

2016 Q2 OPERATING VARIANCE SUMMARY BY DEPARTMENT / DIVISION

Departments/Divisions	Page #	2015					2016			
		Annual Gross Budget	Annual Net Budget	Q2 (May 31) Projected Surplus / (Deficit)	Year End Surplus/ (Deficit)	YE % Var. of Gross Bgt.	Annual Gross Budget	Annual Net Budget	Q2 (May 31) Projected Surplus / (Deficit)	Q2 % Var. of Gross Bgt.
Representation										
Mayor's Office	2	506,453	506,453	0	0	0.0%	561,809	561,809	0	0.0%
Council Administrative Services	3	586,666	586,666	0	12,392	0.0%	567,767	567,767	0	0.0%
Total Representation		1,093,119	1,093,119	0	12,392	1.1%	1,129,576	1,129,576	0	0.0%
Office of the Chief Administrative Officer										
CAO's Office	4	1,324,528	1,324,528	0	193,914	14.6%	1,190,282	1,190,282	111,000	9.3%
Office of the City Solicitor										
Planning & Building	5	7,777,193	3,460,519	115,000	413,336	1.5%	8,076,714	3,331,740	365,000	4.5%
Legal	6	16,717,256	5,729,036	(485,000)	(685,736)	-2.9%	16,960,183	5,877,591	(1,110,000)	-6.5%
Fire & Rescue Services	7	41,737,360	40,959,074	(579,908)	(1,233,288)	-1.4%	43,889,767	42,838,231	(192,000)	-0.4%
Total Office of the City Solicitor		66,231,809	50,148,629	(949,908)	(1,505,688)	-2.3%	68,926,664	52,047,562	(937,000)	-1.4%
Office of the Chief Financial Officer										
Finance	8	9,208,651	6,449,388	50,000	290,844	0.5%	9,399,649	6,371,531	0	0.0%
Information Technology	9	7,227,994	5,941,062	64,000	75,002	0.9%	7,410,626	6,130,187	40,000	0.5%
Corporate Financial Accounts	10-12	163,037,668	(287,483,761)	120,800	1,456,038	0.1%	163,012,691	(290,532,104)	958,584	0.6%
Total Office of the Chief Financial Officer		179,474,313	(275,093,311)	234,800	1,821,884	1.0%	179,822,966	(278,030,386)	998,584	0.6%
Office of City Clerk										
Council Services	13,14	9,749,863	6,459,565	37,000	362,335	0.4%	9,853,887	6,765,674	0	0.0%
Human Resources	15	4,362,579	4,087,607	0	28,423	0.0%	4,378,200	4,084,062	0	0.0%
Corporate Human Resource Accounts	16	47,145,000	(13,825,349)	0	(2,910,466)	0.0%	49,132,000	(13,548,693)	(3,090,200)	-6.3%
Windsor Public Library	17	8,592,291	7,636,182	(38,700)	0	-0.5%	8,847,365	7,831,216	0	0.0%
Total Office of City Clerk		69,849,733	4,358,005	(1,700)	(2,519,708)	-3.6%	72,211,452	5,132,259	(3,090,200)	-4.3%
Office of the City Engineer										
Engineering	18,19	50,809,340	15,952,892	(171,600)	12,330	-0.3%	51,247,044	15,594,102	(320,000)	-0.6%
Public Works Operations	20,21	51,717,543	26,304,727	(181,800)	673,701	-0.4%	51,713,792	25,900,040	960,000	1.9%
Parks	22	15,867,349	14,673,011	0	191,343	0.0%	16,373,301	14,833,635	(100,000)	-0.6%
Total Office of the City Engineer		118,394,232	56,930,630	(353,400)	877,374	0.7%	119,334,137	56,327,777	540,000	0.5%
Community Development & Health										
Employment & Social Services	23,24	115,590,470	12,529,848	135,000	618,295	0.1%	119,968,687	10,972,614	640,000	0.5%
Housing & Children's Services/WECHC	25	95,411,337	21,477,255	203,900	208,531	0.2%	95,986,699	22,029,359	578,000	0.6%
Huron Lodge	26,27	22,351,439	7,221,184	(58,000)	(161,208)	-0.3%	22,493,152	7,012,896	(205,000)	-0.9%
Recreation & Culture	28,29	21,454,846	9,187,227	(225,000)	(317,025)	-1.0%	21,617,445	9,790,969	0	0.0%
Total Community Development & Health		254,808,092	50,415,514	55,900	348,593	0.1%	260,065,983	49,805,838	1,013,000	0.4%
Transportation Services Office										
Transit Windsor	30,31	32,880,828	13,874,952	(404,000)	(352,112)	-1.1%	33,005,763	14,216,829	296,000	0.9%
Total City Departments Prior to Contingency & Additional Council-Approved Funding		724,056,654	(96,947,934)	(1,418,308)	(1,123,351)	-0.2%	735,686,823	(98,180,263)	(1,068,616)	-0.1%
Corporate Contingency Approved in 2016 Budget		2,500,000	2,500,000	2,500,000	2,500,000	100%	1,500,000	1,500,000	1,500,000	100%
Surplus (Deficit) Subtotal		726,556,654	(94,447,934)	1,081,692	1,376,649	0.2%	737,186,823	(96,680,263)	431,384	0.1%
Agencies, Boards & Commissions										
Windsor Police Services	32	86,783,914	77,501,516	(275,000)	523,060	-0.3%	88,950,982	79,444,014	0	0.0%
Agency Grants	33	16,991,096	16,890,498	62,000	223,464	0.4%	17,286,927	17,186,329	(314,000)	-1.8%
Committees of Council	34	55,920	55,920	0	23,606	0.0%	49,920	49,920	0	0.0%
Total Agencies, Boards & Commissions		103,830,930	94,447,934	(213,000)	770,130	0.7%	106,287,829	96,680,263	(314,000)	-0.3%
2016 Net Operating Budget Surplus (Deficit)		830,387,584	0	868,692	2,146,779	0.3%	843,474,652	0	117,384	0.0%

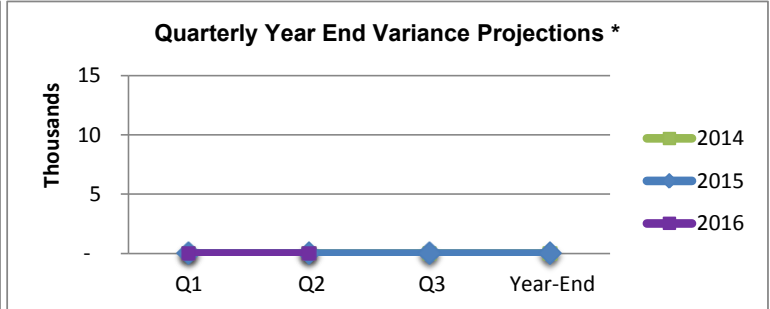
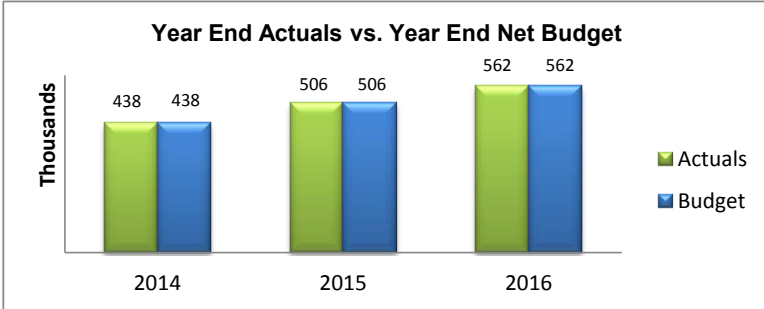
MAYOR'S OFFICE

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	438,316	506,453	561,809
Annual Net Budget	438,316	506,453	561,809
Annual Net Expenditures	438,316	506,453	561,809
Year End Variance	0	0	0
Variance as % of GB			

	2014	2015	2016
	Est. Variance	Est. Variance	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

No significant variances projected at this time.

Summary of Description

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

Mitigating Steps

COUNCIL ADMINISTRATIVE SERVICES

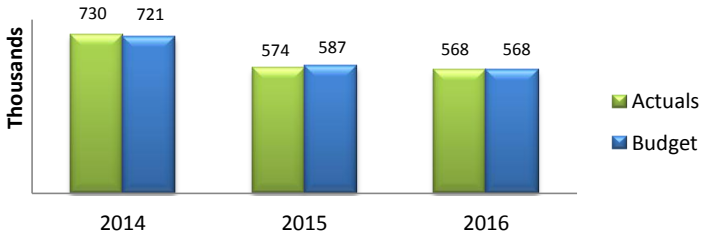
Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	721,424	586,666	567,767
Annual Net Budget	721,424	586,666	567,767
Annual Net Expenditures	730,314	574,274	567,767
Year End Variance	(8,890)	12,392	0
Variance as % of GB	-1.2%	2.1%	

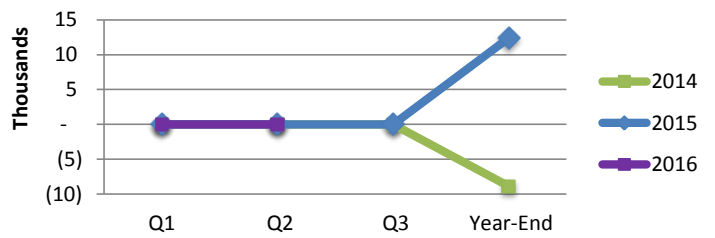
	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	-	-
Year-End (Q4)*	(8,890)	12,392	-

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

Year End Actuals vs. Year End Net Budget



Quarterly Year End Variance Projections *



Description

No significant variances projected at this time.

