

2018 YEAR END OPERATING VARIANCE SUMMARY BY DEPARTMENT / DIVISION

Departments/Divisions	Page #	2017					2018				
		Annual Gross Budget	Annual Net Budget	Q2 (May 31) Projected Surplus / (Deficit)	Year End Surplus/ (Deficit)	YE % Var. Of Gross Bgt. Surplus/ (Deficit)	Annual Gross Budget	Annual Net Budget	Q2 (May 31) Projected Surplus / (Deficit)	YE % Var. Of Gross Bgt. Surplus/ (Deficit)	
<b>Representation</b>											
Mayor's Office	2	504,157	504,157	0	0	0.00%	504,753	504,753	-	0.0%	
Council Administrative Services	3	604,938	604,938	0	1,281	0.21%	601,527	601,527	-	0.0%	
<b>Total Representation</b>		<b>1,109,095</b>	<b>1,109,095</b>	<b>0</b>	<b>1,281</b>	<b>0.12%</b>	<b>1,106,280</b>	<b>1,106,280</b>	<b>-</b>	<b>0.0%</b>	
<b>Office of the Chief Administrative Officer</b>											
CAO's Office	4	1,333,810	1,176,539	140,000	172,228	12.91%	1,320,807	1,151,348	85,000	6.4%	
<b>Office of the City Solicitor</b>											
Planning & Building	5	8,742,973	3,613,431	574,400	553,784	6.33%	9,743,666	3,881,662	220,000	2.3%	
Legal	6-7	17,009,347	6,018,338	(1,738,000)	(1,522,981)	-8.95%	17,162,635	6,772,609	(333,000)	-1.9%	
Fire & Rescue Services	8	46,176,988	45,201,199	(299,600)	52,982	0.11%	46,493,654	45,502,965	(332,000)	-0.7%	
<b>Total Office of the City Solicitor</b>		<b>71,929,308</b>	<b>54,832,968</b>	<b>(1,463,200)</b>	<b>(916,215)</b>	<b>-1.27%</b>	<b>73,399,955</b>	<b>56,157,236</b>	<b>(445,000)</b>	<b>-0.6%</b>	
<b>Office of the Chief Financial Officer</b>											
Finance	9	9,445,098	6,229,178	137,000	877	0.01%	10,259,010	6,467,287	-	0.0%	
Information Technology	10	7,744,735	6,469,296	45,000	88,104	1.14%	7,954,334	6,678,895	14,500	0.2%	
<b>Total Office of the Chief Financial Officer</b>		<b>17,189,833</b>	<b>12,698,474</b>	<b>182,000</b>	<b>88,981</b>	<b>0.52%</b>	<b>18,213,344</b>	<b>13,146,182</b>	<b>14,500</b>	<b>0.1%</b>	
<b>Office of City Clerk</b>											
Council Services	11	10,193,204	6,988,231	10,000	341,293	3.35%	10,483,425	7,150,594	65,000	0.6%	
Human Resources	12	5,015,420	4,723,763	170,000	209,632	4.18%	5,364,825	4,988,419	-	0.0%	
Windsor Public Library	13	9,173,305	8,109,957	50,000	175,824	1.92%	9,386,489	8,203,937	-	0.0%	
<b>Total Office of City Clerk</b>		<b>24,381,929</b>	<b>19,821,951</b>	<b>230,000</b>	<b>726,749</b>	<b>2.98%</b>	<b>25,234,739</b>	<b>20,342,950</b>	<b>65,000</b>	<b>0.3%</b>	
<b>Office of Parks, Recreation, Culture and Facilities</b>											
Parks	14-15	39,518,665	24,815,537	259,800	(401,766)	-1.02%	41,239,338	26,330,162	111,000	0.3%	
Recreation & Culture	16	23,789,014	11,953,684	(35,000)	38,751	0.16%	24,114,601	12,816,436	(100,000)	-0.4%	
<b>Total Office of Parks, Recreation, Culture and Facilities</b>		<b>63,307,679</b>	<b>36,769,221</b>	<b>224,800</b>	<b>(363,015)</b>	<b>-0.57%</b>	<b>65,353,939</b>	<b>39,146,598</b>	<b>11,000</b>	<b>0.0%</b>	
<b>Office of the City Engineer</b>											
Engineering	17-18	31,517,465	7,712,486	(428,700)	323,829	1.03%	27,449,528	3,369,287	(61,500)	-0.2%	
Public Works Operations	19	54,304,502	26,900,403	1,578,900	(1,332,256)	-2.45%	54,455,439	27,342,112	625,500	1.1%	
Transit Windsor	20-21	33,504,338	13,108,590	(363,000)	(133,396)	-0.40%	33,931,108	13,271,519	(710,000)	-2.1%	
<b>Total Office of the City Engineer</b>		<b>119,326,305</b>	<b>47,721,479</b>	<b>787,200</b>	<b>(1,141,823)</b>	<b>-0.96%</b>	<b>115,836,075</b>	<b>43,982,918</b>	<b>(146,000)</b>	<b>-0.1%</b>	
<b>Community Development &amp; Health</b>											
Employment & Social Services	22	118,491,577	9,398,178	741,000	1,032,339	0.87%	118,666,766	7,887,381	520,500	0.4%	
Housing & Children's Services/WECHC	23	103,721,182	22,841,372	246,000	641,991	0.62%	122,107,176	23,282,846	350,600	0.3%	
Huron Lodge	24-25	22,883,479	7,283,223	(15,000)	(77,582)	-0.34%	23,427,040	7,317,503	(43,000)	-0.2%	
<b>Total Community Development &amp; Health</b>		<b>245,096,238</b>	<b>39,522,773</b>	<b>972,000</b>	<b>1,596,748</b>	<b>0.65%</b>	<b>264,200,982</b>	<b>38,487,730</b>	<b>828,100</b>	<b>0.3%</b>	
<b>Corporate Accounts</b>	26-28	<b>220,184,625</b>	<b>(315,541,718)</b>	<b>2,818,972</b>	<b>1,245,869</b>	<b>0.57%</b>	<b>228,641,359</b>	<b>(316,872,705)</b>	<b>1,638,927</b>	<b>0.7%</b>	
<b>Total City Departments Prior to Contingency &amp; Additional Council-Approved Funding</b>		<b>763,858,822</b>	<b>(101,889,218)</b>	<b>3,891,772</b>	<b>1,410,803</b>	<b>0.18%</b>	<b>793,307,480</b>	<b>(103,351,463)</b>	<b>2,051,527</b>	<b>0.3%</b>	
Corporate Contingency Approved in 2018 Budget		1,500,000	1,500,000	0	0	0.00%	1,500,000	1,500,000	-	0%	
<b>Surplus (Deficit) Subtotal</b>		<b>765,358,822</b>	<b>(100,389,218)</b>	<b>3,891,772</b>	<b>1,410,803</b>	<b>0.18%</b>	<b>794,807,480</b>	<b>(101,851,463)</b>	<b>2,051,527</b>	<b>0.3%</b>	
<b>Agencies, Boards &amp; Commissions</b>											
Windsor Police Services	29	92,773,764	82,437,022	(300,000)	(148,382)	-0.16%	95,600,360	83,943,525	(425,000)	-0.4%	
Agency Grants	30	18,010,674	17,910,076	(166,870)	504,004	2.80%	20,195,286	19,369,688	-	0.0%	
Committees of Council	31	42,120	42,120	0	39,159	92.97%	38,250	38,250	-	0.0%	
<b>Total Agencies, Boards &amp; Commissions</b>		<b>110,826,558</b>	<b>100,389,218</b>	<b>(466,870)</b>	<b>394,781</b>	<b>0.36%</b>	<b>115,833,896</b>	<b>103,351,463</b>	<b>(425,000)</b>	<b>-0.4%</b>	
<b>2018 Net Operating Budget Surplus (Deficit)</b>		<b>876,185,380</b>	<b>0</b>	<b>3,424,902</b>	<b>1,805,584</b>	<b>0.21%</b>	<b>910,641,376</b>	<b>0</b>	<b>1,626,527</b>	<b>0.2%</b>	

Less: Windsor Public Library (175,824)

Less: Windsor Public Library 0

\$ 1,629,760

\$ 1,626,527

**MAYOR'S OFFICE**

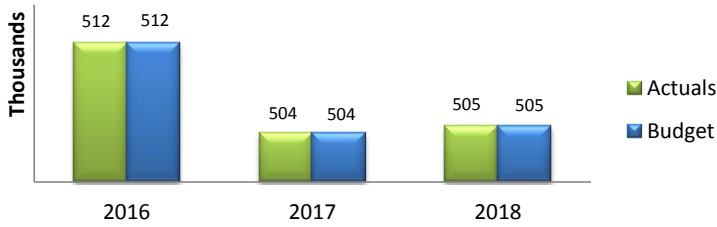
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	511,809	504,157	504,753
Annual Net Budget	511,809	504,157	504,753
Annual Net Expenditures	511,809	504,157	504,753
<b>Year End Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>
Variance as % of GB			

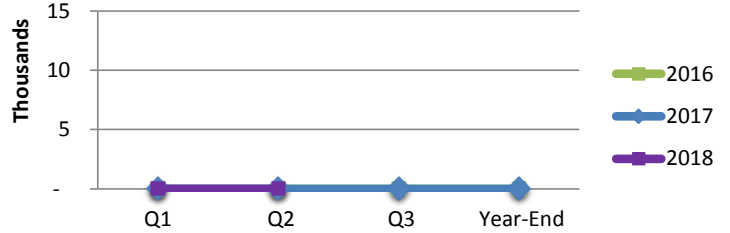
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	-	-
Year-End (Q4)*	-	-	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

No significant variances projected at this time.

**Summary of Description**

Category	Amount
Projected to end the year within budget estimates	\$ -
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ -</b>

**Mitigating Steps**

**COUNCIL ADMINISTRATIVE SERVICES**

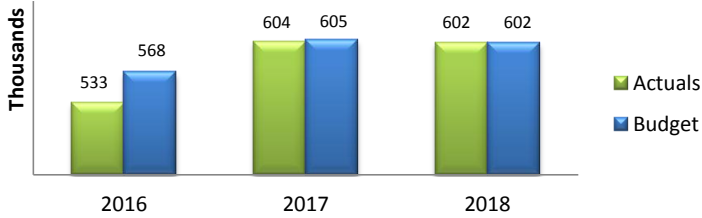
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	567,767	604,938	601,527
Annual Net Budget	567,767	604,938	601,527
Annual Net Expenditures	532,732	603,657	601,527
<b>Year End Variance</b>	<b>35,035</b>	<b>1,281</b>	<b>0</b>
Variance as % of GB	5.8%	0.2%	

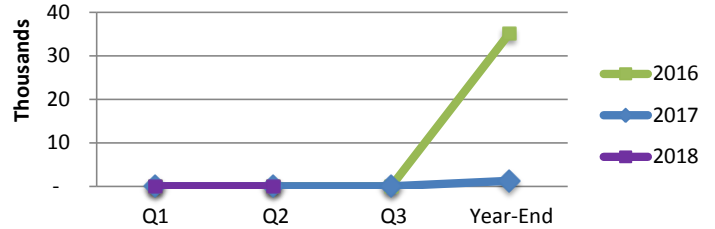
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	-	-
Year-End (Q4)*	35,035	1,281	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

No significant variances projected at this time.

