

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON DECEMBER 16, 2014
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	2014 OPERATING BUDGET STATUS – THIRD QUARTER REPORT

RECOMMENDATION

1. That the 2014 Operating Budget Status – Third Quarter Report for the General (Property Tax Supported) refer to **Appendix A**, Water and Wastewater and Treatment Budgets **BE RECEIVED** for information, it being noted that Civic Administration is projecting:
 - a. \$1.5 million in net savings for the General (Property Tax Supported) Budget as identified by Civic Service Areas and Boards and Commissions. It being noted that the year end position could fluctuate significantly based on factors beyond the control of Civic Administration such as Ontario Works caseload and winter maintenance.
 - b. \$0.6 million deficit in the Water rate supported budget, it being noted that a draw from the Water Capital Reserve Fund may be required to balance the year end position.
 - c. \$0.8 million savings in the Wastewater and Treatment rate supported budget.
2. That Civic Administration’s contribution of \$1,826,617 (\$1,450,522 – property tax supported; \$226,368 – water; and \$149,727 – wastewater) to the Efficiency, Effectiveness and Economy reserves in 2014 **BE RECEIVED** for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

- 2014 Operating Budget Status – Second Quarter Report (August 26, 2014 meeting of Corporate Service Committee, Agenda Item 5)

BACKGROUND

The 2014 Operating Budget Status - Third Quarter Report provides a review and analysis of the general operating budget for the January 1st to September 30th, 2014 time period. **Appendix A** compares actual costs incurred as of September 30th, 2014 for the Property Tax Supported Budget. The comparison of actual costs incurred by Service Grouping to the annual budget can assist administration and Council in projecting the year end surplus/(deficit) positions and highlight any potential pressure points in future budgets.

A surplus arises in the operating budget when there is an excess of revenues over expenditures. Year end surpluses generally arise from two circumstances — higher than budgeted revenues (including one-time only revenues), and/or lower than budgeted expenditures. A deficit arises in the operating budget when there is an excess of expenditures over revenues. Year end deficits generally arise from two circumstances — lower than budgeted revenues, and/or higher than budgeted expenditures (including one-time only expenditures).

In December 2007, Council approved the Surplus/Deficit Policy. The allocation of year end surplus/deficit positions according to the policy is as follows:

- 1) Surpluses, if any, should be fully contributed to the Operating Budget Contingency Reserve at year end and, in the subsequent year, allocated as follows:
 - a) The first \$850,000 of the previous year end surplus should be contributed as revenue in that year and reduce the tax levy (noting that this amount is already built into the tax levy);
 - b) 50% of the balance of year end surplus be applied to debt reduction/elimination and/or avoidance;
 - c) The balance of year end surplus be applied by Council to:
 - i. Fund capital projects that cannot be fit within the capital funding envelope;
 - ii. Contribute to the Operating Budget Contingency Reserve to provide for a reasonable cushion against deficits or unexpected expenditure/revenue losses;
 - iii. Contribute to the Unfunded Liability Reserve in order to help fund liabilities reported on the financial statements which have not been funded;
 - iv. Meet one-time community needs, provide for new initiatives/investments that produce a benefit to the community/taxpayer.
- 2) Deficits, if any, should be funded through a draw from the Operating Budget Contingency Reserve at year end.

2014 GENERAL (PROPERTY TAX SUPPORTED) BUDGET

Outlined in the table below is a comparison of net costs incurred as of September 30th, 2014 in comparison to costs incurred as of September 30th, 2013 for the property tax supported budget.

Year	Net Budget (\$ millions)	As at September 30 (\$ millions)	% Spent
2014	\$498.7	\$386.1	77.4%
2013	\$479.6	\$322.7	67.3%

As of September 30, 2014, Civic Administration is projecting a \$1.5 million savings in the property tax supported budget. Outlined below are some of the key items that are contributing to the projected year end position.

