

OPERATING BUDGET QUARTERLY REPORT ENDING JUNE 30, 2011

Recommendation

The Commissioner of Finance/City Treasurer and the Director of Budgeting and Financial Planning recommends:

That the 2011 Second Quarter Variance Report be received for information purposes.

Economic Impact

Not applicable

Communication Plan

Not applicable

Purpose

To report on the year-to-date actual 2011 Operating Budget results versus the calendarized 2011 Operating Budget, as at June 30, 2011.

Background – Analysis and Options

The attached second quarter variance report compares the current status of actual departmental and corporate operating results for the three-month period ending June 30, 2011, relative to the 2011 year-to-date operating budget. The year-to-date operating budget is calendarized based on available current year information, historical spending patterns and trends and future projections. The intent and focus of this report is to monitor and communicate actual performance to the annual plan and highlight trends and variances beyond specified thresholds.

Second quarter Overview – Ahead of Budget

The annual Operating Budget for the City is \$216.5m, of which 51.9% remains to be realized. At the end of the second quarter, the City experienced a \$2.8m net favourable variance on the City's 2011 second quarter net operating budget. This favourable variance is comprised of a \$1.3m favourable expenditure variance and a \$1.5m favourable revenue variance. A detailed report is attached, which provides specific variance detail by department and corporate categories.

It is important to note, the combined favourable variance is not directly indicative of the City's final year-end position; it simply compares the City's actual financial position to the approved budget at a point in time. At this stage in the process it is too early to determine if this favourable position can be sustained as a number of events such as a shifting of trends, timing differences, or unforeseen events in the latter part of the year could potentially erode the current position.

The main areas that contributed to the positive \$1.5m revenue variance are summarized below.

City Revenue Variance

Actual revenues were \$151.7m as of June 30, 2011, and represent a \$1.5m favourable variance when compared to the year-to-date expenditure budget of \$150.2m. This variance stems from the following items:

There was a favourable variance of \$0.7m in Reserves and Other Transfers. The largest contributor was a \$1.4m variance of the transfer from insurance reserve to cover the expenditure which was caused by unanticipated industry increases observed in most municipalities. The favourable variance was offset by lower than anticipated contributions from several reserves such as Building Standards, Water and Wastewater recovery, Fleet etc.

Also, there was a favourable variance of \$700k in corporate revenues attributable to higher than expected investment income of \$399k and Provincial Offences Act (POA) revenue of \$444k. This favourable variance was offset by lower than expected property tax fines and penalties of \$143k. This trend is expected to continue and will be reflected in the 2012 Budget submission.

The remainder of the favourable variance were minor variances in payment in lieu and user fees and charges.

City Expenditure Variance Overview

Actual total expenditures were \$104.0m as of June 30, 2011, and represent a \$1.3m favourable variance to the year-to-date expenditure budget of \$105.3m. This is consistent with the \$1.5m favourable variance reported in the first quarter. The second quarter expenditure variance stems from the following items:

- The largest component driving the City's favourable expenditure was a favourable position in total department expenses, approximately \$3.6m. Variances can be found throughout most departments and is largely due to temporary vacancies in existing positions and new positions not being filled as a result of a later than usual budget approval.
 - The majority of the above noted department variance was mostly attributed to savings in salaries and benefits, approximately \$2.8m. This variance was anticipated and planned for corporately, but actual performance was slightly greater (\$0.6m) than the \$2.2m planned offset for second quarter due to the continuation of a number of past year's vacancies.
 - Another \$2.2m favourable variance was related to spending timing differences. A \$1m favourable variance was in contracts in the Public Works and Parks Operations departments and the remainder was in several accounts.
 - The above variance was largely offset by \$1.4m higher than anticipated insurance premium expenditure due to overall increases in cost of insured liability claims experienced by Ontario municipalities.
- As indicated above, labour savings experienced within departments is planned for corporately. Actual performance was slightly greater (\$0.6m) than the \$2.2m anticipated labour savings due to the continuation of a number of vacancies.
- Netting the above department variance with the anticipated labour savings yields a \$1.4m expenditure variance. The net remaining \$100k favourable variance resides OMB hearing professional fees due to OMB hearing timing.

Further explanations on specific variances are provided within this report.

Variance Summary:

For quick reference purposes, a summary of the variances by major category is provided below followed by explanations for major variances.

**City of Vaughan
2011 OPERATING BUDGET
SECOND QUARTER VARIANCE REPORT**

<u>Revenues</u>	Variance in \$mil (rounded)
Payment in Lieu	0.1
<i>Reserves and Other Transfers</i>	
Insurance Reserve	1.4
Water/Wastewater Recovery	(0.2)
Bldg Stds Continuity Reserve	(0.3)
Other	<u>(0.2)</u> 0.7
<i>Fees & Service Charges</i>	
Development Planning	0.4
Building Standards	(0.2)
Recreation	(0.2)
Other	<u>0.1</u> 0.1
Corporate Revenue	
Provincial Offenses Act	0.4
Investment Income	0.4
Fines and Penalties	<u>(0.1)</u> 0.7
Total Revenues	1.5
<u>Expenditures</u>	
<i>Departmental Expenses</i>	
Public Works Operations	0.7
Building Standards	0.5
Vaughan Public Libraries	0.5
Engineering Services	0.4
Fire And Rescue Services	0.3
Enforcement Services	0.3
Development & Trans. Engineering	0.2
Information & Technology Management	0.2
Development Planning	0.2
City Clerk - Insurance	(1.4)
Other-(various departments)	<u>1.7</u> 3.6
<i>Corporate Expenditures</i>	
Anticipated Labour Savings	(2.2)
Tax Adjustments	(0.2)
Major OMB Hearings	<u>0.1</u> (2.3)
Contingency	<u>0.0</u>
Total Expenditures	<u>1.3</u>
First Quarter Revenues Net of Expenditures	\$ 2.8

