

OPERATING BUDGET QUARTERLY REPORT ENDING SEPTEMBER 30, 2010

Recommendation

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

That the 2010 Third Quarter Variance Report be received for information purposes.

Contribution to Sustainability

Not applicable

Economic Impact

Not applicable

Communication Plan

Not applicable

Purpose

To report on the year-to-date actual 2010 Operating Budget results versus the calendarized 2010 Operating Budget, as at September 30, 2010.

Background – Analysis and Options

The attached third quarter variance report compares the current status of actual departmental and corporate operating results for the nine-month period ending September 30, 2010, relative to the 2010 year-to-date operating budget. The year-to-date operating budget is calendarized based primarily on the spending patterns and trends of previous years, as per departmental submissions, and is compared to quarterly accounting results. 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.

Third Quarter Overview – Ahead of Budget

The annual Operating Budget for the City is \$205.4m, of which 30% remains to be realized. At the end of the third quarter, the City experienced a \$2.2m net favourable variance. This favourable variance was comprised of a \$3.8m favourable expenditure variance and a \$1.6m unfavourable 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 easily erode the current position.

The main areas that contributed to the positive \$2.2m variance are summarized below.

City Revenue Variance

Actual revenues were \$180.3m as of September 30, 2010, and represent a \$1.6m unfavourable variance when compared to the year-to-date revenue budget of \$181.9m. Highlights are as follows:

- Corporate revenues were \$3.2m unfavourable and largely due to a \$3.18m timing difference in receiving Power Stream dividends. In addition, unfavourable variances were experienced in Power Stream investment income and fines and penalties, which were more than offset by a favourable City investment income position.
- This variance is partially offset by the following items
 - \$1.1m favourable variance in user fees due to higher than anticipated volumes in Building Standards, Fire & Rescue, Licensing, and Committee of Adjustment Revenues.
 - \$265k favourable variance in Payments In Lieu (PIL) due to timing differences in anticipated collection dates.
 - \$122k favourable variance in reserve transfers due to favourable positions in the Engineering Reserve and Finance from Capital funding, which were partially offset by less than anticipated Fleet Management and Building Standards Reserve withdrawals.

City Expenditure Variance Overview

Actual total expenditures were \$148.7m as of September 30, 2010, and represent a \$3.8m favourable variance when compared to the year-to-date expenditure budget of \$144.9m.

The largest component driving the City's favourable expenditure variance was a favourable position in total department expenses, approximately \$6.3m. Approximately 35% of this variance resulted from labour savings across many departments. Favourable variances in utilities, materials, and service contracts contributed to the remaining balance, which were largely generated by timing differences, conservation efforts, and a relatively milder winter.

The above favourable department variance was reduced by a \$2.5m unfavourable variance in corporate expenses, of which \$1.75m was related to anticipated global labour savings and \$978k was related to an unexpected Building Standards reserve contribution. This variance was slightly offset by a mixture of timing variances in tax adjustments, OMB professional fees, etc.

Variance Summary:

For quick reference purposes, a high level variance summary sorted by impact is provided below, followed by explanations for specific department major revenue and expenditure variances.

**City of Vaughan
2010 Operating Budget
Third Quarter Variance Summary**

<u>Revenues</u>	Variance in \$mil (rounded)	
Payment In Lieu/Other		0.3
 <i>Reserves and Other Transfers</i>		
Finance - From Capital	0.2	
Engineering Reserve	0.1	
Building Standards	(0.1)	
Fleet Management Reserve (Vehicle Repl.)	<u>(0.1)</u>	0.1
 <i>Fees & Service Charges</i>		
Building Standards	0.6	
Fire & Rescue	0.3	
Building & Facilities	0.2	
Clerks - Licensing	0.2	
Development Planning	(0.3)	
Recreation	(0.3)	
Other	<u>0.5</u>	1.2
 <i>Corporate Revenue</i>		
Hydro Dividends		<u>(3.2)</u>
Total Revenues		(1.6)
 <u>Expenditures</u>		
<i>Departmental Expenses</i>		
Buildings & Facilities	1.3	
Vaughan Public Libraries	0.8	
Building Standards	0.5	
Information & Technology Management	0.5	
Parks Operations	0.4	
Development & Trans. Engineering	0.4	
Public Works Operations	0.4	
Council	0.2	
City Manager	0.2	
City Financial Services	0.2	
Enforcement Services	0.2	
Recreation	0.2	
Development Planning	0.2	
Economic And Business Development	0.2	
Engineering Services	0.2	
Legal Services	(0.2)	
Fire And Rescue Services	(0.6)	
Other-(various departments)	<u>1.2</u>	6.3
 <i>Corporate Expenditures</i>		
Major OMB Hearings	0.2	
Tax Adjustments	(0.1)	
Building Stds Service Continuity Res. Contr'n	(1.0)	
Anticipated Labour Savings	(1.8)	
Other	<u>0.2</u>	<u>(2.5)</u>
Total Expenditures		3.8
Third Quarter Revenues Net of Expenditures		<u>\$ 2.2</u>

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.*** Variances are provided in a department order similar to that illustrated in the enclosed attachment. Explanations for corporate revenue and expenditure variances are also included, following the major department variance explanations.

Council

Expenditure variance - \$158,464 or 15.4% favourable

The above variance reflects a combined favourable variance for all 9 Council members. The average variance was approximately \$18k and consists of variances in a variety of accounts. As per policy, specific details are posted monthly on-line.

