

## **Operating Variance Report for the Nine Months Ended September 30, 2021**

**Date:** November 19, 2021

**To:** Budget 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 nine months ended September 30, 2021 as well as projections to year-end. This report also requests City Council's approval for amendments to the 2021 Approved Operating Budget that have no impact on the City's 2021 Approved Net Operating Budget.

Since March of 2020, the City of Toronto has been experiencing significant financial impacts, both in the form of added costs and significant revenue losses as a direct result of the COVID-19 pandemic.

COVID-19 related financial impacts have been budgeted to a total \$1.596 billion for the City of Toronto's 2021 Operating Budget. COVID-19 funding support applied to the City's 2021 Budget, from the Government of Canada and Province of Ontario in the form of Safe Restart Agreement (SRA), added Reaching Home (RH) funding and other funding programs total \$1.521 billion in combined COVID-19 support funding, reflecting over 95% of budgeted COVID-19 funding requirements, reducing the 2021 year-end funding shortfall to \$74.5 million related to Transit.

In total, the City has benefited from approximately \$2.6 billion in intergovernmental COVID-19 relief funding since the start of the pandemic, ensuring continuation of the City's critical frontline services.

Table 1 below details the budgeted 2021 City-wide COVID-19 related financial impacts against secured and assured COVID-19 support funding; and the resulting financial position that is reflected in the year-end variance projections:

Table 1: 2021 Projected COVID-19 Financial Impacts

<b>Category (\$M)</b>	<b>Budgeted Impacts</b>	<b>Funding Applied to 2021</b>	<b>2021 Net Funding Shortfall</b>
Transit	796.4	721.9	(74.5)
Municipal*	459.7	459.7	
Shelter**	281.3	281.3	
Public Health**	59.0	59.0	
<b>City Tax Supported Programs</b>	<b>1,596.4</b>	<b>1,521.9</b>	<b>(74.5)</b>

\* Includes TCHC impact of \$37.5M

\*\* Based on Budgeted impacts and excludes greater impacts and associated funding experienced in 2021; as well as immunization costs for Public Health

While the City is currently reporting a 2021 budgeted funding shortfall of \$74.5 million related to Transit, over 95% of budgeted 2021 COVID-19 impacts have secured funding support from the Federal and Provincial governments through the first nine months of the year and staff continue to expect that 2021 COVID-19 impacts will be fully funded by year-end.

### **Tax Supported Programs:**

The following table summarizes the projected year-end financial position of the City's Tax Supported Operations as of September 30, 2021. The projected unfavourable variance is directly attributed to the combination of a COVID-19 funding shortfall for Transit, unconfirmed intergovernmental funding for projected costs associated with the City's Refugee Response and additional pressures primarily related to the continued financial impacts of COVID-19 that are offset by favourable Municipal Land Transfer Tax revenue resulting in an overall \$98.6 million pressure projected for year-end for tax supported programs.

Table 2: Tax Supported Operating Variance Summary

Variance (\$M) Favourable / (Unfavourable)	2021 September YTD			2021 Year-End Projection		
	Budget	Actual	Var	Budget	Actual	Var
<b>Tax Supported Operating Variance Summary</b>						
City Operations	1,963.4	1,806.5	156.9	2,800.0	2,700.3	99.8
Agencies	1,871.9	1,853.2	18.8	3,045.3	3,047.2	(2.0)
Corporate Accounts	(1,501.1)	(1,479.0)	(22.1)	(1,356.0)	(1,210.7)	(145.3)
<b>Total Variance</b>	<b>2,334.3</b>	<b>2,180.7</b>	<b>153.6</b>	<b>4,489.3</b>	<b>4,536.8</b>	<b>(47.5)</b>
<i>Less Toronto Building</i>	(11.7)	(26.1)	14.4	(16.1)	(49.3)	33.1
<i>Less City Planning</i>	6.4	(9.2)	15.6	13.3	(4.6)	17.9
<b>Total Variance- Excluding Toronto Building/City Planning</b>	<b>2,339.6</b>	<b>2,216.0</b>	<b>123.6</b>	<b>4,492.1</b>	<b>4,590.6</b>	<b>(98.6)</b>
<b>% of Gross Budget</b>			<b>1.6%</b>			<b>-0.8%</b>

*Note 1: Rate supported programs and Toronto Community Housing Corporation variance information is not reflected in the table above, which details Tax Supported Programs only*

*Note 2: Due to technical reasons, TTC's Q2 YTD result is used in this report*

### **Nine Month Year-to-Date and Projected Year-End Spending Results:**

As noted in Table 2 above, for the nine months ended September 30, 2021, Tax Supported Operations experienced a favourable net variance of \$123.6 million or 1.6% of planned expenditures adjusted for Toronto Building and City Planning. It is important to note that the September 30<sup>th</sup> experience is a snapshot in time and the year-end projection is based on current and expected COVID-19 impacts. The continued impact of COVID-19 and any deviation from expectations to year end will impact variance projections. Any changes will be reflected in variance reporting for the twelve months ending December 31, 2021.

The variance is primarily attributable to underspending within City Divisions and Agencies that is partially offset by the timing of receipt of COVID-19 related Federal and

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

Provincial funds through the first nine months of 2021, as compared to initial calendarization. The impacts on the year-to-date results are reflected in the following areas:

- City wide expenditure savings, some of which due to public health measures during the year contributed to the favourable year-to-date variance. For example, Parks Forestry and Recreation incurred underspending arising from the cancellation of recreation programming that was partially offset by revenue losses from registration sales; permit revenues; and other user fees, all driven by the requirement for PFR to close community facilities and parks during the COVID-19 pandemic.
- Non-Program Revenues: An unfavourable year-to-date net variance of \$1.6 million due to a timing difference between budgeted and actual receipt of confirmed Safe Restart Agreement funding as well as impacts from COVID-19 have resulted in lower than planned revenues for Interest and Investment Earnings, Parking Tag Revenues and Casino Woodbine. This was partially offset by higher than anticipated Municipal Land Transfer Tax revenues from increased sales activity in the period.
- Toronto Transit Commission - Conventional Service: A favourable year to date (Q2) net variance of \$15.4 million is mainly attributable to continued expenditure management where possible, which was partially offset by underachieved revenue due to the impact of COVID-19 on ridership.

For year-end, the City is projecting an unfavourable variance of \$98.6 million or 0.6% of the 2021 Gross Operating Budget, adjusted for Toronto Building and City Planning. The unfavourable variance is primarily due to the COVID-19 funding shortfall for Transit related pressures and outstanding intergovernmental funding confirmation for the City's Refugee Response. The City is also anticipating that over performance of Municipal Land Transfer Tax from increased sales activity projected in 2021 with offset greater than expected COVID-19 impacts experienced through the year due to added waves and variants.

### **Rate Supported Programs:**

Rate Supported Programs reported a favourable year-to-date net variance of \$31.0 million. The favourable variance is attributed to lower than budgeted expenditures primarily from Toronto Water and Solid Waste Management Services partially offset by lower than planned revenue across all rate programs. At year-end, a favourable projected net variance is anticipated to be \$37.3 million, again primarily driven by lower than budgeted expenditures from Toronto Water and Solid Waste Management Services.

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 3: Rate Supported Operating Variance Summary

Variance (\$M) Favourable / (Unfavourable)	2021 September YTD			2021 Year-End Projection		
	Budget	Actual	Var	Budget	Actual	Var
Solid Waste Management Services	(7.8)	(27.1)	19.3	0.0	(14.0)	14.0
Toronto Parking Authority	2.0	(2.5)	4.5	2.2	(3.3)	5.6
Toronto Water	(16.6)	(23.8)	7.2	0.0	(17.8)	17.8
<b>Total Variance</b>	<b>(22.4)</b>	<b>(53.4)</b>	<b>31.0</b>	<b>2.2</b>	<b>(35.1)</b>	<b>37.3</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 to amend the 2021 Approved Operating Budget, with no impact on the Net Operating Budget of the City, as well as recommended expenditure authority as detailed in Appendix D2.

## FINANCIAL IMPACT

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For the nine months ended September 30, 2021 the City experienced a favourable net variance of \$123.6 million for Tax Supported Programs. Please note, due to technical reasons, TTC's Q2 YTD result is used in this report. The City is projecting for December 31, 2021 an unfavourable net variance of \$93.7 million (Tax Supported Programs, adjusted for Toronto Building and including committed Safe Restart Agreement and other COVID-19 support funding).

It is important to note that the September 30<sup>th</sup> experience is a snapshot in time and the year-end projection is based on current and expected COVID-19 impacts. The continued impact of COVID-19 and any deviation from expectations as a result of the pandemic will impact variance projections. Any changes will be reflected in variance reporting for the twelve months ending December 31, 2021.

Appendices A, B and C provide a detailed summary of gross expenditures, revenue and net expenditures for the nine 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 2021 Approved Operating Budget.

## **DECISION HISTORY**

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City Council approved the 2021 Rate-Supported Operating Budget of \$927 million gross (December 16, 2020) and the 2021 Tax Supported Operating Budget of \$12.125 billion gross and \$4.489 billion net (February 18, 2021).

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 2021 Approved Operating Budget between Programs and Agencies in accordance with the Financial Control By-Law and the City's financial management policies.

## **COMMENTS**

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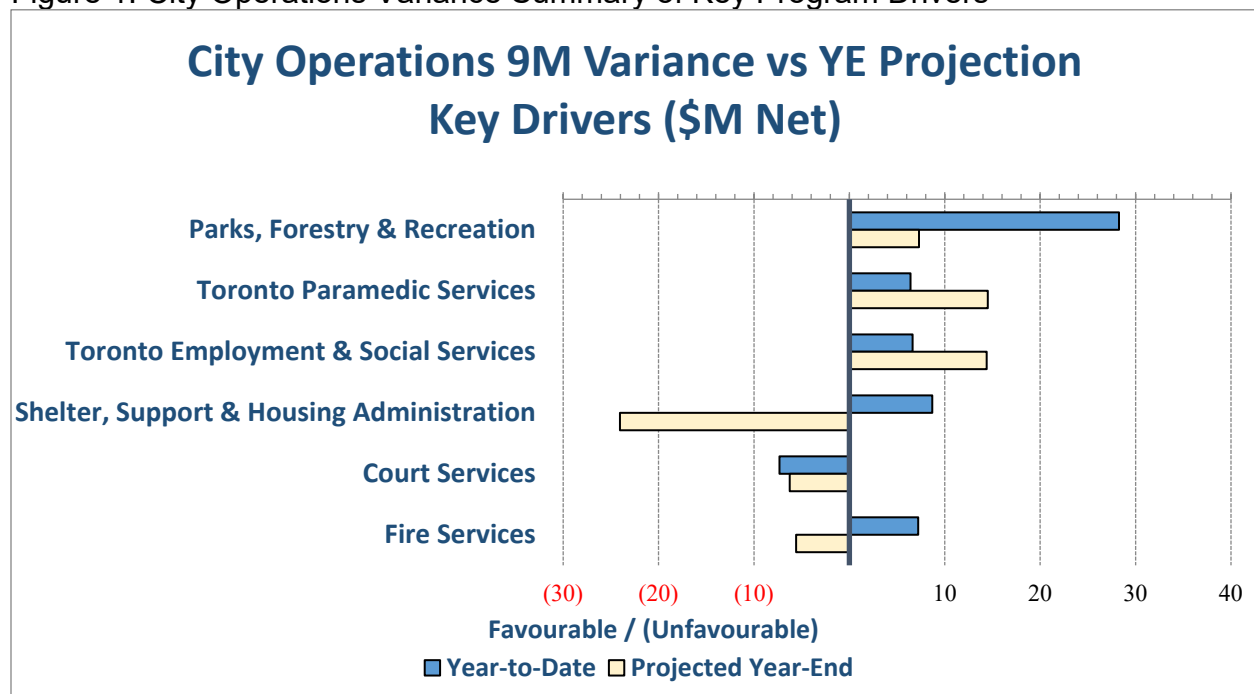
### **City Operations:**

As of September 30, 2021, City Operations reported a favourable net variance of \$156.9 million (8%) resulting from a favourable gross expenditure variance of \$430.5 million (10%) that is partially offset by a revenue shortfall of \$273.6 million (-1%).

Year-end projections include a favourable net variance of \$99.6 million (4%) resulting from a favourable gross expenditure variance of \$540.9 million (9%) that is partially offset by a revenue shortfall of \$441.2 million (-13%).

The key drivers of the favourable net variances are outlined in Figure 1 below:

Figure 1: City Operations Variance Summary of Key Program Drivers



- Parks, Forestry and Recreation:** A favourable year to date net variance of \$28.3 million primarily attributable to underspending related to public health measures, including the cancellation of recreation programming that was partially offset by revenue losses from registration sales; permit revenues; and other user fees, all driven by the requirement for PFR to close community facilities and parks during the COVID-19 pandemic. Consistent with year-to-date results, a favourable net variance of \$7.3 is projected for year-end.
- Toronto Paramedic Services:** A favourable year to date net variance of \$6.4 million primarily due to underspending as a result of hiring delays and the receipt of program specific COVID-19 funding, where all COVID-19 support funding had been budgeted for in the City's Non-Program Budget. Consistent with year-to-date results, a favourable net variance of \$14.5 million is projected for year-end.
- Shelter, Support & Housing Administration:** A favourable year to date net expenditure variance of \$8.7 million primarily attributable to lower than planned expenditures in Emergency Shelters, Social Housing, hiring delays and lower operating impacts of capital projects as a result of COVID-19. The year-end variance is projected to be an unfavourable net expenditure of \$24.1 million primarily attributable to anticipated Refugee Response costs where intergovernmental funding is not yet confirmed. The projection to year-end also includes higher than planned expenditures in COVID-19 Response Initiative and Emergency Shelter Services, partially offset by savings in the Social Housing service.

- **Toronto Employment and Social Services:** A favourable year to date net variance of \$6.6 million primarily due to lower than budgeted caseload which resulted in fewer issuances of financial, medical, and employment benefits. This was partially offset by unfavourable revenue attributed to lower than planned expenditure based provincial subsidies and reserve draws. Consistent with year-to-date results, a favourable net variance of \$14.4 million is projected for year-end.
- **Court Services:** An unfavourable year to date net variance of \$7.3 million primarily from underachieved revenues which were driven by lower than budgeted fines and charges, partially offset by underspending in non-payroll expenses. Consistent with year-to-date results, a \$6.3 million net unfavourable variance is projected for year-end, partially offset by savings in salary and non-salary court operation related expenses.
- **Fire Services:** A favourable year to date net variance of \$7.2 million due to underspending, mostly in salary and benefits, and over achieved Heavy Urban Search and Rescue (HUSAR) revenues, which are partially offset by under achieved false alarm volumes. By year-end, the program is expected to have an unfavourable net variance of \$5.6 million attributable mainly to salary and benefit costs required to restore front-line service to pre-pandemic service levels.

### **Agencies:**

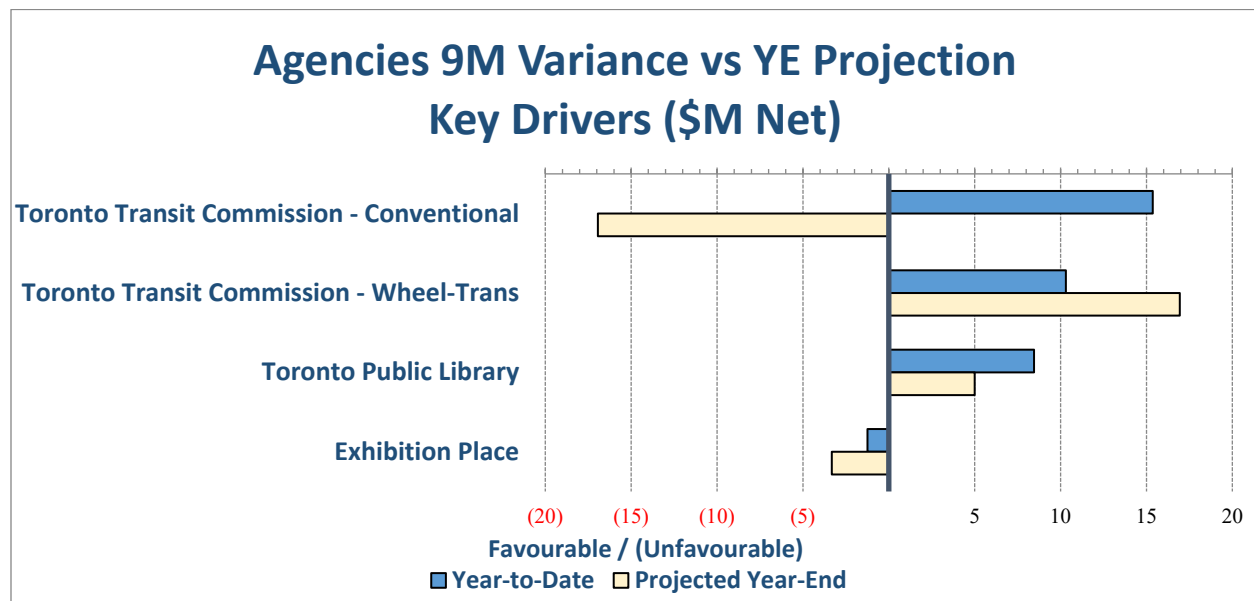
As of September 30, 2021, Agencies reported a favourable net variance of \$18.8 million (11%) resulting from a favourable gross expenditure variance of \$53.6 million (2%), partially offset by unfavourable revenue of \$34.8 million (-6%)

Agencies are projecting a year-end unfavourable net variance to be \$2.0 million (0.1%), driven by a favourable gross expenditure of \$8.6 million (0.2%), fully offset by a revenue shortfall of \$10.6 million (-1%).

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



Figure 2: Agencies Variance Summary of Key Program Drivers



- Toronto Transit Commission - Conventional Service:** A favourable year to date (Q2) net variance of \$15.4 million is mainly attributable to continued expenditure management actions where possible. This was partially offset by underachieved revenue arising from the impact of COVID-19 on ridership revenue. The City is projecting a year-end unfavourable net variance of \$16.9 million for the TTC – Conventional Services based Council direction that combined TTC Conventional and Wheel-Trans net savings be directed to the TTC Tax Stabilization Reserve to address continued uncertain COVID-19 impacts expected in 2022.
- Toronto Transit Commission - Wheel Trans Service:** A favourable year to date (Q2) net variance of \$10.3 million due to the implementation of management actions and matching service capacity to demand which is partially offset by lower ridership revenue due to the impact of COVID-19. Consistent with year-to-date results, an estimated \$16.9 million net favourable variance is projected for year-end.
- Toronto Public Library:** A favourable year to date net variance of \$8.5 million due to reduced spending in employee salary and benefits, utilities, library programming and has been directly attributable to the financial impacts of COVID-19, partially offset by an unfavourable revenue variance of \$0.1 million. Consistent with year-to-date results, an estimated \$5.0 million net favourable variance is projected for year-end.
- Exhibition Place:** An unfavourable year to date net variance of \$1.2 million driven by lost revenues from large events that did not take place (i.e. Honda Indy, CNE, Collision Conference, etc.) This was partially offset by underspending in expenditures associated with events as well as salaries and benefits from positions

that are vacant as a result of COVID-19. Consistent with year-to-date results, an estimated \$3.3 million net unfavourable variance is projected for year-end.

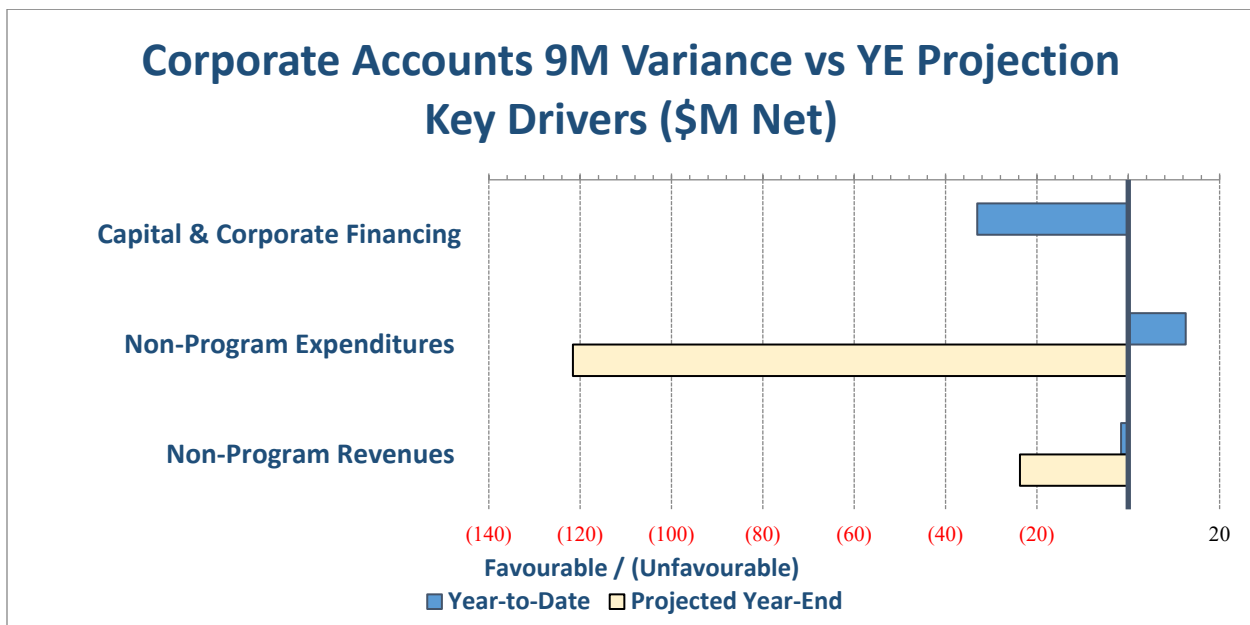
**Corporate Accounts:**

As of September 30, 2021, Corporate Accounts reported an unfavourable net variance of \$22.1 million (1%) resulting from a unfavourable gross expenditure variance of \$111.3 million (11%) partially offset by a favourable revenue variance \$89.1 million (4%)

The projected year-end unfavourable net variance forecasted of \$145.3 million (11%) results from an unfavourable gross expenditure variance of \$255.9 million (14%) and favourable revenue of \$110.6 million (4%)

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

Figure 3: Corporate Accounts Variance Summary of Key Drivers



- Capital & Corporate Financing: An unfavourable year-to-date net variance of \$33.1 million mainly due to the budgeted timing of sinking fund contributions compared to actual timing. By year-end it is projected to be on budget.
- Non-Program Expenditures: A favourable year-to-date net variance of \$12.6 million mainly due to one-time reversal of a historical liability, and timing difference between utilization of section 37 funding. An unfavourable year-end net variance of \$121.6 million mainly due to higher than anticipated employee vacation and time-in-lieu liability impacts due to COVID-19, increased employee retiree liabilities and increased insurance costs that are projected for the year.

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- **Non-Program Revenues:** An unfavourable year-to-date net variance of \$1.6 million due to a timing difference between budgeted and actual receipt of confirmed Safe Restart Agreement funding as well as impacts from COVID-19 have resulted in lower than planned revenues for Interest and Investment Earnings, Parking Tag Revenues and Casino Woodbine. This was partially offset by higher than anticipated Municipal Land Transfer Tax revenues from increased sales activity in the period. An unfavourable year-end net variance of \$23.7 million mainly due to a shortfall in the Safe Restart Agreement funding for Transit requirements and lower than planned revenues for Interest and Investment Earnings, Parking Tag Revenues and Casino Woodbine, which has been partially offset by higher than anticipated Municipal Land Transfer Tax revenue.

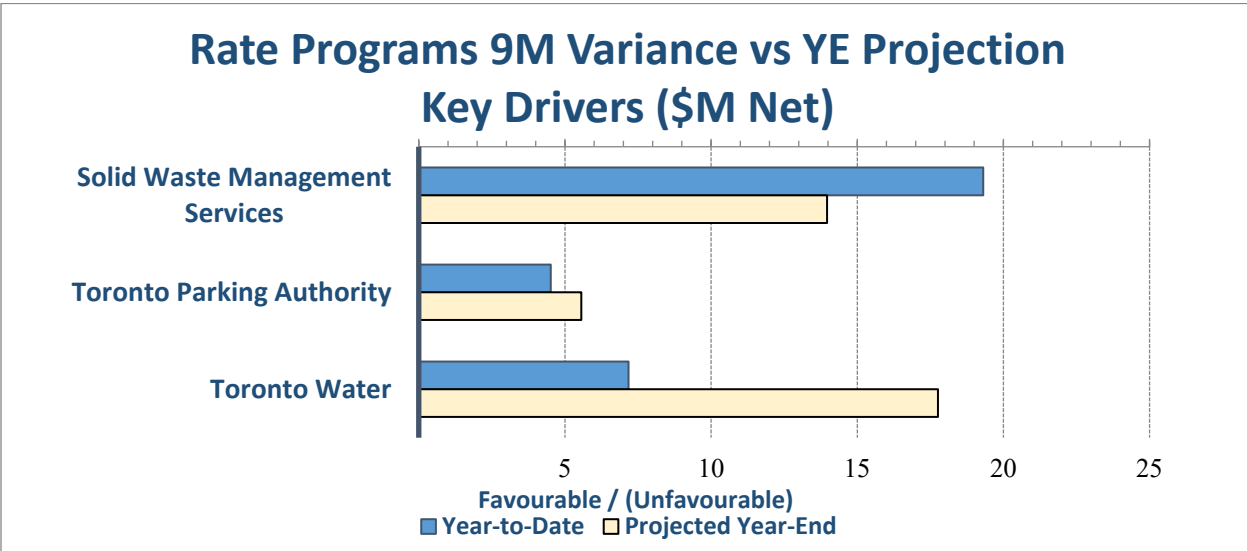
**Rate Programs**

As of September 30, 2021, Rate Programs reported a favourable net variance of \$31.0 million (139%) through a gross expenditure variance of \$58.9 million (4%) and an unfavourable revenue variance of \$27.9 million (-2%).