**Summary of Description**

Category	Amount
Projected to end the year within budget estimates	\$ -
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ -</b>

**Mitigating Steps**

**CAO'S OFFICE**

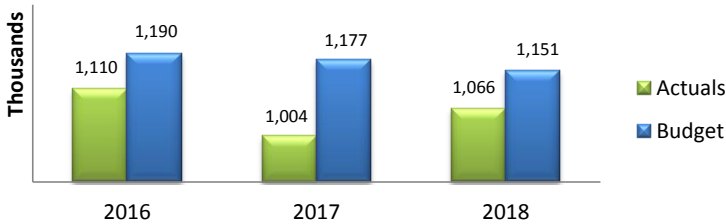
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	1,190,282	1,333,810	1,320,807
Annual Net Budget	1,190,282	1,176,539	1,151,348
Annual Net Expenditures	1,110,038	1,004,311	1,066,348
<b>Year End Variance</b>	<b>80,244</b>	<b>172,228</b>	<b>85,000</b>
Variance as % of GB	6.0%	0.0%	6.4%

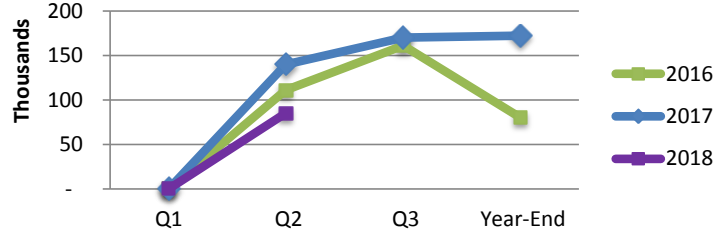
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	111,000	140,000	85,000
Third Quarter (Q3)	161,000	170,000	-
Year-End (Q4)*	80,244	172,228	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

The CAO's Office budget contains provisional/contingency budgets for Corporate Consulting and other matters. It is difficult to anticipate until very close to year end, what these budgets may be used for, therefore while a surplus is projected as of 2nd quarter 2018, there is a possibility that a portion of these funds may be used by year end.

**Summary of Description**

	Category	Amount
1	Salary Gapping	\$ 45,000
2	Corporate Consulting	\$ 40,000
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ 85,000</b>

**Mitigating Steps**

**PLANNING AND BUILDING**

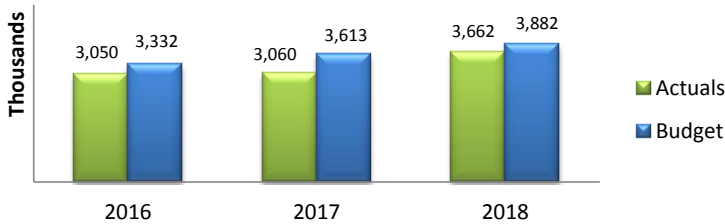
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	8,076,714	8,742,973	9,743,666
Annual Net Budget	3,331,740	3,613,431	3,881,662
Annual Net Expenditures	3,049,654	3,059,647	3,661,662
<b>Year End Variance</b>	<b>282,086</b>	<b>553,784</b>	<b>220,000</b>
Variance as % of GB	3.2%	6.3%	2.3%

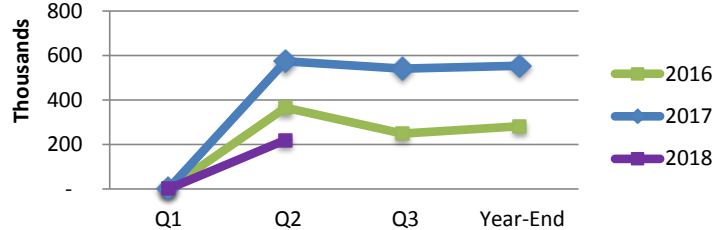
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	365,000	574,400	220,000
Third Quarter (Q3)	249,000	540,600	-
Year-End (Q4)*	282,086	553,784	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

**Levy Funded Budget**

The department at this time is forecasting an operating surplus of \$220,000 for 2018 from the levy funded budget.

An estimated savings of \$400,000 from salary expense gapping is anticipated due to staff turnover and delayed start up of the newly approved vacant property and rental property enforcement programs. Similarly there is a projected revenue shortfall of \$180,000 directly related to the unexpected delay of the above noted programs due to labour relations and general staff turnover.

**Permits Funded Budget**

Based on all current information available, a permit revenue surplus of \$347,000 is being forecasted for 2018. A further \$138,000 operating surplus is anticipated due to salary expense gapping resulting from staff turnover. This results in a total projected surplus of \$485,000 from the permits funded budget.

While the above projected surpluses are favourable, Administration advises that a partial draw against the Building Permit Fee Reserve may still be required this year. The budgeted draw against reserve is \$898,000.

**Summary of Description**

Category	Amount
Salary Gapping	\$ 400,000
User Fee Revenue	\$ (180,000)

**Net Year End Surplus/(Deficit)**

**\$ 220,000**

**Mitigating Steps**

Administration continually seeks out efficiencies and cost saving measures where possible while striving to maintain adequate and effective service delivery. New initiatives including the recent City Council approved acquisition of a digitized customer service program (purchased from Evolta) are expected to aid in this endeavour.

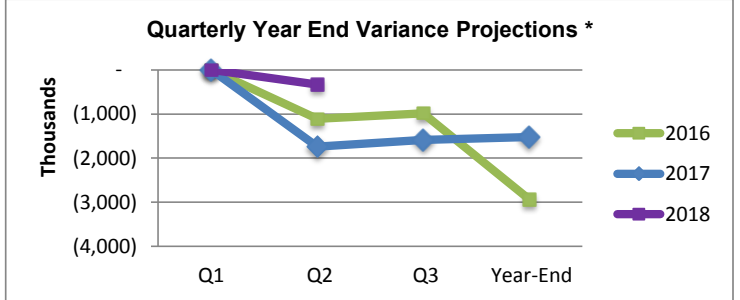
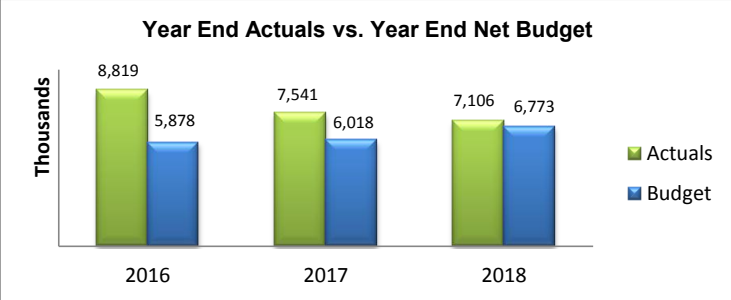
**LEGAL**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	16,960,183	17,009,347	17,162,635
Annual Net Budget	5,877,591	6,018,338	6,772,609
Annual Net Expenditures	8,818,765	7,541,319	7,105,609
<b>Year End Variance</b>	<b>(2,941,174)</b>	<b>(1,522,981)</b>	<b>(333,000)</b>
Variance as % of GB	-17.3%	-9.0%	-1.9%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(1,110,000)	(1,738,000)	(333,000)
Third Quarter (Q3)	(981,000)	(1,589,740)	-
Year-End (Q4)*	(2,941,174)	(1,522,981)	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

Claim Costs: \$184,000

There is a projected surplus of \$184,000 at year end for payments to claims made against the City. The budget was raised from \$2.362m to \$3.02m in 2018. Settlements are difficult to predict in their amounts and timing due to their nature. This is a preliminary estimate based on historical trends and payments. Claim cost deficits are typically recovered from the Self Insurance Reserve Fund (SIR). The projected surplus will help offset any future deficits.

Legal Services Cost: (\$150,000)

There was a budget increase of \$150k to external legal in 2018. The external legal services account is projected to be in a deficit of approximately (\$150,000) at year end, mainly due to costs incurred relating to various larger litigations. It should be stressed that external legal fees are very difficult to project as it is impossible to determine what actions will be brought against the City. The final variance may vary materially from the current projections.

Real Estate Canderel: (\$263,000)

In the 2018 budget, the budget dollars for the Canderel lease expenditure and sublease revenues were removed from Real Estate's budget for the sale of the Canderel parking garage. However, as the deal has not yet closed, the lease expenditures and sublease revenues are still being charged out. Without having the budget, this is causing a deficit variance of \$263,000 being carried in Real Estate. The deal did not close on the anticipated date due to circumstances beyond the department's control, however, it is expected to close in the very near future.

Provincial Offences: (\$244,000)

The Provincial Offences division is forecasting a budget shortfall of (\$244,000). This is primarily due to revenues projecting to be lower than expected in 2018.

Salary Gapping: \$140,000

A net surplus of \$140,000 is being projected in the salary accounts due to position vacancies and salary gapping within Real Estate and Provincial Offences.

**Summary of Description**

Category	Amount
1. Claim Costs	Utilities, Insurance & Taxes \$ 184,000
2. Legal Services Costs	Purchased Services (150,000)
3. Real Estate Canderel	Recovery of Expenditures (263,000)
4. Provincial Offences	Other Miscellaneous Expenditures (244,000)
5. Salary Gapping	Recovery of Expenditures 140,000
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ (333,000)</b>

**Mitigating Steps**

Due to the uncertain nature of the City's exposure to External Legal Fees it is difficult to identify mitigating strategies. The Legal Department continues to exercise prudent oversight with respect to the conduct of external files and the management of claims, and uses in-house resources whenever possible. The Provincial Offences division's active collection efforts on outstanding defaulted fines continues to be robust which will help mitigate this deficit. In addition, all efforts are being made to reduce expenditures through operational efficiencies (i.e. merging courts, closing court days when not required, reduced printing costs, etc) which will help bring the division more in line with budget by the end of the year.

---

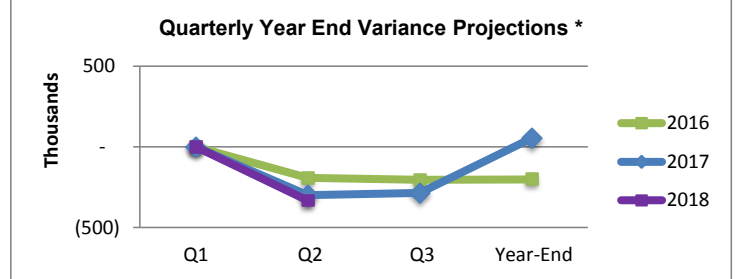
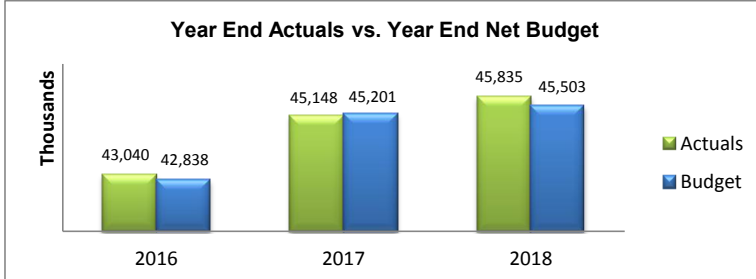
**FIRE & RESCUE SERVICES**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	43,889,767	46,176,988	46,493,654
Annual Net Budget	42,838,231	45,201,199	45,502,965
Annual Net Expenditures	43,039,770	45,148,217	45,834,965
<b>Year End Variance</b>	<b>(201,539)</b>	<b>52,982</b>	<b>(332,000)</b>
Variance as % of GB	-0.4%	0.1%	-0.7%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(192,000)	(299,600)	(332,000)
Third Quarter (Q3)	(203,800)	(286,000)	-
Year-End (Q4)*	(201,539)	52,982	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

Bunker Gear Cleaning expense: (\$10,000)

Fire and Rescue division is projecting a (\$10,000) shortfall in Bunker Gear cleaning account due to a rigorous cleaning and inspection program to ensure firefighters do not wear contaminated gear any longer than is necessary. In 2016, CAO-3836 approved the purchase of 2nd set of gear for each firefighter. This was an essential step in reducing harmful exposures to carcinogenic agents associated with contaminated Bunker Gear making another set of gear available while soiled gear is being cleaned. The cleaning process benefits the health of our staff, lowering the risk of occupational disease.