City Manager

City Manager

Expenditure variance - \$241,272 or 34.9% favourable

The variance of was largely caused by temporary vacancies i.e. Executive Assistant and Manager of Environmental Sustainability. Staff development and training accounts were also favourable due to the above vacancies. Although positions were filled by September, the variance is anticipated to continue until year-end. A variance was also experienced in professional fees due to postponed projects.

Environmental Sustainability

Expenditure variance - \$12,244 unfavourable

Within the year, it was determined that a new business unit was needed. This action is currently in transition, but should be completed by year-end. The unfavourable variance is related to part-time expenses and will be eliminated once the associated budgets are transferred.

Fire and Rescue Services

Revenue variance - \$316,802 or 116.5% favourable

The third quarter revenue position has exceeded the year to date budget by 116.5%. The majority of the favourable variance, approximately \$128k, was mainly attributed to fees collected from the new fire fighter employment applications, which on a net department basis were partially offset by an increase in the training and development expenditures. Another \$117k favourable variance was a result of higher emergency call outs due to an increase in motor vehicle accidents. In addition, external mechanical services provided to municipalities resulted in a \$59k favourable position and the remaining variance is an outcome of a higher demand for fire prevention inspections.

Expenditure variance - \$563,809 or 2.4% unfavourable

The unfavourable variance was largely a result of \$695k in increased overtime and benefit spending, which was partially offset by \$385k in full-time salary savings for temporary vacancies i.e. retirees, maternity-paternity leave, people on modified work schedule and staff on long term disability.

There were additional expenditures of approximately \$90k in training and development related to Firefighter recruit training, which is more than recovered through application fees. In addition, increased fleet usage and testing resulted in added purchases for small tools and equipment \$48k and materials and supplies \$40k. The increase in fire fleet and its usage also contributed approximately a \$72k increase in general vehicle repairs by the Fire Operations division.

The remainder of the variance was an equalized combination of minor variances across multiple accounts.

Commissioner of Finance and Corporate Services

City Financial Services

Expenditure variance - \$239,370 or 11.4% favourable

The favourable variance was largely related to \$194k of savings as a result of temporary staffing vacancies split between Accounting Services and Property Tax Divisions, \$130k and \$64k respectively. The delay of hiring a Project Analyst and staff vacancies contributed to \$20k savings in computer supplies, training, computer hardware office equipment, etc. There was also \$13k of savings in printing due to the delay of the October supplemental billing. The remainder of the variance was a combination of minor variances in other accounts.

Commissioner of Legal and Administrative Services

City Clerk - Licensing

Revenue variance - \$188,491 or 27.7% favourable

The favourable variance was made up of various revenue components. Taxi licensing revenues were higher by \$43k as a result of eight new taxi cab owner licenses and are expected to continue to increase in the fourth quarter. Marriage licenses were higher than expected by \$42k caused by a combination of an increase in fees and growth. Eating establishment licenses were higher than anticipated by \$29k, but the trend is not expected to continue in the fourth quarter. The remainder of the variance was a cumulative favourable variance related to growth in licenses for public garage, adult entertainment, animal licensing, personal services etc.

Committee of Adjustment

Revenue variance - \$113,827 or 41.7% favourable

The favourable variance was a result of higher than expected applications. Adjustments are included in the 2011 budget to account for this trend.

City Clerk - Insurance

Expenditure variance - \$47,149 or 3.9% unfavourable

The unfavourable variance was a result of slightly higher than expected claims and deductibles. The City's insurance policy was under review and the year-end position is anticipated to be unfavourable due to an increase in the premium and a short-term policy extension to review insurance proposals. 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.

Legal Services

Revenue variance - \$12,946 or 20.3% unfavourable

This variance was a result of lower than anticipated electronic registration fees caused by the development slowdown i.e. site plan, subdivision, easement, and other registrations.

Expenditure variance - \$215,274 or 17.2% unfavourable

The unfavourable variance was a result of greater than forecasted professional fee costs, approximately \$234k, related to the legal fees paid for external legal counsel regarding prosecutions arising from compliance audits. These additional costs are expected to continue. The above balance was partially offset by several accounts with minor variances such as labour, registration fees among other accounts.

Enforcement Services

Revenue variance - \$138,594 or 10.7% favourable

The favourable revenue variance was mostly due to the benefits realized from the Administrative Monetary Penalty program.

Expenditure variance - \$249,971 or 7.7% favourable

The favourable variance was mainly a result of \$173k in labour costs resulting from staff vacancies that are in the process of being filled. In addition, a \$20k variance in the machine time account was caused by process timing differences. The remainder of the variance was in other accounts associated to the vacancies i.e. materials and supplies, training, phone charges, etc.

Human Resources

Expenditure variance - \$103,337 or 4.5% favourable

The favourable variance was mostly due to \$82k lower than anticipated advertising costs for employment opportunities. In addition, \$38k savings was realized in labour costs due to temporary vacancies. The remainder of the variance was made up various accounts such as professional fees, corporate training and awards.

Commissioner of Community Services

Recreation

Revenue variance - \$339,466 or 2.4% unfavourable

The unfavourable variance consisted of the following:

- \$353k revenue shortfall due to the delayed opening of the North Thornhill Community Centre
- \$370k decrease in revenues in general programs, camps, fitness center memberships and City Playhouse tickets due to the implementation of HST and increased private sector competition
- The unfavourable variance was offset by:
 - \$354k higher than expected York Region Transit ticket sales
- The remainder of the variance consisted of multiple minor variances.