The projected year-end favourable net variance is forecasted to be \$37.3 million as compared to the budgeted amount of \$2.2 million (1667%) resulting from a favourable gross expenditure variance of \$53.3 million (3%) that is partially offset by a revenue shortfall of \$15.9 million (-1%).

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

Figure 4: Rate Supported Expenditure Variance Dashboard



- **Solid Waste Management Services:** A favourable year-to-date net variance of \$19.3 million net primarily from lower than planned salaries and benefits as well as

underspending in processing, transfer and 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. By year-end the program is expected to continue to have a favourable net variance, reduced to \$13.9 million primarily due to lower than planned revenue from the Renewable Natural Gas (RNG) project which is now being implemented in 2022, as well as lower drop and load fee revenue at transfer stations due to the impact of COVID-19.

- Toronto Parking Authority: A favourable year-to-date net variance of \$4.5 million due to a favourable gross expenditure variances from underspending of salaries and benefits, lower rent and payment processing fees and lower municipal taxes that did not increase as budgeted. This is partially offset by unfavourable revenue driven by decreased transaction volume trends in Off-Street and On-Street parking and Bike Share resulting from COVID-19. By year-end, the program is expected to have a favourable net variance of \$5.6 million due to factors that are consistent with year-to-date results.
- Toronto Water: A favourable year-to-date net variance of \$7.2 million due to lower than planned labour costs that have been experienced as well as lower hydro rates and water consumption associated with continued efficiency initiatives. This is partially offset by reduced revenues from lower than planned consumption impacted by COVID-19 related government orders, and lower than anticipated revenue from Metrolinx transit projects due to project delays and vacancies. By year-end, the program is expected to have a favourable net variance of \$17.8 million due to underspending mainly in salaries and benefits resulting from hiring delays and lower than anticipated utility costs. This is expected to be partially offset by revenue pressures due to lower than planned consumption of water, lower industrial waste agreements revenue and lower recoveries from Metrolinx due to project delays.

### **Additional Resources Directed Towards Staffing Actions**

As a direct result of the COVID-19 pandemic, the efforts of available People and Equity resources have been focussed on COVID-19 response and/or front line staffing, creating recruitment challenges elsewhere in the City.

The underspending in salaries & benefits from the resulting vacancy backlog is being leveraged to fund People and Equity recruitment efforts to make further advancements on City vacancies. These efforts include a combination of added staff within People and Equity as well as the use of external resources to address vacancies.

Further resources will continue to be directed to People and Equity to continue these actions through the 2022 Operating Budget, subject to Council's consideration and approval during the upcoming budget process.

## Donations

The City Donations Policy delegates receipt of donations under \$50,000 to Division Heads and also requires that donations be reported as part of the quarterly variance process. As set out in Figure 5 below, the City received \$0.32 million in donations during the nine months of 2021.

Figure 5: Summary of Donations Received Less than \$50,000

Donor	Amount (\$000s)	Purpose
<b>Economic Development &amp; Culture</b>		
Special Projects (ArtWorxTO)	45.00	To support ArtworxTO
<i>Sub-Total</i>	<i>45.00</i>	
<b>Social Development, Finance &amp; Administration</b>		
eDonations	0.82	Equitable Food Access
<i>Sub-Total</i>	<i>0.82</i>	
<b>Shelter, Support &amp; Housing Administration</b>		
Canadian Tire	50.00	COVID-19 Relief and Recovery
Hudson's Bay	25.00	Rapid Rehousing
<i>Sub-Total</i>	<i>75.00</i>	
<b>Parks, Forestry &amp; Recreation</b>		
Individual Donor	12.09	Various programs including Tree Planting, commercial benches, wards docks
United Way	0.25	Flemingdon Community Centre Program Supplies
Horticultural Trades Association Inc.	0.25	Merrill Rd Park Dog Park
TB Productions Inc	4.00	Parks Waterfront operations
Bloor Street Productions Inc.	4.00	Parks Waterfront operations
Wedding Season Film Inc.	2.50	Parks Waterfront operations
<i>Sub-Total</i>	<i>23.09</i>	
<b>Environment &amp; Energy</b>		
eDonations through the DonateTO	0.07	Donations are directed to the PollinateTO Community Grants Program, which funds community-led pollinator stewardship projects.
<i>Sub-Total</i>	<i>0.07</i>	
<b>City Planning</b>		
Individual donations	30.00	Toronto Urban Design Awards
<i>Sub-Total</i>	<i>30.00</i>	
<b>Municipal Licensing &amp; Standards</b>		
Individual Donors (multiple donations of small value)	86.89	Care and services related to animals
<i>Sub-Total</i>	<i>86.89</i>	
<b>Toronto Public Health</b>		
Sunlife	20.00	COVID-19 Vaccine Equity Transportation
<i>Sub-Total</i>	<i>20.00</i>	
<b>TO Live</b>		
Individual donors	5.79	'Canada Helps' Program
Canada Council for the Arts	11.91	Vida Peene Trust Fund
R32 Foundation	2.50	To support "Feist - Multitudes" program
<i>Sub-Total</i>	<i>20.19</i>	
<b>Transportation Services</b>		
Individual Donors	17.49	Donation for a street art project (Micki Moore Art over Bridges)
<i>Sub-Total</i>	<i>17.49</i>	
<b>Grand Total</b>	<b>318.56</b>	

## **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 Nine Months Ended September 30, 2021

Appendix B - City of Toronto Gross Expenditures for Nine Months Ended September 30, 2021

Appendix C - City of Toronto Revenues for Nine Months Ended September 30, 2021

Appendix D1 - Pending Budget Adjustments

Appendix D2 - Recommended Expenditure Authority

Appendix E - Operating Variance Dashboard for City Programs and Agencies

## Appendix A

CITY OF TORONTO CONSOLIDATED NET EXPENDITURES VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 (\$000s)								
	September 30, 2021				December 31, 2021			
	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	257	257	0	0%	1,681	1,681	(0)	0%
Children's Services	73,069	71,167	1,902	3%	91,413	89,466	1,947	2%
Court Services	(35,016)	(27,683)	(7,333)	21%	(44,081)	(37,830)	(6,250)	14%
Economic Development & Culture	65,592	58,540	7,053	11%	79,138	76,982	2,156	3%
Toronto Paramedic Services	61,723	55,313	6,410	10%	101,987	87,476	14,511	14%
Seniors Services and Long-Term Care	35,514	30,743	4,771	13%	68,537	63,769	4,768	7%
Parks, Forestry & Recreation	249,270	221,011	28,259	11%	335,994	328,701	7,293	2%
Shelter, Support & Housing Administration	553,622	544,938	8,685	2%	777,138	801,050	(23,912)	-3%
Social Development, Finance & Administration	48,878	38,306	10,572	22%	67,903	58,983	8,920	13%
Toronto Employment & Social Services	55,574	48,956	6,618	12%	80,791	66,408	14,383	18%
<b>Sub-Total Community and Social Services</b>	<b>1,108,484</b>	<b>1,041,547</b>	<b>66,936</b>	<b>6%</b>	<b>1,560,501</b>	<b>1,536,685</b>	<b>23,816</b>	<b>2%</b>
<b>Infrastructure and Development Services</b>								
City Planning	6,401	(9,193)	15,594	244%	13,338	(4,555)	17,894	134%
Fire Services	348,949	341,730	7,219	2%	487,002	492,578	(5,577)	-1%
Office of Emergency Management	2,264	1,354	910	40%	3,252	2,476	775	24%
Municipal Licensing & Standards	9,839	11,031	(1,192)	-12%	16,951	19,868	(2,916)	-17%
Policy, Planning, Finance & Administration	3,396	3,047	349	10%	5,010	4,893	118	2%
Engineering & Construction Services	2,426	(1,007)	3,433	142%	749	(798)	1,546	207%
Toronto Building	(11,717)	(26,092)	14,374	-123%	(16,147)	(49,294)	33,147	-205%
Transportation Services	143,487	128,691	14,796	10%	225,053	220,331	4,722	2%
Transit Expansion	0	398	(398)	n/a	2,475	356	2,120	86%
<b>Sub-Total Infrastructure and Development Services</b>	<b>505,045</b>	<b>449,960</b>	<b>55,086</b>	<b>11%</b>	<b>737,684</b>	<b>685,855</b>	<b>51,829</b>	<b>7%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer and Treasurer	8,350	7,809	541	6%	12,647	11,502	1,145	9%
Office of the Controller	24,132	21,518	2,614	11%	39,361	35,940	3,420	9%
<b>Sub-Total Finance and Treasury Services</b>	<b>32,481</b>	<b>29,327</b>	<b>3,154</b>	<b>10%</b>	<b>52,008</b>	<b>47,443</b>	<b>4,565</b>	<b>9%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	72,784	71,941	844	1%	103,888	103,804	84	0%
Environment & Energy	9,104	5,878	3,226	35%	11,818	10,574	1,245	11%
Fleet Services	18,407	19,053	(646)	-4%	24,075	25,023	(948)	-4%
Office Of The CISO	18,695	10,031	8,665	46%	28,055	17,139	10,917	39%
Technology Services	82,206	72,201	10,006	12%	104,848	102,823	2,025	2%
311 Toronto	6,268	6,130	138	2%	10,515	10,505	10	0%
<b>Sub-Total Corporate Services</b>	<b>207,465</b>	<b>185,233</b>	<b>22,232</b>	<b>11%</b>	<b>283,199</b>	<b>269,867</b>	<b>13,332</b>	<b>5%</b>
<b>City Manager</b>								
City Manager's Office	39,150	36,961	2,188	6%	61,899	62,946	(1,047)	-2%
<b>Sub-Total City Manager</b>	<b>39,150</b>	<b>36,961</b>	<b>2,188</b>	<b>6%</b>	<b>61,899</b>	<b>62,946</b>	<b>(1,047)</b>	<b>-2%</b>
<b>Other City Programs</b>								
City Clerk's Office	25,113	23,570	1,543	6%	37,402	34,602	2,800	7%
Legal Services	22,176	18,499	3,678	17%	32,206	29,240	2,966	9%
Mayor's Office	1,763	1,612	151	9%	2,567	2,567	(0)	0%
City Council	14,385	13,071	1,315	9%	21,696	20,196	1,500	7%
<b>Sub-Total Other City Programs</b>	<b>63,437</b>	<b>56,750</b>	<b>6,686</b>	<b>11%</b>	<b>93,870</b>	<b>86,605</b>	<b>7,266</b>	<b>8%</b>
<b>Accountability Offices</b>								
Auditor General's Office	4,465	4,088	377	8%	6,641	6,641	0	0%
Office of the Integrity Commissioner	447	388	58	13%	740	740	(0)	0%
Office of the Lobbyist Registrar	810	692	117	14%	1,234	1,234	0	0%
Office of the Ombudsman	1,654	1,569	85	5%	2,258	2,258	0	0%
<b>Sub-Total Accountability Offices</b>	<b>7,375</b>	<b>6,738</b>	<b>637</b>	<b>9%</b>	<b>10,872</b>	<b>10,872</b>	<b>0</b>	<b>0%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>1,963,437</b>	<b>1,806,517</b>	<b>156,920</b>	<b>8%</b>	<b>2,800,032</b>	<b>2,700,272</b>	<b>99,760</b>	<b>4%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix A

CITY OF TORONTO								
CONSOLIDATED NET EXPENDITURES VARIANCE								
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021								
(\$000s)								
	September 30, 2021				December 31, 2021			
	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	90,555	94,071	(3,516)	-4%	124,391	124,391	(0)	0%
Toronto Public Library	147,745	139,290	8,456	6%	203,048	198,048	5,000	2%
Association of Community Centres	6,703	6,041	662	10%	8,926	8,762	164	2%
Exhibition Place	6,417	7,659	(1,242)	-19%	7,577	10,900	(3,323)	-44%
Heritage Toronto	112	(6)	118	105%	450	451	(1)	0%
TO Live	7,736	6,815	921	12%	10,795	10,902	(107)	-1%
Toronto Zoo	11,768	10,132	1,636	14%	19,444	18,422	1,022	5%
Arena Boards of Management	1,185	2,327	(1,142)	-96%	490	3,463	(2,974)	-607%
Yonge Dundas Square	966	1,083	(118)	-12%	1,314	1,683	(369)	-28%
CreateTO	0	(0)	0	n/a	0	0	0	100%
Toronto & Region Conservation Authority	4,345	4,345	0	0%	4,865	4,865	(0)	0%
Toronto Transit Commission - Conventional	778,077	762,711	15,367	2%	1,471,938	1,488,876	(16,938)	-1%
Toronto Transit Commission - Wheel-Trans	54,598	44,292	10,306	19%	114,290	97,352	16,938	15%
Toronto Police Service	760,392	772,926	(12,533)	-2%	1,075,793	1,077,093	(1,300)	0%
Toronto Police Services Board	1,349	1,487	(138)	-10%	1,931	2,008	(77)	-4%
<b>TOTAL - AGENCIES</b>	<b>1,871,948</b>	<b>1,853,172</b>	<b>18,776</b>	<b>1%</b>	<b>3,045,253</b>	<b>3,047,218</b>	<b>(1,965)</b>	<b>0%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	750	750	0	0%	336,178	336,178	0	0%
Technology Sustainment	15,398	15,398	0	0%	20,530	20,530	0	0%
Debt Charges	443,191	476,258	(33,067)	-7%	649,218	649,218	0	0%
Capital & Corporate Financing	459,339	492,406	(33,067)	-7%	1,005,926	1,005,926	0	0%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	40,728	40,142	586	1%	54,304	54,204	100	0%
Tax Increment Equivalent Grants (TIEG)	34,197	34,949	(751)	-2%	45,596	46,598	(1,002)	-2%
Assessment Function (MPAC)	34,868	34,712	156	0%	46,490	46,283	207	0%
Funding of Employee Related Liabilities	53,095	53,085	10	0%	70,794	82,488	(11,695)	-17%
Other Corporate Expenditures	(2,196)	(14,936)	12,741	-580%	4,623	87,602	(82,979)	-1795%
Insurance Premiums & Claims	33,698	33,698	0	0%	46,913	74,941	(28,028)	-60%
Parking Tag Enforcement & Oper.	37,312	35,801	1,511	4%	58,859	57,250	1,609	3%
Programs Funded from Reserve Funds	0	332	(332)	n/a	0	0	0	n/a
Heritage Property Taxes Rebate	1,487	1,348	139	9%	1,983	1,797	186	9%
Solid Waste Management Rebates	57,744	59,236	(1,492)	-3%	75,371	75,371	0	0%
Tax Increment Funding (TIF)	0	0	0	n/a	2,725	2,725	0	0%
<b>Non-Program Expenditures</b>	<b>290,933</b>	<b>278,366</b>	<b>12,568</b>	<b>4%</b>	<b>407,658</b>	<b>529,259</b>	<b>(121,602)</b>	<b>-30%</b>
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	(93,209)	(95,559)	2,350	-3%	(93,209)	(95,559)	2,350	-3%
Supplementary Taxes	(23,829)	(32,729)	8,900	-37%	(38,353)	(39,269)	916	-2%
Tax Penalty Revenue	(28,749)	(35,015)	6,267	-22%	(32,000)	(36,900)	4,900	-15%
Interest/Investment Earnings	(85,472)	(55,366)	(30,106)	35%	(124,388)	(82,663)	(41,725)	34%
Other Corporate Revenues	(7,138)	(11,850)	4,712	-66%	(11,785)	(7,075)	(4,709)	40%
COVID -19 recovery	(1,149,326)	(1,097,001)	(52,325)	5%	(1,518,975)	(1,462,669)	(56,306)	4%
Dividend Income	(66,000)	(52,695)	(13,305)	20%	(88,000)	(70,260)	(17,740)	20%
Provincial Revenue	(68,700)	(68,700)	0	0%	(91,600)	(91,600)	0	0%
Municipal Land Transfer Tax	(618,029)	(692,481)	74,452	-12%	(625,358)	(725,358)	100,000	-16%
Third Party Sign Tax	(9,531)	(9,637)	106	-1%	(9,531)	(9,637)	106	-1%
Parking Authority Revenues	(9,000)	(9,000)	0	0%	(12,000)	(12,000)	0	0%
Administrative Support Recoveries - Water	(14,230)	(14,230)	0	0%	(18,973)	(18,973)	0	0%
Administrative Support Recoveries - Health & EMS	(7,820)	(7,820)	0	0%	(10,427)	(10,427)	0	0%
Parking Tag Enforcement & Operations Rev	(57,205)	(57,211)	6	0%	(80,656)	(70,956)	(9,701)	12%
Other Tax Revenues	(10,093)	(10,474)	381	-4%	(10,313)	(10,474)	160	-2%
Municipal Accommodation Tax	0	0	0	n/a	0	0	0	n/a
Casino Woodbine	(3,027)	0	(3,027)	100%	(4,035)	(2,060)	(1,976)	49%
<b>Non-Program Revenues</b>	<b>(2,251,357)</b>	<b>(2,249,768)</b>	<b>(1,589)</b>	<b>0%</b>	<b>(2,769,604)</b>	<b>(2,745,879)</b>	<b>(23,725)</b>	<b>1%</b>
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>(1,501,085)</b>	<b>(1,478,997)</b>	<b>(22,088)</b>	<b>1%</b>	<b>(1,356,021)</b>	<b>(1,210,694)</b>	<b>(145,327)</b>	<b>11%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>2,334,300</b>	<b>2,180,692</b>	<b>153,608</b>	<b>7%</b>	<b>4,489,264</b>	<b>4,536,796</b>	<b>(47,531)</b>	<b>-1%</b>
<b>Less Toronto Building</b>	<b>(11,717)</b>	<b>(26,092)</b>	<b>14,374</b>	<b>-123%</b>	<b>(16,147)</b>	<b>(49,294)</b>	<b>33,147</b>	<b>-205%</b>
<b>Less City Planning</b>	<b>6,401</b>	<b>(9,193)</b>	<b>15,594</b>	<b>244%</b>	<b>13,338</b>	<b>(4,555)</b>	<b>17,894</b>	<b>134%</b>
<b>TOTAL ADJUSTED TAX SUPPORTED PROGRAMS/AGENCIES</b>	<b>2,339,617</b>	<b>2,215,977</b>	<b>123,640</b>	<b>5%</b>	<b>4,492,073</b>	<b>4,590,645</b>	<b>(98,572)</b>	<b>-2%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	(7,755)	(27,063)	19,308	-249%	0	(13,967)	13,967	n/a
Toronto Parking Authority	2,047	(2,470)	4,518	221%	2,237	(3,325)	5,562	249%
Toronto Water	(16,648)	(23,825)	7,177	-43%	0	(17,764)	17,764	n/a
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>(22,355)</b>	<b>(53,358)</b>	<b>31,003</b>	<b>-139%</b>	<b>2,237</b>	<b>(35,056)</b>	<b>37,293</b>	<b>1667%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021



## Appendix B

CITY OF TORONTO								
CONSOLIDATED GROSS EXPENDITURES VARIANCE								
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021								
(\$000s)								
	September 30, 2021				December 31, 2021			
	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	41,663	13,695	27,968	67%	73,346	47,064	26,283	36%
Children's Services	448,466	487,745	(39,279)	-9%	648,666	613,369	35,296	5%
Court Services	22,933	18,956	3,976	17%	32,937	27,765	5,172	16%
Economic Development & Culture	74,146	64,002	10,144	14%	98,042	90,202	7,840	8%
Toronto Paramedic Services	193,131	187,824	5,307	3%	280,674	271,807	8,868	3%
Seniors Services and Long-Term Care	203,441	218,032	(14,591)	-7%	294,690	316,414	(21,724)	-7%
Parks, Forestry & Recreation	313,593	264,392	49,201	16%	446,921	409,354	37,567	8%
Shelter, Support & Housing Administration	848,709	791,507	57,201	7%	1,186,670	1,149,264	37,406	3%
Social Development, Finance & Administration	59,994	49,650	10,344	17%	84,767	75,919	8,848	10%
Toronto Employment & Social Services	803,780	609,816	193,964	24%	1,156,356	875,604	280,752	24%
<b>Sub-Total Community and Social Services</b>	<b>3,009,855</b>	<b>2,705,618</b>	<b>304,236</b>	<b>10%</b>	<b>4,303,070</b>	<b>3,876,761</b>	<b>426,309</b>	<b>10%</b>
<b>Infrastructure and Development Services</b>								
City Planning	35,799	31,526	4,273	12%	53,419	48,479	4,940	9%
Fire Services	364,915	359,879	5,035	1%	507,771	514,026	(6,255)	-1%
Office of Emergency Management	2,914	2,004	910	31%	3,912	3,126	785	20%
Municipal Licensing & Standards	40,040	35,360	4,680	12%	60,993	55,576	5,417	9%
Policy, Planning, Finance & Administration	11,272	9,942	1,330	12%	16,562	15,686	876	5%
Engineering & Construction Services	49,946	45,080	4,865	10%	72,960	67,572	5,388	7%
Toronto Building	41,593	33,178	8,415	20%	62,810	50,075	12,735	20%
Transportation Services	284,499	245,301	39,199	14%	421,597	387,019	34,578	8%
Transit Expansion	6,321	3,504	2,817	45%	9,169	6,152	3,017	33%
<b>Sub-Total Infrastructure and Development Services</b>	<b>837,299</b>	<b>765,774</b>	<b>71,525</b>	<b>9%</b>	<b>1,209,192</b>	<b>1,147,711</b>	<b>61,481</b>	<b>5%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer and Treasurer	10,911	10,132	779	7%	16,493	14,788	1,705	10%
Office of the Controller	56,674	48,049	8,626	15%	82,366	73,669	8,697	11%
<b>Sub-Total Finance and Treasury Services</b>	<b>67,586</b>	<b>58,181</b>	<b>9,405</b>	<b>14%</b>	<b>98,859</b>	<b>88,457</b>	<b>10,401</b>	<b>11%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	130,294	124,818	5,476	4%	198,674	194,296	4,378	2%
Environment & Energy	9,994	6,923	3,071	31%	16,473	12,660	3,812	23%
Fleet Services	40,030	39,236	794	2%	58,324	56,653	1,671	3%
Office of the Chief Information Security Officer	18,695	10,031	8,665	46%	28,438	17,139	11,299	40%
Technology Services	103,359	89,466	13,893	13%	140,109	127,552	12,557	9%
311 Toronto	12,731	12,349	382	3%	19,326	19,040	286	1%
<b>Sub-Total Corporate Services</b>	<b>315,103</b>	<b>282,822</b>	<b>32,281</b>	<b>10%</b>	<b>461,343</b>	<b>427,339</b>	<b>34,004</b>	<b>7%</b>
<b>City Manager</b>								
City Manager's Office	45,574	41,850	3,724	8%	75,024	74,325	698	1%
<b>Sub-Total City Manager</b>	<b>45,574</b>	<b>41,850</b>	<b>3,724</b>	<b>8%</b>	<b>75,024</b>	<b>74,325</b>	<b>698</b>	<b>1%</b>
<b>Other City Programs</b>								
City Clerk's Office	33,192	30,439	2,753	8%	50,089	46,789	3,300	7%
Legal Services	39,723	35,214	4,509	11%	57,819	54,520	3,300	6%
Mayor's Office	1,763	1,612	151	9%	2,567	2,567	(0)	0%
City Council	14,385	13,071	1,314	9%	21,752	20,252	1,500	7%
<b>Sub-Total Other City Programs</b>	<b>89,063</b>	<b>80,336</b>	<b>8,727</b>	<b>10%</b>	<b>132,227</b>	<b>124,127</b>	<b>8,100</b>	<b>6%</b>
<b>Accountability Offices</b>								
Auditor General's Office	4,465	4,088	377	8%	6,641	6,641	0	0%
Integrity Commissioner's Office	447	388	58	13%	740	740	(0)	0%
Office of the Lobbyist Registrar	810	692	117	14%	1,234	1,234	0	0%
Office of the Ombudsman	1,654	1,569	85	5%	2,458	2,458	0	0%
<b>Sub-Total Accountability Offices</b>	<b>7,375</b>	<b>6,738</b>	<b>637</b>	<b>9%</b>	<b>11,072</b>	<b>11,072</b>	<b>0</b>	<b>0%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>4,371,855</b>	<b>3,941,319</b>	<b>430,536</b>	<b>10%</b>	<b>6,290,786</b>	<b>5,749,793</b>	<b>540,993</b>	<b>9%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix B