Contributing Factor	3rd Quarter (\$ millions) Surplus/ (Deficit)	2nd Quarter (\$ millions) Surplus/ (Deficit)
Higher than anticipated winter maintenance costs due to higher than average snowfall experienced in the first half of 2014.	(2.0)	(2.0)
Fire interest arbitration award of 1.9% effective January 1, 2014 to the London Professional Firefighters Association, it being noted that funding to support an interim 2014 interest arbitration award was not included in the Fire Service 2014 Council approved budget.	(0.9)	(0.9)
Civic Service Areas continue to manage personnel vacancies across the organization including Fire Services, Information Technology Services, Human Resources and Parks, Recreation and Neighbourhood Services.	3.6	3.9
Middlesex-London Health Unit prior period recovery related to accounting and reporting requirements.	0.5	0.0
Higher than anticipated revenue from short term investments and interest, supplementary taxes and penalty on taxes partially offset by other corporate cost overruns.	0.3	0.3
Projected Year End Surplus/(Deficit) Position	<u>\$1.5</u>	<u>\$1.3</u>

A year end surplus position of \$1.5 million represents approximately 0.3% of the net property tax supported budget.

3rd Quarter Projected Year End Position by Service Program

Outlined in the table below are the projected year end surpluses and/or deficits by Service Program that contribute to the net \$1.5 million surplus.

SERVICE PROGRAM	\$ millions
CULTURE	0.0
<ul style="list-style-type: none"> Centennial Hall deficit of \$10 thousand anticipated from higher than budgeted utility costs partially offset by personnel savings. Museum London anticipates a \$20 thousand deficit due to higher than expected utility costs and donation/sponsorship revenue that may not be realized. Should Museum London remain in a deficit position by year end, additional funding may be requested, over and above, the Council approved 2014 budget appropriation to cover the deficit position. Heritage is anticipating a \$30 thousand surplus primarily due to personnel savings generated from delayed hiring. Arts, Culture and Heritage Advisory & Funding, Eldon House and the London Public Library are anticipating a breakeven position at year end. 	
ECONOMIC PROSPERITY	0.0
<ul style="list-style-type: none"> Corporate Investment and Partnerships anticipates a \$40 thousand surplus due to personnel savings partially offset by additional consulting costs and other operational cost increases. London Convention Centre (LCC) is anticipating a \$100 thousand surplus resulting from strong convention business in the spring (growth in event revenue of 16% over 2013). The operational surplus will be reinvested back into LCC reserves to help fund capital initiatives and special projects. Tourism London is anticipating a \$200 thousand surplus resulting from personnel savings partially offset by lower than expected sponsorship revenue. The operational surplus will be contributed to Tourism London reserves. Business Attraction and Retention, and Community Investments/BIA are anticipating a breakeven position at year end. 	
ENVIRONMENTAL SERVICES	(0.4)

SERVICE PROGRAM	\$ millions
<ul style="list-style-type: none"> • Kettle Creek Conservation Authority and the Lower Thames Valley Conservation Authority are anticipating a \$10 thousand deficit due to additional costs resulting from updated current value assessment allocations. • Upper Thames River Conservation Authority is anticipating a breakeven position at year end. • Environmental Action Programs and Reporting is anticipating a \$10 thousand surplus at year end resulting from personnel savings and other operational cost savings. • Garbage, Recycling & Composting is anticipating a \$370 thousand deficit primarily due to lower recycling revenue (lower than anticipated commodity prices), lower tipping fee revenue and increases in operating supplies caused by wet weather conditions. Partially offsetting these deficits are savings in personnel, external equipment costs for garage disposal and other operational savings. 	
PARKS, RECREATION, & NEIGHBOURHOOD SERVICES	0.0
<ul style="list-style-type: none"> • Neighbourhood & Recreation Services is anticipating a \$110 thousand deficit primarily due to net revenue lost during the closure of the Canada Games Aquatics Centre for capital life cycle renewal repairs partially offset by savings in Sports Services. • Parks and Urban Forestry is anticipating a \$60 thousand surplus due to personnel savings partially offset by additional work on the Emerald Ash Borer program and other net operational cost overruns. 	
PLANNING & DEVELOPMENT SERVICES	0.1
<ul style="list-style-type: none"> • Building Controls is anticipating a \$90 thousand surplus due to personnel savings, cost containment initiatives and higher than anticipated revenues for fee based services. This surplus will be contributed to the Building Permit Revenue Stabilization Reserve to mitigate any future operating budget deficits. • Land Use Planning (City Planning & Research) is anticipating a \$160 thousand surplus primarily related to personnel savings and increased zoning and by-law amendment fee revenues. • Development Services is anticipating a \$90 thousand deficit by year end due to net lower than anticipated fee based revenue (zoning by-law revenue, re-inspection fees, site plan fees). 	
PROTECTIVE SERVICES	0.1
<ul style="list-style-type: none"> • Animal Services is anticipating a \$180 thousand surplus due to net savings from new contracts. • By-Law Enforcement is anticipating a \$130 thousand deficit resulting from lower fee based revenues (taxi-limousine, residential and business licences, untidy lots) partially offset by personnel savings and other net operational cost savings. • Corporate Security & Emergency Management is anticipating a \$50 thousand surplus primarily due to personnel savings. • Fire Services is anticipating a breakeven position resulting from the following: <ul style="list-style-type: none"> ○ \$900 thousand deficit due to an interim award of \$1.9% effective January 1, 2014 to the London Professional Firefighters Association. ○ \$900 thousand surplus primarily due to the delayed hiring of personnel vacancies as well as operational cost containment initiatives by spending only on mission critical items. <p>The employee agreement between the London Professional Firefighters Association and the City expired December 31, 2010 and is currently at interest arbitration.</p> • The London Police Services (LPS) is anticipating a \$300 thousand surplus resulting from an organizational restructuring. The LPS will be 	