Expenditure variance - \$240,852 or 1.8% favourable

The favourable variance was mainly attributable to a \$371k labour variance consisting of staff vacancies created by temporary leaves and delayed hiring at North Thornhill Community Centre. A \$117k favourable variance was also experienced in the rental and purchase of small tools and equipment due to delayed North Thorn hill Community Centre opening.

The above favourable variance was partially offset by a \$281k unfavourable variance in York Region Transit ticket purchases, which were more than offset by increased ticket sales. The remaining \$33k favourable balance consisted of a variety of accounts i.e. Vaughan Hockey Subsidy invoice payment timing, bank charges, professional fees, etc.

Cultural Services

Expenditure variance - \$103,341 or 16.3% favourable

The overall favourable variance was largely caused by labour savings due to a maternity leave temporary vacancy filled by part-time staff and smaller variances in other accounts.

Building and Facilities

Revenue variance - \$171,767 or 130.2% favourable

The variance was a result of settling a joint service lease agreement with York Region EMS for joint use of station 7-8 & 7-9, which included cumulative retroactive payments.

Expenditure variance - \$1,266,055 or 9.4% favourable

The overall favourable variance was comprised of many favourable variances. Salaries and benefits savings related to temporary vacancies generated the largest favourable variance, approximately \$819k. In addition, there was a favourable variance of \$196k in the general maintenance account, which was caused by the delay of maintenance projects to focus on Infrastructure Stimulus Program projects. Utility expenses (hydro, water and gas) were

also favourable by \$114k as a result of a mild winter in the beginning of the year, conservation practices and payment timing issues. Furthermore, there was a favourable timing variance of \$122k in the machine time account and \$96k in garbage disposal services. The balance of the variance consisted of various minor account variances.

Fleet Management

Expenditure variance - \$111,272 or 15.6% favourable

The overall favourable variance was mainly comprised of temporary vacancies which generated labour cost savings of \$73k. The remainder of the variance was for charges from other departments that did not materialize for the period and various other accounts such as printing and automotive parts.

Parks Operations

Expenditure variance - \$375,879 or 4.4% favourable

The favourable expenditure variance was largely a result of salaries and benefits savings of \$159k related to unpaid leave of absences, positions filled later than anticipated, delayed crew card time entries, etc. Contract timing differences, which will be corrected in future quarters, contributed \$261k to the favourable position. The above total favourable variance was partially offset by a \$71k unfavourable variance in materials and supplies related to activities in maintaining several different sports fields and in flower planting. The remainder of the favourable variance consists of minor savings in other accounts.

Parks Development

Expenditure variance - \$113,819 or 13.8% favourable

The favourable expenditure variance was largely a result of salaries and benefits savings of \$92k related to temporary vacancy. The remainder of the favourable variance consists of minor savings in other accounts.

Commissioner of Planning

Development Planning

Revenue variance - \$315,566 or 17.6% unfavourable

The variance was due to a lower number of applications being processed for both Zoning By-law Amendments and Subdivision Agreements. The unfavourable variance was partially offset by additional revenue from Site Plan Applications submitted during this period. It is anticipated that budgeted revenues will materialize, as forecasted, before the end of the year, barring any unforeseen events or market conditions.

Expenditure variance - \$214,237 or 10.9% favourable

The majority of the variance is related to labour and benefit savings of \$154k due to the Manager of Development Planning secondment to Policy Planning for the Official Plan review and two vacant Planner positions. In addition, there is a small \$16k favourable variance in professional fees due to timing differences. The balance of the variance consists of multiple variances i.e. training, computer supplies, office furniture, etc.

Building Standards

Revenue variance - \$596,348 or 9.1% favourable

The favourable building standards revenue variance is a result of a \$239k increase in building permits due to higher volumes experienced earlier in the year. In addition there was a \$144k increase in title restriction revenues due to the approval of a large apartment condominium project and a \$128K increase in sign permit fees as a result of increased enforcement activities by Enforcement Services. The Building Standards Department will continue to closely monitor permit activity and if required, will review the building permit fee structure and make recommendations accordingly.

Expenditure variance - \$499,099 or 10.7% favourable

The majority of the favourable expenditure variance is related to temporary vacancies which have resulted in savings of \$315K in labour accounts. Another \$100k favourable variance was experienced in labour related accounts i.e. office equipment, computer

hardware, software, training and development, etc. In conjunction with the Human Resources Department, the Building Standards Department is currently in the process of filling two of the three vacant full-time positions. Furthermore, there was a favourable timing variance of \$35k in the machine time account. The balance of the variance consists of multiple minor variances.

Commissioner of Economic and Technology Development and Corporate Communications

Economic and Business Development

Revenue variance - \$88,021 or 65.4% unfavourable

The unfavourable revenue variance was partially caused by a delay in transferring \$55k in VBEC provincial funding and this variance is expected to be corrected by year-end. In addition, a \$33k variance in Tourism revenue was experienced and attributable to a shift in the department direction, as per the approved Economic Development Strategy.

Expenditure variance - \$197,518 or 16.6% favourable

There was a favourable variance of \$46k in labour accounts due to vacancies in two coordinator positions. The Tourism Coordination role was eliminated as per the approved economic development strategy and therefore this variance is anticipated to continue.