Specific Variance Explanations:

Listed below are explanations for significant revenue and expenditure variances. As per prior practice, department explanations are required for all unfavourable variances and any favourable variances in excess of \$100,000. Explanations for corporate revenue and expenditure variances are also included, following the major department variance explanations.

City Manager

Fire and Rescue Services

Revenue variance - \$104,725 or 38.6% favourable

This variance was attributed to increased call-outs for chargeable services and a slight increase in the retail component of the Mechanical Division.

Expenditure variance - \$326,919 or 1.8% favourable

Similar to the first quarter, the favourable variance was largely a result of total labour savings. The favourable variance was comprised of full time savings of \$359k for temporary vacancies maternity leave, modified work and long term disability offset by increased overtime and benefit spending. The remainder of the favourable variance was due to payment timing differences for expenses related to radio operations, protective clothing and other accounts.

Commissioner of Finance and City Treasurer

City Financial Services

Expenditure variance - \$140,986 or 10.0% favourable

This variance was a result of a vacancy remaining within the department and combined savings of \$13k in other accounts.

Commissioner of Legal and Administrative Services

Clerks - Administration

Expenditure variance - \$118,752 or 6.1% favourable

This variance was a result of salary savings of \$72k due to temporary vacancies. In addition, an \$81k favourable variance was found in the mailroom/print shop area and related to payment timing differences for equipment leases, block purchases and supplies. This was partially offset by an unfavourable variance in records management.

Clerks - Licensing

Revenue variance - \$103,876 or 25.0% favourable

This variance was a result of growth in businesses registering for licenses for tow truck operators, massage parlors, taxi licenses, eating establishments etc.

Expenditure variance - \$4,351 or 1.5% unfavourable

This unfavourable variance was attributable to a \$24k error that will be corrected by the third quarter. The unfavourable variance was mostly offset by savings of \$12k in labour costs due to temporary vacancies and other accounts.

Clerks - Insurance

Expenditure variance - \$1,429,762 or 51.0% unfavourable

The unfavourable variance was a result of higher than expected insurance premium which expires April 30, 2012. As per a Clerk's department memorandum presented to Council on April 5th, other municipalities have experienced a rise in litigious cases which has affected insurance premiums. The above expenses are fully counter balanced by a transfer from the insurance reserve, which is directly funded by departments. This is done to allocate insurance costs to departments.

Committee of Adjustment

Revenue variance - \$4,445 or 2.0% unfavourable

This variance was a result of lower than anticipated applications. However, it is not expected to meet budget by the end of the year as the volume of applications have been lower than last year.

Legal Services

Revenue variance - \$12,285 or 31.3% unfavourable

As the first quarter trend continues, the variance was a result of lower than anticipated land and title registration fees. The revenue shortfall is expected to meet budget forecast by the end of the year.

Enforcement Services

Revenue variance - \$129,811 or 14.2% unfavourable

Similar to the first quarter, the unfavourable revenue variance of \$175k was mostly in fines, largely due to a temporarily reduced workforce created by staff vacancies. It is anticipated that most of the revenue generating positions will be backfilled by fourth quarter. It is unknown whether the revenue will recover to budgeted levels. The remainder of the variance was caused by a shortfall in sign impound fees which is expected to continue to the end of the year.

Expenditure variance - \$324,830 or 14.0% favourable

Similar to the first quarter, the favourable variance was a result of salary savings of \$513k mainly attributable to temporary vacancies in By-law Enforcement Services caused by attrition and in Animal Services which was not functional at the beginning of the year. This favourable variance was offset by an unfavourable variance of \$231k in the service contracts account for animal services provider, Kennel Inn, which was extended to April 30, 2011. The contract was extended due to the construction delay of the animal shelter caused by the delay in vacating the premises by City departments that were moving to the new City Hall. The remainder of the variance was in other accounts such as machine time, bank charges, rental lease vehicles, cellular line charges etc.

Human Resources

Expenditure variance - \$41,417 or 2.5% unfavourable

This variance was a result of \$81k higher than anticipated costs for legal fees related to a number of large cases. The unfavourable variance was partially offset by savings in labour accounts for temporary vacancies and other minor variances in other accounts.

Commissioner of Community Services

Recreation

Revenue variance - \$240,521 or 3.0% unfavourable

Recreation Program Revenue

There was an unfavourable variance of \$513k in program revenues although at this time last year they were higher by \$490k. The same as the first quarter, program revenues continue to be challenged by economic pressures resulting in competition for consumer discretionary spending. Changes in buying patterns are evident (for example, many patrons who have historically registered for swimming four times a year are now registering once or twice a year, patrons are opting for shorter fitness membership terms rather than committing to one year memberships). Patron per capita spending is a key driver of our revenues and changes to buying patterns has negatively affected revenues and cost recovery. Furthermore, non-transit expenditures were favourable by \$70k which was mostly in hockey subsidy processing timing difference and other minor variance in various other accounts. It is expected that this budget trend will continue into the third and fourth quarters and the next few years, adversely affecting pre-established cost recovery targets. This is coupled with the negative impact of full day kindergarten and HST. In addition, there was a combined \$48k unfavourable variance in vending machines and rents and concessions.

