Appendix E - Operating Variance Dashboard for City Programs and Agencies

A variance explanation for a Program or Agency is provided if the variance is considered material to the City's $5.6 billion tax-supported Net Operating Expenditure Budget. The threshold is set at $5 million based on the Program or Agency's Budgeted Net Expenditure, or below $5 million if the percentage variance is significant. Professional judgment is applied to ensure that only relevant variances are highlighted, especially when variances are high in percentage but low in dollar value, or vice versa.

On or Below Budget
Caution
Trending Above Budget

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Community and Social Services						
Children's Services	1.0	2%		1.5	2%	
Court Services	17.9	388%		19.3	250%	
Economic Development & Culture	2.6	3%		(0.2)	0%	
Fire Services	(18.4)	5%		(29.2)	5%	
Toronto Paramedic Services	2.6	2%		6.4	5%	
Seniors Services and Long-Term Care	9.2	16%		4.1	4%	
Parks & Recreation	0.1	0%		0.7	0%	
Social Development, Finance & Administration	4.7	5%		(1.0)	1%	
Toronto Employment & Social Services	8.5	13%		12.4	13%	
Toronto Shelter and Support Services	89.6	17%		(0.0)	0%	
Sub-Total Community and Social Services	117.9	7%		14.2	1%	

Community and Social Services Narrative		
	Year-To-Date	Year-End
Children's Services	Materially on budget	Forecast to be materially on budget.
Court Services	Favourable net variance of $17.9 million is attributable to lower spending of salaries and benefits resulting from vacancies and payments to interpreters and honorariums, as well as an increase in fine revenue due to higher than planned tickets volume. As of January 20, 2025, automated speed enforcement penalties and red light camera violations have been moved to the Administrative Penalty System and no longer fall under the Court System.	Favourable net variance projection of $19.3 million is attributable to lower spending of salaries and benefits resulting from vacancies and payments to interpreters and honorariums, as well as an increase in fine revenue due to higher than budgeted target for the number of tickets filed in 2025. As of January 20, 2025, automated speed enforcement penalties and red light camera violations have been moved to the Administrative Penalty System and no longer fall under the Court System.
Economic Development & Culture	Materially on budget	Forecast to be materially on budget.
Fire Services	Unfavourable net expenditure variance of $18.4 million is primarily due to callback overtime, training costs related to Ontario regulation 343/22, and increased WSIB claims from provincially mandated Presumptive Cancer Legislation and Occupational Stress Injuries for firefighters, which are only partially offset by a favorable revenue variance from higher-than-expected false alarm charges.	Projected year-end unfavourable net variance of $29.2 million, mainly due to callback overtime, increased training and WSIB costs, partially offset by savings in salaries and benefits and higher than anticipated revenues from false alarm charges.
Toronto Paramedic Services	Materially on budget	Projected favourable net expenditure variance of $6.4 million, or 4.6% below budget, is primarily due to lower spending on salaries and benefits, including savings from WSIB costs and legislated leaves. The Paramedic Services workforce is projected to be 96 positions below budget.
Seniors Services and Long-Term Care	Favourable net variance of $9.2 million primarily results from lower pending in salary and benefits due to hiring challenges amid global shortages of health human resources and lower spend on personal protective equipment, along with increased Direct Care funding.	Forecast to be materially on budget.