There was a \$29k favourable variance in professional fees due to a delayed invoice payment related to the economic development strategy. In waiting for the Economic Development Strategy to be approved a number of activities were deferred, which resulted in savings in advertising and promotion accounts totalling \$60k. The Tourism Program was eliminated, as recommended in the strategy, and therefore variances are anticipated to continue. A \$39k favourable variance was also created due to a reserve transfer to cover foreign and international business travel i.e. 2010 China Business Trade Mission. There was a \$70k favourable variance in expenses related to Special Events/Public Relations mostly related to the initial budget setup of VBEC and by savings in promotion and education caused by lower sponsored activities and visiting foreign delegations.

The above was partially offset by a temporary unfavourable expenditure variance of \$81k in outside services, which is associated with a change in the accounting treatment for VBEC. Moving forward, VBEC will be treated as a separate entity and any related expenses will be transferred by year-end.

The balance of the variance consists of a mixture of variances in other accounts such as communications, training and development etc.

Information Technology Management

Expenditure variance - \$486,425 or 9.8% favourable

The favourable expenditure variance was largely a result of \$261k in professional fees savings caused by a delay in payment for contract renewals in the business solutions and technical services areas. Furthermore, there was \$171k in salaries and benefits savings related to temporary staff vacancies. The balance of the variance consisted of a mixture of variances in other accounts such as communications, joint service recoveries, computer software etc.

Commissioner of Engineering and Public Works

Development and Transportation Engineering

Expenditure variance - \$390,871 or 14.0% favourable

The favourable variance was primarily a result of labour savings, approximately \$367k caused by temporary vacancies. During the third quarter, there were three vacancies most of the year and it is expected that the vacancies will be filled by the end of 2010. The remainder of the variance was in various accounts such as machine time, professional fees among other accounts.

Engineering Services

Expenditure variance - \$246,768 or 10.2% favourable

The favourable variance was primarily a result of labour savings, approximately \$230k caused by hiring delays for two positions. The remainder of the variance was in various other accounts such as machine time, computer hardware, professional fees etc.

Public Works-Operations

Expenditure variance - \$423,234 or 2.4% favourable

The above variance is largely related to \$168k favorable variance in the Administration Division due to staff vacancies.

In addition, a \$234k favourable variance was experienced in the Roads Division and consists of the following components:

- A \$609k favourable variance in contractor and contractor materials was caused by payment timing issues, which will be corrected by year-end, and performing more work in-house.
- The above favorable variance was partially offset by a \$256k unfavorable variance in labour accounts and a \$140k unfavorable variance in associated machine time.

The remaining favorable variance consists of other minor variances in Winter Control and Waste divisions, \$34k unfavorable and 55k favorable respectively.

Vaughan Public Libraries

Expenditure variance - \$767,040 or 8.6% favourable

The variance was caused by a \$382k favourable variance in salary and benefits resulting from associated staff turnover and staff replacement wage differentials. In addition, book resource costs were \$167k lower than expected due to a processing delay with a new primary book vendor, while the joint service charges from the COV were \$132k lower than anticipated due to invoicing delays. The latter variances should self correct by the end of the year. The remainder of the variance was a result of a mixture of smaller account variances, such as material processing charges, general maintenance, professional fees, copier lease charges, etc.

Corporate Revenues

Reserves and Other Transfers

Revenue variance - \$122,060 or 1.5% favourable

The favourable variance in reserve transfers was largely related to a \$122k favourable position in the Engineering Reserve due to timing differences in related departments. Also there was a \$216k favourable position in Finance from Capital due to an increase in completed capital projects.

These balances were partially offset by less than anticipated Fleet Management and Building Standards Reserve withdrawals based on actual department activity. The balance of the remaining favourable variance is split between other minor variances.

Payment In Lieu/Other

Revenue variance - \$265,455 or 10.5% favourable

The \$265k favourable variance in payment in lieu was largely related to timing differences in anticipated collection dates. This position is anticipated to be corrected by year-end.

General Corporate Revenues

Revenue variance - \$3,206,098 or 22.6% unfavourable

Corporate revenues were unfavourable due to a delay in receiving dividends from Power Stream. This accounts for \$3.18m of the total variance. In addition to the above the following unfavourable variances were experienced.

- Fines and Penalties were \$428k unfavourable resulting from the elimination of "First day default penalty" after each tax due date.
- Hydro investment income was \$214k lower than anticipated, due to timing differences and should come in on target before year-end.
- These unfavourable variances were partially offset by a \$731k higher than anticipated investment income balance due to recovering interest rates.
- The balance of the corporate revenue balance consists of smaller variances in various accounts.

Corporate Expenditures

Corporate and Election Expenditures

Expenditure variance - \$2,589,245 or 50.1% unfavourable

The majority of the unfavourable variance consists of the following four explanations:

1. A \$1.75m unfavourable variance in salary gapping. This figure is an anticipated overall salary gapping target based on historical trends and is intended to naturally offset the actual salary savings realized within departments. The salary gapping estimate is recorded corporately as specific department gapping is highly random and unknown i.e. turnover, leaves, etc. Overall gapping is favourable as actual department results are outpacing the corporate estimate.
2. The Building Standards and Reserve contribution was unfavourable \$978k, resulting from a combination of lower than anticipated expenditures and higher building code permit revenues. Bill 124 imposes cost and price restrictions on the building code permit fees to the extent that revenues cannot exceed reasonable and anticipated costs. For the above reason and as per the City's policy, the revenue surplus was transferred to the reserve to provide future service continuity.
3. A \$128k unfavourable variance in tax adjustments was experienced and largely due to an increase in Elderly Homeowners Grant applications, as well as an increase in the Vacancy Rebate Program.
4. The above unfavourable variances were partially offset by favourable variances in OMB Hearings of \$198k due to timing issues that will self correct throughout the remaining portion of the year.