CITY OF TORONTO								
CONSOLIDATED GROSS EXPENDITURES VARIANCE								
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021								
(\$000s)								
	September 30, 2021				December 31, 2021			
	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	239,592	278,382	(38,791)	-16%	353,264	413,533	(60,269)	-17%
Toronto Public Library	158,904	150,350	8,554	5%	220,508	214,008	6,500	3%
Association of Community Centres	6,917	6,120	797	12%	9,185	8,872	314	3%
Exhibition Place	32,749	23,697	9,052	28%	43,386	36,517	6,869	16%
Heritage Toronto	640	544	96	15%	1,019	1,060	(41)	-4%
TO Live	8,982	9,371	(389)	-4%	12,378	15,310	(2,931)	-24%
Toronto Zoo	35,652	30,232	5,421	15%	46,400	40,979	5,421	12%
Arena Boards of Management	6,785	4,175	2,610	38%	9,885	7,477	2,407	24%
Yonge-Dundas Square	2,309	1,518	791	34%	2,977	2,253	725	24%
CreateTO	10,715	10,134	581	5%	14,599	14,345	253	2%
Toronto & Region Conservation Authority	8,344	8,344	0	0%	10,198	10,198	(0)	0%
Toronto Transit Commission - Conventional	1,012,198	956,582	55,617	5%	2,034,438	1,988,672	45,766	2%
Toronto Transit Commission - Wheel Trans	56,436	45,731	10,705	19%	118,566	101,014	17,552	15%
Toronto Police Service	843,840	845,326	(1,486)	0%	1,220,002	1,233,902	(13,899)	-1%
Toronto Police Services Board	2,398	2,350	49	2%	3,907	3,947	(40)	-1%
<b>TOTAL - AGENCIES</b>	<b>2,426,461</b>	<b>2,372,854</b>	<b>53,607</b>	<b>2%</b>	<b>4,100,711</b>	<b>4,092,086</b>	<b>8,625</b>	<b>0%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	750	750	0	0%	344,856	344,856	0	0%
Technology Sustainment	15,398	15,398	0	0%	20,530	20,530	0	0%
Debt Charges	500,420	519,510	(19,090)	-4%	733,486	733,486	0	0%
Capital & Corporate Financing	516,567	535,657	(19,090)	-4%	1,098,872	1,098,872	0	0%
<b>Non-Program Expenditures</b>								
Tax Deficiencies/Writeoffs	40,728	40,142	586	1%	54,304	54,204	100	0%
Tax Increment Equivalent Grants (TIEG)	34,197	34,949	(751)	-2%	45,596	46,598	(1,002)	-2%
Assessment Function (MPAC)	34,868	34,712	156	0%	46,490	46,283	207	0%
Funding of Employee Related Liabilities	53,095	53,085	10	0%	70,794	82,488	(11,695)	-17%
Other Corporate Expenditures	17,074	2,221	14,853	87%	32,470	107,561	(75,092)	-231%
Insurance Premiums & Claims	33,698	33,698	0	0%	46,913	74,941	(28,028)	-60%
Parking Tag Enforcement & Oper.	37,312	35,801	1,511	4%	58,859	57,250	1,609	3%
Programs Funded from Reserve Funds	119,387	105,457	13,930	12%	152,837	150,847	1,990	1%
Heritage Property Taxes Rebate	1,487	1,348	139	9%	1,983	1,797	186	9%
Solid Waste Management Rebates	57,744	59,236	(1,492)	-3%	75,371	75,371	0	0%
Tax Increment Funding (TIF)	0	0	0	n/a	2,725	2,725	0	0%
Non-Program Expenditures	429,589	400,647	28,942	7%	588,341	700,065	(111,724)	-19%
<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	6,660	6,113	547	8%	9,926	8,552	1,374	14%
Other Corporate Revenues	614	413	201	33%	948	605	343	36%
COVID -19 recovery	0	0	0	n/a	0	0	0	n/a
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	55,249	181,123	(125,874)	-228%	72,333	224,642	(152,309)	-211%
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	221	100	121	55%	221	100	121	55%
Municipal Accommodation Tax	10,859	6,987	3,872	36%	14,478	8,163	6,315	44%
Casino Woodbine	0	0	0	n/a	0	0	0	n/a
Non-Program Revenues	73,603	194,736	(121,132)	-165%	97,906	242,062	(144,156)	-147%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>1,019,760</b>	<b>1,131,040</b>	<b>(111,281)</b>	<b>-11%</b>	<b>1,785,120</b>	<b>2,041,000</b>	<b>(255,880)</b>	<b>-14%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCII</b>	<b>7,818,076</b>	<b>7,445,214</b>	<b>372,862</b>	<b>5%</b>	<b>12,176,617</b>	<b>11,882,879</b>	<b>293,739</b>	<b>2%</b>
<b>RATE SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	269,386	245,360	24,026	9%	379,315	366,480	12,834	3%
Toronto Parking Authority	71,591	63,147	8,445	12%	95,724	88,794	6,930	7%
Toronto Water	1,039,534	1,013,135	26,399	3%	1,415,336	1,381,833	33,503	2%
<b>TOTAL RATES SUPPORTED PROGRAMS</b>	<b>1,380,511</b>	<b>1,321,642</b>	<b>58,869</b>	<b>4%</b>	<b>1,890,375</b>	<b>1,837,107</b>	<b>53,268</b>	<b>3%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix C

CITY OF TORONTO								
CONSOLIDATED REVENUE VARIANCE								
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021								
(\$000s)								
	September 30, 2021				December 31, 2021			
	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	41,406	13,438	(27,968)	-68%	71,665	45,383	(26,283)	-37%
Children's Services	375,397	416,578	41,181	11%	557,253	523,903	(33,349)	-6%
Court Services	57,948	46,639	(11,309)	-20%	77,018	65,595	(11,423)	-15%
Economic Development & Culture	8,553	5,462	(3,091)	-36%	18,904	13,220	(5,684)	-30%
Toronto Paramedic Services	131,408	132,511	1,102	1%	178,687	184,331	5,643	3%
Seniors Services and Long-Term Care	167,928	187,290	19,362	12%	226,153	252,645	26,492	12%
Parks, Forestry & Recreation	64,323	43,381	(20,942)	-33%	110,927	80,653	(30,274)	-27%
Shelter, Support & Housing Administration	295,086	246,570	(48,517)	-16%	409,532	348,214	(61,318)	-15%
Social Development, Finance & Administration	11,116	11,344	228	2%	16,865	16,936	72	0%
Toronto Employment & Social Services	748,206	560,859	(187,347)	-25%	1,075,565	809,196	(266,369)	-25%
<b>Sub-Total Community and Social Services</b>	<b>1,901,371</b>	<b>1,664,071</b>	<b>(237,300)</b>	<b>-12%</b>	<b>2,742,569</b>	<b>2,340,076</b>	<b>(402,494)</b>	<b>-15%</b>
<b>Infrastructure and Development Services</b>								
City Planning	29,398	40,718	11,320	39%	40,081	53,034	12,953	32%
Fire Services	15,965	18,149	2,183	14%	20,769	21,447	678	3%
Office of Emergency Management	650	650	0	0%	660	650	(10)	-2%
Municipal Licensing & Standards	30,201	24,329	(5,871)	-19%	44,041	35,708	(8,333)	-19%
Policy, Planning, Finance & Administration	7,876	6,896	(981)	-12%	11,552	10,794	(758)	-7%
Engineering & Construction Services	47,520	46,087	(1,432)	-3%	72,211	68,369	(3,842)	-5%
Toronto Building	53,310	59,270	5,960	11%	78,957	99,369	20,413	26%
Transportation Services	141,012	116,609	(24,403)	-17%	196,544	166,688	(29,856)	-15%
Transit Expansion	6,321	3,106	(3,216)	-51%	6,693	5,796	(897)	-13%
<b>Sub-Total Infrastructure and Development Services</b>	<b>332,254</b>	<b>315,814</b>	<b>(16,439)</b>	<b>-5%</b>	<b>471,509</b>	<b>461,856</b>	<b>(9,652)</b>	<b>-2%</b>
<b>Finance and Treasury Services</b>								
Office of the Chief Financial Officer and Treasurer	2,562	2,323	(239)	-9%	3,846	3,286	(560)	-15%
Office of the Controller	32,543	26,530	(6,012)	-18%	43,005	37,729	(5,277)	-12%
<b>Sub-Total Finance and Treasury Services</b>	<b>35,104</b>	<b>28,854</b>	<b>(6,251)</b>	<b>-18%</b>	<b>46,851</b>	<b>41,015</b>	<b>(5,836)</b>	<b>-12%</b>
<b>Corporate Services</b>								
Corporate Real Estate Management	57,509	52,877	(4,632)	-8%	94,786	90,492	(4,294)	-5%
Environment & Energy	890	1,045	155	17%	4,654	2,087	(2,567)	-55%
Fleet Services	21,623	20,183	(1,440)	-7%	34,249	31,630	(2,619)	-8%
Office of the Chief Information Security Officer	0	0	0	n/a	383	0	(383)	-100%
Technology Services	21,153	17,265	(3,887)	-18%	35,262	24,729	(10,532)	-30%
311 Toronto	6,463	6,218	(245)	-4%	8,811	8,535	(276)	-3%
<b>Sub-Total Corporate Services</b>	<b>107,638</b>	<b>97,589</b>	<b>(10,049)</b>	<b>-9%</b>	<b>178,144</b>	<b>157,473</b>	<b>(20,671)</b>	<b>-12%</b>
<b>City Manager</b>								
City Manager's Office	6,424	4,889	(1,536)	-24%	13,125	11,379	(1,746)	-13%
<b>Sub-Total City Manager</b>	<b>6,424</b>	<b>4,889</b>	<b>(1,536)</b>	<b>-24%</b>	<b>13,125</b>	<b>11,379</b>	<b>(1,746)</b>	<b>-13%</b>
<b>Other City Programs</b>								
City Clerk's Office	8,080	6,869	(1,210)	-15%	12,687	12,187	(500)	-4%
Legal Services	17,547	16,716	(831)	-5%	25,613	25,279	(334)	-1%
Mayor's Office	0	0	0	n/a	0	0	0	n/a
City Council	0	0	0	n/a	56	56	0	0%
<b>Sub-Total Other City Programs</b>	<b>25,627</b>	<b>23,586</b>	<b>(2,041)</b>	<b>-8%</b>	<b>38,356</b>	<b>37,523</b>	<b>(834)</b>	<b>-2%</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	200	200	0	0%
<b>Sub-Total Accountability Offices</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>200</b>	<b>200</b>	<b>0</b>	<b>0%</b>
<b>TOTAL - CITY OPERATIONS</b>	<b>2,408,419</b>	<b>2,134,803</b>	<b>(273,616)</b>	<b>-11%</b>	<b>3,490,754</b>	<b>3,049,521</b>	<b>(441,233)</b>	<b>-13%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix C

CITY OF TORONTO CONSOLIDATED REVENUE VARIANCE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 (\$000s)								
	September 30, 2021				December 31, 2021			
	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	149,036	184,311	35,275	24%	228,872	289,141	60,269	26%
Toronto Public Library	11,159	11,060	(98)	-1%	17,460	15,960	(1,500)	-9%
Association of Community Centres	214	79	(136)	-63%	259	109	(150)	-58%
Exhibition Place	26,332	16,038	(10,294)	-39%	35,809	25,617	(10,192)	-28%
Heritage Toronto	528	550	21	4%	569	610	41	7%
TO Live	1,247	2,556	1,310	105%	1,583	4,408	2,825	178%
Toronto Zoo	23,884	20,100	(3,784)	-16%	26,956	22,557	(4,399)	-16%
Arena Boards of Management	5,599	1,848	(3,751)	-67%	9,395	4,014	(5,381)	-57%
Yonge-Dundas Square	1,343	434	(909)	-68%	1,663	569	(1,094)	-66%
CreateTO	10,715	10,134	(581)	-5%	14,599	14,345	(253)	-2%
Toronto & Region Conservation Authority	3,999	3,999	0	0%	5,333	5,333	0	0%
Toronto Transit Commission - Conventional	234,121	193,871	(40,250)	-17%	562,500	499,796	(62,704)	-11%
Toronto Transit Commission - Wheel Trans	1,838	1,440	(399)	-22%	4,276	3,662	(614)	-14%
Toronto Police Service	83,448	72,400	(11,048)	-13%	144,209	156,809	12,599	9%
Toronto Police Services Board	1,050	863	(187)	-18%	1,976	1,939	(37)	-2%
<b>TOTAL - AGENCIES</b>	<b>554,513</b>	<b>519,682</b>	<b>(34,831)</b>	<b>-6%</b>	<b>1,055,458</b>	<b>1,044,868</b>	<b>(10,590)</b>	<b>-1%</b>
<b>Corporate Accounts</b>								
Capital Financing - Capital from Current	0	0	0	n/a	8,678	8,678	0	0%
Technology Sustainment	0	0	0	n/a	0	0	0	n/a
Debt Charges	57,228	43,252	(13,977)	-24%	84,269	84,269	0	0%
Capital & Corporate Financing	57,228	43,252	(13,977)	-24%	92,946	92,946	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	19,269	17,157	(2,112)	-11%	27,847	19,959	(7,888)	-28%
Programs Funded from Reserve Funds	119,387	105,125	(14,262)	-12%	152,837	150,847	(1,990)	-1%
Heritage Property Taxes Rebate	0	0	0	n/a	0	0	0	n/a
Solid Waste Management Rebates	0	0	0	n/a	0	0	0	n/a
Tax Increment Funding (TIF)	0	0	0	n/a	0	0	0	n/a
Non-Program Expenditures	138,656	122,282	(16,374)	-12%	180,684	170,806	(9,878)	-5%
<b>Non-Program Revenue</b>								
Payments in Lieu of Taxes	93,209	95,559	2,350	3%	93,209	95,559	2,350	3%
Supplementary Taxes	23,829	32,729	8,900	37%	38,353	39,269	916	2%
Tax Penalty Revenue	28,749	35,015	6,267	22%	32,000	36,900	4,900	15%
Interest/Investment Earnings	92,132	61,479	(30,653)	-33%	134,314	91,215	(43,099)	-32%
Other Corporate Revenues	7,752	12,263	4,511	58%	12,733	7,681	(5,052)	-40%
COVID -19 recovery	1,149,326	1,097,001	(52,325)	-5%	1,518,975	1,462,669	(56,306)	-4%
Dividend Income	66,000	52,695	(13,305)	-20%	88,000	70,260	(17,740)	-20%
Provincial Revenue	68,700	68,700	0	0%	91,600	91,600	0	0%
Municipal Land Transfer Tax	673,278	873,604	200,326	30%	697,691	950,000	252,309	36%
Third Party Sign Tax	9,531	9,637	106	1%	9,531	9,637	106	1%
Parking Authority Revenues	9,000	9,000	0	0%	12,000	12,000	0	0%
Administrative Support Recoveries - Water	14,230	14,230	0	0%	18,973	18,973	0	0%
Administrative Support Recoveries - Health & EMS	7,820	7,820	0	0%	10,427	10,427	0	0%
Parking Tag Enforcement & Operations Rev	57,426	57,311	(115)	0%	80,656	70,956	(9,701)	-12%
Other Tax Revenues	10,313	10,574	260	3%	10,534	10,574	40	0%
Municipal Accommodation Tax	10,859	6,987	(3,872)	-36%	14,478	8,163	(6,315)	-44%
Casino Woodbine	3,027	0	(3,027)	-100%	4,035	2,060	(1,976)	-49%
Non-Program Revenues	2,325,181	2,444,604	119,423	5%	2,867,510	2,987,941	120,431	4%
<b>TOTAL - CORPORATE ACCOUNTS</b>	<b>2,521,065</b>	<b>2,610,137</b>	<b>89,072</b>	<b>4%</b>	<b>3,141,140</b>	<b>3,251,694</b>	<b>110,553</b>	<b>4%</b>
<b>TOTAL TAX SUPPORTED PROGRAMS / AGENCIES</b>	<b>5,483,996</b>	<b>5,264,622</b>	<b>(219,375)</b>	<b>-4%</b>	<b>7,687,353</b>	<b>7,346,083</b>	<b>(341,270)</b>	<b>-4%</b>
<b>RATES SUPPORTED PROGRAMS</b>								
Solid Waste Management Services	277,141	272,423	(4,718)	-2%	379,315	380,447	1,132	0%
Toronto Parking Authority	69,544	65,617	(3,927)	-6%	93,487	92,119	(1,368)	-1%
Toronto Water	1,056,182	1,036,960	(19,221)	-2%	1,415,336	1,399,597	(15,740)	-1%
<b>TOTAL RATE SUPPORTED PROGRAMS</b>	<b>1,402,867</b>	<b>1,375,000</b>	<b>(27,867)</b>	<b>-2%</b>	<b>1,888,138</b>	<b>1,872,163</b>	<b>(15,975)</b>	<b>-1%</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
**(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2022 Incremental Outlook (Net)
<b>Community and Social Services</b>					
<b>Economic Development &amp; Culture</b>					
EDC Museums and Heritage Services has evaluated the current operational needs and has determined that a Museums Administrator is required. A vacant Museum Site Coordination position will be converted to the Administrator position. This complement change will have no impact to 2021 Council Approved staff complement for EDC. In 2022, non-salary expenditures have been reduced to cover the incremental pressure.	0.0	0.0	0.0	0.0	15.5
Additional funding of \$1.0 million, reallocated from EDC's salary and benefit savings experienced in 2021, is required for ArtworxTO to offset negatively affected fundraising efforts caused by the pandemic and will contribute to the launching of the City's new 10-year Public Art Strategy. The initiative was delayed for more than 9 months due to prolonged health and safety restrictions. Existing funding has contributed to engaging artists, curator and contractors during the lockdown period and has supported their process to date. This funding will support the Community Cultural Hubs in all corners of the City, allowing for an ongoing rotation of exhibits through to October 2022. It will also allow for the continuation of the Partnership Grant program which has funded nearly 100 newly commissioned virtual and physical projects.	(0.0)	0.0	(0.0)	0.0	0.0
EDC Museums and Heritage Services has evaluated the current operational needs and has determined that a Museums Coordinator is required. A vacant Museum Program Officer position will be converted to the Coordinator position. This complement change will have no impact to 2021 Council Approved staff complement for EDC. In 2022, non-salary expenditures have been reduced to cover the incremental pressure.	(0.0)	0.0	(0.0)	0.0	6.7
To convert a Support Assistant B position to a People Services Associate. This will assist with Division needs within the same level of service. This complement change will have no net impact to the City in 2021 and in future years.	0.0	0.0	0.0	0.0	(0.0)
<b>Total Economic Development &amp; Culture</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>22.2</b>
<b>Housing Secretariat</b>					
Increase the 2021 Approved Operating Budget and complement of Housing Secretariat by \$0.738 million gross, \$0.490 million net and 5 Full Time permanent positions by transferring the Tower Renewal program budgeted in the 2021 Approved Operating Budget of Social Development Finance and Administration. This transfer is required as part of the ongoing transformation initiative of Housing Secretariat to support the delivery of its expanded housing mandate.	738.3	243.5	494.8	5.0	18.8

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
**(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2022 Incremental Outlook (Net)
Increase the 2021 Approved Operating Budget for the Housing Secretariat by \$4.163 million gross, \$0 net to support the renovation and repair of TCHC rooming house units fully funded from the City allocation under the Canada-Ontario Housing Initiative (COCHI). The adjustment is not net new funding but is a transfer of an existing approved capital project called TCHC - SOGR of the same amount to operating to allow funding to flow through to TCHC.	4,163.0	4,163.0	0.0	0.0	0.0
<b>Total Housing Secretariat</b>	<b>4,901.3</b>	<b>4,406.5</b>	<b>494.8</b>	<b>5.0</b>	<b>18.8</b>
<b>Seniors Services and Long-Term Care</b>					
To increase the 2021 Approved Operating Budget for Seniors Services and Long-Term Care by \$2.0 million gross, \$0 net and 97 permanent positions, fully funded by the Ministry of Long-Term Care. This increase will support the provinces mandate to improve Ontario's long-term care sector by increasing direct care hours provided per resident, per day, beginning November 1, 2021. The model will increase direct care provided by registered nurses (RNs), registered practical nurses (RPNs), and personal support workers (PSWs) to a provincial daily average of 3 hours per resident, per day and by allied health professionals (AHPs) to a provincial daily average of 33 minutes per resident, per day, by March 31, 2022. The expenditures and corresponding revenues for the 2022 budget with a full year impact of \$12.4 million gross and \$0 net are included in SSTLC's budget submission for approval.	2,013.3	2,013.3	0.0	97.4	(0.0)
<b>Total Seniors Services and Long-Term Care</b>	<b>2,013.3</b>	<b>2,013.3</b>	<b>0.0</b>	<b>97.4</b>	<b>(0.0)</b>
<b>Shelter, Support &amp; Housing Administration</b>					
Increase the 2021 Approved Operating Budget of Shelter, Support and Housing Administration (SSHA) by \$0.275 million gross, \$0 net. The additional funding is required to extend 9 temporary capital delivery positions from September 30th to December 31st 2021. These positions are currently engaged in the implementation of the Choice Based Housing Access System project and will be required till the end of 2021. The increase is fully funded from the capital project called "Choice Based Housing Access System (CHS041) in SSHA's Approved 2021 – 2030 Capital Budget and Plan.	275.3	275.3	0.0	9.0	0.0
<b>Total Shelter, Support &amp; Housing Administration</b>	<b>275.3</b>	<b>275.3</b>	<b>0.0</b>	<b>9.0</b>	<b>0.0</b>

## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
**(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2022 Incremental Outlook (Net)
<b>Social Development, Finance &amp; Administration</b>					
Adjustment to transfer the 2021 Operating Budget along with 5 FTEs currently in SDFA's Tower & Neighbourhood Revitalization Unit to Housing Secretariat, as a result of the decision to consolidate the City's leadership of housing related functions under that division.	(738.3)	(243.5)	(494.8)	(5.0)	(18.8)
<b>Total Social Development, Finance &amp; Administration</b>	<b>(738.3)</b>	<b>(243.5)</b>	<b>(494.8)</b>	<b>(5.0)</b>	<b>(18.8)</b>
<b>Total Community and Social Services</b>	<b>6,451.6</b>	<b>6,451.6</b>	<b>0.0</b>	<b>106.4</b>	<b>22.2</b>
<b>Infrastructure and Development Services</b>					
<b>Transit Expansion</b>					
IDS Transit Expansion is requesting an additional two (2) Program Director positions (PERM) funded 100% by Metrolinx. Effective Nov 1 2021.	59.9	59.9	0.0	2.0	0.0
<b>Total Transit Expansion</b>	<b>59.9</b>	<b>59.9</b>	<b>0.0</b>	<b>2.0</b>	<b>0.0</b>
<b>Total Infrastructure and Development Services</b>	<b>59.9</b>	<b>59.9</b>	<b>0.0</b>	<b>2.0</b>	<b>0.0</b>
<b>Corporate Services</b>					
<b>Corporate Real Estate Management</b>					
To increase gross expenditures by \$2.138 million for Modern TO resources, fully funded by capital for a net zero increase.	2,137.7	2,137.7	0.0	0.0	0.0
To transfer \$0.033 million in lease savings from gross expenditure to Non-Program to fund ModernTO.	(32.9)	0.0	(32.9)	0.0	0.0
<b>Total Corporate Real Estate Management</b>	<b>2,104.8</b>	<b>2,137.7</b>	<b>(32.9)</b>	<b>0.0</b>	<b>0.0</b>
<b>Environment &amp; Energy</b>					
To transfer \$1.0 million in savings from gross expenditure to the Environment Protection Reserve, to fund strategic research and program development in the area of climate action and resiliency, with a match in funds from MITACS anticipated.	0.0	0.0	0.0	0.0	0.0
<b>Total Environment &amp; Energy</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Corporate Services</b>	<b>2,104.8</b>	<b>2,137.7</b>	<b>(32.9)</b>	<b>0.0</b>	<b>0.0</b>
<b>Finance and Treasury Services</b>					
<b>Office of the Chief Financial Officer and Treasurer</b>					
Transfer 1 position from Corp Fin Strategies & Policies to CFO's Office.	143.6	0.0	143.6	1.0	(10.9)
New permanent capital position dedicated to supporting the Housing Now Initiative.	142.7	142.7	(0.0)	1.0	(0.0)
<b>Total Office of the Chief Financial Officer and Treasurer</b>	<b>286.3</b>	<b>142.7</b>	<b>143.6</b>	<b>2.0</b>	<b>(10.9)</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix D1

