

# Analyst Briefing Notes

## Budget Committee - February 16, 2010

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**PART I: 2010 OPERATING BUDGET****Executive Summary**

- There are eight indoor ice arenas in the City of Toronto operated by independent Boards of Management. The Arena Board of Management's mandate is to manage and operate the City-owned arena in a manner that meets local community needs and desires for indoor ice recreational activities while having regard to the objective of producing enough revenue from these uses to operate at the lowest reasonable cost to the City and its residents. The Board-operated arenas have consistently delivered on their mandate.
- The eight arenas operated by Boards of Management provide safe, full and equitable access to high quality indoor ice sport recreational facilities and where applicable, other recreational facilities (e.g. community rooms, banquet halls); and allocate use of the facility in a fair and equitable manner among neighbourhood citizens and organizations and arena user groups, with particular consideration given to addressing the needs of the local community. The Board-operated arenas deliver two primary services to the public: ice programming and booking; and arena facility booking.
- The Arena Boards' ongoing service objectives include:
  - Continuing to provide equitable access to high quality indoor and outdoor ice sport recreational opportunities;
  - Continuing to provide high quality facilities and recreational opportunities that respond to community needs; and
  - Managing operations using best available practices to minimize the need for operating support from the taxpayer.
- The Arena Boards of Management key accomplishments in 2009 include:
  - All eight arenas operated at full capacity, delivering a combined total of nearly 40,000 hours of available ice time and scheduled in-house programs to the local community.
  - All eight Arena Boards maintained a high service level to the local community and maintained overall customer satisfaction levels.
  - The Arena Boards maintained a sustainable revenue stream in support of ice programming and bookings, despite challenging economic times.
- For 2009, the Arena Boards of Management Program projects year-end net expenditures of \$0.042 million, which is \$0.032 million or 319% over the 2009 Approved Operating Budget of \$0.010 million net. This unfavourable variance primarily results from an energy savings shortfall of \$0.027 million from Ted Reeve Arena's energy retrofit project and a reduction in facility rental revenue of \$0.012 million at George Bell Arena resulting from the loss of the women's roller derby booking in the summer due to the City strike.

- Ted Reeve Arena's unrealizable estimated annual energy savings from the energy retrofit project implemented is being addressed by the City's Facilities Management Division. The Energy Retrofit Program agreement stipulates that excess energy savings from other City-owned arenas that participated in this Program can be used to offset the energy savings shortfall at Ted Reeve Arena. The 2010 Recommended Operating Budget reflects this arrangement.
- George Bell Arena will lengthen its ice season by starting its 2010 Fall Ice Season three weeks earlier in August, instead of renting out its arena floor in the summer. As a result, there will be no impact of 2009 variances on 2010.
- The 2010 Recommended Operating Budget for the Arena Boards of Management Program of \$6.396 million gross and \$(0.006) million net represents a \$0.016 million or 160% decrease from the 2009 Approved Operating Budget of \$0.010 million net, and overall exceeds the Program's reduction target of 5% for 2010.

**Table 1: 2010 Recommended Budget**

	2009		2010 Recommended Operating Budget			Change - 2010 Recommended Operating Budget v. 2009 Appvd. Budget		FY Incremental Outlook	
	2009 Appvd. Budget	2009 Projected Actual	2010 Rec. Base	2010 Rec. New/Enhanced	2010 Rec. Budget			2011	2012
	\$	\$	\$	\$	\$	\$	%	\$	\$
(In \$000s)									
<b>GROSS EXP.</b>	6,272.6	6,333.9	6,395.7	0.0	6,395.7	123.1	2.0	0.0	0.0
<b>REVENUE</b>	6,262.5	6,291.7	6,401.7	0.0	6,401.7	139.2	2.2	0.0	0.0
<b>NET EXP.</b>	10.1	42.2	(6.0)	0.0	(6.0)	(16.1)	(159.9)	0.0	0.0
<b>Approved Positions</b>	65.5	66.8	65.5	0.0	65.5	0.0	0.0	0.0	0.0

TARGET COMPARISON	2010 Target	2010 Rec. Budget	2010 Rec. Budget vs. 2010 Target	2011 Target
NET BUDGET	9.6	(6.0)	(15.6)	9.1
PROGRAM REDUCTION (\$)	(0.5)	(16.1)	(15.6)	(0.5)
PROGRAM REDUCTION (%)	(5.0)	(159.9)	(154.9)	(5.0)