SERVICE PROGRAM	\$ millions
contributing the surplus to its reserves.	
SOCIAL & HEALTH SERVICES	0.9
<ul style="list-style-type: none"> • Housing Services is anticipating a \$540 thousand surplus due to lower than anticipated Housing Provider subsidy costs resulting from settlements and reconciliations from prior years and savings in the Rent Supplement program, which are partially offset by reduced County revenue. • London & Middlesex Housing Corporation is anticipating a \$20 thousand surplus primarily due to higher rent revenues resulting from lower overall vacancy rates and personnel savings partially offset by cost overruns in general repairs and maintenance and utilities. • Long Term Care is anticipating a \$340 thousand surplus at year end due to increased government funding, personnel savings and equipment and training costs partially offset by lower other net revenues. • Social and Community Support Services is anticipating a \$480 thousand deficit by year end based on the following: <ul style="list-style-type: none"> ○ \$200 thousand deficit in Ontario Works resulting from a caseload and case cost deficit; ○ \$200 thousand deficit in Employment Programs due to volatile caseload and increased demand for employment support services; ○ \$100 thousand deficit in personnel and other operational programs. • Middlesex-London Health Unit (MLHU) is anticipating a breakeven position in relation to its 2014 operations. However, MLHU realized a \$460 thousand surplus related to prior year accounting and reporting requirements, which has been accounted for in the City's 2014 period. • Middlesex-London Emergency Medical Service Authority is anticipating a breakeven position at year end. 	
TRANSPORTATION SERVICES	(1.8)
<ul style="list-style-type: none"> • Parking Services is anticipating a \$90 thousand surplus due to increased parking revenues. • London Transit Commission (LTC) is anticipating a \$200 thousand surplus resulting from lower than anticipated fuel and personnel costs partially offset by lower than anticipated ridership revenue and increased costs for outside resources. The surplus position will be reinvested back into LTC reserves. • Roadway Services is anticipating a \$1.9 million deficit primarily due to higher than expected snow control program costs of \$2.0 million partially offset by other net program operational cost savings of \$100 thousand. 	
CORPORATE, OPERATIONAL, & COUNCIL SERVICES	2.6
<ul style="list-style-type: none"> • Corporate Services is anticipating a \$1.6 million surplus predominantly attributable to savings in Information Technology Services, Facilities, Human Resources and Fleet Services partially offset by cost increases within the Energy Conservation service. • Corporate Planning and Administration Services is anticipating a \$50 thousand surplus position at year end due to personnel savings and an administrative recovery fee for Immigration Portal. • Council Services is anticipating a \$200 thousand surplus due to personnel and other operational savings. • Financial management is anticipating a \$800 thousand surplus due to higher than anticipated revenue from short term investments and interest and penalty on taxes partially offset by additional costs resulting from the implementation of the 2014 development charge by-law and a reduced draw from the Operating Budget Contingency Reserve. • Public Support Services anticipates a \$50 thousand deficit by year end primarily due to overages in postage and Customer Relations partially offset by savings in Taxation and Administration of Justice. 	