Parks & Recreation	Materially on budget	Forecast to be materially on budget.
Social Development, Finance & Administration	Materially on budget	Unfavorable net variance projection of $1.0 million mainly due to demand in the Transit Fair Pass Program due to anticipated higher ridership partially offset by higher forecasted provincial recoveries.
Toronto Employment & Social Services	Favourable net variance of $8.5 million is primarily comprised of lower issuance of Ontario Works payments and lower program delivery costs as a result of lower demand and delayed hiring respectively which is partially offset by lower-than-budgeted expenditure based provincial subsidies. The average monthly Ontario Works caseload through September was 101,216 (13,784 cases below budget). Caseload has drifted downward over the past year as the number of asylum claimant cases are decreasing which is partially offset by an increase in cases from recipients who have lived in Canada for more than 5 years.	Favourable net variance projection of $12.4 million comprised mainly of lower-than-budgeted Ontario Works payments resulting from a lower than anticipated caseload and lower program delivery costs as the hiring of front-line staff was delayed due to training and on-boarding bottlenecks, partially offset by lower-than-budgeted expenditure based provincial subsidies and lower draws from reserves. While economic uncertainty continues to complicate Ontario Works caseload projection, recent demand patterns in caseloads and applications, asylum seekers, and the typical lag between economic downturns and caseload increases, suggest that significant increases to the OW caseload are not anticipated though year-end. The average monthly caseload is projected to be 101,000 for the year (14,000 cases below budget).
Toronto Shelter and Support Services	Favourable net variance of $89.6 million year-to-date consisting of favourable gross expenditure variance of $81.5 million due to reduced refugee costs which is driven by a lower number of refugee clients in shelter system through a combination of reduced new arrivals and coordinated efforts with the Federal government, as well as savings in the temporary hotel program and in winter and respite programs. A favourable revenue variance of $8.1 million is primarily due to Federal funding for the Unsheltered Homelessness and Encampments Initiative and an increase in Federal funding for Reaching Home Enhancement.	Forecast to be on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Infrastructure Services						
Engineering & Construction Services	1.0	51%		(0.2)	24%	
Municipal Licensing & Standards	14.7	85%		13.4	44%	
Toronto Emergency Management	0.2	6%		0.3	5%	
Policy, Planning, Finance & Administration	0.1	2%		0.1	2%	
Transit Expansion	2.8	227%		4.2	155%	
Transportation Services	(6.1)	3%		0.9	0%	
Sub-Total Infrastructure Services	12.8	5%		18.8	5%	

Infrastructure Services Narrative		
	Year-To-Date	**Year-End**
Engineering & Construction Services	Net favourable variance of $1.0 million comprised of an unfavourable revenue variance of $0.1 million primarily due to lower administration fees from TTC projects; and a favourable gross expenditure variance of $1.1 million mainly due to lower spending in salaries and benefits from vacancies, offset by under-recovery from capital.	Net unfavourable variance of $0.2 million comprised of an unfavourable revenue variance of $1.2 million primarily due to lower administration fees from TTC projects; and a favourable gross expenditure variance of $1.1 million mainly due to lower spending in salaries and benefits from vacancies, offset by under-recovery from capital.
Municipal Licensing & Standards	Year-to-date net favourable variance of $14.7 million mainly due to increased revenues from private transportation companies trip fees, business and gaming licenses, registration fees, and accessibility fees, driven by increased volumes. Additional lower spending in salaries and benefits, service and rents and equipment also contributed, largely due to timing of invoices paid relative to plan.	Net favourable variance of $13.4 million mainly due to over-achieved revenues from Private Transportation Companies trips fees, business and gaming licenses due to increased volumes, registration fees; and higher Accessibility fees, as well as lower spending in salaries and benefits, partially offset by lower expenditures for service and rents.
Toronto Emergency Management	Materially on budget	Forecast to be materially on budget.
Policy, Planning, Finance & Administration	Materially on budget	Forecast to be materially on budget.
Transit Expansion	Net favourable variance of $2.8 million comprised of a favourable gross expenditure variance of $0.3 million and a favourable revenue variance of $2.5 million. The favourable expenditure variance is primarily due to lower spending in salaries and benefits due to vacancies. The favourable revenue variance is mainly due to higher-than-expected recoveries from Metrolinx.	Net favourable variance of $4.3 million comprised of a favourable gross expenditure variance of $0.8 million and a favourable revenue variance of $3.4 million. The favourable expenditure variance is primarily due to lower spending in salaries and benefits due to vacancies. The favourable revenue variance is mainly due to higher-than-expected recoveries from Metrolinx.
Transportation Services	Unfavourable net variance of $6.1 million consisting of an unfavourable expenditure variance of $9.4 million primarily driven by higher number of winter activations and activations of snow removal resulting from the severe January - February winter storm, partially offset by lower spending in salary and benefits and automated speed enforcement camera contracts. The favourable revenue variance of $3.4 million primarily due to higher-than-forecast fees and service charges primarily from utility cut permit fees.	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Development & Growth Services						
City Planning	(3.9)	97%		(1.9)	18%	
Toronto Building	5.6	374%		(0.0)	0%	
Housing Secretariat	9.5	2%		1.4	0%	
Development Review	(0.2)	2%		0.4	40%	
Sub-Total Development & Growth Services	11.1	2%		(0.1)	0%	