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 2010 quarter ending September 30, 2010, there was a favourable variance of \$2.2m. Should trends continue and barring any unforeseen events, such as a greater amount of snow in the last quarter of 2010 than predicted, it is likely that our year-end position will be favourable. However, it would be prudent to exercise caution as the fourth quarter is very active with many expenses being processed before year-end. 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 2010 will not be different than previous years.

Attachments

Attachment 1: Third Quarter Variance Report

Report prepared by:

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Respectfully submitted,

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Commissioner of Finance/City Treasurer

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Director of Budgeting and Financial Planning



CITY OF VAUGHAN

2010 OPERATING BUDGET

THIRD QUARTER

VARIANCE REPORT

AS AT

SEPTEMBER 30, 2010

**CITY OF VAUGHAN
2010 OPERATING BUDGET
THIRD QUARTER VARIANCE REPORT
SEPTEMBER 30, 2010**

REVENUE / EXPENDITURE SUMMARY

	2010 ANNUAL BUDGET	2010 YTD		VARIANCE		2010 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$	%	\$	%
REVENUES:							
TAXATION	129,027,685	129,027,685	129,015,660	(12,025)	0.0%	12,025	0.0%
SUPPLEMENTAL TAXATION	2,200,000	0	25,390	25,390	0.0%	2,174,610	98.8%
GRANT / PAYMENT IN LIEU	2,945,240	2,541,820	2,833,480	291,660	11.5%	111,760	3.8%
RESERVES AND OTHER TRANSFERS	17,192,431	8,085,370	8,207,430	122,060	1.5%	8,985,001	52.3%
FEES AND SERVICE CHARGES	33,341,537	26,272,615	27,408,907	1,136,292	4.3%	5,932,630	17.8%
CORPORATE	18,247,529	14,155,770	10,949,672	(3,206,098)	-22.6%	7,297,857	40.0%
PRIOR YEAR'S SURPLUS CARRYFORWARD	2,500,000	1,874,950	1,875,000	50	0.0%	625,000	25.0%
TOTAL REVENUES	205,454,422	181,958,210	180,315,539	(1,642,671)	-0.9%	25,138,883	12.2%
EXPENDITURES:							
DEPARTMENTAL	181,555,279	129,220,027	122,874,665	6,345,362	4.9%	58,680,614	32.3%
CORPORATE EXPENDITURES	6,469,015	5,164,432	7,753,677	(2,589,245)	-50.1%	(1,284,662)	-19.9%
LONG TERM DEBT	9,000,000	7,600,000	7,527,441	72,559	1.0%	1,472,559	16.4%
CONTINGENCY	1,800,606	100,000	96,180	3,820	3.8%	1,704,426	94.7%
CAPITAL FROM TAXATION	6,629,522	6,629,522	6,629,522	0	0.0%	0	0.0%
TOTAL EXPENDITURES	205,454,422	148,713,981	144,881,485	3,832,496	2.6%	60,572,937	29.5%
EXCESS OF REVENUES OVER EXPENDITURES	0	33,244,229	35,434,054	2,189,825	6.6%	(35,434,054)	