- The 2010 Recommended Operating Budget includes no new/enhanced service priorities. The 2010 Recommended Operating Budget, with a total of 65.5 approved positions, will maintain current service levels for each of the arenas.
  - Based on the current ice allocation mix, and ice allocation practice, the Arena Boards project no net increase in its 2011 and 2012 net operating budgets. The 2011 and 2012 Outlooks maintain the 2010 recommended level of service.
  - Depending on the ice allocation process and procedure to be recommended by City Council in 2010 and to be implemented by the Arena Boards, and the extent of the changes in ice allocation mix that will be recommended by the General Manager of Parks, Forestry and Recreation to be in compliance with the City's Ice Allocation Policy in 2011, increased net budget support from the City may be required in 2011 and future years.

- The 2010 Recommended Base Budget provides funding for the Program's key cost drivers including salary/wage increases and inflationary increases for operating costs such as cost of materials and supplies, utilities and contracted services, and more costly and frequent repairs and maintenance, that total \$0.123 million in additional gross expenditures. These higher operating costs are offset by additional revenues of \$0.139 million derived from proposed ice rental rate increases indexed to inflation, and realizing the incremental volume and higher service levels achieved in 2009 from sales of more ice time, more program participants in expanded programs and increased revenue from facility/space rentals, advertising, and snack bar/vending and pro shop ancillary operations.
- The 2010 Recommended Operating Budget assumes no service change from that in 2009.
- The Arena Boards of Management's Operating Budget may be impacted by City Council's direction that Arena Boards of Management develop their proposed 2010/2011 ice time allocations in consultation with the General Manager of Parks, Forestry and Recreation and in a manner consistent with the City's Ice Allocation Policy. Any adjustments to the current ice allocation mix for the 2010/2011 ice season may result in some of the Arena Boards not meeting budgeted revenue expectations for the last quarter of 2010, as the 2010 Recommended Operating Budget is based on the current allocation mix. It is unknown at this time what the financial impact, if any, will be for 2010. Potential changes to the Arena Boards' ice allocation process and procedures in the future may impact the 2011/2012 season and thereafter, and the financial self-sustainability model of the arenas could be in question. Increased net budget support from the City may be required in 2011 and future years.
- The 2010 Recommended Operating Budget enables the Arena Boards of Management Program to:
  - deliver a total of 38,000 hours of available ice time, comprising of 21,000 of prime time ice and over 17,000 of day time ice, to the community by the eight Arena Boards; and
  - support the ongoing delivery of in-house programs such as house leagues, hockey schools and camps, skating programs, and the provision of accessory services such as snack bar/vending, pro shops, skate sharpening, and meeting/banquet facility rental to the local community and users.
- All eight arenas are operating at full capacity (prime time ice usage) and will continue to do so in the foreseeable future.

## Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2010 Recommended Operating Budget for the Arena Boards of Management of \$6.396 million gross and \$(0.006) million net, comprised of the following services:

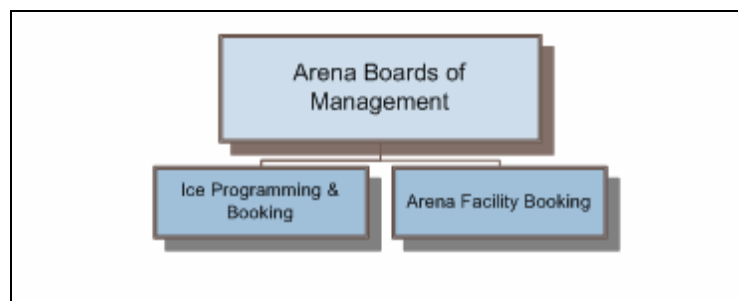
<u>Service:</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
George Bell Arena	550.1	(1.0)
William H. Bolton Arena	825.6	(0.4)
Larry Grossman Forest Hill Memorial Arena	1,011.6	(2.7)
Leaside Memorial Community Gardens	961.5	0.0
McCormick Playground Arena	678.5	(0.2)
Moss Park Arena	726.4	(0.5)
North Toronto Memorial Arena	831.5	(0.9)
Ted Reeve Arena	810.5	(0.3)
	<hr/>	<hr/>
Total Program Budget	6,395.7	(6.0)
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## PART II: 2010 SERVICE OVERVIEW AND PLAN

### Mission Statement

The Arena Boards of Management provide safe, full and equitable access to high quality indoor ice sport recreational facilities that are managed effectively and efficiently to provide opportunities for physical fitness and sport skill development through individual and team activities in response to local community needs.