User Fee Revenue: (\$20,000)

Apparatus division is projecting a (\$20,000) shortfall in User fee revenue due to inability to accept external customers' work and still meet the maintenance need of WFRS vehicles and equipment.

Fire Fleet Maintenance & Repair: (\$30,000)

Apparatus division is projecting a (\$30,000) shortfall due to increasing cost of vehicle and equipment parts and increasing complexities of technology that is more expensive to maintain.

Net Salary Variance (excluding fringes): (\$272,000)

A salary gapping budget of \$150,000 is projected to have a shortfall of (\$135,000), with only \$15,000 projected to be achieved. The remaining (\$137,000) projected shortfall is from Emergency Communication division in the amount of (\$127,000) and Training division in the amount of (\$10,000). Emergency Communications continues to be short staffed due to long term absences.

**Summary of Description**

Description	Category	Amount
Other Miscellaneous Expenses	Purchased Services	\$ (10,000)
User Fee Revenue	User Fees, Permits & Charges	(20,000)
Fire Fleet Maintenance & Repair	Purchased Services	(30,000)
Net Salary Variance	Salaries & Benefits	(272,000)
		-
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ (332,000)</b>

**Mitigating Steps**



**FINANCE**

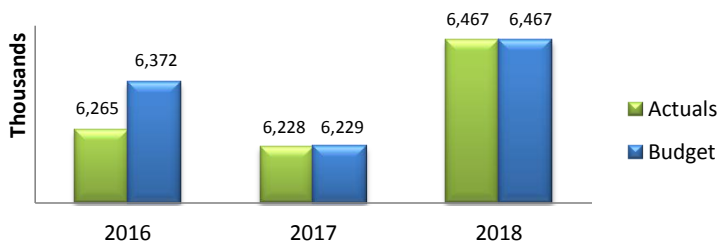
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	9,399,649	9,445,098	10,259,010
Annual Net Budget	6,371,531	6,229,178	6,467,287
Annual Net Expenditures	6,265,252	6,228,301	6,467,287
<b>Year End Variance</b>	<b>106,279</b>	<b>877</b>	<b>0</b>
Variance as % of GB	1.1%	0.0%	

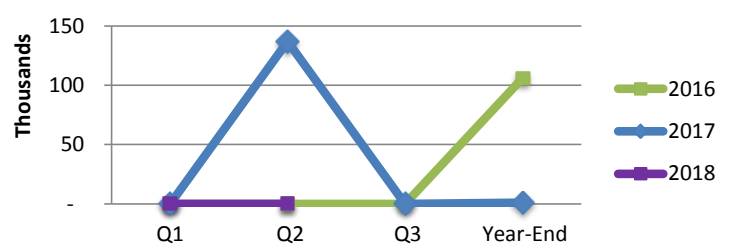
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	137,000	-
Third Quarter (Q3)	-	-	-
Year-End (Q4)*	106,279	877	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

Finance is projecting a \$0 operating budget variance.

Salaries: \$50,000

Salaries is currently trending towards a year-end surplus of approximately \$50,000.

External Revenues: (\$50,000)

External revenue is trending towards an approximate net deficit of (\$50,000) primarily due to the Tax Lien Registration fees.

**Summary of Description**

	Category	Amount
1. Salaries	Salaries & Benefits	\$ 50,000
2. External Revenues	Other Miscellaneous Revenue	\$ (50,000)
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ -</b>

**Mitigating Steps**

**INFORMATION TECHNOLOGY (I.T.)**

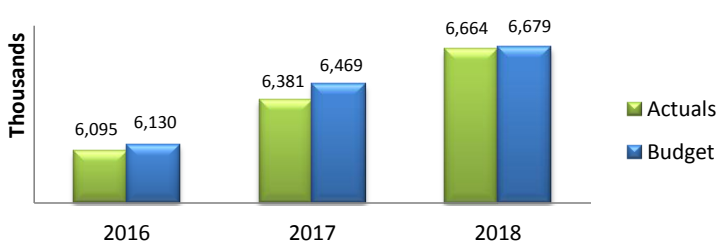
**Financial Summary**

	2016	2017	2018
	Financials	Financials	Financials
Annual Gross Budget (GB)	7,410,626	7,744,735	7,954,334
Annual Net Budget	6,130,187	6,469,296	6,678,895
Annual Net Expenditures	6,094,731	6,381,192	6,664,395
<b>Year End Variance</b>	<b>35,456</b>	<b>88,104</b>	<b>14,500</b>
Variance as % of GB	0.5%	1.1%	0.2%

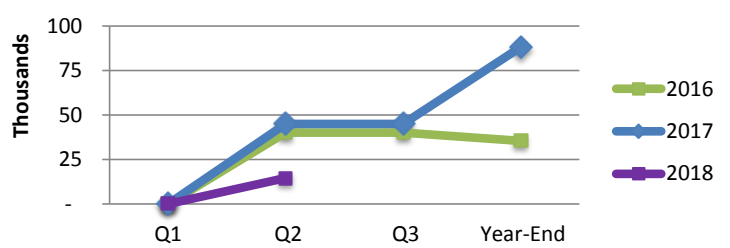
	2016	2017	2018
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	40,000	45,000	14,500
Third Quarter (Q3)	40,000	45,000	-
Year-End (Q4)*	35,456	88,104	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

Surplus is a result of salary gapping. Recruitments are under way to fill vacancies within the existing staff complement in an effort to bring the department up to full capacity.

**Summary of Description**

Category	Amount
1. Salary Gapping	\$ 14,500
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ 14,500</b>

**Mitigating Steps**

**COUNCIL SERVICES**

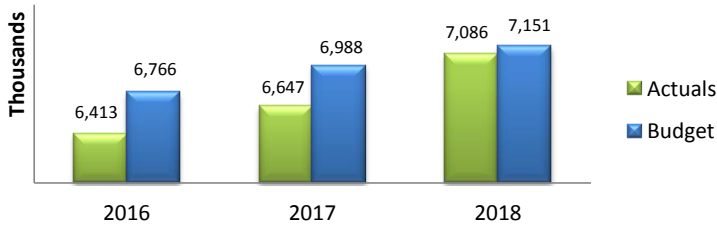
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	9,853,887	10,193,204	10,483,425
Annual Net Budget	6,765,674	6,988,231	7,150,594
Annual Net Expenditures	6,412,945	6,646,938	7,085,594
<b>Year End Variance</b>	<b>352,729</b>	<b>341,293</b>	<b>65,000</b>
Variance as % of GB	3.5%	3.3%	0.6%

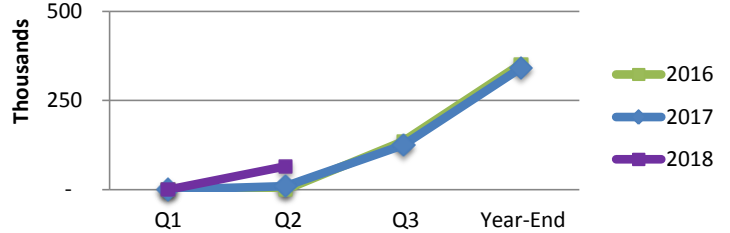
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	10,000	65,000
Third Quarter (Q3)	135,100	125,000	-
Year-End (Q4)*	352,729	341,293	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

The Council Services Department, comprised of the Policy, Gaming, Licensing and By Law Enforcement, Communications and Customer Service, Employee Relations and Council Services divisions, is projecting an overall surplus of \$65,000 to the end of 2018 as outlined below.

**Salary Gapping: \$40,000**

The Employee Relations division is reporting a salary gapping surplus of \$40,000 to the end of the year.

**Lottery Program: \$25,000**

The Policy, Gaming, Licensing and Enforcement division is projecting a surplus of \$25,000 in the E-bingo sites based on activity in the first 5 months of the year.

**Summary of Description**

Category	Amount
1. Salary Gapping	\$ 40,000
2. Gaming Revenue	25,000
<b>Net Department Year End Surplus/(Deficit)</b>	<b>\$ 65,000</b>

**Mitigating Steps**

**HUMAN RESOURCES**

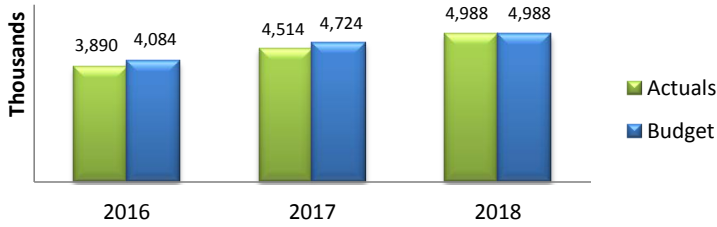
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	4,378,200	5,015,420	5,364,825
Annual Net Budget	4,084,062	4,723,763	4,988,419
Annual Net Expenditures	3,890,060	4,514,131	4,988,419
<b>Year End Variance</b>	<b>194,002</b>	<b>209,632</b>	<b>0</b>
Variance as % of GB	3.9%	4.2%	

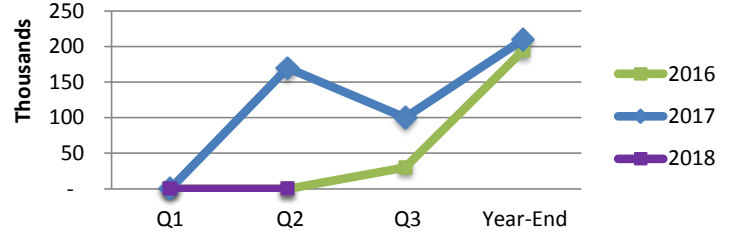
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	170,000	-
Third Quarter (Q3)	30,000	100,000	-
Year-End (Q4)*	194,002	209,632	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

No significant variances projected at this time.