CITY OF VAUGHAN
2010 OPERATING BUDGET
THIRD QUARTER VARIANCE REPORT

SEPTEMBER 30, 2010

REVENUE BY MAJOR SOURCE

	2010 ANNUAL BUDGET	2010 YTD		VARIANCE		2010 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$	%	\$	%
TAXATION							
Supplementals	2,200,000	0	25,390	25,390	0.0%	2,174,610	98.8%
GRANT							
Library Grant	145,240	1,820	28,025	26,205	1439.8%	117,215	80.7%
PAYMENT IN LIEU / OTHER							
Payment In Lieu / Other	2,800,000	2,540,000	2,805,455	265,455	10.5%	(5,455)	-0.2%
RESERVES AND OTHER TRANSFERS							
Engineering Reserve	4,600,000	2,790,000	2,912,162	122,162	4.4%	1,587,838	35.3%
Election Cost	985,000	15,000	15,171	171	1.1%	969,829	98.5%
CIL Recreation Land Reserve	640,000	602,152	602,153	1	0.0%	37,847	5.9%
Finance - From Capital	1,110,000	1,110,000	1,325,545	216,545	19.5%	(216,545)	-19.5%
Fleet Management Reserve (Vehicle Replacement)	925,021	708,226	594,258	(113,968)	-16.1%	330,763	35.8%
Planning Reserve	500,000	0	0	0	0.0%	500,000	100.0%
Building Standards Service Continuity Reserve	200,000	150,000	0	(150,000)	-100.0%	200,000	100.0%
Insurance Reserve	2,660,000	1,209,992	1,257,141	47,149	3.9%	1,402,859	52.7%
Tax Rate Stabilization Reserve	2,757,410	0	0	0	0.0%	2,757,410	100.0%
Debenture Payment Reserve	565,000	0	0	0	0.0%	565,000	100.0%
Winterization Reserve	350,000	0	0	0	0.0%	350,000	100.0%
Water & Wastewater Recovery	2,000,000	1,500,000	1,500,000	0	0.0%	500,000	25.0%
TOTAL RESERVES	17,192,431	8,085,370	8,207,430	122,060	1.5%	8,985,001	52.3%
FEES/SERVICE CHARGES							
CITY MANAGER							
Fire And Rescue Services	389,561	271,942	588,744	316,802	116.5%	(199,183)	-51.1%
TOTAL CITY MANAGER	389,561	271,942	588,744	316,802	116.5%	(199,183)	-51.1%
COMMISSIONER OF LEGAL & ADMIN. SERV.							
Clerks	30,496	23,880	27,733	3,853	16.1%	2,763	9.1%
Clerks - Licensing	877,144	679,253	867,744	188,491	27.7%	9,400	1.1%
Committee Of Adjustment	372,207	272,977	386,804	113,827	41.7%	(14,597)	-3.9%
Legal Services	83,300	63,904	50,958	(12,946)	-20.3%	32,342	38.8%
Enforcement Services	1,824,450	1,289,586	1,428,180	138,594	10.7%	396,270	21.7%
TOTAL COMMISSIONER OF LEGAL & ADMIN. SERV.	3,187,597	2,329,600	2,761,419	431,819	18.5%	426,178	13.4%
COMMISSIONER OF COMMUNITY SERVICES							
Communities In Bloom Sponsorship	15,000	0	36,915	36,915	0.0%	(21,915)	-146.1%
Non-Profit Housing	9,000	6,750	6,779	29	0.4%	2,221	24.7%
Community Grants & Advisory Comm.	0	0	12,230	12,230	0.0%	(12,230)	0.0%
Recreation	16,920,850	14,113,899	13,774,433	(339,466)	-2.4%	3,146,417	18.6%
Buildings And Facilities	181,275	131,945	303,712	171,767	130.2%	(122,437)	-67.5%
Parks Operations	41,561	14,845	102,586	87,741	591.0%	(61,025)	-146.8%
Cemeteries	71,855	53,790	60,083	6,293	11.7%	11,772	16.4%
TOTAL COMMISSIONER OF COMMUNITY SERVICES	17,239,541	14,321,229	14,296,738	(24,491)	-0.2%	2,942,803	17.1%
COMMISSIONER OF PLANNING							
Development Planning	2,433,738	1,795,014	1,479,448	(315,566)	-17.6%	954,290	39.2%
Building Standards - Licenses/Permits	7,332,500	5,866,000	5,924,049	58,049	1.0%	1,408,451	19.2%
- Plumbing Permits	445,000	356,000	537,284	181,284	50.9%	(92,284)	-20.7%
- Service Charges	385,650	298,150	655,165	357,015	119.7%	(269,515)	-69.9%
TOTAL COMMISSIONER OF PLANNING	10,596,888	8,315,164	8,595,946	280,782	3.4%	2,000,942	18.9%
COMMISSIONER OF ECONOMIC & TECHNOLOGY DEVELOPMENT & COMMUNICATIONS							
Economic And Business Development	268,655	134,670	46,649	(88,021)	-65.4%	222,006	82.6%
Corporate Communications	84,530	82,030	158,084	76,054	92.7%	(73,554)	-87.0%
TOTAL COMMISSIONER OF ECONOMIC & TECH. DEVELOPMENT & COMMUNICATIONS	353,185	216,700	204,733	(11,967)	-5.5%	148,452	42.0%
COMMISSIONER OF ENGINEERING & PUBLIC WORKS							
Development And Transport. Engineering	294,167	161,782	260,072	98,290	60.8%	34,095	11.6%
Engineering Services	116,322	108,968	109,405	437	0.4%	6,917	5.9%
Public Works - Operations	886,006	344,170	348,500	4,330	1.3%	537,506	60.7%
TOTAL COMMISSIONER OF ENGINEERING & PUBLIC WORKS	1,296,495	614,920	717,977	103,057	16.8%	578,518	44.6%
VAUGHAN PUBLIC LIBRARIES	278,270	203,060	243,350	40,290	19.8%	34,920	12.5%
TOTAL FEES / SERVICE CHARGES	33,341,537	26,272,615	27,408,907	1,136,292	4.3%	5,932,630	17.8%
TOTAL CORPORATE REVENUES	18,247,529	14,165,770	10,949,672	(3,206,098)	-22.6%	7,297,857	40.0%
TOTAL REVENUE	73,926,737	51,055,575	49,424,879	(1,630,696)	-3.2%	24,501,868	33.1%

