End Projections

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

- Under-expenditures totaling \$8.3 million mainly arise from salaries and benefits savings of \$4.0 million mainly due to vacancies in Collections and Litter Operations, Skilled Trades and resulting primarily from recruitment delay due to COVID-19, staff turnover and seasonality of hiring.
- There was also year-to-date savings of \$0.9 million mainly for utility billing (\$0.4 million) including hydro, water and natural gas as well as lower bin maintenance (\$0.4 million).
- Underspending included advertisement campaigns and audits (\$0.4 million) and deferred payments in lieu of taxes (\$0.2 million)
- Underspending included some processing, transfer & haulage costs including litter, front end collections, yard & hazardous waste, durable goods and royalty fees due to lower tonnages (\$2.8 million).
- The above savings were partially offset by higher than planned expenditures (\$1.4 million) for Organics Processing and Transfer due to increased shipment to long distance external processors and increased tonnage of organics. Offsetting costs also included additional hw/sw support due to COVID-19 and interdivisional charges (\$0.1 million).
- Higher than planned revenue of \$1.6 million is mainly attributable to Collection services at \$1.3 million.

- Projecting a net capital contribution increase (surplus) of \$4.5 million or 1.18% of the total approved budget at year end.
- Expenditures are estimated to be \$15.9 million under-spent primarily related to:
- Ongoing staff vacancies including recruitment delay due to COVID-19, staff turnover and seasonality of hiring. (\$6.7 million);
- Lower cost of transfer haulage and disposal due to lower tonnages driven by recycling contract re-negotiations (\$5.0 million);
- Lower projected advertising costs, audit fees, royalty fee and technical services and interdivisional charges (\$3.1 million) mainly due to COVID-19.
- Lower projected organic, yard, recycling and durable goods processing cost due to lower than planned tonnages (\$1.6 million);
- Lower contribution to the Green Lane reserve fund due to lower than planned tonnes primarily as a result of recycling contract re-negotiations and COVID-19 related site closure. (\$0.2 million);
- These under-expenditures will be partially offset by over-spending of \$1.3 million on various contracted services including glass processing as well as additional cost due to shipment to long



<p>Collection revenue is overachieved due to timing and higher revenue from bag only commercial customers.</p> <ul style="list-style-type: none"> <li>• Lower than planned revenue of \$3.0 million is primarily due to lower tipping fees (\$1.1 million) due to lower tonnages at transfer stations operations and including lower resultant fee revenue from Divisions, Agencies and Commissions (DAC).</li> <li>• Lower revenue was also experienced due to reduced quantity of residual disposal fees paid by recycling processor (\$0.9 million) as the residual waste is no longer being sent to Green Lane. Lower revenue is also due to late payment of Stewardship Funding (\$0.7 million).</li> <li>• The resulting net expenditures reflect a favourable variance (surplus) of \$5.4 million as of the 5 month period ended May 31, 2020.</li> </ul>	<p>distance external processors and higher organic tonnages.</p> <ul style="list-style-type: none"> <li>• Revenue is anticipated to be under-achieved by \$11.4 million at year-end mainly due to:</li> <li>• Lower Residue disposal fee (\$3.8 million) - as a result of recycling contract re-negotiations resulting in residue from processing facility no longer being sent for disposal at Green Lane. This loss in residue disposal fee revenue is expected to be offset by savings from reduced haulage and landfill disposal cost to the City;</li> <li>• Lower Tipping fee revenue (\$3.8 million) due to temporary closure of Transfer stations as a result of COVID-19;</li> <li>• Lower Stewardship funding revenues (\$1.8 million) due to lower than planned tonnage.</li> <li>• Lower sale of recyclables (\$1.0 million) partially due to rates linked to market indices, and partially due to decrease in volumes of recyclables as a result of COVID-19;</li> <li>• Lower Capital recovery (\$0.5 million) due to delay in hiring for some of the capital funded vacant positions; and,</li> <li>• Lower sale of durable goods including scrap metal (\$0.4 million) due to rates linked to market indices.</li> <li>• The total net surplus at year-end will increase the amount to be contributed to the Waste Management Reserve Fund used to support the SWMS Capital program by \$4.5 million from a planned \$18.8 million to \$23.3 million.</li> </ul>
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**Toronto Parking Authority:**