**Summary of Description**

Category

Amount

Projected to end the year within budget estimates

**Net Year End Surplus/(Deficit)**

**\$ -**

**Mitigating Steps**

**WINDSOR PUBLIC LIBRARY**

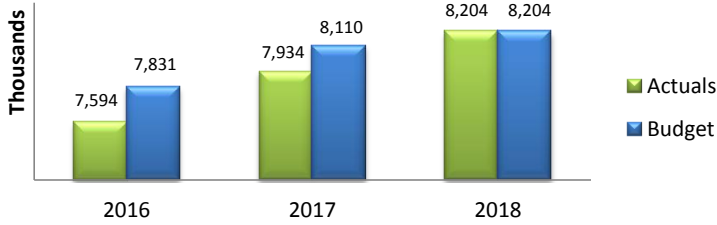
**Financial Summary**

	2016	2017	2018
	Financials	Financials	Financials
Annual Gross Budget (GB)	8,847,365	9,173,305	9,386,489
Annual Net Budget	7,831,216	8,109,957	8,203,937
Annual Net Expenditures	7,593,731	7,934,133	8,203,937
<b>Year End Variance</b>	<b>237,485</b>	<b>175,824</b>	<b>0</b>
Variance as % of GB	2.6%	1.9%	

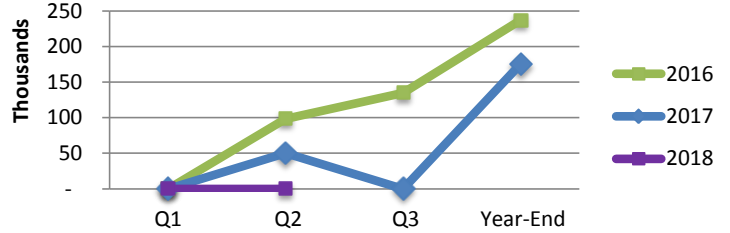
	2016	2017	2018
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	98,530	50,000	-
Third Quarter (Q3)	135,000	-	-
Year-End (Q4)*	237,485	175,824	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

No significant variances projected at this time.

**WPL Financial Reporting**

It should be noted that the WPL's financial position at the end of each fiscal year is not added together with all other City departments to calculate the final City surplus/deficit. Although the WPL's financial statements are consolidated with the City's, the WPL, as per the Libraries Act, is a standalone entity with its own audited financial statement, which includes an accumulated surplus or deficit. Although the City provides the WPL with operational support consistent with other departments, the overall surplus or deficit is reported within the financial results of the WPL and is not reported in the overall position of the City at year end.

**Summary of Description**

Category	Amount
Projected to end the year within budget estimates	\$ -
	\$ -

**Mitigating Steps**

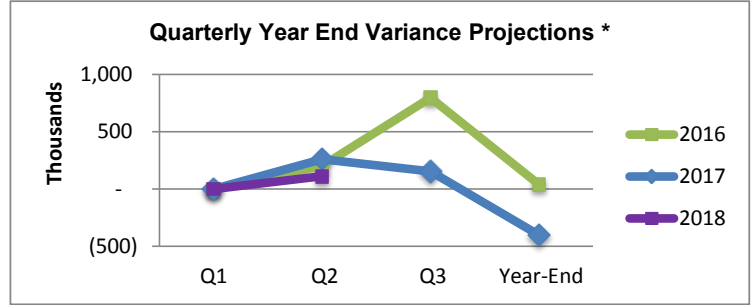
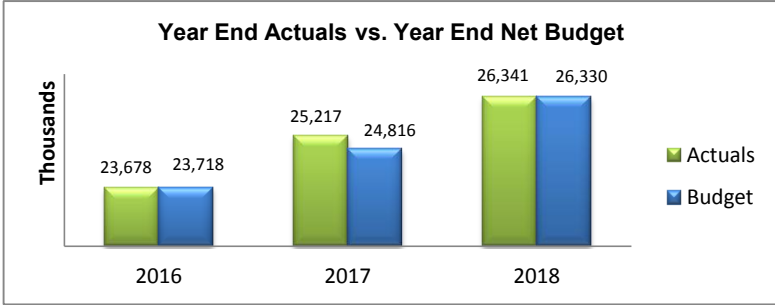
**PARKS & FACILITIES**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	38,207,301	39,518,665	41,239,338
Annual Net Budget	23,717,516	24,815,537	26,330,162
Annual Net Expenditures	23,677,598	25,217,303	26,219,162
<b>Year End Variance</b>	<b>39,918</b>	<b>(401,766)</b>	<b>111,000</b>
Variance as % of GB	0.1%	-1.0%	0.3%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	200,000	259,800	111,000
Third Quarter (Q3)	795,000	153,500	-
Year-End (Q4)*	39,918	(401,766)	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

As a result of the variances in both Parks and Facility Operations, the Department as a whole is projected to have a year-end budget surplus of \$111,000.

**Parks**

The Parks department is projecting a small budget shortfall of (\$10,600). The department is projected to be in this position as a result of winter control activities that required salt usage beyond regular levels. The Parks department also experienced increased level of vandalism which required additional repairs and restoration in the year to date. The following variances are forecasted for the year within the department

Winter Control Activities: (\$13,800)

This area is expected to be in deficit as a result of Q1 snow removal activities on City owned properties with greater levels of snowfall in Q1 than previous years and forecasted levels. The winter control activities expenses have resulted in a deficit of (\$146,400) related to snow removal of parking lots and sidewalks for City properties. These winter control costs offset by costs recoveries of expenses and salaries of \$132,600 leaving a net deficit balance of \$(13,800) forecasted for the year.

Parks Vandalism: (\$37,100)

The area is expected to be over budget and in a deficit position as a result of restoration and repairs required to City parks and Black Oak Heritage. Restoration work includes repairs to fencing and removal of graffiti.

Temporary Student Staffing: \$40,300

The timing of the commencement of student employment in Parks have been delayed as greater number of students have notified department that they have decided to seek other employment after the acceptance of the role. This has resulted in a significant gap in resources to assist with core maintenance activities.

**Facilities Division**

Facility Operations is currently projecting to end the year with a surplus of \$121,600.

Salary and Wages: \$121,600

Facility Operations is projecting a year-end surplus of \$121,600 that is mainly due to vacant positions in the opening two quarters of 2018. These positions include the Manager of Facility Operations, Building Automation Technician, Roof Technologist and several caretaker positions. The Manager of Facility Operations position has since been filled (as of May 28, 2018). The expectation is that the remaining positions will be filled throughout the fiscal year.

Appendix A - 2018 Q2 Operating Budget Variance

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
<i>Parks</i>		
Winter Control Activities	Operating & Maintenance Supplies	\$ (13,800)
Contracted Services	Purchased Services	\$ (37,100)
Parks Student Staffing	Salaries & Benefits	\$ 40,300
		<u>\$ (10,600)</u>
<i>Facility Operations</i>		
Salary and Wages	Salaries & Benefits	\$ 121,600
		<u>\$ 121,600</u>
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ 111,000</u></b>

**Mitigating Steps**

The Parks Department will continue to monitor variances throughout the year and take any reasonable steps to reduce or eliminate variances, while mitigating any negative impact on service levels.

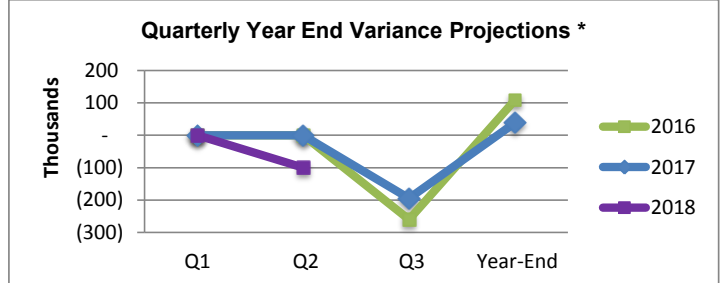
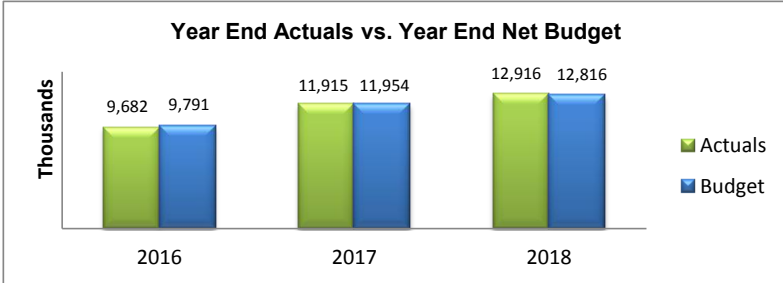
**RECREATION & CULTURE**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	21,617,445	23,789,014	24,114,601
Annual Net Budget	9,790,967	11,953,684	12,816,436
Annual Net Expenditures	9,682,028	11,914,933	12,916,436
<b>Year End Variance</b>	<b>108,939</b>	<b>38,751</b>	<b>(100,000)</b>
Variance as % of GB	0.5%	0.2%	-0.4%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	(100,000)
Third Quarter (Q3)	(260,000)	(195,000)	-
Year-End (Q4)*	108,939	38,751	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

The Recreation and Culture department has highlighted potential variance risks within the operating division based on all available information at the time of this report. The department is projecting a potential overall year end deficit variance of (\$100,000). The majority of revenue for Recreation and Culture is realized in the fourth quarter of the year. The revenue patterns make it extremely difficult to accurately project year end variances based on the limited information available at the time of this report. Therefore, the projections in this report have significant risk of fluctuation and will be monitored closely. The vast majority of recreation centres and divisions are projected to come in on budget. As revenues fluctuate adjustments relating to expenditures are made including staffing and material costs.

**Salary and Wages (\$50,000)**

Bill 148 made significant changes to the personal emergency leave provisions of the ESA. Of significant concern to the department is the new provision that the first 2 days of the 10-day emergency leave entitlement is to be a paid leave. Although there is qualifying period for the paid portion of the leave (an employee must have been employed for one week before becoming entitled to the 2 paid days), the Recreation and Culture operating budget has been impacted and is projecting a deficit variance of (\$50,000) due to the personal emergency leave provisions. This shortfall is completely offset by the provision for Bill 148 within Corporate Accounts. In addition, it should be noted that the Equal Pay for Equal Work provision of Bill 148 will not fully impact the department until January 2020 when the current collective agreement expires.

**Willistead Manor (\$50,000)**

Willistead Manor received approved capital project funding as part of the Canada 150 Restoration grant work. Work at Willistead Manor included windows, mortar, brick work, front entrance repairs, and painting of the Coach House and Willistead Manor. Due the ongoing restoration work at Willistead Manor the facility has encountered a substantial loss of revenue due to the unavailability of rental space and appearance due to construction. The loss revenue is expected to one-time in nature and the project is estimated to be completed in 2018. Recreation and Culture is projecting a total deficit variance of (\$50,000) due to the restoration grant work.

**Summary of Description**

Category	Amount
1. Salary and Wages	Salaries & Benefits (50,000)
2. Willistead Manor	User Fees, Permits & Charges (50,000)
	<b>\$ (100,000)</b>

**Mitigating Steps**

The department will continue to monitor variances throughout the year and take any reasonable steps to reduce or eliminate variances while mitigating any negative impact on service levels.