### Program Map



The eight Arena Boards of Management are mandated to do the following:

- Provide equitable access to high quality indoor and outdoor ice sport recreational opportunities by:
  - maintaining physical facilities at a high standard;
  - maintaining a high level of responsiveness to community needs;
  - providing a high standard of public service to the community; and
  - ensuring that program offerings reflect present and emerging community interests and requirements.
- Efficiently and effectively manage operations without imposing operating costs on the taxpayer by:
  - minimizing operating expenditures by using the best management practices available;
  - pursuing present and emerging revenue opportunities to minimize support from the taxpayer;
  - pursuing opportunities to provide new or improved programs or services in response to emerging community needs; and
  - maximizing opportunities to generate supplementary revenues from accessory operations to support arena operations.

The eight Board-operated arenas deliver two primary services to the public: ice programming and booking; and arena facility booking.

***Ice Programming and Booking***

The Arena Boards allocate use of the arena's available ice time, primetime ice and daytime ice, in a fair and equitable manner among neighbourhood citizens and organizations and arena user groups, with particular consideration given to addressing the needs of the local community. Primetime ice utilization is at or near full capacity at all eight arenas.

- Ice Allocation (Ice Time Booking) – 19 hours/day, 7 days/week, 364 days/year
  - Indirectly 3<sup>rd</sup> party coordinated (booking)
  - Directly run (programmed)
    - House leagues (hockey) and tournaments
    - Summer hockey schools / camps
    - Learn to Skate Programs
    - Power skating camps
    - Figure skating schools
    - Second Mile Club (seniors programs)
    - Adult winter programs for men and women
    - Summer Leagues
    - Board Programs

***Arena Facility Booking***

The Arena Boards provide arena facility rental of its facility/space to facility renters (direct), ice users, participants, or attendees (indirect), on request, solicited, or negotiated. Leaside Gardens' indoor swimming pool is rented to Parks, Forestry and Recreation. All the Arena Boards have accessory operations, providing snack bar/vending and Pro Shop services such as skate sharpening, selling hockey equipment and house league jerseys, snack bar food, and hot and cold beverages. The arenas also sell advertising space on its rink boards, backlit lights and on its ice resurfacers. Revenues from ancillary operations account for 24.4% of total earned revenues which goes towards covering arena operating expenditures and contribute towards the Arena Boards' ability to break even financially.

- Facility Rental - year-round facility/space rental (daily rental); daytime/night time, 364 days/year
  - Banquet hall
  - Meeting / Board rooms
  - Community rooms
  - Parking lot
  - Arena floor
  - Indoor swimming pool (Leaside Gardens rents the pool to PF&R)

- Concession/Vending
  - Snack Bar
  - Pro Shop
- Advertising/Promotion
  - Rink board advertising
  - Zamboni advertising

### **Service Objectives**

The Arena Boards have established the following service objectives for 2010 and beyond:

- to maintain the optimum ice time booking levels during peak season;
- to maintain a high service level to the community and overall customer satisfaction levels;
- to maintain a sustainable revenue stream in support of ice programming and required expenditures;
- to continue to provide high quality facilities and recreational opportunities that respond to local community needs; and
- to efficiently and effectively manage operations using best available practices to minimize the need for Operating Budget funding support from the City.



## PART III: 2009 EXPERIENCE

### 2009 Accomplishments

The Arena Boards' key accomplishments in 2009 include:

- All eight arenas operated at full capacity, delivering a combined total of nearly 40,000 hours of available ice time and scheduled in-house programs, to the local community.
- All eight Arena Boards maintained a high service level to the local community and maintained overall customer satisfaction levels.
- The Arena Boards maintained a sustainable revenue stream in support of ice programming and bookings, despite challenging economic times. 2009 projected revenues from ancillary operations of \$1.551 million account for 24.65% of total earned revenues of \$6.292 million. The success of arena ancillary operations contributed towards the Arena Boards' ability to meet its financial mandate. Five of the Arena Boards expect to nearly break even or produce a small surplus in 2009.
- Two arenas (Leaside Gardens; Moss Park Arena) purchased and took delivery of new ice resurfacers in 2009. These capital purchases are funded from the arenas' pooled annual contributions to an Arena Boards Vehicle & Equipment Replacement Reserve, held by the City.