Development & Growth Services Narrative		
	Year-To-Date	**Year-End**
City Planning	Unfavourable net expenditure variance of $3.9 million, comprised of an unfavourable gross expenditure variance of $3.5 million and an unfavourable revenue variance of $0.4 million. The $3.5 million gross expenditure variance is mainly due to higher salaries and benefits due to better than anticipated success in recruitment efforts and lower than expected staff turnover, offset by lower than expected requirements for external legal services, technical consulting, and other expenses. The revenue variance of $0.4 million is mainly due to lower development application review user fees and lower reserve and other recoveries for projects.	Unfavourable net expenditure variance of $1.9 million, comprised of an unfavourable gross expenditure variance of $2.8 million and a favourable revenue variance of $0.9 million. The $2.8 million gross expenditure variance is mainly due to higher salaries and benefits from higher than anticipated success in recruitment efforts and lower than expected staff turnover, offset by lower than expected external legal services, technical consulting and other expenses. The revenue variance of $0.9 million is mainly due to higher development application review user fees.
Toronto Building	A favorable net expenditure variance of $5.6 million is the net of lower spending for salary and benefits related to vacancies and training, lower-than-expected service and rent spending related to Rental Renovation License Program, partially offset by underachieved revenue from lower-than-expected building permit applications due to a slowdown in large-scale construction activities, and recoveries related to Metrolinx-funded positions.	Forecast to be materially on budget.
Housing Secretariat	A favourable net variance of $9.5 million is primarily driven by lower social housing subsidy payments; lower demand for the Eviction Prevention in the Community Grant Program, and timing delays in capital repairs under Canada-Ontario Community Housing Initiative.	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Corporate Services						
Corporate Real Estate Management	6.7	7%		3.7	3%	
Customer Experience	(0.0)	0%		0.1	1%	
Environment, Climate & Forestry	(9.1)	19%		0.7	1%	
Fleet Services	1.4	5%		1.0	3%	
Technology Services	19.9	17%		2.4	2%	
Office of the Chief Information Security Officer	0.0	n/a		0.0	n/a	
Sub-Total Corporate Services	18.9	6%		7.9	2%	

Corporate Services Narrative		
	Year-To-Date	**Year-End**
Corporate Real Estate Management	A favourable net variance of $6.7 million is primarily driven by a favourable revenues variance due to a higher than expected property lease and licences revenue from Metrolinx related to the Ontario Line construction. This was partially offset by unfavorable variance in gross expenditures related to higher costs from custodial contract pricing, increased utility costs from a colder-than-normal winter and spring, and higher security and building maintenance expenses to maintain the safety and functionality of aging corporate and client facilities.	Forecast to be materially on budget.
Customer Experience	Materially on budget	Forecast to be materially on budget.
Environment, Climate & Forestry	Unfavourable net variance of $9.1 million, is primarily driven by unfavorable gross revenue variance due to under collection of year-to-date revenues, however, these are expected to catch up to the budget during the last quarter of 2025 with the anticipated increase in their corresponding expenditures, particularly salaries & benefits and contracted services. This was partly offset by favorable gross expenditure variance due to lower expenses for contracted services and salaries and benefits, primarily driven by seasonal weather conditions, resource availability and delays in filling positions.	Forecast to be materially on budget.
Fleet Services	Materially on budget	Forecast to be materially on budget.
Technology Services	Favorable net variance of $19.9 million primarily due to savings from contract negotiations and decommissioning of legacy solutions, timing differences in license payments, and additional savings from staff vacancies, partially offset by higher recovery costs from capital.	Forecast to be materially on budget.
Office of the Chief Information Security Officer	Materially on budget	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Finance and Treasury Services						
Office of the Chief Financial Officer and Treasurer	2.8	11%		4.1	11%	
Financial Operations & Control	3.4	14%		6.7	19%	
Sub-Total Finance and Treasury Services	6.1	13%		10.8	15%	

Finance and Treasury Services Narrative		
	Year-To-Date	Year-End
Office of the Chief Financial Officer and Treasurer	Materially on budget	Forecast to be materially on budget.
Financial Operations & Control	Materially on budget	Net favourable variance projection of $6.7 million is due to lower spending in salaries and benefits due to vacant operating positions.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
City Manager						
City Manager Services	1.7	3%		1.9	3%	
Sub-Total City Manager	1.7	3%		1.9	3%	

City Manager Narrative		
	Year-To-Date	**Year-End**
City Manager Services	Materially on budget	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Other City Programs						
City Clerk's Office	(1.6)	6%		(0.3)	1%	
Legal Services	3.6	11%		4.4	10%	
Mayor's Office	0.1	4%		0.1	2%	
City Council	2.2	11%		1.8	6%	
Sub-Total Other City Programs	4.2	5%		6.0	5%	