York Region Transit Revenue

Similar to first quarter, the unfavourable recreation program revenue variance was offset with higher than expected York Region Transit ticket sales, approximately \$320k. Typically, there is a corresponding unfavourable variance in ticket purchases. However, there was only a \$54k unfavourable in the second quarter due to payment timing differences. It's anticipated that expense variances will closely match revenue variances in later quarters.

Parks Operations

Expenditure variance - \$122,313 or 2.3% favourable

Different from the first quarter \$10k unfavourable variance, the second quarter had a favourable expenditure variance. The net favourable variance in labour accounts continued in the second quarter. The second quarter variance was \$147k in the labour accounts, a \$48k increase from the first quarter, and consists of full time vacancies being offset by temporary part time staff replacements and overspending in overtime due to higher than anticipated sidewalk ploughing for the winter season in the early part of the year. There was \$30k net favourable variance in charges from other departments and internal cost recovery accounts. There were also under spending of \$294k in the contractor account and \$82k in hydro due to processing timing differences.

Similar to the first quarter, the favourable variances were offset by \$436k in machine time (\$282k in first quarter) due to processing timing issues for higher than anticipated use of sidewalk ploughs during the winter season.

The remainder of the variance consisted of minor variances in materials, small tools, and other accounts.

Parks Development

Expenditure variance - \$102,144 or 18.2% favourable

Similar to the first quarter, the favourable variance was largely a result of a temporary vacancy. The remainder of the favourable variance was savings in various other minor accounts.

Commissioner of Planning

Development Planning

Revenue variance - \$377,521 or 37.4% favourable

The favourable revenue variance increased by \$340k over the first quarter. This was due to increased revenue associated with Zoning B-law, Official Plan Amendment, and Site Plan applications processed during this quarter.

Expenditure variance - \$155,066 or 11.7% favourable

Similar to the first quarter, the favourable expenditure variance was related to labour and benefit savings of \$145k, a \$36k increase from first quarter, due to three vacant positions which two filled this quarter. The balance consists of multiple related accounts such as office equipment and furniture, computer supplies and printing etc.

Building Standards

Revenue variance - \$221,304 or 5.8% unfavourable

The trend continues from the first quarter as building permits volumes and revenues received during the first half of the year are \$212k lower than expected, a \$187k increase from first quarter. Building Permit revenues are hard to predict with any great degree of accuracy and this negative variance may or may not continue to the end of the year.

Expenditure variance - \$493,909 or 15.6% favourable

Similar to the first quarter, the vast majority of the positive expenditure variance was the result of salary savings of \$302k (\$218k in first quarter) caused by four vacant full-time positions, two will be filled in the third quarter and the other two are new complements approved in April. This savings will continue to year end. There was also savings of \$103k in overtime due to timing differences. The training and development and membership accounts combined favourable variance was \$34k of which are attributable to the vacancies and timing differences. The remainder of the variance is a combined savings in copier leases, office equipment, computer hardware etc.

Commissioner of Economic and Technology Development and Corporate Communications

Commissioner of Economic and Technology Development and Corporate Communications

Expenditures variance - \$141,255 or 97.4% favourable

The favourable variance was a result of the position being vacant.

Economic and Business Development

Revenue variance - \$800 or 47.1% unfavourable

The unfavourable revenue variance was the result of lower than anticipated Business Directory sales.

Information and Technology Management

Expenditure variance - \$198,683 or 5.9% favourable

The favourable variance was attributable to savings of \$151k in staffing vacancies and late approval of budget that included added staff complement. Payment timing issues created a \$123k favourable variance in service contracts and an \$86k unfavourable variance in communications accounts. The remaining balances consisted of multiple smaller account variances such as computer software, professional fees and various other accounts.

Commissioner of Engineering and Public Works

Development and Transportation Engineering

Revenue variance - \$79,288 or 40.7% unfavourable

Similar to the first quarter trend, the unfavourable variance is on account of two vacant positions (TTC Coordinator and TTC Project Manager contract positions) funded from external agencies. This unfavourable revenue variance was offset by associated favourable expenses. These positions were not filled due to a reallocation of internal staff resources and a secondment provided by the TTC. The remainder of the variance was a result of lower than anticipated infill lot grading permits due to market trends.

Expenditure variance - \$246,137 or 12.7% favourable

The favourable variance continued in the second quarter which was primarily a result of \$231k of labour savings (\$151k in first quarter) attributable to the two TTC Subway Extension Project contract positions and the reversal of a 2010 accrual. The full time position is currently in the job evaluation process and it is anticipated that the position will be filled by the end of the fourth quarter. The remainder of the variance was in other minor accounts.

Engineering Services

Revenue variance - \$5,454 or 6.5% unfavourable

The slight unfavourable variance was due to an invoicing delay that will be rectified in third quarter.

