

THE CORPORATION OF THE CITY OF WINDSOR  
Office of the City Treasurer - Finance



MISSION STATEMENT:

“Our City is built on relationships – between citizens and their government, businesses and public institutions, city and region – all interconnected, mutually supportive, and focused on the brightest future we can create together.”

LiveLink REPORT #: 18151	Report Date: March 17, 2016
Author’s Name: Sonia Bajaj	Date to Council: March 29, 2016
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Author’s E-mail: sbajaj@citywindsor.ca	

To: Mayor and Members of City Council

Subject: 2015 Year-End Operating Budget Variance Report

1. **RECOMMENDATION:**

City Wide: X Ward(s):

1. THAT Council **RECEIVE FOR INFORMATION** the 2015 Year-End Operating Budget Variance Report, dated March 11, 2016;
2. THAT the final 2015 Operating Budget surplus of \$2,146,779 **BE TRANSFERRED** to the Reserve Fund for Tax Appeals;
3. THAT in order to avoid the need to re-budget for various items, Council **APPROVE** \$1,712,380 in budget carryovers as detailed in Appendix C: 2015 Budget Carry-Forwards;
4. THAT Council **APPROVE** the balancing of and transfers from Capital Projects, as detailed in Appendix D: 2015 Capital Closeouts;
5. THAT Council **APPROVE** the attached Development Charges 2015 Income Statement Schedule (Appendix E);
6. THAT Council **APPROVE** the establishment of a 2 new reserve accounts entitled Economic Development/Employment Initiatives (1792) and Earned Employment Funding (1793) in Social Services;
7. THAT Council **APPROVE** the regular annual transfer of funding from the Pay As You Go Leasing Reserve (Fund 170) to the Fire department totalling \$41,350 for costs incurred to support of the corporate radio communications system;
8. THAT Council **APPROVE** the closure of the Ontario Home Renewal Program Trust Funds and Bank Accounts (Funds 478 and 479) as required under the agreement with the Province, with Provincial funding of \$345,826.32 being returned to the Ministry of Municipal Affairs

and Housing and funding for the City's administrative services of \$18,201.39 being reallocated to Social Housing Reserves (Fund 141);

9. THAT Council **APPROVE** the following housekeeping items and various transfers to/from Reserves:
- a. Removal from the books of \$1,299,428 relative to the accumulated historical balances of payments in lieu of property taxes payable by senior levels of governments and related entities which have been deemed to be uncollectible.
  - b. \$3,962,178 transfer from the Tax Appeals reserve to fund the tax appeals settlements approved during the year.
  - c. The transfer of \$161,402 from the Capital Expenditure Reserve Fund (160) to the City owned Vacant Lands and Transitional Buildings (0122960) to fund the maintenance and grounds upkeep of transitional properties owned by the City of Windsor.
  - d. Transfer of \$9,900 from the Ontario Fire Service Grant (Account 1768) for the purchase of 9 laptops used for training of various Fire Department training requirements on an annual basis (e.g. captain training, recruit training, EOC training, dispatch training, etc.).
  - e. Re-direction of funds in the amount of \$30,000 to project 7121012 Breathing Apparatus Cylinders/Packs instead of Fire Apparatus 0191410 as per Budget Issue 2015-0006 SCBA Equipment Maintenance. This is a result of 2015 budget being sufficient for SCBA maintenance and project 7121012 requiring additional funds for enhanced telemetry tracking system offered as an option by the manufacturer and/or other ancillary components associated with the system upgrade.
  - f. \$121,146 transfer from reserves into the operating budget as per CR81/2014.

### **EXECUTIVE SUMMARY:**

The Corporation ended 2015 fiscal year with an operating surplus of \$2,146,779. This surplus is recommended to be transferred to the Reserve Fund for Tax Appeals.

These results are still subject to the annual external audit.

Table A below provides a summary of the budgets and year-end variances for City Departments, Corporate Accounts, and Agencies, Boards and Commissions for 2015. The year-end variances have been sorted from largest deficit to largest surplus (dollars). Please refer to *Appendix A* for detailed variance explanations for each department / division.

**Table A: 2015 Year-End Operating Budget Variance by Department**

Department	2015 Annual Net Budget	Year End Surplus / (Deficit)	Variance % of Gross Budget
Corporate Human Resource Accounts	\$ (13,825,349)	\$ (2,910,466)	-6.2%
Fire & Rescue Services	\$ 40,959,074	\$ (1,233,288)	-1.9%
Legal	\$ 5,729,036	\$ (685,736)	-4.1%
Transit Windsor	\$ 13,874,952	\$ (352,112)	-1.1%
Recreation & Culture	\$ 9,187,227	\$ (317,025)	-1.5%
Huron Lodge	\$ 7,221,184	\$ (161,208)	-0.7%
Mayor's Office	\$ 506,453	\$ -	0.0%
Windsor Public Library	\$ 7,636,182	\$ -	0.0%
Engineering	\$ 15,952,892	\$ 12,330	0.0%
Council Administrative Services	\$ 586,666	\$ 12,392	2.1%
Human Resources	\$ 4,087,607	\$ 28,423	0.7%
Information Technology	\$ 5,941,062	\$ 75,002	1.0%
Parks	\$ 14,673,011	\$ 191,343	1.2%
CAO's Office	\$ 1,324,528	\$ 193,914	14.6%
Housing & Children's Services	\$ 21,477,255	\$ 208,531	0.2%
Finance	\$ 6,449,388	\$ 290,844	3.2%
Council Services	\$ 6,459,565	\$ 362,335	3.7%
Planning & Building	\$ 3,460,519	\$ 413,336	5.3%
Employment & Social Services	\$ 12,529,848	\$ 618,295	0.5%
Public Works	\$ 26,304,727	\$ 673,701	1.3%
Corporate Financial Accounts	\$ (287,483,761)	\$ 1,456,038	0.9%
<b>Total City Departments</b>	<b>\$ (96,947,934)</b>	<b>\$ (1,123,351)</b>	<b>-0.2%</b>
Corporate Contingency	\$ 2,500,000	\$ 2,500,000	100.0%
<b>Surplus / (Deficit) Subtotal</b>	<b>\$ (94,447,934)</b>	<b>\$ 1,376,649</b>	<b>100.0%</b>
<b>Agencies, Boards &amp; Commissions</b>			
Windsor Police Services	\$ 77,501,516	\$ 523,060	0.6%
Agency Grants	\$ 16,890,498	\$ 223,464	1.3%
Committees of Council	\$ 55,920	\$ 23,606	42.2%
<b>Total Agencies, Boards &amp; Commissions</b>	<b>\$ 94,447,934</b>	<b>\$ 770,130</b>	<b>0.7%</b>
<b>2015 Net Operating Budget Surplus</b>	<b>\$ -</b>	<b>\$ 2,146,779</b>	<b>0.3%</b>

\*The Windsor Public Library reported variance is as it relates to the Annual Grant provided by the City. It does not refer to the Library's own Operating Budget Variance.

## 2. **BACKGROUND:**

*Appendix B* includes a list of relevant operational and economic statistics (extracted from various sources) that have been presented in previous variance reports to Council. The data is provided as background information and is depicted graphically by quarter, by year, for ease of reference and comparison purposes.

*Appendix C* includes a list of the recommended carry-forwards that relate to 2015. These are budgeted items that, due to timing, were committed but not expended in 2015 and as a result the related budgets for those items have been carried forward into 2016. These expenditure line items are expected to be paid in 2016 or beyond.

Table B below provides a five year historical picture of the City's year end operating variances for the corporation, as well as the percentage variance to the annual gross budget inclusive of the budget stabilization contingency account.

**Table B: Operating Variance by Year As Previously Reported**

Year	Variance Surplus	Variance as a % of Gross Budget
2010	\$2,307,758	0.30%
2011	\$4,048,621	0.60%
2012	\$1,708,605	0.20%
2013	\$5,461,778	0.80%
2014	\$691,606	0.10%
2015	\$2,146,779	0.30%

## 3. **DISCUSSION:**

### Tax Supported Variances

The Corporation ended the 2015 fiscal year with an operating surplus of \$2,146,779. This figure is net of budget carryovers in the amount of \$1,712,380. This surplus is recommended to be transferred to the Reserve Fund for Tax Appeals given the significant outstanding appeals and the upcoming MPAC re-assessment cycle.

Table C below provides another view of the 2015 year-end financial results by major account categories. A brief analysis of the items included in each of the significant dollar categories augment this table.

**Table C: 2015 Year-End Operating Budget Variance by Category**

Category	Net Favourable (Unfavourable) Variance
<b>REVENUE:</b>	
Taxes - Municipal	\$ (824,702)
Investment Income & Dividends	\$ (393,893)
User Fees, Permits & Charges	\$ (146,631)
Recovery of Expenditures	\$ (63,254)
Transfers from Other Funds	\$ 227,363
Other Miscellaneous Revenue	\$ 258,521
Grants & Subsidies	\$ 959,128
<b>SUBTOTAL - REVENUE</b>	<b>\$ 16,532</b>
<b>EXPENSE:</b>	
Purchased Services	\$ (2,855,687)
Operating & Maintenance Supplies	\$ (303,413)
Minor Capital	\$ (176,720)
Transfers to External Agencies	\$ 223,464
Other Miscellaneous Expenditures	\$ 262,761
Financial Expenses	\$ 381,284
Utilities, Insurance & Taxes	\$ 580,799
Salaries & Benefits	\$ 1,517,759
<b>SUBTOTAL - EXPENSES</b>	<b>\$ (369,753)</b>
<b>Net Total</b>	<b>\$ (353,221)</b>
Corporate Contingency	\$ 2,500,000
<b>2015 Year-End Surplus</b>	<b>\$ 2,146,779</b>

***Revenue Variance***

The Municipal Taxes category is the largest revenue deficit and represents the increased collection efforts and improving economy that led to a reduction in the amount of property tax in arrears translating to good news for the financial health of the Corporation. To offset this deficit are one time Grant & Subsidy surpluses being reported in the Housing Services, Windsor Essex Community Housing Corporation and Huron Lodge departments.

***Expenditure Variance***

Consistent with the 3<sup>rd</sup> quarter operating budget variance report, the Purchased Services category represents the largest expenditure deficit and is attributed to the higher than budgeted winter control service, timing of the implementation of the LED streetlight conversion project, legal services and the implementation of the 42 hour work week by the Fire & Rescue Services Department. Mitigating these deficits are overall surpluses being reported in the Natural Gas, Hydro and Water accounts at the various corporate facilities and salary gapping savings by most Departments.

## Miscellaneous Housekeeping Transfers To/From Reserves

Throughout the course of the year, costs related to certain initiatives are captured in operating accounts and are then transferred at year-end to reserves. The following miscellaneous housekeeping transfers to/from reserves have occurred and further descriptions are provided:

### ***Transfer from the Capital Expenditure Reserve (Reserve Fund 160) to Transitional Buildings Dept ID 0122960***

The responsibility for maintaining the city owned transitional buildings, vacant lots and right-of-ways are the responsibility of the Parks Department and the Facility Operations Division. Parks and Facility Operation areas are tasked with providing all care and site clean-up services as necessary to maintain the properties in accordance with all Federal/Provincial regulations and City of Windsor bylaws. It has always been the past practice to offset all costs incurred throughout the year to service vacant property from the capital expenditure reserve (Fund 160) at year-end, as the department would otherwise incur an operating deficit. The 2015 transfer was \$161,402. It should be noted that the reserve Fund 160 is credited with revenues generated by City owned facilities and the sale of land or properties.

### ***Ontario Fire Service Grant (Reserve Account 1768)***

Windsor Fire & Rescue Services received \$300,000 a one-time grant funding as part of the Ontario Fire Service Training Grant. The funds have since been held in reserve account 1768. In 2007, CR387/2007 directed that the Fire Chief report annually on how the grant funds are expended and identify the types of training activities, fire equipment purchases, and public education activities carried out.

Expenditures of \$9,900 were funded from the Ontario Fire Service Grant Reserve in 2015 for the purchase of 9 laptops used for training of various Fire Department requirements on an annual basis, leaving a year-end balance of \$94,771 in the reserve.

### ***Reserve for Fire Education (Reserve Account 1755)***

WFRS has formed a number of partnerships with local businesses and agencies to promote fire safety. Some of the partnerships involved financial support for public education programs that extend beyond the fiscal year in which the donation occurred. The Fire Education reserve was set up to ensure that the funds donated would be carried over to fulfill the goals of the program, such as the purchase of educational materials for schools, smoke alarm replacements, batteries and carbon monoxide detectors. In 2009, CR37/2009 directed that the Fire Chief report annually on how the reserve funds were expended and identify the types of material purchases and public education activities carried out.

In 2015, WFRS received donations totaling \$27,040 which was deposited to the Fire Education reserve for purchases of supplies for the Wake Up Get a Working Smoke Alarm program such as: Smoke alarms, Carbon monoxide alarms, batteries for the alarms, brochures, drills and associated hardware. The 2015 year-end reserve balance is \$41,925.

### ***Breathing Apparatus Cylinders/Packs***

On January 21, 2016 Council approved the purchase of 1.1 million dollars of MSA brand SCBA equipment from A.J. Stone Company LTD tracked in the capital project 7121012. This purchase marks the first time since the mid 1990's that WFRS has completely overhauled its SCBA equipment. Since council approved the purchase, WFRS staff has been working with AJ Stone to move the project forward. As a result of the meetings it has become apparent that some

additional equipment over and above what was identified in the original project is warranted. Some of the equipment is required in order to ensure our existing infrastructure is compatible with the new equipment such as the air compressor at apparatus and the air supply system affixed to our four aerial towers. The total value of the additional equipment required is approximately \$64,500. This would put the project into a deficit, to mitigate this deficit, the unused \$30,000 approved by BI 2015-0006 from BSR and earmarked for maintenance of the old SCBA equipment in 2015 is recommended to be re-directed to a capital project 7121012 instead of operating dept ID 0191410.

***Tax Appeals Reserve (Reserve Fund 192)***

The Tax Appeals Reserve was established to fund refunds to property owners as a result of retroactive settlements of ongoing property tax and assessment appeals which exceed the annual operating provision for property tax write-offs. In 2015, \$3,962,178 was transferred from the reserve for this purpose. Included in this amount was \$582,394 which related to the net impact as a result of the write-off of payments in lieu of property taxes which were billed but not collected in full on Federal and Provincially owned properties. Under the Payment in Lieu of Tax Act, while there is a requirement to remit a tax in lieu to municipalities, the amount is discretionary resulting in annual shortfalls. The total gross amount of the write off was \$1,299,428 which was an accumulation of said shortfalls dating back to 2002. After a thorough review of each account and discussions with both the Ministry of Finance and Public Works Canada, Administration has deemed the accumulated shortfall as uncollectible. Where applicable, municipalities are able to retain any Educational tax component therefore there is no Educational recovery as it relates to these accounts. As part of previous year-end closing procedures, \$717,035 was set aside within the allowance for doubtful accounts specifically for these accounts. Therefore the net impact to the 2015 operating account was \$582,394.

***Transfer from Pay As You Go Leasing Reserve for Radio Communications Support (Reserve Fund 170)***

The corporate radio system is supported by the Communications division of the Windsor Fire & Rescue Services, and a recovery from the Leasing Reserve is appropriate in order to compensate for this support. In 2015, a transfer of \$41,350 was made from the reserve.

***Business Improvement Area Maintenance Reserve Fund (Reserve Account 1785)***

CR81/2014 approved the establishment of the BIA Maintenance Reserve Account, to be used for the purpose of contingency funding for annual BIA Maintenance with transfers to/from the Reserve taking place and being reported each year end. The final 2015 transfer of \$121,146 brings the reserve account balance to \$0.

***Ontario Home Renewal Program Trust Funds and Bank Accounts (Funds 478 & 479)***

The Ontario Home Renewal Program (OHRP) was established in 1975 to provide grants to municipalities which used the funds to create a trust fund from which loans could be made to assist low income owner occupants to repair their homes. To facilitate an accurate reporting and/or accounting of OHRP monies, the municipality was required to set up a separate trust account for OHRP. Any advances received under the program were deposited in the OHRP Trust fund. All monies received in the repayment of OHRP loans and all interest accruing from such loans was deposited in the account. The guidelines state when program activity ceases and the municipality has no further need for OHRP, the balance in OHRP revolving account should be returned to the Ministry of Municipal Affairs and Housing (MMAH).

A letter was received by MMAH dated June 19, 2014 regarding the winding up of OHRP. The letter requested that the City of Windsor return unused funds. A request was made by Executive

Director of Housing and Children Services to transfer these funds to the Investment Affordable Housing (IAH) program; the request was denied. The OHRP program was reconciled and the amount owed to MMAH was calculated to be \$345,826.32. The City requested that it be allowed to retain the remaining amount in the trust fund of \$18,201.39 to offset Administration wrap up expenditures. Confirmation from MMAH is pending. The administration wrap up revenue of \$18,201.39 was transferred to the Social Housing Reserve fund (141) and will not be used until final approval is given by MMAH.

***Capital Closeouts***

Appendix D contains a summary of capital projects that were either closed, completed or consolidated during 2015. The Corporation does not budget for any variance with respect to capital closeouts. Surplus balances normally offset deficits in other projects as long as consistent funding guidelines are being followed. Usual practice calls for surpluses to be returned back to the original funding source(s) and deficits drawn from their original funding source if the funds are available. If funding is not available, alternate funding sources are found and reported to Council.

***Development Charge Reserve Income Statements***

Appendix E provides City Council with detailed revenue and expenses for all the development charge reserves in 2015 as required by the Development Charges Act.

Non-Tax Supported Variances

***Building Permit Operations***

<b>2015 Budgeted Draw on Building Permit Fee Reserve</b>	<b>Actual Contribution to Reserve</b>	<b>Year End Surplus</b>
\$ 412,844	\$ (145,774)	\$ 558,618

Construction statistics as of December 31, 2015 (2,524 permits) are above that of 2014 (2,385 permits). Permit counts in the residential and commercial categories were slightly higher in 2015 while counts in the other categories (industrial and institutional) were slightly less. Total construction value however in the industrial category was similar to 2014 but was significantly higher in the residential, commercial and institutional categories. Administration believes that the current permit volume trends indicate that the local economy is slowly rebounding.

Mitigating efforts by Administration have also helped reduce and control any draw against the Building Permit Fee Reserve each year. Those efforts include gapping and staffing reductions where feasible, frugal management of all controllable operating costs, seeking increased efficiencies and implementing new fees, or raising fees as well as cost recovery for services rendered.

The Building Permit Fee Reserve deficit balance is currently approximately \$10.2 million, offset by the Contra Reserve account balance of approximately \$9.7 million.



### ***On/Off Street Parking Operations***

<b>Budgeted Transfer to Reserve</b>	<b>Actual Transfer to Reserve</b>	<b>(Year-End Deficit)</b>
\$ 762,580	\$ 719,656	\$ (42,924)

On/Off Street Parking has finished the year with a reduced transfer to the Off Street Parking Reserve of (\$42,924) due to several variances related to revenue, taxes, utilities, and equipment.

Both daily and monthly revenues were lower than anticipated for 2015 in garages, lots, and at parking meters resulting in an overall revenue deficit of (\$387,199). Administration will analyse the historical daily and monthly parking revenue variances, trends and fee changes to determine if a 2017 budget issue should be brought forward for consideration where mitigation is not possible within the existing budget. In addition, there were immaterial deficit of (\$5,927) in various accounts.

Offsetting these deficits is a surplus of \$116,585 related to machinery & equipment purchases for the year, \$108,276 related to all utility accounts, \$84,718 related to property tax payments, and other immaterial line-by-line variances netting a surplus of \$34,696 for the year. Accounts related to machinery & equipment was under spent to mitigate deficits for the year.

The 2015 year-end balance in the On/Off Street Parking Reserve Fund is a deficit of (\$1,182,260.46).

### ***Sewer Surcharge Funded Operations***

The overall budget variance for the Sewer Surcharge Funded Operations is a deficit of (\$441,598).

### **Pollution Control**

Pollution Control ended the year with a \$631,999 surplus. This is largely due to a \$244,584 surplus at the Little River Pollution Control Plant, along with smaller surpluses of \$155,457 in Electrical, \$148,374 at the Lou Romano Water Reclamation Plant, \$103,976 for the Pumping Stations, and \$64,552 in Environmental Quality Services. These surpluses are partially offset by a deficit of (\$84,944) in Landfill Sites.

The largest factor in the \$631,999 surplus is labour / benefit expenses. Several vacancies, both full time salary and full time hourly, are pending recruitment or are in the process of being filled, and contributed to a \$568,506 surplus in the area. Additionally, Sewage Treatment revenues received from the Town of LaSalle and Town of Tecumseh were, in total, \$287,689 more than budgeted. Smaller surpluses were seen in other areas, such as: Landfill Tipping Fees - \$29,737, Contracted Services - \$29,283, Taxes - \$24,761, Plant Fuel & Lubricants - \$24,148, Other Professional Services - \$22,957, Licenses & Permits - \$21,840, Construction Contracts - \$19,899, Chemicals - \$18,673, Machinery & Equipment - \$14,162, and Travel - \$13,907. Miscellaneous line items also contributed a total of \$90,909 to the surplus.

Offsetting these surpluses is a large deficit in Sludge Expenses. Invoices paid for the latter portion of the year were substantially higher than the early portion of the year and contributed a total deficit of (\$240,884). Secondly, increased security costs at both plants resulted in a (\$165,141) deficit. Consulting expenses, largely attributed to work mandated by the Ministry of the Environment at the Malden Landfill, added a (\$71,951) deficit. Lastly, utility expenses contributed a further (\$56,495) deficit to the variance.

### **Public Works Operations**

Public Works Operations has finished 2015 with a surplus of \$709,989 related to their sewer surcharge funded operations. This net surplus includes a surplus of \$518,199 related to contracted services, a surplus of \$304,300 related to salary and wages, a deficit of (\$72,347) for equipment repairs, and a net deficit of (\$40,163) related to the sum of all other miscellaneous line-by-line variances. The surplus related to contracted services is due in large part to less than anticipated sewer repair work completed in conjunction with road capital repairs. In addition, the absence of the sewer maintenance/repair supervisor late in 2015 resulted in a decrease in scheduled sewer repair work for the year. The surplus salary and wage costs is due to a number of vacancies across the department resulting from retirements, long term disability, unpaid leaves, staff appointments into new positions, and salary payments made in the departments levy funded operations. Offsetting the departments surpluses for the year is a deficit related to unexpected equipment repairs for non-dedicated equipment.