**ENGINEERING**

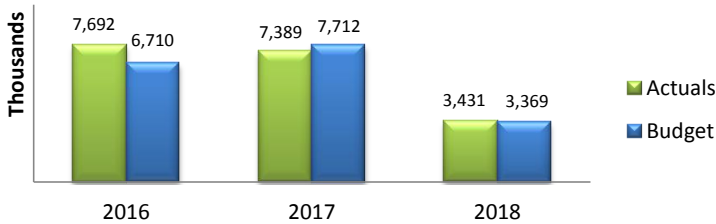
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	29,413,044	31,517,465	27,449,528
Annual Net Budget	6,710,221	7,712,486	3,369,287
Annual Net Expenditures	7,691,652	7,388,657	3,430,787
<b>Year End Variance</b>	<b>(981,431)</b>	<b>323,829</b>	<b>(61,500)</b>
Variance as % of GB	-3.3%	1.0%	-0.2%

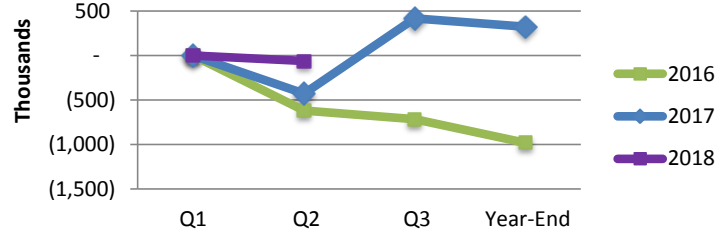
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(620,000)	(428,700)	(61,500)
Third Quarter (Q3)	(717,400)	415,900	-
Year-End (Q4)*	(981,431)	323,829	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

The Engineering department is projecting a deficit of (\$61,500), due to an anticipated (\$260,500) deficit in the Projects, Development and ROW division. Partially offsetting this deficit are projected surpluses in Infrastructure & Geomatics and Pollution Control of \$149,100 and \$49,900, respectively.

**Development, Projects & Right-Of-Way**

The Development, Projects & Right-Of-Way (ROW) division is projecting a deficit of (\$260,500), made up of the following:

Licenses and Permits / User Fees / Other General Revenue – Deficit of (\$187,700)

Permit fees collected are anticipated to be (\$187,700) lower than plan, driven by declines in higher-yielding permits, such as moving, driveways, and sewer connections. Additionally, revenues received for hoarding permits, which are received sporadically and cannot be relied upon indefinitely, are projected to decline substantially compared to 2017.

Salaries / Work Auth Recoveries – Deficit of (\$39,700)

In the Projects area, work related to the Herb Grey Parkway and other non-recoverable projects is expected to further contribute a deficit of (\$16,200). Miscellaneous deficits largely due to movement within pay bands totalling (\$23,500) are projected to make up the balance.

Miscellaneous Line Items – Deficit of (\$33,100)

Increased usage of the debit/credit card processing terminals in the Engineering Department related to permit activity and payments received for other departments is anticipated to contribute a deficit of (\$5,300) in Bank Charges. Other miscellaneous line item variances make up the remaining (\$27,800) deficit.

**Infrastructure & Geomatics**

The Infrastructure & Geomatics division is projecting a surplus of \$149,100, comprised of:

Salaries / Work Auth Recoveries – Surplus of \$136,800

Infrastructure & Geomatics is expecting a surplus of \$136,800 for the area. Earlier this year, an adjustment was made to salary budgets across the Corporation, however, budgeted recoveries from Capital were not. Infrastructure Services staff, for the most part, recover 100% of their salaries and benefits from the various capital projects that they work on, while Geomatics staff recover a small portion of their time. This difference is projected to result in a \$76,100 surplus. The remaining \$60,700 is largely due to gapping seen in the area. The revenue recovery budget will be adjusted in 2019.

Miscellaneous Line Items – Surplus of \$12,300

Miscellaneous line items are expected to make up the remaining \$12,300 surplus in the area.

**Pollution Control**

The Pollution Control division, specifically the Environmental Master Plan, is projecting a surplus of \$49,900.

Salaries - Surplus of \$38,000

A surplus of \$38,000 is anticipated in the division, due to the delayed hire of a Community Energy Plan (CEP) Project Administrator and differences in pay bands between permanent and temporary staff.

Appendix A - 2018 Q2 Operating Budget Variance

Miscellaneous Line Items - Surplus of \$11,900

Miscellaneous line item variances are projected to contribute the remaining \$11,900 surplus.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
<i>Development, Projects &amp; Right-of-Way (ROW)</i>		
1 Licenses & Permits / User Fees / Other General Revenue	User Fees, Permits & Charges	(187,700)
2 Salaries / Work Auth Recoveries	Salaries & Benefits	(39,700)
3 Miscellaneous Line Items	Other Miscellaneous Expenditures	(33,100)
<i>Total Development, Projects &amp; Right-of-Way (ROW)</i>		<u>(260,500)</u>
 <i>Infrastructure &amp; Geomatics</i>		
1 Salaries / Work Auth Recoveries	Salaries & Benefits	136,800
2 Miscellaneous Line Items	Other Miscellaneous Revenue	12,300
<i>Total Infrastructure &amp; Geomatics</i>		<u>149,100</u>
 <i>Pollution Control</i>		
1. Salaries	Salaries & Benefits	38,000
2. Miscellaneous Line Items	Other Miscellaneous Revenue	11,900
<i>Total Development, Projects &amp; Right-of-Way (ROW)</i>		<u>49,900</u>
 <b>Net Year End Surplus/(Deficit)</b>		 <u><u>\$ (61,500)</u></u>

**Mitigating Steps**

The department will continue looking for ways to contain costs, however, the projected deficit is largely driven by a decline in revenues which is subject to market volatility.

**PUBLIC WORKS OPERATIONS**

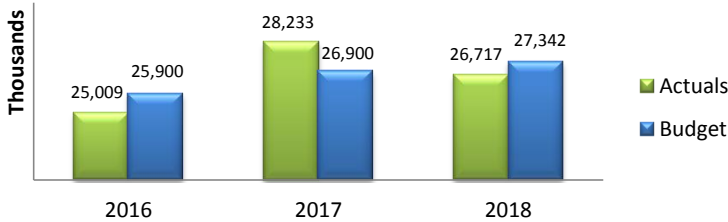
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	51,713,792	54,304,502	54,455,439
Annual Net Budget	25,900,040	26,900,403	27,342,112
Annual Net Expenditures	25,009,052	28,232,659	26,716,612
<b>Year End Variance</b>	<b>890,988</b>	<b>(1,332,256)</b>	<b>625,500</b>
Variance as % of GB	1.6%	-2.5%	1.1%

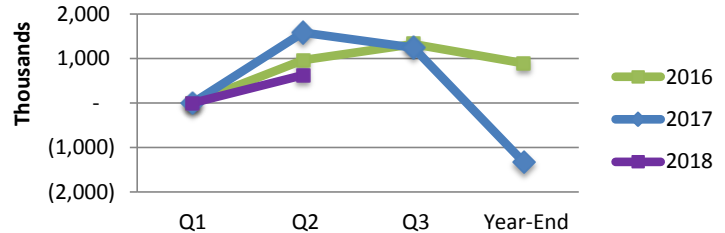
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	960,000	1,578,900	625,500
Third Quarter (Q3)	1,326,086	1,241,000	-
Year-End (Q4)*	890,988	(1,332,256)	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

The PW Operations Department is projecting an overall surplus of \$625,500 at year-end 2018 comprised of the following variances:

**Salary and Wage: \$1,225,500**

A projected overall surplus of \$1,225,500 is expected in 2018 related to salary and wage. The projected surplus is the net total of the surpluses and deficits expected related to salary and wage gapping due to a number of vacancies across the department resulting from retirements and staff appointments into new positions offset with the hiring of extra temporary staff to accommodate heavy work load situations where required. Administration is expecting there will be deficits incurred related to overtime costs and contracted services that will partially offset the final surplus realized related to staffing, but it is too early in the construction season to project what those total costs may be. Administration will update this variance projection in 3rd quarter once more details are available.

**Winter Control: (\$225,000)**

A projected deficit of (\$225,000) is possible for 2018 related to the winter control service due to higher than average winter conditions during the first quarter of 2018. It should be noted, this projection is based on average winter conditions in the final quarter of the year. If below or above average winter weather conditions are experienced in the latter part of 2018, lower or higher than projected expenses will be realized thus decreasing or increasing the projected deficit.

**Fuel: (\$225,000)**

A projected deficit of (\$225,000) related to fuel pricing is expected for 2018 due to higher than anticipated fuel pricing for the year to date as at May 31st for all fuel types.

**Parking Ticket Revenue: (\$150,000)**

A projected deficit of (\$150,000) related to parking ticket revenue is expected for 2018 based on ticket collection trends as at May 31st. Specifically, a 10% reduction in ticket issuance in 2018, compared to the same period in 2017. Administration will continue to monitor the ticket issuance trends as the year progresses.

**Summary of Description**

Category	Amount
Salary and Wage	Salaries & Benefits 1,225,500
Parking Ticket Revenue	User Fees, Permits & Charges (150,000)
Fuel	Operating & Maintenance Supplies (225,000)
Winter Control	Purchased Services (225,000)
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ 625,500</b>

**Mitigating Steps**

The department will monitor variances throughout the year and take any reasonable steps to reduce or eliminate variances.

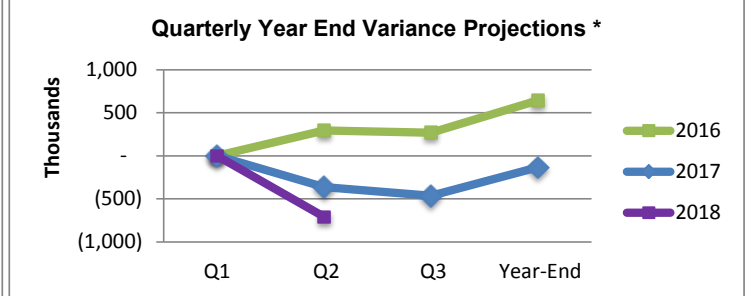
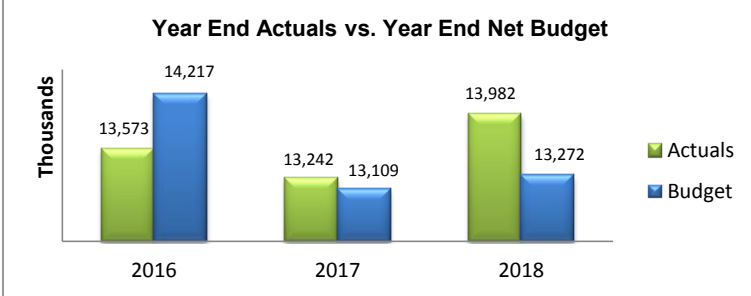
**TRANSIT WINDSOR**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	33,005,763	33,504,338	33,931,108
Annual Net Budget	14,216,829	13,108,590	13,271,519
Annual Net Expenditures	13,572,503	13,241,986	13,981,519
<b>Year End Variance</b>	<b>644,326</b>	<b>(133,396)</b>	<b>(710,000)</b>
Variance as % of GB	1.9%	-0.4%	-2.1%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	296,000	(363,000)	(710,000)
Third Quarter (Q3)	270,000	(465,000)	-
Year-End (Q4)*	644,326	(133,396)	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

Transit Windsor Administration is anticipating a potential deficit of (\$710,000) for 2018.

Transit Revenue: \$420,000

Transit Windsor is projecting a surplus of \$420,000 for transit revenue, as of second quarter. Overall, Transit Windsor has seen an increase in its ridership statistics over May 2017. The increase has been primarily in the student passes category, which coincides with the implementation of the U-Pass program. An influx of St. Clair College students has also had an impact on the number of student passes sold during the first and second quarter of 2018 and is anticipated to continue for the remainder of the year. Declining Ontario Works (OW) caseloads continue to present a risk of declining revenue for Transit Windsor, as many of the OW clients are provided with a stipend for bus pass purchases. Transit Windsor will continue to monitor this area.

Salary and Wages: \$180,000

Transit is projecting a \$180,000 surplus in salary and wages for 2018. Transit Windsor has not been able to implement the Transway 1C service improvement due to the required run cut and training requirement in order to move forward with the enhancement. The Transway 1C service improvement is anticipated to be implemented during the 3rd quarter of 2018.

