

ATTACHMENT 3 - SIX MONTH - REPORTABLE VARIANCE NOTES**OPERATING REPORTABLE VARIANCE NOTES**

No variance to report in Q2.

CAPTIAL REPORTABLE VARIANCE NOTES

A	The Q2 variance in Erosion Management is related to a number of major capital works projects being delayed in Q1 resulting in the under expenditure 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 still awaiting agreement execution prior to mobilization; Upper Highland Creek trail at Ellesmere which is continuing through the approvals phase; DMAF infrastructure projects which are in negotiations with private land owners and anticipated to be initiated once the agreements are executed 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 (\$1,166) which is within the acceptable threshold (5%).
B	The under expenditure is as a result of delays in the approvals from the National Disaster Mitigation Program for the Pickering and Ajax Flood Control Dyke Restoration Environmental Assessment. Now that approvals are secured, the project is forecasted to be on track as of Q4 with an anticipated completion in Q1 2020. Once this is taken into account, the variance is (\$499), which is within the acceptable threshold.
C	The under expenditure is as a result of Seaton Development monitoring field work which is planned to take place in Q4. Once this Seaton field work is taken into account, the variance is (\$496) which is within the acceptable threshold.
D	The Meadoway revitalization project is underspent as a result of a shift in the timing of priority projects. Additionally, the Menno-Reesor Restoration and Renovation project will continue to be underspent in 2019 as a result of a reduction in the scope of work following the transfer of Toronto Wildlife Center to Parks Canada. Once these facts are taken into account, the variance is (\$212) which is within the acceptable threshold.
E	The under expenditure in the trails program area is as a result of delays related to City of Toronto fee-for-service work. Contributing to the delays were the Lake Ontario high water levels in the spring, and that additional trail projects will be initiated in Q3 following the execution of agreements in Q2. Once these explanations are taken into account, the variance is (\$241) which is within the acceptable threshold.
F	The under expenditure is related to the Head Office Construction Project which is due to the delay in obtaining site plan approval due to negotiations with Tennis Canada . Once this delay is taken into consideration, the variance is (\$369) which is within the acceptable threshold.