Other City Programs Narrative		
	Year-To-Date	Year-End
City Clerk's Office	An unfavourable net variance of $1.6 million due to higher information production spending primarily from higher postage and paper costs as well as higher spending in contracted services largely to support privacy impact assessments (PIAs). Revenues are lower due to underspending in Election Services for a net $0 impact.	Unfavourable net variance projection of $0.3 million mostly due to increased postage costs for information production from Canada Post rate increases effective January and higher paper costs from printing demands partially offset by lower salary and benefit costs due to hiring delays and staff turnover and higher revenues from the civil wedding program.
Legal Services	Materially on budget	Forecast to be materially on budget.
Mayor's Office	Materially on budget	Forecast to be materially on budget.
City Council	Materially on budget	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Accountability Offices						
Auditor General's Office	0.4	6%		0.2	3%	
Integrity Commissioner's Office	0.2	31%		0.1	12%	
Office of the Lobbyist Registrar	0.3	34%		0.4	28%	
Office of the Ombudsman	0.1	4%		0.1	2%	
Sub-Total Accountability Offices	1.0	10%		0.8	5%	

Accountability Offices Narrative		
	Year-To-Date	Year-End
Auditor General's Office	Materially on budget	Forecast to be materially on budget.
Integrity Commissioner's Office	Materially on budget	Forecast to be materially on budget.
Office of the Lobbyist Registrar	Materially on budget	Forecast to be materially on budget.
Office of the Ombudsman	Materially on budget	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Agencies						
Toronto Public Health	9.9	17%		16.5	18%	
Toronto Public Library	(1.4)	1%		(1.7)	1%	
Exhibition Place	4.3	345%		0.5	100%	
Heritage Toronto	0.1	36%		(0.0)	0%	
To Live	0.5	9%		(0.1)	1%	
Toronto Zoo	(1.5)	29%		(0.5)	3%	
Sankofa Square	0.0	2%		(0.0)	2%	
CreateTO	(0.0)	100%		0.0	n/a	
Toronto & Region Conservation Authority	(0.0)	0%		0.0	0%	
Toronto Transit Commission - Conventional	8.0	1%		(11.1)	1%	
Toronto Transit Commission - Wheel Trans	(2.2)	2%		(4.4)	3%	
Toronto Police Service	(9.2)	1%		(12.3)	1%	
Toronto Police Service Board	(0.1)	4%		(0.0)	0%	
Sub-Total Agencies	8.4	0%		(13.1)	0%	

Agencies Narrative		
	Year-To-Date	Year-End
Toronto Public Health	Favourable net variance of $9.9 million is primarily driven by lower spending due to a slower restart of paused initiatives, mainly within the Community Health and Wellbeing, Chronic Disease and Injury Prevention, Reproductive and Early Years, and School Health programs. Efforts to restart these programs are underway, with a focus on implementing hiring plans and reviewing contracts.	Favourable net variance projection of $16.5 million is primarily driven by lower spending due to a slower restart of previously paused initiatives, particularly within the realigned Chronic Disease and Injury Prevention unit.
Toronto Public Library	Toronto Public Library is reporting an unfavourable net variance of $1.4 million, primarily driven by higher than planned salaries and benefit expenditures associated with ongoing benefits pressures and to sustain staffing levels required to meet existing service levels and meet growing demands on services. Higher than planned user fee revenues and investment income helped to partially offset these pressures.	Toronto Public Library is projecting an unfavourable net variance of $1.7 million at year-end. This is primarily driven by higher than planned salaries and benefit expenditures, associated with continuing benefit pressures and maintaining staffing levels to meet existing service needs as well as increased service levels approved for 2025 including expanded open hours across TPL branches. Higher than planned user fee revenues and investment income help to partially offset the gross expenditure pressures.
Exhibition Place	Favourable year-to-date net variance of $4.3 million. Favourable revenue variance of $11.3 million resulted from higher user fee revenue from one-off large events and wages and benefits recoveries, partially offset by lower naming fee revenue from the conference centre. Unfavourable gross expenditure variance of $7.0 million mainly from backlog repairs and the replacement of aging equipment, higher event costs, and recoverable direct wages and benefits expenses.	Favourable net variance projection of $0.45 million. Favourable revenue variance of $5.2 million due to revenue from one-off large events, and partially offset by lower naming fee revenue from the conference centre. This is partially offset by an unfavourable gross expenditure variance of $4.8 from additional $2.5 million conference centre loan principal repayment, backlog repairs, and replacement of aging equipment and higher event direct costs associated with incremental revenue.
Heritage Toronto	Materially on budget.	Projected to be materially on budget.
To Live	Materially on budget.	TO Live is projecting an unfavourable net expenditure variance of $0.1 million at year-end. While ticket sales and space rentals exceeded expectations in the first nine months of 2025, this favourable performance is expected to be offset by an unfavourable revenue variance resulting from fewer than anticipated fall/winter show bookings.
Toronto Zoo	Unfavorable year-to-date net variance of $1.5 million. Unfavourable revenue variance of $4.5 million mainly due to attendance being 11% under budget and 7% lower than last year. Attendance continued to lag projections due to adverse weather, including severe winter storms and summer heat, humidity, and smoke advisories. Despite lower visitation, average revenue per guest of $38.69 exceeded budget by 1% and prior year by 6%, showing gradual improvement since mid-year. Favourable gross expenditure variance of $3.0 million driven by reduced spending on services, supplies, and equipment as part of Zoo-wide cost control measures in response to lower revenue.	Unfavorable net variance projection of $0.4 million from an unfavourable revenue variance of $4.0 million, partially offset by $3.6 million in expense reductions. Although softer economic conditions have impacted discretionary spending, the Zoo remains confident that its strategic initiatives and continued focus on enhancing guest experiences will support long-term growth and recovery