Pensions - Contributions: \$140,000

Transit Windsor is projecting a \$140,000 surplus in the Pension Contributions account due to a decrease in the minimum employer contribution requirements for 2018 and the use of a Letter of Credit for making the required contribution payments for the pension plan for employees of Transit Windsor.

Computer Software and Computer Software Maintenance External: \$90,000

In 2017, these budgets were increased by \$75,950 and \$51,920, respectively, in anticipation of the implementation of smart bus technology and the Intelligent Transportation System. The full project implementation is expected to be implemented in July 2018 and therefore the annual expenses will be prorated for the remainder of the year.

Legal Services: \$30,000

A \$30,000 surplus is projected for the Legal Services account for Transit Windsor. This variance is attributed to the shift in using the City Legal Department more with little outside resources required.

Advertising: \$20,000

Transit Windsor is anticipating a surplus of approximately \$20,00 in the advertising account. Expected advertising costs have not been utilized fully during the first and second quarter due to the delay of the implementation of new transit initiatives. This account is expected to return to normal spending levels in 2019.

Minor Apparatus and Tools: (\$40,000)

Transit is anticipating a (\$40,000) deficit in Minor Apparatus and Tools. This budget shortfall is due to the necessary supplies required to maintain tools and equipment for the Transit Fleet. This account budget will be reviewed in order to assess if an increase in the budget is required in order to maintain necessary tools and equipment for the Transit Fleet.

Commissions: (\$50,000)

Transit commission revenue is estimated to realize a (\$50,000) deficit for 2018. These revenues are generated primarily through sales made at the Windsor International Transit Terminal for Greyhound customers. Commissions are anticipated to be lower than budgeted due to fewer sales to Greyhound customers.

Motor Fuel: (\$750,000)

Transit Windsor is anticipating a (\$750,000) deficit in motor fuel for 2018. The budgeted rate for 2018 was set at \$0.85 per litre. As of May 31st, the average rate per litre for diesel fuel was \$1.08/litre. This represents a \$0.23 increase per litre used for 2018 or a price variance of approx. (\$750,000) for diesel fuel for the Transit fleet. There is a risk associated with projecting to year-end in that fuel prices continue to be difficult to predict. As with any forecast of a commodity's price for an entire year, variances are likely due to unforeseen price fluctuations. The fuel price variance projected for the remainder of the year may change if the spot price of fuel continues to increase, leading to a greater negative variance.

Vehicle Maintenance Parts and Materials: (\$750,000)

This account is projected to exceed budget estimates by approximately (\$750,000), which is due to the on-going maintenance required for the aging fleet, along with the increased cost of replacement parts related to bus technology. Transit has recently purchased and received 24 new buses, which allow for the retirement of 19 older buses which are incurring high maintenance costs. These new buses will reduce the age of Transit Windsor's fleet and defer maintenance costs by replacing older buses with new buses. Going forward, there will be increasing pressure on maintenance costs from keeping older buses on the road to meet the demands of increased ridership associated with St. Clair College.

Also, due to heavy workload for maintenance staff, Transit will not be able to complete all bus refurbishment work planned for 2018 and therefore, will receive a decreased transfer of \$150,000 from the Fleet Refurbishment Capital Project.

Summary of Description

	<b>Category</b>	<b>Amount</b>
1 Transit Revenue	User Fees, Permits & Charges	\$ 420,000
2 Salary and Wages	Salaries & Benefits	\$ 180,000
3 Pensions - Contributions	Other Miscellaneous Expenditures	\$ 140,000
4 Computer Software and Computer & Software Maintenance External	Purchased Services	\$ 90,000
5 Legal, Contracted, Purchased, and Consulting Services	Purchased Services	\$ 30,000
6 Advertising	Purchased Services	\$ 20,000
7 Minor Apparatus and Tools	Minor Capital	\$ (40,000)
8 Commissions	User Fees, Permits & Charges	\$ (50,000)
9 Motor Fuel	Operating & Maintenance Supplies	\$ (750,000)
10 Vehicle Maintenance Parts and Materials Account	Operating & Maintenance Supplies	\$ (750,000)
<b>Net Year End Surplus/(Deficit)</b>		<b><u>\$ (710,000)</u></b>

Mitigating Steps

Transit Windsor will assist with mitigating the negative variance through attempts to minimize costs in other areas where spending can be reduced without affecting Transit Windsor service. The additional revenue from the increase in student pass sales will assist to lessen the impact of the high cost of fuel and high vehicle maintenance expenses. The purchase of the new 24 buses should assist in reducing costs in the maintenance parts and materials account as these new buses are now under warranty and less costs will be incurred due to the older buses being removed from service use.

**EMPLOYMENT & SOCIAL SERVICES**

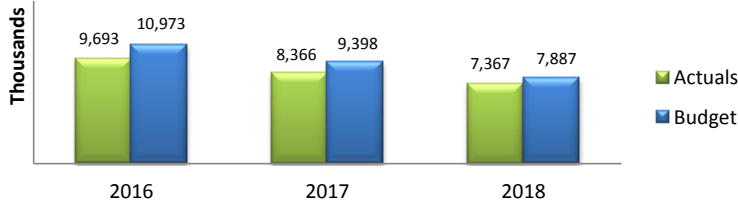
**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	119,968,687	118,491,577	118,666,766
Annual Net Budget	10,972,614	9,398,178	7,887,381
Annual Net Expenditures	9,692,583	8,365,839	7,366,881
<b>Year End Variance</b>	<b>1,280,031</b>	<b>1,032,339</b>	<b>520,500</b>
Variance as % of GB	1.1%	0.9%	0.4%

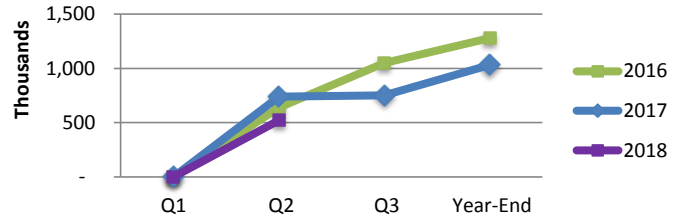
	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	640,000	741,000	520,500
Third Quarter (Q3)	1,048,500	751,000	-
Year-End (Q4)*	1,280,031	1,032,339	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

As of May 31st 2018, the Employment and Social Services Department is projecting a net year end City surplus of \$520,500.

**Community Development and Health Office - \$0**

No significant variance is expected for the Community Development and Health Office.

**Ontario Works Program Delivery: \$517,000**

Ontario Works Program Delivery is projected to end the year with a net City surplus of \$517,000 comprised of the following:

Salary accounts are projected to be lower than budget by approximately \$254,000 mainly due to gapping. The Ontario Works caseload has been trending lower than the prior year's average, with the 2018 year to date average at 8,248. This in turn has lowered Employment Related Costs. If this trend continues for the remainder of the year, it is projected to add \$263,000 to the net City surplus.

**OW Financial Assistance: \$3,500**

A \$3,500 Net City surplus is expected for OW Financial Assistance as a result of a prior year increase in the Shelter Rates for October, November, and December 2017 which was funded 100% by the Province. The additional revenues were received in the current fiscal year.

**100% Municipal Assistance: \$0**

No significant variance is expected for 100% Municipal Assistance.

*Total CDO Office*

\$ -

*Ontario Works Program Delivery*

Salary & Benefits

Salaries & Benefits

\$ 254,000

Other Miscellaneous

Other Miscellaneous Expenditures

\$ -

Employment Related Expense

Purchased Services

\$ 263,000

*Total Ontario Works Program Delivery*

\$ 517,000

*Other Employment Services*

Salaries & Benefits

\$ -

*OW Financial Assistance*

Grants & Subsidies

\$ 3,500

*100% Municipal Assistance*

Grants & Subsidies

\$ -

**Net Year End Surplus/(Deficit)**

\$ 520,500

**Mitigating Steps**

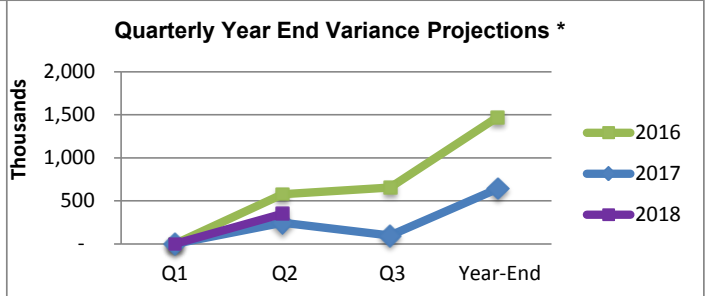
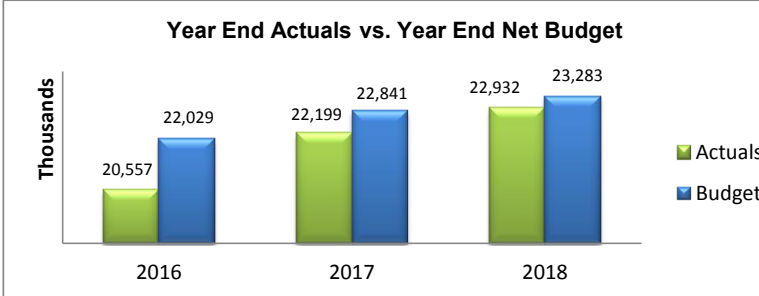
**HOUSING & CHILDREN'S SERVICES**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	95,986,699	103,721,182	122,107,176
Annual Net Budget	22,029,359	22,841,372	23,282,846
Annual Net Expenditures	20,557,335	22,199,381	22,932,246
<b>Year End Variance</b>	<b>1,472,024</b>	<b>641,991</b>	<b>350,600</b>
Variance as % of GB	1.4%	0.6%	0.3%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	578,000	246,000	350,600
Third Quarter (Q3)	657,000	96,100	-
Year-End (Q4)*	1,472,024	641,991	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

Housing and Children's Services including Windsor Essex Community Housing Corporation (WECHC) is projecting a net City surplus of \$350,600 detailed as follows:

Housing Services, inclusive of Windsor Essex Community Housing Corporation, is projecting a net city surplus of \$350,600. Of this amount \$296,000 (net city) is primarily due to lower mandated subsidy payments required by service providers in 2018, as well as from the reconciliation of service providers 2016-2017 fiscal year-end reports. Higher than budgeted County revenue of \$54,600 is also projected due to the shift in weighted assessment rates after the budget was set.