**CITY OF TORONTO  
PENDING BUDGET ADJUSTMENTS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2022 Incremental Outlook (Net)
<b>Office of the Controller</b>					
Transfer of 1 position from CFSP to CFO's Office	(143.6)	0.0	(143.6)	(1.0)	0.9
Transfer of 7 capital positions from TR to TSD	(78.0)	(78.0)	(0.0)	(7.0)	0.0
Transfer of 2 positions to FCPI from CFSP and Controllership	42.9	0.0	42.9	2.0	128.1
Transfer of 1 position from Controllership to FCPI	(22.1)	0.0	(22.1)	(1.0)	(66.0)
Transfer of 1 position form CFSP to FCPI	(20.8)	0.0	(20.8)	(1.0)	(62.2)
<b>Total Office of the Controller</b>	<b>(221.6)</b>	<b>(78.0)</b>	<b>(143.6)</b>	<b>(8.0)</b>	<b>0.9</b>
<b>Total Finance and Treasury Services</b>	<b>64.7</b>	<b>64.7</b>	<b>(0.0)</b>	<b>(6.0)</b>	<b>(10.0)</b>
<b>Other City Programs</b>					
<b>Legal Services</b>					
To right-place expenses for streamlined security operations at courthouses and prisoner transfers, consistent with the Police Services Act, \$7.250 million gross and \$5.204 million net transferred to Police.	(7,249.8)	(2,045.6)	(5,204.2)	0.0	0.0
<b>Total Legal Services</b>	<b>(7,249.8)</b>	<b>(2,045.6)</b>	<b>(5,204.2)</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Other City Programs</b>	<b>(7,249.8)</b>	<b>(2,045.6)</b>	<b>(5,204.2)</b>	<b>0.0</b>	<b>0.0</b>
<b>Total City Programs</b>	<b>1,431.2</b>	<b>6,668.3</b>	<b>(5,237.1)</b>	<b>102.4</b>	<b>12.1</b>
<b>Agencies</b>					
<b>TO Live</b>					
To increase the 2021 Council Approved Operating Budget for TO Live by \$1.0 million gross and revenue for the receipt of naming rights sponsorship and capital surcharge revenues, and an equivalent amount of contribution to the Facility Fee Reserve Fund (FFRF), XR3030, in accordance with the FFRF contribution policy to fund general maintenance and minor state of good repairs. This sponsorship revenue was not included in the approved 2021 operating budget.	1,000.0	1,000.0	0.0	0.0	0.0
<b>Total TO Live</b>	<b>1,000.0</b>	<b>1,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Toronto Police Service</b>					
To right-place expenses for streamlined security operations at courthouses and prisoner transfers, consistent with the Police Services Act, \$0 million gross and \$5.204 million net transferred from Legal.	0.0	(5,204.2)	5,204.2	0.0	0.0
<b>Total Toronto Police Service</b>	<b>0.0</b>	<b>(5,204.2)</b>	<b>5,204.2</b>	<b>0.0</b>	<b>0.0</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021



## Appendix D1

**CITY OF TORONTO**  
**PENDING BUDGET ADJUSTMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
**(\$000s)**

	Gross Expenditure	Revenue	Net Expenditure	Position	2022 Incremental Outlook (Net)
<b>Toronto Public Health</b>					
To extend 102 temporary positions, 100% provincially funded for the School-Focused Nurses program from August 1, 2021 to June 30, 2022. On July 30, 2020, as part of its plan for the safe reopening of schools in September, the Government of Ontario announced an investment of \$50 million to hire up to 500 additional school-focused nurses in public health units to provide rapid-response support to schools and boards in facilitating public health and preventative measures, including screening, testing, tracing and mitigation strategies. The expenditures and corresponding revenues for the 2022 budget are included in TPH's budget submission for approval.	4,190.8	4,190.8	0.0	102.0	6,009.2
<b>Total Toronto Public Health</b>	<b>4,190.8</b>	<b>4,190.8</b>	<b>0.0</b>	<b>102.0</b>	<b>6,009.2</b>
<b>Total Agencies</b>	<b>5,190.8</b>	<b>(13.4)</b>	<b>5,204.2</b>	<b>102.0</b>	<b>6,009.2</b>
<b>Corporate Accounts</b>					
<b>Non-Program Expenditures</b>					
Increase of \$0.033 million to Non-Program transferred from savings in CREM to fund ModemTO.	32.9	0.0	32.9	0.0	(32.9)
<b>Total Non-Program Expenditures</b>	<b>32.9</b>	<b>0.0</b>	<b>32.9</b>	<b>0.0</b>	<b>(32.9)</b>
<b>Total Corporate Accounts</b>	<b>32.9</b>	<b>0.0</b>	<b>32.9</b>	<b>0.0</b>	<b>(32.9)</b>
<b>Total Tax Supported Operations</b>	<b>6,655.0</b>	<b>6,655.0</b>	<b>0.0</b>	<b>204.4</b>	<b>5,988.4</b>
<b>Solid Waste Management Services</b>					
These changes have been approved by the GM SWMS as part of the 2021 Hiring Plans and are mainly within Collections and City Beautification. Two positions will be deleted and two positions added. The net cost is \$5.6K and is offset by a reduction to reserve fund contributions.	(0.0)	0.0	(0.0)	0.0	0.0
Divisional Realignment to move 4 Diversion Program Assistants from Collection & Litter Ops-Customer Service to Collection & Litter Ops-Nights & Parks. No financial impact.	(0.0)	0.0	(0.0)	0.0	0.0
Reclassification of a Senior Project Manager position within the EPR unit. There will be no change to FTE count and no financial impact.	0.0	0.0	0.0	0.0	0.0
<b>Total Solid Waste Management Services</b>	<b>(0.0)</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>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>6,655.0</b>	<b>6,655.0</b>	<b>0.0</b>	<b>204.4</b>	<b>5,988.4</b>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix D2

CITY OF TORONTO  
 PENDING EXPENDITURE AUTHOITIES WITHIN OVERALL APPROVED NET BUDGET  
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
 (\$000s)

<b>Program</b>	<b>Reserve Contribution</b>	<b>Reserve Name</b>	<b>Funding Purpose</b>
Shelter, Support, Housing and Administration	7,348.9	XQ0703- Tax Rate Stabilization Reserve	Authority to contribute additional \$7.3 million in experienced underspending within Shelter, Support & Housing Administration to the Tax Stabilization Reserve to be used in 2022 to fund continued COVID-19 impacts for Shelter requirements
Parks, Forestry & Recreation	1,000.0	XQ0703- Tax Rate Stabilization Reserve	Authority to contribute \$1.0 million in experienced underspending within Parks, Forestry and Recreation to the Tax Rate Stabilization Reserve to be used for organizational and management structure review mandated by City Council over 2022 and 2023.
Economic Development and Culture	1,000.0	XR1218- Major Special Event Reserve Fund	Authority to contribute \$1.0 million in experienced underspending within Economic Development and Culture to the underfunded Major Special Event Reserve Fund to support the planning of the 2026 FIFA World Cup and other municipal service delivery and enhanced City programming costs associated with major special events.
<b>Non-Program</b>			
Fire Services	19,204.9	XQ1017 - Vehicle Reserve Fire	Authority to contribute additional \$19.20 million in the overall City net underspending to the Fire Services Vehicle & Equipment Reserve to enable multi-year procurement of Fire Services vehicle requirements through the Capital Budget
Insurance	12,123.0	XR1010- Insurance	Authority to contribute additional \$12.1 million to the Insurance Reserve to address added insurance costs and reserve depletion risk.
Employee Liability Reserve	11,694.8	XR1002 - Employee Retiree Benefits Reserve Fund	Authority to contribute \$11.7 million to the Employee Retiree benefits reserve fund to match projected retiree benefits for 2021

Appendix D2

CITY OF TORONTO  
 PENDING EXPENDITURE AUTHORITIES WITHIN OVERALL APPROVED NET BUDGET  
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
 (\$000s)

<b>Program</b>	<b>Reserve Contribution</b>	<b>Reserve Name</b>	<b>Funding Purpose</b>
Toronto Police Service	9,500.0	XQ1701- Vehicle and Equipment Reserve – Police	Authority to contribute \$9.5 million to the Police Services Vehicle and Equipment Reserve for regular replacement of vehicles and information technology equipment to address reserve depletion risks
Employee Retiree Benefit Reserve	9,000.0	XR1002 - Employee Retiree Benefits Reserve Fund	Authority to contribute \$9.0 million to the Employee Retiree benefits reserve fund to support anticipated 2022 employee related expenses
Fleet Services	2,200.0	XQ0601- Commodity Price Stabilization Reserve	Authority to contribute \$2.2 million to the Commodity Stabilization Reserve fund to hedge against rising fuel prices.
People and Equity	4,900.0	XQ0703- Tax Rate Stabilization Reserve	Authority to contribute \$4.9 million to Tax Stabilization Reserve: for People and Equity hiring strategy in future years.
Deferred Expenses	750.0	XQ0703- Tax Rate Stabilization Reserve	Authority to contribute funds to the Tax Stabilization Reserve to fund one-time 2022 expenses arising from various costs originally expected to occur in 2021

## 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	4-Month	9.5	▲	(10.3)	▼	(0.8)	▼	Ⓡ	(22.7)	▼	22.7	▲	0.0	—	Ⓢ
	6-Month	17.5	▲	(17.5)	▼	0.0	—	Ⓢ	0.7	▲	(0.7)	▼	0.0	—	Ⓢ
	9-Month	28.0	▲	(28.0)	▼	0.0	—	Ⓢ	26.3	▲	(26.3)	▼	(0.0)	—	Ⓡ
Children Services	4-Month	7.8	▲	(7.2)	▼	0.5	▲	Ⓢ	29.1	▲	(27.5)	▼	1.6	▲	Ⓢ
	6-Month	26.5	▲	(25.5)	▼	1.0	▲	Ⓢ	38.3	▲	(36.3)	▼	2.0	▲	Ⓢ
	9-Month	(39.3)	▼	41.2	▲	1.9	▲	Ⓢ	35.3	▲	(33.3)	▼	1.9	▲	Ⓢ
Court Services	4-Month	1.6	▲	(4.9)	▼	(3.3)	▼	Ⓨ	3.8	▲	(9.3)	▼	(5.5)	▼	Ⓡ
	6-Month	2.5	▲	(8.1)	▼	(5.6)	▼	Ⓨ	4.5	▲	(10.7)	▼	(6.1)	▼	Ⓡ
	9-Month	4.0	▲	(11.3)	▼	(7.3)	▼	Ⓨ	5.2	▲	(11.4)	▼	(6.3)	▼	Ⓡ
Economic Development & Culture	4-Month	1.4	▲	0.2	▲	1.6	▲	Ⓢ	3.0	▲	(2.0)	▼	1.0	▲	Ⓢ
	6-Month	5.0	▲	0.5	▲	5.5	▲	Ⓢ	7.0	▲	(4.8)	▼	2.1	▲	Ⓢ
	9-Month	10.1	▲	(3.1)	▼	7.1	▲	Ⓢ	7.8	▲	(5.7)	▼	2.2	▲	Ⓢ
Toronto Paramedic Services	4-Month	1.9	▲	4.2	▲	6.1	▲	Ⓨ	(4.7)	▼	11.3	▲	6.6	▲	Ⓢ
	6-Month	4.1	▲	2.6	▲	6.7	▲	Ⓢ	5.6	▲	4.1	▲	9.6	▲	Ⓢ
	9-Month	5.3	▲	1.1	▲	6.4	▲	Ⓢ	8.9	▲	5.6	▲	14.5	▲	Ⓢ
Seniors Services and Long-Term Care	4-Month	(6.7)	▼	6.0	▲	(0.7)	▼	Ⓡ	(26.4)	▼	22.7	▲	(3.8)	▼	Ⓡ
	6-Month	(10.9)	▼	10.0	▲	(1.0)	▼	Ⓢ	(25.7)	▼	16.7	▲	(9.1)	▼	Ⓡ
	9-Month	(14.6)	▼	19.4	▲	4.8	▲	Ⓢ	(21.7)	▼	26.5	▲	4.8	▲	Ⓢ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

Figure 7: 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	
Parks, Forestry & Recreation	4-Month	21.9	▲	(13.7)	▼	8.3	▲	⊙	27.7	▲	(28.0)	▼	(0.3)	▼	Ⓜ
	6-Month	39.5	▲	(18.1)	▼	21.4	▲	⊙	32.8	▲	(28.8)	▼	4.0	▲	⊙
	9-Month	49.2	▲	(20.9)	▼	28.3	▲	⊙	37.6	▲	(30.3)	▼	7.3	▲	⊙
Shelter, Support & Housing Administration	4-Month	22.8	▲	12.2	▲	35.0	▲	⊙	40.6	▲	(37.4)	▼	3.2	▲	⊙
	6-Month	17.2	▲	(11.1)	▼	6.2	▲	⊙	34.1	▲	(53.3)	▼	(19.2)	▼	Ⓜ
	9-Month	57.2	▲	(48.5)	▼	8.7	▲	⊙	37.3	▲	(61.3)	▼	(24.1)	▼	Ⓜ
Social Development, Finance & Administration	4-Month	1.6	▲	1.1	▲	2.8	▲	⊙	3.8	▲	(1.0)	▼	2.8	▲	⊙
	6-Month	6.1	▲	0.5	▲	6.5	▲	Ⓢ	6.9	▲	0.6	▲	7.5	▲	⊙
	9-Month	10.3	▲	0.2	▲	10.6	▲	Ⓢ	8.8	▲	0.1	▲	8.9	▲	⊙
Toronto Employment & Social Services	4-Month	59.2	▲	(57.3)	▼	2.0	▲	⊙	200.9	▲	(196.0)	▼	4.9	▲	⊙
	6-Month	99.8	▲	(96.9)	▼	2.9	▲	⊙	222.3	▲	(217.7)	▼	4.6	▲	⊙
	9-Month	194.0	▲	(187.3)	▼	6.6	▲	⊙	280.8	▲	(266.4)	▼	14.4	▲	⊙
Total	4-Month	133.8	▲	(66.4)	▼	67.4	▲	⊙	253.7	▲	(231.7)	▼	22.0	▲	⊙
	6-Month	207.2	▲	(163.6)	▼	43.6	▲	⊙	326.5	▲	(331.0)	▼	(4.5)	▼	Ⓜ
	9-Month	304.2	▲	(237.3)	▼	66.9	▲	⊙	426.2	▲	(402.5)	▼	23.7	▲	⊙
<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

### Community and Social Services

Year-to-Date Results	Year-End Projections
<p><b>Housing Secretariat:</b></p> <ul style="list-style-type: none"><li>Favourable gross expenditure variance of \$28.0 million is primarily due to lower than planned expenditures for affordable housing development projects due to necessary changes to construction and renovation schedules resulting from the COVID-19 pandemic, as well as underspending in salaries and benefits due to delays in filling vacant positions. Underachieved revenues of \$28.0 million resulting from lower than plan revenue recognition of budgeted reserve draws corresponding to lower than plan expenditures for affordable housing development projects. Net zero variance with revenues fully matched to program expenditures.</li></ul>	<ul style="list-style-type: none"><li>Projected favourable gross expenditure variance of \$24.5 million is primarily due to lower than planned expenditures for affordable housing development projects due to necessary changes to construction and renovation schedules resulting from the COVID-19 pandemic, as well as underspending in salaries and benefits due to delays in filling vacant positions. Projected underachieved revenues of \$24.5 million resulting from lower than plan revenue recognition of budgeted reserve draws corresponding to lower than plan expenditures for affordable housing development projects. Net zero variance with revenues fully matched to program expenditures.</li></ul>
<p><b>Children's Services:</b></p> <ul style="list-style-type: none"><li>Unfavourable gross expenditure variance of \$39.3 million is primarily attributable to support payments provided to the sector, to mitigate ongoing financial pressures as a result of the pandemic. Current system enrollment is at approximately 60% of pre-pandemic capacities, and trending upwards. Increased pressures resulting from COVID include PPE, health and safety and screening, which are partially offset by saving in salaries and benefits, reflecting the temporary disruption of service delivery. Given the Province's confirmation of additional flexibilities within the existing funding</li></ul>	<ul style="list-style-type: none"><li>Favourable gross expenditure variance of \$35.3 million is primarily attributable to the pandemic, with enrolment closely tied to school board programming, vaccination rates, and the availability of vaccines for children. Under achieved revenue of \$33.4 million is primarily attributable to both underachieved provincial funding, and child care fee revenue from full fee paying families and subsidized families affected by ongoing closures. Favourable year-end net of \$1.9 million is primarily driven by the uncertainty and conditionality of the pandemic</li></ul>

<p>allocation to support the early years and child care sector, \$250.0 million in support funding has been disbursed to the licensed sector year-to-date. This flexibility, in addition to base funding and fee subsidy advances have been largely successful in financially stabilizing the child care sector to date. Over achieved revenue of \$41.2 million is tied to funding for support payments disbursed to the sector. Favourable net variance of \$1.9 million reflects program underspending due to disruption in programming, offset by underachieved revenue reflecting service disruptions from the pandemic.</p>	<p>recovery. Actual spending will continue to be closely monitored and adjusted based on sector needs, demand for service, provincial guidelines and confirmed funding allocations.</p>
<p><b>Court Services:</b></p> <ul style="list-style-type: none"> <li>Gross expenditure variance of \$4.0 million mainly attributable to lower than planned non-salary expenditures for honorarium for tribunal members, interpreters, payments to the province, due to lower court and tribunal capacity as a result of COVID-19 as well as salaries and benefits savings due to delayed hiring for vacant positions. Under achieved revenues of \$11.3 million mainly as a result of lower than plan tickets and charges filed by enforcement agencies (Budget of 482,242 vs Actual of 444,802) as well as a difference in the mix of actual tickets issued compared to the budgeted mix. Net unfavourable variance of \$7.3 million mainly attributable to underachieved revenues resulting from lower than plan ticket and charge volumes partially offset by lower than plan non-salary expenditures and salaries and benefit savings resulting from hiring delays.</li> </ul>	<ul style="list-style-type: none"> <li>Projected favourable year-end expenditure variance of \$5.2 million due to lower than plan non-salary expenditures for honorarium for tribunal members, payments to the province and interpreter costs as well as underspending in salaries and benefits resulting from hiring delays. Court Services expects the current revenue trends to continue to the end of the year and forecasts under achieved revenues of \$11.4 million by December 31, 2021. Fine revenue is forecasted based on the volume of tickets filed by enforcement agencies in Toronto. While the volume of tickets filed in the first nine months of 2021 is higher when compared to previous years as a result of the implementation of Automated Speed Enforcement (ASE) initiative, Court Services forecasts that the number of tickets filed in 2021 will be slightly lower than the budgeted target. As well, the volume of tickets filed by charges type will vary from budgeted targets resulting in under achieved revenues. Projected net unfavourable variance of</li> </ul>

	<p>\$6.3 million mainly attributable to underachieved revenues attributable to lower than plan ticket and charge volume by type pf tickets partially offset by lower than plan non-salary expenditures as well as salaries and benefit savings resulting from hiring delays.</p>
<p><b>Economic Development &amp; Culture:</b></p> <ul style="list-style-type: none"> <li>Economic Development and Culture reported a favourable net expenditure of \$7.1 million or 10.8% under the 2021 Approved Operating Budget. A favourable gross expenditure of \$10.1 million was driven by underspending in salaries and benefits resulting from hiring delays and vacancies, delays in roll-out of ShowLoveTO initiative and grant disbursements, cancellation of the Royal Agricultural Winter Fair and Licious program, and facility and operational savings from Museums and Cultural centre closures and partial reopening. The unfavourable gross revenue of \$3.1 million resulted from lost sponsorship funding, delays in payment receipt, unachieved revenues in Museums and Cultural centres due to closures and health and safety restrictions, and loss of participant fees from cancelled Licious program; offset by the Community Museum Operating Grant (CMOG) COVID relief funding, higher than budgeted Film Parking Permits, Development Application Review Project (DARP) and donations.</li> </ul>	<ul style="list-style-type: none"> <li>Economic Development and Culture (EDC) forecasts a net favourable expenditure of \$2.2 million by year-end due to salary and benefit savings, cancellation of in-person events, underspending in operations, and additional revenues from Film Parking permits, Fort York parking, DARP and government funding that will partially offset revenue losses due to site closures and cancellations and sponsorships, as well as additional expenses required to address COVID-19 mitigation, rebuild and recovery efforts, and a contribution to the Major Special Events Reserve to support the planning of the 2026 FIFA World Cup and other municipal service delivery and enhanced City programming costs associated with major special events</li> </ul>
<p><b>Toronto Paramedic Services:</b></p> <ul style="list-style-type: none"> <li>Favourable gross expenditures of \$5.3M or 2.7% below budget primarily attributable to underspending in salaries and benefits as a result of hiring delays due to</li> </ul>	<ul style="list-style-type: none"> <li>Projected favourable gross expenditures of \$8.9M or 3.2% below budget primarily due to underspending in salaries and benefits resulting</li> </ul>



<p>COVID-19 impacts, partially offset by pressures caused by COVID-19 in overtime and increased WSIB costs. Overachieved revenues of \$1.1M or 0.8% over budget primarily due to unbudgeted COVID-19 grant revenues of \$2.0M received to-date, partially offset by \$0.9M loss in other revenues as a result of COVID-19 impacts on Special Event and Safe City revenues. Favourable net expenditures of \$6.4M or 10.4% below the budget primarily due to salary and benefits underspending resulting from hiring delays and the receipt of unbudgeted COVID-19 revenues.</p>	<p>from COVID-19 impacts. Projected favourable revenues of \$5.6M or 3.2% above budget mainly resulting from unbudgeted COVID-19 grants. Projected favourable year-end net expenditures of \$14.5M or 14.2% primarily a result of unbudgeted COVID-19 grants in addition to underspending in salaries and benefits.</p>
<p><b>Seniors Services and Long-Term Care:</b></p> <ul style="list-style-type: none"> <li>Unfavourable gross expenditure variance of \$14.6 million mainly due to increased salary and benefits and non-payroll expenditures primarily 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. Overachieved revenues of \$19.4 million reflects unbudgeted emergency and pandemic relief funding of \$16.7 million received from the Province to offset 2021 COVID costs and unbudgeted revenues of \$6.3 million associated with the \$3 p/hr provincial pandemic pay program for Personal Support Workers (PSWs) and Testing Adherence Funding received from the Province. This is offset by reduced provincial 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 and timing delays for recovery of 100% claims based</li> </ul>	<ul style="list-style-type: none"> <li>Projected unfavourable gross expenditure variance of \$21.7 million is comprised of extraordinary and ongoing incremental costs in response to COVID-19. This includes costs to maintain screening staff/enhanced procedures, PPE, Infection Control Prevention and additional staff to support functions previously performed by volunteers. Included in the projections are additional costs and revenues associated with the \$3 p/hr provincial pandemic pay program for front-line workers expected to cost roughly \$8.3 million, fully funded by the province but currently only committed to October 31, 2021. Also included are costs and revenues of \$2.0 million associated with the provinces mandate to improve Ontario's long-term care sector by increasing direct care hours per resident, per day beginning November 1, 2021. Overachieved revenues of \$26.5 million mainly due to funding for the \$3 p/hr provincial pandemic pay program for PSWs and the provinces mandate to increase direct care hours</li> </ul>

<p>programs. Favourable net variance of \$4.8 million reflects unbudgeted emergency and pandemic relief funding received from the Province to offset 2021 COVID costs.</p>	<p>(noted above) and unbudgeted emergency and pandemic relief funding of \$20.0 million received from the Province to offset COVID costs. Provincial relief funding for COVID expenditures is being reported when received. This is slightly offset by reduced provincial recoveries for Community Based Programming such as the Homemaker and Nursing services that have been limited to serve only high-risk clients during the COVID-19. Projected net favourable variance of \$4.8 million reflects unbudgeted emergency and pandemic relief funding received from the Province to offset 2021 COVID costs.</p>
<p><b>Parks, Forestry &amp; Recreation:</b></p> <ul style="list-style-type: none"> <li>• Parks, Forestry and Recreation has experienced a year-to-date favourable net variance of \$28.3 million consisting of a favourable gross expenditure variance of \$49.2 million partially offset by an unfavourable revenue variance of \$20.9 million driven primarily by the COVID-19 pandemic. Favourable gross expenditure variance was primarily attributable to COVID-19 related underspending including the cancellation of recreation programming and underspending for utilities, service and rent, supplies and equipment as well as the timing of facility usage payments. Some of the under-expenditures, were partially offset by incremental COVID-19 expenses such as portable washrooms in parks and paid duty officers at ski hills, skate rinks and waterfront. Unfavourable revenue variance was mainly due to lower than anticipated registration sales; permit revenues; and other user fees, driven by closures and</li> </ul>	<ul style="list-style-type: none"> <li>• Parks, Forestry and Recreation is projecting to have a favourable net variance of \$7.3 million by year-end with favourable expenditures of \$37.6 million and unfavourable revenues of \$30.3 million driven by the COVID-19 pandemic. Consistent with year-to-date results, underachieved user fee revenues are primarily driven by facility closures and gradual reopening in-line with public health guidelines. Expenditures are expected to be favourable due to underspend for recreation and seasonal workers, materials, supplies and utilities, partially offset by incremental COVID-19 related expenses such as portable washrooms in parks, costs associated with paid duty officers for ski hills, skate rinks and waterfront, parks winter access, and additional fleet vehicle rentals following public health guidelines in the delivery of services. Both revenues and expenses will be highly dependent on</li> </ul>