Sankofa Square	Materially on budget.	Projected to be materially on budget.
CreateTO	Materially on budget.	Projected to be materially on budget.
Toronto & Region Conservation Authority	Materially on budget.	Projected to be materially on budget.
Toronto Transit Commission - Conventional	Year-to-date net favourable variance of $8.0 million is driven by lower-than-anticipated gross expenditures of $65.5 million, including: delayed Light Rail Transit (LRT) Operations spending to support the planned opening of Line 5 and Line 6; lower garage and equipment costs; delayed availability of vehicle maintenance parts; delayed IT software roll-outs; and diesel cost savings following the removal of the Federal Carbon Tax on April 1, 2025. These favourable expenditure variances are partially offset by an unfavourable revenue variance of $57.5 million, primarily due to lower passenger revenue from lower-than-anticipated ridership growth, reduced Provincial Funding related to delayed Line 5 and Line 6 expenditures eligible under the New Deal Agreement, and timing of third-party cost recoveries.	TTC Conventional Service projects a favourable gross expenditure variance of $119.4 million, primarily due to deferred expenditures for Light Rail Transit (LRT) Operations to support the planned opening of Line 5 and Line 6; delayed timing of planned expenditures for implementation of IT software projects, materials and services; lower employee benefits costs due to less WSIB claims than expected; and diesel cost savings following the removal of the Federal Carbon Tax effective April 1, 2025. Additionally, an unfavourable revenue variance of $130.5 million is anticipated, driven by lower passenger revenue due to continued trend of lower-than-expected ridership growth; reduced Provincial Funding resulting from delayed timing of expenditures for Line 5 and Line 6 eligible for reimbursement under the New Deal Agreement; lower ancillary revenue related to timing of third-party cost recoveries; and lower-than-expected TTC Stabilization Reserve draws due to delayed one-time variation costs for Line 5 and Line 6 to be funded from the Reserve. Overall, these factors result in a projected net unfavourable variance of $11.1 million at year-end.
Toronto Transit Commission - Wheel Trans	Overall, a net unfavourable variance to budget of $2.2 million is mainly due to higher contracted taxi costs and bus service costs driven by higher ridership demand, partially offset by lower fuel pricing and employee benefits costs.	Overall, a net unfavourable variance to budget of $4.4 million is expected at year-end. The key driver of this unfavourable variance is the continuation of higher-than-anticipated ridership levels, thereby requiring additional bus and contracted taxi services to accommodate the projected ridership demand to year-end.
Toronto Police Service	Unfavourable net variance of $9.2 million as of September 30, 2025. Gross expenditures were $20.0 million unfavourable mainly due to higher-than-budgeted premium pay spending to respond to major events and public safety initiatives, as well as expenditures related to provincial grants, which have been offset by revenue. The favourable revenue variance of $10.8 million is mainly due to the timing of recoveries.	Projected year-end net unfavourable variance of $12.3 million is primarily due to the continued reliance on off duty resources and call-back pay in order to provide the surge capacity to respond to major events and public safety initiatives. The Service is pursuing mitigating strategies through expenditure reductions and revenue opportunities, including effective use of on-duty staff and controls on overtime and call-backs.
Toronto Police Service Board	Materially on budget.	Projected to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Capital & Corporate Financing						
Capital from Current	0.8	0%		1.0	1%	
Technology Sustainment	0.0	0%		0.0	0%	
Debt Charges	(27.4)	6%		(4.2)	1%	
Sub-Total Capital & Corporate Financing	(26.7)	4%		(3.2)	0%	