Summary of Description

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

Mitigating Steps

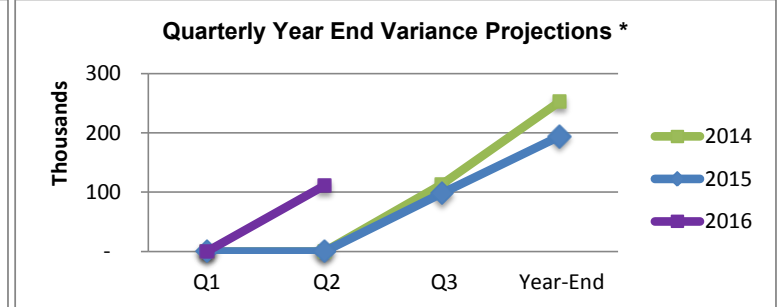
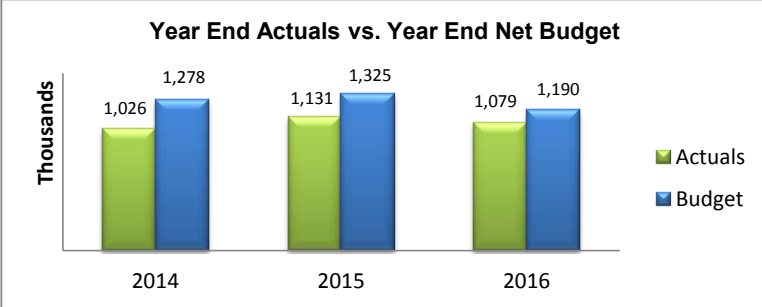
CAO'S OFFICE

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	1,278,215	1,324,528	1,190,282
Annual Net Budget	1,278,215	1,324,528	1,190,282
Annual Net Expenditures	1,025,907	1,130,614	1,079,282
Year End Variance	252,308	193,914	111,000
Variance as % of GB	19.0%	14.6%	9.3%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	111,000
Third Quarter (Q3)	113,000	98,000	
Year-End (Q4)*	252,308	193,914	

* 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 while a surplus is projected as of 2nd quarter 2016, there is a possibility that a portion of these funds may be used by year end.

Summary of Description

	Category	Amount
1. Salary Gapping	Salaries & Benefits	\$ 69,000
2. Corporate Consulting	Purchased Services	\$ 42,000
Net Year End Surplus/(Deficit)		\$ 111,000

Mitigating Steps

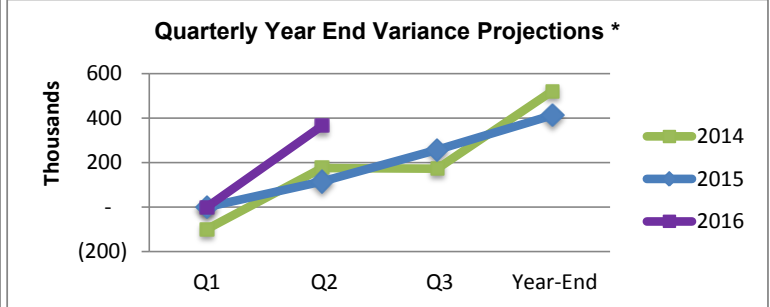
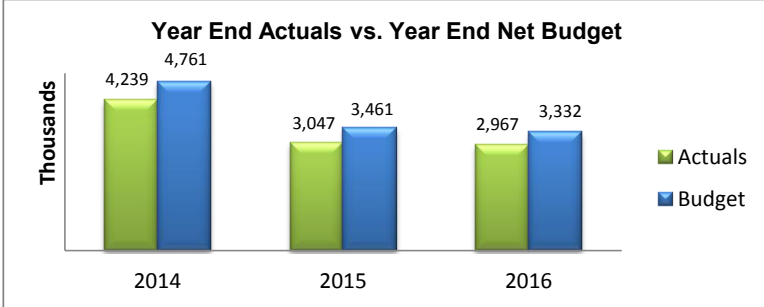
PLANNING AND BUILDING

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	9,066,109	7,777,193	8,076,714
Annual Net Budget	4,760,924	3,460,519	3,331,740
Annual Net Expenditures	4,238,847	3,047,183	2,966,740
Year End Variance	522,077	413,336	365,000
Variance as % of GB	5.8%	5.3%	4.5%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	(100,000)	-	-
Second Quarter (Q2)	175,700	115,000	365,000
Third Quarter (Q3)	173,000	257,000	-
Year-End (Q4)*	522,077	413,336	-

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



Description

Planning and Building are projecting a 2016 year end surplus of approximately \$365,000.

Salary Gapping: \$77,000

As a result of various vacancies and salary gapping year to date, the Department is projecting a total net savings in salary and benefits expenditures of \$77,000.

Revenue Surplus: \$301,000

Based on favourable revenue activity year to date in land variance and site plan control applications received, Administration is projecting a potential revenue surplus of \$301,000.

WSIB Costs: (\$13,000)

The Department continues to absorb WSIB costs for a former employee.

Summary of Description

Category	Amount
1. Staff Gapping and Vacancies	\$ 77,000
2. WSIB costs for former Planning employee	(13,000)
3. Favourable revenues in Planning area	301,000
Net Year End Surplus/(Deficit)	\$ 365,000

Mitigating Steps

The Department continually works to mitigate costs where possible in order to minimize the draw from the legislated building permit reserve. This includes looking for increased efficiencies, identifying opportunities for cost recovery, staff gapping and ongoing monitoring of miscellaneous controllable costs.

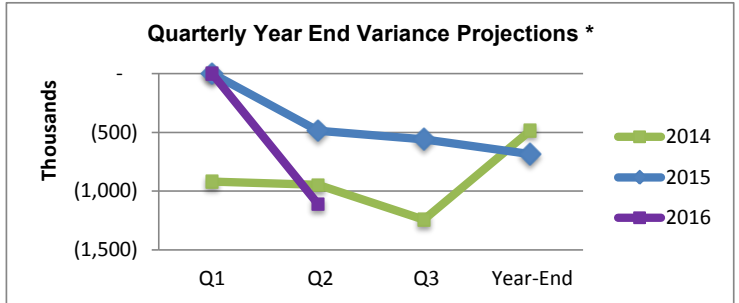
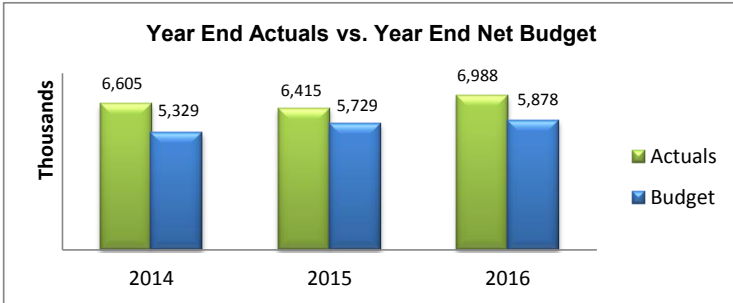
LEGAL

Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	16,491,109	16,717,256	16,960,183
Annual Net Budget	5,329,141	5,729,036	5,877,591
Annual Net Expenditures	6,605,300	6,414,772	6,987,591
Year End Variance	(1,276,159)	(685,736)	(1,110,000)
Variance as % of GB	-7.7%	-4.1%	-6.5%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(919,000)	-	-
Second Quarter (Q2)	(946,000)	(485,000)	(1,110,000)
Third Quarter (Q3)	(1,243,000)	(558,907)	-
Year-End (Q4)*	(485,000)	(685,736)	-

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



Description

Overall, the Legal Department is projecting a year end deficit of (\$1,100,000).

Salary Gapping: \$80,000

A net surplus of \$80,000 is projected in the salary accounts due to position vacancies and salary gapping.