- TPA has an unfavourable net expenditure variance of \$23.6 million comprised of:
  - Favourable gross expenditure variance of \$5.1 million due to underspending of salaries, wages and benefits mainly from the deferral of the summer student program, staff on Emergency Leave (approximately 70 full time employees) and no longer scheduling part-time staffing as a result of COVID-19 emergency closures. In addition, administration staff have been placed on reduced work weeks, with 1 day per week unpaid leave.
  - Unfavourable revenue variance of \$28.7 million primarily driven by Off-Street, On-Street and Bike Share revenues.
  - Off-Street revenue YTD is lower than budget by \$15.8 million or a drop of 41.8% due to reduction in transaction volumes, which have dropped by 43.8% compared to last year. There are delays in closing two acquisitions: CP262 – 302 Queen Street West and CP304 – 11 Wellesley Street and these are expected to close mid-year. However, due to COVID-19, this is not expected to increase profitability in 2020, but rather increase operating losses. However, due to contractual obligations the acquisitions must be finalized.
  - On Street - Revenue YTD is lower than budget by \$12.5 million, or a drop of 47.1% and transaction volume has dropped 41.3% compared to last year.
  - Bike Share Ridership Revenue has increased due to high casual ridership demand resulting in additional revenue of \$0.2 million. In addition, there is a shortfall YTD of \$0.6 million relating to Advertising/Sponsorship.
- TPA has an unfavourable net expenditure variance of \$96.4 million comprised of:
  - Favourable gross expenditure variance of \$19.4 million is projected due to underspending in salaries, wages and benefits as a result of continuing to operate with significant vacancies within the critical areas due to COVID-19. TPA has been adjusting other expenditures where needed, including assessing contractual commitments to minimize operational expense without impacting long-term financial sustainability.
  - Unfavourable revenue variance of \$115.8 million primarily driven by Off-Street, On-Street and Bike Share revenues.
  - Off-Street is projected to underachieve target by \$69.3 million and On-Street \$44.4 million primarily due to transaction volume trends resulting from COVID-19. In addition there will be a shortfall of \$2.1 million in revenues for Bike Share relating to Advertising/Sponsorship.
  - TPA is preparing nonetheless further advertising/marketing partnership RFP's in order to be ready for the return of the advertising market in 2021.

**Toronto Water:**

- Favourable gross expenditure variance of \$6.7 million: underspending salaries and benefits partially due to hiring and seasonal delays impacted by COVID-19 (\$4.0 million), reduced utility cost, primarily from hydro usage due to lower production of water and lower than planned hydro rates as well as continued efficiency initiatives (\$2.9 million), underspending in materials and supplies and equipment due to COVID-19 and lower than anticipated demand for chemicals and unused contingencies (\$1.2 million), and lower payments including payments in-lieu of taxes (\$0.4 million). The above underspending is partially offset by overspending in contract services due to unplanned emergency work, partially offset by underspending in various contracts due to mild winter temperatures, unused contingencies and COVID-19 pandemic (\$1.4 million), and higher than anticipated interdivisional charges (\$0.3 million), resulting in a gross expenditure underspending of \$6.7 million.
- Overachieved revenues totaling \$6.0 million from higher than anticipated revenue from private water agreements as ground water discharge continued despite some COVID-19 related construction site closures (\$1.4 million), higher volume of new water main and sewer connections due to increased construction activity prior to COVID-19 pandemic, partially offset by a delay in new permit applications (\$3.1 million), and other revenues (\$1.5 million).
- The above higher revenues were offset by lower than anticipated sale of water as a result of COVID-19 impacts in the Industrial, Commercial and Institutional sector consumption (\$2.4 million) based on billed revenue, lower
- Projected gross expenditure underspending of \$24.8 million at year end, mainly because of projected underspending in salaries and benefits due to a hiring slow down as a result of COVID-19 (\$7.1 million), underspending in hydro due to a projected drop in production, lower than anticipated utility cost, primarily from lower hydro rates and more efficient usage (\$8.6 million), underspending in materials, supplies and equipment due to impacts of COVID-19 (\$2.0 million) as well as lower demand for chemicals and unused contingencies (\$1.3 million), lower than anticipated spending in services and rents, including savings in contracted services because of mild winter resulting in unused contingencies and impacts of COVID-19 (\$4.8 million), as well as lower than anticipated payments in lieu of taxes as a result of MPAC reassessments and other savings (\$0.8 million).
- Revenues are projected to be lower than budgeted by \$40.7 million mostly due to lower than planned consumption of water, including sale of water to Region of York, based on year-to-date consumption drop and a gradual return to operations of non-essential businesses (38.2 million), lower industrial waste agreements revenue (\$1.0 million), and other lower revenues, including recoveries from Metrolinx (\$1.6 million).
- The projected decrease in revenues will be partially offset by higher than anticipated volume of new water and sewer service connections due

<p>revenue from industrial waste agreements due to fewer agreements partially resulting from the COVID-19 pandemic related company closures (\$0.3 million), and decrease in other revenues, including recoveries from Metrolinx due to project delays (\$0.7 million), resulting in a favourable revenue variance of \$2.6 million.</p> <ul style="list-style-type: none"> <li>• The favourable year-to date net variance is \$9.3 million.</li> </ul>	<p>to increased construction activity prior to COVID-19 pandemic (\$3.1 million), private water discharge agreements (\$2.7 million), and increase in capital and third party recoveries (\$1.1 million), resulting in an unfavourable revenue variance of \$33.8 million.</p> <ul style="list-style-type: none"> <li>• The year-end revenues from sale of water can vary significantly due to uncertainty of sale of water during the summer months, change in consumer habits, government orders and business closures. Toronto Water will continue to monitor water consumption and address changes as appropriate in subsequent variance reports.</li> <li>• Projected unfavourable year-end net variance is \$9.0 million.</li> </ul>
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