### **Other**

Administrative fees from EnWin and other miscellaneous items contributed a surplus of \$365,432. Offsetting this surplus were deficits in Sewer Repair and Replacement of (\$142,017), which is due to increased activity, and appeal refunds of (\$505,283).

### **Sewer Surcharge Revenue**

Revenue from the sewer surcharge rate resulted in a deficit of (\$1,501,717), with a revenue budget of \$59.6 million, this deficit represents (2.52%) of the budget. Sewer surcharge revenue decreased significantly in the second half of 2015. This decreasing trend for water consumption was being reflected in the 2016 Sewer Surcharge Operating Fund projections approved with the 2016 Budget.

### **Setting Up Two New Reserves**

The establishment of a 2 new reserve accounts entitled Economic Development/Employment Initiatives (1792) and Earned Employment Funding (1793) in Social Services.

The first reserve (1792) is for the purpose of tracking the surplus returned from the Windsor Essex Economic Development Corporation. The second reserve (1793) is required to track one-time earned employment funding that can be used for eligible employment initiatives.

#### **4. RISK ANALYSIS:**

There are a number of potential risks that can have a significant impact on the year-end financial results. These risks and other considerations have been identified below:

1. The Net Tax Additions / Reductions account is extremely difficult to project with certainty and variances can run into millions of dollars. There are some significant appeals in progress as previously reported to Council. Any variances in this account will vary dramatically based on the outcomes and timing of these settlements. Until a Municipal Assessment Property Corporation (MPAC) or Assessment Review Board (ARB) decision is rendered, the cost cannot be quantified with a high degree of certainty.
2. Current macro and micro economic conditions such as changes to local unemployment rates, volatility of energy costs, commodity prices and interest rates as well as supply and demand for products and services.
3. Seasonal variability with respect to revenues (e.g. Recreation program fees) and expenses (e.g. winter control)
4. Potential increase in staffing costs due to factors such as sick call replacement, modified duties (particularly in mandated or 24 / 7 operational areas), WSIB, joint job evaluation or other arbitration decisions, health benefit usage and such other. Some of these costs may be covered by corporate provisions / reserves.
5. Potential increase to unavoidable expenditures such as mandated repairs and maintenance and allied purchase of materials and supplies, legal expenses, streetlight maintenance, etc.
6. The Employment & Social Services Department cautions there is a risk that both the Ontario Works (OW) Financial Assistance and OW Program Delivery budgets may be impacted by the Province's November 2014 implementation of the Social Assistance Management System (SAMS). The Province has acknowledged that the SAMS OW expenditure and caseload reports that were generated for the period of November 2014 to December 2015 may be flawed and will be reissuing these reports in the near future.

The subsidy claims process using SAMS technology has been delayed by the Province until the back-end financials are tested and validated Subsidy claims since November 2014 have yet to be submitted to the Province for reimbursement. In addition, in order to close Fiscal 2014 and 2015, estimates based on data from the SAMS reports, historical trends, and/or subject matter experts' judgements were used. When SAMS reports are reconciled, there is the risk that the estimates used for November 2014 through to December of 2015 may be over or understated which could result in a variance related to these periods. There is insufficient information at this time to quantify the impact.

7. The significant use of estimates, historical knowledge and judgment in developing budgets and projecting actual expenses for the year implies that actual year end revenues and expenditures may differ significantly from quarterly projections. One way to mitigate this risk and help to offset any unexpected or one-time variances is by way of the annual \$2.5 million corporate contingency account.

## 5. FINANCIAL MATTERS:

Refer to *Appendix A* for detailed descriptions to support the departmental year-end variances along with mitigating measures.

*Appendix B* of this report includes a list of relevant operational and economic statistics (extracted from various sources) as background information and is depicted graphically by quarter, by year, for ease of reference and comparison purposes.

## 6. CONSULTATIONS:

All City Departments provided comments to augment the analysis performed by the Finance Department.

## 7. CONCLUSION:

A projected quarterly variance summary throughout 2015 is presented in Table D along with the actual year-end results.

**Table D: 2015 Year-End Projections and Actual Results**

	Year-End Projection At Q 1	Year-End Projection At Q 2	Year-End Projection At Q 3	Year-End Actuals
2015 (Deficit)/Surplus (including Budget Stabilization Contingency Account)	\$715,046	\$433,646	\$2,242,939	\$2,146,779

Overall, the Corporation of the City of Windsor ended the 2015 fiscal year with an operating surplus of \$2,146,779 which is proposed to be transferred to the Reserve Fund for Tax Appeals given the significant ongoing exposure in that budget line item.

In recent years administration has presented a variance report for the period ending March 31. However, due to competing administrative priorities and the limited usefulness of the March 31<sup>st</sup> report (due to the bulk of the year's transactions not having occurred by that date) the next formal variance report to Council will be for the period ending May 31, 2016. Of course administration will continually monitor the departmental variances and any significant issues will be promptly reported to council.

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**Sonia Bajaj**  
**Financial Planning Administrator**

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**Onorio Colucci**  
**Chief Financial Officer/City Treasurer and  
Corporate Leader Finance and Technology**

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**Helga Reidel**  
**Chief Administrative Officer**

**APPENDICES:**

**Appendix A – Components of the 2015 Year-End Operating Budget Variance Report**

**Appendix B – 2015 Operational & Economic Statistics**

**Appendix C – 2015 Budget Carry-Forwards**

**Appendix D – 2015 Capital Closeouts**

**Appendix E – Development Charge Reserve Funds Income Statement for 2015**

**DEPARTMENTS/OTHERS CONSULTED:**

**Name:**

**Phone #: 519            ext.**

**NOTIFICATION :**

Name	Address	Email Address	Telephone	FAX

Departments Divisions	Page	2015					
		Annual Gross Budget	Annual Net Budget	Q2 (May 31) Projected Surplus / (Deficit)	Q3 (Aug 31) Projected Surplus / (Deficit)	Year-End Surplus / (Deficit)	YE % Var. of Gross Bgt.
<b>Representation</b>							
Mayor's Office	2	506,453	506,453	0	0	0	0.0%
Council Administrative Services	3	586,666	586,666	0	0	12,392	2.1%
<b>Total Representation</b>		<b>1,093,119</b>	<b>1,093,119</b>	<b>0</b>	<b>0</b>	<b>12,392</b>	<b>1.1%</b>
<b>Office of the Chief Administrative Officer</b>							
CAO's Office	4	1,324,528	1,324,528	0	98,000	193,914	14.6%
<b>Office of the City Solicitor</b>							
Planning & Building	5	7,777,193	3,460,519	115,000	257,000	413,336	5.3%
Legal	6,7	16,717,256	5,729,036	(485,000)	(467,814)	(685,736)	-4.1%
Fire & Rescue Services	8,9	41,737,360	40,959,074	(579,908)	(429,908)	(1,233,288)	-3.0%
<b>Total Office of the City Solicitor</b>		<b>66,231,809</b>	<b>50,148,629</b>	<b>(949,908)</b>	<b>(640,722)</b>	<b>(1,505,688)</b>	<b>-2.3%</b>
<b>Office of the Chief Financial Officer</b>							
Finance	10	9,208,651	6,449,388	50,000	330,000	290,844	3.2%
Information Technology	11	7,227,994	5,941,062	64,000	71,500	75,002	1.0%
Corporate Financial Accounts	12-14	163,037,668	(287,483,761)	120,800	193,300	1,456,038	0.9%
<b>Total Office of the Chief Financial Officer</b>		<b>179,474,313</b>	<b>(275,093,311)</b>	<b>234,800</b>	<b>594,800</b>	<b>1,821,884</b>	<b>0.3%</b>
<b>Office of City Clerk</b>							
Council Services	15,16	9,749,863	6,459,565	37,000	83,600	362,335	3.7%
Human Resources	17	4,362,579	4,087,607	0	43,300	28,423	0.7%
Corporate Human Resource Accounts	18	47,145,000	(13,825,349)	0	(222,000)	(2,910,466)	-6.2%
Windsor Public Library	19	8,592,291	7,636,182	(38,700)	0	0	0.0%
<b>Total Office of City Clerk</b>		<b>69,849,733</b>	<b>4,358,005</b>	<b>(1,700)</b>	<b>(95,100)</b>	<b>(2,519,708)</b>	<b>-0.1%</b>
<b>Office of the City Engineer</b>							
Engineering	20-22	50,809,340	15,952,892	(171,600)	227,700	12,330	0.0%
Public Works	23-25	51,717,543	26,304,727	(181,800)	285,500	673,701	1.3%
Parks	26	15,867,349	14,673,011	0	325,000	191,343	1.2%
<b>Total Office of the City Engineer</b>		<b>118,394,232</b>	<b>56,930,630</b>	<b>(353,400)</b>	<b>838,200</b>	<b>877,374</b>	<b>0.7%</b>
<b>Community Development &amp; Health</b>							
Employment & Social Services	27,28	115,590,470	12,529,848	135,000	316,000	618,295	0.5%
Housing & Children's Services/WECHC	29	95,411,337	21,477,255	203,900	287,900	208,531	0.2%
Huron Lodge	30,31	22,351,439	7,221,184	(58,000)	(84,000)	(161,208)	-0.7%
Recreation & Culture	32,33	21,454,846	9,187,227	(225,000)	(258,000)	0	0.0%
<b>Total Community Development &amp; Health</b>		<b>254,808,092</b>	<b>50,415,514</b>	<b>55,900</b>	<b>261,900</b>	<b>665,618</b>	<b>0.1%</b>
<b>Transportation Services Office</b>							
Transit Windsor	34-36	32,880,828	13,874,952	(404,000)	(500,000)	(352,112)	-1.1%
<b>Total City Departments Prior to Contingency &amp; Additional Council-Approved Funding</b>		<b>724,056,654</b>	<b>(96,947,934)</b>	<b>(1,418,308)</b>	<b>557,078</b>	<b>(806,326)</b>	<b>-0.1%</b>
Corporate Contingency Approved in 2015 Budget		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	100%
<b>Surplus (Deficit) Subtotal</b>		<b>726,556,654</b>	<b>(94,447,934)</b>	<b>1,081,692</b>	<b>3,057,078</b>	<b>1,693,674</b>	<b>0.2%</b>
<b>Agencies, Boards &amp; Commissions</b>							
Windsor Police Services	37	86,783,914	77,501,516	(275,000)	(350,000)	523,060	0.6%
Agency Grants	38	16,991,096	16,890,498	62,000	62,000	223,464	1.3%
Committees of Council	39	55,920	55,920	0	0	23,606	42.2%
<b>Total Agencies, Boards &amp; Commissions</b>		<b>103,830,930</b>	<b>94,447,934</b>	<b>(213,000)</b>	<b>(288,000)</b>	<b>770,130</b>	<b>0.7%</b>
<b>2015 Net Operating Budget Surplus</b>		<b>830,387,584</b>	<b>0</b>	<b>868,692</b>	<b>2,769,078</b>	<b>2,463,804</b>	<b>0.3%</b>

## Notes:

1. The Fire & Rescue and Legal Department variances are net of previously reported funding (CR55/2015 and M353-2015).
2. Year-end reported variances are inclusive of post closing entries for Legal and Planning & Building Departments.

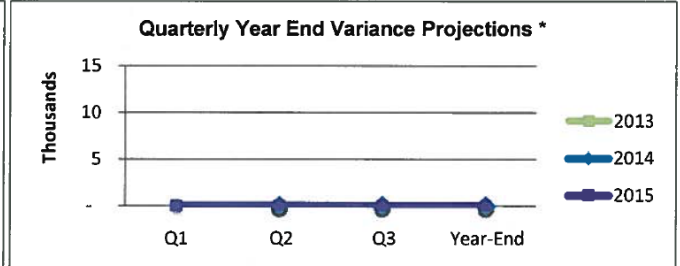
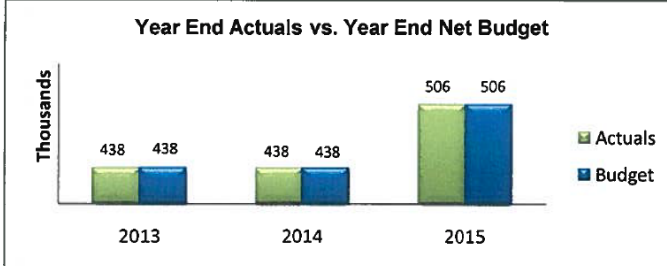
**MAYOR'S OFFICE**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	438,179	438,316	506,453
Annual Net Budget	438,179	438,316	506,453
Annual Net Expenditures	438,179	438,316	506,453
<b>Year End Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>
Variance as % of GB			

	2013 Est. Variance	2014 Est. Variance	2015 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.



**Description**

Prior to the budget carryforward of \$593,979, the Mayor's Office budget for 2015 reflected a surplus of that amount and generally relating to the accumulated surplus carried forward from previous years based on Council approval.

**Summary of Description**

Category	Amount
1. No reportable variance	\$ -
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ -</b>

**Mitigating Steps**

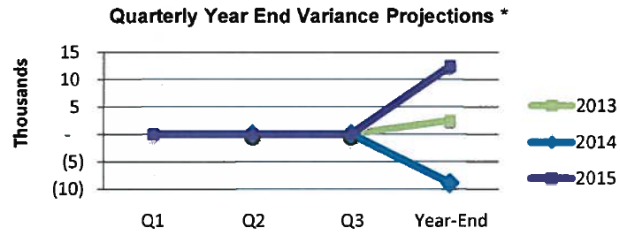
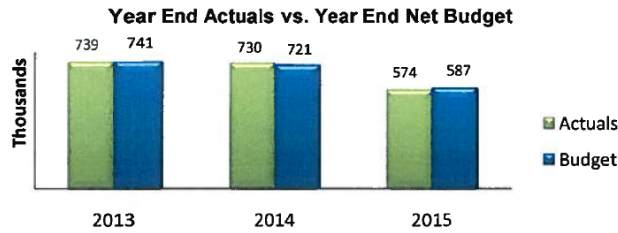
**COUNCIL ADMINISTRATIVE SERVICES**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	741,281	721,424	586,666
Annual Net Budget	741,281	721,424	586,666
Annual Net Expenditures	738,809	730,314	574,274
<b>Year End Variance</b>	<b>2,472</b>	<b>(8,890)</b>	<b>12,392</b>
Variance as % of GB	0.3%	-1.2%	2.1%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)			-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	-	-
<b>Year-End (Q4)*</b>	<b>2,472</b>	<b>(8,890)</b>	<b>12,392</b>

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



**Description**

The City Council budget centre (which includes the salary of all elected officials including the Mayor as well as travel and administrative costs for City Councillors) ended the year with a surplus of \$12,392. This surplus was largely attributed to savings from the new cost structure for IT equipment and services provided to City Council. The noted \$12,392 surplus is net of a carryforward amount for Ward Funds of \$419,708.

**Summary of Description**

	Category	Amount
1. Other Miscellaneous	Other Miscellaneous Expenditures	\$ 12,392
<b>Net Year End Surplus</b>		<b>\$ 12,392</b>

**Mitigating Steps**



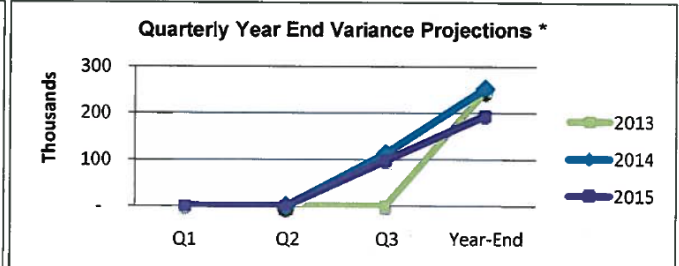
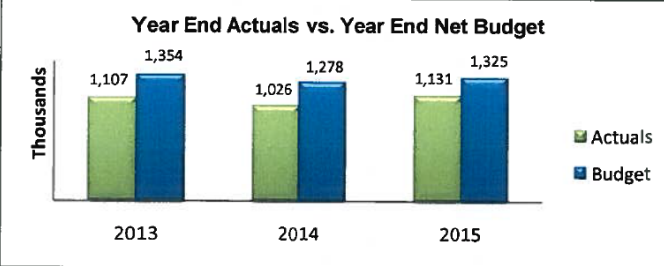
**CAO'S OFFICE**

**Financial Summary**

	2013	2014	2015
	Financials	Financials	Financials
Annual Gross Budget (GB)	1,354,061	1,278,215	1,324,528
Annual Net Budget	1,354,061	1,278,215	1,324,528
Annual Net Expenditures	1,107,178	1,025,907	1,130,614
<b>Year End Variance</b>	<b>246,883</b>	<b>252,308</b>	<b>193,914</b>
Variance as % of GB	19.3%	19.7%	14.6%

	2013	2014	2015
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)			-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	113,000	98,000
<b>Year-End (Q4)*</b>	<b>246,883</b>	<b>252,308</b>	<b>193,914</b>

\* Note: Year-end numbers are based on actual results, not 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 by the end of 2015, a surplus is reported after taking into account certain budget carry forwards to cover the payments for anticipated 2016 projects.

**Summary of Description**

	Category	Amount
1. Corporate Consulting	Purchased Services	\$ 120,957
2. Salary Gapping	Salaries & Benefits	\$ 41,164
3. Minor Variances in Various Accounts	Other Miscellaneous Expenditures	\$ 31,793
<b>Net Year End Surplus</b>		<b>\$ 193,914</b>

**Mitigating Steps**

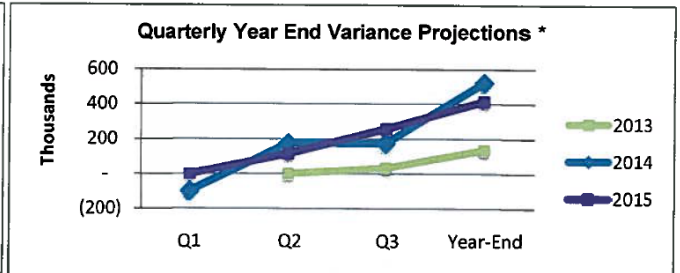
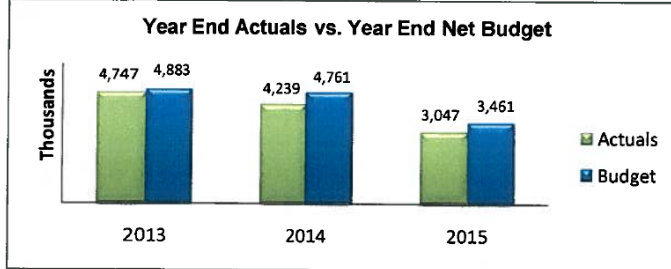
**PLANNING AND BUILDING**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	9,173,990	9,066,109	7,777,193
Annual Net Budget	4,882,654	4,760,924	3,460,519
Annual Net Expenditures	4,746,899	4,238,847	3,047,183
<b>Year End Variance</b>	<b>135,755</b>	<b>522,077</b>	<b>413,336</b>
Variance as % of GB	1.5%	5.8%	5.3%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)		(100,000)	-
Second Quarter (Q2)	-	175,700	115,000
Third Quarter (Q3)	32,300	173,000	257,000
<b>Year-End (Q4)*</b>	<b>135,755</b>	<b>522,077</b>	<b>413,336</b>

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



**Description**

Planning and Building ended year 2015 with an operating surplus of \$413,336\*.

**Salary Gapping: \$298,403**

As a result of various vacancies and staff turnover during 2015, the Department realized a total net savings in salary and benefits expenditures of \$298,403.

**Revenue Surplus: \$114,933**

The Department and Corporation benefitted from favourable revenue activity during 2015 in the categories of land variance applications received, site plan control applications received and fines collected regarding property standards enforcement.

**Legislated Permits (Non-tax levy portion of Departmental budget) Surplus: \$558,600**

In 2015 the Department saw its strongest permit revenue results in nearly a decade. Permit related revenues totalled \$3,043,835 compared to a budgeted \$2,466,548. This equates to a permit revenue surplus of \$577,287. Miscellaneous minor variances totalling (\$18,687) offset the revenue surplus to bring the overall net operating surplus to \$558,600.

Rather than a draw on the Building Permit Fee Reserve in 2015, which was budgeted to be (\$413,000), the Department was able to make a contribution to the Reserve in the amount of \$145,774.

\* Surplus amount of \$413,336 reflects a post closing entry to record an approved budget carry forward amount of \$5,885 for the 2016 Doors Open event.

**Summary of Description**

	Category	Amount
1. Salary Gapping	Salaries & Benefits	\$ 298,403
2. Revenue Surplus	User Fees, Permits & Charges	114,933
<b>Net Year End Surplus</b>		<b>\$ 413,336</b>

**Mitigating Steps**

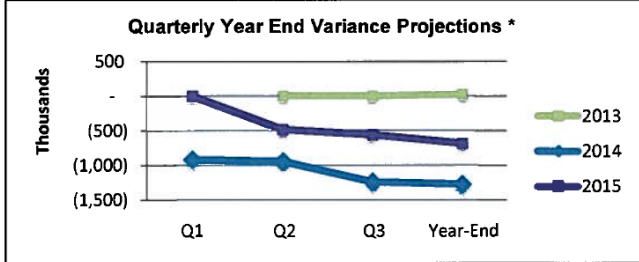
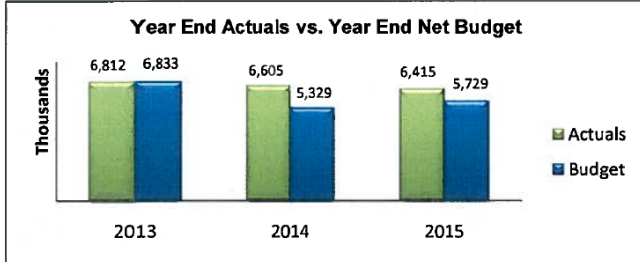
**LEGAL**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	10,470,778	16,491,109	16,717,256
Annual Net Budget	6,832,655	5,329,141	5,729,036
Annual Net Expenditures	6,811,947	6,605,300	6,414,772
<b>Year End Variance</b>	<b>20,708</b>	<b>(1,276,159)</b>	<b>(685,736)</b>
Variance as % of GB	0.2%	-7.7%	-4.1%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)		(919,000)	-
Second Quarter (Q2)	-	(946,000)	(485,000)
Third Quarter (Q3)	-	(1,243,000)	(558,907)
<b>Year-End (Q4)*</b>	<b>20,708</b>	<b>(1,276,159)</b>	<b>(685,736)</b>

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



**Description**

The Legal department ended fiscal 2015 with a year-end deficit of (\$685,736) as described below.

