

**ATTACHMENT 3 - FIRST QUARTER REPORT - REPORTABLE VARIANCE NOTES****OPERATING REPORTABLE VARIANCE NOTES**

	No variance to report in Q1.
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**CAPTIAL REPORTABLE VARIANCE NOTES**

<b>A</b>	The lower than anticipated expenses are as a result of a delay in invoicing and additional unanticipated delays related to spring flooding on the Toronto Islands. Once these are taken into account, the variance is (\$423) which is within the acceptable threshold. The annual revenue targets are anticipated to be on track.
<b>B</b>	The under expenditure is related to a number of major capital works projects being under spent in Q1 including: Gibraltar Point which was delayed due to inclement spring weather; East Don Trail which is related to the timing of invoices; and Ashbridges Bay which is awaiting agreement execution prior to mobilization; Upper trail at Ellesmere which is in the approvals phase; DMAF infrastructure projects which are in negotiations with private land owners and anticipated to be spent in Q3-Q4 of 2019; and a number of other major works which are temporarily delayed as a result of agreement execution and negotiations. Once these are taken into account the variance is (\$1,476) which is within the acceptable threshold. A combination of fee for service invoices and grant revenues will be received throughout 2019, and the revenue targets are anticipated to be met.
<b>C</b>	The Meadoway revitalization project is underspent as a result of a shift in the timing of priority projects. Additionally, fee for service projects with our municipal partners are anticipated to commence in Q2-Q3. Once these are taken into account, the variance is (\$460) which is within the acceptable range. A number of projects within this Program Area are built under a fee for service model and will be reconciled once deliverables have been accomplished. Annual revenue targets are currently on track and will be met by year end.
<b>D</b>	Projects under a cost recovery model with City of Toronto are anticipated to begin in Q2-Q3. Once this is taken into account the variance is (\$188) which is within the acceptable threshold. As a result of this fee for service model, and 2019 funding which has been deferred into 2020 and will be reflected in Q4, the annual revenue targets are anticipated to be met by year end.