<p>gradual reopening of facilities in-line with public health guidelines.</p>	<p>the duration of COVID-19; and the activities and behaviours during the reopening and recovery phases.</p>
<p><b>Shelter, Support &amp; Housing Administration:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$57.2 million is mainly attributed to lower than planned expenditures in the Emergency Shelter system resulting from savings in the Refugee Response program as Canada's borders remain closed due to the COVID-19 pandemic. In addition, capital projects have been delayed due to the COVID-19 pandemic resulting in a lower operating impact of capital. Savings in Social Housing programs due to vacancy resettlements (whereby there is a reconciliation based on the number of subsidized units occupied compared to the number of units funded) has also contributed to the favourable variance. The gross expenditures include COVID-19 response costs of \$223.2 million and \$12.0 million for the Refugee Response program. Federal funding for the Refugee Response program for 2021 is yet to be confirmed. Underachieved revenues of \$48.5 million reflects timing differences in recognition of federal funding for the Social Housing programs; the federal funding for the 2021 Refugee Response program that has yet to be confirmed; and the ongoing provincial funding for the new Supportive Housing units created through the Rapid Housing Initiative. Refugee Response revenue and Supportive Housing revenue have not been included in the year-to-date revenues.</li> </ul>	<ul style="list-style-type: none"> <li>• The projected unfavourable net expenditure variance of \$23.9 million is primarily due to underachieved revenues due to no confirmed federal funding for the 2021 Refugee Response Program.</li> <li>• There is a projected favourable gross expenditure variance of \$37.4 million primarily resulting from lower than planned expenditures in the Emergency Shelter system for the Refugee Response and lower operating impact of capital projects due to COVID-19 related project delays. As well, further savings in Social Housing programs are anticipated due to savings for housing provider subsidies for mortgage payments, operations, and rent due to vacancy resettlements (whereby there is a reconciliation based on the number of subsidized units occupied compared to the number of units funded). The 2021 Operating Budget includes budgeted expenditures of \$55.2 million for the Refugees Response Initiative; however, due to the continued closure of the Canadian border, 2021 actual expenditures are projected at \$20.3 million plus applicable administrative costs. Year-end gross expenditures of \$299.2 million are projected for the 2021 COVID-19 Response against a budget of \$276.3 million. The higher than planned spending of \$22.9 million is primarily attributed to the extension of winter capacity in the shelter system to address encampments; enhanced infection control</li> </ul>

	<p>measures in shelters, and the increased cost of hotel operations. SSHA continues to apply mitigation strategies to offset some of the unanticipated expenses.</p> <ul style="list-style-type: none"> <li>• Projected underachieved revenue of \$61.3 million reflects non-receipt of the federal funding ask for the 2021 Refugee Response program as well as provincial operating funding for new supportive housing units. As funding for these initiatives are yet to be confirmed by federal and provincial governments, they have not been included in the year-end projections. To date, the City has received funding commitments from the federal and provincial governments that totally offset 2021 expenditures for the 2021 COVID-19 Response.</li> </ul>
<p><b>Social Development, Finance and Administration:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$10.3 million primarily from underspending in the Transit Fare Equity program due to lower ridership, underspending in salaries and benefits due to vacancies, and underspending from delayed implementation of community projects due to COVID-19. Overachieved revenues of \$0.2 million correspond to increased unbudgeted donations to support COVID-19 response, offset by lower cost of administration funding with the Human Services Integration Office vacancies.</li> <li>• Favourable net variance of \$10.6 million is primarily due to underspending in the Transit Fare Equity program, salaries and benefits, and community projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$8.9 million primarily from underspending in the Transit Fare Equity program due to lower ridership, underspending in salaries and benefits due to vacancies offset by higher spending on COVID-19 support programming. Favourable revenue variance of \$0.1 million is mainly due to unbudgeted donations for COVID-19 response, offset by lower cost of administration funding for the Human Services Integration Office vacancies. Favourable net variance of \$8.9 million is primarily due to underspending in the Transit Fare Equity program and underspending in salaries and benefits due to vacancies.</li> </ul>
<p><b>Toronto Employment &amp; Social Services:</b></p>	

<ul style="list-style-type: none"> <li>• Favourable gross expenditure variance of \$194.0 million primarily due to lower than budgeted caseload which resulted in fewer issuances of financial, medical, and employment benefits. The average monthly year-to-date caseload was 64,426, 20,130 or 23.8% lower than budget as City residents who might have otherwise required social assistance have been able to access federal income support measures such as CRB and EI.</li> <li>• Unfavourable revenue variance of \$187.3 million attributed to lower than planned expenditure based provincial subsidies and reserve draws.</li> <li>• Favourable net expenditure variance of \$6.6 million mainly attributable to lower program delivery costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable year-end gross variance of \$280.8 million due to lower caseload driven issuances of financial, medical, and employment benefits to OW recipients, in addition to underspending in salaries and benefits due to delays in hiring frontline staff as a result of COVID-19 impacts. Caseload is projected to be 68,000, 23,000 below budget as government support programs which were budgeted to end in April have been extended to October, alleviating pressure on the OW program.</li> <li>• Projected underachieved revenues of \$266.4 million due to lower than planned expenditure based provincial subsidies and reserve draws.</li> <li>• Projected favourable year-end net variance of \$14.4 million primarily attributable to lower employment benefits and program delivery costs.</li> </ul>
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## Appendix E

Figure 8: 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	4-Month	1.6	▲	0.5	▲	2.1	▲	Ⓚ	4.3	▲	1.8	▲	6.1	▲	Ⓚ
	6-Month	3.1	▲	3.5	▲	6.6	▲	Ⓚ	4.5	▲	3.4	▲	7.9	▲	Ⓚ
	9-Month	4.3	▲	11.3	▲	15.6	▲	Ⓚ	4.9	▲	13.0	▲	17.9	▲	Ⓚ
Fire Services	4-Month	3.6	▲	1.1	▲	4.8	▲	Ⓚ	(11.8)	▼	0.4	▲	(11.4)	▼	Ⓜ
	6-Month	7.2	▲	0.3	▲	7.5	▲	Ⓚ	(4.1)	▼	(0.7)	▼	(4.8)	▼	Ⓜ
	9-Month	5.0	▲	2.2	▲	7.2	▲	Ⓚ	(6.3)	▼	0.7	▲	(5.6)	▼	Ⓜ
Office of Emergency Management	4-Month	0.3	▲	0.0	—	0.3	▲	Ⓚ	0.6	▲	(0.0)	—	0.6	▲	Ⓚ
	6-Month	0.5	▲	0.0	—	0.5	▲	Ⓚ	0.6	▲	(0.0)	—	0.6	▲	Ⓚ
	9-Month	0.9	▲	0.0	—	0.9	▲	Ⓚ	0.8	▲	(0.0)	—	0.8	▲	Ⓚ
Municipal Licensing & Standards	4-Month	0.7	▲	(0.9)	▼	(0.2)	▼	Ⓚ	3.7	▲	(9.6)	▼	(5.9)	▼	Ⓜ
	6-Month	3.5	▲	(1.7)	▼	1.7	▲	Ⓚ	3.8	▲	(7.8)	▼	(4.0)	▼	Ⓜ
	9-Month	4.7	▲	(5.9)	▼	(1.2)	▼	Ⓜ	5.4	▲	(8.3)	▼	(2.9)	▼	Ⓜ
Policy, Planning, Finance & Administration	4-Month	0.6	▲	(0.3)	▼	0.3	▲	Ⓚ	1.7	▲	(1.2)	▼	0.4	▲	Ⓚ
	6-Month	1.1	▲	(0.7)	▼	0.4	▲	Ⓚ	1.7	▲	(1.3)	▼	0.4	▲	Ⓚ
	9-Month	1.3	▲	(1.0)	▼	0.3	▲	Ⓚ	0.9	▲	(0.8)	▼	0.1	▲	Ⓚ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

Figure 9: 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	
Engineering & Construction Services	4-Month	2.3	▲	(1.2)	▼	1.2	▲	Ⓚ	8.1	▲	(8.0)	▼	0.1	▲	Ⓞ
	6-Month	3.6	▲	(2.7)	▼	0.8	▲	Ⓚ	7.2	▲	(6.7)	▼	0.6	▲	Ⓞ
	9-Month	4.9	▲	(1.4)	▼	3.4	▲	Ⓚ	5.4	▲	(3.8)	▼	1.5	▲	Ⓞ
Toronto Building	4-Month	3.4	▲	0.5	▲	3.9	▲	Ⓜ	10.1	▲	11.2	▲	21.4	▲	Ⓞ
	6-Month	5.6	▲	2.4	▲	8.0	▲	Ⓜ	10.7	▲	13.9	▲	24.6	▲	Ⓞ
	9-Month	8.4	▲	6.0	▲	14.4	▲	Ⓜ	12.7	▲	20.4	▲	33.1	▲	Ⓞ
Transportation Services	4-Month	9.4	▲	(9.7)	▼	(0.3)	▼	Ⓞ	20.9	▲	(19.6)	▼	1.4	▲	Ⓞ
	6-Month	26.4	▲	(21.8)	▼	4.6	▲	Ⓞ	36.4	▲	(34.6)	▼	1.8	▲	Ⓞ
	9-Month	39.2	▲	(24.4)	▼	14.8	▲	Ⓞ	34.6	▲	(29.9)	▼	4.7	▲	Ⓞ
Transit Expansion	4-Month	1.3	▲	(1.3)	▼	0.0	—	Ⓚ	2.0	▲	(2.0)	▼	0.0	—	Ⓞ
	6-Month	2.0	▲	(2.0)	▼	0.0	—	Ⓚ	2.1	▲	(1.3)	▼	0.8	▲	Ⓞ
	9-Month	2.8	▲	(3.2)	▼	(0.4)	▼	Ⓚ	3.0	▲	(0.9)	▼	2.1	▲	Ⓞ
Total	4-Month	23.3	▲	(11.3)	▼	12.0	▲	Ⓞ	39.7	▲	(27.1)	▼	12.6	▲	Ⓞ
	6-Month	52.8	▲	(22.8)	▼	30.1	▲	Ⓞ	63.0	▲	(35.2)	▼	27.8	▲	Ⓞ
	9-Month	71.5	▲	(16.4)	▼	55.1	▲	Ⓞ	61.5	▲	(9.7)	▼	51.8	▲	Ⓞ
Year-to-Date Net Variance	Ⓞ	85% to 105%	Ⓚ	0% to 85%	Ⓜ	>105%	Year-End	Ⓞ	<=100%	Ⓜ	>100%				

Appendix E

**Infrastructure and Development Services**

Year-to-Date Results	Year-End Projections
<p><b>City Planning:</b></p> <ul style="list-style-type: none"> <li>City Planning has a favourable net expenditure variance of \$15.6 million comprised of: Favourable expenditure variance of \$4.3 million mainly due to:- Underspending in salaries and benefits, resulting from vacancies and processing time to fill vacant positions, and;- Underspending in services and rents, materials and supplies and other expenditures, resulting from lower requirements for professional services, grants, office supplies, and printing and other services, partially offset by higher expense for honoraria, discount charges and other expenses including attending and defending the City's position at the Ontario Land Tribunal and/or the Toronto Local Appeal Tribunal hearings. Favourable revenue variance of \$11.3 million mainly due to: Higher development application review and other fees, offset by lower capital, reserve fund and other recoveries for transit development and other projects, due to vacancies, project delays and deferrals, impacted in part by COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>City Planning is projecting a favourable net expenditure variance of \$17.9 million comprised of: Favourable expenditure variance of \$4.9 million mainly due to:Underspending in salaries and benefits, resulting from vacancies and processing time to fill vacant positions, and; underspending in services and rents, materials and supplies and transfers, resulting from lower requirements for professional services, grants, office supplies, and printing and other services, partially offset by higher expense for honoraria, discount charges and other expenses including attending and defending the City's position at the Ontario Land Tribunal and/or the Toronto Local Appeal Tribunal hearings. Favourable revenue variance of \$13.0 million mainly due to: Higher development application review and other fees, offset by lower capital, reserve fund and other recoveries for transit development and other projects, due to vacancies, project delays an deferrals, impacted in part by COVID-19.</li> </ul>
<p><b>Fire Services:</b></p> <ul style="list-style-type: none"> <li>Favourable gross expenditure variance of \$5.0 million is mainly due to underspending in salary and benefits of</li> </ul>	<ul style="list-style-type: none"> <li>Unfavourable gross expenditure variance of \$6.3 million is primarily comprised of underspending in</li> </ul>



<p>\$2.7 million, which includes the impact of hiring delays for Operations and Fire Prevention classes of \$6.1, which is partially offset by overspending in COVID-19 related overtime of \$3.4 million; as well as underspending in various non-salary operational expenses of \$2.3 million, due in part to underspending in protective clothing, health and safety and equipment.</p> <ul style="list-style-type: none"> <li>• Over achieved revenues of \$2.2 million reflect the unspent Provincial HUSAR/CBRNE grant of \$1.3 million deferred from last year, (with \$0.8 million budgeted in 2020, but recognized in 2021, and \$0.5 million to be transferred to capital to fund the HUSAR building expansion project); and \$0.7 million for the unbudgeted Provincial Fire Safety Grant. The overachieved provincial funding is offset by underachieved false alarm fees and other revenues of \$0.1 million.</li> <li>• Favourable net variance of \$7.2 million reflects gross underspending, mostly in salary and benefits, and the over achieved Provincial revenues, which are partially offset by under achieved false alarm revenues.</li> </ul>	<p>salaries and benefits of \$9.6 million, primarily due to delays in hiring Operational and Fire Prevention recruits, offset by projected overspending in various non-salary operational expenses of \$2.9 million; and further offset by \$13.0 million in projected overspending for COVID-related expenditures including overtime to cover 24 hour staffing shortages and the Designated Officer program.</p> <ul style="list-style-type: none"> <li>• Revenues are projected to be over achieved by \$0.7 million, primarily attributable to the receipt of the unbudgeted Provincial Fire Safety Grant. The unspent HUSAR/CBRNE grants will be carried over to the next year, as all funding in accounts cost-shared with the Province must net to zero at year end.</li> <li>• Unfavourable net of \$5.6 million is primarily attributable to savings in salaries and benefits, offset by over expenditures for COVID -19 related expenditures, with favourable variance of \$0.7 million in Provincial Fire Safety Grant.</li> </ul>
<p><b>Office of Emergency Management:</b></p> <ul style="list-style-type: none"> <li>• Favourable gross of \$0.9 million is mainly due to underspending in salaries and benefits of \$0.4 million, reflecting delays in filling staff vacancies and underspending of \$0.5 million in contracted services, primarily in cooling centre rental, catering expenses and software maintenance.</li> <li>• Revenue is on budget.</li> <li>• Favourable net of \$0.9 reflecting savings in salaries and benefits and underspending in contracted services.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable variance of \$0.8 million reflects projected underspent salaries and benefits of \$0.3 million and saving of \$0.5 million in non-salary related expenditures, including underspent COVID-19 related expenditures and cooling centre rental, offset by underachieved revenues of \$0.01 million.</li> </ul>

### **Municipal Licensing & Standards:**

- Under-expenditures totaling \$4.7 M mainly arise from:
  - Salaries and benefits savings due to processing time to fill vacancies (\$1.5 M); lower grants due to timing of disbursements to the Toronto Wildlife Centre and for the accessibility program (\$2.5 M); and contracted services costs due to delayed charging for renovation work (\$0.5 M).
  - These under-expenditures were partially offset by over-expenditures of \$0.4 M mainly due to: Higher than planned expenditures for audit services as a result of timing of budgeted amounts (\$0.2 M); and health and safety and animal care supplies mainly due to COVID-19 (\$0.2 M).
- Lower than planned revenue of \$5.9 M was primarily comprised of:
  - \$2.3 M in lower than planned recoveries from reserves due to timing and \$3.5 M mainly from fewer Apartment Building Standards inspection/audits, waived café marketing fees, PTC (Private Transportation Company) trip fees and gaming services revenues; and \$0.4 M in lower revenues for Animal services including licensing and adoption due to a combination of volume and waived fees for low income individuals.
  - This lower revenue was partially offset by higher than planned revenue of \$0.4 M comprised of higher volumes of PTC driver application fees and higher than budgeted registration fees for Apartment Buildings and Short Term Rentals.
- Projected expenditures of \$55.6 M are under budget by \$5.4 M or 8.9% at year-end primarily due to:
  - Salaries and benefits savings due to processing time to fill vacancies and employee turnover (\$0.6 M);
  - Lower than planned grant expenses to the Accessibility Fund program (\$3.6 M) due to lower than anticipated volumes of applications; Lower than planned contribution expense to the Accessibility Reserve Fund (\$0.5 M) due to lower than anticipated volumes of non-compliance fees collected as a result of COVID-19;
  - Lower spending on compliance audit services (\$0.3 M) for PTC and resulting from deferral of the Short-Term Rental program implementation;
  - Underspending in utilities, office supplies, contracted services, and computer hardware due to COVID-19 provincial mandated shutdown (\$0.1M);
  - The above underspending is partially offset by higher than anticipated expenditures for health and safety, animal care, and janitorial supplies mainly due to COVID-19 (\$0.2 M).
- Projected Revenue of \$35.7 M is under-achieved by \$8.3 M or 18.9% at year-end primarily due to:

<ul style="list-style-type: none"> <li>The resulting net expenditures reflect an unfavourable variance of \$1.2 M as of the 9 month period ended September 30, 2021.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Lower draws from the accessibility reserve (\$4.0 M) resulting from lower than anticipated grants under the accessibility program and to the Toronto Wildlife Centre as well as lower than anticipated accessibility fee collection (\$0.6 M) due to lower volumes as a result of COVID-19;</li> <li>➤ Lower than planned Private Transportation Companies trip fees (\$2.1 M); lower than planned fees and service charges due to lower volumes due to COVID-19 and lower inspection audits for RentSafeTO (\$0.9 M);</li> <li>➤ Lower than planned fees &amp; service charges for Animal Services mainly due to volumes &amp; waived fees (\$0.5 M); and,</li> <li>➤ Lower than anticipated gaming services revenue (\$0.5 M) as a result of COVID-19 emergency closures.</li> </ul> <p>As a result MLS is projecting to be over budget at year-end with an unfavourable net expenditure variance (deficit) of \$2.9M or 17.2%.</p>
<p><b>Policy, Planning, Finance &amp; Administration:</b></p> <ul style="list-style-type: none"> <li>Year to Date: PPF&amp;A has a net favourable expenditure variance of \$0.3 million comprised of: Favourable gross expenditures variance of \$1.3 million due to staffing vacancies and recruitment delays, as well as lower costs relating to materials and supplies, and services and rents due to lower usage.</li> <li>Unfavourable revenue variance of \$1.0 million mainly due to lower inter-divisional recoveries from client divisions</li> </ul>	<ul style="list-style-type: none"> <li>Year-end: PPF&amp;A has a net favourable expenditure variance of \$0.1 million comprised of: Favourable gross expenditures variance of \$0.9 million due to staffing vacancies and recruitment delays, as well as lower costs relating to materials and supplies, and services and rents due to lower usage. Unfavourable revenue variance of \$0.8 million mainly due to lower inter-divisional recoveries from client divisions due to lower gross</li> </ul>

<p>due to lower gross expenditures as a result of vacancies and recruitment delays.</p>	<p>expenditures as a result of vacancies and recruitment delays.</p>
<p><b>Engineering and Construction Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable net variance of \$3.4 million consists of: Favourable expenditure variance of \$4.9 million primarily due to underspending in salaries and benefits due to delays in filling vacant positions as a result of a highly competitive market for engineering professionals. Unfavourable revenue variance of \$1.4 million primarily due to; lower capital recoveries for salaries and benefits due to vacancies, and lower revenues due to timing for Metrolinx projects. These lower recoveries are partly offset by higher development application review fees as a result of higher volumes of development applications.</li> </ul>	<ul style="list-style-type: none"> <li>• Favourable net variance projection of \$1.5 million consisting of:</li> <li>• Favourable expenditure variance projection of \$5.4 million primarily due to underspending in; salaries and benefits due to delays in filling vacant positions as a result of a highly competitive market for engineering professionals, and underspending in services and rents in professional services; and mileage, conferences and other expenditures as a result of vacancies and teleworking arrangements.</li> <li>• Unfavourable revenue variance projection of \$3.8 million primarily due to; lower capital recoveries for salaries and benefits due to vacancies, and lower other recoveries due to timing for Metrolinx projects. These lower recoveries are projected to be partly offset by higher development application review fees as a result of higher volumes of development applications.</li> </ul>
<p><b>Toronto Building:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$8.4 million mainly due to the following:</li> <li>• Underspending in salaries and benefits (\$7.9 million) due to vacant positions and processing time to fill vacancies;• Underspending in equipment due to lower than expected charges for computer hardware and software as a result of vacancies (\$0.2 million);</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$12.7 million at year end primarily due to vacancies, lower than expected remedial action and deferred record centre renovation expenses.</li> <li>• Revenues at year end are projected to be overachieved by \$20.4 million primarily due to higher than planned building permit revenues and</li> </ul>

<ul style="list-style-type: none"> <li>• Underspending in services and rents due to lower than expected spending in training, work-related mileage claims, and wireless device monthly charges, etc. (\$0.3 million).</li> <li>• Revenues are overachieved by \$6.0 million due to a higher than expected volume of building permit applications.</li> </ul>	<p>recognition of \$11.8 million revenue from carryover projects. This projection is based on data available as at September 2021 and historic revenue trends.</p>
<p><b>Transportation Services:</b></p> <ul style="list-style-type: none"> <li>• Favourable net variance of \$14.8 million consists of: Favourable expenditure variance of \$39.2 million primarily due to under-spending in: salaries and benefits as a result of vacancies due to recruitment delays partially offset by use of delegated authority positions and overtime, the school crossing guard program due to school closures in response to COVID-19, winter maintenance contracts and salting costs due to a mild winter in early 2021, consultant spending, and utility cut and road &amp; sidewalk repairs due to contract execution delays related to COVID-19. This was partially offset by over-spending for traffic signal maintenance contracts due to higher volume of repairs and award of new contract. Unfavourable revenue variance of \$24.4 million primarily due to short-falls in: utility cut repair revenues, recoveries for positions funded from capital due to vacancies, the Public Realm Reserve Fund withdrawal due to timing, transit expansion recoveries due to Metrolinx recruitment delays, right-of-way construction permit fees due to lower activities, and traffic enforcement revenues due to lower charge volumes. This was partially offset by higher revenues for permanent monthly on-street residential permit parking as accelerated expansion continues for Wards 4, 9, and 14 and Development Application Review</li> </ul>	<ul style="list-style-type: none"> <li>• Favourable net variance projection of \$4.7 million consisting of: Favourable expenditure variance projection of \$34.6 million primarily due to under-spending in: salaries and benefits as a result of vacancies due to recruitment delays, winter maintenance contracts and salting due to a milder winter early in the year, the school crossing guard program due to school closures in response to COVID-19, consultant spending, and utility cut and road &amp; sidewalk repairs and traffic enforcement due to contract execution delays related to COVID-19. This is expected to be partially offset by over-spending for street light maintenance, signal maintenance contracts due to higher volume of repairs and the award of new contract, and winter maintenance media campaign costs. Unfavourable revenue variance projection of \$29.9 million primarily due to lower utility cut repair revenues linked to COVID-19 contract execution delays, lower recoveries for positions funded from capital and transit expansion activities for Metrolinx due to recruitment delays, project delivery and declining volumes, and lower traffic enforcement revenues due to</li> </ul>