**Salary Gapping: \$89,500**

A net surplus is achieved in salary accounts due to position vacancies and salary gapping.

**Provincial Offences Division: \$56,000**

The Provincial Offences Division ended the year with a surplus of \$56,000 after taking into consideration the Windsor/Essex Intermunicipal Courts Services Agreement percentage allocation.

Overall court fine revenue fell short of the budget by (\$97,000) mainly due to an overall decrease in charging volume in 2015. Year over year (2015 vs. 2014) charging volume decreased by 3.6% and when compared to our peak periods, we are down over 35%. Administration is working diligently in 2016 to increase its collection efforts to bring the revenues in line with budget. Offsetting the revenue deficit were surpluses in the Litigation Cost accounts of \$95,000. These expenses are paid directly to the Ministry of the Attorney General as per the Memorandum of Understanding (MOU). Due to lower charging volumes and an increased focus on court utilization schedules and the coding of hours, the division was able to come in under budget. In addition the collection charge account had a surplus of \$63,000 mainly due to a reduction in the number of judgements filed against defendants. In addition, 3rd Party Collection agency commissions have also declined over the years. The POA division also had a number of other miscellaneous items that netted to an overall deficit of (\$5,000). This variance was mainly comprised of higher than budgeted escalation costs for the lease at the Westcourt building which was partially offset by some salary gapping throughout the year.

**Other Miscellaneous Accounts: \$31,764**

This surplus is due primarily to the 2015 property insurance allocation for the Art Gallery of \$12,800 where a budget was not established. As well as savings of \$11,000 in training dollars experienced as heavy workload and staff shortages from position precluded employees from participating in training opportunities. Other Miscellaneous accounts netted to a \$7,964 surplus in 2015.

**Canderel Lease Expense: (\$85,000)**

Lease revenue from sub-leases at the Canderel building fell short of budget in 2015 as a result of the renegotiated lease. This reflects a post closing entry of \$69,995. 2016 Operating Budget approved a reduction in lease revenue to better reflect current market conditions.

**Labour Arbitration: (\$114,000)**

Labour arbitration account deficit is result of lengthy and complicated issues addressing the 42 hour work week with the WPPFA.

**Recovery from Capital Projects: (\$152,000)**

During the 2015 budget process, and in conformity with the corporate Tangible Capital Asset Policy, Council approved the recovery of dedicated Real Estate Services employee wages from capital projects on the basis of the number of hours worked on each project. The budget of \$160,000 was based on an estimate of 75% recoverable time. Due to the transition of staff during the first half of the year and the lower than projected number of open capital projects requiring real estate services, a deficit was incurred. This budget was reviewed as part of 2016 budget process and reduction of \$110,000 was approved going forward.

**Legal Services Costs: (\$512,000)**

The external legal services account incurred a deficit at year end due to costs incurred relating to the CTC application under IBTA (International Bridges and Tunnels Act) and the ongoing class action suit regarding Lottery Licencing fees. As per Council direction a transfer of \$400,000 from Budget Stabilization was approved at the Treasurers discretion to cover these cost for 2015. However due to the overall surplus position of the Corporation, this transfer was not required.

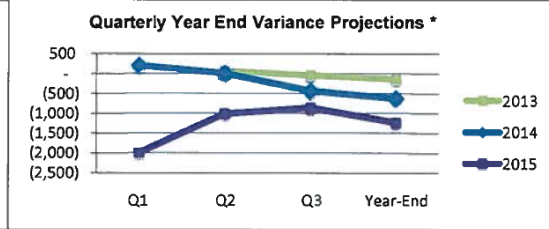
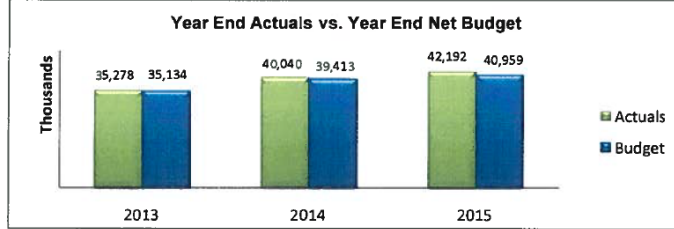
**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Net Salary Variance	Salaries & Benefits	\$ 89,500
2. Provincial Offences	Other Miscellaneous Expenditures	56,000
3. Other Miscellaneous Accounts	Other Miscellaneous Expenditures	31,764
4. Canderel	User Fees, Permits & Charges	(85,000)
5. Labour arbitration	Purchased Services	(114,000)
6. Recovery from capital	Recovery of Expenditures	(152,000)
7. External legal expenses	Purchased Services	(512,000)
<b>Net Year End (Deficit)</b>		<b>\$ (685,736)</b>

**Mitigating Steps**

**FIRE & RESCUE SERVICES**

<u>Financial Summary</u>	2013 Financials	2014 Financials	2015 Financials		2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
Annual Gross Budget (GB)	35,775,103	40,204,700	41,737,360	First Quarter (Q1)		200,000	(2,000,000)
Annual Net Budget	35,133,818	39,412,820	40,959,074	Second Quarter (Q2)	60,000	-	(1,014,954)
Annual Net Expenditures	35,278,402	40,040,283	42,192,362	Third Quarter (Q3)	(45,000)	(440,000)	(864,954)
<b>Year End Variance</b>	<b>(144,584)</b>	<b>(627,463)</b>	<b>(1,233,288)</b>	<b>Year-End (Q4)*</b>	<b>(144,584)</b>	<b>(627,463)</b>	<b>(1,233,288)</b>
Variance as % of GB	-0.4%	-1.6%	-3.0%	* Note: Year-end numbers are based on actual results, not projections.			



**Description**

WFRS has ended fiscal 2015 with a year end deficit of (\$1,233,288) as detailed below.

**Net Salary Variance: \$86,196**

The savings are achieved mainly due to Emergency Planning Assistant District Chief vacancy position for 6 months, June - December 2015.

**Travel, Training & Conferences: \$37,000**

A surplus in these accounts was experienced as staff shortages resulting from position vacancies, injuries and illnesses precluded many employees from participating in training opportunities in 2015.

**Miscellaneous Discretionary Accounts: \$17,064**

A net surplus in miscellaneous discretionary accounts was experienced in 2015 as a result of departments efforts to limit discretionary spending in order to offset over all net deficit.

**Other Miscellaneous Expenditures: (\$27,000)**

A deficit of (\$20,000) is the result of minor kitchen renovations required at Fire stations 1 & 4 due to deterioration of kitchen facilities significant health and safety concerns at both these stations. In order to complete the work satisfactorily and with a reasonable time frame the kitchens were gutted and repaired. These are unanticipated one time cost for which budget dollars do not exist. Lastly, a deficit of (\$7,000) is due to the property and maintenance budget being exceeded for salt and snow removal during the period of January to March 2015 which proved to be one of the snowiest winters Windsor has experienced.

**Vehicle Maintenance and Repairs: (\$32,000)**

The large fleet account incurred a deficit of (\$15,000) due to unit 4024 requiring engine re-build and replacement of the ECM (computer). The small fleet account incurred a deficit of (\$17,000) due to unit 3036 First Response training truck upfit, consisting of emergency response lighting, rear cap, pull out tray and configuration.

**Machinery and Equipment: (\$46,000)**

An overall deficit of (\$46,000) was incurred in this category made up of a deficit of (\$6,000) was incurred due to purchases of new bunker gear and various Personal Protective Equipment (PPE) for firefighters; a deficit of (\$25,000) was incurred in training the specialty team on the new Auto-Extrication equipment and computer and Telephone accounts incurred a (\$15,000) deficit which was due to new allocation for Fleet Focus software that was not budgeted in 2015. Most of these variances are due to one time costs that are not expected to continue.

**User Fee Revenue: (\$60,500)**

Fire Prevention incurred a deficit of (\$22,500) due to fewer than budgeted billed hours for Fire Safety Plan Reviews and a reduction in the application for Pyrotechnic events. The Apparatus division incurred a deficit of (\$38,000) from County revenue due to inability to achieve the budgeted level of county apparatus work and still meet the maintenance need of WFRS vehicles and equipment in 2015. The budgets for 2016 have been adjusted to reflect these on-going shortages.

**42 Hour Work Week Implementation: (\$1,208,048)**

As per CR55/2015 Arbitration ruling, overtime was expected and projected to be upwards of \$1.8M. This was mitigated throughout the year by staffing two overcomplement firefighters and implementing detailed attendance planning. The final 2015 overtime costs incurred is \$1.6M which was further mitigated by one time BSR relief of \$435,016. In addition, \$689,367 was to be offset by the Corporate Contingency budget of \$2.5M. For the 2016 Operating Budget, Council approved an increase to the salary budgets to reflect the ruling set by the arbitration.

<b>Summary of Description</b>	<b>Category</b>	<b>Amount</b>
1 Net Salary Variance	Salaries & Benefits	\$ 86,196
2. Travel, Training & Conferences	Purchased Services	37,000
3. Miscellaneous Discretionary Accounts	Other Miscellaneous Expenditures	17,064
4. Other Miscellaneous Expenditures	Purchased Services	(27,000)
6. Vehicle Maintenance and Repairs	Minor Capital	(32,000)
7. Machinery and Equipment	Purchased Services	(46,000)
8. Fire Prevention User Fees & Fire County Apparatus Revenue	User Fees, Permits & Charges	(60,500)
9. 42 Hour Work Week Implementation - OT	Purchased Services	(1,208,048)
<b>Net Year End (Deficit)</b>		<b>\$ (1,233,288)</b>

**Mitigating Steps**

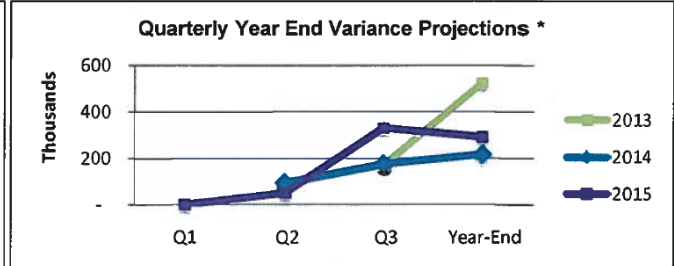
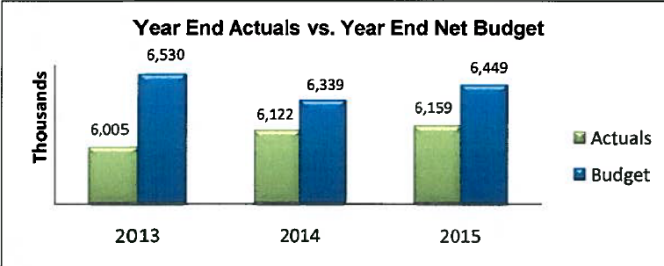
**FINANCE**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	9,049,487	8,983,862	9,208,651
Annual Net Budget	6,529,604	6,339,315	6,449,388
Annual Net Expenditures	6,005,052	6,122,385	6,158,544
<b>Year End Variance</b>	<b>524,552</b>	<b>216,930</b>	<b>290,844</b>
Variance as % of GB	5.8%	2.4%	3.2%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)			-
Second Quarter (Q2)	88,000	95,000	50,000
Third Quarter (Q3)	170,000	175,000	330,000
<b>Year-End (Q4)*</b>	<b>524,552</b>	<b>216,930</b>	<b>290,844</b>

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



**Description**

Finance ended the year in a surplus of \$290,844

**External Revenues: \$193,885**

External revenues ended the year with a surplus of \$193,885. Registration Cost Recovery and Dial-Up Service Fees ended the year with a surplus of \$31,942 and \$44,155, respectively. There was also a large surplus in Ownership Changes of \$143,800. This account captures fees charged when there is a change in ownership or new property created. The surplus was a direct result of increased real estate activity throughout the year. The offsetting deficit of (\$26,012) was a result of other miscellaneous tax revenue accounts. Many of these tax-related revenues are dependent upon taxpayer sales activity which makes these revenue streams hard to predict.

**Salaries and Benefits: \$165,214**

Salaries and Benefits ended the year with a surplus of \$165,214 due primarily to the timing of recruitment and vacancies of various positions in the Finance Department.

**Other Miscellaneous Accounts: (\$22,113)**

Other miscellaneous accounts ended the year with a net deficit of (\$22,113).

**WSIB Costs: (\$46,142)**

WSIB accounts ended the year with a deficit of (\$46,142). This is mainly attributed to unforeseen WSIB expenses.

**Summary of Description**

	Category	Amount
1. External Revenues	Other Miscellaneous Revenue	\$ 193,885
2. Salaries and Benefits	Salaries & Benefits	\$ 165,214
3. Other Miscellaneous	Other Miscellaneous Expenditures	\$ (22,113)
4. WSIB Accounts	Salaries & Benefits	\$ (46,142)
<b>Net Year End Surplus</b>		<b>\$ 290,844</b>

**Mitigating Steps**

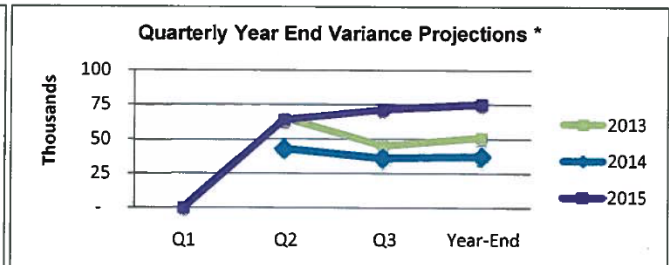
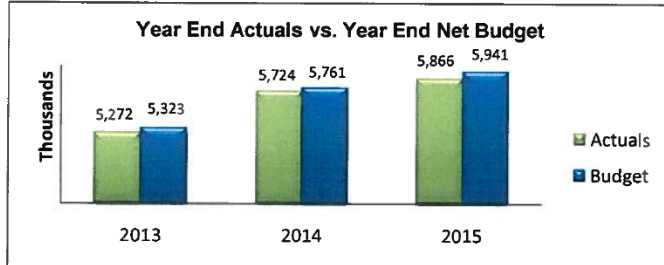
**INFORMATION TECHNOLOGY (I.T.)**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	6,669,110	7,060,481	7,227,994
Annual Net Budget	5,322,836	5,761,026	5,941,062
Annual Net Expenditures	5,272,024	5,723,784	5,866,060
<b>Year End Variance</b>	<b>50,812</b>	<b>37,242</b>	<b>75,002</b>
Variance as % of GB	0.8%	0.5%	1.0%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)			-
Second Quarter (Q2)	65,000	43,000	64,000
Third Quarter (Q3)	45,000	36,000	71,500
<b>Year-End (Q4)*</b>	<b>50,812</b>	<b>37,242</b>	<b>75,002</b>

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



**Description**

Various gapping of positions in several divisions in I.T. led to a small surplus, which was offset slightly by a minor deficit due to significant growth in internet related expenditures.

**Summary of Description**

1. Salary Gapping
2. Minor Variances in Various Accounts
3. WPL Transition
4. Internet

Category	Amount
Salaries & Benefits	\$ 82,675
Other Miscellaneous Expenditures	29,641
Other Miscellaneous Expenditures	10,091
Other Miscellaneous Expenditures	(47,405)

**Net Year End Surplus**

**\$ 75,002**

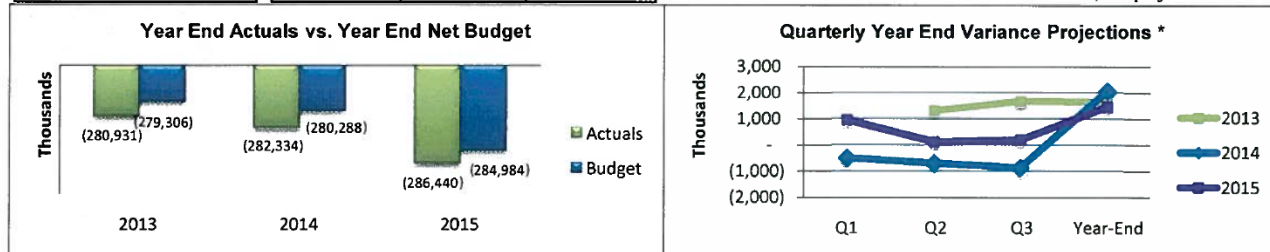
**Mitigating Steps**



**CORPORATE FINANCIAL ACCOUNTS**

<b>Financial Summary</b>	2013	2014	2015			
	<b>Financials</b>	<b>Financials</b>	<b>Financials</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
				<b>Est. Variance</b>	<b>Est. Variance</b>	<b>Est. Variance</b>
Annual Gross Budget (GB)	156,801,892	167,664,777	165,537,668		(495,000)	955,000
Annual Net Budget	(279,305,665)	(280,288,197)	(284,983,761)	1,288,000	(695,000)	120,800
Annual Net Expenditures	(280,930,836)	(282,333,883)	(286,439,799)	1,653,000	(875,000)	193,300
<b>Year End Variance</b>	<b>1,625,171</b>	<b>2,045,686</b>	<b>1,456,038</b>	1,625,171	2,045,686	1,456,038
Variance as % of GB	1.0%	1.2%	0.9%			

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



**Description**

A surplus of \$1,458,874 in corporate accounts is described below:

**Corporate Provision for JJE Retro, Unanticipated WSIB costs, NU Overtime and General Contingency Provision: \$1,487,755**

The approved budget contains corporate provisions for JJE retro payments of \$500,000, unanticipated WSIB costs of \$150,000, overtime provision for eligible non-union members of \$305,000, and a general contingency provision of \$405,000. 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 departments. This 2015 surplus also include \$127,755 in reversals for other pay equity provisions not required.

**Allowance for Doubtful Accounts: \$318,237**

As a result of continued monitoring of trade accounts receivable, the annual amount identified as bad debts has been significantly reduced resulting in a surplus of \$318,237.

**Program Support Recoveries: \$186,636**

Additional program support expenditures were recovered from provincial subsidies in relation to Social Services programs, resulting in a surplus of \$186,636.

**Employer Health Tax: \$106,371**

Employer Health Taxes are driven by employment decisions and as such are difficult to predict. This account ended 2015 with a surplus of \$106,371.

**Foreign Exchange: \$102,925**

That majority of the gain is explained by our USD cash balance which was converted to CDN at a higher exchange rate in 2016 as compared to 2015.

**Employment Insurance: \$98,674**

Employment Insurance costs are driven by the timing of employment decisions and are therefore difficult to predict. In 2015, total Employment Insurance amounted to a surplus of \$98,674.

**Sewer Surcharge Recovery: \$62,350**

Due to the early adoption of the 2015 budget, the sewer surcharge recovery was higher than the original preliminary projections, creating a surplus of \$62,350.

**CIP Property Tax Rebates: \$30,303**

In 2010, Council approved the adoption of the Economic Development Community Improvement Plan. Approved plans are eligible to receive a grant equivalent to the increase in property tax as a result of an increase in their assessment values generated by the increased investment in the property. At the time of approval, an estimate as to the amount of increased tax revenue and CIP grant is made. Those estimates are then adjusted as actual values become known. The annual budget is set based upon expected payments to be made however in 2015, an accrual for \$12,000 was made for anticipated payments to qualified projects which were completed. This accrual was offset by an adjustment to a prior year grant resulting in a year end surplus.

Interest and Penalties on Receivables: (\$14,438)

As a result of continued monitoring of trade accounts receivable the amount collected for interest on late payments has declined resulting in year-end deficit of (\$14,438).

Miscellaneous Accounts: (\$20,385)

Other miscellaneous corporate accounts net to a deficit of (\$20,385) in 2015.

Net Interest on Investments: (\$17,946)

Higher than anticipated reserves and working capital balances resulted in the generation of additional interest income. The surplus of \$159,319 is offset by the additional payment to reserves of (\$177,265).

Canada Pension Plan: (\$38,194)

As CPP costs are driven by a number of issues relative to employment decisions such as acting assignments, gapping, student employment, etc. it is difficult to predict actual results. In 2015, total CPP contributions were in excess of budget by (\$38,194).

Waiver of Fees: (\$39,878)

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 that were waived and/or processed in 2015 amounted to (\$39,878).

Sick Leave Gratuity: (\$170,657)

Due to the timing of retirements, sick leave gratuities paid to employees still eligible for this benefit exceeded budget by (\$170,657) in 2015.

Payments in Lieu of Taxes: (\$185,134)

This account is used to record the education share of revenues received from Federal and Provincial entities in lieu of taxes which are retained by the municipality as well as revenues from educational, hospital and correctional facilities (Heads & Beds). These accounts ended in a deficit position largely due to declining rates which were provided by the province in early 2015 after the 2015 municipal budget had been approved.

Capital Interest Income: (\$361,509)

The timing of anticipated monthly capital expenditures did not materialize as initially projected. As a result, capital interest income calculated was well below what was initially budgeted – a deficit of (\$361,509).

Interest and Penalties on Tax: (\$669,871)

As a result of continued enhanced collection efforts, the amount owing to the City for property tax arrears has declined to \$38 million. This directly impacted the amount of penalty and interest charges being levied against property owners. The result is a deficit of (\$669,871) against budgeted revenues for 2015. However, the continued reduction of arrears is very good for the financial health of the Corporation.