**Table 2: 2009 Budget Variance Review (\$000s)**

(In \$000s)	2008 Actuals	2009 Approved Budget	2009 Projected Actuals*	2009 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	%
<b>GROSS EXP.</b>	6,106.5	6,272.6	6,333.9	61.3	1.0
<b>REVENUES</b>	6,024.1	6,262.5	6,291.7	29.1	0.5
<b>NET EXP.</b>	82.4	10.1	42.2	32.1	319.0
<b>Approved Positions</b>	63.5	65.5	66.8	1.3	2.0

\*Projected Actuals Based on the September 30, 2009 Variance Report

### 2009 Experience

The Arena Boards of Management 3<sup>rd</sup> Quarter Variance report project that the Program will be \$0.032 million or 319% over the 2009 Approved Operating Budget of \$0.010 million net by year-end. The net unfavourable variance is mainly due to an energy savings shortfall of \$0.027 million from Ted Reeve Arena's energy retrofit project; and George Bell Arena's loss of \$0.012 million of facility rental revenue resulting from the loss of the women's roller derby booking in the summer due to accessibility problems as the parking lot was used as a temporary garbage location during the City labour disruption.

**Impact of 2009 Operating Variance on the 2010 Recommended Budget**

The Arena Boards will continue to provide the same service level in 2010 as experienced in 2009. The higher revenue levels achieved in 2009 from additional ice rentals and more participants in expanded house league programs are reflected in the 2010 Recommended Operating Budget. The additional labour, materials, supplies and services costs directly associated with the provision of expanded programs that produced the additional revenues are also reflected in the 2010 Recommended Operating Budget.

Ted Reeve Arena's unrealizable estimated annual energy savings from the implementation of the energy retrofit project in 2006-2007 is being addressed by the City's Facilities Management Division. Subject to further review by the City, Ted Reeve's estimated annual energy savings shortfall amount of \$0.027 million may change.

## PART IV: 2010 RECOMMENDED BASE BUDGET

**Table 3: 2010 Recommended Base Budget (\$000s)**

	2009 Appvd. Budget	2010 Recommended Base	Change 2010 Recommended Base v. 2009 Appvd. Budget		FY Incremental Outlook	
					2011	2012
(In \$000s)	\$	\$	\$	%	\$	\$
<b>GROSS EXP.</b>	6,272.6	6,395.7	123.1	2.0	0.0	0.0
<b>REVENUE</b>	6,262.5	6,401.7	139.2	2.2	0.0	0.0
<b>NET EXP.</b>	10.1	(6.0)	(16.1)	(159.9)	0.0	0.0
<b>Approved Positions</b>	65.5	65.5	0.0	0.0	0.0	0.0

TARGET COMPARISON	2010 Target	2010 Rec. Budget	2010 Rec. Budget vs. 2010 Target	2011 Target
<b>NET BUDGET</b>	<b>9.6</b>	<b>(6.0)</b>	<b>(15.6)</b>	<b>9.1</b>
<b>PROGRAM REDUCTION (\$)</b>	<b>(0.5)</b>	<b>(16.1)</b>	<b>(15.6)</b>	<b>(0.5)</b>
<b>PROGRAM REDUCTION (%)</b>	<b>(5.0)</b>	<b>(159.9)</b>	<b>(154.9)</b>	<b>(5.0)</b>

**Table 3a: Program Reduction Requirements (\$000s)**

(In \$000s)	2010 Required Reductions	2011 Required Reductions
2009 Approved Budget (September 30)	10.1	
<b>Pressures Reported with 2010 Outlook</b>	<b>0.0</b>	<b>0.0</b>
<b>5% Reduction Target</b>	<b>(0.5)</b>	<b>(0.5)</b>
Additional Pressures not in 2010 Reported Outlook	0.0	TBD
<b>Program Reduction Target</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>Net Budget Target</b>	<b>9.6</b>	<b>9.1</b>

### 2010 Recommended Base Budget

The 2010 Recommended Base Budget of \$(0.006) million net represents a \$0.016 million or 160% decrease from the Arena Boards of Management's 2009 Approved Operating Budget of \$0.010 million net. The net revenue budget exceeds the Program reduction target of 5% for 2010. The 2010 Recommended Base Budget will enable the eight Arena Boards to continue delivering the 2009 level of services.

