

<b>TO:</b>	<b>CHAIR AND MEMBERS FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE MEETING ON NOVEMBER 26, 2012</b>
<b>FROM:</b>	<b>MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>
<b>SUBJECT:</b>	<b>2012 OPERATING BUDGET STATUS – THIRD QUARTER REPORT</b>

<b>RECOMMENDATION</b>
-----------------------

1. That the 2012 Operating Budget Status – Third Quarter Report for the General Budget (Property Tax Supported refer to **Appendix A**), Water Budget and Wastewater and Treatment Budget **BE RECEIVED** for information, it being noted that Civic Administration is projecting:
  - a) A \$2.5 million in savings for the General (Property Tax Supported) Budget, noting 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, it being further noted that consistent with Council resolution, the projected \$2.5 million in savings would be contributed to the Operating Budget Contingency Reserve at year end.
  - b) A \$0.3 million deficit in the Water Budget, it being further noted that consistent with Council resolution, the \$0.3 million deficit in the Water rate supported budget would be offset by a draw down from the Water Works Capital Reserve Fund.
  - c) A breakeven position in the Wastewater and Treatment Budget.
2. That Civic Administration **BE AUTHORIZED** to transfer \$2.0 million from the Operating Budget Contingency Reserve to the City Facilities Reserve Fund (subject to achieving the projected \$2.5 million savings reported in 1 above) in order to provide a source of funding for facility related initiatives such as the Ontario Works Decentralization capital initiative it being noted that the Ontario Works Decentralization capital project is subject to the review and approval of a strategy report and business case by Council.
3. That Civic Administrations contribution of \$2,645,069 (\$2,277,566 – property tax supported; \$163,430 – wastewater; and \$204,073 – water) to the Efficiency, Effectiveness and Economy reserves in 2012 **BE RECEIVED** for information.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
--

- 2012 Operating Budget Status – Second Quarter Report (September 4, 2012 meeting of Finance and Administrative Services Committee, Agenda Item 6)

<b>BACKGROUND</b>
-------------------

The 2012 Operating Budget Status - Third Quarter Report provides a review and analysis of the general operating budget for the January 1<sup>st</sup> to September 30<sup>th</sup>, 2012 time period. **Appendix A** compares actual costs incurred as of September 30<sup>th</sup>, 2012 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.



**2012 GENERAL (PROPERTY TAX SUPPORTED) BUDGET**

Outlined in the table below is a comparison of net costs incurred as of September 30<sup>th</sup>, 2012 in comparison to costs incurred as of September 30<sup>th</sup>, 2011 for the property tax supported budget.

	<b>Net Budget</b> (\$ millions)	<b>As at September 30</b> (\$ millions)	<b>% Spent</b>
2012	\$467.4	\$299.9	64.2%
2011	\$462.7	\$296.6	64.1%

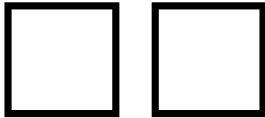
As of September 30, 2012 Civic Administration is projecting a savings in the property tax supported budget. Outlined below are some of the key items that are contributing to the projected year end position.

	<b>3<sup>rd</sup> Quarter Forecast</b> (\$ millions)	<b>2<sup>nd</sup> Quarter Forecast</b> (\$ millions)
Anticipated revenue from supplementary taxes from greater than anticipated billings to date partially offset by higher than anticipated allowance for tax write off expenses.	2.3	1.0
Net savings in Housing resulting from reconciliations of prior year subsidies.	0.6	0.7
Increase in subsidy for corporate overhead support for Ontario Works resulting from the new funding model implemented in 2011 along with Ontario Works caseload savings based on lower than anticipated case costs that are partially offset by slightly higher number of cases as of September 30, 2012.	0.5	0.3
Higher than anticipated revenues experienced and trending in and from; Arenas, London Hydro Dividend, short term investments, Recycling, Golf, Grants in Lieu, Western Fair, Long Term Care, Provincial Offences, and Taxation Services. These favourable revenues are offset by lower than anticipated revenues in Animal Services, Storybook Gardens, and accident recoveries in Roadways.	4.3	1.9
Reduction in the draw from the Operating Budget Contingency Reserve along with an increased contribution to the City's Unfunded Liability Reserve to address corporate liabilities and costs which have been partially offset by savings in personnel and other operations.	(5.2)	(2.1)
<b>Total Projected Year End Position</b>	<b>2.5</b>	<b>1.8</b>

**3rd Quarter Projected Year End Position by Service Program**

Outlined in the table below is a breakdown of the contributing factors provided by Service Programs identifying projected savings and/or deficits.