**CITY OF VAUGHAN
2010 OPERATING BUDGET
THIRD QUARTER VARIANCE REPORT
SEPTEMBER 30, 2010**

**REVENUE BY MAJOR SOURCE
CORPORATE REVENUE DETAIL**

	2010 ANNUAL BUDGET	2010 YTD		VARIANCE		2010 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$	%	\$	%
<i>CORPORATE REVENUE DETAIL :</i>							
Fines And Penalties	4,900,000	3,868,025	3,440,263	(427,762)	-11.1%	1,459,737	29.8%
Tax Certificates And Documents	534,379	422,616	328,386	(94,230)	-22.3%	205,993	38.5%
Investment Income	3,750,000	2,500,000	3,231,134	731,134	29.2%	518,866	13.8%
Hydro Investment Income	4,853,450	3,640,087	3,425,613	(214,474)	-5.9%	1,427,837	29.4%
Hydro Dividends	3,175,000	3,175,000	0	(3,175,000)	-100.0%	3,175,000	100.0%
Provincial Offenses Act	890,000	445,000	368,046	(76,954)	-17.3%	521,954	58.6%
Miscellaneous Revenue	69,000	51,746	34,006	(17,740)	-34.3%	34,994	50.7%
Purchasing	50,700	34,549	78,252	43,703	126.5%	(27,552)	-54.3%
Capital Admin. Revenue	25,000	18,747	43,972	25,225	134.6%	(18,972)	-75.9%
<i>TOTAL CORPORATE REVENUE</i>	18,247,529	14,155,770	10,949,672	(3,206,098)	-22.6%	7,297,857	40.0%

**CITY OF VAUGHAN
2010 OPERATING BUDGET
SEPTEMBER 30, 2010**

DEPARTMENTAL EXPENDITURES BY MAJOR CATEGORY (1)

	2010 ANNUAL BUDGET	2010 YTD		VARIANCE		2010 BUDGET REMAINING	
		BUDGET	ACTUAL	FAV. / (UNFAV) \$	%	\$	%
COUNCIL	1,352,306	1,031,714	873,250	158,464	15.4%	479,056	35.4%
OFFICE OF THE INTEGRITY COMMISSIONER	199,940	152,817	106,885	45,932	30.1%	93,055	46.5%
<i>City Manager</i>	778,508	691,034	449,762	241,272	34.9%	328,746	42.2%
Operational Audit	180,710	136,958	113,061	23,897	17.4%	67,649	37.4%
Strategic Planning	206,885	160,673	138,576	22,097	13.8%	68,309	33.0%
Environmental Sustainability	254,945	0	12,244	(12,244)	0.00%	242,701	95.2%
Corporate Policy	124,510	95,718	90,918	4,800	5.0%	33,592	27.0%
Fire and Rescue Services	32,566,813	23,430,386	23,994,195	(563,809)	-2.4%	8,572,618	26.3%
Emergency Planning	173,385	134,499	111,408	23,091	17.2%	61,977	35.7%
TOTAL CITY MANAGER	34,285,756	24,649,268	24,910,164	(260,896)	-1.1%	9,375,692	27.3%
<i>Commissioner of Finance and Corporate Services</i>	393,835	299,753	256,257	43,496	14.5%	137,578	34.9%
City Financial Services	2,724,285	2,091,886	1,852,516	239,370	11.4%	871,769	32.0%
Budgeting and Financial Planning	1,314,001	1,007,765	960,893	46,872	4.7%	353,108	26.9%
Reserves and Investments	1,020,626	789,063	703,152	85,911	10.9%	317,474	31.1%
Purchasing Services	1,182,127	901,009	852,847	48,162	5.3%	329,280	27.9%
TOTAL COMM. OF FINANCE AND CORP. SERVICES	6,634,674	5,089,476	4,625,665	463,811	9.1%	2,009,209	30.3%
<i>Commissioner of Legal and Administrative Services</i>	369,200	281,722	264,060	17,662	6.3%	105,140	28.5%
City Clerk	3,889,486	2,923,226	2,851,179	72,047	2.5%	1,038,307	26.7%
Clerks - Licensing	551,961	424,376	421,258	3,118	0.7%	130,703	23.7%
Committee of Adjustment	530,439	403,927	381,083	22,844	5.7%	149,356	28.2%
City Clerk - Insurance	2,660,000	1,209,992	1,257,141	(47,149)	-3.9%	1,402,859	52.7%
Legal Services	1,642,930	1,252,875	1,468,149	(215,274)	-17.2%	174,781	10.6%
Enforcement Services	4,281,755	3,228,102	2,978,131	249,971	7.7%	1,303,624	30.4%
Human Resources	3,092,409	2,292,044	2,188,709	103,335	4.5%	903,700	29.2%
TOTAL COMM. OF LEGAL AND ADMINISTRATIVE SERVICES	17,018,180	12,016,264	11,809,710	206,554	1.7%	5,208,470	30.6%
<i>Commissioner of Community Services</i>	491,105	359,624	303,537	56,087	15.6%	187,568	38.2%
Communities In Bloom	115,070	65,979	50,359	15,620	23.7%	64,711	56.2%
Community Grants and Advisory Committees	162,030	106,213	40,044	66,169	62.3%	121,986	75.3%
Recreation	17,985,406	13,615,606	13,374,754	240,852	1.8%	4,610,652	25.6%
Cultural Services	788,309	635,395	532,054	103,341	16.3%	256,255	32.5%
Buildings and Facilities	19,873,088	13,444,736	12,178,681	1,266,055	9.4%	7,694,407	38.7%
Fleet Management	925,021	712,037	600,765	111,272	15.6%	324,256	35.1%
Parks Operations	11,482,830	8,530,170	8,154,291	375,879	4.4%	3,328,539	29.0%
Parks Development	1,074,739	824,550	710,731	113,819	13.8%	364,008	33.9%
TOTAL COMMISSIONER OF COMMUNITY SERVICES	52,897,598	38,294,310	35,945,216	2,349,094	6.1%	16,952,382	32.0%
<i>Commissioner of Planning</i>	343,340	262,195	255,951	6,244	2.4%	87,389	25.5%
Development Planning	2,569,111	1,959,578	1,745,341	214,237	10.9%	823,770	32.1%
Policy Planning	1,295,366	993,046	940,860	52,186	5.3%	354,506	27.4%
Building Standards	6,064,527	4,649,934	4,150,835	499,099	10.7%	1,913,692	31.6%
TOTAL COMMISSIONER OF PLANNING	10,272,344	7,864,753	7,092,987	771,766	9.8%	3,179,357	31.0%
<i>Commissioner of Economic and Technology Development and Communications</i>	234,835	3,150	3,150	0	0.0%	231,685	98.7%
Economic and Business Development	1,487,967	1,189,808	992,290	197,518	16.6%	495,677	33.3%
Access Vaughan	713,192	541,453	505,537	35,916	6.6%	207,655	29.1%
Information and Technology Management	6,864,229	4,978,440	4,492,015	486,425	9.8%	2,372,214	34.6%
Corporate Communications	1,534,755	1,141,310	1,086,144	55,166	4.7%	446,611	29.1%
TOTAL COMMISSIONER OF ECONOMIC AND TECHNOLOGY DEVELOPMENT AND COMMUNICATIONS	10,834,978	7,854,161	7,081,136	773,025	9.8%	3,753,842	34.6%
<i>Commissioner of Engineering and Public Works</i>	337,055	256,763	247,064	9,699	3.8%	89,991	26.7%
Development and Transport. Engineering	3,651,116	2,783,532	2,392,661	390,871	14.0%	1,258,455	34.5%
Engineering Services	3,528,271	2,409,261	2,162,493	246,768	10.2%	1,365,718	38.7%
Public Works - Operations	28,881,411	17,889,808	17,466,574	423,234	2.4%	11,414,897	39.5%
TOTAL COMMISSIONER OF ENGINEERING AND PUBLIC WORKS	36,397,853	23,339,364	22,268,792	1,070,572	4.6%	14,129,061	38.8%
VAUGHAN PUBLIC LIBRARIES	11,661,450	8,927,900	8,160,860	767,040	8.6%	3,500,590	30.0%
TOTAL DEPARTMENTAL EXPENDITURES	181,555,279	129,220,027	122,874,665	6,345,362	4.9%	58,680,614	3 #
CORPORATE EXPENDITURES	6,469,015	5,164,432	7,753,677	(2,589,245)	-50.1%	(1,284,662)	32.3%
LONG TERM DEBT	9,000,000	7,600,000	7,527,441	72,559	1.0%	1,472,559	-19.9%
CONTINGENCY	1,800,606	100,000	96,180	3,820	3.8%	1,704,426	94.7%
CAPITAL FROM TAXATION	6,629,522	6,629,522	6,629,522	0	0.0%	0	0.0%
TOTAL DEPARTMENTAL AND CORPORATE EXPENDITURES	205,454,422	148,713,981	144,881,485	3,832,496	2.6%	60,572,937	29.5%