SERVICE PROGRAM	\$ millions
TOTAL PROJECTED YEAR END POSITION	\$ 1.5

*subject to rounding

Housekeeping Budget Transfers

As authorized by resolution of Council at the time of the adoption of the 2014 budget, Civic Administration will, throughout the year, approve transfers between accounts that are considered 'housekeeping' in nature.

"That the Civic Administration **BE AUTHORIZED** to accommodate the 2014 Budget transfers that are considered "housekeeping" in nature, and do not impact the Corporate Net Operating Budget." (3p/5/SPPC)

'Housekeeping' adjustments primarily include items that are budgeted centrally at the time of adoption of estimates (budget) and are re-allocated to Services throughout the year.

The following housekeeping budget adjustments were processed in 2014 up to the end of the third quarter:

- Adjustments to services to reflect the allocation of the 2014 position management budget savings adopted by Council on February 27, 2014.
- Adjustments to services to reflect the allocation of the approved 2014 assessment growth funding.
- Adjustments to reflect Information Technology and Parking service re-organization.
- Allocation of computer and telephone budgets from various areas to the Information Technology Division.
- Re-alignment of Corporate Investments and Partnerships from Finance to the Economic Prosperity service program. It being noted that an Economic Development review conducted by KPMG recommended that the City Manager office lead the development of a broad and inclusive community economic development strategic plan.

Emerging Issues

Several service areas have advised Civic Administration of program service delivery pressures that will likely impact 2014 expenditures/revenues and 2015 budget. These issues include:

- **Natural Gas** – Due to the cold winter, the City exceeded the natural gas contract for usage and was required to buy over 15,000 gigajoules of gas for a three day period at the end of February. The cost of this purchase was greater than \$680 thousand dollars. Usage/costs for the balance of the year are be monitored.
- **Ontario Works** – The 2014 provincial budget includes Ontario Works rate adjustments such as a \$30 dollar per month rate increase for singles. The 2014 provincial budget also includes changes related to employment related benefits. This includes the consolidation of seven existing benefits into one with a funding cap. Details are currently unclear but the Province is expecting to implement these changes by April 2015.
- **Personnel/Collective Agreements** – Outstanding arbitrations with the corporation's unions may have significant cost implications depending on the outcome of the grievance/arbitration process. It should also be noted that the London Professional Fire Fighters' Association agreement expired on December 31, 2010.
- **Fire Services** – The Fire Service area is currently going through an operational review conducted by an independent external consultant. The recommendations from the consultant and impact to the Fire Service area are unknown at this time.
- **Waste Diversion**
 - Negotiations between municipalities and the stewards for Blue Box Funding payments for 2014 stalled and resulted in the two sides going to arbitration (May to July). The decision

of the arbitrator is expected sometime in the fall. This may result in a significant drop in Blue Box funding.

- It is Administrations understanding that the government is likely to resurrect a revised version of Bill 91 which may shift from existing Industry Funding Programs for tires, electronics, household special waste and the Blue Box program to individual producer programs. This would likely result in increased funding for the Blue Box program and household special waste program.
- **Landfill Tipping Fees** – Landfill Tipping fees are recovering at a slower rate than anticipated in 2014. Tipping fee revenue will be carefully examined for the remainder of 2014. Discussions are under way with the Ministry of Environment and Climate Change (MOECC) to allow minor revisions to W12A Environmental Compliance Approval to possibly allow new revenue sources for the landfill. City staff are making the necessary adjustments and revising plans.
- **Information Technology** – Information Technology Services is responsible for managing corporate wide systems. An increased investment in information technology infrastructure such as Storage Area Network (SAN), Client Management System (CMS), Human Resource Information System (HRIS), and Corporate Asset Management (CAM) may be required in order to support corporate initiatives.
- **Insurance** – The City of London self-insures itself against certain liabilities. The Self Insurance Reserve Fund is being reviewed to determine if there are adequate funds available to meet current and future liabilities. The impacts of this analysis are currently not known and may have an impact on the 2015 budget and beyond.