Expenditure variance - \$390,640 or 21.4% favourable

The favourable variance, similar to the first quarter, was mainly attributable to salaries and benefits savings of \$243k (\$139k in the first quarter) caused by a 2010 payroll accrual and vacancies which are expected to be filled in the third quarter. In addition, there was a similar savings of \$90K in contract maintenance costs due to the delay in the commissioning the Applewood extension. This trend will continue until the Applewood extension is commissioned to the City. The remainder of the variance was in various other accounts.

Public Works

Revenue variance - \$4,563 or 4.2% unfavourable

The unfavourable revenue was a slight timing difference in revenue from recoverable expenses which is completely offset in expenditures.

Expenditure variance - \$715,433 or 4.7% favourable

There were favourable variances in the Administration, Waste, Winter and Roads divisions.

Administration

There was a favourable variance of \$153k largely a result of temporary vacancies which are expected to be filled in the fall.

Waste

There was a favourable variance of \$408k in contractor and contractor materials account for waste collection which was over estimated in growth and unit counts were updated by Powerstream. This favourable variance will continue in 2011, however, the growth projection was corrected for the 2012 Operating Budget process.

Winter & Roads

There was a combined favourable variance of \$154k in Winter and Roads division. The largest contributor was a favourable variance of \$291k in the contractor account attributable to the delay of platform and streetlight maintenance repairs due to a wet spring. In addition, there was \$104k savings in salaries and benefits from temporary vacancies. The favourable variance was offset by a combined \$265k of overspending in machine time materials and supplies related road sweeping activities. The remainder of the variance was in various minor accounts such as internal recoverable, hydro, rental lease equipment etc.

Vaughan Public Libraries

Expenditure variance - \$458,830 or 7.6% favourable

The majority of the favourable variance was in labour accounts (\$345k) which was the result of temporary vacancies, wage differentials and a 2010 accrual reversal. There was a combined favourable variance in resource and periodical purchases of \$50k caused by timing differences; however, this has been offset by higher material processing expenditures of \$48k due to accelerated bulk purchases. The remainder of the favourable spending variance of \$139k was in various minor accounts that were attributable to billing delays experienced from the City, reduced security provider contract costs, lower utility expenditures and leased machine costs. To offset the favourable variance, there was sooner than anticipate computer hardware costs (\$27k) which was a timing issue with total spending expected to be in line with budget by year-end.

The above variance is a continuation of the \$305k variance reporting in the first quarter. Variances in staffing improved, but account timing differences increased.

Corporate Revenues

Reserves & Other Transfers

Revenue variance - \$674,833 or 7.9% favourable

Actual transfers from reserves and other funds were \$675k more than anticipated. There was a \$1.4m variance for a larger than anticipated insurance reserve withdrawal as the City's insurance policy for a one year term policy. The variance was offset by under spending in several planned reserve withdrawals. Most notably:

- \$260k in Building Standards, as a result of related favourable departmental variances
- \$249 in Water and Wastewater Recovery due to processing timing issues
- The remaining \$204k variance was from multiple reserve withdrawal variances and largely related to favourable department positions and timing differences and there for requiring less reserve funding.

General Corporate Revenues

Revenue variance - \$696,699 or 10.0% favourable

The favourable variance was a result of \$444k of unexpected revenue from Provincial Offences Act related to 2010 and \$399k of higher than anticipated investment income. The variance in investment income is largely due to a capital gain. The above favourable variance was partially offset by \$143k less than anticipated revenue in tax fines and penalties, which is a trend that is expected to continue, and will be adjusted in the 2012 Operating Budget submission. The remainder of the variance was in other minor accounts.

Corporate Expenditures

Corporate and Election Expenditures

Expenditure variance - \$1,623,036 or 33.8% unfavourable

This variance is similar in content to that which was reported in the first quarter. The majority of the unfavourable variance consists of the following four explanations:

1. A \$2.2m unfavourable variance was experienced in salary gapping and was anticipated since salary savings are budgeted corporately, but realized within individual departments. This variance will continue to increase throughout the year and naturally offset the actual salary savings performance realized within departments, which was \$2.8m for the second quarter.
2. A \$209k unfavourable variance in tax adjustments due to increasing volume of Elderly Homeowner Grants and a large adjustment due to a recent decision by the Assessment Review Board.
3. A \$116k favourable variance in OMB hearings for professional fees as matters related to the Official Plan were slightly delayed.
4. The remainder of the variance was related to a combination of minor variances in the election costs and by election costs, joint service charges, etc.

Contingency

Expenditure variance - \$8,991 or 56.2% unfavourable

The slight unfavourable variance relates to minor corporate legal fees.

Relationship to Vaughan Vision 2020 / Strategic Plan

The report is consistent with the priorities set by Council and the necessary resources have been allocated and approved.

Regional Implications

None

Conclusion

Based on the 2011 quarter ending June 30, 2011 there was a favourable variance of \$2.8m. It is early in the year, but if trends continue and barring any unforeseen events, it's likely that our year-end position will be favourable. Over the past few years, the operating budget has relied on a prior year's surplus of \$2.5m to assist in balancing the budget. At this point in time, indicators suggest that 2011 will not be different than previous years.