<p>Project (DARP) revenues due to the industry's shift from low rise to high rise construction projects.</p>	<p>lower charge volumes. This is expected to be partially offset by higher revenues permanent monthly on-street residential permit parking due to higher renewal estimates and in the Development Application Review Program (DARP) due to the industry's shift from low rise to high rise construction projects.</p>
<p><b>Transit Expansion:</b></p> <ul style="list-style-type: none"> <li>• Gross expenditures have a favourable variance of \$2.8 million primarily due to underspending in salaries and benefits (\$1.9M) as a result of vacant positions and processing time to fill vacancies. Also, underspending in professional services (\$0.7M) was a timing-related underspending for technical review of Environmental Assessment documentation for GO Transit.</li> <li>• Revenues are under achieved by \$3.2 million due to lower than expected Metrolinx project recoveries as a result of vacancies.</li> </ul>	<ul style="list-style-type: none"> <li>• Gross expenditures are projected to be under spent by \$3.0 million at year end due to underspending in salaries and benefits (\$2.4 M) from vacant positions and less spending in non-salary related expenses (\$0.6M).</li> <li>• Revenues at year end are projected to be underachieved by \$0.9 million due to lower Metrolinx recoveries as a result of vacancies.</li> </ul>

## Appendix E

Figure 10: 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 and Treasurer	4-Month	0.0	—	0.0	—	(0.0)	—	Ⓞ	0.7	▲	0.6	▼	0.1	▲	Ⓞ
	6-Month	0.4	▲	(0.1)	▼	0.3	▲	Ⓞ	0.9	▲	(0.4)	▼	0.5	▲	Ⓞ
	9-Month	0.8	▲	(0.2)	▼	0.5	▲	Ⓞ	1.7	▲	(0.6)	▼	1.1	▲	Ⓞ
Office of the Controller	4-Month	3.6	▲	(3.1)	▼	0.5	▲	Ⓞ	4.8	▲	(1.7)	▼	3.1	▲	Ⓞ
	6-Month	5.9	▲	(3.2)	▼	2.7	▲	Ⓢ	4.6	▲	(4.2)	▼	0.5	▲	Ⓞ
	9-Month	8.6	▲	(6.0)	▼	2.6	▲	Ⓞ	8.7	▲	(5.3)	▼	3.4	▲	Ⓞ
Total	4-Month	3.6	▲	(3.1)	▼	0.5	▼	Ⓡ	5.5	▲	(1.1)	▼	3.2	▼	Ⓡ
	6-Month	6.3	▲	(3.3)	▼	3.0	▲	Ⓞ	5.6	▲	(4.6)	▼	1.0	▲	Ⓞ
	9-Month	9.4	▲	(6.3)	▼	3.2	▲	Ⓞ	10.4	▲	(5.8)	▼	4.6	▲	Ⓞ

**Year-to-Date Net Variance**   
 Ⓞ 85% to 105%   
 Ⓢ 0% to 85%   
 Ⓡ >105%   
   
 **Year-End**   
 Ⓞ ≤100%   
 Ⓡ >100%

## Appendix E Finance and Treasury Services

### Year-to-Date Results

**Office of the Chief Financial Officer & Treasurer:**

- For the period ended September 30, 2021, the Office of the Chief Financial Officer & Treasurer is reporting a

### Year-End Projections

- The Office of the Chief Financial Officer & Treasurer is projecting a favourable net variance

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<p>favourable net variance of \$0.5M, mainly due to savings from vacant operating positions.</p>	<p>of \$1.1M at year-end, mainly due to savings from vacant operating positions.</p>
<p><b>Office of the Controller:</b></p> <ul style="list-style-type: none"> <li>For the period ending September 30, 2021, the Office of the Controller (inclusive of Controllershship, Financial Control &amp; Process Improvement, Accounting Services, Pension, Payroll &amp; Employee Benefits, Purchasing &amp; Materials Management and Revenue Services divisions) is reporting a favourable net variance of \$2.6M mainly due to savings from vacant operating positions.</li> </ul>	<ul style="list-style-type: none"> <li>The office of the Controller is projecting a favourable net variance of \$3.4M at year end. The projected favourable expenditure variance of \$8.7M includes salary savings from vacant positions and delays in hiring (\$9.3M) and collection of payments for late payment charges (\$0.4M) partially offset by non-salary expenditure mainly in printing and mail pay advices to employees (\$0.6M) and consulting services (\$0.3M). Revenues are projected to be \$5.3M below budget at year end mainly due to delays in hiring capital positions (\$3.3M), pausing of Late Payment and Vendor Discount revenue programs due to COVID-19 (\$1.1M), lower than planned user fee revenue impacted by COVID-19 and free first statements of account (\$0.5M), and lower inter-divisional recoveries (\$0.3M).</li> </ul>



## Appendix E

Figure 11: 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	4-Month	2.9	▲	0.7	▲	3.6	▲	Ⓞ	(4.3)	▼	5.1	▲	0.8	▲	Ⓞ
	6-Month	4.3	▲	(1.7)	▼	2.7	▲	Ⓞ	(0.7)	▼	1.0	▲	0.3	▲	Ⓞ
	9-Month	5.5	▲	(4.6)	▼	0.8	▲	Ⓞ	4.4	▲	(4.3)	▼	0.1	▲	Ⓞ
Environment & Energy	4-Month	1.3	▲	0.4	▲	1.7	▲	Ⓢ	2.8	▲	(1.5)	▼	1.3	▲	Ⓞ
	6-Month	2.0	▲	0.1	▲	2.1	▲	Ⓢ	2.1	▲	(2.1)	▼	0.1	▲	Ⓞ
	9-Month	3.1	▲	0.2	▲	3.2	▲	Ⓢ	3.8	▲	(2.6)	▼	1.2	▲	Ⓞ
Fleet Services	4-Month	(0.8)	▼	0.8	▲	(0.1)	▼	Ⓞ	(2.1)	▼	0.8	▲	(1.3)	▼	Ⓡ
	6-Month	(0.4)	▼	0.1	▲	(0.3)	▼	Ⓞ	(1.1)	▼	0.0	—	(1.1)	▼	Ⓡ
	9-Month	0.8	▲	(1.4)	▼	(0.6)	▼	Ⓞ	1.7	▲	(2.6)	▼	(0.9)	▼	Ⓡ
Office Of The CISO	4-Month	0.6	▲	0.0	—	0.6	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	3.9	▲	0.0	—	3.9	▲	Ⓞ	3.0	▲	(0.4)	▼	2.6	▲	Ⓞ
	9-Month	8.7	▲	0.0	—	8.7	▲	Ⓞ	11.3	▲	(0.4)	▼	10.9	▲	Ⓞ
Technology Services	4-Month	8.7	▲	(0.9)	▼	7.8	▲	Ⓢ	8.9	▲	(8.9)	▼	0.0	—	Ⓞ
	6-Month	6.6	▲	(2.6)	▼	4.1	▲	Ⓞ	11.6	▲	(10.6)	▼	1.0	▲	Ⓞ
	9-Month	13.9	▲	(3.9)	▼	10.0	▲	Ⓞ	12.6	▲	(10.5)	▼	2.0	▲	Ⓞ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

Figure 12: 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	
311 Toronto	4-Month	0.4	▲	(0.3)	▼	0.1	▲	Ⓞ	0.8	▲	(0.6)	▼	0.2	▲	Ⓞ
	6-Month	0.5	▲	(0.2)	▼	0.3	▲	Ⓞ	0.7	▲	(0.3)	▼	0.4	▲	Ⓞ
	9-Month	0.4	▲	(0.2)	▼	0.1	▲	Ⓞ	0.3	▲	(0.3)	▼	0.0	—	Ⓞ
Total	4-Month	13.1	▲	0.7	▲	13.8	▲	Ⓞ	6.1	▲	(5.2)	▼	1.0	▲	Ⓞ
	6-Month	17.1	▲	(4.2)	▼	12.9	▲	Ⓞ	15.6	▲	(12.3)	▼	3.3	▲	Ⓞ
	9-Month	32.3	▲	(10.0)	▼	22.2	▲	Ⓞ	34.0	▲	(20.7)	▼	13.3	▲	Ⓞ

Year-to-Date Net Variance: Ⓞ 85% to 105% Ⓜ 0% to 85% Ⓡ >105%

Year-End Net Variance: Ⓞ <=100% Ⓡ >100%

## Appendix E

### Corporate Services

Year-to-Date Results	Year-End Projections
<p><b>Corporate Real Estate Management</b></p> <ul style="list-style-type: none"> <li>CREM's YTD net underspend of \$0.8M is primarily a result of lower spending in contracted maintenance services and utility consumption at closed City facilities, and lower salaries and benefits driven by delays in the recruitment process.</li> </ul>	<ul style="list-style-type: none"> <li>CREM is forecasted to end the year with a net underspend of \$0.1M. The primary driver of the underspend is lower consumption in utilities, reduced spending in facilities maintenance services at buildings closed or with reduced operations, and underspending in salaries and benefits due to delays</li> </ul>

	<p>in the recruitment process. These are expected to be partially offset by the Division's anticipated lost revenue due to COVID-19 impacts and lower recoveries on capital projects.</p>
<p><b>Environment &amp; Energy (EE):</b></p> <ul style="list-style-type: none"> <li>• Net expenditure underspend of \$3.2 million (35%), primarily due to COVID-19, is the net of underspent Contracted Services, underspent Salaries &amp; Benefits due to delays in the recruitment process; and higher than budgeted Incentive Payments from the SaveONEnergy High Performance new construction program.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected net expenditure underspend of \$1.2 million (11%), primarily due to COVID-19, is the net of underspent Contracted Services, underspent Salaries &amp; Benefits due to delays in the recruitment process; offset by a one-time reserve contribution to fund Climate Action and Resiliency research projects.</li> </ul>
<p><b>Fleet Services:</b></p> <ul style="list-style-type: none"> <li>• Unfavourable net expenditure variance of \$0.6 million (4%) is the net of higher Rentals to meet social distancing requirements, offset by underspending in Salary and Benefits due to delays in hiring.</li> </ul>	<ul style="list-style-type: none"> <li>• Projected unfavourable net expenditure variance of \$1.0 million (5%) is the net of higher Rentals to meet social distancing requirements, offset by underspending in Salary and Benefits due to delays in hiring.</li> </ul>
<p><b>Office of the CISO</b></p> <ul style="list-style-type: none"> <li>• Favourable net expenditure variance of \$8.7M was mainly due to lower Salaries &amp; Benefits resulting from delayed hiring and delays in large procurement initiatives for critical infrastructure and Privileged Access Management.</li> </ul>	<ul style="list-style-type: none"> <li>• Projecting \$10.9M favourable net expenditure variance mainly due to lower Salaries &amp; Benefits from delayed hiring and delays in large procurement initiatives for Critical Infrastructure, Privileged Access Management and Enterprise Threat Risk Assessment due to lack of resources and no revenue recoveries due to centralizing risk assessment services.</li> </ul>
<p><b>Technology Services:</b></p>	

<ul style="list-style-type: none"> <li>Underspending in Salaries and Benefits due to delayed hiring (\$7.2M) and underspending in non-Salaries and benefits, mainly due to recalibration in the implementation of O365 and network segmentation/segregation implementation (\$6.7 million) resulting from TSD's efforts to support the COVID-19 response in vaccination clinics and return to work initiatives. These under expenditures are slightly offset by lower recoveries from capital (\$3.9 million) resulting in a favorable net expenditure of \$10.0 million.</li> </ul>	<ul style="list-style-type: none"> <li>The program is projecting a favorable gross expenditure of \$12.6 million at year end due mainly due to delayed hiring and recalibration in the O365 and network segmentation/segregation implementation, offset by lower recoveries from capital for a favorable net expenditure of \$2.0 million. The division is working closely with People &amp; Equity to fill vacant positions with a focus on those that support business critical functions and is actively monitoring service levels for potential impacts.</li> </ul>
<p><b>311 Toronto:</b></p> <ul style="list-style-type: none"> <li>311 Toronto experienced a net underspend of \$0.1 million during the nine months ended Sept 30, 2021. This mainly relates to timing differences in payment towards operating contracts.</li> </ul>	<ul style="list-style-type: none"> <li>For the full year 2021, 311 Toronto is projecting a small underspend of \$0.01 million.</li> </ul>

## Appendix E

### City Manager's Office

Figure 13: 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	4-Month	(1.4)	▼	0.0	—	(1.4)	▼	Ⓜ	(0.4)	▼	(0.1)	▼	(0.5)	▼	Ⓜ
	6-Month	(0.1)	▼	0.1	▲	(0.0)	—	Ⓞ	(0.1)	▼	(1.5)	▼	(1.6)	▼	Ⓜ
	9-Month	3.7	▲	(1.5)	▼	2.2	▲	Ⓞ	0.7	▲	(1.7)	▼	(1.0)	▼	Ⓜ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓜ	0% to 85%	Ⓜ	>105%	Year-End	Ⓞ	<=100%	Ⓜ	>100%			

#### Year-to-Date Results

##### City Manager's Office:

- Favourable net expenditure variance of \$2.2 million (6%) is the net of underspending in Salaries & Benefits from vacant positions and staff turnover, and underspending on consulting, training and computer software expenses, which is not expected to be maintained through the end of year.

#### Year-End Projections

- Projected unfavourable net expenditure variance of \$1.0 million (2%) will primarily be driven by the execution of the hiring strategy in People & Equity to meet the recruitment needs of City Divisions, partially offset by underspend in the Strategic Corporate Policy and Strategic Communication areas.

## Appendix E

Figure 14: 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	4-Month	0.8	▲	(0.2)	▼	0.7	▲	Ⓞ	1.5	▲	(0.5)	▼	1.0	▲	Ⓞ
	6-Month	1.4	▲	(0.8)	▼	0.7	▲	Ⓞ	1.5	▲	(0.5)	▼	1.0	▲	Ⓞ
	9-Month	2.8	▲	(1.2)	▼	1.5	▲	Ⓞ	3.3	▲	(0.5)	▼	2.8	▲	Ⓞ
Legal Services	4-Month	2.4	▲	0.6	▲	3.0	▲	Ⓢ	3.7	▲	1.2	▲	4.8	▲	Ⓞ
	6-Month	2.2	▲	(3.5)	▼	(1.3)	▼	Ⓡ	3.0	▲	(0.8)	▼	2.2	▲	Ⓞ
	9-Month	4.5	▲	(0.8)	▼	3.7	▲	Ⓢ	3.3	▲	(0.3)	▼	3.0	▲	Ⓞ
Mayor's Office	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.2	▲	0.0	—	0.2	▲	Ⓞ	(0.0)	—	0.0	—	(0.0)	—	Ⓡ
City Council	4-Month	0.5	▲	0.0	—	0.5	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.7	▲	0.0	—	0.7	▲	Ⓞ	(0.0)	—	0.0	—	0.0	—	Ⓞ
	9-Month	1.3	▲	0.0	—	1.3	▲	Ⓞ	1.5	▲	0.0	—	1.5	▲	Ⓞ
Total	4-Month	3.8	▲	0.4	▲	4.2	▲	Ⓞ	5.2	▲	0.7	▲	5.8	▲	Ⓞ
	6-Month	4.4	▲	(4.3)	▼	0.1	▲	Ⓞ	4.5	▲	(1.3)	▼	3.2	▲	Ⓞ
	9-Month	8.7	▲	(2.0)	▼	6.7	▲	Ⓞ	8.1	▲	(0.8)	▼	7.3	▲	Ⓞ
Year-to-Date Net Variance		Ⓞ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End	Ⓞ	<=100%	Ⓡ	>100%			

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

### Other City Programs

Year-to-Date Results	Year-End Projections
<p><b>City Clerk's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$1.5 million or 6.1% in net expenditures for the period mainly due to underspending in salaries &amp; benefits as a result of staff vacancies due to COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance of \$2.8 million due to underspending in salaries &amp; benefits as a result of the delay in staff hiring and underspending in non-payroll expense as a result of lower internal client demand for mail, print, and copy services, which is partially offset by lower revenues as a result of lower internal client demand for mail, print, and copy services due to the COVID-19.</li> </ul>
<p><b>Legal Services:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$3.7 million or 16.6% for the period mainly due to underspending in Salaries &amp; Benefits as a result of staff vacancies and underspending in Service and Rent as a result of lower in-person Court volume due to COVID-19, which is partially offset by lower revenue recoveries from capital and rate programs and overachieved fees due to greater-than-expected numbers of Development Review Applications.</li> </ul>	<ul style="list-style-type: none"> <li>Projected year-end net favourable variance of \$3.0 million due to underspending in Salaries &amp; Benefits as a result of vacant positions and redeployment due to COVID-19 which is partially offset by recoveries from capital and rate programs and overachieved fees due to greater-than-expected numbers of Development Review Applications.</li> </ul>
<p><b>Mayor's Office:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$0.2 million or 8.6% mainly due to lower spending in Salaries and Benefits and Services &amp; Rent for the period.</li> </ul>	<ul style="list-style-type: none"> <li>The projection is to be on budget.</li> </ul>
<p><b>City Council:</b></p> <ul style="list-style-type: none"> <li>Favourable net variance of \$1.3 million or 9.1% mainly due to underspending in Salaries &amp; Benefits, Councillors'</li> </ul>	<ul style="list-style-type: none"> <li>Projected favourable net variance of \$1.5 million at year-end due to underspending in Salaries &amp;</li> </ul>

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

Constituency Services and Office Budgets, and Council General Budget.	Benefits and Services & Rent.
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**Appendix E**

**Figure 15: 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	4-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.2	▲	0.0	—	0.2	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.4	▲	0.0	—	0.4	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
Office of the Integrity Commissioner	4-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	(0.0)	—	0.0	—	(0.0)	—	Ⓡ
	9-Month	0.1	▲	0.0	—	0.1	▲	⊙	(0.0)	—	0.0	—	(0.0)	—	Ⓡ
Office of the Lobbyist Registrar	4-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.1	▲	0.0	—	0.1	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.1	▲	0.0	—	0.1	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
Office of the Ombudsman	4-Month	(0.0)	—	0.0	—	(0.0)	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	0.0	—	0.0	—	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.1	▲	0.0	—	0.1	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
Total	4-Month	0.1	▲	0.0	—	0.1	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.3	▲	0.0	—	0.3	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.6	▲	0.0	—	0.6	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
<b>Year-to-Date Net Variance</b>	⊙	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	<b>Year-End</b>	⊙	<=100%	Ⓡ	>100%				

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

### Accountability Offices

Year-to-Date Results	Year-End Projections
<b>Auditor General's Office:</b> <ul style="list-style-type: none"><li>Favourable net variance of \$0.4 million or 8.4% mainly due to lower spending in Salary and Benefits as a result of staff vacancies for the period.</li></ul>	<ul style="list-style-type: none"><li>The projection is to be on budget.</li></ul>
<b>Office of the Integrity Commissioner:</b> <ul style="list-style-type: none"><li>Favourable net variance of \$0.1 million or 13.1% due mainly to lower spending in Service &amp; Rents for the period.</li></ul>	<ul style="list-style-type: none"><li>The projection is to be on budget.</li></ul>
<b>Office of the Lobbyist Registrar:</b> <ul style="list-style-type: none"><li>Favourable net variance of \$0.1 million or 14.5% due mainly to lower spending in Services and Rents, and Salaries &amp; Benefits for the period.</li></ul>	<ul style="list-style-type: none"><li>The projection is to be on budget.</li></ul>
<b>Office of the Ombudsman:</b> <ul style="list-style-type: none"><li>Favourable net variance of \$0.1 million or 5.1% due mainly to lower spending in Services and Rents for the period, partially offset by higher spending in Salary and Benefits.</li></ul>	<ul style="list-style-type: none"><li>The projection is to be on budget.</li></ul>

## Appendix E

Figure 16: 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	4-Month	8.1	▲	(8.4)	▼	(0.3)	▼	⊙	(48.4)	▼	48.6	▲	0.3	▲	⊙
	6-Month	(17.8)	▼	18.4	▲	0.6	▲	⊙	(59.0)	▼	58.8	▲	(0.2)	▼	Ⓡ
	9-Month	(38.8)	▼	35.3	▲	(3.5)	▼	⊙	(60.3)	▼	60.3	▲	(0.0)	—	Ⓡ
Toronto Public Library	4-Month	4.9	▲	0.3	▲	5.2	▲	⊙	5.0	▲	(2.0)	▼	3.0	▲	⊙
	6-Month	6.3	▲	(0.1)	▼	6.2	▲	⊙	5.0	▲	(2.0)	▼	3.0	▲	⊙
	9-Month	8.6	▲	(0.1)	▼	8.5	▲	⊙	6.5	▲	(1.5)	▼	5.0	▲	⊙
Association of Community Centres	4-Month	0.3	▲	(0.0)	—	0.3	▲	⊙	0.3	▲	(0.1)	▼	0.2	▲	⊙
	6-Month	0.2	▲	(0.1)	▼	0.2	▲	⊙	0.9	▲	(0.1)	▼	0.8	▲	⊙
	9-Month	0.8	▲	(0.1)	▼	0.7	▲	⊙	0.3	▲	(0.2)	▼	0.2	▲	⊙
Exhibition Place	4-Month	1.4	▲	0.4	▲	1.8	▲	Ⓜ	2.9	▲	(8.8)	▼	(5.9)	▼	Ⓡ
	6-Month	1.8	▲	0.2	▲	2.0	▲	Ⓜ	11.2	▲	(16.3)	▼	(5.1)	▼	Ⓡ
	9-Month	9.1	▲	(10.3)	▼	(1.2)	▼	Ⓡ	6.9	▲	(10.2)	▼	(3.3)	▼	Ⓡ
Heritage Toronto	4-Month	0.0	—	0.1	▲	0.1	▲	Ⓜ	0.1	▲	(0.1)	▼	(0.0)	—	Ⓡ
	6-Month	0.1	▲	(0.0)	—	0.1	▲	Ⓜ	0.1	▲	(0.1)	▼	(0.0)	—	Ⓡ
	9-Month	0.1	▲	0.0	—	0.1	▲	Ⓜ	(0.0)	—	0.0	—	(0.0)	—	Ⓡ
TO Live	4-Month	0.1	▲	0.3	▲	0.4	▲	⊙	(2.0)	▼	1.1	▲	(0.9)	▼	Ⓡ
	6-Month	0.4	▲	0.4	▲	0.8	▲	Ⓜ	(3.5)	▼	3.0	▲	(0.5)	▼	Ⓡ
	9-Month	(0.4)	▼	1.3	▲	0.9	▲	⊙	(2.9)	▼	2.8	▲	(0.1)	▼	Ⓡ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

Figure 17: 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 Zoo	4-Month	1.4	▲	(3.1)	▼	(1.8)	▼	Ⓚ	2.0	▲	(8.6)	▼	(6.6)	▼	Ⓚ
	6-Month	3.8	▲	(6.8)	▼	(3.0)	▼	Ⓚ	3.4	▲	(6.5)	▼	(3.1)	▼	Ⓚ
	9-Month	5.4	▲	(3.8)	▼	1.6	▲	Ⓚ	5.4	▲	(4.4)	▼	1.0	▲	Ⓞ
Arena Boards of Management	4-Month	0.7	▲	(0.6)	▼	0.1	▲	Ⓞ	2.1	▲	(4.9)	▼	(2.7)	▼	Ⓚ
	6-Month	1.7	▲	(2.0)	▼	(0.4)	▼	Ⓚ	2.5	▲	(5.3)	▼	(2.8)	▼	Ⓚ
	9-Month	2.6	▲	(3.8)	▼	(1.1)	▼	Ⓚ	2.4	▲	(5.4)	▼	(3.0)	▼	Ⓚ
Yonge Dundas Square	4-Month	0.3	▲	(0.2)	▼	0.0	—	Ⓞ	0.6	▲	(1.2)	▼	(0.6)	▼	Ⓚ
	6-Month	0.5	▲	(0.5)	▼	0.0	—	Ⓞ	0.6	▲	(1.2)	▼	(0.6)	▼	Ⓚ
	9-Month	0.8	▲	(0.9)	▼	(0.1)	▼	Ⓚ	0.7	▲	(1.1)	▼	(0.4)	▼	Ⓚ
CreateTO	4-Month	0.6	▲	(0.6)	▼	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.7	▲	(0.7)	▼	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.6	▲	(0.6)	▼	0.0	—	Ⓚ	0.3	▲	(0.3)	▼	0.0	—	Ⓞ
Toronto & Region Conservation Authority	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	(0.0)	—	(0.0)	—	(0.0)	—	Ⓞ	(0.0)	—	0.0	—	(0.0)	—	Ⓚ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	(0.0)	—	0.0	—	(0.0)	—	Ⓚ
Toronto Transit Commission - Conventional	4-Month	31.3	▲	(23.3)	▼	8.0	▼	Ⓚ	44.4	▲	(60.8)	▼	(16.4)	▼	Ⓚ
	6-Month	55.6	▲	(40.2)	▼	15.4	▲	Ⓞ	47.8	▲	(61.1)	▼	(13.3)	▼	Ⓚ
	9-Month	55.6	▲	(40.2)	▼	15.4	▲	Ⓞ	45.8	▲	(62.7)	▼	(16.9)	▼	Ⓚ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

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

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Toronto Transit Commission - Wheel-Trans	4-Month	6.6	▲	(0.2)	▼	6.3	▲	Ⓢ	13.5	▲	(0.6)	▼	12.9	▲	Ⓢ
	6-Month	10.7	▲	(0.4)	▼	10.3	▲	Ⓢ	13.9	▲	(0.6)	▼	13.3	▲	Ⓢ
	9-Month	10.7	▲	(0.4)	▼	10.3	▲	Ⓢ	17.6	▲	(0.6)	▼	16.9	▲	Ⓢ
Toronto Police Service	4-Month	(6.2)	▼	(1.2)	▼	(7.3)	▼	Ⓢ	(6.9)	▼	6.9	▲	0.0	—	Ⓢ
	6-Month	(4.6)	▼	(5.0)	▼	(9.6)	▼	Ⓢ	(16.3)	▼	12.0	▲	(4.3)	▼	Ⓡ
	9-Month	(1.5)	▼	(11.0)	▼	(12.5)	▼	Ⓢ	(13.9)	▼	12.6	▲	(1.3)	▼	Ⓡ
Toronto Police Services Board	4-Month	0.0	—	0.0	—	0.0	—	Ⓢ	(0.6)	▼	0.5	▲	(0.1)	▼	Ⓡ
	6-Month	(0.2)	▼	0.2	▲	(0.1)	▼	Ⓡ	(0.0)	—	(0.0)	—	(0.1)	▼	Ⓡ
	9-Month	0.0	—	(0.2)	▼	(0.1)	▼	Ⓡ	(0.0)	—	(0.0)	—	(0.1)	▼	Ⓡ
Total	4-Month	49.5	▲	(36.5)	▼	13.0	▲	Ⓢ	13.1	▲	(29.9)	▼	(16.9)	▼	Ⓡ
	6-Month	59.2	▲	(36.6)	▼	22.6	▲	Ⓢ	6.7	▲	(19.5)	▼	(12.8)	▼	Ⓡ
	9-Month	53.6	▲	(34.8)	▼	18.8	▲	Ⓢ	8.6	▲	(10.6)	▼	(2.0)	▼	Ⓡ
Year-to-Date Net Variance		Ⓢ	85% to 105%	Ⓢ	0% to 85%	Ⓡ	>105%	Year-End	Ⓢ	<=100%	Ⓡ	>100%			

**Appendix E  
City Agencies**

**Year-to-Date Results**

**Year-End Projections**

**Toronto Public Health:**

- Unfavourable gross expenditure variance of \$38.8 million, mainly due to overspending of \$74.5 million to support the unbudgeted costs of mass immunization clinics (MIC), case management and contact tracing in response to the COVID-19 pandemic, partially offset by savings resulting from the suspension of non-essential programs and lower spending in 100% provincial funded programs such as the Ontario Seniors Dental Care Program. To date \$130.1 million has been spent towards the COVID-19 response. Extraordinary eligible costs related to Mass Immunization Clinics (MICs) as well as case management and contact tracing priorities in the Incident Management System (IMS) during the COVID-19 pandemic are expected to be fully reimbursed by the province. Overachieved revenues of \$35.3 million reflect primarily the unbudgeted revenues for the mass immunization program. This is partially offset by lower recoveries in cost shared mandatory programs and 100% provincially funded programs such as the Ontario Seniors Dental Care Program. Unfavourable net variance of \$3.5 million is predominately attributed to spending in Provincial and City funded programs as a result of the City's response to the COVID-19 pandemic.