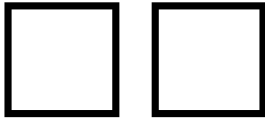
<b>SERVICE PROGRAM</b>	<b>\$ millions</b>
<b>CULTURE</b>	0
<ul style="list-style-type: none"><li>Culture Program Services, including Museum London, Heritage and the London Public Library have reported that a breakeven position is anticipated by year end, it being noted that as of September 30, 2012, the City has incurred 76.7% of the Council approved budget for this area.</li></ul>	
<b>ECONOMIC PROSPERITY</b>	(0.05)
<ul style="list-style-type: none"><li>Economic Development Services is projecting a \$0.05 million deficit resulting from the Council approved London Economic Development</li></ul>	



SERVICE PROGRAM	\$ millions
Corporation contract increase.	
<b>ENVIRONMENTAL SERVICES</b>	0.1
<ul style="list-style-type: none"><li>Garbage Collection &amp; Disposal anticipates a minor deficit attributable to higher than anticipated leachate haulage costs incurred in January. These additional costs are anticipated to be partially offset by higher than anticipated revenue from tipping fees at W12A resulting from an increase in volume.</li><li>Recycling and Composting Service anticipates higher than anticipated revenue from one-time Municipal Hazardous and Special Waste (MHSW) funding received.</li><li>Environmental Stewardship and the Conservation Authorities all have reported an anticipated breakeven position for 2012 notwithstanding that the Ministry of Natural Resources funding was received later than anticipated.</li></ul>	
<b>PARKS, RECREATION, &amp; NEIGHBOURHOOD SERVICES</b>	0.1
<ul style="list-style-type: none"><li>Neighbourhood &amp; Recreation Services is anticipating a \$0.1 million surplus at year end attributable to higher than anticipated revenues in Arenas and Special Events. It being noted that these revenues along with savings being realized in Community Centres, Parks &amp; Recreation Administration, and Recreation &amp; Leisure Programs resulting from cost containment measures are offsetting deficits anticipated at Storybook Gardens due to summer attendance, a decline in indoor pool admissions, and higher than anticipated net child care program costs as a result of an increase in fee subsidies.</li></ul> <p>It should be noted that Golf is projecting a break even position at year end resulting from a historically warm spring season, an increase in revenue from the London Golf Club agreement, and revenue from the summer months exceeding the business plan performance targets.</p> <ul style="list-style-type: none"><li>Parks &amp; Urban Forestry anticipates a breakeven position.</li></ul>	
<b>PLANNING &amp; DEVELOPMENT SERVICES</b>	0.4
<ul style="list-style-type: none"><li>Land Use Planning Services is anticipating a savings of \$0.1 million in personnel related to restructuring.</li><li>Development Services anticipates savings of \$0.3 million resulting from personnel from a number of vacancies, savings in purchased services and user fee revenue trending higher than budgeted.</li><li>Building Control Services is anticipating a deficit of \$1.0 million primarily resulting from lower than anticipated building permit revenue. The deficit is being offset by a draw from the Building Permit Stabilization Reserve.</li></ul>	
<b>PROTECTIVE SERVICES</b>	0.0
<ul style="list-style-type: none"><li>Fire Services anticipates a breakeven position noting that the employee agreement between the London Professional Firefighters Association and the City expired December 31, 2010 and is currently at arbitration.</li><li>London Police Services anticipates a break even position noting that they are closely monitoring their personnel costs as attrition to date is lower than anticipated while WSIB and paid time accounts are trending high.</li><li>By-Law Enforcement Services is anticipating net savings of \$0.1 million largely resulting from personnel vacancies and revenues being higher than anticipated. These savings are offset by costs incurred for property</li></ul>	