Hydro: \$209,962

While the cost per kWh increased by approximately 10% compared to 2014, consumption decreased by 3.5% or 3 million kWh. The consumption decrease is a direct result of many of the energy efficiency measures implemented throughout 2015, including installation of turbo blowers, intelligent air conditioning technologies, humidification upgrades etc. resulting in a corporate surplus of \$209,962.

Water: \$109,197

Water consumption decreased by approximately 2.2% primarily a result of a more precipitation during the Spring and Summer hence reducing irrigation costs resulting in a corporate surplus of \$109,197.

Natural Gas: \$369,557

Natural gas commodity prices demonstrated a significant decrease throughout 2015 resulting in a corporate cost decrease of 28%. In addition a milder Winter/Spring compared to 2014 contributed to a consumption decrease of 13% resulting in a corporate surplus of \$369,557.

District Energy: (\$107,917)

The District Energy deficit is primarily a result of increases in utility costs as well as an increase in consumption of both chilled and hot water at City Facilities.

<u>Summary of Description</u>	<u>Category</u>	<u>Amount</u>
<i>Corporate Financial Accounts</i>		
1. Corporate Salary Provisions (offset by Dept costs)	Salaries & Benefits	\$ 1,487,755
2. Allowance for Doubtful Accounts	Financial Expenses	318,237
3. Program Support Recoveries	Grants & Subsidies	186,636
4. Employer Health Tax	Salaries & Benefits	106,371
5. Foreign Exchange	Financial Expenses	102,925
6. Employment Insurance	Salaries & Benefits	98,674
7. Sewer Surcharge Recovery	Transfers from Other Funds	62,350
8. CIP Property Tax Rebates	Taxes - Municipal	30,303
9. Interest and Penalties on Receivables	Investment Income & Dividends	(14,438)
10. Miscellaneous Accounts	Other Miscellaneous Expenditures	(20,385)
11. Net Interest on Investments	Investment Income & Dividends	(17,946)
12. Canada Pension Plan	Salaries & Benefits	(38,194)
13. Waiver of Fees	Financial Expenses	(39,878)
14. Sick Leave Gratuity	Salaries & Benefits	(170,657)
15. Payments in Lieu	Taxes - Municipal	(185,134)
16. Capital Interest Income	Investment Income & Dividends	(361,509)
17. Interest and Penalties on Tax	Taxes - Municipal	(669,871)
Total Corporate Financial Accounts		\$ 875,239
<i>Corporate Utilities</i>		
1. Natural Gas	Utilities, Insurance & Taxes	\$ 369,557
2. Hydro	Utilities, Insurance & Taxes	209,962
3. Water	Utilities, Insurance & Taxes	\$ 109,197
4. Thermal Energy	Utilities, Insurance & Taxes	(107,917)
Total Corporate Utilities		\$ 580,799
<b>Net Year End Surplus</b>		<b>\$ 1,456,038</b>

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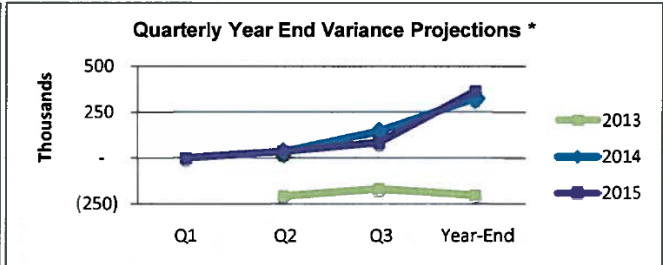
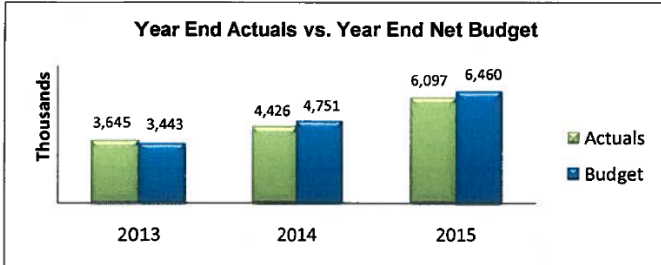
Mitigating Steps

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**COUNCIL SERVICES**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials <sup>1</sup>		2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
Annual Gross Budget (GB)	13,632,010	8,376,364	9,749,863	First Quarter (Q1)			-
Annual Net Budget	3,443,477	4,750,771	6,459,565	Second Quarter (Q2)	(206,500)	35,000	37,000
Annual Net Expenditures	3,645,467	4,426,171	6,097,230	Third Quarter (Q3)	(168,500)	145,000	83,600
<b>Year End Variance</b>	<b>(201,990)</b>	<b>324,600</b>	<b>362,335</b>	<b>Year-End (Q4)*</b>	<b>(201,990)</b>	<b>324,600</b>	<b>362,335</b>
Variance as % of GB	-1.5%	3.9%	3.7%	* Note: Year-end numbers are based on actual results, not projections.			



**Description**

The Council Services Department has ended the year with an overall surplus of \$362,335 as outlined below.

**Salary and Benefits \$237,000**

Salary gapping savings were realized throughout the year in the Policy, Gaming, Licensing and By-Law Enforcement, Employee Relations and Council Services divisions.

**Purchased Services \$152,672**

The year end surplus of \$131,289 can be attributed to multiple accounts in the Communication and Customer Service division including the following items; savings with the launch of the Textnet service, travel, advertising and other professional services accounts. The Cat Voucher program issued 757 owned and feral vouchers to spay / neuter cats in 2015, a total of 565 vouchers were redeemed resulting in a program surplus of \$14,170. Employee Relations is reporting a \$7,214 surplus in the job evaluation advisor contract.

**User Fees \$42,460**

Surpluses in the user fees collected for Lottery licenses, Dog tags, Dirty Yard Administrative Fee and Business licenses were realized for a total of \$77,117. Consistent with the 3rd quarter report, a yearend deficit of (\$34,657) is being reported for Civil ceremony fees. The 2016 approved budget for Civil Ceremony fees has been decreased to reflect a decreased in demand.

**Other Miscellaneous Expenditures \$30,203**

The Integrity Commissioner contract ended the year in a surplus of \$30,203.

**Strategic Marketing Partnerships Program (\$100,000)**

The Communications and Customer Service Division has realized a yearend deficit of (\$100,000) in the Strategic Marketing Partnerships program, consistent with the 3rd quarter variance report. This program was approved during the 2015 Operating Budget and in the first year of implementation, through sponsorship and advertising, has been responsible for raising approximately \$323,600 in cash and in-kind partnership revenues\* for Recreation and Culture, Public Works Departments and the FINA project.

In compliance with the Sponsorship policy adopted in 2014, revenue raised for a specific program would stay with that program and while this money has been raised by the Communications division, the funds have not been placed in the Communication budget but rather has been distributed to the departments benefitting from the direct sponsorship or advertising. Therefore, a variance of (\$100,000) is being registered in the Strategic Marketing Partnerships program, while at the same time benefitting departments—where the new revenue is being secured. Although this budget line item has been removed in the 2016 Operating budget, the program will continue in the form of many projects that include but not limited to Naming Rights, Sponsorships and Advertising.

\*In-kind is the amount equal to what advertising or sponsorship would cost in cash if it was purchased, but is actually provided by the media partner as added value in addition to the cash purchase. For example; if a proper advertising campaign would cost 20 thousand dollars and the City has only 10 thousand to spend, negotiating with a media partner could elicit the other 10 thousand dollars needed through in-kind, thereby achieving the campaign needed to succeed, while maintaining a tight budget.

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<u>Summary of Description</u>	<u>Category</u>	<u>Amount</u>
1 Salary gapping	Salaries & Benefits	\$ 237,000
2 Various Contracted services	Purchased Services	152,672
3 Various User Fees	User Fees, Permits & Charges	42,460
4 Integrity Commissioner	Other Miscellaneous Expenditures	30,203
5. Strategic Marketing Partnership Program	Other Miscellaneous Revenue	(100,000)
<b>Net Department Year End Surplus</b>		<b><u>\$ 362,335</u></b>

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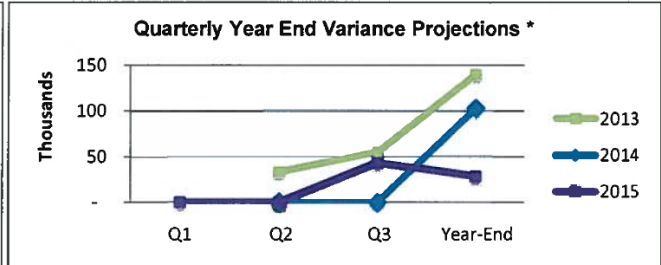
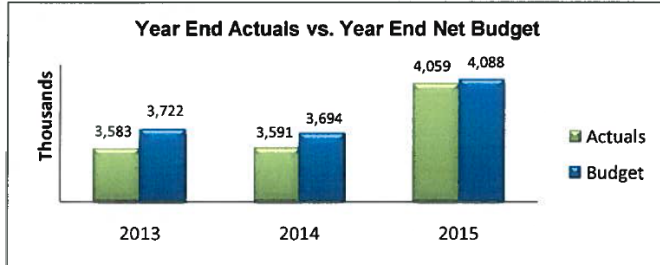
Mitigating Steps



**HUMAN RESOURCES**

**Financial Summary**

	2013	2014	2015		2013	2014	2015
	Financials	Financials	Financials		Est. Variance	Est. Variance	Est. Variance
Annual Gross Budget (GB)	4,124,652	3,929,384	4,362,579	First Quarter (Q1)			-
Annual Net Budget	3,722,478	3,693,810	4,087,607	Second Quarter (Q2)	33,000	-	-
Annual Net Expenditures	3,582,934	3,591,182	4,059,184	Third Quarter (Q3)	55,000	-	43,300
<b>Year End Variance</b>	<b>139,544</b>	<b>102,628</b>	<b>28,423</b>	<b>Year-End (Q4)*</b>	<b>139,544</b>	<b>102,628</b>	<b>28,423</b>
Variance as % of GB	3.4%	2.6%	0.7%	* Note: Year-end numbers are based on actual results, not projections.			



**Description**

The Human Resources Department has ended the year in an overall surplus of \$28,423.

**Purchased Services \$28,423**

This year end surplus is primarily attributed to the Benefit Consultant account given that 2015 was not a collective bargaining year for the CUPE and Non-Union employee groups. Minor surpluses were realized in the Ergonomic Assessment account. These surpluses are offset with the approved budget carry forward of \$18,160 to address the internal Departmental change management training program scheduled for 2016.

**Summary of Description**

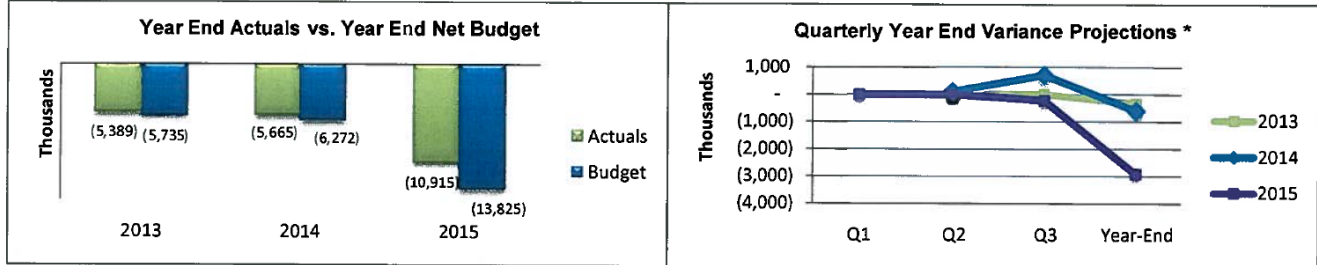
Description	Category	Amount
I. Benefit Consultant	Purchased Services	\$ 28,423
<b>Net Year End Surplus</b>		<b>\$ 28,423</b>

**Mitigating Steps**

**CORPORATE HUMAN RESOURCE ACCOUNTS**

Financial Summary	2013	2014	2015	2013	2014	2015
	Financials	Financials	Financials			
Annual Gross Budget (GB)	39,963,101	40,911,821	47,145,000	First Quarter (Q1)	-	-
Annual Net Budget	(5,735,375)	(6,272,470)	(13,825,349)	Second Quarter (Q2)	-	100,000
Annual Net Expenditures	(5,389,443)	(5,664,751)	(10,914,883)	Third Quarter (Q3)	-	704,000
<b>Year End Variance</b>	<b>(345,932)</b>	<b>(607,719)</b>	<b>(2,910,466)</b>	<b>Year-End (Q4)*</b>	<b>(345,932)</b>	<b>(607,719)</b>
Variance as % of GB	-0.9%	-1.5%	-6.2%			

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



**Description**

The Corporate Human Resources Accounts has ended the year in a (\$2,910,466) deficit. The Fringe Rate Stabilization Reserve balance as at December 31 is \$4,606,426.

**Long and Short Term Disability Programs \$8,505**

A \$58,896 surplus is being reported in the Corporate long term disability and the Transit Windsor short term disability programs as a result of claim activity. As previously reported to Council, the deficit of (\$50,391) was realized in the Transit Windsor long term disability program due to the high claim activity and the historical Reserve funding shortfall at the benefit carrier for the Transit Windsor employee group.

**Group Life Insurance Program (\$17,373)**

This deficit is attributed to the settlement of the 2014 claim surplus and the balance required in the Refund Deposit Account at Great West Life in accordance with the Corporation's contractual obligations.

**Green Shield Program (\$149,610)**

Consistent with 3rd Quarter variance projections, this deficit is mainly due to the costs associated with the Transit Windsor employee group. In 2015, Transit Windsor was integrated into our Corporate Green Shield account but the projected costs associated with this group of employees were established conservatively by the Transit's Benefit Consultant. For 2016 the corporate benefit portfolio, inclusive of Transit Windsor and Windsor Public Library, reflects a consolidated approach under the stewardship of one corporate benefit consultant where previously there were three and the budget has been approved to align with the expected expenses for this program.

The actual Green Shield claim activity for 2015 resulted in the issuance of a surplus cheque in the amount of \$410,358 that was transferred to the Fringe Rate Stabilization Reserve Fund.

**OMERS Program (\$627,364)**

According to OMERS the employer's contributions are to be accounted for in the period they are paid and the timing in 2015 resulted in an overall deficit in this program.

**Fringe Benefit Recovery (\$2,124,624)**

The Fringe Benefit Recovery account ended the year with a deficit of (\$2,124,624) and is offset by the cumulative surpluses in the fringe benefit allocation accounts in the operating departments.

**Summary of Description**

Category	Amount
1. Long and Short Term Disability	\$ 8,505
2. Group Life Insurance	(17,373)
3. Green Shield	(149,610)
4. OMERS	(627,364)
5. Fringe Benefits Recovery	(2,124,624)
<b>Net Year End Surplus</b>	<b>\$ (2,910,466)</b>

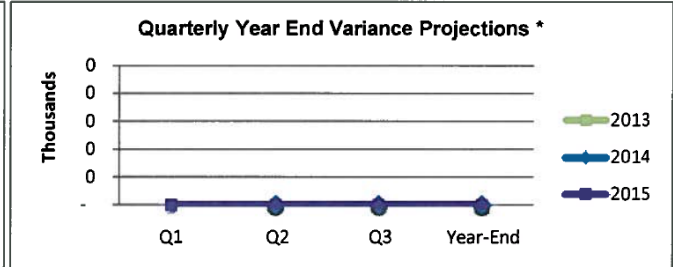
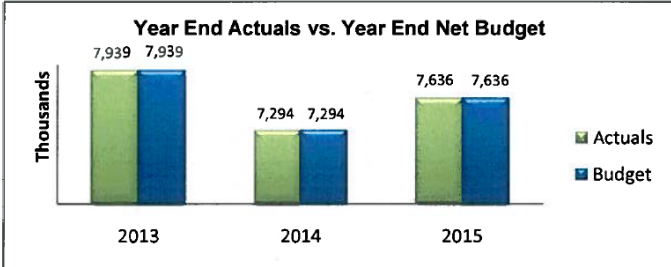
**WINDSOR PUBLIC LIBRARY**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	7,939,359	7,293,932	8,592,291
Annual Net Budget	7,939,359	7,293,932	7,636,182
Annual Net Expenditures	7,939,359	7,293,932	7,636,182
<b>Year End Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>
Variance as % of GB			

	2013 Est. Variance	2014 Est. Variance	2015 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.



**Description**

This budget line item refers to the City's annual grant to the Windsor Public Library. As per consistent practice, based on the Council approved grant amount (\$7.6 M), four equal quarterly payments are made to the WPL. Therefore, there are no variances in this line item. Should there be a variance within the WPL's operating budget, it will be reported through the Board and addressed as such.

The Windsor Public Library ended the year in an operating surplus of approximately \$133,000 primarily due to a prior year reversal of a Winter Control contract liability and staff gapping. The Operating Reserve at the Windsor Public Library has a year-end balance of approximately \$221,000 which will be used to fund any potential future liabilities.

**Summary of Description**

Category	Amount
1. Annual Grant Funding	\$ -
<b>Net Year End Surplus/(Deficit)</b>	<b>\$ -</b>

**Mitigating Steps**



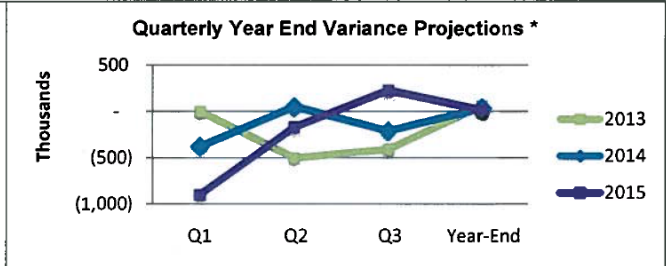
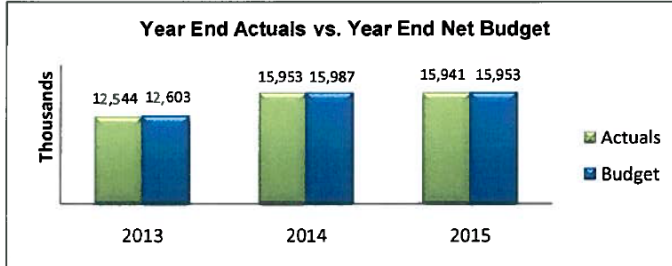
**ENGINEERING**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	42,170,380	49,597,759	50,809,340
Annual Net Budget	12,603,330	15,987,067	15,952,892
Annual Net Expenditures	12,544,357	15,952,739	15,940,562
<b>Year End Variance</b>	<b>58,973</b>	<b>34,328</b>	<b>12,330</b>
Variance as % of GB	0.1%	0.1%	0.0%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)	-	(377,000)	(900,000)
Second Quarter (Q2)	(503,000)	48,000	(171,600)
Third Quarter (Q3)	(409,900)	(211,500)	227,700
<b>Year-End (Q4)*</b>	<b>58,973</b>	<b>34,328</b>	<b>12,330</b>

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



**Description**

The Engineering Department ended the year with a surplus of \$12,330 as outlined below by Division.

**Overall, the Development, Projects and Right of Way division saw a surplus of \$231,091.**

Licenses & Permits: Surplus of \$479,885

Substantial additional revenues for the year were received, mainly driven by Parkway construction and CS Wind moving fees activity, which is not expected to continue indefinitely. Additionally, driveway and sewer connection permits are contributing to the projected surplus.

Recovery of Expenses / Other General Revenues: Surplus of \$82,314

Project Administrators, while generally responsible for City-related projects, also provide their services to other agencies, who are invoiced accordingly. Payments from these agencies contributed additional revenues of \$34,690 for the year. Additionally, as part of the City's agreement with its' supplier of street furniture, the City received an incremental \$45,140 in monthly payments for a portion of advertising fees collected.

User Fees: Surplus of \$50,326

An additional \$50,326 in revenues were received, largely due to an increase in general encroachment fees collected.

Miscellaneous: Deficit of (\$29,133)

Miscellaneous line item variances, totalling (\$29,133), make up the balance of the total variance in Development, Projects and ROW.

Salary / Benefits: Deficit of (\$352,301)

Increases in License and Permit activity and a backlog of encroachments have resulted in an increased workload in the Development & ROW area, requiring temporary staff to manage the back log and contributing to a deficit of (\$52,904). A budget carry forward, relating to this issue, was also approved, and contributed a further (\$168,372) to the deficit. The surplus revenues noted under Licenses & Permits more than cover the additional staff costs. An on-going heavy workload in the Projects area required the hiring of a temporary Project Administrator and resulted in a deficit of (\$91,857). This deficit is largely due to work assignments that are non recoverable, such as the Herb Gray Parkway. Further, a substantial turn-over of staff within the Projects department contributed (\$49,091) to the deficit in the area. A small difference of \$9,923, due to gapping and incoming employees being paid at lower pay bands, partially offsets the deficit.

**For 2015, Infrastructure & Geomatics ended the year with a deficit of (\$315,491).**

GIS User Fees – Surplus of \$31,693

Permit revenues for the year were higher than anticipated, resulting in a \$31,693 increase in GIS Surcharge revenues.

Other Professional Services – Surplus of \$30,790

Underutilization of external vendors in the area resulted in a surplus of \$30,790 for the year.

Miscellaneous – Surplus of \$14,551

Miscellaneous line item variances contributed a surplus of \$14,551, partially offsetting the total deficit in Infrastructure & Geomatics.

Labour / Benefits – Deficit of (\$69,936)

Heavy workload in the Infrastructure & Engineering department resulted in the need to hire a temporary Engineer II and Technologist III, and contributed to a total deficit of (\$69,936).

Streetlights – Maintenance – Deficit of (\$322,589)

The budget for Hydro – Maintenance was built on the assumption that the LED Streetlight Conversion project would have been substantially completed by 2015 and a full year's worth of savings would be realized. Until the fixtures are either converted to LED or relamped, maintenance costs will continue to escalate. Installation of the LEDs began in Q4 2015, so only minimal savings were achieved for the year.

To partially offset the increased Streetlight maintenance costs resulting from the Q4 2015 start of the LED Streetlight Conversion project, funding in the amount of \$245,800 was transferred from the Budget Stabilization Reserve. This transfer was approved in the 2015 Operating Budget (Issue 2015-0319).