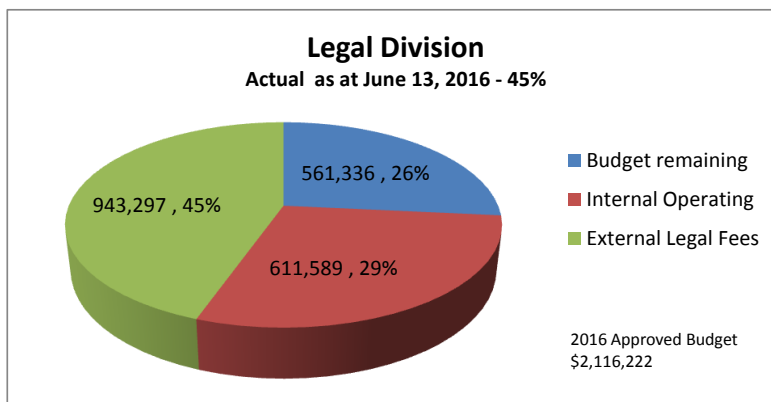
Recovery from Capital Projects: (\$40,000)

In conformity with the corporate Tangible Capital Asset Policy, Council approved a recovery of dedicated Real Estate employee's wages from capital projects on the basis of number of hours worked on each project. Due to uncertain nature of land transactions it is difficult to predict corporate land acquisitions and disposals requiring Real Estate services. As a result, a deficit of (\$40,000) in recovery is projected at this time.

Legal Services Cost: (\$1,300,000)

The external legal services account is projected to be in a deficit of approximately (\$1,300,000) at year end mainly due to costs incurred relating to the class action suit regarding Lottery Licensing fees, CTC application under IBTA (International Bridges and Tunnels Act) as well as CTC Property Standards litigation, and litigation pertaining to 2014 Elections. It should be stressed that external legal fees are very difficult to project as it is impossible to determine what actions will be brought forward against the city and which the City would then be obliged to address. The final variance may vary materially from the current projections.

Note that the Legal Department monitors all expenses and has restrained expenditures in those line items within its direct control to partially offset the largely uncontrollable expenditures for outside legal counsel. As illustrated in the graph below, year to date expenses in these line items are below the expected level at this point in the year. The department's projected deficit can therefore be seen to be driven by the largely uncontrollable costs for outside legal counsel for the reasons described above.



Provincial Offences Administration: \$150,000

The Provincial Offences (POA) Division is projecting an overall surplus of approximately \$300,000 by the end of the year. After taking into consideration the percentage allocation to the County (as per the Windsor/Essex Intermunicipal Courts Services Agreement), the NET overall surplus realized by the City is estimated to be \$150,000. Approximately \$100,000 of this surplus is due to the combined efforts of the POA staff as they continue to diligently work on collecting defaulted fines using a number of collection tools such as Garnishments, Writs of Seizure, Tax Roll, and 3rd Party Collection Agencies to name a few. Although the division will continue to aggressively collect outstanding fines, it is important to note that the overall charging volume continues to decline year over year and therefore this revenue inflow/surplus may not be sustainable into the future. The remaining \$50,000 surplus is due to salary gapping throughout the year.

Summary of Description

	Category	Amount
1. Provincial Offences Administration	Other Miscellaneous Revenue	\$ 150,000
2. Salary Gapping	Salaries & Benefits	80,000
3. Recovery from Capital Projects	Recovery of Expenditures	(40,000)
4. Legal Services Costs	Purchased Services	(1,300,000)
Net Year End Surplus/(Deficit)		<u>\$ (1,110,000)</u>

Mitigating Steps

Due to the uncertain nature of City's exposure to External Legal Fees it is difficult to identify mitigating strategies in this regard. The Legal Department continues to exercise prudent oversight with respect to the conduct of external files and the management of claims, and uses in-house resources whenever possible. The Legal Department also continues to manage internal administrative costs below budget expectations.

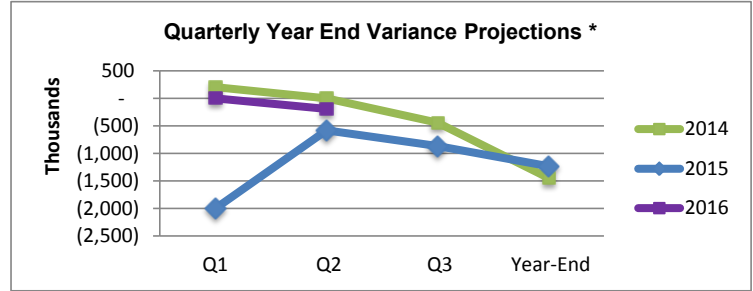
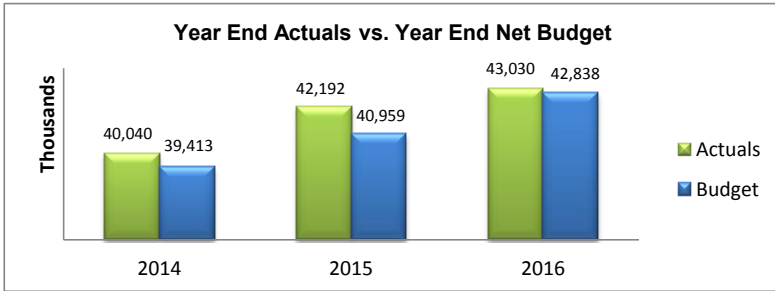
FIRE & RESCUE SERVICES

Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	40,204,700	41,737,360	43,889,767
Annual Net Budget	39,412,820	40,959,074	42,838,231
Annual Net Expenditures	40,040,283	42,192,362	43,030,231
Year End Variance	(627,463)	(1,233,288)	(192,000)
Variance as % of GB	-1.6%	-3.0%	-0.4%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	200,000	(2,000,000)	-
Second Quarter (Q2)	-	(579,908)	(192,000)
Third Quarter (Q3)	(440,000)	(864,954)	-
Year-End (Q4)*	(1,450,000)	(1,233,288)	-

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



Description

Net Salary Variance: (\$192,000)

A net deficit of (\$192,000) is projected in the net salary accounts for the Fire and Rescue department.

In the 2016 budget process, Council approved a staffing strategy which increased the staff establishment by five firefighters and the overtime budget by \$1,000,000 (Issue 2016-0015). In recognition of the traditional savings from periodic vacancies, Council also approved a salary gapping (savings) budget of \$300,000. Due to a more aggressive approach to filling positions (in an effort to reduce overtime), vacancies have been fewer in number/shorter in duration, and the budgeted level of savings is unlikely to be reached. Based on actual and anticipated vacancies through the remainder of the year, a deficit of (\$110,000) is projected in Fire Operations for year end.

Although, vacancies are less than anticipated, Fire Support Services Division currently has two vacant positions requiring current staff to fill in the work on an overtime basis. Vacant positions are not expected to be filled until early fall due to lack of qualified candidates received to date and deficit of (\$82,000) in overtime is projected at this time.

Note: In March 2016, CAO-3497 approved temporarily staffing five overcomplement firefighters resulting in a projected year end overtime surplus of \$142,000. Since the approval, three firefighters have been seconded for new recruit training, resulting in increased overtime requirements on short term basis in the Fire and Rescue division. This resulted in a decreased year end projection of overtime surplus to \$90,000. It is going to be a priority to gain the shortfall in the second part of the year once new recruits join the floor in mid June. This was not included in the Net Salary Variance above as a detailed analysis of actual savings will be reported at year end.

Summary of Description

	Category	Amount
1. Net Salary Variance	Salaries & Benefits	\$ (192,000)
Net Year End Surplus/(Deficit)		\$ (192,000)

Mitigating Steps

Mitigating measures are to expedite hiring for the vacancies within the Fire Support Services divisions.

FINANCE

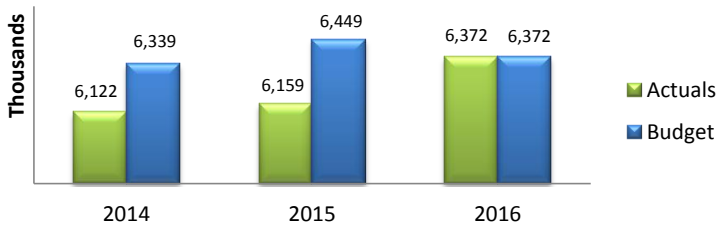
Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	8,983,862	9,208,651	9,399,649
Annual Net Budget	6,339,315	6,449,388	6,371,531
Annual Net Expenditures	6,122,385	6,158,544	6,371,531
Year End Variance	216,930	290,844	0
Variance as % of GB	2.4%	3.2%	

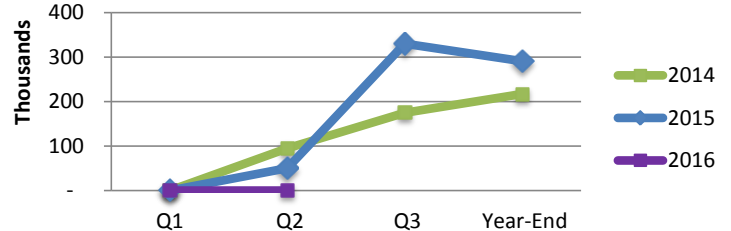
	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	95,000	50,000	-
Third Quarter (Q3)	175,000	330,000	-
Year-End (Q4)*	216,930	290,844	-

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

Year End Actuals vs. Year End Net Budget



Quarterly Year End Variance Projections *



Description

Finance is currently projecting to end the year within budget estimates with the following variances:

Salaries and Benefits:

Salaries and Benefits is currently trending towards a year-end surplus of approximately \$126,000 due primarily to the timing of recruitment and vacancies of various positions in the Finance Department.