SERVICE PROGRAM	\$ millions
<p>clean ups at McCormicks and Fleming Drive.</p> <ul style="list-style-type: none"><li>Animal Services is anticipating a \$0.2 million deficit largely due to higher than anticipated contract costs and lower than anticipated revenue from licensing.</li><li>Other Protective Services anticipates a break even position.</li></ul>	
<b>SOCIAL &amp; HEALTH SERVICES</b>	3.2
<ul style="list-style-type: none"><li>Housing Services anticipates \$0.6 million in net savings due to lower than anticipated Housing Provider Subsidy costs. It should be noted that the London &amp; Middlesex Housing Corporation is realizing better than anticipated rent revenues from lower vacancy rates compared to the experience in 2011, however this favourable revenue is offset by higher than anticipated maintenance and operating costs.</li><li>Long Term Care Services anticipates approximately \$0.5 million in net savings attributable to higher than anticipated revenue from the Ministry of Health which is partially offset by higher than anticipated expenses for operations such as building and ground maintenance.</li><li>Social and Community Support Services anticipates \$2.1 million in savings by year end based on the following:<ul style="list-style-type: none"><li>\$0.4 million in net personnel savings anticipated along with \$0.3 million in other net administrative and program cost savings.</li><li>\$0.4 million in increased corporate overhead support subsidy for Ontario Works from the new funding model implemented in 2011.</li><li>\$0.1 million in Ontario Works net caseload savings.</li><li>\$0.9 million in net savings from lower than anticipated discretionary benefits related to non-social assistance recipients' costs, OW Child Care net costs, and other lower than anticipated costs experienced at emergency and DOM Shelters, and in Employment services.</li></ul></li></ul>	
<b>TRANSPORTATION SERVICES</b>	0.2
<ul style="list-style-type: none"><li>Parking Services anticipates a net savings of \$0.2 million from operations.</li><li>London Transit anticipates a breakeven position at year end noting that transportation revenue is trending greater than anticipated and savings in fuel and winter maintenance costs could be realized if trends to date continue. These budgetary savings are offset by higher than anticipated municipal taxes and a reduced draw from reserves.</li><li>Roadway Services anticipates a minor deficit resulting from lower than anticipated revenue from accident recoveries.</li></ul>	
<b>CORPORATE, OPERATIONAL, &amp; COUNCIL SERVICES</b>	(1.4)
<ul style="list-style-type: none"><li>Corporate Services anticipates a net savings of \$1.6 million predominantly attributable to savings in the following areas; Facilities, Information Technology, Realty, Fleet, Legal and Purchasing. These savings are largely comprised of personnel savings (vacancies), fuel savings, energy savings, telecommunication procurement (purchase vs. leasing), and higher than anticipated rental property revenue.</li><li>Corporate Planning and Administration Services and Council Services anticipate \$0.2 million in savings attributable to net savings in personnel resulting from vacant positions, and other accounts such as Council meals.</li></ul>	



SERVICE PROGRAM	\$ millions
<ul style="list-style-type: none"><li>Public Support Services anticipates \$0.5 million in savings by year end.<ul style="list-style-type: none"><li>Fine revenue from Administration of Justice is higher than anticipated along with higher than anticipated user fee revenue from Taxation Services.</li></ul></li><li>Financial Management anticipates a net deficit of \$3.7 million by year end resulting from:<ul style="list-style-type: none"><li>Higher than anticipated supplementary tax revenue based on trends to date, \$4.5 million offset by an increase in allowance for tax write offs of \$2.2 million.</li><li>\$2.4 million in net additional revenue and recoveries resulting primarily from; Grants in Lieu, interest and penalty on taxes, short term investment revenue, Western Fair revenue, and London Hydro dividend.</li><li>Strategic funding increase of \$3.7 million to the Unfunded Liability Reserve, consistent with Council direction to mitigate the growth in the City's unfunded liability as well as increased requirements for corporate contingencies.</li><li>Reduced draw required from the Operating Budget Contingency Reserve \$4.7 million.</li></ul></li></ul>	
TOTAL PROJECTED YEAR END POSITION	\$ 2.5

\*subject to rounding

Housekeeping Budget Transfers

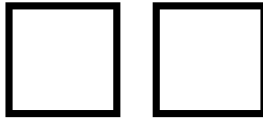
As authorized by resolution of Council at the time of the adoption of the 2012 budget, Civic Administration will, throughout the year, approve transfers between accounts that are considered 'housekeeping' in nature.

“That the Civic Administration **BE AUTHORIZED** to accommodate the 2012 budget transfers that are considered "housekeeping" in nature, and do not impact the Corporate Net Operating Budget. (4v/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 2012 up to the end of the 3rd quarter:

- Adjustments to reflect the recent corporate re-alignment, and refinement to Service structure (e.g. Transfer of Recreation Administration from Corporate Services to Recreation & Neighbourhood Services and Adjustments to Public Support Services, Customer Relations & Compliance and the Planning and Development Services Program).
- Adjustments to services to reflect the net change in fringe benefit costs (OMERS rate increase), along with the allocation of the 2012 position management budget amount.
- “A list” budget reductions to Capital Costs and Contingencies from the appropriate Civic Areas.
- Formation of the Corporate Investments & Partnership Service area.
- Allocation of computer and telephone budgets from various areas to the Information Technology Division.