Attachments

Attachment 1: Second Quarter Variance Report

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Respectfully submitted,

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CITY OF VAUGHAN
2011 OPERATING BUDGET

SECOND QUARTER
VARIANCE REPORT

AS AT
JUNE 30, 2011

**CITY OF VAUGHAN
2011 OPERATING BUDGET
SECOND QUARTER VARIANCE REPORT
JUNE 30, 2011**

REVENUE / EXPENDITURE SUMMARY

	2011 ANNUAL BUDGET	2011 YTD		VARIANCE		2011 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$	%	\$	%
REVENUES:							
TAXATION	137,233,489	117,243,852	117,243,852	(0)	0.0%	19,989,637	14.6%
SUPPLEMENTAL TAXATION	3,050,000	8,245	13,326	5,081	61.6%	3,036,674	99.6%
GRANT / PAYMENT IN LIEU	2,945,240	701,820	793,855	92,035	13.1%	2,151,385	73.0%
RESERVES AND OTHER TRANSFERS	18,949,064	8,502,225	9,177,058	674,833	7.9%	9,772,006	51.6%
FEES AND SERVICE CHARGES	34,553,871	15,508,184	15,572,504	64,320	0.4%	18,981,367	54.9%
CORPORATE	17,314,759	6,965,178	7,661,877	696,699	10.0%	9,652,882	55.7%
PRIOR YEAR'S SURPLUS CARRYFORWARD	2,500,000	1,250,000	1,250,000	0	0.0%	1,250,000	50.0%
TOTAL REVENUES	216,546,423	150,179,504	151,712,471	1,532,967	1.0%	64,833,952	29.9%
EXPENDITURES:							
DEPARTMENTAL	191,420,403	94,555,376	90,975,308	3,580,068	3.8%	100,445,095	52.5%
CORPORATE EXPENDITURES	4,690,637	4,090,643	6,425,389	(2,334,746)	-57.1%	(1,734,752)	-37.0%
LONG TERM DEBT	12,087,862	20,296	0	20,296	100.0%	12,087,862	100.0%
CONTINGENCY	1,717,999	16,000	24,991	(8,991)	-56.2%	1,693,008	98.5%
CAPITAL FROM TAXATION	6,629,522	6,629,522	6,629,522	0	0.0%	0	0.0%
TOTAL EXPENDITURES	216,546,423	105,311,837	104,055,210	1,256,627	1.2%	112,491,213	51.9%
EXCESS OF REVENUES OVER EXPENDITURES	0	44,867,667	47,657,262	2,789,595			