External Revenues:

External revenues is trending towards an approximate (\$100,000) deficit in 2016. This includes a surplus of \$75,000 in Ownership Changes, a deficit of (\$100,000) in Tax Lien Registration Fees and a deficit of (\$75,000) in 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. The tax revenue budgets were based upon estimated collection activity on those accounts that have fallen into tax arrears. A general improvement in the economy, along with continued advancements whereby taxpayers are able to bring their accounts more current has resulted in fewer charges being levied.

Questica Budget Software Upgrade:

The annual maintenance cost paid to Questica (the Corporation's operating and capital budget development software) is approximately \$28,000 and is currently included in the annual operating budget. While this annual fee covers the cost of system upgrades, it does not cover the hours required to ensure the system's customizations and business rules are functioning properly. The system is currently going through a significant upgrade and will require additional resources which will cost more than the normal budgeted amount. Based on the estimated number of hours required to complete the upgrade, the estimated additional amount is approximately \$26,000. Consistent with the normal process for maintenance/upgrades, these costs will be charged to the Finance department's maintenance budget, however, will result in a budget overrun of approximately \$26,000.

Summary of Description

Category	Amount
1. Salaries & Benefits	\$ 126,000
2. External Revenues	\$ (100,000)
3. Questica Budget Software Upgrade	\$ (26,000)
Net Year End Surplus/(Deficit)	\$ -

Mitigating Steps

INFORMATION TECHNOLOGY (I.T.)

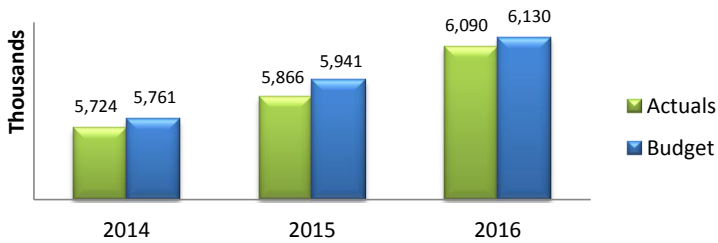
Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	7,060,481	7,227,994	7,410,626
Annual Net Budget	5,761,026	5,941,062	6,130,187
Annual Net Expenditures	5,723,784	5,866,060	6,090,187
Year End Variance	37,242	75,002	40,000
Variance as % of GB	0.5%	1.0%	0.5%

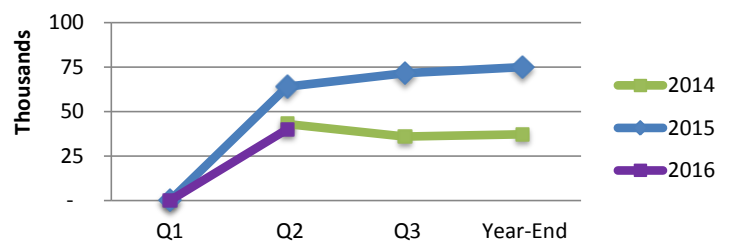
	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)		-	-
Second Quarter (Q2)	43,000	64,000	40,000
Third Quarter (Q3)	36,000	71,500	-
Year-End (Q4)*	37,242	75,002	-

* 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

Difficulty in finding experienced technical staff for temporary postings has led to various gapping of positions in several divisions in I.T. leading to an anticipated small year end surplus.

Summary of Description

	Category	Amount
1. Salary Gapping	Salaries & Benefits	\$ 40,000
		-
		-
Net Year End Surplus/(Deficit)		\$ 40,000

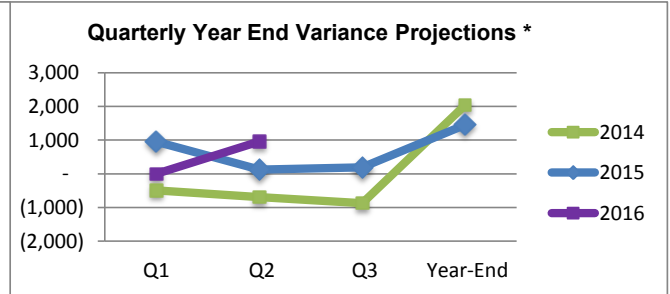
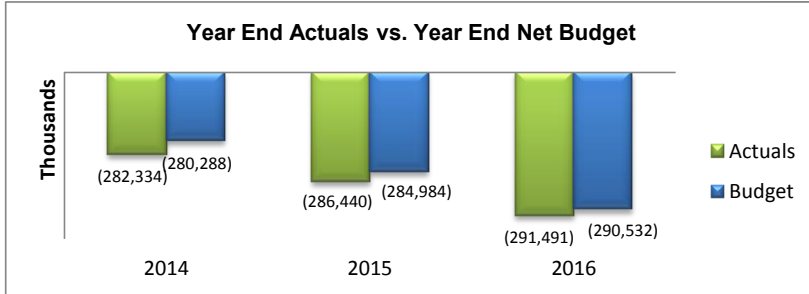
Mitigating Steps

CORPORATE FINANCIAL ACCOUNTS

<u>Financial Summary</u>	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	167,664,777	165,537,668	163,012,691
Annual Net Budget	(280,288,197)	(284,983,761)	(290,532,104)
Annual Net Expenditures	(282,333,883)	(286,439,799)	(291,490,688)
Year End Variance	2,045,686	1,456,038	958,584
Variance as % of GB	1.2%	0.9%	0.6%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(495,000)	955,000	-
Second Quarter (Q2)	(695,000)	120,800	958,584
Third Quarter (Q3)	(875,000)	193,300	-
Year-End (Q4)*	2,045,686	1,456,038	-

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



Description

The Corporate Financial Accounts / Utilities are currently projecting a year-end as outlined below.

Corporate Provision for JJE Retro, Unanticipated WSIB costs, NU Overtime and General Contingency Provision: \$1,245,000

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 \$290,000. 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.

Sewer Surcharge Recovery: (\$59,416)

Due to the early timing of a getting an approved 2016 budget, the sewer surcharge recovery was later found to be lower than the original preliminary projections, creating a deficit of approximately (\$59,416)

MPAC: \$38,000

The Municipality is mandated to use the Municipal Property Assessment Corporation (MPAC) for its assessment services. The total 2016 MPAC requirement is lower than what was originally projected, and therefore, a surplus of approximately \$38,000 is expected.

Penalty and Interest on Taxes: (\$495,000)

A downward trend of the property taxes in arrears as a result of enhanced collection efforts and an improved economy will result in a projected deficit of approximately (\$495,000) in the Penalty and Interest on Taxes.

Sick Leave Gratuity: (\$380,000)

It is projected that Sick Leave Gratuity will end the year with a deficit of (\$380,000). This account is difficult to predict, as the timing of retirements is uncertain. Although this amount cannot be accurately calculated at this time, there is a risk that this variance could significantly change by the end of the year.

Net Interest on Investments: \$200,000

Higher than anticipated reserves and working capital balances is projected to generate additional interest income. This surplus projection of \$475,000 will be offset by the additional payment to reserves of (\$275,000).

Hydro (\$250,000)

Consumption data indicates a decrease of 2.5 % however overall there is a 17.8% increase in corresponding costs. Costs increase are primarily a result of the Global Adjustment (GA) which has increased 56 % from January to May 2016 compared to the same period last year. This has resulted in a price increase (global adjustment plus monthly average electricity price) of 19.7 % compared to 2015. This has resulted in a year to date cost per kWh increase of 8.1% Projecting quarterly energy variances is always a challenge given the ongoing monthly price fluctuations that occur in the energy marketplace. The Independent Electricity Service Operator (IESO) sets the GA. GA is the difference between the total payments made to certain contracted or regulated suppliers of electricity and conservation programs/services and any offsetting revenues they receive from sales to customers. The wholesale price of electricity plus the GA equals the commodity price of electricity. The charts below clearly show the fluctuations as well as the increases in costs from August 2009 to May 2016. Based on the information available (from January to April) a budget deficit of (\$250,000) is being projected to year end. Continued monitoring of consumption and pricing will assist in determining the 3rd quarter variance projections, bearing in mind that climate conditions and pricing are influencing factors. Efforts to reduce consumption are critical to being able to offset as much of these variables as possible, and continues to be a focus of the Corporate Energy Initiatives Division of Finance.

Natural Gas \$670,000

Natural gas prices are continuing to trend downward as indicated in the chart below which demonstrates the price trend (in USD) from May 2014 to May 2016. Milder winter/spring weather conditions have contributed to a consumption reduction of 13.3 % and a corresponding costs decrease of 23.7%. In addition \$150,000 was allocated in the 2016 natural gas budget to account for the increase costs associated with the implementation of the combined heat and power systems at the WFCU Center and Huron Lodge. Both of these projects will be commissioned in 2017. Based on the information available (from January to April) a budget surplus of \$670,000 is being projected to year end.