- Projected unfavourable gross expenditure variance of \$60.3 million mainly in salaries and benefits primarily for unbudgeted mass immunization costs of \$99.1 million and \$12 million in COVID extraordinary costs over budget which are partially offset by savings from the suspension of non-essential program and services during the pandemic and lower spending in 100% provincially funded programs. Projected favourable revenue variance of \$60.3 million primarily from unbudgeted revenues for the mass immunization clinics and revenues for COVID extraordinary costs over budget. This is partially offset by lower recoveries in cost shared mandatory programs and 100% provincially funded programs such as the Ontario Seniors Dental Care Program. 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 funded. The Province has also confirmed that eligible costs related to mass immunization clinics will be 100% funded. On July 22nd, the Ministry of Health approved a preliminary budget to support approximately 42% (\$24.9 million) of the estimated eligible COVID-19 extraordinary and 50% (\$39.1 million) of the original MIC budget submitted by TPH.

	<p>Formal communication of the remaining budget requested remains outstanding.</p> <ul style="list-style-type: none"> <li>• Provincial funding of \$59.2 million towards budgeted extraordinary costs are included in non-program.</li> <li>• Recovery for extraordinary costs over and above the approved budget for COVID-19 (\$12 million) and mass immunization costs (\$99.1 million) are included in Toronto Public Health's year-end projection. Net \$0 year-end variance is predominately attributed to savings from underspending in the provincial grant and anticipated funding for extraordinary/incremental costs fully offsetting the programs costs in response to the COVID-19 pandemic.</li> </ul>
<p><b>Toronto Public Library:</b></p> <ul style="list-style-type: none"> <li>• As of September 30, 2021, Toronto Public Library (TPL) reported a net favourable variance of \$8.5 million comprised of a favourable gross expenditure variance of \$8.6 million, partially offset by an unfavourable revenue variance of \$0.1 million. The favourable gross expenditure variance of \$8.6 million was due to reduced spending in employee salary and benefits, utilities, library programming and has been directly attributable to the financial impacts of COVID-19. The impact of employee churn was due to many higher vacancies driven by COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>• Toronto Public Library is projecting to be \$5.0 million net favourable at year-end. There are known budget pressures in the latter part of the year due to COVID-19 impact. With almost all of TPL's 100 branches now open and the resumption of Sunday service, there are increasing budget pressures including: less than budgeted revenue, increased expenditures on security and janitorial services, increased costs of PPE, janitorial supplies and air filters, and increased staff liabilities (sick leave, vacation etc.).</li> </ul>

<p><b>Association of Community Centres:</b></p> <ul style="list-style-type: none"> <li>Favourable gross expenditure variance of \$0.8 million primarily driven by underspending in salaries and benefits due to vacant positions in many centres in addition to lower administrative costs as a result of the COVID-19 shutdowns. Underachieved revenues of \$0.1 million due to loss of room rentals as a result of COVID-19 shutdowns. Favourable net expenditure variance of \$0.7 million mainly driven by underspending in salaries and benefits and lower administrative costs related to COVID-19 shutdowns.</li> </ul>	<ul style="list-style-type: none"> <li>Projected favourable gross expenditure variance of \$0.3 million primarily due to salaries and benefits and other operational savings related to the COVID-19 shutdowns, partially offset by increased administrative expenses as centres reopen. Projected underachieved revenues of \$0.2 million due to lower room rentals as a result of the COVID-19 shutdowns. Projected favourable net expenditure variance of \$0.2 million resulting from the cost savings attributed to the COVID-19 shutdowns, partially offset by room rental revenue loss due to COVID-19.</li> </ul>
<p><b>Exhibition Place:</b></p> <ul style="list-style-type: none"> <li>Exhibition Place reported an unfavourable net variance of \$1.2 million to the 2021 Council Approved Operating Budget driven by: An unfavourable revenue variance of \$10.3 million from lost revenues from large events that did not take place (i.e. Honda Indy, CNE, Collision Conference, etc.). A favourable gross expenditure variance of \$9.1 million from underspending in expenditures associated with events as well as salaries and benefits from positions that are vacant as a result of COVID-19. Exhibition staff have taken various actions including further delay in hiring staff and reduction in volume of base building maintenance and cancelled all travel, training and non-discretionary expenditures to mitigate the financial pressure arising from COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>Exhibition Place projects an unfavourable net variance of \$3.3 million to the 2021 Council Approved Operating Budget, consisting of: A favourable gross expenditure variance of \$6.9 million resulting from underspending in expenditures associated with events, indirect expenses from various departments, as well as salaries and benefits from positions that are vacant as a result of COVID-19. An unfavourable revenue variance of \$10.2 million due to the cancellation of a number of events and conferences (i.e. Honda Indy, CNE, Collision Conference, Royal Agricultural Winter Fair etc.) because of COVID-19. Exhibition Place has been able to partially offset lost revenues from rent, service and parking revenue from film shoots at Enercare Centre and parking revenue from BMO Field.</li> </ul>



<p><b>Heritage Toronto:</b></p> <ul style="list-style-type: none"> <li>Heritage Toronto reported a favourable net variance of \$0.1 million to the 2021 Council Approved Operating Budget driven by: A favourable gross expenditure variance of \$0.1 million from a full-time position remaining vacant. A favourable revenue variance of \$0.02 million from increased funding from the Federal Government for programming.</li> </ul>	<ul style="list-style-type: none"> <li>Heritage Toronto projects a favourable net variance of \$0.001 million to the 2021 Council Approved Operating Budget, consisting of: An unfavourable gross expenditure variance of \$0.04 million resulting from higher than projected programming costs. These increased costs are offset by increased demand for plaques and increased funding from the Federal Government of \$0.04 million.</li> </ul>
<p><b>TO Live:</b></p> <ul style="list-style-type: none"> <li>Favourable net expenditure of \$0.9 million or 11.9% below the 2021 Approved Operating Budget is driven by: Receipt of federal grants from Canadian Heritage for programming, naming rights, sponsorship and event revenues not included in the 2021 budget. Underspending in programming costs as a result of deferred budgeted programming activity due to COVID-19 restrictions, offsets by unbudgeted benefits arising from extension of benefits for staff who are on Infectious Disease Emergency Leave (IDEL) and additional staff called back to assist with operations that were not budgeted.</li> </ul>	<ul style="list-style-type: none"> <li>TO Live forecasts an unfavorable net expenditure of \$0.1 million by year-end primarily due to unbudgeted benefit costs for staff on leave as a result of the provincial government extension of IDEL and anticipated expenditure in relation to reopening later in the year. TO Live is anticipating receipt of naming rights sponsorship and capital surcharge revenues that were not included in the 2021 budget. Consistent with the contribution policy, an in-year budget adjustment is being requested to seek City Council authority to make a contribution of \$1.0 million to the Facility Fee Reserve Fund for future general maintenance and minor state of good repairs as intended.</li> </ul>
<p><b>Toronto Zoo:</b></p> <ul style="list-style-type: none"> <li>Toronto Zoo reported a favorable net expenditure of \$1.6 million or 14% below the 2021 Approved Operating Budget. Zoo closure since November 23, 2020 as a result of COVID-19 emergency order from the Ontario government has resulted in unfavorable revenue of \$4.0 million. On site services were closed to the public but the</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year-to-date results, a favorable net expenditure of \$1.02 million by year-end is projected. Revenue is forecasted to be unfavorable by \$4.4 million due to site closure for the first half of the year during the COVID-19 pandemic. The Zoo anticipates to achieve</li> </ul>

<p>Zoo has continued to provide remote offerings including Zoo ConnectionZ (paid virtual programming), engaging social media content and online retail sales. The Zoo is currently operating at 75% of capacity and has hosted additional guests above budget. To meet the ongoing health and welfare needs of the animals and plants and to ensure the ongoing maintenance of buildings, infrastructures and life support systems, ongoing expenditures were still required. To mitigate the impact of COVID-19, the Zoo implemented cost saving measures including delays in hiring and deferral of non-essential purchases, resulting in favorable gross expenditure of \$5.4 million. The Zoo welcomed back members on June 12 and the general public on June 19 with limited outdoor capacity with indoor pavilions remaining closed. As of Q3, the Zoo achieved 80% of the attendance target despite closure for first half of the year.</p>	<p>revenue target for the remainder of the year and to attract 0.671 million guests against attendance target at 0.838 million by year-end. The Zoo continues to implement cost saving measures and to provide innovative new experiences to guests. Gross expenditure is anticipated to be favorable by \$5.4 million.</p>
<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 \$1.1 million to the 2021 Council Approved Operating Budget driven by: A favourable gross expenditure variance of \$2.6 million from underspending in expenditures associated with ice time rentals as well as salaries and benefits from positions that were vacant for the first two quarters of 2021. In July when the Arenas were able to open to the public, expenses did increase but not to levels seen in previous years unaffected by the pandemic due to the capacity restrictions in the Arenas. An unfavourable revenue variance of \$3.8 million due to closures of all the Arenas in the first two quarters and capacity restrictions once the Arenas were able to open, as a result of COVID-19.</li> </ul>	<ul style="list-style-type: none"> <li>The Arena Boards of Management project an unfavourable net variance of \$2.974 million to the 2021 Council Approved Operating Budget, consisting of: A favourable gross expenditure variance of \$2.407 million resulting from underspending in expenditures associated with ice time rentals, utilities, snack bar purchases, as well as salaries and benefits from positions that were vacant for the first six months of the year as a result of COVID-19. An unfavourable revenue variance of \$5.381 million due to the lost revenues from closures and capacity restrictions of all</li> </ul>

	Arenas during the COVID-19 pandemic.
<p><b>Yonge Dundas Square (YDS):</b></p> <ul style="list-style-type: none"> <li>Yonge-Dundas Square reported unfavourable net variance of \$0.1 million to the 2021 Approved Operating Budget, driven by: A favourable gross expenditure variance of \$0.8 million due to program and event cancellations due to COVID-19. An unfavourable revenue variance of \$0.9 million due to program and event cancellation revenues, as referenced above. These revenues were offset by under-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 \$0.4 million to the 2021 Approved Operating Budget at year-end due to late opening and much lower sales of the Sightseeing Kiosk, cancelled events and programs, as well as significant drop in revenues from signage contracts and sponsorship due to lack of events for the first three quarters of 2021. Yonge-Dundas Square was expecting restrictions to ease and being able to host a small portion of their event capacity after September 2021 Labour Day, and has developed their revenue and expenditure budget with this expectation. Year-end projection is driven by an unfavourable revenue variance of \$1.1 million due to greater than expected COVID impacts offset by a favourable gross expenditure variance of \$0.7 million from cancelled programs and events and the corresponding revenues/expenditures associated with them.</li> </ul>
<p><b>CreateTO:</b></p> <ul style="list-style-type: none"> <li>CreateTO has favourable gross expenditures of \$0.6 million attributable to delayed spending in project investigation and general office costs. 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 are projecting a favourable gross expenditure of \$0.3 million (\$0.0 million net) against the budget of \$14.6 million.</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 2021, TRCA will receive the full funding amount as approved by City Council, resulting in no yearend variance.</li> </ul>
<b>Toronto Transit Commission – Conventional:</b> <ul style="list-style-type: none"> <li>Due to technical reasons, TTC's Q2 YTD result is used in this report</li> </ul>	<ul style="list-style-type: none"> <li>Due to technical reasons, TTC is unable to provide a narrative for year-end projections</li> </ul>
<b>Toronto Transit Commission – Wheel-Trans:</b> <ul style="list-style-type: none"> <li>Due to technical reasons, TTC's Q2 YTD result is used in this report</li> </ul>	<ul style="list-style-type: none"> <li>Due to technical reasons, TTC is unable to provide a narrative for year-end projections</li> </ul>
<b>Toronto Police Service:</b> <ul style="list-style-type: none"> <li>Toronto Police Service (TPS) has reported an unfavourable variance of \$12.5 million net as of September 30, 2021.</li> <li>Gross expenditures were \$1.5 million unfavourable mainly due to premium pay and benefit pressures, as well as expenses that will be funded from Provincial grants.</li> <li>Unfavourable revenue variance of \$11.0 million is mainly driven by the timing differences between when grant funding is actually received vs budgeted.</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.</li> </ul>	<ul style="list-style-type: none"> <li>Toronto Police Service is projecting an unfavourable variance of \$1.3 million net.</li> <li>Consistent with year-to-date experience, this unfavourable variance is mainly attributable to premium pay and benefit pressures, that are partially offset by underspending in salaries resulting from vacant positions.</li> </ul>

**Toronto Police Services Board:**

- The year-to-date unfavourable variance of \$0.1 million net was primarily driven by consultation services for the Chief selection process.

- A \$0.1 million net unfavourable variance is projected at year-end. Consistent with year-to-date results, the unfavourable variance is as a result of costs for the Chief selection process. Every effort will be made to eliminate the unfavourable variance by year-end. While COVID-19 has had a significant impact on the way the Police Board conducts its business and how it interacts with the public, the Board has been able to leverage available technology and other innovative approaches to minimize the net financial impact of the pandemic on the Board's budget.

## Appendix E

### Capital & Corporate Financing

Figure 19: 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	4-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Technology Sustainment	4-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Debt Charges	4-Month	0.3	▲	0.0	—	0.3	▲	Ⓚ	(0.1)	▼	0.0	—	(0.1)	▼	Ⓚ
	6-Month	(20.3)	▼	0.0	—	(20.3)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	(19.1)	▼	(14.0)	▼	(33.1)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Total	4-Month	0.3	▲	0.0	—	0.3	▲	Ⓚ	(0.1)	▼	0.0	—	(0.1)	▼	Ⓚ
	6-Month	(20.3)	▼	0.0	—	(20.3)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	(19.1)	▼	(14.0)	▼	(33.1)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
<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  
Capital & Corporate Financing**

**Year-to-Date Results**

**Year-End Projections**

<p><b>Capital &amp; Corporate Financing:</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>Technology Sustainment:</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>Debt Charges:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable net expenditure variance of \$33.1 million was primarily due to the timing in budget for the sinking fund contribution.</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>

## Appendix E

Figure 20: 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	4-Month	0.3	▲	0.0	—	0.3	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.4	▲	0.0	—	0.4	▲	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.6	▲	0.0	—	0.6	▲	Ⓞ	0.1	▲	0.0	—	0.1	▲	Ⓞ
Tax Increment Equivalent Grants (TIEG)	4-Month	(0.3)	▼	0.0	—	(0.3)	▼	Ⓞ	(1.0)	▼	0.0	—	(1.0)	▼	Ⓡ
	6-Month	(0.5)	▼	0.0	—	(0.5)	▼	Ⓞ	(1.0)	▼	0.0	—	(1.0)	▼	Ⓡ
	9-Month	(0.8)	▼	0.0	—	(0.8)	▼	Ⓞ	(1.0)	▼	0.0	—	(1.0)	▼	Ⓡ
Assessment Function (MPAC)	4-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ	0.2	▲	0.0	—	0.2	▲	Ⓞ
	6-Month	0.1	▲	0.0	—	0.1	▲	Ⓞ	0.2	▲	0.0	—	0.2	▲	Ⓞ
	9-Month	0.2	▲	0.0	—	0.2	▲	Ⓞ	0.2	▲	0.0	—	0.2	▲	Ⓞ
Funding of Employee Related Liabilities	4-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓞ	0.0	—	0.0	—	0.0	—	Ⓞ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓞ	(11.7)	▼	0.0	—	(11.7)	▼	Ⓡ
Other Corporate Expenditures	4-Month	1.2	▲	2.9	▲	4.1	▲	Ⓢ	(0.0)	—	0.0	—	(0.0)	—	Ⓡ
	6-Month	(3.4)	▼	4.2	▲	0.8	▲	Ⓡ	(56.0)	▼	5.0	▲	(51.0)	▼	Ⓡ
	9-Month	14.9	▲	(2.1)	▼	12.7	▲	Ⓡ	(75.1)	▼	(7.9)	▼	(83.0)	▼	Ⓡ
Parking Tag Enforcement & Oper.	4-Month	(1.0)	▼	0.0	—	(1.0)	▼	Ⓡ	2.1	▲	0.0	—	2.1	▲	Ⓞ
	6-Month	2.4	▲	0.0	—	2.4	▲	Ⓞ	2.1	▲	0.0	—	2.1	▲	Ⓞ
	9-Month	1.5	▲	0.0	—	1.5	▲	Ⓞ	1.6	▲	0.0	—	1.6	▲	Ⓞ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021



## Appendix E

Figure 21: 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	
Programs Funded from Reserve Funds	4-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	7.4	▲	(7.4)	▼	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	13.9	▲	(14.3)	▼	(0.3)	▼	Ⓚ	2.0	▲	(2.0)	▼	0.0	—	Ⓚ
Heritage Property Taxes Rebate	4-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	0.1	▲	0.0	—	0.1	▲	Ⓚ	0.2	▲	0.0	—	0.2	▲	Ⓚ
Insurance Premiums & Claims	4-Month	(0.0)	—	0.0	—	(0.0)	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓚ	(15.9)	▼	0.0	—	(15.9)	▼	Ⓚ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓚ	(28.0)	▼	0.0	—	(28.0)	▼	Ⓚ
Solid Waste Management Rebates	4-Month	(1.3)	▼	1.3	▲	0.0	—	Ⓚ	0.0	—	(0.0)	—	0.0	—	Ⓚ
	6-Month	(0.8)	▼	0.0	—	(0.8)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	(1.5)	▼	0.0	—	(1.5)	▼	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Tax Increment Funding (TIF)	4-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓚ	0.0	—	0.0	—	0.0	—	Ⓚ
Total	4-Month	12.5	▲	0.0	—	12.5	▲	Ⓚ	7.7	▲	0.0	—	7.7	▲	Ⓚ
	6-Month	5.6	▲	(3.2)	▼	2.4	▲	Ⓚ	(70.5)	▼	5.0	▲	(65.5)	▼	Ⓚ
	9-Month	28.9	▲	(16.4)	▼	12.6	▲	Ⓚ	(111.7)	▼	(9.9)	▼	(121.6)	▼	Ⓚ
Year-to-Date Net Variance		Ⓚ	85% to 105%	Ⓚ	0% to 85%	Ⓚ	>105%	Year-End	Ⓚ	<=100%	Ⓚ	>100%			

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

### Non-Program Expenditures

Year-to-Date Results	Year-End Projections
<p><b>Tax Deficiencies/Write-Offs:</b></p> <ul style="list-style-type: none"> <li>A favourable gross expenditure of \$0.6 million was realized mainly due to the following:           <ul style="list-style-type: none"> <li>\$0.4 million favourable variance because costs to defend the City's assessment base was less than budget; and</li> <li>\$0.2 million favourable variance for interested paid on tax refunds was lower than budget.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>\$0.2 million favourable variance projected for year-end due to interested paid on tax refunds was lower than budget.</li> </ul>
<p><b>Tax Increment Equivalent Grants (TIEG)</b></p> <ul style="list-style-type: none"> <li>As of September 2021, an unfavourable variance of \$0.8 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, an unfavourable variance of \$1.0 million net is projected because estimates for eligible properties (current and prior years) were modified to reflect the expected grants.</li> </ul>
<p><b>Assessment Function (MPAC):</b></p> <ul style="list-style-type: none"> <li>A favourable variance of \$0.2 million was due to MPAC fees being lower.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent with year-to-date results, a favourable variance of \$0.2 million is projected due to MPAC fees being lower.</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>Projecting an unfavourable net variance of \$11.7 million due to a recommendation to increase contributions to match expenses.</li> </ul>
<p><b>Other Corporate Expenditures:</b></p>	