## Emerging Issues

Several civic departments/boards and commissions have advised civic administration of program service delivery pressures that will likely impact 2012 expenditures/revenues and 2013 budget.

These issues include:

- **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.
- **Ontario Municipal Employees Retirement System (OMERS)** – On September 8, 2010, the OMERS Sponsors Corporation approved a three-year contribution rate increase beginning in 2011. Contribution rates for the employer and employee will increase on average as a percentage of a member's earnings as follows; 1% in 2011, 1% in 2012, and 0.9% in 2013. This announcement puts pressure on property tax supported budgets, water rate supported budgets, and wastewater & treatment rate supported budgets in 2013.
- **Community Homelessness Prevention Initiative (CHPI)** - In July 2012, the Ministry of Municipal Affairs and Housing (MMAH) announced CHPI. This housing and homelessness program consolidation was one of the outcomes from the Provincial-Municipal Fiscal and Service Delivery Review. Consolidating housing and homelessness related programs is a key part of Ontario's Long Term Affordable Housing Strategy and is aimed at transforming the housing system through a Housing and People First Approach. Under this strategy, the Province committed to consolidate the following housing and homelessness related programs:
  - Consolidated Homelessness Prevention Program;
  - Emergency Energy Fund;
  - Emergency Hostel Services;
  - Domiciliary Hostel Program; and,
  - Provincial Rent Bank.
- **Community Start-up and Maintenance Benefit and Home Repair Benefits** – This will be removed from Ontario Works effective January 1, 2013. This is the first phase of consolidation under the Long-Term Affordable Housing Strategy. Half of the provincial funding is intended to be included in a new consolidated program administered by municipalities to provide housing and homelessness services.
- **Dearness Home** - Recommendations are pending from the outside party review of Dearness Home operations.
- **County of Middlesex** – A change in the historic cost apportionment arrangements for social housing and land ambulance is being advanced by Middlesex County. The potential financial impact is unknown at this time.

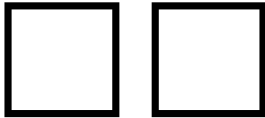
Civic Administration is taking steps to mitigate and accommodate these potential pressures within the approved 2012 budget and/or in the development of the 2013 budget.

## 2012 Water and Wastewater & Treatment Budget

### Water Budget

As of September 30, 2012, the Water rate supported budget anticipates a \$0.3 million deficit by year end. As reported in the 2<sup>nd</sup> quarter, water consumption is continuing to decrease which will have a negative impact on net billing volumes. It is expected that a decrease of 995,000 m<sup>3</sup> (44.5 million m<sup>3</sup> to 43.5 million m<sup>3</sup>) in consumption will occur in addition to the 2012 budgeted 1.0 million m<sup>3</sup> reduction (45.5 million m<sup>3</sup> to 44.5 million m<sup>3</sup>). This reduction in consumption translates into a \$1.1 million reduction in revenue.

Partially offsetting the projected revenue loss are savings from the purchase of water, planned savings from personnel management and operating supply savings. To balance the year end



operations, a draw from the Water Works Capital Reserve Fund would be required which would necessitate adjustments being made to the Capital Plan.

Water Budget (\$ 000's)					
	2012 Revised Budget	Actual as at September 30, 2012	Actual % Spend/ Realized	3 <sup>rd</sup> Quarter Projected Year End Position	Projected Year End Savings/ (Deficit)
Expenditures	59,677	38,785	65%	58,893	784
Revenues	(59,677)	(38,768)	35%	(58,610)	(1,067)
Net	-	17	N/A	283	(283)

**Wastewater & Treatment Budget**

The Wastewater & Treatment Budget anticipates a breakeven position by year end. Consistent with the Water Budget, reductions in billed sanitary volumes for the year are anticipated. A net billing volume decline of 2.0% is projected which would translate into a reduction of \$1.1 million in revenue.

Offsetting the anticipated shortfall in sanitary sewer revenues, are favourable other net revenues such as High Strength Waste charge revenue. Also projected to offset the deficit are anticipated savings in Wastewater & Treatment Operations resulting from personnel, purchased services, chemicals, and energy.