Water \$20,000

Consumption indicates an increase of 7.6 % and a corresponding cost increase of 8.7 %. Based on the information available (from January to April) a budget surplus of \$20,000 is being projected to year end.

District Energy (\$30,000)

The available data is indicative of only the first 2-3 months of 2016 consumption which is trending 2 % lower than the comparable period in 2015. Based on the information available (from January to February/March) a budget deficit of \$30,000 is being projected to year end.

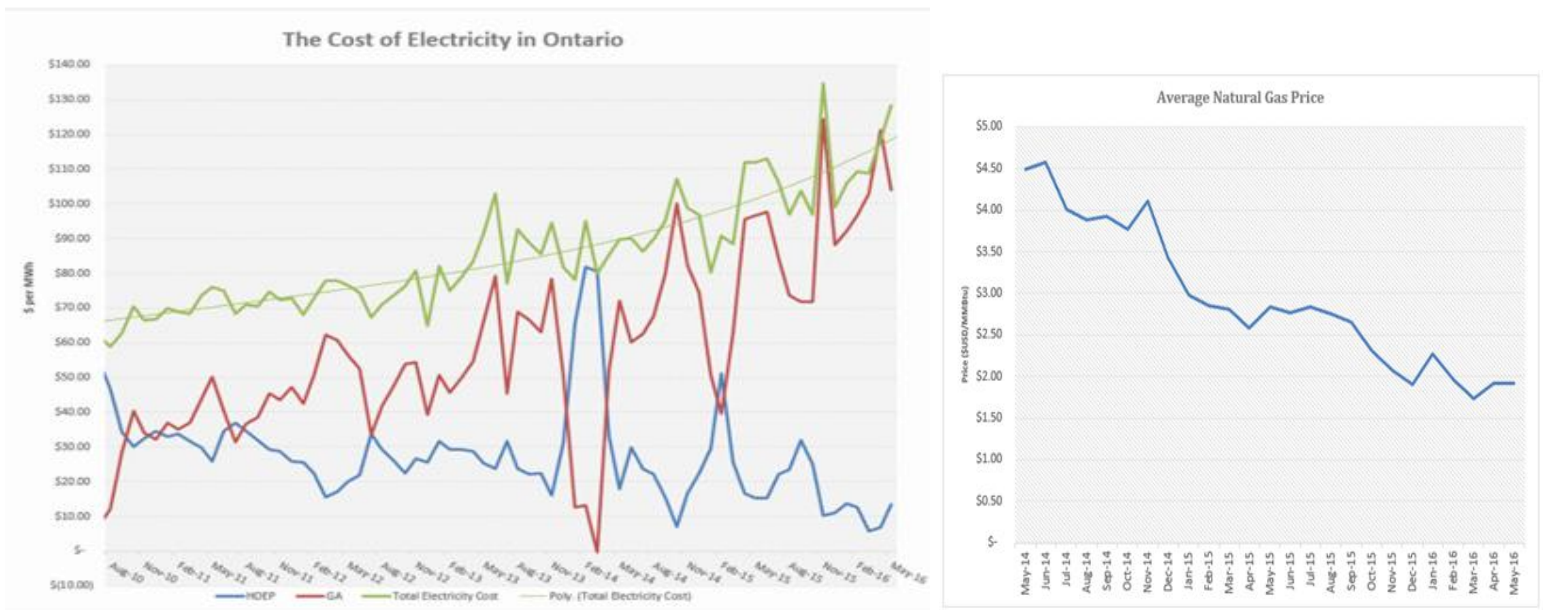


Figure 5 - The graph above shows the changes in cost of electricity in Ontario.

Summary of Description

	Category	Amount
<i>Corporate Financial Accounts</i>		
1. Corporate Salary Provisions	Salaries & Benefits	\$ 1,245,000
2. Sewer Surcharge Recovery	Transfers from Other Funds	(59,416)
3. MPAC Requirement	Financial Expenses	38,000
5. Penalty and Interest on Taxes	Taxes - Municipal	(495,000)
4. Sick Leave Gratuity	Salaries & Benefits	(380,000)
8. Interest earned on Investments	Investment Income & Dividends	475,000
6. Interest paid to Reserves	Investment Income & Dividends	(275,000)
Total Corporate Financial Accounts		<u>\$ 548,584</u>
<i>Corporate Utilities</i>		
9. Natural Gas	Utilities, Insurance & Taxes	\$ 670,000
10. Water	Utilities, Insurance & Taxes	20,000
11. District Energy	Utilities, Insurance & Taxes	(30,000)
12. Hydro	Utilities, Insurance & Taxes	(250,000)
Total Corporate Utilities		<u>\$ 410,000</u>
Net Year End Surplus/(Deficit)		<u><u>\$ 958,584</u></u>

Mitigating Steps

COUNCIL SERVICES

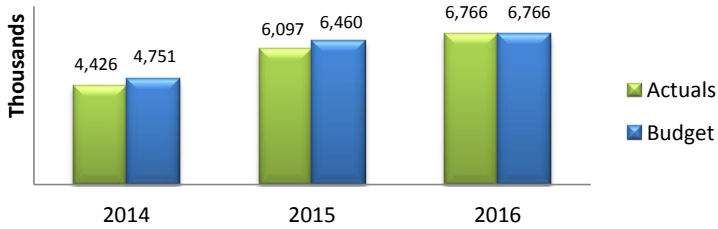
Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	8,376,364	9,749,863	9,853,887
Annual Net Budget	4,750,771	6,459,565	6,765,674
Annual Net Expenditures	4,426,171	6,097,230	6,765,674
Year End Variance	324,600	362,335	0
Variance as % of GB	3.9%	3.7%	

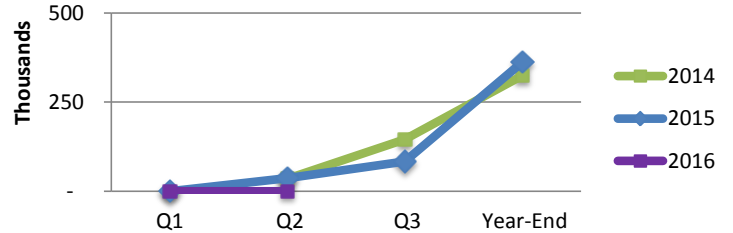
	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)		-	-
Second Quarter (Q2)	35,000	37,000	-
Third Quarter (Q3)	145,000	83,600	-
Year-End (Q4)*	324,600	362,335	-

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

Year End Actuals vs. Year End Net Budget



Quarterly Year End Variance Projections *



Description

No significant variances projected at this time.

Summary of Description

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

Mitigating Steps

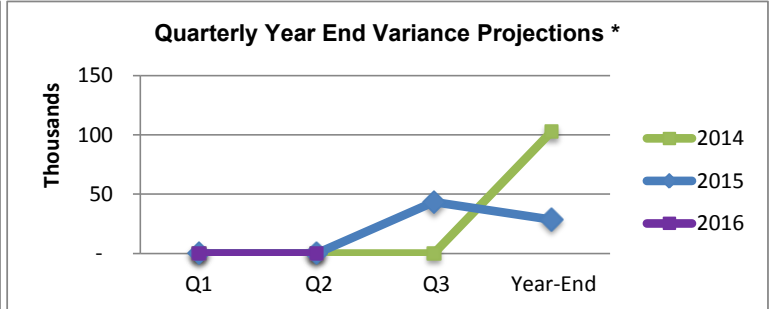
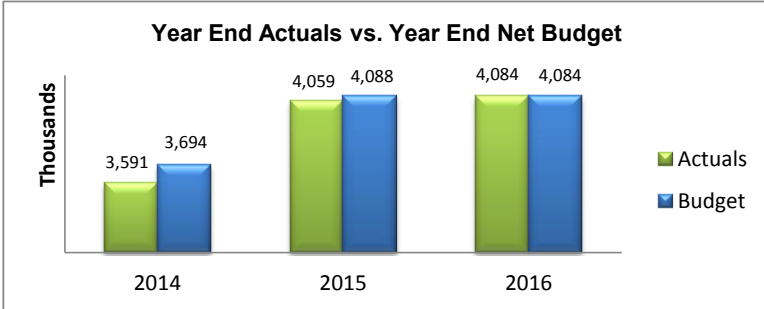
HUMAN RESOURCES

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	3,929,384	4,362,579	4,378,200
Annual Net Budget	3,693,810	4,087,607	4,084,062
Annual Net Expenditures	3,591,182	4,059,184	4,084,062
Year End Variance	102,628	28,423	0
Variance as % of GB	2.6%	0.7%	

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	-	-
Third Quarter (Q3)	-	43,300	-
Year-End (Q4)*	102,628	28,423	-

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



Description

No significant variances projected at this time.