**2010 Base Budget Key Cost Drivers**

The key cost drivers for the Arena Boards are increased operating costs driven by inflationary increases and repairs/maintenance of aging facilities and equipment. An additional \$0.123 million in gross expenditures recommended for the Program's Base Budget is needed in order to deliver 2009 services and service levels in 2010 dollars.

- Labour costs of \$3.643 million represent 57% of the gross expenditure budget, with salaries and wages, merit/step increases and benefits cost increases averaging 2.3% or \$0.081 million more than in 2009. The Ontario minimum wage rate, paid to temporary/seasonal/casual part-time workers, will be increasing by 8% effective March 31, 2010, from \$9.50 per hour to \$10.25 per hour, driving up labour costs at all the arenas.
- Inflationary cost increases for materials and supplies, utilities and services total \$0.046 million.
- Aging facilities and equipment requiring more costly and frequent repairs and maintenance amount to an increase of \$0.038 million in 2010. The 2010 budget for repairs and maintenance of \$0.391 million represents 6% of gross expenditures. Facility and equipment repairs and replacements that cost less than \$50,000 are provided through the arenas' operating budgets.
- Other base budget adjustments driven by volume or consumption changes results in a decrease of \$0.015 million.
- Ted Reeve Arena's recoverable debt repayment for 2010 of \$33,645 is reduced by \$27,000 to reflect the fact that the energy retrofit project implemented at this arena is unable to produce the estimated energy savings of \$33,645. It is anticipated that this energy savings shortfall will be offset by other City arenas that are realizing higher than anticipated energy savings. Ted Reeve's estimated energy savings shortfall of \$27,000 is being reviewed by the City's Facilities Management Division; the amount may change as a result of the review.

To offset increased operating costs, the Arena Boards will generate \$0.139 million in additional revenues in 2010:

- Ice rental rate increase indexed to inflation will result in \$0.097 million of additional revenue.
- Volume increases, from more participants in in-house programs and selling more daytime ice, will produce \$0.087 million of additional revenue.

The above-mentioned incremental revenue is reduced by a decrease of \$0.045 million in ancillary revenues from accessory operations; this revenue adjustment is made to reflect 2009 actual snack bar/vending and pro shop sales levels, and less demand for facility rental.

**2010 Service Changes**

The Arena Boards of Management 2010 Recommended Base Budget assumes no service change.

City Council at its November 30, December 1, 2, 4 and 7, 2009 meeting directed the Arena Boards of Management to develop their proposed 2010/2011 ice time allocations in consultation with the General Manager of Parks, Forestry and Recreation and in a manner consistent with the City's Ice

Allocation Policy, such that all children and youth activity for both boys and girls receive its proportionate share of primetime ice. City Council directed the Arena Boards of Management to submit their full ice allocation plan for the 2010/2011 ice season to the General Manager of Parks, Forestry and Recreation for approval prior to implementation.

Any significant adjustment to the current ice allocation mix for the 2010 Fall/Winter ice season may result in some of the Arena Boards not meeting budgeted revenue expectations for the last quarter of 2010, as the 2010 Recommended Operating Budget is based on the current allocation mix. It is unknown at this time what the financial impact, if any, will be for 2010.

### **2011 and 2012 Outlook: Net Incremental Impact**

Based on the current ice allocation mix and ice allocation practice, the Arena Boards project no net increase in its 2011 and 2012 net operating budgets. The 2011 and 2012 Outlooks maintain the 2010 recommended level of service.

Depending on the ice allocation process and procedure approved by City Council in 2010 to be implemented by the Arena Boards, and the extent of the changes in ice allocation mix required by the General Manager of Parks, Forestry and Recreation to be implemented in order to be in compliance with the City's Ice Allocation Policy in 2011, increased net budget support from the City may be required in 2011 and future years.

Although the 2010 Recommended Operating Budget for the Arena Boards of Management exceeds the 10% reduction target over two years, the 2011 Operating Budget requirement is uncertain.