Capital & Corporate Financing Narrative		
	Year-To-Date	**Year-End**
Capital from Current	Materially on budget	Unfavourable variance of $1.0 million is projected due to the decision to stop contributions to the child care capital cost reserve fund. Analysis of the reserve fund has determined it can sustain future obligations without the planned contribution.
Technology Sustainment	Materially on budget	Forecast to be materially on budget.
Debt Charges	Unfavourable variance of $27.4 million is mainly attributable to $6.8 million expenditure unfavourability from the timing and size of actual debt issued. Due to receptive market conditions, a total of $1.0 billion of debt was issued in the first nine months of the year resulting in earlier and larger sinking fund contributions than planned. As well, higher interest and commission costs were paid due to interest rates remaining higher than forecast. $20.6 million revenue unfavourability due to the timing of recoveries for related recoverable debt issuances.	Unfavourable variance of $4.2 million is projected due to:1) $2.3 million higher interest rates and commission costs paid compared to forecast.2) $3.1 million reflects earlier Sinking Fund contributions made, which will reduce future contributions in the following year. Offset by $1.2 million lower than expected interest costs.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Non Program Expenditures						
Tax Deficiencies / Write Offs	(4.6)	24%		(7.0)	28%	
Tax Increment Equivalent Grants (TIEG)	12.9	39%		17.2	39%	
Assessment Function (MPAC)	(0.0)	0%		0.0	0%	
Funding of Employee Related Liabilities	0.0	0%		0.0	0%	
Programs Funded from Reserve Funds	(0.1)	100%		(0.0)	100%	
Other Corporate Expenditures	12.3	131%		(20.4)	60%	
Insurance Contributions	0.0	0%		0.0	0%	
Tax Increment Funding (TIF)	0.0	n/a		0.0	0%	
Parking Tag Enforcement & Operations Exp	6.6	14%		3.3	5%	
Heritage Property Taxes Rebate	0.3	30%		0.4	30%	
Solid Waste Management Services Rebate	1.6	3%		0.0	0%	
Sub-Total Non Program Expenditures	29.1	9%		(6.4)	2%	

Non Program Expenditures Narrative		
	Year-To-Date	**Year-End**
Tax Deficiencies / Write Offs	Unfavourable net expenditure variance of $4.6 million is mainly due to higher than planned tax write-offs for the period.	Unfavourable net expenditure of $7.0 million is primarily due to MPAC's re-assessment of several properties which triggered write-offs in Tax Deficiencies but increased related Supplementary/Omitted levies issued for those completed properties.
Tax Increment Equivalent Grants (TIEG)	Favourable net expenditure variance of $12.9 million was realized reflecting timing differences and updates to eligible grants	Favourable net expenditure variance of $17.2 million is projected as current trend is expected to continue.
Assessment Function (MPAC)	Materially on budget	Forecast to be materially on budget.
Funding of Employee Related Liabilities	Materially on budget	Forecast to be materially on budget.
Programs Funded from Reserve Funds	Unfavourable net expenditure variance of $0.1 million is due to timing of reserve draws expected to reverse by year end.	Forecast to be materially on budget.
Other Corporate Expenditures	Favourable net expenditure variance of $12.3 million is mainly attributable to:1) $3.2 million unfavourability from reversal of Section 37 accruals and 2) $8.1 million unfavourability due to timing of the Elections Reserve Fund contribution expected to reverse by year-end.	Year-end unfavourable variance is mainly due to released divisional provisions set up to offset expenditures and expected savings in City programs.
Insurance Contributions	Materially on budget	Forecast to be materially on budget.
Tax Increment Funding (TIF)	Materially on budget	Forecast to be materially on budget.
Parking Tag Enforcement & Operations Exp	Favourable expenditure variance of $6.6 million is driven by lower staffing levels than planned, partially offset by higher payments made to the Province for vehicle owner information searches for the first nine months of the year. A class of 40 Parking Enforcement Officers (PEO) was onboarded in July, and additional classes are scheduled for October and November to address the staffing shortfall.	Forecast to be materially on budget.