Summary of Description

1. Projected to end the year within budget estimates

Category

Amount

\$ -

Net Year End Surplus/(Deficit)

\$ -

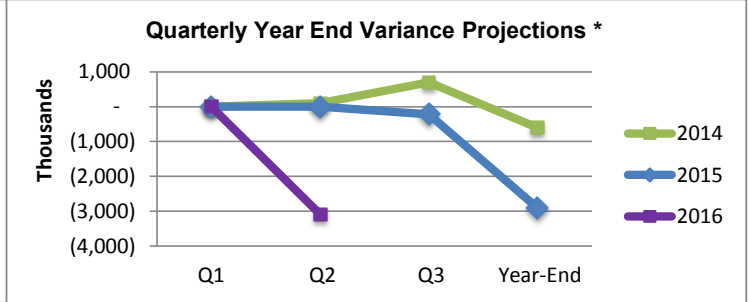
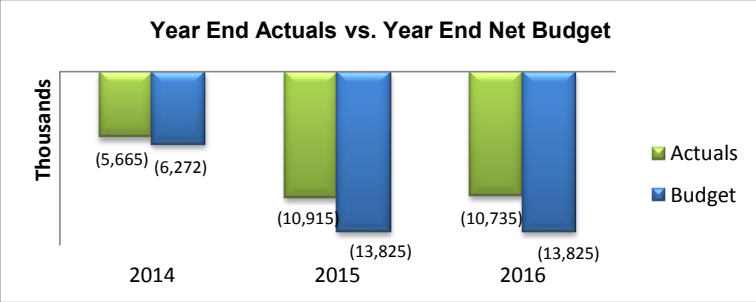
Mitigating Steps

CORPORATE HUMAN RESOURCE ACCOUNTS

<u>Financial Summary</u>	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	40,911,821	47,145,000	47,145,000
Annual Net Budget	(6,272,470)	(13,825,349)	(13,825,349)
Annual Net Expenditures	(5,664,751)	(10,914,883)	(10,735,149)
Year End Variance	(607,719)	(2,910,466)	(3,090,200)
Variance as % of GB	-1.5%	-6.2%	-6.6%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	100,000	-	(3,090,200)
Third Quarter (Q3)	704,000	(222,000)	-
Year-End (Q4)*	(607,719)	(2,910,466)	-

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



Description

The Corporate Human Resources accounts are projecting a year end deficit of (\$90,200) specifically related to Transit Windsor claims, as noted below as it relates to Transit Windsor's deficit in their Long Term and Short Term disability claims. .

Fringe Benefit Recovery

The Fringe Benefit Recovery account is projected to end the year with a deficit of (\$3,000,000) and is offset by the cumulative surpluses in the fringe benefit allocation accounts in the operating departments.

Long Term Disability Program

An overall surplus of \$73,400 is projected for the long term disability program. Specifically this represents a \$197,900 surplus for the Corporate employees and a (\$124,500) deficit for the Transit Windsor employee group. The expenses that flow through this program are based on current claim activity.

Short Term Disability Program

Green Shield Program

Based on the number of actual claims filed with Green Shield by employees to May 31, there is currently a deficit of (\$97,490) in the account primarily due to high travel claims that are typical for the March to May period and the impact of the CDN/US exchange rate from these travel claims. Green Shield sends a monthly surplus/deficit financial position based on the program usage, the balance fluctuates and is closely monitored throughout the year. We are not projecting a year end variance at this time.

The Fringe Rate Stabilization Reserve Fund balance as of May 31 is \$4,618,967.29

Summary of Description

Category	Amount
1. Fringe Benefit Recovery	\$ (3,000,000)
2. Long Term Disability	\$ 73,400
3. Short Term Disability	\$ (163,600)

Net Year End Surplus/(Deficit)

\$ (3,090,200)

Mitigating Steps

The Corporate Human Resource accounts are monitored diligently on a monthly basis by Administration with the assistance of Disability Management Specialists that are actively working on claims both with employees and the impacted Departments.

WINDSOR PUBLIC LIBRARY

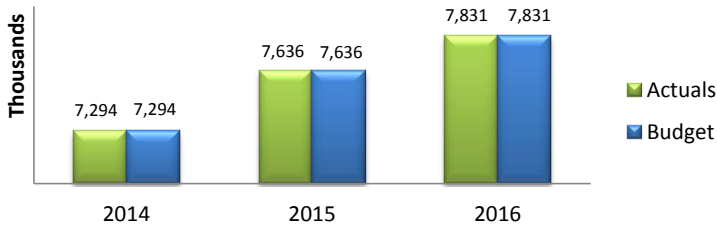
Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	7,293,932	8,592,291	8,847,365
Annual Net Budget	7,293,932	7,636,182	7,831,216
Annual Net Expenditures	7,293,932	7,636,182	7,831,216
Year End Variance	0	0	0
Variance as % of GB			

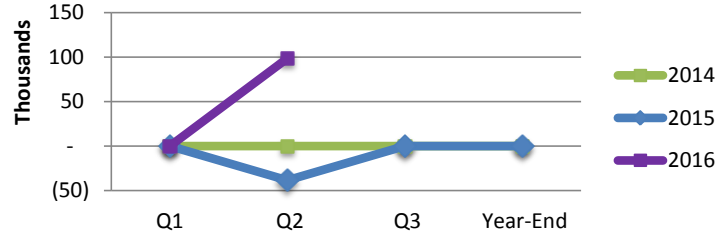
	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	-	(38,700)	98,503
Third Quarter (Q3)	-	-	-
Year-End (Q4)*	-	-	-

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

Year End Actuals vs. Year End Net Budget



Quarterly Year End Variance Projections *



Description

Staff Gapping \$182,012

Some budgeted positions have not been filled, leading to a surplus in salaries and benefits. Administration is working to fill these vacancies.

Chiller for 850 Ouellette (\$39,509)

Unanticipated and unbudgeted repairs were required for the chiller at the WPL's main branch at 850 Ouellette Avenue.

US Exchange for Book Purchases

A significant portion of the WPL's book acquisitions are in US dollars. Recent currency fluctuations have resulted in a projected deficit of (\$44,000) as a result..

WPL Financial Reporting

It should be noted that the WPL's final financial position at the end of each fiscal year is not added together with all other City departments to calculate the final City surplus/deficit. Although the WPL's financial statements are consolidated with the City's, the WPL, as per the *Libraries Act*, is a stand alone entity with its own audited financial statements, which includes an accumulated surplus or deficit. Although the City provides the WPL with operational support consistent with other departments, the projected surplus of \$98,503 will not contribute to the overall projected position of the City at year end.

Summary of Description

	Category	Amount
1. Staff gapping	Salaries & Benefits	\$ 182,012
2. Chiller for 850 Ouellette	Operating & Maintenance Supplies	\$ (39,509)
3. US Exchange for Book Purchases	Financial Expenses	\$ (44,000)
Net Year End Surplus/(Deficit)		\$ 98,503

Mitigating Steps

N/A.

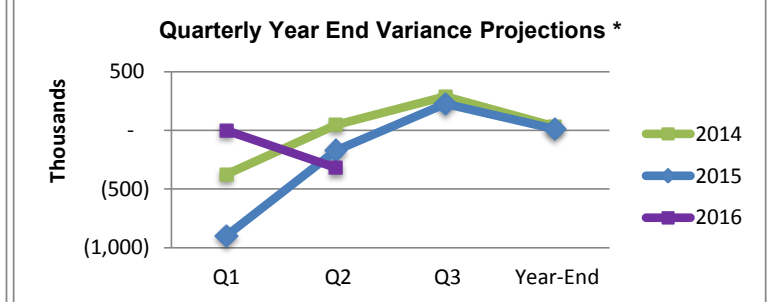
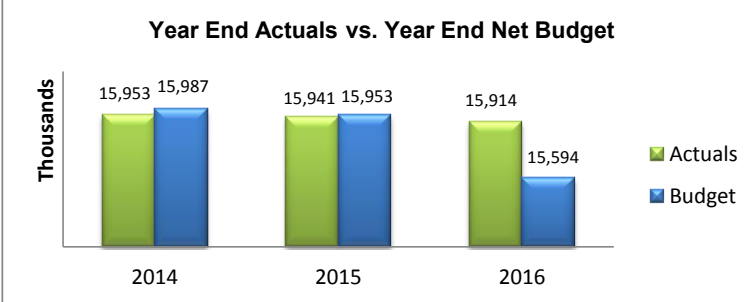
ENGINEERING

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	49,597,759	50,809,340	51,247,044
Annual Net Budget	15,987,067	15,952,892	15,594,102
Annual Net Expenditures	15,952,739	15,940,562	15,914,102
Year End Variance	34,328	12,330	(320,000)
Variance as % of GB	0.1%	0.0%	-0.6%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	(377,000)	(900,000)	-
Second Quarter (Q2)	48,000	(171,600)	(320,000)
Third Quarter (Q3)	288,500	227,700	-
Year-End (Q4)*	34,328	12,330	-

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



Description

The Engineering department is anticipating a net deficit of approximately (\$320,000), and is detailed by division below.