<ul style="list-style-type: none"> <li>• A favourable net variance of \$12.7 million was due to: <ul style="list-style-type: none"> <li>• One time CRA parking reversal</li> <li>• Favourable variance for budgeted cost of living adjustments</li> <li>• Favourable timing variance for utilization of Section 37 funding which will be eliminated by year-end</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Projecting an unfavourable net variance of \$82.9 million mainly due to higher than anticipated COVID related employee time-in-lieu liability and vacation liability that is projected for the year.</li> </ul>
<p><b>Parking Tag Enforcement &amp; Operations:</b></p> <ul style="list-style-type: none"> <li>• Parking Tag Operations reported a favourable gross expenditure variance of \$1.5 million due to lower payments to the province for license search fees due to the reduced number of parking tickets issued. Year-to-date results are primarily driven by COVID-19 impacts.</li> </ul>	<ul style="list-style-type: none"> <li>• Projecting a favourable expenditure variance of \$1.6M, primarily due to lower payments to the province as a result of a lower than planned parking tag ticket issuance due to COVID-19 impacts, the extent of which were unknown when budgeted.</li> </ul>
<p><b>Programs Funded from Reserve Funds:</b></p> <ul style="list-style-type: none"> <li>• Materially on budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Insurance Premium and Claims</b></p> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• Projecting an unfavourable variance of \$28.0 due to increased insurance expense</li> </ul>
<p><b>Heritage Property Tax Rebates:</b></p> <ul style="list-style-type: none"> <li>• Materially on budget</li> </ul>	<ul style="list-style-type: none"> <li>• Materially on budget</li> </ul>
<p><b>Solid Waste Management Rebates:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$1.5 million was mainly attributable to the actual historical billings being higher than the plan. This difference will be resolved by year-end.</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<p><b>Tax Increment Funding (TIF):</b></p> <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 22: 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	4-Month	0.0	—	1.2	▲	1.2	▲	⊙	0.0	—	1.1	▲	1.1	▲	⊙
	6-Month	0.0	—	(0.3)	▼	(0.3)	▼	⊙	0.0	—	0.3	▲	0.3	▲	⊙
	9-Month	0.0	—	2.4	▲	2.4	▲	⊙	0.0	—	2.4	▲	2.4	▲	⊙
Supplementary Taxes	4-Month	0.0	—	0.0	—	0.0	—	Ⓡ	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	1.3	▲	1.3	▲	⊙	0.0	—	0.0	—	0.0	—	⊙
	9-Month	0.0	—	8.9	▲	8.9	▲	Ⓜ	0.0	—	0.9	▲	0.9	▲	⊙
Tax Penalty Revenue	4-Month	0.0	—	(0.4)	▼	(0.4)	▼	⊙	0.0	—	0.0	—	0.0	—	⊙
	6-Month	0.0	—	(0.6)	▼	(0.6)	▼	⊙	0.0	—	4.9	▲	4.9	▲	⊙
	9-Month	0.0	—	6.3	▲	6.3	▲	Ⓜ	0.0	—	4.9	▲	4.9	▲	⊙
Interest/Investment Earnings	4-Month	0.4	▲	(20.1)	▼	(19.7)	▼	Ⓡ	(0.0)	—	(33.7)	▼	(33.7)	▼	Ⓡ
	6-Month	0.3	▲	(26.0)	▼	(25.7)	▼	Ⓡ	1.3	▲	(35.1)	▼	(33.8)	▼	Ⓡ
	9-Month	0.5	▲	(30.7)	▼	(30.1)	▼	Ⓡ	1.4	▲	(43.1)	▼	(41.7)	▼	Ⓡ
Other Corporate Revenues	4-Month	(1.4)	▼	1.0	▲	(0.4)	▼	Ⓡ	0.5	▲	0.0	—	0.5	▲	⊙
	6-Month	(2.0)	▼	3.8	▲	1.8	▲	Ⓜ	0.0	—	(5.3)	▼	(5.3)	▼	Ⓡ
	9-Month	0.2	▲	4.5	▲	4.7	▲	Ⓜ	0.3	▲	(5.1)	▼	(4.7)	▼	Ⓡ
COVID -19 recovery	4-Month	0.0	—	(444.9)	▼	(444.9)	▼	Ⓡ	0.0	—	(153.0)	▼	(153.0)	▼	Ⓡ
	6-Month	0.0	—	(17.3)	▼	(17.3)	▼	⊙	0.0	—	(49.4)	▼	(49.4)	▼	Ⓡ
	9-Month	0.0	—	(52.3)	▼	(52.3)	▼	⊙	0.0	—	(56.3)	▼	(56.3)	▼	Ⓡ

Staff report for action on Operating Variance Report for the Nine Months Ended September 30, 2021

## Appendix E

Figure 23: Non-Program Revenues Year-to-Date Variance and Year-End Variance Projection Summary

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Dividend Income	4-Month	0.0	—	(4.4)	▼	(4.4)	▼	Ⓡ	0.0	—	(17.7)	▼	(17.7)	▼	Ⓡ
	6-Month	0.0	—	(8.9)	▼	(8.9)	▼	Ⓡ	0.0	—	(17.7)	▼	(17.7)	▼	Ⓡ
	9-Month	0.0	—	(13.3)	▼	(13.3)	▼	Ⓡ	0.0	—	(17.7)	▼	(17.7)	▼	Ⓡ
Provincial Revenue	4-Month	0.0	—	0.0	—	0.0	—	Ⓡ	0.0	—	0.0	—	0.0	—	Ⓢ
	6-Month	0.0	—	6.0	▲	6.0	▲	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
Municipal Land Transfer Tax	4-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	(0.0)	—	0.0	—	Ⓢ
	6-Month	(1.0)	▼	76.0	▲	75.0	▲	Ⓢ	0.0	—	100.0	▲	100.0	▲	Ⓢ
	9-Month	(0.9)	▼	75.9	▲	75.0	▲	Ⓢ	(152.3)	▼	252.3	▲	100.0	▲	Ⓢ
Third Party Sign Tax	4-Month	0.0	—	0.3	▲	0.3	▲	Ⓢ	0.0	—	0.3	▲	0.3	▲	Ⓢ
	6-Month	0.0	—	0.3	▲	0.3	▲	Ⓢ	0.0	—	0.3	▲	0.3	▲	Ⓢ
	9-Month	0.0	—	0.1	▲	0.1	▲	Ⓢ	0.0	—	0.1	▲	0.1	▲	Ⓢ
Parking Authority Revenues	4-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
Administrative Support Recoveries - Water	4-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	6-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ
	9-Month	0.0	—	0.0	—	0.0	—	Ⓢ	0.0	—	0.0	—	0.0	—	Ⓢ

## Appendix E

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

City Program/Agency	Quarter	Year-to-Date							Year-End Projection						
		Gross Expenditures		Revenue		Net Variance		Alert	Gross Expenditures		Revenue		Net Variance		Alert
		\$	trend	\$	trend	\$	trend		\$	trend	\$	trend	\$	trend	
Administrative Support Recoveries - Health & EMS		0.0	—	0.0	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	4-Month	0.0	—	0.0	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	6-Month	0.0	—	0.0	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
	9-Month	0.0	—	0.0	—	0.0	—	⊕	0.0	—	0.0	—	0.0	—	⊕
Parking Tag Enforcement & Operations Rev	4-Month	0.0	—	(8.0)	▼	(8.0)	▼	⊗	0.0	—	(23.6)	▼	(23.6)	▼	⊗
	6-Month	0.0	—	(2.5)	▼	(2.5)	▼	⊗	0.0	—	(9.5)	▼	(9.5)	▼	⊗
	9-Month	0.0	—	(0.1)	▼	(0.1)	▼	⊕	0.0	—	(9.7)	▼	(9.7)	▼	⊗
Other Tax Revenues	4-Month	0.0	—	(0.1)	▼	(0.1)	▼	⊕	(0.0)	—	(0.0)	—	(0.0)	—	⊗
	6-Month	0.0	—	0.1	▲	0.1	▲	⊕	0.0	—	0.0	—	0.0	—	⊕
	9-Month	0.1	▲	0.3	▲	0.4	▲	⊕	0.1	▲	0.0	—	0.2	▲	⊕
Municipal Accommodation Tax	4-Month	(5.6)	▼	5.6	▲	0.0	—	⊗	(16.7)	▼	16.7	▲	0.0	—	⊕
	6-Month	4.0	▲	(4.0)	▼	0.0	—	⊗	6.3	▲	(6.3)	▼	0.0	—	⊕
	9-Month	3.9	▲	(3.9)	▼	0.0	—	⊗	6.3	▲	(6.3)	▼	0.0	—	⊕
Casino Woodbine	4-Month	0.0	—	(0.5)	▼	(0.5)	▼	⊗	0.0	—	(4.0)	▼	(4.0)	▼	⊗
	6-Month	0.0	—	(2.0)	▼	(2.0)	▼	⊗	0.0	—	(2.0)	▼	(2.0)	▼	⊗
	9-Month	0.0	—	(3.0)	▼	(3.0)	▼	⊗	0.0	—	(2.0)	▼	(2.0)	▼	⊗
Total	4-Month	(6.5)	▼	(25.6)	▼	(32.0)	▼	⊗	(16.3)	▼	(60.9)	▼	(77.2)	▼	⊗
	6-Month	1.4	▲	25.9	▲	27.3	▲	⊗	7.6	▲	(19.8)	▼	(12.2)	▼	⊗
	9-Month	(121.1)	▼	119.4	▲	(1.7)	▼	⊗	(144.2)	▼	120.4	▲	(23.7)	▼	⊗
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 Nine Months Ended September 30, 2021

## Appendix E

### Non-Program Revenues

Year-to-Date Results	Year-End Projections
<p><b>Payments In Lieu of Taxes (PILs):</b></p> <ul style="list-style-type: none"> <li>• \$2.3 million favourable net variance was realized, primarily by \$2.1 million favourable airport passenger levies, \$0.9 million favourable revenue from the University of Toronto and \$0.3 million favourable revenue in supplementary levies. This was partially offset by \$1.0 million unfavourable variance resulting from assessment-based levies.</li> </ul>	<ul style="list-style-type: none"> <li>• By year-end, a \$2.3 million favourable variance is projected, primarily by \$2.1 million favourable revenue with airport passenger levies, \$0.9 million favourable related to unbudgeted revenue from the University of Toronto and \$0.3 million favourable revenue in supplementary levies. This was partially offset by \$1.0 million unfavourable revenue due to assessment-based levies.</li> </ul>
<p><b>Supplementary Taxes:</b></p> <ul style="list-style-type: none"> <li>• A favourable year to variance of \$8.9 million due to roll received from MPAC was higher than anticipated.</li> </ul>	<ul style="list-style-type: none"> <li>• A favourable variance of \$0.9 million is projected for year end.</li> </ul>
<p><b>Tax Penalty Revenue</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$6.3 million was realized due to due to the outstanding tax receivables that are anticipated to be higher than budget.</li> </ul>	<ul style="list-style-type: none"> <li>• A favourable variance of \$4.9 million is projected due to the outstanding tax receivables that are anticipated to be higher than budget.</li> </ul>
<p><b>Interest &amp; Investment Earnings:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable net expenditure variance of \$30.1 million due to:             <ul style="list-style-type: none"> <li>• An unfavourable revenue variance of \$30.7 million mainly attributed to the drop in long-term fund income due to anticipated market conditions. Average book yield of 1.8% during the first nine months of 2021, which is less than the budgeted</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with YTD results, an unfavourable net expenditure variance of \$41.7 million is projected mainly due to unfavourable revenue variance attributed to the drop in long-term fund income due to unanticipated market conditions</li> </ul>

<p>expected rate of return of 3.8% as a result of post-COVID recovery</p> <ul style="list-style-type: none"> <li>• Offset by a favourable gross expenditure variance of \$0.5 million mainly attributed to lower investment managers, external legal and consultant fees.</li> </ul>	
<p><b>Other Corporate Revenues:</b></p> <ul style="list-style-type: none"> <li>• A favourable variance of \$4.7 million mainly due to a timing difference between budget and actual sundry revenue.</li> </ul>	<ul style="list-style-type: none"> <li>• An unfavourable variance of \$4.7 million is projected due to a combination of lower than planned gaming and registry revenues from the impact of COVID 19 and discontinued dividend from Toronto Port Lands Corporation.</li> </ul>
<p><b>COVID-19 Recovery</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$52.3 million due to the timing of receiving Provincial and Federal COVID funding.</li> </ul>	<ul style="list-style-type: none"> <li>• An unfavourable variance of \$56.3 million primarily due to COVID funding shortfall for Transit.</li> </ul>
<p><b>Dividend Income:</b></p> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$13.3 million was as a result of lower Toronto Hydro earnings in 2020.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year-to-date results, an unfavourable variance of \$17.7 million is projected as a result of lower Toronto Hydro earnings in 2020.</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>• A favourable variance of \$74.5 million mainly due to higher than expected sales revenue during this period.</li> </ul>	<ul style="list-style-type: none"> <li>• A favourable net variance of \$100 million is projected mainly due to higher than expected sales revenue during the year. The current year-end projection is now in line with pre-pandemic revenues levels.</li> </ul>
<p><b>Third Party Sign Tax:</b></p> <ul style="list-style-type: none"> <li>• Revenue is favourable by \$0.1 million mainly due to:</li> </ul>	



<ul style="list-style-type: none"> <li>• Reductions in the inventories not being as large as expected; and</li> <li>• 2% (COLA) increase in the TPST rates from 2020 to 2021.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with year-to-date results, a favourable variance of \$0.1 million is projected.</li> </ul>
<b>Parking Authority Revenues:</b> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<b>Administrative Support Recoveries – Toronto Water:</b> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<b>Administrative Support Recoveries – Health &amp; EMS:</b> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<b>Parking Tag and Enforcement Operations:</b> <ul style="list-style-type: none"> <li>• Parking Tag Operations reported a favourable revenue variance of \$0.1 million, which is mainly driven by increase in the number of tickets issued over the past two months. The gradual reopening and return of downtown traffic has greatly contributed to this trend.</li> </ul>	<ul style="list-style-type: none"> <li>• For year-end, Parking Tag Operations is projecting an unfavourable variance of \$9.7M, which is driven by slower than anticipated reopening and decreased ticket issuance in the first half of 2021. Year-end results are primarily driven by COVID-19 impacts.</li> </ul>
<b>Other Tax Revenues:</b> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$0.1 million was realized, primarily because appeals posted and provision were less than budget.</li> </ul>	<ul style="list-style-type: none"> <li>• \$0.1 million favourable variance is projected, consistent with YTD results.</li> </ul>
<b>Municipal Accommodation Tax:</b> <ul style="list-style-type: none"> <li>• On budget</li> </ul>	<ul style="list-style-type: none"> <li>• On budget</li> </ul>
<b>Casino Woodbine:</b> <ul style="list-style-type: none"> <li>• An unfavourable variance of \$3.0 million was realized due to COVID-19 causing a shutdown to the casino which re-opened on July 16, 2021, based on a 50% capacity limit.</li> </ul>	<ul style="list-style-type: none"> <li>• An unfavourable variance of \$2.0 million is projected due to COVID-19 causing a shutdown to the casino which re-opened on July 16, 2021, based on a 50% capacity limit.</li> </ul>

## Appendix E

Figure 25: 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	4-Month	11.6	▲	9.7	▲	21.3	▲	Ⓚ	6.4	▲	(2.2)	▼	4.2	▲	Ⓞ
	6-Month	14.6	▲	(4.5)	▼	10.2	▲	Ⓚ	8.3	▲	(3.4)	▼	4.9	▲	Ⓞ
	9-Month	24.0	▲	(4.7)	▼	19.3	▲	Ⓚ	12.8	▲	1.1	▲	14.0	▲	Ⓞ
Toronto Parking Authority	4-Month	4.9	▲	(6.4)	▼	(1.5)	▼	Ⓚ	0.0	—	(5.4)	▼	(5.4)	▼	Ⓡ
	6-Month	6.5	▲	(9.5)	▼	(2.9)	▼	Ⓚ	4.1	▲	(11.4)	▼	(7.3)	▼	Ⓡ
	9-Month	8.4	▲	(3.9)	▼	4.5	▲	Ⓡ	6.9	▲	(1.4)	▼	5.6	▲	Ⓞ
Toronto Water	4-Month	7.3	▲	5.5	▲	12.8	▲	Ⓚ	22.2	▲	(6.4)	▼	15.8	▲	Ⓞ
	6-Month	14.7	▲	(13.3)	▼	1.4	▲	Ⓡ	25.4	▲	(12.8)	▼	12.6	▲	Ⓞ
	9-Month	26.4	▲	(19.2)	▼	7.2	▲	Ⓚ	33.5	▲	(15.7)	▼	17.8	▲	Ⓞ
Total	4-Month	23.8	▲	8.9	▲	32.7	▲	Ⓚ	28.6	▲	(13.9)	▼	14.7	▲	Ⓞ
	6-Month	35.8	▲	(27.2)	▼	8.6	▲	Ⓡ	37.8	▲	(27.6)	▼	10.2	▲	Ⓞ
	9-Month	58.9	▲	(27.9)	▼	31.0	▲	Ⓚ	53.3	▲	(16.0)	▼	37.3	▲	Ⓞ

<b>Year-to-Date Net Variance</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓞ</span> 85% to 105%	<span style="background-color: #FFFF00; border: 1px solid black; padding: 2px;">Ⓚ</span> 0% to 85%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓡ</span> >105%	<b>Year-End</b>	<span style="background-color: #90EE90; border: 1px solid black; padding: 2px;">Ⓞ</span> <=100%	<span style="background-color: #FF0000; border: 1px solid black; padding: 2px;">Ⓡ</span> >100%
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## Appendix E

### Rate Supported Programs

Year-to-Date Results	Year-End Projections
<p><b>Solid Waste Management Services (SWMS):</b></p> <ul style="list-style-type: none"><li>As of September 30, 2021 SWMS Operating Variance gross expenditure was favourable \$24.0M is mainly driven by:<ul style="list-style-type: none"><li>Savings from salaries and benefits of \$1.8M mostly due to vacancies in Collection and Litter Operations for collection operators, Heavy and Light Equipment operators and skilled trades.</li><li>Under spending in Services &amp; Rents of \$12.9M including the Processing cost of organics of \$5.6M due to lower volumes of Digester solids from Dufferin Organic Facility and lower charges in rent for Machinery &amp; Equipment of \$2.3M due to delay in Organic Processing Facility expansion project, and reduced processing cost of recycling by \$5.1M due to reduced volumes and timing.</li><li>Other under spending of \$7.0M was due to no deliveries to Alternate Landfill for the first 9 months, reduced volumes of waste and actual rates below budgeted, decreased spending due to remote work, projects delayed as a result of pandemic, and timing.</li><li>Lower spending in Services &amp; Rents of \$1.9M includes Leaf &amp; Yard Waste processing, Hazardous Waste removal, Repairs &amp; Maintenance, Other Professional &amp; Technical services, Royalty Fees and processing of durable goods due to reduced tonnage and timing,</li></ul></li></ul>	<ul style="list-style-type: none"><li>SWMS is projecting a net expenditure (surplus) of \$13.9M at year end as a result of the following:</li><li>Gross expenditure favourable variance of \$12.6M is expected due to:<ul style="list-style-type: none"><li>Underspending in Processing cost of organics of \$4.3M due to lower than planned volumes of Digester solids from Dufferin Organic Processing Facility, lower charges in rent for Machinery &amp; Equipment of \$2.5M due to delay in OPF expansion project, reduced Transfer, Haulage and Storage cost of \$1.5M and Disposal cost of \$1.3M all due to lower than planned volumes to Green Lane Landfill and actual rates lower than budgeted, under spending in Material &amp; Supplies of \$1.4M mainly due to reduction in Hydro rates.</li><li>Other net savings of \$1.6M are expected as a result of reduced tonnage for recyclables, yard waste and durable goods, services and labour cost mainly due to COVID-19.</li></ul></li><li>Revenues are projected to be over achieved by \$1.3M primarily due to improved market rates for sale of recyclables of \$5.7M and Blue Bin provincial Grant by \$1.8M as a result of higher actual volume of recyclables than budgeted.</li></ul>

<p>and Advertising &amp; Promotion due to projects put on hold as a result of COVID-19.</p> <ul style="list-style-type: none"> <li>• Lower than planned total revenue of \$4.7M was primarily due to underachieved revenue from Renewable Natural Gas (RNG) project delays for \$2.7M, and underachieved collection revenue of \$3.0M due to timing as well as underachieved Tipping fees at transfer station of \$2.3M due to depots closure earlier in the year. <ul style="list-style-type: none"> <li>➢ This total underachieved revenue of \$8.0M was partly offset by overachieved sales of recyclable materials of \$3.8M due to improved market rates.</li> </ul> </li> <li>• The resulting net expenditures reflect a favourable variance (surplus) of \$19.3 million as of the 9 month period ended September 30, 2021.</li> </ul>	<ul style="list-style-type: none"> <li>➢ This is to be partly offset mainly by losses from Renewable Natural Gas project delay of \$3.6M and loss of Tipping fees at transfer stations of \$2.0M due to depot closure during lock-down.</li> <li>• The resultant projected net surplus at year-end of \$13.9M, would increase the amount to be contributed to the Waste Management Reserve Fund from a budgeted \$17.1 M to \$31 M as of the 3rd quarter.</li> </ul>
<p><b>Toronto Parking Authority:</b></p> <ul style="list-style-type: none"> <li>• For the 9-month period ended September 30, 2021, TPA has generated combined profit of \$2.5 million from operations. The favourable net expenditure variance of \$4.5 million compared to a budgeted loss of \$2.0 million is comprised of: A favourable gross expenditure variance of \$8.4 million due to: <ul style="list-style-type: none"> <li>• Underspensing of salaries, wages and benefits by \$4.9 million, as a number of positions, including several management roles, have remained vacant. The Bike Share program has received further staffing support to ensure an effective operation of the expanded system infrastructure.</li> <li>• Favourable direct operating costs of \$1.5 million, including rent and payment processing fees,- Lower municipal taxes as budgeted rate increases did not materialize of \$2.0 million, and- On-going assessments of</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• TPA is projecting a full year profit of \$3.3 million compared to a budgeted loss of \$2.2 million, the favourable variance of \$5.5 million is comprised of:</li> <li>• A favourable gross expenditure variance of \$6.9 million due to underspensing of:- Salaries, wages and benefits by \$4.9 million, as a number of positions, including several management roles, have remained vacant, and- Lower municipal taxes, as budgeted rate increases did not materialize of \$2.0 million. Offset by reduced revenue of \$1.4 million, as follows: -Off-Street parking revenue is projected to fall short of target by \$1.8 million as some commuter returns late in 2021 help to offset earlier transaction volume shortfalls, - Bike Share ridership revenue falling</li> </ul>

<p>contractual commitments to minimize operational expenses to support long-term financial sustainability. Offset by a revenue shortfall of \$3.9 million: - Off-Street – Year-to-date parking revenue is lower than budget by \$3.2 million, down 8.0%, offset by one-time gains of \$1.6 million predominantly relating to real estate activities. Similarly, parking revenue compared to 2020 is lower by \$3.1 million, a drop of 8.0% due to reduced demand for off-street parking as the pandemic continues.</p> <ul style="list-style-type: none"> <li>• On-Street - Year-to-date parking revenue is lower than budget by \$1.0 million, or a drop of 5.0%. Revenue compared to 2020 is lower by \$3.4 million, a drop of 14.0% due to reduced demand and reduced on-street curb space to support various City Initiatives.</li> <li>• Bike Share ridership revenue is lower than budget by \$1.0 million primarily due to declining casual ridership through the summer months. In addition, there is a year-to-date shortfall of advertising revenue of \$0.3 million due to the impact of the pandemic on the out-of-home advertising market.</li> </ul>	<p>below budget by \$0.7 million as casual ridership during the summer months fell below expectations and advertising revenues are expected to fall \$0.5 million below budget due to the impact of the pandemic on the out-of-home advertising market, offset by -One-time real estate transaction gains of \$1.6 million.</p>
<p><b>Toronto Water:</b></p> <ul style="list-style-type: none"> <li>• The favourable year-to date net revenue and expenditures variance is \$7.2M. Favourable gross expenditure variance of \$26.4M is primarily driven by underspending in salaries and benefits as a result of increased vacancies and hiring delays (\$7.6M), reduced hydro cost due to lower water production, lower than planned rates and continued efficiency initiatives (\$8.9M), underspending in equipment, materials and supplies partially due to delivery delays, lower than anticipated demand for chemicals and unused contingencies (\$1.4M), lower than anticipated spending in services and rents,</li> </ul>	<ul style="list-style-type: none"> <li>• Projected favourable year-end net revenue and expenditures variance is \$17.8M. Projected under expenditure of \$33.5M at year end, primarily driven by projected underspending in salaries and benefits as a result of vacancies and hiring delays (\$9.1M), underspending in utilities due to lower rates, reduced usage given lower production of water and continued efficiencies (\$9.9M), underspending in materials, supplies and equipment partially due to delivery delays, lower demand for chemicals and unused contingencies</li> </ul>

including underspending in various contracts due to mild winter temperatures, unused contingencies and delays in contract creation (\$7.1M) and underspending in other expenses and inter-divisional charges primarily due to delays in contract execution, hiring delays and vacancies (\$2.2M). The underspending is offset by unfavourable variance in other expenses primarily due to higher than anticipated in lieu of taxes payments as a result of MPAC reassessments (\$0.8M). Unfavourable revenue variance of \$19.2M is primarily driven by lower than anticipated sale of water revenue as a result of lower than planned consumption impacted by weather and establishment closures as a result of government orders during the pandemic (\$18.3M), lower than anticipated revenue from Metrolinx transit projects due to project activity delays (\$3.3M), and lower revenue from industrial waste surcharge and private water agreements due to COVID-19 related business closures (\$1.3M). The under achieved revenues were partially offset by new watermain and sewer connection revenues with increased volumes as construction activity continues to increase (\$2.7M), and higher third party revenues and other recoveries (\$1.1M).

(\$1.5M), lower spending in services and rents, primarily driven by a milder winter than planned resulting in unused contract contingencies (\$10.2M), and lower interdivisional charges as a result of delays in contracts for utility cut restoration work as well as underspending in other interdivisional charges due to vacancies (\$3.8M). The above projected underspending is anticipated to be offset by higher than anticipated payments in lieu of taxes as a result of MPAC reassessments (\$0.9 million). Revenues are projected to be lower than budget by \$15.7M primarily driven by lower than planned water consumption given current experience of drop in production offset by a gradual return to operations of non-essential businesses (14.7M), lower revenue from industrial waste surcharge and private water agreements due to COVID-19 related business closures (\$1.7M) and recoveries from Metrolinx (\$4.2M). The projected decrease in revenues is projected to be partially offset by higher than anticipated volume of new water and sewer service connections due to increased construction activity (\$3.6M), and higher revenues from development application review fees associated with Toronto Water works (\$1.2M). Year-end results can vary significantly due to uncertainty in sale of water and consumption levels arising from fluctuations in weather, a change in consumer habits and a change in government order related closure.