CITY OF VAUGHAN
2011 OPERATING BUDGET
SECOND QUARTER VARIANCE REPORT
JUNE 30, 2011

REVENUE BY MAJOR SOURCE

	2011 ANNUAL BUDGET	2011 YTD		VARIANCE		2011 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV)		\$	%
				\$	%	\$	%
TAXATION							
Supplementals	3,050,000	8,245	13,326	5,081	61.6%	3,036,674	99.6%
GRANT							
Library Grant	145,240	1,820	1,320	(500)	-27.5%	143,920	99.1%
PAYMENT IN LIEU / OTHER							
Payment In Lieu / Other	2,800,000	700,000	792,535	92,535	13.2%	2,007,465	71.7%
RESERVES AND OTHER TRANSFERS							
Engineering Reserve	4,303,849	2,513,721	2,515,836	2,115	0.1%	1,788,013	41.5%
Roads Infrastructure Reserve	78,195	26,064	0	(26,064)	-100.0%		
By-Election Cost	0	0	(900)	(900)	0.0%	900	0.0%
Inauguration Sponsorship	0	0	0	0	0.0%	0	0.0%
Election Cost	0	0	(8,457)	(8,457)	0.0%	8,457	0.0%
CIL Recreation Land Reserve	644,310	562,922	558,254	(4,668)	-0.8%	86,056	13.4%
DC Management Studies Reserve (Legal OP)	112,910	56,112	0	(56,112)	-100.0%		
Finance - From Capital	1,350,000	468,556	429,535	(38,921)	-8.3%	920,365	68.2%
Fleet Management Reserve (Vehicle Replacement)	934,305	459,691	389,905	(69,786)	-15.2%	544,400	58.3%
Planning Reserve	0	0	0	0	0.0%	0	0.0%
Building Standards Service Continuity Reserve	778,674	259,558	0	(259,558)	-100.0%	778,674	100.0%
Insurance Reserve	3,167,000	2,806,076	4,192,785	1,386,709	49.4%	(1,025,785)	-32.4%
Tax Rate Stabilization Reserve	2,757,410	0	0	0	0.0%	2,757,410	100.0%
Debt Payment Reserve	2,602,862	0	0	0	0.0%	2,602,862	100.0%
Winterization Reserve	0	0	0	0	0.0%	0	0.0%
Water & Wastewater Recovery	2,219,549	1,349,525	1,100,000	(249,525)	-18.5%	1,119,549	50.4%
TOTAL RESERVES	18,949,064	8,502,225	9,177,058	674,833	7.9%	9,580,901	50.6%
FEES/SERVICE CHARGES							
CITY MANAGER							
Fire And Rescue Services	559,678	271,573	376,298	104,725	38.6%	183,380	32.8%
TOTAL CITY MANAGER	559,678	271,573	376,298	104,725	38.6%	183,380	32.8%
COMMISSIONER OF LEGAL & ADMIN. SERV.							
Clerks	31,875	16,337	19,489	3,152	19.3%	12,386	38.9%
Clerks - Licensing	966,529	415,546	519,422	103,876	25.0%	447,107	46.3%
Committee Of Adjustment	402,215	219,470	215,025	(4,445)	-2.0%	187,190	46.5%
Legal Services	83,990	39,299	27,014	(12,285)	-31.3%	56,976	67.8%
Enforcement Services	2,217,397	914,806	784,995	(129,811)	-14.2%	1,432,402	64.6%
TOTAL COMMISSIONER OF LEGAL & ADMIN. SERV.	3,702,006	1,605,458	1,565,945	(39,513)	-2.5%	2,136,061	57.7%
COMMISSIONER OF COMMUNITY SERVICES							
Communities In Bloom Sponsorship	15,000	0	0	0	0.0%	15,000	100.0%
Non-Profit Housing	9,000	2,250	4,366	2,116	94.0%	4,634	51.5%
Community Grants & Advisory Comm.	0	0	12,010	12,010	0.0%	(12,010)	0.0%
Recreation	17,382,160	8,035,591	7,795,070	(240,521)	-3.0%	9,587,090	55.2%
Cultural Services	85,050	82,241	165,835	83,594	101.6%	(80,785)	-95.0%
Buildings And Facilities	186,140	82,021	102,137	20,116	24.5%	84,003	45.1%
Parks Operations	46,640	14,541	39,507	24,966	171.7%	7,133	15.3%
Cemeteries	102,515	42,000	53,077	11,077	26.4%	49,438	48.2%
TOTAL COMMISSIONER OF COMMUNITY SERVICES	17,826,505	8,258,644	8,172,002	(86,642)	-1.0%	9,654,503	54.2%
COMMISSIONER OF PLANNING							
Development Planning	2,432,460	1,009,180	1,386,701	377,521	37.4%	1,045,759	43.0%
Building Standards - Licenses/Permits	6,956,125	3,312,348	2,970,342	(342,006)	-10.3%	3,985,783	57.3%
- Plumbing Permits	500,000	264,225	266,715	2,490	0.9%	233,285	46.7%
- Service Charges	461,475	253,763	371,975	118,212	46.6%	89,500	19.4%
TOTAL COMMISSIONER OF PLANNING	10,350,060	4,839,516	4,995,733	156,217	3.2%	5,354,327	51.7%
COMMISSIONER OF ECONOMIC & TECHNOLOGY DEVELOPMENT & COMMUNICATIONS							
Economic And Business Development	5,000	1,700	900	(800)	-47.1%	4,100	82.0%
TOTAL COMMISSIONER OF ECONOMIC & TECH. DEVELOPMENT & COMMUNICATIONS	5,000	1,700	900	(800)	-47.1%	4,100	82.0%
COMMISSIONER OF ENGINEERING & PUBLIC WORKS							
Development And Transport. Engineering	441,409	194,956	115,668	(79,288)	-40.7%	325,741	73.8%
Engineering Services	132,509	83,491	78,037	(5,454)	-6.5%	54,472	41.1%
Public Works - Operations	1,254,014	107,895	103,332	(4,563)	-4.2%	1,150,682	91.8%
TOTAL COMMISSIONER OF ENGINEERING & PUBLIC WORKS	1,827,932	386,342	297,037	(89,305)	-23.1%	1,530,895	83.8%
VAUGHAN PUBLIC LIBRARIES							
	282,690	144,951	164,589	19,638	13.5%	118,101	41.8%
TOTAL FEES / SERVICE CHARGES	34,553,871	15,508,184	15,572,504	64,320	0.4%	18,981,367	54.9%
TOTAL CORPORATE REVENUES	17,314,759	6,965,178	7,661,877	696,699	10.0%	9,652,882	55.7%
TOTAL REVENUE	76,812,934	31,685,652	33,218,620	1,532,968	4.8%	43,403,209	56.5%

**CITY OF VAUGHAN
2011 OPERATING BUDGET
SECOND QUARTER VARIANCE REPORT
JUNE 30, 2011**

**REVENUE BY MAJOR SOURCE
CORPORATE REVENUE DETAIL**

	2011 ANNUAL BUDGET	2011 YTD		VARIANCE		2011 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$	%	\$	%
<i>CORPORATE REVENUE DETAIL :</i>							
Fines And Penalties	4,900,000	2,311,603	2,168,405	(143,198)	-6.2%	2,731,595	55.7%
Tax Certificates And Documents	461,609	275,977	281,132	5,155	1.9%	180,477	39.1%
Investment Income	3,750,000	1,875,000	2,274,039	399,039	21.3%	1,475,961	39.4%
Hydro Investment Income	4,853,450	2,426,724	2,406,780	(19,944)	-0.8%	2,446,670	50.4%
Hydro Dividends	3,175,000	0	0	0	0.0%	3,175,000	100.0%
Provincial Offenses Act	0	0	444,143	444,143	0.0%	(444,143)	0.0%
Miscellaneous Revenue	69,000	34,500	39,831	5,331	15.5%	29,169	42.3%
Purchasing	80,700	28,874	43,144	14,270	49.4%	37,556	46.5%
Capital Admin. Revenue	25,000	12,500	4,403	(8,097)	-64.8%	20,597	82.4%
TOTAL CORPORATE REVENUE	17,314,759	6,965,178	7,661,877	696,699	10.0%	9,652,882	55.7%

**CITY OF VAUGHAN
2011 OPERATING BUDGET
JUNE 30, 2011**

DEPARTMENTAL EXPENDITURES BY MAJOR CATEGORY (1)