The Development, Projects & ROW division is expecting a net deficit of (\$119,400).

User Fees / Permits: Deficit of (\$100,800)

As approved via CR109-2016, 2016 outdoor cafe fees were reduced to \$0.50 per square foot. This will result in a budgeted deficit of approximately (\$78,600). Additionally, hoarding fees for the Paul Martin building will not be charged this year, contributing a further (\$53,600) deficit. A small surplus of \$31,400 in permit and user fee revenues partially offsets the deficit.

Salaries / Benefits: Deficit of (\$30,000)

Increases in License and Permit activity and a backlog of encroachments have resulted in an increased workload in the Development and ROW area, requiring temporary staff to manage the backlog and resulting in a projected deficit of (\$125,900). A budget carry forward in the amount of \$168,372 was approved as part of the 2016 Operating Budget and offsets this variance. Additionally, an ongoing heavy workload in the Projects area required the hiring of a temporary Project Administrator and is anticipated to contribute a deficit of (\$119,500). This deficit is largely due to work assignments that are non-recoverable, such as the Herb Gray Parkway. A partially offsetting surplus of \$47,028 is anticipated due to salary gapping as well as the addition of new employees who are paid at lower pay bands.

Miscellaneous: Surplus of \$11,400

Miscellaneous line item variances, totalling \$11,400, partially offset the various deficits detailed above.

The Infrastructure & Geomatics division is projecting a deficit of (\$500,600).

Utilities - Deficit of (\$423,900)

Original budget projections assumed that the Citywide LED Streetlights project would be complete for the start of 2016. The project, however, is currently not scheduled for completion until year end. Projections of the resulting savings based on this timing have resulted in an anticipated deficit of (\$1,536,400) in energy costs. Additionally, fixed maintenance costs are expected to be (\$305,300) higher than expected. A small deficit of (\$4,900) is anticipated in variable maintenance costs. However, due to the delay in the project, no capital contributions to the project will be made in 2016, resulting in a partial offset of \$1,422,700.

Salaries and Benefits / Recoveries - Deficit of (\$52,700)

To accommodate a heavy workload in the Infrastructure area, a temporary Technologist III was hired for a one-year period in 2015 and is expected to contribute (\$82,100) to the 2016 deficit. Additionally, an extra co-op student was hired for the summer term to assist with Local Improvement projects and will contribute a further (\$10,000) to the deficit. Both of these positions are partially recoverable from capital projects and are anticipated to contribute to a \$50,000 surplus in recoveries. Miscellaneous deficits totalling (\$10,600) make up the balance.

Miscellaneous – Deficit of (\$24,000)

Miscellaneous line item variances contributed a further (\$24,000) to the deficit.

The Facilities division is expecting a surplus of \$300,000.

The department is closely monitoring the different components that can affect their budget. However, as with any building, an unexpected breakdown or unavoidable repair or maintenance could result in unexpected costs impacting the budget.

Facility Operations Wages: \$300,000

A surplus is projected in the Facility Operations expenditures due to six vacant positions.

Summary of Description

	Category	Amount
<i>Development, Projects & Right of Way</i>		
1. User Fees / Permits	User Fees, Permits & Charges	\$ (100,800)
2. Salaries / Benefits	Salaries & Benefits	(30,000)
3. Miscellaneous	Other Miscellaneous Revenue	11,400
<i>Total Development, Projects & Right of Way</i>		<u>(119,400)</u>
<i>Infrastructure & Geomatics</i>		
4. Utilities (Streetlights)	Utilities, Insurance & Taxes	\$ (423,900)
5. Salaries and Benefits / Recoveries	Salaries & Benefits	\$ (52,700)
6. Miscellaneous	Other Miscellaneous Expenditures	\$ (24,000)
<i>Total Infrastructure & Geomatics</i>		<u>(500,600)</u>
<i>Facility Operations</i>		
7. Salaries / Benefits	Salaries & Benefits	\$ 300,000
<i>Total Facility Operations</i>		<u>300,000</u>
Net Year End Surplus/(Deficit)		<u>\$ (320,000)</u>

Mitigating Steps

The department will continue to monitor expenses closely, however, the deficits in the area are largely caused by factors beyond the department's control.

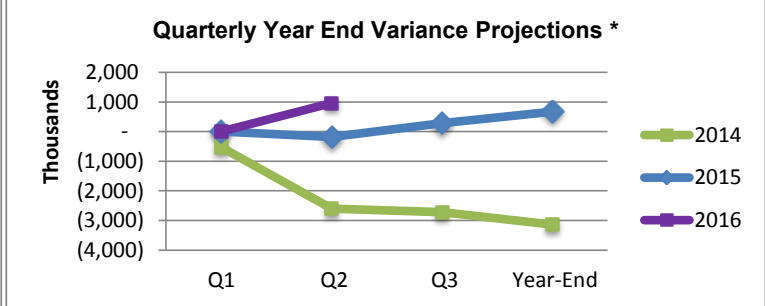
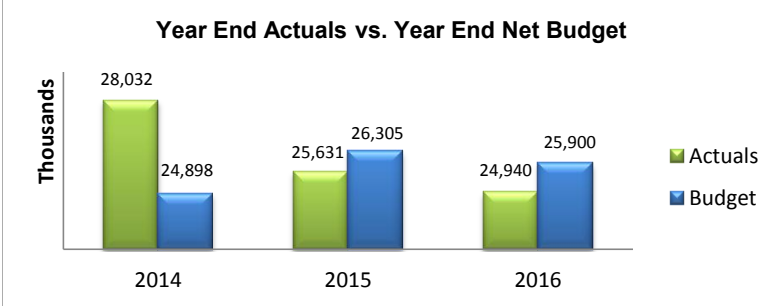
PUBLIC WORKS OPERATIONS

Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	48,347,911	51,717,543	51,713,792
Annual Net Budget	24,898,054	26,304,727	25,900,040
Annual Net Expenditures	28,031,789	25,631,026	24,940,040
Year End Variance	(3,137,425)	673,701	960,000
Variance as % of GB	-6.5%	1.3%	1.9%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(530,000)	-	-
Second Quarter (Q2)	(2,604,000)	(181,800)	960,000
Third Quarter (Q3)	(2,724,500)	285,500	-
Year-End (Q4)*	(3,137,425)	673,701	-

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



Description

The PW Operations Department is projecting an overall surplus of \$960,000 at year-end 2016. The main drivers of the projection are outlined below.

Winter Control: \$500,000

A projected overall surplus of \$500,000 is expected for 2016 related to the winter control service due to milder than average winter conditions during the first quarter of 2016. It should be noted, if severe winter weather conditions are experienced in the latter part of 2016, higher than average expenses will be realized thus reducing or eliminating this winter control surplus.

Parking Enforcement: \$250,000

An overall surplus of \$250,000 is expected related to overall parking ticket revenue for 2016 as a result of the implementation of the Administrative Penalty System (AMPS) in late 2014. There has been a significant increase in the monthly revenue as a result of this new AMP system as anticipated. A 2017 budget adjustment will be submitted for Council consideration during the Operating Budget Development considering the full year plus of fee collection history Administration now has.

Salary and Wage: \$240,000

A projected overall surplus of \$240,000 is expected in 2016 related to salary, wage, and fringe. Surpluses related to salary and wage gapping due to a number of vacancies across the department resulting from retirements, long term disability, unpaid leaves, and staff appointments into new positions will be offset with deficits related to an unbudgeted position being filled resulting from an arbitration decision and the transfer of sewer surcharge funded positions to levy funded operations to provide modified work where required..

Fuel: \$100,000

A projected surplus of \$100,000 related to fuel pricing is expected for 2016 due to lower than anticipated fuel pricing for the year to date as at May 31st for all fuel types.

Leachate Treatment Costs: \$70,000

A projected surplus of \$70,000 related to leachate costs at Landfill #3 is expected for 2016 due to lower than anticipated costs.

Revenue: (\$50,000)

A projected deficit of (\$50,000) is expected related to recoverable work revenue in the ROW Maintenance Division due to required adjustments charged back to the department for unrecoverable work.

Clean the City: (\$150,000)

A deficit of (\$150,000) is expected for 2016 related to the Clean the City initiative. Costs of \$150,000 are expected to materialize related to external contractor costs for annual cleanup and maintenance of the City's gateways.

Summary of Description

	Category	Amount
1. Winter Control	Purchased Services	\$ 500,000
2. Parking Ticket Revenue	User Fees, Permits & Charges	250,000
3. Salary and Wage Gapping	Salaries & Benefits	240,000
4. Fuel	Operating & Maintenance Supplies	100,000
5. Leachate Treatment Costs	Other Miscellaneous Expenditures	70,000
6. Unrecoverable Work	Recovery of Expenditures	(50,000)
7. Clean the City	Purchased Services	(150,000)
Net Year End Surplus/(Deficit)		<u>\$ 960,000</u>

Mitigating Steps

The overall departmental surplus for the year will be used to offset deficits as required. Budget adjustments during 2017 budget development will be brought forward to Council as required for the items with anticipated ongoing variances.