## 2010 Recommended Operating Budget by Arena

(In \$000s)

(In \$000s)	2009 Approved Budget	2009 Projected Actual	2010 Recommended Budget	Change 2010 Recommended Budget vs. 2009 Approved Budget		FY Incremental Outlook	
	\$	\$	\$	\$	%	2011 \$	2012 \$
<b>GROSS EXP.</b>							
George Bell	544.7	539.3	550.1	5.4	1.0		
Wm H. (Bill) Bolton	776.7	782.9	825.6	48.9	6.3		
Forest Hill	978.8	977.3	1,011.6	32.8	3.4		
Leaside	962.0	962.0	961.5	(0.5)	(0.0)		
McCormick	677.5	677.8	678.5	1.0	0.1		
Moss Park	723.0	758.6	726.4	3.4	0.5		
North Toronto	813.2	797.6	831.5	18.3	2.3		
Ted Reeve	796.8	838.5	810.5	13.7	1.7		
<b>Total Expenditures</b>	6,272.6	6,333.9	6,395.7	123.1	2.0	0.0	0.0
<b>REVENUES</b>							
George Bell	545.2	527.9	551.1	6.0	1.1		
Wm H. (Bill) Bolton	777.0	781.4	826.0	49.0	6.3		
Forest Hill	979.1	979.0	1,014.3	35.2	3.6		
Leaside	950.7	950.7	961.5	10.8	1.1		
McCormick	677.7	677.7	678.7	1.0	0.1		
Moss Park	723.2	763.2	726.8	3.6	0.5		
North Toronto	813.7	798.8	832.5	18.8	2.3		
Ted Reeve	796.0	813.0	810.8	14.8	1.9		
<b>Total Revenues</b>	6,262.5	6,291.7	6,401.7	139.2	2.2	0.0	0.0
<b>NET EXP.</b>							
George Bell	(0.5)	11.4	(1.0)	(0.5)	105.7		
Wm H. (Bill) Bolton	(0.3)	1.5	(0.4)	(0.1)	19.6		
Forest Hill	(0.3)	(1.7)	(2.7)	(2.4)	722.9		
Leaside	11.3	11.3	0.0	(11.3)	(100.0)		
McCormick	(0.2)	0.1	(0.2)	0.0	(14.3)		
Moss Park	(0.2)	(4.6)	(0.5)	(0.2)	116.7		
North Toronto	(0.4)	(1.2)	(0.9)	(0.5)	109.7		
Ted Reeve	0.8	25.5	(0.3)	(1.1)	(136.4)		
<b>Total Net Expend.</b>	<b>10.1</b>	<b>42.2</b>	<b>(6.0)</b>	<b>(16.1)</b>	<b>(159.9)</b>	<b>0.0</b>	<b>0.0</b>
<b>APPROVED POSITIONS</b>							
George Bell	7.2	7.2	6.8	(0.4)	(5.6)		
Wm H. (Bill) Bolton	8.0	8.0	8.0	0.0	0.0		
Forest Hill	10.5	10.5	9.5	(1.0)	(9.5)		
Leaside	10.1	10.9	11.0	0.9	8.9		
McCormick	7.0	7.0	7.0	0.0	0.0		
Moss Park	6.0	6.0	6.0	0.0	0.0		
North Toronto	7.7	7.7	7.7	0.0	0.0		
Ted Reeve	9.0	9.5	9.5	0.5	5.6		
<b>Approved Positions</b>	<b>65.5</b>	<b>66.8</b>	<b>65.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Appendix A