**Summary of Description**

*Housing Services/WECHC*

1. Housing Services/WECHC Subsidy Surplus
2. Housing Services County Revenue

**Net Year End Surplus/(Deficit)**

Category	Amount
Grants & Subsidies	\$ 296,000
Other Miscellaneous Revenue	\$ 54,600
	<b>\$ 350,600</b>

**Mitigating Steps**

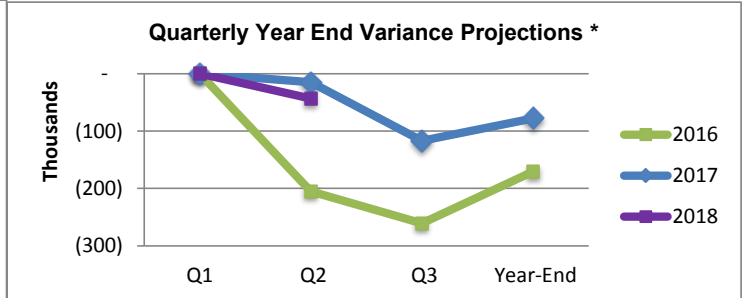
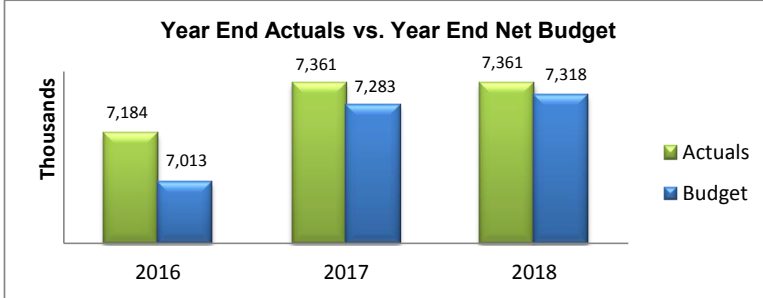
**HURON LODGE**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	22,493,152	22,883,479	23,427,040
Annual Net Budget	7,012,896	7,283,223	7,317,503
Annual Net Expenditures	7,183,507	7,360,805	7,360,503
<b>Year End Variance</b>	<b>(170,611)</b>	<b>(77,582)</b>	<b>(43,000)</b>
Variance as % of GB	-0.7%	-0.3%	-0.2%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(205,000)	(15,000)	(43,000)
Third Quarter (Q3)	(260,600)	(117,000)	-
Year-End (Q4)*	(170,611)	(77,582)	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

Huron Lodge is expected to end the year with an unfavourable variance of (\$43,000).

**Provincial Funding: \$160,000**

The Ministry of Health and Long Term Care (MOHLTC) announced increases in level of care per diems. It is important to note that the nursing and personal care per diem is directly related to the home's Case Mix Index (CMI). Huron Lodge's CMI increased slightly in April of this year, which adds to the per diem increase Huron Lodge receives in the nursing category.

**Other Miscellaneous Expenses: (\$3,000)**

Other miscellaneous expenses are expected to end the year unfavourably primarily due to the department's contractual obligations to pay professional dues for employees. Historical trends indicate a slight cost increase year over year in the professional dues although the department's budget has remained constant.

**Software and Technology: (\$27,000)**

The department is phasing in wireless point of care with an operational impact of (\$14,000) for the new clinical and financial software and increased WIFI access points in the amount of (\$7,000) for the building. As Huron Lodge is constantly under review for legislated compliance, it was identified by CARF Accreditation and the MOHLTC as having serious concerns with the training system and lack of electronic structured and a readily available system that can identify the mandatory educational modules under the Long Term Care Act as well as the percentage of staff compliance to this training. Currently Huron Lodge is in non compliance with the MOHLTC Regulations in regards to tracking of mandatory training requirements. A software program was selected and is currently being implemented and adds (\$6,000) to the deficit.

**Equipment Repairs: (\$31,000)**

Equipment such as nursing lifts and tub/shower chairs, kitchen and refrigeration equipment require ongoing repairs for the health and safety of residents and staff members. It is mandated to have maintenance programs in place as per the Long Term Care Act 2007, which identifies required repairs. Historically, Huron Lodge has reported a similar deficit in this category.

**Equipment Replacements: (\$32,000)**

Huron Lodge is expected to see a negative variance of (\$32,000) in the equipment account. This year the home has already acquired some nursing equipment pieces and some resident home area furniture which were beyond repair. With a total department annual budget for equipment of only \$11,000 to cover these types of items it is not sufficient to cover these equipment pieces. The department continues to review, identify needs and prioritize capital budget items accordingly. At times immediate replacement is required and this is done through the operating accounts.

**Security Services: (\$66,000)**

Security and Professional Services are expected to end the year in a deficit position of (\$66,000) primarily due to higher than budgeted costs. Historically, the department has seen a similar shortfall in this account. An outside agency provides security services and have proven to be valuable to the department. As the building never closes, these services play a vital role in the safety of all who attend Huron Lodge. Of this shortfall, approximately \$30,000 is attributed to the increased hourly cost which was implemented in February 2018, as communicated in CAO-4400.



Appendix A - 2018 Q2 Operating Budget Variance

Salary Accounts: (\$44,000)

Salary Accounts for nursing, dietary, administration, resident services and facilities are expected to see a net shortfall of of (\$44,000). Small surpluses due to salary gapping in other divisions offset the nursing salaries expected to end the year with a deficit of (\$110,000) which is primarily due to the budget shortage for contractual obligations such as vacation payouts and shift premiums in the other pay category. As part of the 2017 budget process, the need for approximately \$330,000 additional budget dollars was identified and council approved a budget increase of \$110,000 in 2017 and 2018 for other pay. At this time, analysis indicates an additional \$110,000 will be required to bring the budget to the level required. WSIB accounts for all divisions are expected to see a net surplus of \$41,000. WSIB is difficult to project however, a trend analysis indicates a decrease in costs over the past 2 years. The department will continue to monitor salary accounts closely and bring forward budget requests to revise the budgets based on trends.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
Provincial Funding	Grants & Subsidies	\$ 160,000
Other Miscellaneous Expenses	Other Miscellaneous Expenditures	(3,000)
Software and Technology	Operating & Maintenance Supplies	(27,000)
Equipment Repairs	Minor Capital	(31,000)
Equipment Replacements	Minor Capital	(32,000)
Security Services	Purchased Services	(66,000)
Salary Accounts	Salaries & Benefits	(44,000)
<b>Net Year End Surplus/(Deficit)</b>		<b><u><u>\$ (43,000)</u></u></b>

**Mitigating Steps**

The department is dedicated to reviewing salary accounts in detail so budgets are adjusted based on historical data. Budget issues related to contractual obligations relating to other pay such as vacation payouts and shift premiums have been addressed through the budget process and continue to be monitored and brought forward.

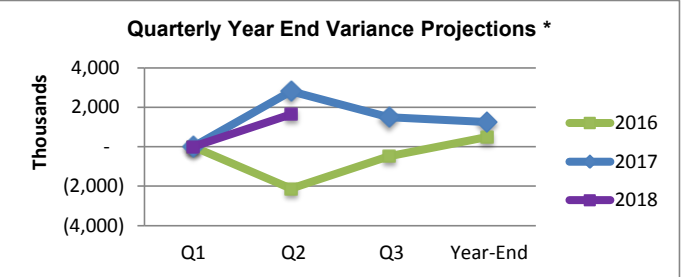
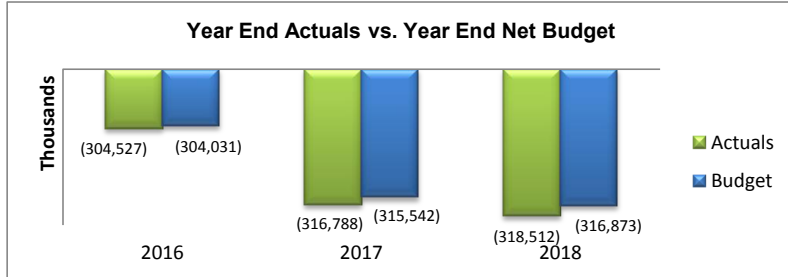
In addition, as part of the annual budget process, other expense line items identified above will be brought forward for discussion to bring budgets to the appropriate levels.

**CORPORATE ACCOUNTS**

<u>Financial Summary</u>	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	212,194,691	220,184,625	228,641,359
Annual Net Budget	(304,030,795)	(315,541,718)	(316,872,705)
Annual Net Expenditures	(304,526,506)	(316,787,587)	(318,511,632)
<b>Year End Variance</b>	<b>495,711</b>	<b>1,245,869</b>	<b>1,638,927</b>
Variance as % of GB	0.2%	0.6%	0.7%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(2,131,616)	2,818,972	1,638,927
Third Quarter (Q3)	(477,516)	1,502,120	-
Year-End (Q4)*	495,711	1,245,869	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

**Fund Transfers**

Sewer Surcharge Recovery: \$47,036

Due to the early timing of getting an approved 2018 budget, the sewer surcharge recovery was later found to be higher than the original preliminary projections, creating a surplus of \$47,036.

**Interest and Bank Charges**

Capital Interest Income: \$600,000

The projected surplus related to capital interest income is the result of a higher than anticipated interest rate and increased enhanced capital spending. City Council has approved a significant amount of capital projects pre-committing future funds which were not anticipated and projected to start this year.”

Net Interest on Investments: \$250,000

A higher than anticipated interest rates will result in a projected surplus of \$800,000 for interest on investments. This surplus is offset by the (\$550,000) deficit in interest paid to reserves due to the higher reserve balances and higher than anticipated interest rates.

Interest and Penalties on Receivables: (\$33,000)

A downward trend of accounts falling into arrears as a result of enhanced collection efforts and the improving economy will result in a projected deficit of approximately (\$33,000) in the Interest and Penalties on Receivables.

**General Expense Accounts**

General Provisions: \$2.78M

The approved budget contains corporate provisions for JJE repayments of \$500,000, unanticipated WSIB costs of \$150,000, overtime provision for eligible non-union members of \$305,000, general contingency provision of \$200,000, Bill 148 of \$500,000 and a fringe benefit contingency of \$1.13M. The actual expenditures are charged to the appropriate department, but as noted the budget is contained in the corporate accounts, therefore there is typically a surplus in these accounts offset by the charges in the various accounts.

MPAC: (\$3,144)

The Municipality is mandated to use the Municipal Property Assessment Corporation (MPAC) for its assessment services. The total 2018 MPAC requirement is slightly higher than what was originally projected, and therefore, a deficit of (\$3,144) is expected.

Waiver of Fees: (\$76,565)

In 2012, Council approved a new Waiver of Fees policy to provide a consistent and systematic approach in assessing requests for waiving fees for the various services that the City offers. In addition to approving the policy, Council also approved the recommendation that a corporate account be established to track all costs associated with the waiver of fees. Fees approved to date amounts to \$76,565.

**General Corporate Revenues**

Casino Hosting Fee: (\$2.3M)

The deficit of approximately \$2.3M is due to the labour disruptions at Caesars Windsor. Revenue for approximately 9 weeks will be foregone in 2018. Administration will continue to review this account and report any updated amounts in Q3.

**Payments in Lieu**

Payments in Lieu-Other: \$55,000

Additional revenue as a result of an increase in assessment value for 2018.

Heads and Beds: \$65,600

University & Colleges - \$58,975

Jail - \$6,150

Hospital - \$475

This surplus is due to largely increased student enrollment.

**Corporate Utilities**

Hydro: \$500,000

An overall corporate budget surplus in hydro costs of \$1,400,000 is being projected to year end. Of this amount, \$500,000 relates to tax levy supported areas. The remaining \$900,000 projected year-end hydro surplus relates to sewer surcharge funded areas.

This analysis is reflective of information available for the months of January to April 2018. Consumption data indicates a decrease of (1.7%) and a corresponding decrease in costs of (13%) compared to 2017. The cost decrease is primarily related to the reduction in the Global Adjustment rate which has resulted from the two wastewater treatment plants being classified as Class A accounts in July 2017. In addition, the implementation of the Fair Electricity Plan and the recent elimination of the debt retirement charge effective April 1, 2018 continue to have a positive impact on cost savings. Efforts to reduce electricity consumption and contain operating costs are critical and continue to be a central focus of the Corporate Energy Initiatives Division of Finance. This surplus also takes into account approximately \$2.2 million of capital transfers anticipated at year end.