**Pollution Control delivered a \$5,931 surplus for 2015.**

Environmental Master Plan: Surplus of \$5,931

The Environmental Master Plan is the only area within Pollution Control that is not recoverable from the Sewer Surcharge, and provided a year end surplus of \$5,931.

**The Facility Operations division ended the year with a surplus of \$90,799.**

Facility Operations underwent a significant departmental re-organization last year which included the transfer in of the Skilled Trades staff from Parks, the transfer of responsibilities for Environmental Services at Huron Lodge, and the adoption of the caretaking and maintenance budgets for all of the parks and recreation facilities. In year two of its operation, the department is closely monitoring the various elements that affect its budget. As with any building, sudden system breakdowns and unavoidable repairs or maintenance could result in uncontrollable costs impacting the budget. However, the division was able to manage this through the reallocation and reprioritization of resources.

Salaries, Wages & Benefits (Gapping): \$417,975

A surplus was mainly due to vacant positions that are currently in the recruitment process or had been filled for a part of the year only.

A surplus of caretaking wages at the WIATC was primarily due to a reduction in the caretaker scheduling as a result of conscious attempt to remain within budget by reducing/reprioritizing caretaking duties.

Operating Revenue Surplus \$21,501

The DND and the JFJ 2014 prior period billing was recorded in 2015 due to timing and would have been unprojected revenue in 2015 of \$118,691. On the other hand the surplus was reduced by \$97,990 due to the thermal energy utility recovery adjustment.

Operating Expenses - Capitol Theatre: (\$16,495)

The Capitol Theatre was in a deficit position at the end of the year mainly due to the renovations to two of the second floor commercial suites as requested by the WSO.

Operating Expenses - Windsor International Transit Terminal (WITT): (\$30,983)

The Windsor International Transit Terminal was in a deficit position at the end of the year mainly due to the Thermal energy recovery between the Facilities Department and WITT.

Operating Expenses - Art Gallery of Windsor: (\$60,158)

Significant issues related to the fire alarm controls were identified during the year and were required to be addressed immediately. In addition, a condensation tank failure and resultant flooding required immediate attention and repairs as well.

**Maintenance & Repairs: (\$241,131)**

Unanticipated emergency repairs such as the elevator breakdown at 400 CHS as well as the steam line repair at 350 CHS along with unbudgeted but necessary repairs at various facilities created a shortfall of (\$241,131).

<b>Summary of Description</b>	<b>Category</b>	<b>Amount</b>
<i>Development, Projects &amp; Right of Way</i>		
1. Licenses & Permits	User Fees, Permits & Charges	\$ 479,885
2. Recovery of Expenses / Other Gen. Revenues	Recovery of Expenditures	82,314
3. User Fees	User Fees, Permits & Charges	50,326
4. Miscellaneous	Other Miscellaneous Expenditures	(29,133)
5. Salary / Benefits	Salaries & Benefits	(352,301)
<i>Total Development, Projects &amp; Right of Way</i>		<u>231,091</u>
<i>Infrastructure &amp; Geomatics</i>		
5. GIS User Fees	User Fees, Permits & Charges	31,693
6. Other Professional Services	Purchased Services	30,790
7. Miscellaneous	Other Miscellaneous Revenue	14,551
8. Labour / Benefits	Salaries & Benefits	(69,936)
9. Streetlights - Maintenance	Purchased Services	(322,589)
<i>Total Infrastructure &amp; Geomatics</i>		<u>(315,491)</u>
<i>Pollution Control</i>		
10 Miscellaneous	Other Miscellaneous Revenue	5,931
<i>Total Pollution Control</i>		<u>5,931</u>
<i>Facility Operations</i>		
11 Administrative and Technical Staff Gapping	Salaries & Benefits	\$ 417,975
12 Operating Revenue Surplus recovery	Other Miscellaneous Revenue	\$ 21,501
13 Operating Expense Deficit - Capitol Theatre	Operating & Maintenance Supplies	\$ (16,495)
14 Operating Expense Deficit - Windsor International Transit Terminal	Operating & Maintenance Supplies	\$ (30,893)
15 Operating Expense Deficit - Art Gallery of Windsor (AGW)	Operating & Maintenance Supplies	\$ (60,158)
16 Operating Expense Deficit - Maintenance & Repairs	Operating & Maintenance Supplies	\$ (241,131)
<i>Total Facility Operations</i>		<u>90,799</u>
<b>Net Year End Surplus</b>		<u><u>\$ 12,330</u></u>

**PUBLIC WORKS**

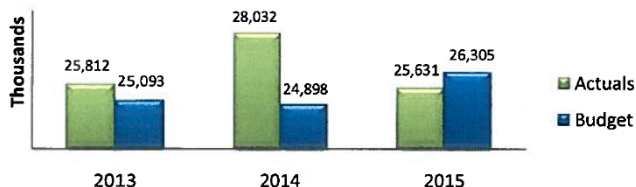
**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	44,656,768	48,347,911	51,717,543
Annual Net Budget	25,093,496	24,898,054	26,304,727
Annual Net Expenditures	25,811,823	28,031,789	25,631,026
<b>Year End Variance</b>	<b>(718,327)</b>	<b>(3,133,735)</b>	<b>673,701</b>
Variance as % of GB	-1.6%	-6.5%	1.3%

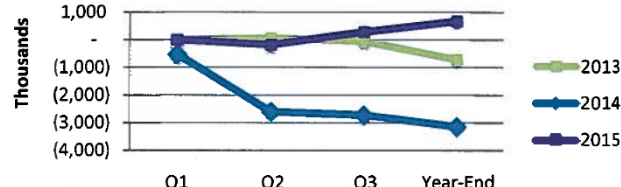
	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)	-	(530,000)	-
Second Quarter (Q2)	63,000	(2,604,000)	(181,800)
Third Quarter (Q3)	(55,000)	(2,724,500)	285,500
<b>Year-End (Q4)*</b>	<b>(718,327)</b>	<b>(3,137,425)</b>	<b>673,701</b>

\* 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 has finished 2015 with an overall surplus of \$673,701. The main drivers of the projection are outlined below.

**Parking Enforcement: \$665,750**

The Parking Enforcement Division has finished 2015 with a surplus of \$665,750 related to parking ticket revenue and associated costs and enforcement costs. The extension of the Parking Enforcement contract with Canadian Corps of Commissionaires Ottawa Windsor Division for one year was approved by Council at their meeting of August 24, 2015, CR153/2015. The contract approval included the reduction of one officer, and has resulted in a surplus in enforcement costs of \$66,498 for the year. In addition to the surplus resulting from the reduction of one officer, Parking Enforcement also realized a net surplus of \$599,252 related to parking ticket revenue and associated costs resulting from additional fees collected under the new Administrative Penalty System implemented in November of 2014.

**Salary and Wage: \$407,768**

PW Operations has finished 2015 with an overall surplus of \$407,768 in 2015 salary, wage, and fringe benefit costs related to the departments levy funded operations. The surplus salary and wage costs is due to a number of vacancies across the department resulting from retirements, long term disability, unpaid leaves, and staff appointments into new positions. This surplus is expected to be one time in nature and not to recur in 2016 once all the positions are filled. Offsetting the overall surplus related to salary and wage gapping were one-time retroactive salary payment costs.

**Revenue: \$376,063**

PW Operations has finished 2015 with revenue surpluses totalling \$376,063 for surpluses in the Environmental, Fleet, and Traffic Divisions. Environmental has realized revenue surpluses related to unexpected cruise ship waste pick-ups, creative advertising payments received in lieu of waste collection, and increased recoveries from internal and external customers. The Fleet Division has realized revenue surpluses related to increased overall billings related to seasonal usage equipment and other increased billings for non-dedicated equipment for the year. The Traffic Division has realized revenue surpluses related to increased recoveries for signs and line painting for water and road projects and for corporate fees collected on Parkway Infrastructure Constructor billings.

**Fuel: \$324,222**

The Fleet Division has finished 2015 with a surplus of \$324,222 related to fuel due to lower than anticipated fuel pricing and consumption variances for all fuel types.

**Transportation Planning: \$165,013**

The Transportation Planning Division has finished 2015 with a surplus of \$165,013 related to previous years carry-forward funds received. The resulting Traffic Calming and School Neighbourhood Policy Development RFP was awarded for much less than was originally anticipated.

**Leachate Treatment Costs: \$93,000**

The Environmental Division has finished 2015 with a surplus of \$93,000 related to leachate costs at Landfill #3 due to lower than anticipated volumes.

Immaterial Line-By-Line: \$72,941

Overall immaterial line-by-line variances result in an overall surplus of \$72,941 for 2015.

GFL Refuse Collection: \$38,000

The Environmental Division has finished 2015 with an overall surplus of \$95,000 related to GFL refuse collection due to lower than anticipated tonnage collection offset with payment of a retroactive payment of (\$57,000) resulting from the implementation of the Hard-Sided Container By-Law and associated rate increases in 2014.

Crossing Guard Program: \$33,913

The Transportation Planning Division has finished 2015 with a surplus of \$33,913 related to the Crossing Guard wages. Surplus funds are a result of varying numbers of crossing guards annually and ongoing due to requests from school principals for additional crossing guard locations and reconfirmation of warrant for exiting locations. This variance fluctuates each year based on the requirements.

Paint Costs: (\$25,686)

The Pavement Markings Division has finished 2015 with an overall deficit related to paint costs of (\$25,686) due to an increase in the quantity of paint and beads used to meet retro-reflectivity standards under the Ontario Traffic Manual Book 11. A budget adjustment has been approved by Council for 2016 related to these revisions under issue number 2016-0207.

Equipment Rentals – Pavement Markings: (\$28,922)

The Pavement Markings Division has finished 2015 with a deficit of (\$28,922) related to equipment rentals for additional pick-up trucks and crash trucks required for painting on roadways with speed limits of 80km per hour or greater. This is a revised requirement under the Ontario Traffic Manual Book 7, and a 2016 budget adjustment has been approved by Council under issue number 2016-0207 to address the budgetary needs.

Security – Environmental Control Centre: (\$53,000)

The Environmental Division has finished 2015 with a deficit of (\$53,000) related to security costs at the Environmental Control Centre for extended security contractor payments made. The City has utilized the services of an external security contractor for several years at the Environmental Control Centre. In 2014, the decision was made to upgrade security measures at the facility, and involved the installation of an unbudgeted security gate costing (\$27,000). With the gate installed, the security contractor would no longer be needed. Due to delays in completion of the work, however, the security contractor was required until the end of March at a cost of (\$26,000). These costs are expected to be incurred in future years.

Spray Patching: (\$133,977)

The ROW Maintenance Division has finished 2015 with a deficit of (\$133,977) related to costs associated with the experimental use of a new spray patching systems for potholes.

Field Services: (\$141,839)

The Fields Services Division has finished 2015 with an overall deficit of (\$141,839) related to unrecoverable costs for the year including staff and equipment. Unrecoverable items include service provided for 311 calls, Police calls, development, and unrecoverable time for vacations, stats, holidays, and other unplanned absences such as sick time and union business.

Parts and Vehicle Maintenance: (\$185,368)

The Fleet Division has finished 2015 with a deficit of (\$94,962) related to parts and (\$90,406) related to outside vehicle repairs. Parts costs have increased over the past several years with the greatest increase realized in 2015 when factoring in the US exchange rate increases during the year. In addition, due to some vacancies in the Division throughout 2015, some repair work was outsourced causing the deficit related to outside vehicle repairs. This deficit is offset by the surplus related to the position vacancies for Fleet included in the salary and wage variance surplus above.

Winter Control: (\$934,177)

PW Operations has finished 2015 with an overall deficit of (\$934,177) related to the winter control service. The deficit for 2015 is related to one winter storm in February producing snow fall of 32cm coupled with overall above average snowfall in 1st quarter 2015 totalling 140cm compared to our 10-year average annual snowfall of 158cm. In addition, above average snowfall created the need for snow removal from streets, sidewalks, parking meters, and bus stops that would not normally be done.

Summary of Description

	<b>Category</b>	<b>Amount</b>
1. Parking Enforcement	User Fees, Permits & Charges	\$ 665,750
2. Salary/Wage/Fringe	Salaries & Benefits	407,768
3. Revenue	User Fees, Permits & Charges	376,063
4. Fuel	Operating & Maintenance Supplies	324,222
5. Transportation Planning	Transfers from Other Funds	165,013
6. Leachate Treatment Costs	Other Miscellaneous Expenditures	93,000
7. Immaterial Line-By-Line	Other Miscellaneous Expenditures	72,941
8. GFL Refuse Collection	Purchased Services	38,000
9. Crossing Guard Program	Salaries & Benefits	33,913
10. Paint	Operating & Maintenance Supplies	(25,686)
11. Equipment Rentals	Operating & Maintenance Supplies	(28,922)
12. Security	Purchased Services	(53,000)
13. Spray Patching	Purchased Services	(133,977)
14. Field Services	User Fees, Permits & Charges	(141,839)
15. Parts and Vehicle Repairs	Operating & Maintenance Supplies	(185,368)
16. Winter Control	Purchased Services	(934,177)
<b>Net Year End Surplus</b>		<b>\$ 673,701</b>

Mitigating Steps

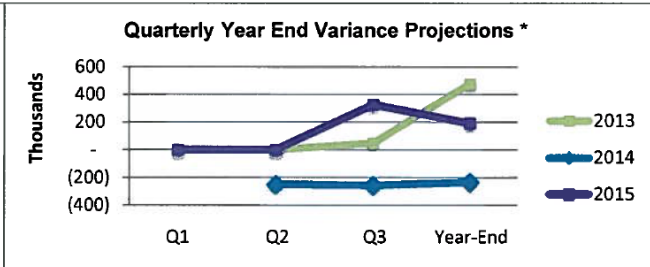
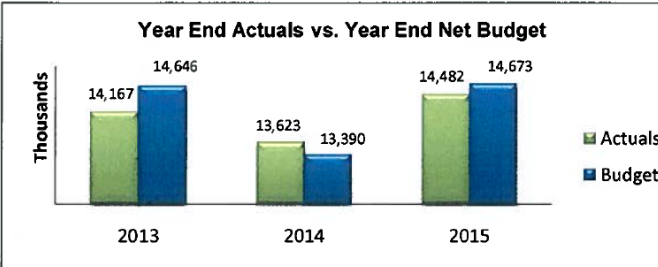
**PARKS**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	15,546,937	14,267,922	15,867,349
Annual Net Budget	14,645,662	13,389,754	14,673,011
Annual Net Expenditures	14,167,473	13,622,563	14,481,668
<b>Year End Variance</b>	<b>478,189</b>	<b>(232,809)</b>	<b>191,343</b>
Variance as % of GB	3.4%	-1.6%	1.2%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	(250,000)	-
Third Quarter (Q3)	47,900	(256,500)	325,000
<b>Year-End (Q4)*</b>	<b>478,189</b>	<b>(232,809)</b>	<b>191,343</b>

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



**Description**

The Parks Department is reporting a year-end surplus of \$191,343.

**Revenues & Recoveries: \$147,841**

The revenue surplus of \$147,841 is attributed to tree trim recoveries from Capital projects and work done for Windsor Utilities Commission, donations to Ojibway and Horticulture's record-breaking plant sale.

**Operating and Maintenance Supplies \$66,684**

There is a year-end surplus of \$67,566 in Motor Fuel and Lubricants, a (\$8,751) deficit in other operating supplies, a \$48,624 surplus in Vandalism and miscellaneous line by line surplus of \$2,817.

**Salary Gapping & Wage Accounts: (\$23,182)**

The Forestry, Horticulture, Parks Operations and Development divisions have a (\$23,182) deficit in the collective wage accounts. Salary gapping, LTD L82 staff, and the matter of shared staff between the Arenas and Parks contribute to the wage surplus. Parks shares Local 82 staff with the Recreation Department. While each Department has a fixed labour budget, which is established using the highest classification costs, staff work in a number of different classifications that allow them to move between the Departments. Additionally, Arena staff is replaced with Parks' L82 staff for sick leave, as these positions must be filled daily. This shared labour pool allows the flexibility to move staff where/when needed, but the result is the inability to accurately prevent variance fluctuations in this account each year.

Parks currently has an MOA for part-time staff in place. The department augmented its summer workforce with additional part-time workers to assist with the hanging basket program and the busy MicMac Park and sportsfields.

A (\$129,511) deficit in overtime is included in the overall deficit. The overtime is primarily due to Winter Control early in the year and the storms throughout the summer.

**Summary of Description**

	Category	Amount
1. Tree Trim Revenue, Ojibway Nature Centre donations, Plant Sale, etc	Other Miscellaneous Revenue	\$ 147,841
2. Fuel, Operating & Maintenance Supplies	Other Miscellaneous Expenditures	66,684
3. Salary Gapping, Overtime & WSIB	Salaries & Benefits	(23,182)
<b>Net Year End Surplus</b>		<b>\$ 191,343</b>

**Mitigating Steps**

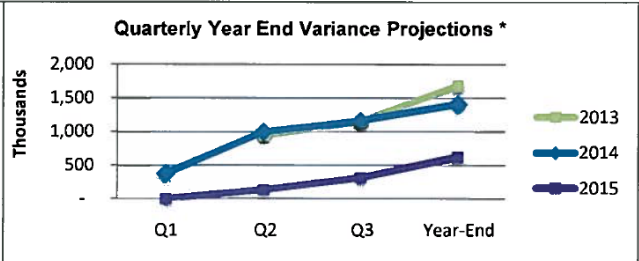
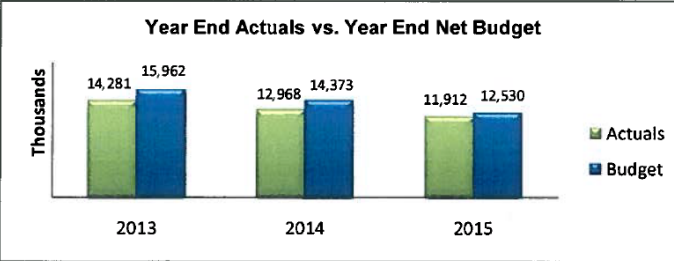
**EMPLOYMENT & SOCIAL SERVICES**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	117,309,462	117,277,254	115,590,470
Annual Net Budget	15,961,894	14,373,133	12,529,848
Annual Net Expenditures	14,281,407	12,967,616	11,911,553
<b>Year End Variance</b>	<b>1,680,487</b>	<b>1,405,517</b>	<b>618,295</b>
Variance as % of GB	1.4%	1.2%	0.5%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)		380,000	-
Second Quarter (Q2)	937,000	997,000	135,000
Third Quarter (Q3)	1,160,000	1,162,000	316,000
<b>Year-End (Q4)*</b>	<b>1,680,487</b>	<b>1,405,517</b>	<b>618,295</b>

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



**Description**

As of December 31, 2015, the Employment and Social Services Department has ended the year with a net city surplus of \$618,295.

**Community Development and Health Office – (\$1,524)**

There was a minor deficit variance of (\$1,524) for the Community Development and Health Office due to unexpected refugee meeting costs. Physician Recruitment had an end of the year surplus of \$67,278 for which a budget carry forward request was approved. The amount is comprised of \$57,278 from a prior year budget carry forward and \$10,000 of the 2015 annual budget.

**Other Employment Initiatives: (\$4,654)**

There was a slight deficit in Other Employment Initiatives due to prior year adjustments.

**Ontario Works Program Delivery: \$555,144**

OW Program Delivery is projected to end the year with a net city surplus of \$555,144, which comprises of the following:

A savings of \$99,057 occurred in the salaries and benefits accounts mainly due to gapping. A budget carryover request of \$233,447 has been approved to fund staff during the SAMS stabilization period. A savings of \$202,708 occurred in other miscellaneous expenses is mainly attributed to lower than expected operational costs such postage, program supplies, and promotional material, etc.

A net city surplus of \$187,837 occurred for Employment related expenses. Technical problems with the new provincial Social Assistance Management System (SAMS) provincial computer system changed the manner in which employment related expenses were being issued. These issues have been resolved during the year and it is expected that expenditure levels will normalize.

The 2014 OW Program Delivery budget carryover of \$65,542 to address projected SAMS's implementation/stabilization costs was not utilized. It is anticipated that SAM's implementation/stabilization costs will continue into 2016 and therefore a budget surplus carryover to 2016 has been approved to continue funding the additional staff during the SAMS stabilization period.

**OW Financial Assistance: (\$15,334)**

Ontario Works Financial Assistance ends the year with a net City deficit of (\$15,334). The implementation of the new provincial Social Assistance Management System (SAMS) provincial computer system in November 2014, led to a change in the methodology for calculating caseload data. As such, "pre" and "post" implementation caseloads are not directly comparable. While Ontario Works expenditures activity was higher than budgeted, Ontario Works discretionary benefit expenditures remained within the provincial funding cap.

The subsidy claims process using SAMS technology has been delayed by the Province until the back-end financials are tested and validated. Based on 2015 expenditure reports available at this time, as well as adhoc reports received up to the end of January 2015, it is estimated that a net City deficit of (\$15,334) has been incurred. It should be noted that expenditure reports from the Province going back to November 2014 are expected to be finalized and reconciled in 2016. Any variance resulting from reconciliation will impact the 2016 budget.



100% Municipal Assistance: \$84,663

100% Municipal Assistance ended the year with a surplus of \$84,663 largely attributed to higher than budgeted recoveries in funeral and burial account and also reflects the variability in demand for these services.