## 2010 Recommended Base Budget Changes vs. 2009 Approved Budget

(In \$000s)	Summary of 2010 Base Budget Adjustments				Net Incremental Outlook	
	Approved Positions	Gross Expenditures	Revenues	Net	2011	2012
		\$	\$	\$	\$	\$
<b>2009 Council Approved Operating Budget</b>	<b>65.5</b>	<b>6,255.8</b>	<b>6,262.5</b>	<b>(6.7)</b>	<b>0.0</b>	<b>0.0</b>
Technical Adjustments						
In-Year Budget Adjustments		16.8		16.8		
<b>2009 Approved Operating Budget</b>	<b>65.5</b>	<b>6,272.6</b>	<b>6,262.5</b>	<b>10.1</b>	<b>0.0</b>	<b>0.0</b>
Prior Year Impacts						
Annualizations from Prior Year						
Reversals from Prior Year						
Operating Impacts of Capital						
Zero Base Items						
Economic Increases:						
Salary/Wages		71.2		71.2		
Non Salary		46.2		46.2		
<b>Adjusted Base Budget</b>	<b>65.5</b>	<b>6,390.1</b>	<b>6,262.5</b>	<b>127.5</b>	<b>0.0</b>	<b>0.0</b>
Base Expenditure Changes		5.6		5.6		
Base Revenue Changes			139.2	(139.2)		
<b>2010 Base Budget Prior to Service Changes</b>	<b>65.5</b>	<b>6,395.7</b>	<b>6,401.7</b>	<b>(6.0)</b>	<b>0.0</b>	<b>0.0</b>
Recommended Service Changes:						
Service Efficiencies						
Revenue Changes						
Minor Service Level Changes						
Major Service Level Changes						
<b>Total Recommended Base Changes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>2010 Recommended Base Budget</b>	<b>65.5</b>	<b>6,395.7</b>	<b>6,401.7</b>	<b>(6.0)</b>	<b>0.0</b>	<b>0.0</b>

## Appendix D

## Program Summary by Expenditure Category

(In \$000s)

AGENCIES, BOARDS AND COMMISSIONS PROGRAM: ARENA BOARDS OF MANAGEMENT							
	2009 Approved Budget	2009 Projected Actuals	2010 Recommended Budget	Change from 2009 Approved Budget		2011 Outlook	2012 Outlook
	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	3,562.4	3,554.7	3,643.1	80.6	2.3%	3,643.1	3,643.1
Materials and Supplies	1,738.3	1,721.8	1,752.9	14.6	0.8%	1,752.9	1,752.9
Equipment	16.5	53.8	25.4	8.9	53.7%	18.0	18.0
Services & Rents	731.4	780.4	783.8	52.3	7.2%	783.8	783.8
Contributions to Capital	49.3	49.3	22.3	(27.0)	(54.8%)	22.3	22.3
Contributions to Reserve/Res Funds	168.0	167.9	161.7	(6.3)	(3.8%)	169.0	169.0
Other Expenditures	6.7	6.0	6.7	0.0	0.0%	6.7	6.7
Interdivisional Charges							
<b>TOTAL GROSS EXPENDITURES</b>	6,272.6	6,333.9	6,395.7	123.1	2.0%	6,395.7	6,395.7
Interdivisional Recoveries (Leaside Pool)	239.4	239.4	250.2	10.8	4.5%	250.2	250.2
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations	4,983.2	5,080.7	5,176.2	193.0	3.9%	5,176.2	5,176.2
Transfers from Capital Fund							
Contribution from Reserve Funds							
Contribution from Reserve							
Other Revenues	1,040.0	971.6	975.3	(64.7)	(6.2%)	975.3	975.3
<b>TOTAL REVENUE</b>	6,262.5	6,291.7	6,401.7	139.2	2.2%	6,401.7	6,401.7
<b>TOTAL NET EXPENDITURES</b>	10.1	42.2	(6.0)	(16.1)	(159.9%)	(6.0)	(6.0)
<b>APPROVED POSITIONS</b>	65.5	66.8	65.5	0.0	0.0%	65.5	65.5



## Appendix E

### Inflows / Outflows to / from Reserves & Reserve Funds

#### Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	2010*	2011	2012
			\$	\$	\$
Arena Boards Ice Resurfacer Replacement Reserve	XQ1705	Beginning Balance	87.0	61.2	47.2
		Proposed Withdrawals (-) / Contributions (+)	(100.0) 74.1	(103.0) 89.0	(106.0) 90.0
		Total Proposed Contribut'ns (Withdrawals)	(25.9)	(14.0)	(16.0)
		<b>ARENA BOARDS ICE RESURFACER REPLACEMENT RESERVE BALANCE AT YEAR END</b>	<b>61.2</b>	<b>47.2</b>	<b>31.2</b>

\*Balance as of December 2009

#### Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Balance as of December 2009	Proposed Withdrawals (-) / Contributions (+)		
			2010	2011	2012
		\$	\$	\$	\$
Insurance Reserve Fund	XR1010	32,534.1	82.5	82.5	82.5
Sick Leave Reserve Fund	XR1007	49,786.3	5.0	5.0	5.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>			<b>87.5</b>	<b>87.5</b>	<b>87.5</b>