It should be noted that variability remains high when attempting to project future hydro costs given several risk factors such as: the impact of peak demand and global adjustment factors, the impact of the number of participants in the ICI (Industrial Conservation Initiative) program, the uncertainty in provincial government policy and the small window of data available to analyze thus far this year (4 months worth of costs).

Natural Gas: (\$187,000)

An overall corporate budget deficit for Natural Gas of (\$237,000) is being projected to year end. Of this amount, (\$187,000) deficit relates to tax levy supported areas. The remaining (\$50,000) deficit relates to sewer surcharge funded areas. This analysis is reflective of information available for the months of January to April 2018. Consumption of natural gas increased by 27.3% mainly as a result of significantly colder winter/spring temperatures compared to 2017 with average monthly temperatures being 4 degrees colder. Correspondingly, costs have also increased by 30.8%.

Water: \$41,000

An overall corporate budget deficit for Water of (\$30,000) is being projected to year end. Of this amount, a \$41,000 surplus relates to tax levy supported areas. The remaining (\$71,000) deficit relates to sewer surcharge funded areas. This analysis is reflective of information available for the months of January to April 2018. Consumption data has identified some monthly anomalies at a few facilities that have resulted in an increase in consumption. A malfunction of the effluent water system at Lou Romano Water Reclamation Plant was a major contributor to the consumption increase, which has now been fixed.

District Energy: (\$100,000)

This analysis is reflective of information available for the months of January to March 2018. Consumption and costs have increased primarily as a result of colder winter temperature. Based on the information available, a (\$100,000) budget deficit is being projected to year end.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
<i>Corporate Accounts</i>		
1. Sewer Surcharge Recovery	Recovery of Expenditures	47,036
2. Capital Interest Income	Investment Income & Dividends	600,000
3. Interest Earned on Investments	Investment Income & Dividends	800,000
4. Interest Paid to Reserves	Investment Income & Dividends	(550,000)
5. Interest and Penalties on Receivables	Other Miscellaneous Revenue	(33,000)
6. Corporate Salary Provision	Salaries & Benefits	2,780,000
7. MPAC	Financial Expenses	(3,144)
8. Waiver of Fees	Financial Expenses	(76,565)
9. Casino Hosting Fee	User Fees, Permits & Charges	(2,300,000)
10. Payments in Lieu	Taxes - Municipal	120,600
Total Corporate Accounts		<u>\$ 1,384,927</u>
<i>Corporate Utilities</i>		
11. Hydro	Utilities, Insurance & Taxes	500,000
12. Natural Gas	Utilities, Insurance & Taxes	(187,000)
13. Water	Utilities, Insurance & Taxes	41,000
14. District Energy	Utilities, Insurance & Taxes	\$ (100,000)
Total Corporate Utilities		<u>\$ 254,000</u>
<b>Net Year End Surplus/(Deficit)</b>		<u><u>\$ 1,638,927</u></u>

---

**Mitigating Steps**

---

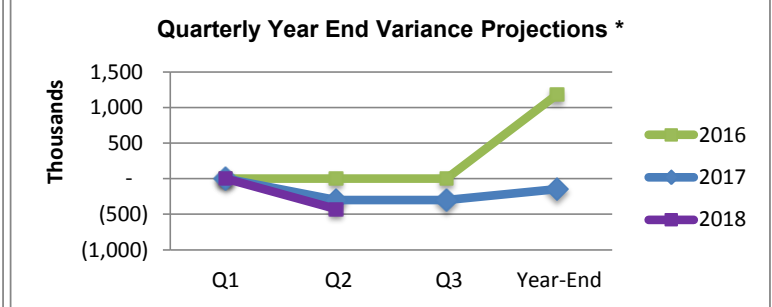
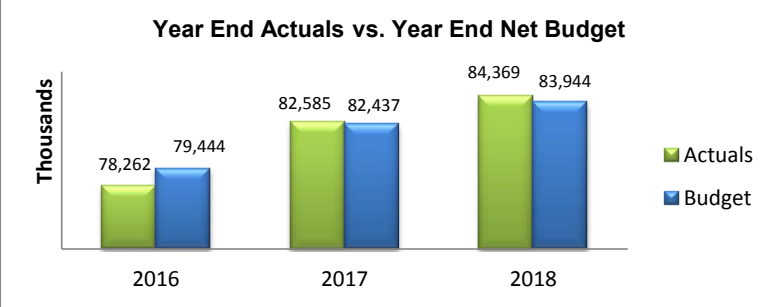
**WINDSOR POLICE SERVICES**

**Financial Summary**

	2016 Financials	2017 Financials	2018 Financials
Annual Gross Budget (GB)	88,950,982	92,773,764	95,600,360
Annual Net Budget	79,444,014	82,437,022	83,943,525
Annual Net Expenditures	78,262,481	82,585,404	84,368,525
<b>Year End Variance</b>	<b>1,181,533</b>	<b>(148,382)</b>	<b>(425,000)</b>
Variance as % of GB	1.3%	-0.2%	-0.4%

	2016 Est. Variance	2017 Est. Variance	2018 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	(300,000)	(425,000)
Third Quarter (Q3)	-	(300,000)	-
Year-End (Q4)*	1,181,533	(148,382)	-

\* Note: Year-end numbers are based on actual results, not projections.



**Description**

**NOTE:** The financial detail below was provided by Windsor Police Services (WPS) administration, as the Finance Dept. does not provide financial support to WPS.

The WPS continues to aggressively monitor and control overtime costs. However, with the occurrence of unforeseen major crimes, and the corresponding investigation and court costs, overtime will rise accordingly. For 2018 to date, the WPS has already had 5 homicides, which are highly resource intensive. Further, WSIB costs continue to increase due mainly to high administrative rates. These are largely uncontrollable costs due to the nature of the operations, however, WPS has been proactively working to decrease the number of incidences.

The Service has also been very diligent in delaying the replacement of various minor equipment and trying to extend the life through repairs and maintenance. Unfortunately, we have begun to reach the point where equipment has become obsolete, with service and parts no longer available. This is resulting in unforeseen replacements in order to continue to provide service and to ensure the health and safety of our employees. All purchasing is done in accordance with the City Purchasing By-law.

**Summary of Description**

	Category	Amount
1. Overtime & WSIB	Salaries & Benefits	\$ (200,000)
2. Minor Equipment	Minor Capital	(225,000)
<b>Net Year End Surplus/(Deficit)</b>		<b>\$ (425,000)</b>

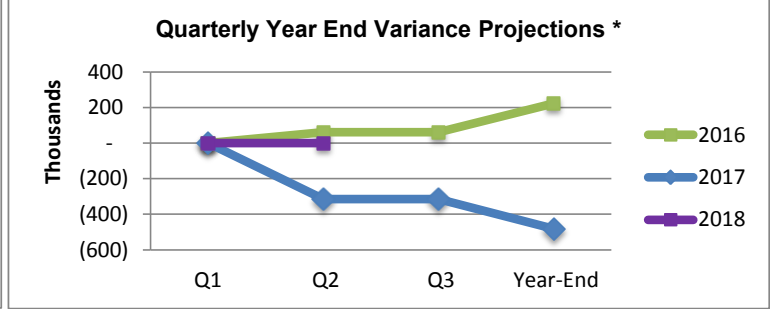
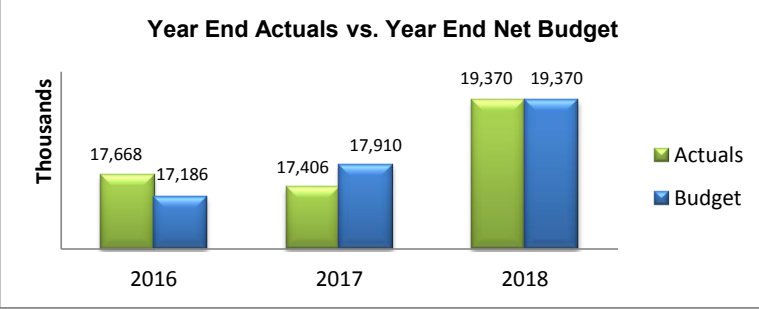
**Mitigating Steps**

**AGENCY GRANTS**

<u>Financial Summary</u>	2016	2017	2018
	Financials	Financials	Financials
Annual Gross Budget (GB)	17,286,927	18,010,674	20,195,286
Annual Net Budget	17,186,329	17,910,076	19,369,688
Annual Net Expenditures	17,668,299	17,406,072	19,369,688
<b>Year End Variance</b>	<b>(481,970)</b>	<b>504,004</b>	<b>0</b>
Variance as % of GB	-2.7%	2.8%	

	2016	2017	2018
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	62,000	(314,000)	-
Third Quarter (Q3)	62,000	(314,000)	-
Year-End (Q4)*	223,464	(481,970)	-

\* Note: Year-end numbers are based on actual results, not projections.



Description

No significant variances projected at this time.

Summary of Description

Projected to end the year within budget estimates

Category	Amount
Projected to end the year within budget estimates	\$ -
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ -</b>

Mitigating Steps

N/A

**COMMITTEES OF COUNCIL**

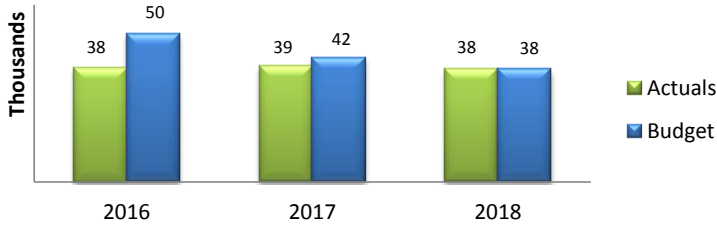
**Financial Summary**

	2016	2017	2018
	Financials	Financials	Financials
Annual Gross Budget (GB)	49,920	42,120	38,250
Annual Net Budget	49,920	42,120	38,250
Annual Net Expenditures	38,460	39,159	38,250
<b>Year End Variance</b>	<b>11,460</b>	<b>2,961</b>	<b>0</b>
Variance as % of GB	27.2%	7.0%	

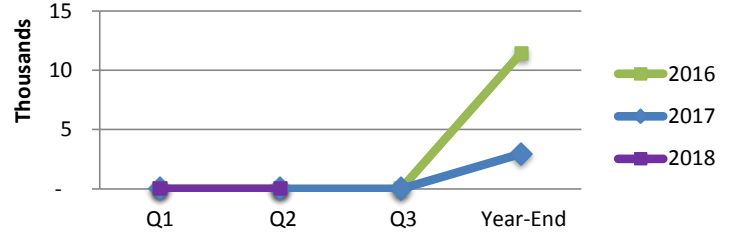
	2016	2017	2018
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	-	-
Year-End (Q4)*	11,460	2,961	-

\* Note: Year-end numbers are based on actual results, not projections.

**Year End Actuals vs. Year End Net Budget**



**Quarterly Year End Variance Projections \***



**Description**

No significant variances projected at this time.

**Summary of Description**

Projected to end the year within budget estimates

Category

Amount

\$ -

**Net Year End Surplus/(Deficit)**

**\$ -**

**Mitigating Steps**