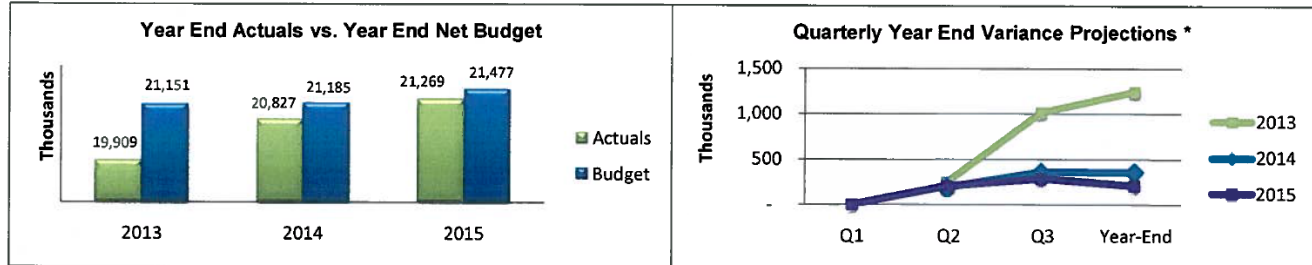
<b>Summary of Description</b>	<b>Category</b>	<b>Amount</b>
1 Community Development & Health Office	Other Miscellaneous Expenditures	\$ (1,524)
2. Other Employment Services	Other Miscellaneous Expenditures	\$ (4,654)
<i>Ontario Works Program Delivery</i>		
3. Employment Related Expenses	Purchased Services	164,599
4. Salaries and Benefits	Salaries & Benefits	202,708
5. Miscellaneous	Other Miscellaneous Expenditures	\$ 187,837
Total Ontario Works Program Delivery		\$ 555,144
<i>Financial Assistance</i>		
7. OW Financial Assistance	Grants & Subsidies	(15,334)
8. 100% Municipal Assistance	Purchased Services	84,663
Total Financial Assistance		69,329
<b>Net Year End Surplus</b>		<b>\$ 618,295</b>

Mitigating Steps

**HOUSING & CHILDREN SERVICES**

<b>Financial Summary</b>	2013	2014	2015			
	<b>Financials</b>	<b>Financials</b>	<b>Financials</b>	2013	2014	2015
				<b>Est. Variance</b>	<b>Est. Variance</b>	<b>Est. Variance</b>
Annual Gross Budget (GB)	89,197,605	87,388,448	95,411,337			
Annual Net Budget	21,150,846	21,184,758	21,477,255			
Annual Net Expenditures	19,909,307	20,826,858	21,268,724			
<b>Year End Variance</b>	<b>1,241,539</b>	<b>357,900</b>	<b>208,531</b>			
Variance as % of GB	1.4%	0.4%	0.2%			
				First Quarter (Q1)		-
				Second Quarter (Q2)	247,000	203,900
				Third Quarter (Q3)	1,013,000	287,900
				Year-End (Q4)*	1,241,539	208,531

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



**Description**

The combined Housing and Children Services and Windsor Essex Community Housing Corporation (WECHC) year end net City surplus realized is a \$208,531, detailed as follows:

**Housing and Children Services Surplus: \$334,713**

Housing and Children Services realized a net city surplus of \$334,713. A Housing surplus of \$653,946, due primarily to lower mandated subsidy payments to providers, is offset by a deficit of (\$160,822) related to the loss of Federal Block Funding from the Federal government. Previously approved payments to providers to address one-time accessibility/health and safety repair costs further reduce the Housing surplus by (\$249,295). Pathway to Potential realized a surplus of \$6,432 due to in year recoveries. The final 2015 County weighted assessment came in higher than what was used to budget County revenue. This variance adds \$84,452 to the Housing and Children Services surplus.

**WECHC Deficit: (\$126,182)**

Windsor Essex Community Housing Corporation (WECHC) realized a net city deficit of (\$126,182) which is attributed to the following:

- 1) Due to increases in rental revenues, actual in year subsidy payments to WECHC for the Non-Profit portfolio were lower than budgeted thereby resulting in a surplus of \$190,094.
- 2) Reconciliation of subsidies for current and prior fiscal year-ends resulted in a net City deficit of (\$175,685)
- 3) One-time accessibility/health and safety repair costs were incurred which amounted to (\$177,749)
- 4) Additional County revenue of \$37,158 was realized due to weighted assessment changes for 2015.

**Summary of Description**

	Category	Amount
<i>Housing Services</i>		
1. Housing Services Subsidy In Year Budget Surplus	Grants & Subsidies	\$ 653,946
2. Housing Services Federal Block Funding Loss	Grants & Subsidies	(160,822)
3. Housing Services One-Time Accessibility /Health & Safety Cost	Other Miscellaneous Expenditures	(249,295)
4. Pathway to Potential Recoveries	Recovery of Expenditures	6,432
5. Housing and Children Services County Revenue	Other Miscellaneous Revenue	84,452
<b>Total Housing Services</b>		<b>\$ 334,713</b>
<i>Windsor Essex Community Housing Corporation</i>		
6 WECHC Family Units - Lower In Year subsidy	Grants & Subsidies	\$ 190,094
7 WECHC - Year End Reconciliations	Grants & Subsidies	\$ (175,685)
8 WECHC One-Time Accessibility/Health & Safety Cost	Other Miscellaneous Expenditures	\$ (177,749)
9 WECHC County Revenue	Other Miscellaneous Revenue	\$ 37,158
<b>Total Windsor Essex Community Housing Corporation</b>		<b>(126,182)</b>
<b>Net Year End Surplus</b>		<b>\$ 208,531</b>

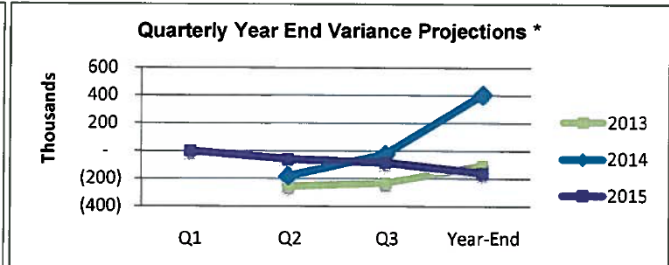
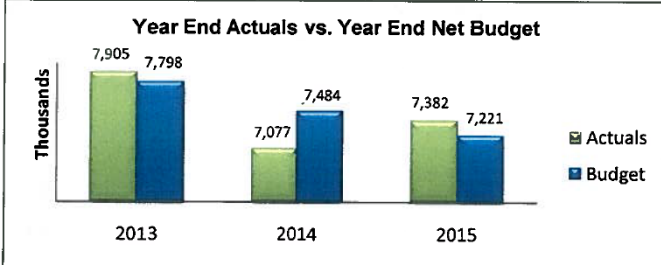
**HURON LODGE**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	21,713,302	21,876,229	22,351,439
Annual Net Budget	7,797,907	7,483,874	7,221,184
Annual Net Expenditures	7,904,764	7,077,156	7,382,392
<b>Year End Variance</b>	<b>(106,857)</b>	<b>406,718</b>	<b>(161,208)</b>
Variance as % of GB	-0.5%	1.9%	-0.7%

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)			-
Second Quarter (Q2)	(258,000)	(182,000)	(58,000)
Third Quarter (Q3)	(233,000)	(23,000)	(84,000)
<b>Year-End (Q4)*</b>	<b>(106,857)</b>	<b>406,718</b>	<b>(161,208)</b>

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



**Description**

Overall Huron Lodge ended the year with a deficit of (\$161,208).

**Increase in Revenues: \$280,293**

The Ministry of Health and Long Term Care (MOHLTC) announced an increase to Huron Lodge's Case Mix Index (CMI) that is used to calculate the nursing and personal care per diem amount funded to Long Term Care Homes. Huron Lodge's nursing staff is committed to documenting accurate resident assessments which has resulted in a CMI increase. With the CMI increase and the per diem increases, the department experienced a surplus of \$280,293 in the funding category. There is always a risk of a shortfall in this budget item if the CMI decreases.

**Other Miscellaneous Accounts: (\$36,698)**

Other accounts ended the year with an unfavourable variance of (\$36,698) primarily due to the overspending in the security services and food accounts. Historically, Huron Lodge has experienced a similar budget shortfall of (\$22,965) in this line item however has been able to offset this expense with unexpected funding increases. Security services are provided by an outside agency and are valued by the department. As the building never closes, these services play a vital role in the safety of all who attend Huron Lodge. With the rising cost of food, it is particularly difficult to remain in the compliance with the MOHLTC while keeping the same quality level of meals for the residents. As published by OANHSS and recommended to the MOHLTC in January of 2016, the inflation related to food is rising at a faster rate than the food per diems the Ministry provides long term care homes. The department will continue to monitor food spending to minimize variances.

**Housekeeping and Kitchen Supplies: (\$54,909)**

In 2015 there were lengthy outbreaks in the home which resulted in additional spending for infection control. Additional spending for the replacement of kitchen supplies as requested by Resident Council contributes to this deficit as well kitchen equipment breakdown requiring more than normal paper product usage.

**Maintenance and Repairs: (\$105,054)**

During the later part of the year, Huron Lodge experienced two extreme circumstances contributing (\$30,457) to this deficit associated with implementing measures to mitigate future risks. Furthermore, at 3rd quarter a one-time charge of (\$32,800) as part of the lift maintenance program was not projected. Nursing equipment, in particular specialized lifts and chairs require ongoing maintenance and repairs. The ceiling/floor lifts and tub/shower chairs which are at or beyond their full life cycle require mandatory repairs to provide necessary care to the residents. As the building operates on a 24 hour, 7 days a week basis, the cost of repairs and maintenance to both the building and equipment is always at a risk for a budget shortfall. The department continues to review these accounts regularly to minimize the deficit expected by year end. It is important to note that expenses relating to the maintenance of the building and the equipment are difficult to project as

unforeseeable breakdowns and one-time events can drive expenses over budget.

**Salary Accounts: (\$244,840)**

Salaries ended the year in a deficit position of (\$227,972). Higher than budgeted contractual obligations such as shift and holiday premiums, vacation payouts for regular part-time employees contribute to the unfavourable variance as well as the cost of replacing staff in the event of absences due to non-occupational accommodations, modified duties due to WSIB. Although salaries are difficult to project, salaries are monitored by the department and variances have been reported in subsequent reports. The department continues to have obligations to pay WSIB expenses. This year Huron Lodge ended the year in a budget shortfall of (\$16,868) in this area. Through diligent processes and assistance with Human Resources, Huron Lodge has been able to effectively mitigate WSIB costs throughout the year. However, it should be noted that costs to replace staff off sick and on modified duties due to non-occupational injuries continue to increase. This variance is included with Salary Accounts.

<b>Summary of Description</b>	<b>Category</b>	<b>Amount</b>
1. Increase in Revenues	Grants & Subsidies	\$ 280,293
2. Other Miscellaneous Accounts	Other Miscellaneous Expenditures	(36,698)
3. Housekeeping and Kitchen Supplies	Operating & Maintenance Supplies	(54,909)
4. Maintenance and Repairs	Operating & Maintenance Supplies	(105,054)
5. Salary Accounts	Salaries & Benefits	(244,840)
<b>Net Year End (Deficit)</b>		<b>\$ (161,208)</b>

**Mitigating Steps**

Huron Lodge continues to monitor variance on a regular basis. Through Quality Improvement plans as required by the Ministry of Health and Long Term Care, efficiencies and process improvements are continuously being implemented thereby improving the overall operations of the home.

Furthermore, Huron Lodge is also working on a comprehensive Attendance Management Program in conjunction with Human Resources and Employee Relations to reduce absenteeism. Where employees experience a higher than the City of Windsor corporate average of days missed, The Attendance Management Program dictates that those employees meet with management quarterly at a minimum. These meetings involve a union representative, the employee and manager(s) and allows for open communication to find the cause of such absences, to offer support and find solutions or work accommodations in an effort to minimize unexpected absences.

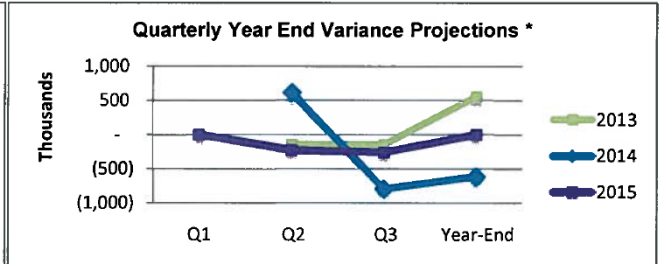
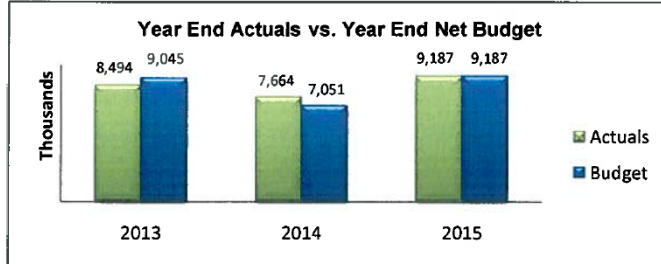
**RECREATION & CULTURE**

**Financial Summary**

	2013 Financials	2014 Financials	2015 Financials
Annual Gross Budget (GB)	17,633,739	18,919,303	21,454,846
Annual Net Budget	9,044,667	7,051,073	9,187,227
Annual Net Expenditures	8,494,214	7,664,339	9,187,227
Year End Variance	550,453	(613,266)	0
Variance as % of GB	3.1%	-3.2%	

	2013 Est. Variance	2014 Est. Variance	2015 Est. Variance
First Quarter (Q1)			-
Second Quarter (Q2)	(150,000)	610,000	(225,000)
Third Quarter (Q3)	(150,000)	(795,000)	(258,000)
Year-End (Q4)*	550,453	(613,266)	-

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



**Description**

The Recreation and Culture department ended 2015 with a deficit of (\$317,025) largely based on a deficit in the Adventure Bay/WIATC (total deficit for the facility of \$561,289 inclusive of Facility Division expenses) offset by surpluses in other areas of the department. Although there are some variances within the various Recreation and Culture operating divisions, the Department worked diligently to stay within the approved budget for 2015. Although some operating divisions did not meet revenue targets in 2015, helping offset the revenue variances were savings related to reduced spending on non emergency repairs/expenses and savings in wages and benefits. In summary, the 2015 year end deficit position of the department was attributed to the following:

**Salaries & Benefits \$466,716**

An overall savings of \$466,716 was realized in regular full time salary costs across the department due to some shifting of staff, vacancies and gapping. This savings is used to offset unfavourable variances described below.

**Mitigating Expenditure Initiatives \$190,305**

Recreation and Culture decreased expenses by putting their mitigating expenditure strategies into place by closing facilities during low peak periods and cancelling programs with low registrations. In addition, the department has decreased expenditures wherever possible in the 2015 operating year on items such as travel, clothing allowance and infrastructure which assisted in decreasing the variance for the 2015 year end. These mitigating expenditure strategies resulted in \$190,305 worth of savings.

**Non-OHL Event Commissions (\$166,798)**

The events managed by Spectra (formerly Global Spectrum) have realized a deficit of (\$256,798). However, based on historical trends Council approved a budget of (\$90,000) for 2015. Therefore, the actual overall variance for Spectra is (\$166,798). The primary factor driving the overall variance is a shortfall in projected revenue from two events booked early in the year. Furthermore, other budgeted events that did not materialize are contributing to the deficit which is offset by savings in expenses from the lower number of events.

**Concessions and Commissions (\$203,891)**

A deficit of (\$203,891) is comprised of lower than projected concession sales at Adventure Bay and the WFCU Centre. This line item is also directly linked to attendance levels.

**Recreation Programs (\$603,357)**

An overall deficit of (\$603,357) was experienced in the budget for the programming fees net of related wage and benefit costs. The majority of the deficit is as a result of lower than projected attendance levels at Adventure Bay/WIATC for drop-in revenue, membership revenue as well as programming revenue. This deficit is offset by prudent changes to staffing levels at Adventure Bay/WIATC and other recreation facilities to reflect the requirements based on participation levels.

In the case of recreation programming revenue, program revenue is dependent on registration levels, and is mitigated by cancelling classes that do not have sufficient registration, resulting in savings in staff wages and program supplies. Staffing levels are adjusted to reflect needs due to participation levels and programming requirements.

**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Wages & Benefits	Salaries & Benefits	\$ 466,716
2. Mitigating Expenditure Initiatives	Other Miscellaneous Expenditures	190,305
3. Non-OHL Commission	Other Miscellaneous Revenue	(166,798)
4. Commissions & Concessions	User Fees, Permits & Charges	(203,891)
5. Revenues	User Fees, Permits & Charges	(603,357)
<b>Net Year End (Deficit)</b>		<b>\$ (317,025)</b>

**Mitigating Steps Undertaken**

Recreation and Culture will continue to closely monitor the monthly financial statements for each division in 2016.

Specific mitigating measures include:

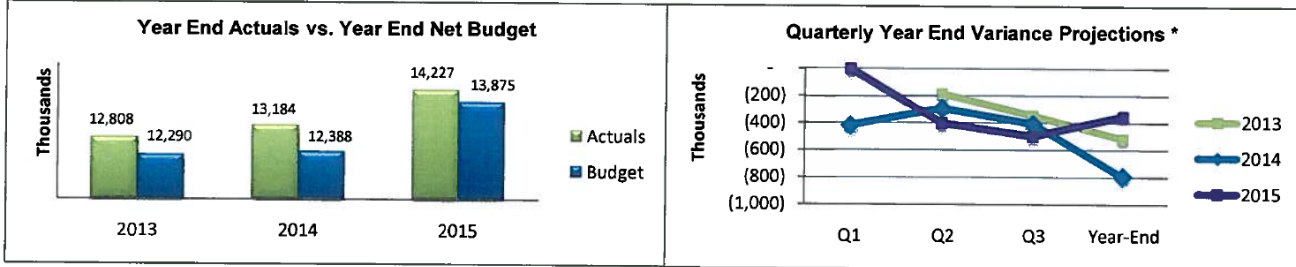
- Continue to monitor staffing levels at the various facilities, maximizing efficiencies and savings in labour accounts
- Targeted marketing for various activities offered by the department. For Adventure Bay the department is working closely with Communications Department to implement the marketing strategy for participation by residents and visitors.
- Ensure programs meet minimum registration targets to cover direct costs, and cancel programs that do not meet these targets.
- The Department has conducted a detailed analysis, with the assistance of the Lifesaving Society, of lifeguard positions and rotations at Adventure Bay. As a result of this analysis, reductions in the number of scheduled lifeguards have been implemented, resulting in savings in labour costs, while continuing to meet regulations and guidelines, providing a safe environment.
- The Department implemented a one week shut down of Adventure Bay to allow for intensive maintenance and cleaning. The Department analyzed participation data and selected the week that was projected to have lower attendance figures, which maximized savings in labour costs while minimizing the impact on the community.
- Council approved an adjustment to the operating hours at Adventure Bay based on participation data. The new hours will be in effect immediately following March break which will mitigate revenue shortfalls that were experienced in 2015.
- The Department is working with Spectra (formerly Global Spectrum) to target lower risk, revenue generating events and sponsorships to work towards lowering their variance.
- Spectra has reduced their staffing levels where appropriate, and streamlined box office staffing for efficiencies.
- Currently reviewing the feasibility of introducing a co-generation plant at WIATC to significantly reduce utility costs.

**TRANSIT WINDSOR**

**Financial Summary**

	2013	2014	2015			
	Financials	Financials	Financials	2013	2014	2015
				Est. Variance	Est. Variance	Est. Variance
Annual Gross Budget (GB)	28,245,389	29,843,504	32,880,828		(420,000)	-
Annual Net Budget	12,289,811	12,387,926	13,874,952	(186,000)	(294,000)	(404,000)
Annual Net Expenditures	12,808,089	13,184,008	14,227,064	(347,000)	(408,000)	(500,000)
<b>Year End Variance</b>	<b>(518,278)</b>	<b>(796,082)</b>	<b>(352,112)</b>	<b>(518,278)</b>	<b>(796,082)</b>	<b>(352,112)</b>
Variance as % of GB	-1.8%	-2.7%	-1.1%			

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



**Description**

Transit Windsor ended the year with a deficit of (\$352,112). The year end deficit of the department was largely attributable to the following:

**Fuel & Lubricants: \$509,273**

Fuel prices for the year resulted in a favourable variance in the Fuel and Lubricants account of approximately \$509,273. The 2015 approved budget for fuel was set corporately at \$1.00 per litre; however, Transit Windsor further breaks this budget down to \$0.95 per litre for diesel and \$0.05 per litre for lubricants. Based on approximately 3.2 million litres of diesel budgeted to be consumed, every \$0.01 decrease below the budget figure of \$0.95 per litre translates to a savings of approximately \$32,000. The average cost for diesel for Transit Windsor from January 1, 2015 to December 31, 2015 was \$0.85 per litre. This represents a \$0.10 decrease, or a projected price variance of approximately \$320,000 for diesel fuel for the Transit fleet. In addition to the favourable price variance, Transit Windsor also experienced a favourable variance in actual number of kilometers driven as compared to the estimated number of kilometers required in 2015 for all routes. The reduction in kilometers was achieved by finding efficiencies on routes, such as reducing the number of high school extras required by combining these routes with regular main route runs.

**Salary, Wages, Overtime & Benefits: \$243,745**

This favourable variance is largely attributable to the increase in the base budget to allow for the implementation of the full Service Delivery Enhancements as approved by Council in 2015. Transit Windsor was able to manage wages overall by increasing the use of temporary drivers with the implementation of the year round schedule. Also, Transit Windsor streamlined the school extra trips with the improved service on the main lines, thereby reducing anticipated hours. In addition, overtime was reduced wherever possible to address the overall departmental deficit (for example, less buses were assigned on special events which at times did mean longer wait times for event goers).

**Legal, Contracted Services and Other Operating Supplies: \$69,071**

Legal, contracted services and other operating expenses realized a surplus of \$69,071. This variance is largely attributable to the shift to using the City Legal Department more and little outside resources required in 2015. Transit Windsor has experienced higher Legal expenditures in prior years depending on the federal issues that require professional legal services (e.g. pay equity legislation).

**Workers Compensation: \$77,920**

Transit Windsor experienced a surplus in its Workers Compensation account due to a reduction in the number of claims experienced in 2015. As an ASO, Transit Windsor is responsible for costs for each claim processed. As well, a long-term employee on WSIB retired in 2015, thereby reducing the costs for the fiscal year. Transit Windsor submitted a budget issue to reduce its operating budget for 2016.