2014 WATER AND WASTEWATER & TREATMENT BUDGET

Water Budget

As of September 30, 2014, the Water rate supported budget anticipates a \$0.6 million deficit by year end. Water consumption is continuing to decrease which will have a negative impact on net billing volumes. However, the loss in consumption based revenues has been partly mitigated by anticipated surpluses in Water Infrastructure Connection, Fire Protection, Water Service Application and Bulk Water Sales.

Operational costs are projected to be a deficit by year end primarily resulting from the cold winter experienced. Water main breakage was above average leading to water leakage and higher purchase of water costs along with unusually high number of breaks and thawing of frozen services resulting in emergency repair cost deficit. Utility cost savings are forecasted as a result of the delay of commissioning the Southeast Reservoir and Pumping Station. Consistent with past practice, Civic Administration continues to review further cost containment measures to balance the year end position.

Water Budget (\$ 000's)					
	2014 Revised Budget	Actual as at September 30, 2014	Actual % Spend/ Realized	Projected Year End Position	Projected Year End Savings/ (Deficit)
Revenues	(69,705)	(46,169)	66.2%	(69,559)	(146)
Expenditures	69,705	55,989	80.3%	70,158	(453)
Net	-	(9,820)	N/A	(599)	(599)

Wastewater & Treatment Budget

The Wastewater & Treatment budget anticipates a \$0.8 million surplus by year end. A deficit is projected from reduced sanitary sewer system revenues based on decreased sanitary sewer

billing volumes. Consistent with the Water Budget (as noted above), water consumption (used to assess the sanitary portion of sewer charges) is expected to be lower than what the budgeted revenues were based on. Additionally, a revenue shortfall is anticipated for the new Sanitary Infrastructure Connection and Sanitary Drainage charges, included in the new Water and Wastewater rate structure implemented in 2013.

Operational savings are projected to be realized from lower than expected expenditures in personnel, operating supplies, utilities and external equipment rentals as a result of cost containment and efficiencies.

Wastewater & Treatment Budget (\$ 000's)					
	2014 Revised Budget	Actual as at September 30, 2014	Actual % Spend/ Realized	Projected Year End Position	Projected Year End Savings/ (Deficit)
Revenues	(84,529)	(54,386)	64.3%	(83,452)	(1,077)
Expenditures	84,529	63,962	75.7%	82,635	1,894
Net	-	(9,576)	N/A	817	817

Emerging Issues

- Ongoing revenue pressures from lower than anticipated water consumption as a result of weather conditions and conservation efforts by users of the water and sewer system. Even a small reduction in consumption can result in revenue shortfalls of hundreds of thousands of dollars. The trend of water and sewer conservation is anticipated to continue impacting the Water budget in future years, making it challenging to generate sufficient revenues to meet system needs.
- Costs Associated with Future Corporate Initiatives – Council recently endorsed the Industrial Land Development Strategy to support economic development in the City of London. It is also anticipated that the Downtown Master Plan will be presented to Council in 2014. Similarly, Wastewater energy efficiency enhancements, the Wastewater Optimization Strategy and the Pollution Prevention and Control Plan are specific initiatives that are expected in the near future. The costs of these initiatives are not currently included in the approved 2014 budget and forecast. It is critical to maintain financial flexibility to accommodate these emerging initiatives.
- 2014 Development Charges and Growth Management Implementation Strategy (GMIS), as per the capital submissions for the 2015 Budget, both Water and Wastewater & Treatment indicate that the 20 Year Plan will be significantly higher than 2014 projections. The combined increase is approximately \$146 million (Water approx. \$43 million and Wastewater & Treatment approx. \$103 million)
- Full Cost Accounting for the Utilities – The Water and Wastewater utilities have been progressing toward full-cost accounting for a number of years. This process involves charging the utilities the full cost of services they receive, including those provided by other corporate service areas. A review conducted in 2014 indicates that the charges to Water and Wastewater should be adjusted in the future to reflect the actual services provided. A plan to implement the new charges is currently being developed.
- Future Energy Costs – While further energy efficiency projects are planned for the near future, energy prices may have a detrimental impact on future rates if they continue to increase at recent levels without a more concerted energy reduction effort.