Heritage Property Taxes Rebate	Favourable net expenditure variance of $0.3 million was driven by lower than expected rebate applications from designated properties.	Favourable net expenditure variance of $0.4 million is projected as current trend is expected to continue.
Solid Waste Management Services Rebate	Materially on budget	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date Net Variance $	Year-To-Date Net Variance %	Year-To-Date Status	Year-End Net Variance $	Year-End Net Variance %	Year-End Status
Non Program Revenues						
Payments in Lieu of Taxes	4.4	4%		4.4	4%	
Supplementary Taxes	21.5	72%		23.5	45%	
Tax Penalty Revenue	11.3	30%		13.8	28%	
Municipal Land Transfer Tax	(163.8)	23%		0.0	0%	
Municipal Accommodation Tax (MAT)	5.7	9%		5.8	7%	
Third Party Sign Tax	0.0	0%		0.0	0%	
Interest/Investment Earnings	68.4	62%		69.5	49%	
Dividend Income	0.0	0%		0.0	0%	
Other Corporate Revenues	(66.2)	57%		(56.3)	10%	
Provincial Revenue	(68.7)	100%		0.0	0%	
Parking Authority Revenues	0.0	0%		0.0	0%	
Admin Support Recoveries - Water	0.0	0%		0.0	0%	
Admin Support Recoveries - Health & EMS	0.0	0%		0.0	0%	
Parking Tag Enforcement & Operations Rev	(8.2)	8%		0.0	0%	
Other Tax Revenues	0.0	0%		0.0	0%	
Casino Woodbine Revenues	(0.5)	4%		(1.5)	5%	
Vacant Home Tax	0.0	n/a		0.0	n/a	
Sub-Total Non Program Revenues	(195.9)	14%		59.2	3%	

Non Program Revenues Narrative	Year-To-Date	Year-End
Payments in Lieu of Taxes	Materially on budget	Forecast to be materially on budget.
Supplementary Taxes	Favourable net revenue variance of $21.5 million was due to the Supplementary and/or Omitted roll received from MPAC being higher than anticipated.	Favourable net revenue variance of $23.5 million is projected based on current levies received to date.
Tax Penalty Revenue	Favourable net revenue variance of $11.3 million is mainly due to greater tax interest/penalties earned.	Favourable net revenue variance of $13.8 million is projected based on current trend.
Municipal Land Transfer Tax	Unfavourable net revenue variance of $163.8 million is mainly due to lower than expected sales activities for the period. Includes year-to-date contribution to Capital Financing Reserve Fund of $11.25 million.	Forecast to be materially on budget.
Municipal Accommodation Tax (MAT)	Favourable net revenue variance of $5.7 million is primarily attributable to higher than anticipated hotel tax and short-term rentals compared to historical trend. As well, payment to Destination Toronto; for the first nine months of the year was lower than budget, expected to reverse by year-end.	Favourable net revenue variance of $5.8 million is projected based on current trend.
Third Party Sign Tax	Materially on budget.	Projected to be on budget.
Interest/Investment Earnings	Favourable net revenue variance of $68.4 million is driven by:1) Favourable short-term investment earnings of $58.5 million due to higher short-term interest rates than forecasted; 2) Strong performance from the Toronto Investment Board (TIB) long-term fund slightly exceeded the expected average return of 2.9% by approximately $14.0 million.3) Partially offset by interest contribution to reserve funds is $6.8 million higher than plan.	Favourable net revenue variance of $69.5 million is projected based on current trend.

Dividend Income	Materially on budget.	Projected to be on budget.
Other Corporate Revenues	Unfavourable year-to-date variance of $66.2 million due to lower Automated Speed Enforcement revenues from lower-than-planned collections and postal disruptions.	Unfavourable $56.3 million related to Automated Speed Camera revenue below budget resulting from the termination of the Automated Speed Enforcement (ASE) program on November 14, 2025, following the passage of the Provincial Building a More Competitive Economy Act, 2025 (Bill 56), as well as challenges issuing tickets during the Canada Post labour disruptions.
Provincial Revenue	Unfavourable variance of $68.7 million is due to the timing of the Provincial Gas Tax, $45.8 million not being allocated to the City yet for 2025 and $22.9 million of revenues should have been calendarized at year-end.	Projected to be on budget.
Parking Authority Revenues	Materially on budget.	Projected to be on budget.
Admin Support Recoveries - Water	Materially on budget.	Projected to be on budget.
Admin Support Recoveries - Health & EMS	Materially on budget.	Projected to be on budget.
Parking Tag Enforcement & Operations Rev	Unfavourable revenue variance of $8.2 million is mainly due to lower-than-anticipated collections from late fees and penalty charges. This shortfall is partially due to the seasonal nature of ticket issuance, with January through June typically representing a lower-activity period. Total tickets issued year-to-date: 1,334,173 vs 1,541,484 planned	Projected to be on budget.
Other Tax Revenues	Materially on budget.	Projected to be on budget.
Casino Woodbine Revenues	Materially on budget.	Projected to be on budget.
Vacant Home Tax	Materially on budget.	Projected to be on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Non Program Agencies						
Association of Community Centres	0.4	4%		0.1	1%	
Arena Boards of Management	0.4	76%		0.0	2%	
Sub-Total Non Program Agencies	0.9	8%		0.1	1%	