**Advertising Revenue: \$20,000**

Transit Windsor experienced a surplus in its advertising revenue account of \$20,000. Transit Windsor has seen an increase in revenues with the change made in late 2014 to the new bus shelters contractor. Administration in conjunction with the contractor has been seeking innovative advertising options for example vinyl shelter ads. Transit Windsor also experienced an increase in its bus wrap advertising.

Building Maintenance Account: \$7,557

Transit Windsor experienced a surplus in its building maintenance accounts. By late Q2, Transit Windsor put all non-essential costs on hold due to the anticipated deficit. Building maintenance was an area with budgets held and only emergency repairs were being done in Q3 and Q4.

Corporate Radio System: (\$13,562)

A deficit of (\$13,562) was incurred in the Corporate Radio System charges due to the internal billings and repairs required for the radio units.

Clothing Uniforms: (\$10,350)

An overexpenditure of (\$10,350) was realized in the clothing uniforms allowance account.

International Tolls: (\$18,637)

A deficit of (\$18,637) was incurred in the international tolls account largely attributable to the number of special events that occurred throughout the year, and the exchange rate experienced for fiscal 2015.

Facilities: (\$21,690)

A deficit of (\$21,690) was incurred at the Windsor International Transit Terminal (WITT) in the charges from Facilities Services.

Scrap Inventory: (\$47,678)

A deficit of (\$47,678) was incurred in the scrap inventory account as a result of the write off of some obsolete inventory of parts that can no longer be used on Transit Windsor's fleet mix.

Commission Revenue Account: (\$108,483)

Transit commission revenue, realized primarily through sales made at the Windsor International Transit Terminal for Greyhound customers, were below budget estimates by (\$108,483). As part of the 2016 operating budget development, Transit Windsor management entered into discussions with Greyhound representatives in an effort to come up with alternative revenue sources, or other options to minimize the deficit in this area. Negotiations were successful and resulted in an arrangement whereby Transit Windsor will provide Greyhound with garage maintenance services such as the cleaning, fuelling and storage of Greyhound buses for a negotiated fee. In addition, Transit Windsor is now assisting Greyhound with their parcel delivery service for a negotiated fee. Transit Windsor is optimistic that both of these additional services will offset the revenue shortfall in the commission revenue account.

Vehicle Maintenance Account: (\$353,003)

Vehicle Maintenance Materials exceeded budget estimates by approximately (\$353,003), which is largely attributable to the on-going maintenance required for the aging fleet and due to the increased costs of replacement parts related to bus technology. Transit Windsor is working with the Asset Planning area to undertake an extensive review of the fleet which will include full life-cycle costing of the buses and a scheduled fleet replacement program. In addition, the acquisition of eight new clean diesel buses will reduce the age of Transit Windsor's fleet and defer maintenance costs by replacing older high floor buses with new low floor accessible buses.

Transit Revenue: (\$706,275)

Transit Windsor experienced a decrease in transit revenue when compared to budget estimates of (\$706,275). This is partially due to technical problems with the new province-wide Social Assistance Management System (SAMS) computer system that required that the bus pass allowance to be issued at \$87 to allow Ontario Works (OW) clients to purchase the bus pass as opposed to obtaining it through a redeemable voucher code on their cheque stub. Consequently, fewer bus passes were purchased by OW clients. The technical problems were addressed approximately half way through the year, and revenue gradually returned to the budgeted levels.

The other contributing factor to the deficit in the transit's revenue continues to be the fact that Transit's ridership projections during the 2015 budget development were based on the anticipated increase in ridership as a result of the opening of the University of Windsor's downtown campus. The delay in the opening of the downtown facility has resulted in ridership not meeting budget estimates.



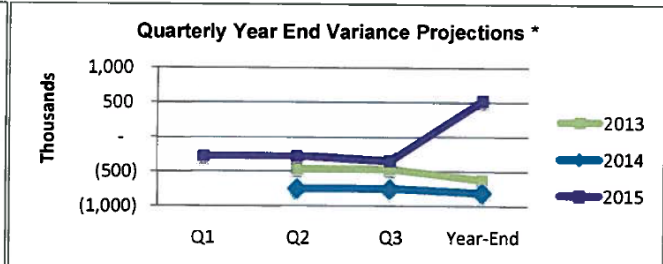
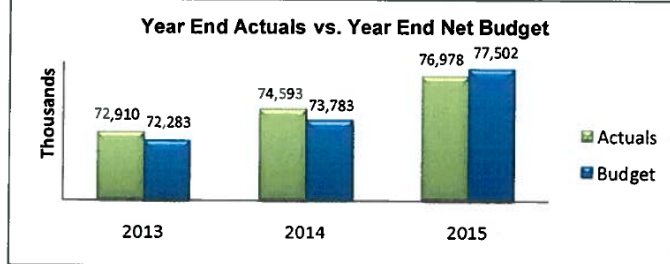
**Summary of Description**

	<b>Category</b>	<b>Amount</b>
1. Surplus in Motor Fuel & Lubricants	Operating & Maintenance Supplies	\$ 509,273
2. Salary, Wages, Overtime & Benefits	Salaries & Benefits	\$ 243,745
3. Surplus in Legal, Contracted Services and Other Operating Supplies	Operating & Maintenance Supplies	\$ 69,071
4. Surplus in Workers Compensation Administration	Salaries & Benefits	\$ 77,920
5. Surplus in Advertising Revenue	Other Miscellaneous Revenue	\$ 20,000
6. Surplus in Building Maintenance Account	Operating & Maintenance Supplies	\$ 7,557
7. Deficit in Corporate Radio Systems	Operating & Maintenance Supplies	\$ (13,562)
8. Deficit in Clothing Uniform Account	Operating & Maintenance Supplies	\$ (10,350)
9. Deficit in International Tolls	Operating & Maintenance Supplies	\$ (18,637)
10. Deficit in Facilities Services Charges - WITT	Operating & Maintenance Supplies	\$ (21,690)
11. Deficit in Scrap Inventory Account	Operating & Maintenance Supplies	\$ (47,678)
12. Deficit in Commission Revenue	User Fees, Permits & Charges	\$ (108,483)
13. Deficit in Vehicle Maintenance Materials Account	Operating & Maintenance Supplies	\$ (353,003)
14. Deficit in Transit Revenue	User Fees, Permits & Charges	\$ (706,275)
<b>Net Year End (Deficit)</b>		<b>\$ (352,112)</b>

**Mitigating Steps**

**WINDSOR POLICE SERVICES**

Financial Summary	2013	2014	2015	2013	2014	2015
	Financials	Financials	Financials			
Annual Gross Budget (GB)	80,140,114	82,830,647	86,783,914	First Quarter (Q1)		(275,000)
Annual Net Budget	72,282,957	73,782,958	77,501,516	Second Quarter (Q2)	(470,000)	(275,000)
Annual Net Expenditures	72,909,629	74,593,332	76,978,456	Third Quarter (Q3)	(470,000)	(350,000)
Year End Variance	(626,672)	(810,374)	523,060	Year-End (Q4)*	(626,672)	523,060
Variance as % of GB	-0.8%	-1.0%	0.6%	* Note: Year-end numbers are based on actual results, not projections.		



**Description**

Note: The Summary of Description section below was provided by the Windsor Police Service (WPS) administration, as the Finance department does not provide financial support to the WPS.

The Windsor Police Service had been forecasting throughout the year a minor year end deficit of \$350,000, or 0.45% of a budget of \$77.5 million. It was difficult to forecast a figure due to usual variables such as the volume and severity of crime and associated investigative and court costs, but this year in particular, collective bargaining negotiations and pay equity settlements were factors that were not finalized until very late in the year. Since it was unknown what the outcome of the above-noted items would be, mitigating measures were put in place to control overtime costs and recruitment and replacement of staff as required. These measures were quite effective and coupled with the successful outcome of the collective bargaining negotiations and pay equity settlements, substantial savings were achieved.

**Summary of Description**

Category	Amount
1. Net Salaries and Benefits	\$ 829,780
2. Various Minor Equipment and R&M	(144,720)
3. External Legal Costs	(162,000)
<b>Net Year End Surplus</b>	<b>\$ 523,060</b>

**Mitigating Steps**

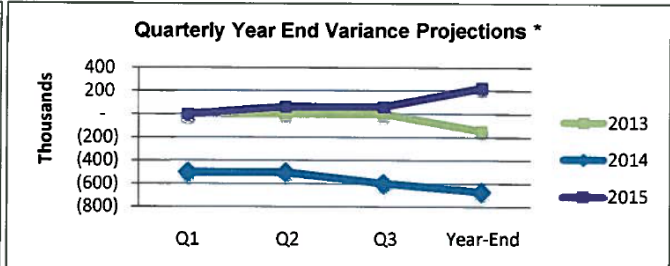
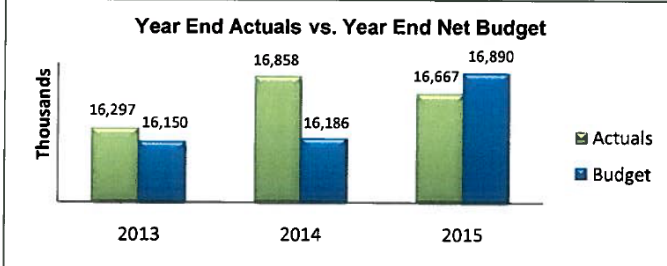
- 1) The WPS aggressively monitored and controlled overtime costs which have slowly been decreasing over the past few years, however, with the occurrence of unforeseen major crimes, investigation and corresponding court costs overtime could rise accordingly.
- 2) The Service has also been very diligent in delaying the replacement of equipment and trying to extend the life through repairs and maintenance, unfortunately however, we have begun to reach the point where equipment has become obsolete with service and parts no longer available. This is forcing the resulting 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.

**AGENCY GRANTS**

**Financial Summary**

	2013	2014	2015	2013	2014	2015
	Financials	Financials	Financials	Est. Variance	Est. Variance	Est. Variance
Annual Gross Budget (GB)	16,150,454	16,287,054	16,991,096	-	(501,720)	-
Annual Net Budget	16,150,454	16,186,455	16,890,498	-	(501,720)	62,000
Annual Net Expenditures	16,296,974	16,857,599	16,667,034	-	(598,120)	62,000
<b>Year End Variance</b>	<b>(146,520)</b>	<b>(671,144)</b>	<b>223,464</b>	<b>(146,520)</b>	<b>(671,144)</b>	<b>223,464</b>
Variance as % of GB	-0.9%	-4.1%	1.3%			

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



**Description**

**Windsor-Essex County Health Unit (WECHU): \$220,575**

The surplus totalling \$220,575 relates to the surplus of funding provided by the City to the Health Unit from 2013 and 2014, which was returned to the City in 2015.

**Land Ambulance: \$2,889**

The Land Ambulance budget was not available from the County when the City’s budget was approved, and a status quo budget estimate was made for the City’s share of costs. Due to the timing of budget approvals, the City’s share was \$61,950 lower than budgeted by the City. An additional surplus of \$35,247 was generated as a result of an accrual estimate being higher than actuals for the amount payable to the County of Essex for City Share of EMS based on the County’s 2014 year end projections. This was offset by an unfavourable operational variance of \$94,310 largely occurred due to salaries and benefits, with savings in vehicle fuel, vehicle repair and maintenance, and recoveries in excess of budget. Furthermore, post-budget change in the regional weighted assessment shifted a greater portion of the shareable costs towards the County of Essex.

**Summary of Description**

	Category	Amount
1. Health Unit	Transfers to External Agencies	\$ 220,575
2. Land Ambulance	Transfers to External Agencies	2,889
<b>Net Year End Surplus</b>		<b>\$ 223,464</b>

**Mitigating Steps**

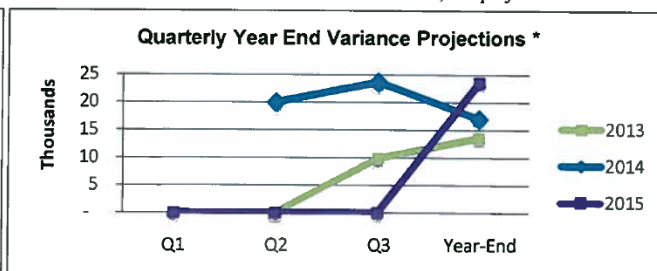
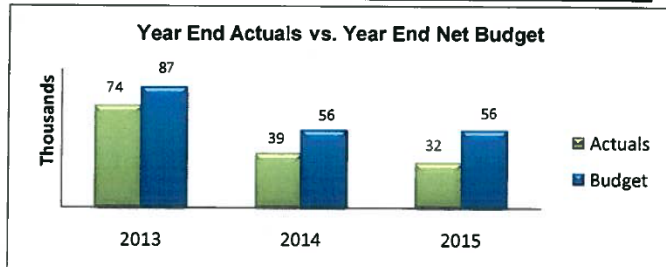
**COMMITTEES OF COUNCIL**

**Financial Summary**

	2013	2014	2015
	Financials	Financials	Financials
Annual Gross Budget (GB)	87,170	55,920	55,920
Annual Net Budget	87,170	55,920	55,920
Annual Net Expenditures	73,598	38,917	32,314
<b>Year End Variance</b>	<b>13,572</b>	<b>17,003</b>	<b>23,606</b>
Variance as % of GB	15.6%	30.4%	42.2%

	2013	2014	2015
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)			-
Second Quarter (Q2)	-	20,000	-
Third Quarter (Q3)	9,900	23,700	-
<b>Year-End (Q4)*</b>	<b>13,572</b>	<b>17,003</b>	<b>23,606</b>

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



**Description**

The Committees of Council ended the year in a surplus of \$23,606.

**Other Miscellaneous Expenditures \$22,002**

The Heritage, Bicycling, Windsor Accessibility Advisory, Mayor's Youth, Senior's and Town and Gown Committees of Council all ended the year in minor surpluses.

**User Fees \$1,604**

The Property Standards Committee ended the year in an overall surplus due to the receipt of Notice of Property Appeals in 2015.

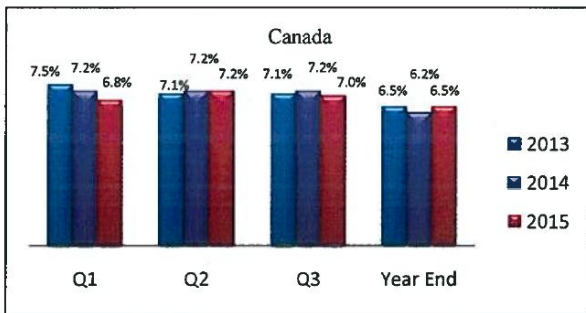
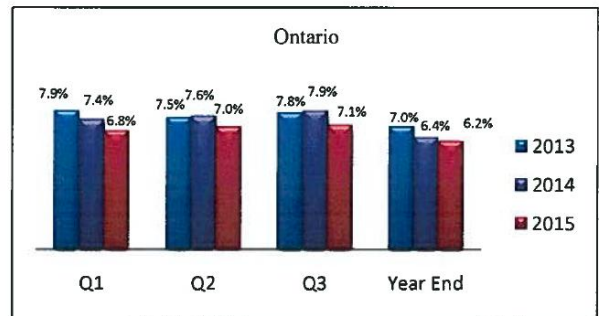
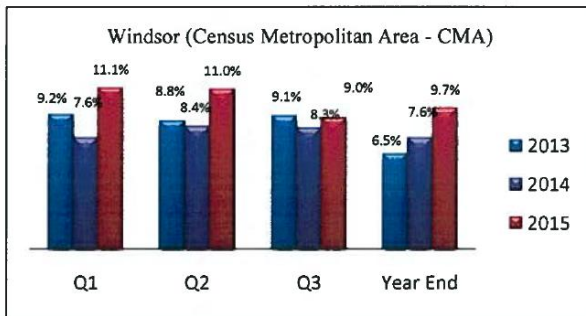
**Summary of Description**

Category	Amount
1. Various Committees	
2. Property Standard Committee	
Other Miscellaneous Expenditures	\$ 22,002
User Fees, Permits & Charges	1,604
<b>Net Year End Surplus</b>	<b>\$ 23,606</b>

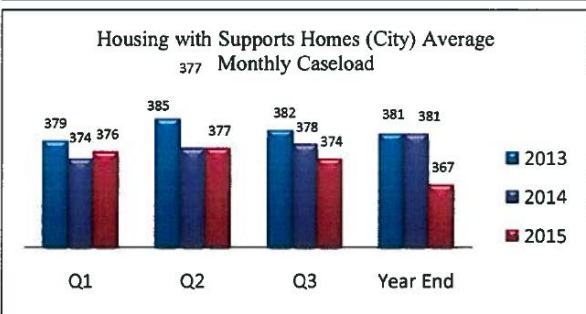
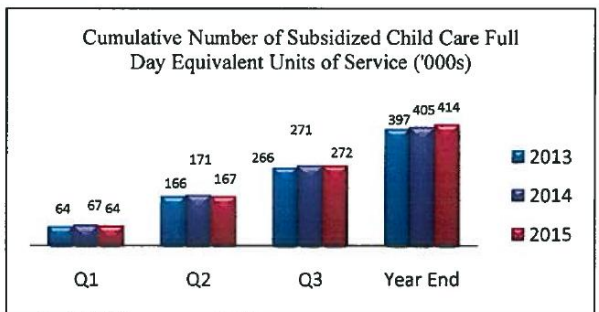
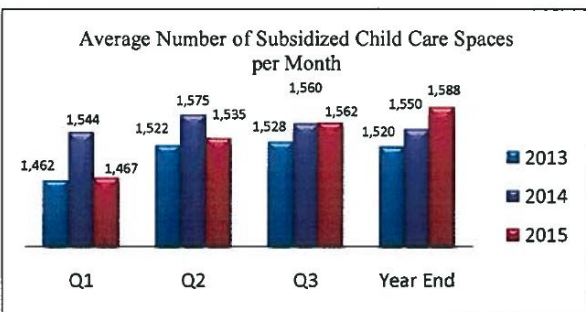
**Mitigating Steps**

Operational and Economic Statistics\*

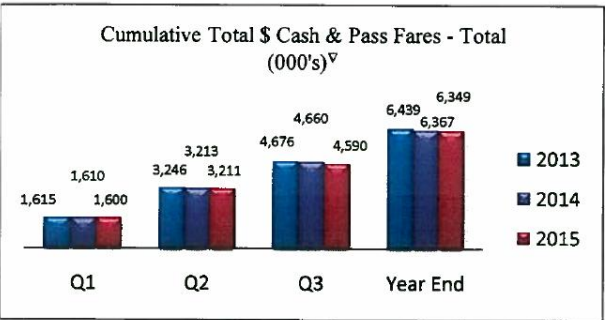
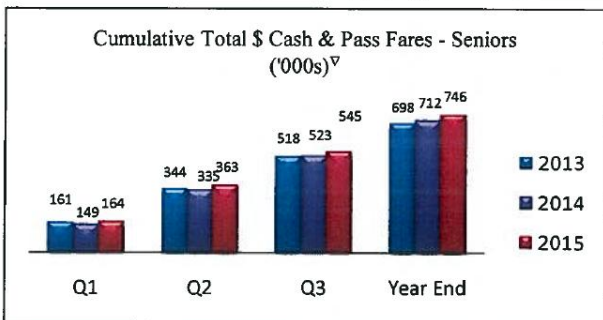
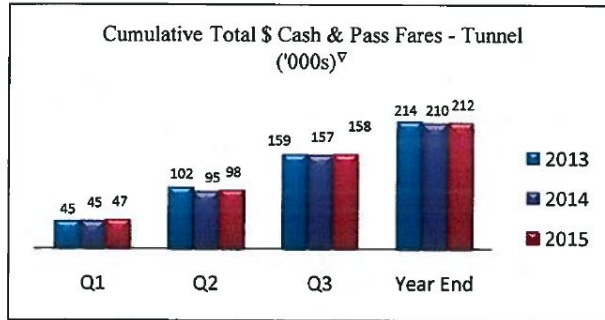
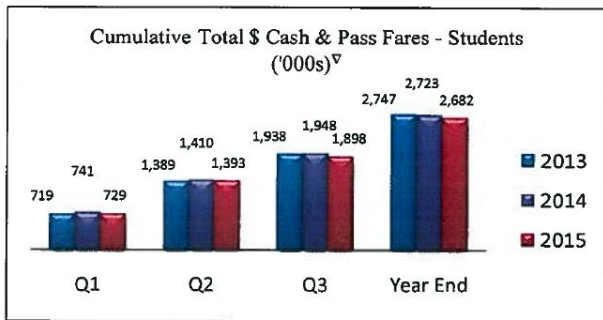
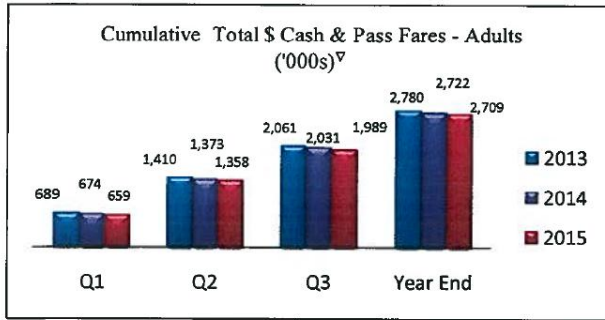
Unemployment Rates (3-month Moving Average, unadjusted)



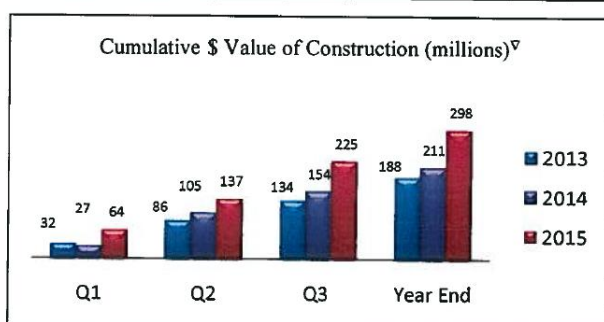
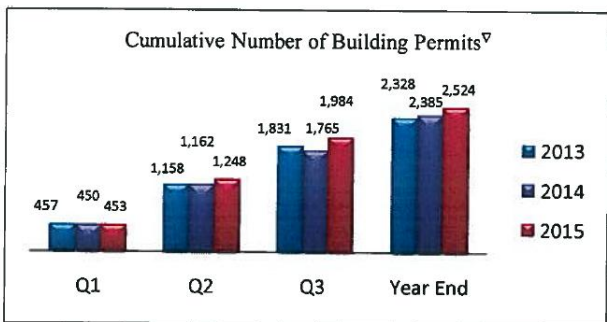
Housing & Children Services