	2011 ANNUAL BUDGET	2011 YTD		VARIANCE		2011 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$ %	\$ %	\$ %	
COUNCIL	1,384,675	654,503	571,609	82,894	12.7%	813,066	58.7%
OFFICE OF THE INTEGRITY COMMISSIONER	199,940	100,772	74,396	26,376	26.2%	125,544	62.8%
<i>City Manager</i>	769,085	381,841	291,569	90,272	23.6%	477,516	62.1%
Operational Audit	173,143	99,545	76,683	22,862	23.0%	96,460	55.7%
Strategic Planning	244,318	115,161	80,664	34,497	30.0%	163,654	67.0%
Environmental Sustainability	248,272	116,957	102,488	14,469	12.4%	145,784	58.7%
Corporate Policy	130,659	64,197	1,962	62,235	96.9%	128,697	98.5%
Fire and Rescue Services	34,530,250	17,726,320	17,399,401	326,919	1.8%	17,130,849	49.6%
Emergency Planning	179,455	93,952	89,425	4,527	4.8%	90,030	50.2%
TOTAL CITY MANAGER	36,275,182	18,597,973	18,042,191	555,782	3.0%	18,232,991	50.3%
<i>Commissioner of Finance and Corporate Services</i>	399,156	192,989	168,319	24,670	12.8%	230,837	57.8%
City Financial Services	2,849,492	1,404,177	1,263,191	140,986	10.0%	1,586,301	55.7%
Budgeting and Financial Planning	1,446,769	668,153	618,400	49,753	7.4%	828,369	57.3%
Reserves and Investments	1,066,820	523,511	453,873	69,638	13.3%	612,947	57.5%
Purchasing Services	1,312,703	652,298	556,781	95,517	14.6%	755,922	57.6%
TOTAL COMM. OF FINANCE AND CITY TREASURER	7,074,940	3,441,128	3,060,564	380,564	11.1%	4,014,376	56.7%
<i>Commissioner of Legal and Administrative Services</i>	385,680	185,821	172,360	13,461	7.2%	213,320	55.3%
City Clerk - Admin	3,881,690	1,951,189	1,832,437	118,752	6.1%	2,049,253	52.8%
Clerks - Licensing	598,186	289,565	293,916	(4,351)	-1.5%	304,270	50.9%
City Clerk - Insurance	3,167,000	2,806,076	4,235,838	(1,429,762)	-51.0%	(1,068,838)	-33.7%
Committee of Adjustment	540,190	267,461	233,772	33,689	12.6%	306,418	56.7%
Council Corporate	118,091	92,126	33,406	58,720	63.7%	84,685	71.7%
Legal Services	1,932,643	958,438	886,532	71,906	7.5%	1,046,111	54.1%
Enforcement Services	4,832,064	2,316,547	1,991,717	324,830	14.0%	2,840,347	58.8%
Human Resources	3,183,779	1,639,610	1,681,027	(41,417)	-2.5%	1,502,752	47.2%
TOTAL COMM. OF LEGAL AND ADMINISTRATIVE SERVICES	18,639,323	10,506,833	11,361,004	(854,171)	-8.1%	7,278,319	39.0%
<i>Commissioner of Community Services</i>	441,360	200,415	198,119	2,296	1.1%	243,241	55.1%
Communities In Bloom	80,140	38,819	(15,293)	54,112	139.4%	95,433	119.1%
Community Grants and Advisory Committees	105,670	49,394	47,617	1,777	3.6%	58,053	54.9%
Recreation	18,611,254	8,738,058	8,722,533	15,525	0.2%	9,888,721	53.1%
Cultural Services	1,384,769	789,629	748,994	40,635	5.1%	635,775	45.9%
Buildings and Facilities	20,464,816	9,840,389	9,811,786	28,603	0.3%	10,653,030	52.1%
Fleet Management	964,220	450,620	406,133	44,487	9.9%	558,087	57.9%
Parks Operations	12,153,906	5,324,476	5,202,163	122,313	2.3%	6,951,743	57.2%
Parks Development	1,126,006	561,987	459,843	102,144	18.2%	666,163	59.2%
TOTAL COMMISSIONER OF COMMUNITY SERVICES	55,332,141	25,993,787	25,581,895	411,892	1.6%	29,750,246	53.8%
<i>Commissioner of Planning</i>	359,850	180,689	179,585	1,104	0.6%	180,265	50.1%
Development Planning	2,761,198	1,330,611	1,175,545	155,066	11.7%	1,585,653	57.4%
Policy Planning	1,135,510	539,791	445,137	94,654	17.5%	690,373	60.8%
Building Standards	6,370,914	3,165,376	2,671,467	493,909	15.6%	3,699,447	58.1%
TOTAL COMMISSIONER OF PLANNING	10,627,472	5,216,467	4,471,734	744,733	14.3%	6,155,738	57.9%
<i>Commissioner of Economic and Technology Development and Communications</i>	248,808	145,005	3,750	141,255	97.4%	245,058	98.5%
Economic and Business Development	1,270,776	566,978	507,005	59,973	10.6%	763,771	60.1%
Access Vaughan	771,758	354,075	340,466	13,609	3.8%	431,292	55.9%
Information and Technology Management	7,267,141	3,356,442	3,157,759	198,683	5.9%	4,109,382	56.5%
Corporate Communications	1,031,469	435,282	434,587	695	0.2%	596,882	57.9%
TOTAL COMMISSIONER OF ECONOMIC AND TECHNOLOGY DEVELOPMENT AND COMMUNICATIONS	10,589,952	4,857,782	4,443,567	414,215	8.5%	6,146,385	58.0%
<i>Commissioner of Engineering and Public Works</i>	353,000	172,388	165,646	6,742	3.9%	187,354	53.1%
Development and Transport, Engineering	3,973,362	1,939,429	1,693,292	246,137	12.7%	2,280,070	57.4%
Engineering Services	3,980,415	1,821,756	1,431,116	390,640	21.4%	2,549,299	64.0%
Public Works - Operations	30,662,282	15,205,652	14,490,219	715,433	4.7%	16,172,063	52.7%
TOTAL COMMISSIONER OF ENGINEERING AND PUBLIC WORKS	38,969,059	19,139,225	17,780,273	1,358,952	7.1%	21,188,786	54.4%
VAUGHAN PUBLIC LIBRARIES	12,327,719	6,046,906	5,588,076	458,830	7.6%	6,739,643	54.7%
TOTAL DEPARTMENTAL EXPENDITURES	191,420,403	94,555,376	90,975,308	3,580,068	3.8%	100,445,095	5
CORPORATE EXPENDITURES	4,690,637	4,090,643	6,425,389	(2,334,746)	-57.1%	(1,734,752)	52.5%
LONG TERM DEBT	12,087,862	20,296	0	20,296	100.0%	12,087,862	-37.0%
CONTINGENCY	1,717,999	16,000	24,991	(8,991)	-56.2%	1,693,008	98.5%
CAPITAL FROM TAXATION	6,629,522	6,629,522	6,629,522	0	0.0%	0	0.0%
TOTAL DEPARTMENTAL AND CORPORATE EXPENDITURES	216,546,423	105,311,837	104,055,210	1,256,627	1.2%	112,491,213	51.9%