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

**CITY OF VAUGHAN
2010 OPERATING BUDGET
SEPTEMBER 30, 2010**

CORPORATE EXPENDITURES - DETAILS

	2010 ANNUAL BUDGET	2010 YTD		VARIANCE		2010 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	977,537	(977,537)	0.0%	(977,537)	0.0%
Election Reserve Contribution	200,000	200,000	200,000	0	0.0%	0	0.0%
TOTAL RESERVE CONTRIBUTIONS	3,034,000	3,034,000	4,011,537	(977,537)	-32.2%	(977,537)	-32.2%
CORPORATE EXPENDITURES:							
Bank Charges	90,000	67,500	92,113	(24,613)	-36.5%	(2,113)	-2.3%
Professional Fees	236,820	59,286	32,720	26,566	44.8%	204,100	86.2%
Major Omb Hearings - Professional Fees	400,000	280,000	81,830	198,170	70.8%	318,170	79.5%
Joint Services	513,225	384,919	330,700	54,219	14.1%	182,525	35.6%
Sundry	34,900	24,430	(1,126)	25,556	104.6%	36,026	103.2%
City Hall Funding	1,000,000	1,000,000	1,000,000	0	0.0%	0	0.0%
Tax Adjustments	1,400,000	1,050,000	1,178,060	(128,060)	-12.2%	221,940	15.9%
Corporate Insurance	727,650	727,650	727,650	0	0.0%	0	0.0%
Amo Membership	18,050	9,025	14,707	(5,682)	-63.0%	3,343	18.5%
Conferences	29,370	17,622	25,912	(8,290)	-47.0%	3,458	11.8%
Election	985,000	260,000	258,994	1,006	0.4%	726,006	73.7%
Unallocated Benefits	0	0	580	(580)	0.0%	(580)	0.0%
Anticipated Labour Savings	(2,000,000)	(1,750,000)	0	(1,750,000)	100.0%	(2,000,000)	100.0%
TOTAL CORPORATE EXPENSES	3,435,015	2,130,432	3,742,140	(1,611,708)	-75.7%	(307,125)	-8.9%
TOTAL RESERVE CONTRIBUTIONS & CORPORATE EXPENSES	6,469,015	5,164,432	7,753,677	(2,589,245)	-50.1%	(1,284,662)	-19.9%