Non Program Agencies Narrative		
	Year-To-Date	Year-End
Association of Community Centres	Materially on budget	Forecast to be materially on budget.
Arena Boards of Management	Materially on budget	Forecast to be materially on budget.

Appendix E - Operating Variance Dashboard for City Programs and Agencies

City Program/Agency	Year-To-Date			Year-End		
	Net Variance		Status	Net Variance		Status
	$	%		$	%	
Rate Programs						
Solid Waste Management Services	11.5	185%		5.7	100%	
Toronto Parking Authority	(0.3)	1%		(0.0)	0%	
Toronto Water	46.1	317%		43.1	100%	
Sub-Total Rate Programs	57.2	106%		48.8	116%	

Rate Programs Narrative		
	Year-To-Date	**Year-End**
Solid Waste Management Services	The favorable net variance is $11.5 million. Favorable gross expenditure of $9.2 million is primarily driven by lower expenses for services and rents including: lower collection cost, lower processing, haulage and storage costs of organics, recyclables, durable goods and glass due to reduced tonnage and underspending in haulage and disposal at Green Lane Landfill and alternate landfills due to lower tonnage and fuel surcharge. Favorable revenue variance of $2.3 million is primarily driven by higher collection revenue due to timing of customer billing frequency partially offset by lower than anticipated volumes from various sources including Green Lane landfill, and hazardous household waste provincial grant.	Favorable net expenditure variance of $5.7 million projected. Favorable gross expenditure of $6.2 million is primarily driven by savings in hydro due to lower rates and lower spending in services and rents, including: lower collection costs of organics, recyclables, durable goods and yard waste due to reduced tonnage. Lower processing, haulage and storage costs of organics, recyclables, durable goods and glass due to reduced tonnage and underspending in haulage and disposal at Green Lane Landfill and alternate landfills due to lower tonnage and fuel surcharge. The favourable variance is offset by higher salaries and benefits due to filling of positions and interdivisional charges mainly from higher fleet maintenance costs. Unfavorable revenue variance of $0.5 million is primarily driven by decreased tipping tonnage at transfer stations and lower collection revenue due to lower multi-residential customer count. The resultant overall projected net surplus at year-end of $5.7 million would increase the amount to be contributed to the Waste Management Reserve Fund from a revised budgeted $10.7 million to $16.4 million as of September 30, 2025.
Toronto Parking Authority	Unfavourable net variance of $33.4 million mainly driven by $6.9 million in lower gross expenditures due to lower depreciation resulting from staggered capital delivery, underspending in salaries and benefits from lower than planned vacancies, lower than planned municipal taxes, lower management fees of managed lots, offset by $7.3 million in lower revenues primarily due to a transfer of 3 car parks to the City, lower parking transactions and lower investment income resulting from lower interest rate.	Forecast to be materially on budget.
Toronto Water	Favourable net variance year-to-date of $46.1 million is due to higher than planned revenue from the sale of water and from watermain connection fees and industrial waste agreements.	Projected year-end net variance of $43.1 million reflects similar drivers seen year-to-date, including higher-than-planned water consumption, prior year consumptions adjustments billed in 2025, and higher than planned revenue from new connections. Expenses are projected to be favourable due to lower expenditures for chemicals, contract services, equipment, and materials and supplies, mainly driven by contingencies built into contracts, which is slightly offset by higher utility costs than planned. Year-end results can vary significantly due to the uncertainty of sale of water and consumption levels arising from fluctuations in weather and increased risk of predictability of year-end sale of water due to the ongoing Meter Transmission Units (MTU) failures until full replacement of MTU is substantially completed.