(1) Expenditures are net of Hydro Joint Services Revenue and Library Joint Service Charges.

**CITY OF VAUGHAN
2011 OPERATING BUDGET
JUNE 30, 2011**

CORPORATE EXPENDITURES - DETAILS

	2011 ANNUAL BUDGET	2011 YTD		VARIANCE		2011 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$	%	\$	%
CORPORATE EXPENDITURES DETAIL :							
RESERVE CONTRIBUTIONS:							
1998 & Prior Bldg & Facil. Infrast. Res. Contrib.	825,000	825,000	825,000	0	0.0%	0	0.0%
Post 1998 Bldg & Facil. Infrast. Res. Contrib.	1,259,000	1,259,000	1,259,000	0	0.0%	0	0.0%
Roads Infrastructure Reserve Contribution	475,000	475,000	475,000	0	0.0%	0	0.0%
Parks Infrastructure Reserve Contribution	275,000	275,000	275,000	0	0.0%	0	0.0%
Bldg Stds. Service Continuity Reserve Contribution	0	0	0	0	0.0%	0	0.0%
Election Reserve Contribution	300,000	300,000	300,000	0	0.0%	0	0.0%
TOTAL RESERVE CONTRIBUTIONS	3,134,000	3,134,000	3,134,000	0	0.0%	0	0.0%
CORPORATE EXPENDITURES:							
Bank Charges	111,936	48,405	39,065	9,340	19.3%	72,871	65.1%
Professional Fees	244,224	0	(10,072)	10,072	0.0%	254,296	104.1%
Major Omb Hearings - Professional Fees	407,040	203,520	87,163	116,357	57.2%	319,877	78.6%
Joint Services	460,000	230,000	258,862	(28,862)	-12.5%	201,138	43.7%
Sundry	20,000	10,000	370	9,630	96.3%	19,630	98.2%
City Hall Funding	1,000,000	1,000,000	1,000,000	0	0.0%	0	0.0%
Tax Adjustments	1,400,000	777,365	985,958	(208,593)	-26.8%	414,042	29.6%
Corporate Insurance	866,345	866,345	866,345	0	0.0%	0	0.0%
Amo Membership	18,826	14,293	14,835	(542)	-3.8%	3,991	21.2%
Conferences	28,266	6,715	7,220	(505)	-7.5%	21,046	74.5%
By-Election	0	0	49,020	(49,020)	0.00%	(49,020)	0.0%
Election	0	0	(7,377)	7,377	0.0%	7,377	0.0%
Anticipated Labour Savings	(3,000,000)	(2,200,000)	0	(2,200,000)	100.0%	(3,000,000)	100.0%
TOTAL CORPORATE EXPENSES	1,556,637	956,643	3,291,389	(2,334,746)	-244.1%	(1,734,752)	-111.4%
TOTAL RESERVE CONTRIBUTIONS & CORPORATE EXPENSES	4,690,637	4,090,643	6,425,389	(2,334,746)	-57.1%	(1,734,752)	-37.0%
LONG TERM DEBT	12,087,862	20,296	0	20,296	100.0%	12,087,862	100.0%
CONTINGENCY	1,717,999	16,000	24,991	(8,991)	-56.2%	1,693,008	98.5%
CAPITAL FROM TAXATION	6,629,522	6,629,522	6,629,522	0	0.0%	0	0.0%