UNFUNDED LIABILITIES

The City of London's unfunded liabilities consist of future employee benefits payable and landfill closure and post closure costs. The total liability is \$158.5 million (\$155.2 million in 2012). The liability is offset by reserve and reserve funds of \$81.1 million (2012 restated to \$77.0 million) for a

net unfunded liability balance of \$77.4 million (2012 restated to \$78.2 million). Over the years, Council has authorized Civic Administration to allocate personnel savings and unspent contingency budgets to the Unfunded Liability Reserve in order to reduce the growth in this liability.

VACANCY MANAGEMENT

All positions that become vacant, with some exceptions, are subject to 90 days savings corporately. The savings from these positions are contributed to Efficiency, Effectiveness and Economy Reserves to be used as a one-time funding source for initiatives recommended by the Senior Leadership Team. Any savings due to vacancies longer than 90 days accrue to services and are included in the above projections identified earlier in the report. The Corporation realized \$1,826,617 (\$1,450,522 – property tax supported; \$149,727 – wastewater; and \$226,368 – water) for the period of January 1, 2014 to September 30, 2014. During the same period in 2013, the Corporation realized \$1,435,013 (\$1,280,920 – property tax supported; \$69,950 – water; and \$84,143 – wastewater).

SUMMARY

Civic Administration anticipates a favourable \$1.5 million year end position in the 2014 Property Tax Supported budget if trends experienced to date continue. The major factors contributing to this projected position are higher than anticipated winter maintenance costs due to higher than average snowfall experienced in the first half of 2014 and a Fire interest arbitration award of 1.9% effective January 1, 2014 to the London Professional Firefighters Association. Corporate savings are anticipated to be realized as a result of Civic Service Areas continued effort to manage personnel vacancies across the organization including Fire Services, Information Technology Services, Human Resources and Parks, Recreation and Neighbourhood Services and higher than anticipated revenue from short term investments and interest and penalty on taxes. Lastly, the City has realized savings as a result of the Middlesex-London Health Unit prior period recovery related to accounting and reporting requirements.

The Water budget anticipates a \$0.6 million deficit and the Wastewater & Treatment budget anticipates a \$0.8 million surplus. These two budgets continue to experience shortfalls in consumption based revenue due to lower than expected water consumption patterns. In Wastewater and Treatment a surplus in expenditures is anticipated due to operational cost containment and in Water a deficit in expenditures is anticipated due to higher than average water main breaks from the cold winter experienced.

Civic Administration will continue to monitor and review corporate financial projections and trends for the remainder of 2014.

Prepared By:	Reviewed By:

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APPENDIX 'A'