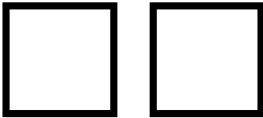
Wastewater & Treatment Budget (\$ 000's)					
	2012 Revised Budget	Actual as at September 30, 2012	Actual % Spend/ Realized	3 <sup>rd</sup> Quarter Projected Year End Position	Projected Year End Savings/ (Deficit)
Expenditures	75,501	38,980	51%	74,807	694
Revenues	(75,501)	(48,834)	64%	(74,807)	(694)
Net	-	(9,854)	N/A	-	-

**Emerging Issues**

- Ongoing issues with billed flow volumes will impact the revenue derived from these volumes (sanitary surcharge and water billings).
- Impact of full cost accounting under the Sustainable Water and Sewage Systems Act, PSAB changes for tangible capital assets and Ontario Regulation 453/07 financial plans.
- Enhanced legislative requirements under the Safe Drinking Water Act and Clean Water Act.
- Final decisions in the electrical industry that will have impacts on the water meter reading and billing services currently contracted with London Hydro.
- It is anticipated that there will be a greater focus on inflow and infiltration and resulting bypasses and overflows for municipalities across Canada. This is likely to become a more significant and costly issue in years to come as a result of Canadian Council of Ministers of the Environment (CCME) guidelines.
- If enacted, enhanced legislative requirements under the proposed Water Opportunities and Water Conservation Act, 2010.
- Impact of lead mitigation activities to comply with anticipated corrosion control regulations (Ont. Reg.399/07 amending 170/03).

**POSITION MANAGEMENT AND VACANCY MANAGEMENT**

All positions, 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 \$2,645,069 (\$2,277,566 – property tax supported; \$163,430 – wastewater; and \$204,073 – water) for the period of January 1, 2012 to September 30th, 2012. During the same period in 2011, the Corporation realized \$959,443 (\$841,457 – property tax supported; \$101,331 – wastewater; and \$16,655 – water).

**SUMMARY**

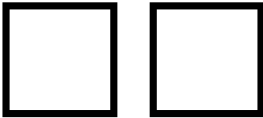
Civic Administration anticipates a favourable \$2.5 million year end position in the 2012 Property Tax Supported budget if trends experienced to date continue. The major factors contributing to this projected position are additional revenues being realized in Financial Management (Supplementary Taxes, London Hydro, Western Fair, short term investments), Recycling, Long Term Care, Realty, Finance, and Social Housing with net operational savings realized across the corporation.

The Water Budget anticipates a \$0.3 million deficit and the Wastewater & Treatment Budget anticipates a breakeven position by year end. These two budgets continue to experience shortfalls in revenue due to lower than expected water consumption patterns.

Civic Administration will continue to monitor and review corporate financial projections and trends for the remainder of 2012.

<b>Prepared By:</b>	<b>Reviewed By:</b>
<b>Ian Collins</b> <b>Manager of Financial Planning &amp; Policy</b>	<b>Larry Palarchio</b> <b>Director of Financial Planning &amp; Policy</b>
<b>Recommended By:</b>	
<b>Martin Hayward</b> <b>Managing Director, Corporate Services and</b> <b>City Treasurer, Chief Financial Officer</b>	





APPENDIX 'A'