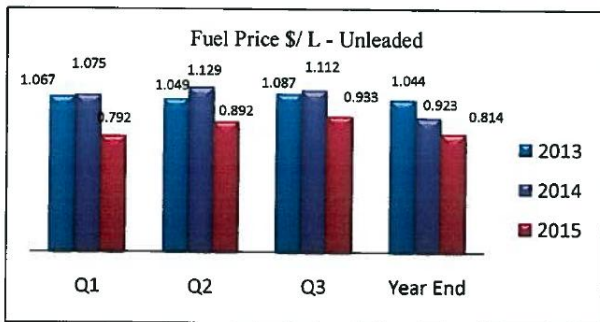
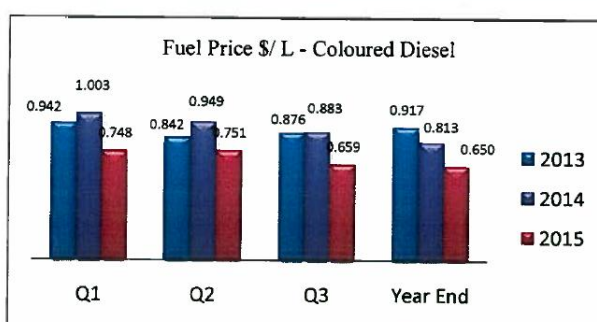
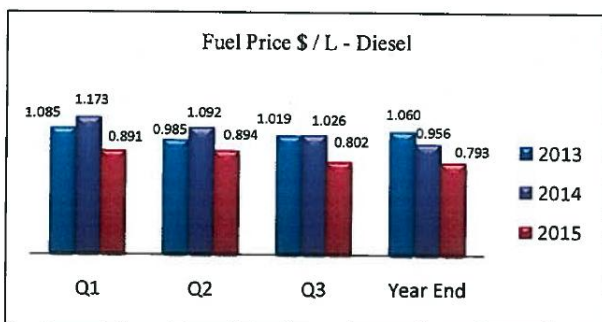
Transit Windsor



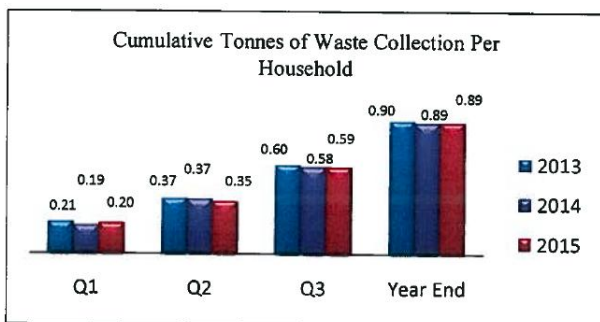
Building



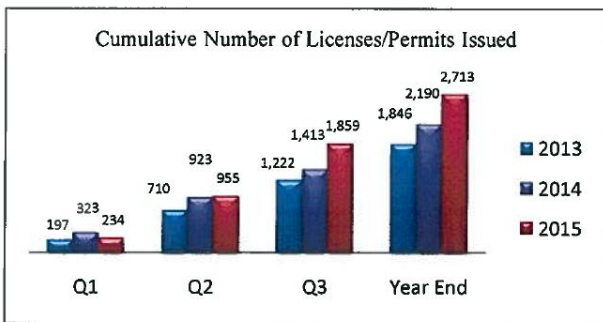
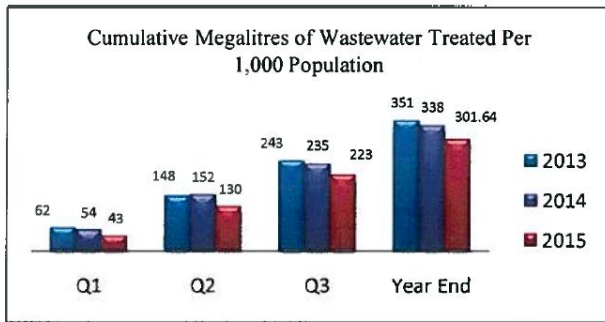
Public Works - Operations



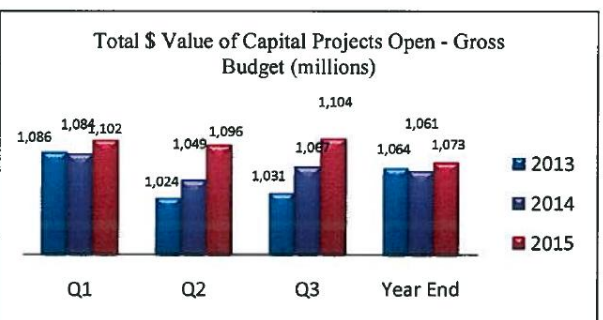
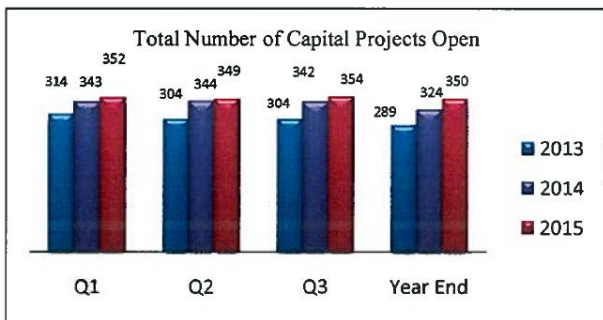
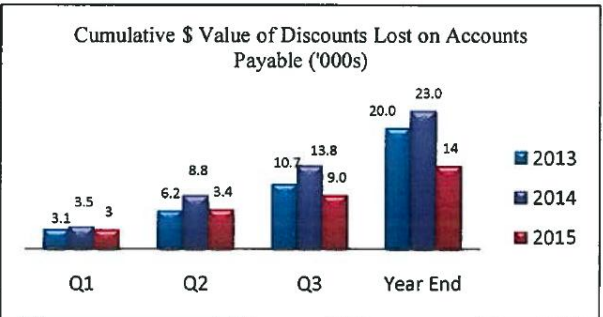
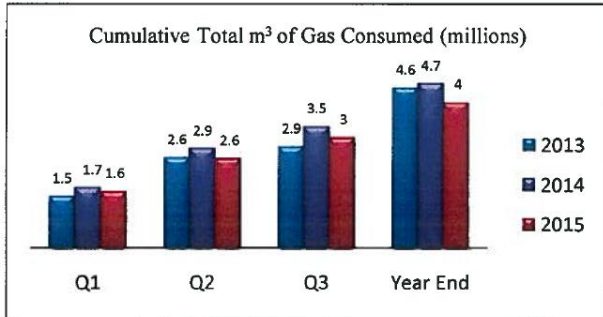
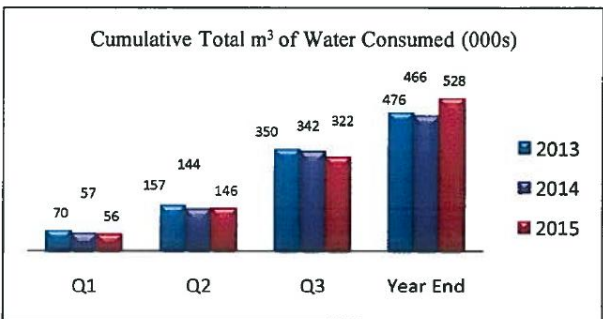
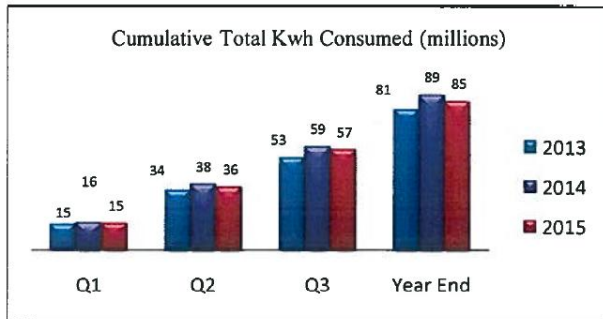
Public Works - Environmental



Engineering

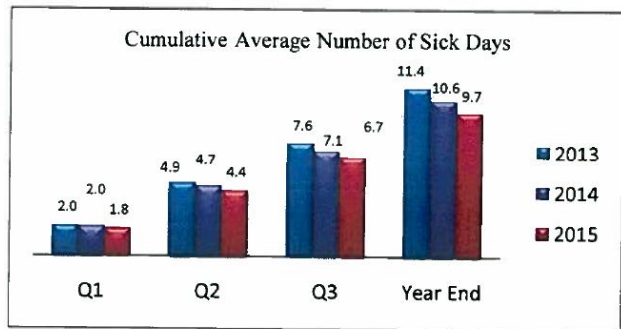
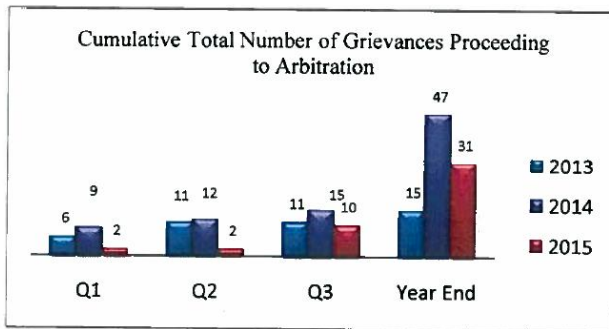


Finance

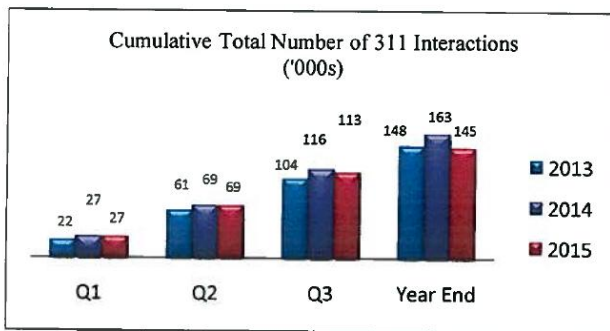




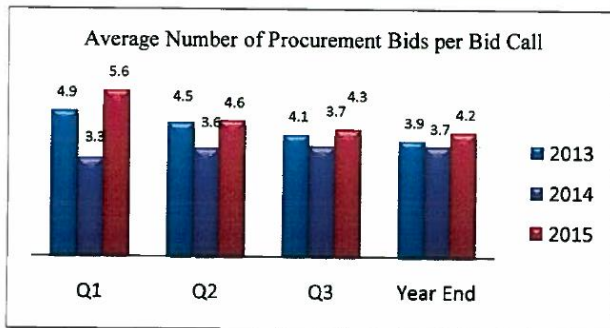
Human Resources



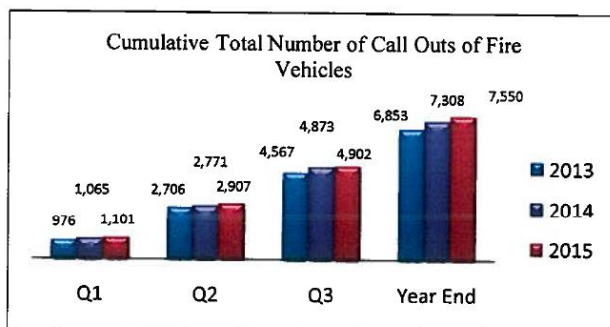
Council Services



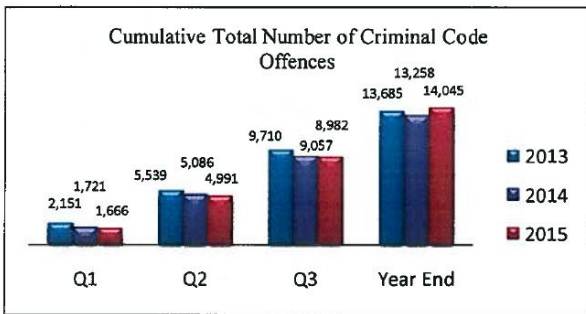
Legal



Windsor Fire & Rescue Services



Windsor Police Services



\*Quarterly statistics as at February 28th, May 31st, August 31st and December 31st except where otherwise noted.

∇ Denotes quarterly statistics on a calendar year basis, i.e. March 31st, June 30th, September 30th, December 31st.

## Appendix C 2015 Budget Carry-Forwards

Approved

Department	Description	Total
City Council	Committed Ward Funds	\$419,708
Mayor's Office	Mayor's Office Year-End Balance	\$593,979
CAO's Office	Economic Development Budget	\$60,000
CAO's Office	Multi-Year Implementation of the Enterprise Risk Management Program	\$13,000
Council Services	Contract with Taxi Research Partners	\$30,528
Human Resources	Departmental Change Management Training	\$18,160
Engineering	Temporary Administrative Inspector & Technologist I	\$168,372
Public Works Operations	Collision Database (Student for Approx. 18 Weeks)	\$24,000
Public Works Operations	Traffic Calming Policy & New School Area Policy	\$20,000
Planning & Building	Doors Open (2016 Heritage Buildings Open House)	\$5,885
Employment & Social Services	Physician Recruitment & Retention Program	\$67,278
Employment & Social Services	Ontario Works (SAMS) Database Workload Challenges	\$233,447
Committees	International Relations Committee (IRC)	\$54,210
Committees	Diversity Committee - Diversity Plan for the Corp of the City of Windsor	\$3,813
<b>TOTAL BUDGET CARRYFORWARD</b>		<b>\$1,712,380</b>

**Summary of Capital Projects Closed (for 2015)**  
As at December 31, 2015

Item #	Project ID	Department/Program	Service Area	Project Name	Project Lead	Surplus/(Deficit)	Sub-Total by Fund	Fund	Funding Source/Transfer	Project Variance Comments
<b>Section A: Projects Balanced &amp; Closed via Transfer to Other Projects/Chartfield</b>										
1	7129007	Parks & Facility Operations	Office of the City Engineer	Parking Lots	M. Clement	(13,522.79)		007 7129015	Partnerships	Project is complete. To balance and close the project with a transfer of surplus funds from 7129015 to mitigate the deficit per department's request.
2	7159003	Engineering	Office of the City Engineer	Economic Development Initiative	F. Mikhael	(33,319.49)		001 0229630	Capital Projects Closeout Account	These expenditures relate to a proposed project that did not move forward however there were some sunk costs associated with it. No funding was approved to mitigate this deficit. Approval is being sought in the yearend variance report.
						<b>Total: Fund 007</b>	<u>(46,842.28)</u>			

**Summary of Capital Projects Closed (for 2015)**  
As at December 31, 2015

Item #	Project ID	Department/Program	Service Area	Project Name	Project Lead	Surplus/(Deficit)	Sub-Total by Fund	Fund	Funding Source/Transfer	Project Variance Comments
<b>Section B: Projects Balanced &amp; Closed via Transfer to/from Original Funding Sources</b>										
1	7074071	Fire and Rescue	Office of the CAO	Fire Apparatus Hoist Repair/Maintenance	B. McLaughlin	25,571.44		169	Pay As You Go - Capital Reserve	Project budget was a best estimate at the time the project was approved. Only a small portion of the budgeted contingency funds for the project were required, resulting in a project surplus which was transferred back to the original funding source.
2	7059011	Windsor Airport	Transportation Services	Windsor Airport Service Improvements	T. Pocock	1,669.05		169	Pay As You Go - Capital Reserve	Project budget was a best estimate at the time the project was approved. All activities to be charged to the project have been processed and actual expenses came in less than what was estimated resulting in a project surplus which has been transferred back to the original funding source.
3	7101013	Legal Services	Office of the City Solicitor	Legal Docketing and Billing Software	S. Askin-Hager / A. Deher	1,000.52		169	Pay As You Go - Capital Reserve	Project budget was a best estimate at the time the project was approved. All activities to be charged to the project have been processed and actual expenses came in less than what was estimated resulting in a project surplus which has been transferred back to the original funding source.
4	7062008	Engineering	Office of the City Engineer	Walker Rd Grade Separation Ancillary	F. Mikhael	8,196.25		169	Pay As You Go - Capital Reserve	Project budget was a best estimate at the time the project was approved. All activities to be charged to the project have been processed and actual expenses came in less than what was estimated. \$125,000 was transferred to 7035011 as per CR152/2015 and the surplus transferred back to the original funding source, PYG.
5	7101019	Legal Services	Office of the City Solicitor	Leasing Software Acquisition	F. Scarfone/ T. Sabelli	4,893.13		169	Pay As You Go - Capital Reserve	Project budget was a best estimate at the time the project was approved. All activities to be charged to the project have been processed and actual expenses came in less than what was estimated resulting in a project surplus which has been transferred back to the original funding source.
6	7109002	Transit Windsor	Transportation Services	2010 TW Fleet Replacement/Refurbishment	T. Houad	185,000.00				
							41,330.39			
								175	Provincial Gas Tax Rebate	The project was completed with surplus funds of \$254,985.24, of which, \$185,000 was transferred back to Fund 175, and the balance of \$69,985.24 was transferred and consolidated to 7121003 as further funding is still required for the fleet projects. The variance in the capital account relates to competitive and favourable pricing achieved with the bus order.
7	7131017	Police Services	Agencies & Boards	Police Data Retention Server Upgrade	D. Heimann	488.67				
								183	Police Fleet	Project budget was a best estimate at the time the project was approved. All activities to be charged to the project have been processed and actual expenses came in less than what was estimated resulting in a project surplus which has been transferred back to the original funding source.
										488.67
										<b>Total: To Various Reserves 226,819.06</b>
										<b>\$ 179,976.78 Grand Total</b>

**CITY OF WINDSOR  
DEVELOPMENT CHARGE RESERVE FUNDS  
INCOME STATEMENT  
For the Year Ending December 31, 2015**

ACCOUNT #	ACCOUNT DESCRIPTION	114	115	116	117	118	121	122	123	124	125	126	127	128	TOTAL
		FUND #114	FUND #115	FUND #116	FUND #117	FUND #118	FUND #121	FUND #122	FUND #123	FUND #124	FUND #125	FUND #126	FUND #127	FUND #128	
		DEV. CHGS. - PARKING	DEV. CHGS. - ROADS & RELATED	DEV. CHGS. - SANITARY/ POLLUTION	DEV. CHGS. - STORM & DRAINS	DEV. CHGS. - WATER/ WUC	DEV. CHGS. - GENERAL GOV'T	DEV. CHGS. - LIBRARY	DEV. CHGS. - FIRE	DEV. CHGS. - POLICE	DEV. CHARGES - INDOOR RECREATION	DEV. CHGS. - PARK DEVEL.	DEV. CHGS. - TRANSIT	DEV. CHGS. - PW/ BUILD/ EQUIP/ FLEET	DEVELOPMENT CHARGE RESERVE FUNDS
AVAILABLE AT BEGINNING OF YEAR SURPLUS (DEFICIT)		-	4,283,607	1,390,995	1,088,132	403,273	284,476	1,116,522	(336,208)	(291,192)	1,310,041	988,889	44,444	175,456	10,458,435
<b>REVENUES:</b>															
5540	Investment Income - Other	17	57,280	18,496	15,405	4,698	3,033	10,870	(2,842)	(2,658)	15,377	10,455	472	1,951	132,554
6660	Developer Contributions	6,312	3,797,451	897,704	1,066,799	663,770	96,961	216,910	113,937	63,293	422,675	522,929	46,920	39,889	7,955,550
7052	Transfer from Capital Projects														
7054	Transfer from Reserve Funds														
7055	Transfer From Revenue Funds						21,127								21,127
<b>TOTAL REVENUE</b>		<b>6,329</b>	<b>3,854,731</b>	<b>916,200</b>	<b>1,082,204</b>	<b>668,468</b>	<b>121,121</b>	<b>227,780</b>	<b>111,095</b>	<b>60,636</b>	<b>438,051</b>	<b>533,384</b>	<b>47,391</b>	<b>41,840</b>	<b>8,109,231</b>
<b>EXPENSES:</b>															
4010	Administrative Services		2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510	2,510	30,120
n/a	Transfer to WUC					403,273									
4240	Transfer to Current	96	58,065	13,729	16,290	10,146	1,485	3,323	1,744	969	6,472	8,008	719	612	121,659
4250	Transfer to Reserve Fund														
4245	Transfer to Capital Fund		450,000				40,000	378,000			5,000	250,000	20,000		1,143,000
4248	Transfer to Reserve Account														
<b>TOTAL EXPENSES</b>		<b>96</b>	<b>510,575</b>	<b>16,239</b>	<b>18,800</b>	<b>415,929</b>	<b>43,995</b>	<b>383,833</b>	<b>4,254</b>	<b>3,479</b>	<b>13,982</b>	<b>280,518</b>	<b>23,229</b>	<b>3,122</b>	<b>1,294,779</b>
AVAILABLE AT YEAR END SURPLUS (DEFICIT)		6,233	7,627,763	2,290,956	2,151,536	655,812	361,602	960,469	(229,367)	(234,035)	1,734,110	1,261,754	68,606	214,174	17,272,887
A/C #4245	TRANSFER TO CAPITAL, BY PROJECT DETAIL:														
Project #	Project Description														
7104001	Walker Rd. Corridor Improvements		450,000												450,000
7142002	DC Study and By-Law Update						40,000								40,000
7145000	Materials Acquisition - DC Request							100,000							100,000
7159011	WPL - Budimir Library							200,000							200,000
7159012	WPL - Optimist Library							78,000							78,000
7069036	Recreation Facility Refurbishm										5,000				5,000
7151013	2015 Jackson Park (Regional Park)											250,000			250,000
7045018	TW Customer Service Requiremets												20,000		20,000
<b>TOTAL TRANSFER TO CAPITAL, BY PROJECT DETAIL</b>		<b>0</b>	<b>450,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>	<b>378,000</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>250,000</b>	<b>20,000</b>	<b>0</b>	<b>1,143,000</b>