2014 OPERATING BUDGET STATUS
3rd QUARTER REPORT
(\$ 000) ⁽¹⁾

	2014				3rd QUARTER REPORT	
	COUNCIL APPROVED NET BUDGET	REVISED NET BUDGET ⁽²⁾	ACTUALS AS AT SEPTEMBER 30, 2014	ACTUAL % SPENT	PROJECTED YEAR END POSITIONS	PROJECTED YEAR END SURPLUS/ (DEFICIT)
Culture:						
Centennial Hall	101	101	98	97.0%	106	(5)
Arts, Culture & Heritage Advisory & Funding	2,171	2,180	1,709	78.4%	2,180	0
Museum London	1,550	1,550	1,319	85.1%	1,570	(20)
Eldon House	232	232	171	73.7%	232	0
Heritage	97	157	63	40.2%	121	36
Libraries	18,713	18,713	14,035	75.0%	18,713	0
Total Culture	22,864	22,933	17,395	75.9%	22,922	11
Economic Prosperity:						
Business Attraction & Retention	10,992	11,543	10,981	95.1%	11,543	0
Corporate Investment & Partnerships	395	412	272	66.0%	377	36
Community Improvement/BIA	191	188	170	90.5%	188	0
London Convention Centre	600	569	443	77.9%	569	0
Tourism London	1,845	1,864	987	53.0%	1,864	0
Covent Garden Market	0	0	0	0.0%	0	0
Total Economic Prosperity	14,023	14,576	12,854	88.2%	14,540	36
Environmental Services:						
Conservation Authorities ⁽³⁾	3,193	3,212	2,466	76.8%	3,223	(11)
Environmental Action Programs & Reporting	712	734	521	71.0%	724	11
Garbage Recycling & Composting	12,736	13,283	9,665	72.8%	13,654	(371)
Total Environmental Services	16,641	17,229	12,652	73.4%	17,600	(371)
Parks, Recreation & Neighbourhood Services:						
Neighbourhood & Recreation Services ⁽⁴⁾	18,017	18,538	31,135	167.9%	18,650	(111)
Parks & Urban Forestry	10,934	11,182	8,268	73.9%	11,119	64
Total Parks, Recreation & Neighbourhood Services	28,950	29,721	39,403	132.6%	29,768	(47)
Planning & Development Services:						
Building Controls ⁽⁵⁾	(1,253)	(1,178)	(2,132)	181.0%	(1,178)	0
City Planning & Research	3,092	3,175	2,034	64.1%	3,012	163
Development Services	3,523	3,680	2,789	75.8%	3,768	(88)
Total Planning & Development Services	5,362	5,678	2,691	47.4%	5,603	75
Protective Services:						
Animal Services	1,436	1,435	862	60.1%	1,252	183
By-Law Enforcement	1,139	1,108	402	36.3%	1,233	(126)
Corporate Security & Emergency Management	1,184	1,323	724	54.7%	1,272	50
Fire Services	55,635	55,390	35,412	63.9%	55,390	0
Police Services	91,589	92,477	68,945	74.6%	92,477	0
Total Protective Services	150,983	151,733	106,345	70.1%	151,624	108
Social & Health Services:						
Housing	20,331	20,868	17,272	82.8%	20,333	536
Long Term Care	4,722	4,677	4,381	93.7%	4,333	344
Land Ambulance	11,712	11,713	5,935	50.7%	11,713	0
Middlesex London Health Unit	6,095	6,095	4,108	67.4%	5,631	464
Social & Community Support Services	23,416	23,265	23,340	100.3%	23,750	(484)
Total Social & Health Services	66,276	66,619	55,036	82.6%	65,759	859
Transportation Services:						
Parking	(3,093)	(3,244)	(2,796)	86.2%	(3,335)	92
Public Transit	26,096	26,096	19,833	76.0%	26,096	0
Roadways	34,218	35,224	27,004	76.7%	37,077	(1,853)
Total Transportation Services	57,221	58,076	44,041	75.8%	59,837	(1,761)
Corporate, Operational & Council Services:						
Corporate Services	41,849	41,596	28,042	67.4%	40,000	1,596
Corporate Planning & Administration	2,011	2,576	1,624	63.1%	2,524	52
Council Services	3,240	3,243	2,263	69.8%	3,034	209
Financial Management	89,255	84,576	63,852	75.5%	83,779	797
Public Support Services	54	176	(64)	(36.3%)	231	(55)
Total Corporate, Operational & Council Services	136,410	132,166	95,717	72.4%	129,568	2,598
Total Property Tax Requirements	498,730	498,730	386,135	77.4%	497,222	1,507

1) Subject to rounding.

2) Includes housekeeping budget transfers. As authorized by Council's resolution at the time of the adoption of the 2014 budget, Civic Administration can approve transfers between accounts that are considered 'housekeeping' in nature. These adjustments primarily include items that are budgeted centrally, and during the year are distributed to various services.

3) Kettle Creek Conservation Authority and Lower Thames Valley Conservation Authority have already received their 2014 appropriation.

4) Neighbourhood & Recreation Services actual expenditures appears high as the Children's Services Provincial Subsidy is recognized later in the year.

5) Building Controls actual revenue appears high due to early payment of building permit application fees due to upcoming rate increases.