2012 OPERATING BUDGET STATUS  
3rd QUARTER REPORT - STATUS  
(\$ 000) <sup>(1)</sup>

	2012				3 <sup>rd</sup> QUARTER REPORT	
	COUNCIL APPROVED NET BUDGET	REVISED NET BUDGET <sup>(2)</sup>	ACTUALS AS AT September 30, 2012	ACTUAL % SPENT	PROJECTED YEAR END POSITIONS	PROJECTED YEAR END SURPLUS/ (DEFICIT)
<b>Culture:</b>						
Cultural Services	3,769	3,777	3,211	85.0%	3,777	0
Heritage	87	87	61	70.1%	87	0
Libraries	18,045	18,045	13,535	75.0%	18,045	0
<b>Total Culture</b>	<b>21,901</b>	<b>21,909</b>	<b>16,807</b>	<b>76.7%</b>	<b>21,909</b>	<b>0</b>
<b>Economic Prosperity:</b>						
Economic Development	8,270	8,397	4,146	49.4%	8,442	(45)
<b>Total Economic Prosperity</b>	<b>8,270</b>	<b>8,397</b>	<b>4,146</b>	<b>49.4%</b>	<b>8,442</b>	<b>(45)</b>
<b>Environmental Services:</b>						
Conservation Authorities <sup>(3)</sup>	2,986	2,986	2,274	76.1%	2,986	0
Environmental Stewardship	673	688	471	68.6%	688	0
Garbage, Recycling, & Composting	12,703	12,720	9,021	70.9%	12,620	100
<b>Total Environmental Services</b>	<b>16,362</b>	<b>16,393</b>	<b>11,766</b>	<b>71.8%</b>	<b>16,293</b>	<b>100</b>
<b>Parks, Recreation &amp; Neighbourhood Services:</b>						
Neighbourhood & Recreation Services <sup>(4)</sup>	15,555	18,024	18,080	100.3%	17,939	85
Parks & Urban Forestry	10,013	10,158	8,130	80.0%	10,158	0
<b>Total Parks, Recreation &amp; Neighbourhood Services</b>	<b>25,568</b>	<b>28,182</b>	<b>26,209</b>	<b>93.0%</b>	<b>28,097</b>	<b>85</b>
<b>Planning &amp; Development Services:</b>						
Building Controls <sup>(5)</sup>	(1,389)	(1,432)	(1,147)	80.1%	(1,432)	0
Land Use Planning	2,531	2,792	1,919	68.7%	2,675	117
Development Services	3,372	3,416	2,129	62.3%	3,179	237
<b>Total Planning &amp; Development Services</b>	<b>4,514</b>	<b>4,776</b>	<b>2,900</b>	<b>60.7%</b>	<b>4,422</b>	<b>354</b>
<b>Protective Services:</b>						
Animal Services	1,060	1,060	784	74.0%	1,260	(200)
By-Law Enforcement	689	1,299	959	73.8%	1,148	151
Emergency & Security Management	1,151	1,158	739	63.8%	1,138	20
Fire Services	52,681	54,003	32,065	59.4%	54,003	0
Police Services	88,052	88,042	63,917	72.6%	88,042	0
<b>Total Protective Services</b>	<b>143,633</b>	<b>145,562</b>	<b>98,465</b>	<b>67.6%</b>	<b>145,591</b>	<b>(29)</b>
<b>Social &amp; Health Services:</b>						
Housing	20,539	20,547	16,473	80.2%	19,923	624
Long Term Care	4,159	4,258	2,023	47.5%	3,728	530
Primary Health Care Services	16,626	16,626	10,893	65.5%	16,626	0
Social & Community Support Services	29,842	29,889	23,233	77.7%	27,818	2,071
<b>Total Social &amp; Health Services</b>	<b>71,166</b>	<b>71,321</b>	<b>52,622</b>	<b>73.8%</b>	<b>68,096</b>	<b>3,225</b>
<b>Transportation Services:</b>						
Parking	(2,707)	(2,759)	(2,334)	84.6%	(3,001)	242
Public Transit	24,306	24,306	18,473	76.0%	24,306	0
Roadways	32,077	32,038	20,238	63.2%	32,058	(20)
<b>Total Transportation Services</b>	<b>53,676</b>	<b>53,584</b>	<b>36,377</b>	<b>67.9%</b>	<b>53,362</b>	<b>222</b>
<b>Corporate, Operational &amp; Council Services:</b>						
Corporate Services	43,487	40,230	25,724	63.9%	38,665	1,565
Corporate Planning & Administration	2,673	2,131	1,297	60.9%	2,128	3
Council Services	3,124	3,159	2,022	64.0%	2,979	180
Financial Management <sup>(6)</sup>	72,292	71,638	22,241	31.0%	75,319	(3,681)
Public Support Services <sup>(7)</sup>	686	69	(722)	(1045%)	(421)	490
<b>Total Corporate, Operational &amp; Council Services</b>	<b>122,262</b>	<b>117,227</b>	<b>50,562</b>	<b>43.1%</b>	<b>118,670</b>	<b>(1,443)</b>
<b>Total Property Tax Requirements</b>	<b>467,352</b>	<b>467,352</b>	<b>299,853</b>	<b>64.2%</b>	<b>464,883</b>	<b>2,469</b>

1) Subject to rounding.

2) Includes housekeeping budget transfers. As authorized by Council's resolution at the time of the adoption of the 2012 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 departments.

3) Kettle Creek Conservation Authority and Lower Thames Valley Conservation Authority have already received their 2012 appropriation.

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

5) Revenue realized to date exceeded prior year experience, however annual revenue is expected to be less than amount budgeted.

6) Actual expenditure for the Financial Management Budget appears low as of September 30th since capital financing costs and contribution to reserves and reserve funds are not incurred until late October/ early November.

7) Actual expenditure for the Public Support Services appears low as of September 30th since POA County Share cost not yet incurred.