PARKS

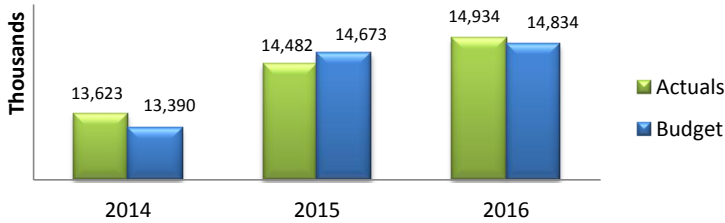
Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	14,267,922	15,867,349	16,373,301
Annual Net Budget	13,389,754	14,673,011	14,833,635
Annual Net Expenditures	13,622,563	14,481,668	14,933,635
Year End Variance	(232,809)	191,343	(100,000)
Variance as % of GB	-1.5%	1.2%	-0.6%

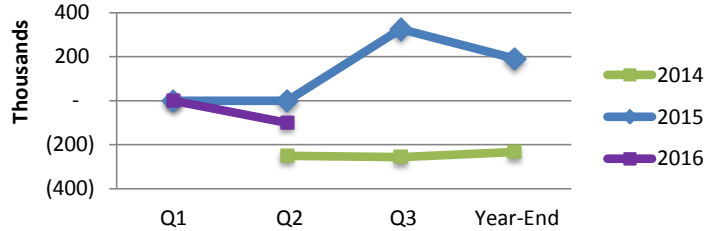
	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)		-	-
Second Quarter (Q2)	(250,000)	-	(100,000)
Third Quarter (Q3)	(256,500)	325,000	-
Year-End (Q4)*	(232,809)	191,343	-

* 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 Parks Division is projecting a deficit of (\$100,000) at year end that could be eliminated with reduced student labour (not recommended).

There is a projected deficit of (\$300,000) for Student and Seasonal wages, which will be significantly offset by a corresponding \$200,000 surplus in both Non-Union and L82 wages due to open positions in various areas of the Parks Department. The department is projecting to receive a large portion of the funds set aside for the Community Living initiative, of which Parks has played an active role, employing 6 staff. Students are hired with the expectation that there will be numerous "rain days" which result in students not working or being sent home early. There has been no rain days to date and the department realizes this will affect their budget. The Ojibway Nature Centre has had a Wildlife & Visitor Coordinator position unfilled since January and hopes to fill this position in September. In addition to this position, Forestry has a Forester II on LTD which is not expected to return before the end of the year. Forestry has an additional Forester II position where a L82 employee moved to Public Works in January and was confirmed in late June. The department expects to fill this position by end of July.

Parks is projecting a (\$110,000) revenue shortfall due to the light Winter months. There was a significant reduction in winter call-outs which has affected the department Winter Control recoveries. Because there were few winter incidents, the Overtime budget is projected to be in a surplus of \$110,000 at the end of the year, fully offsetting the revenue shortfall.

While it can be difficult to quantify at this time of the year, there are potential risk issues that arise primarily in the summer months, as this is Parks' busiest time of year. Heavy storms in the area, overly wet weather, heavy graffiti and vandalism as well as unforeseeable requests and special events can significantly affect the demands of Parks' work plans and budget dollars. In addition, there is a risk of further impacts based on weather conditions experienced during the later months of the year.

As noted above, due to the lack of rainfall in the early portion of this summer, the number of days on which Parks management has sent students home for the day has been dramatically reduced. Consequently, the department will reach its budget for student labour far earlier than normal. **Under normal circumstances**, once the student labour budget is exhausted, students are no longer deployed for the remainder of the season. The absence of student labour in the City's parks for such a large portion of the summer season would put service levels at risk. **In order to continue to realize the benefit of student labour in maintaining high service levels in the City's parks consistent with the public's expectations, and in consideration of the City's generally positive current overall budget variance projections (outlined in this report), it is recommended that the Parks Department continue to utilize student labour through to the end of the summer season. This will result in a projected departmental deficit of (\$100,000).**

Summary of Description

	Category	Amount
1. Student wages	Salaries & Benefits	\$ (300,000)
2. Full-Time wage gapping	Salaries & Benefits	\$ 200,000
3. Community Living Subsidies	Grants & Subsidies	\$ 100,000
4. Winter Control Recoveries	Recovery of Expenditures	\$ (110,000)
5. Overtime	Salaries & Benefits	\$ 110,000
6. Additional student labour	Salaries & Benefits	\$ (100,000)
Net Year End Surplus/(Deficit)		<u>\$ (100,000)</u>

Mitigating Steps

The department will continue to monitor the budget variance and take reasonable steps to reduce/eliminate variances while minimizing any negative impact on services.

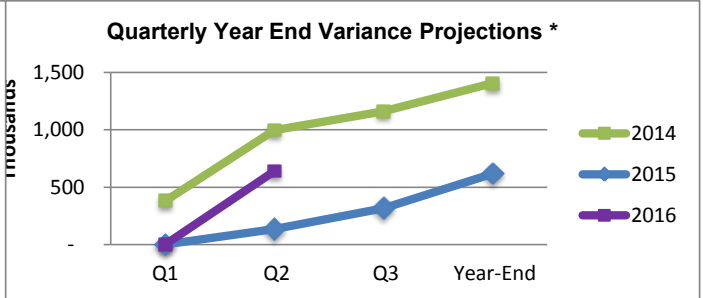
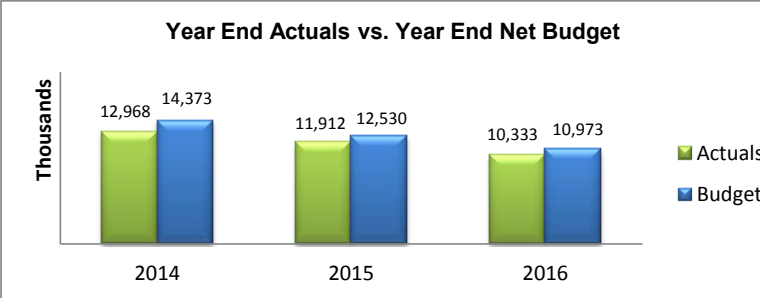
EMPLOYMENT & SOCIAL SERVICES

Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	117,277,254	115,590,470	119,968,687
Annual Net Budget	14,373,133	12,529,848	10,972,614
Annual Net Expenditures	12,967,616	11,911,553	10,332,614
Year End Variance	1,405,517	618,295	640,000
Variance as % of GB	1.2%	0.5%	0.5%

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	380,000	-	-
Second Quarter (Q2)	997,000	135,000	640,000
Third Quarter (Q3)	1,162,000	316,000	-
Year-End (Q4)*	1,405,517	618,295	-

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



Description

As of May 31st 2016, the Employment and Social Services Department has ended the year with a net city of \$640,000.

Community Development and Health Office - \$0

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

Ontario Works Program Delivery: \$500,000

OW Program Delivery is projected to end the year with a net city surplus of \$500,000, which comprises of the following:

A projected savings of \$110,000 is expected in salaries and benefits accounts mainly due to gapping. Additional staff to address the backlog of work associated with SAMS is in the process of being recruited. The cost of these additional resources has been factored into this variance projection. Any time lag in getting staff in place may result in a higher year end surplus.

A projected savings of \$80,000 in other miscellaneous expenses is mainly attributed to lower than expected operational costs such as postage, program supplies, and promotional material, etc.

A net city surplus of \$310,000 is projected for Employment related expenses are attributed to lower caseloads than budgeted.

OW Financial Assistance: 100,000

The subsidy claims process using SAMS technology has been delayed by the Province until the back-end financials are tested and validated. Based on 2016 expenditure reports received up to the end of May, a net City surplus of \$100,000 is being projected due to lower than budgeted caseloads. It is cautioned that expenditure reports have not been reconciled, and subsidy claims for provincial reimbursement have not been submitted since system implementation in November 2014. If SAMS reports are reconciled in the current year, there is the risk that the estimates used could result in the variance projection being over or understated.

100% Municipal Assistance: \$40,000

A projected net City surplus of approx \$40,000 is largely attributed to enhanced recovery process undertaken by the department in the funeral and burial recoveries

<u>Summary of Description</u>	Category	Amount
<i>Ontario Works Program Delivery</i>		
1. Salaries & Benefits	Salaries & Benefits	\$ 110,000
2. Other Miscellaneous	Other Miscellaneous Expenditures	80,000
3. Employment Related Expenses	Purchased Services	310,000
		<hr/>
<i>Total Ontario Works Program Delivery</i>		\$ 500,000
<i>Financial Assistance</i>		
4. OW Financial Assistance	Grants & Subsidies	\$ 100,000
5. 100% Municipal Assistance	Purchased Services	40,000
		<hr/>
<i>Total Financial Assistance</i>		\$ 140,000
		<hr/>
Net Year End Surplus/(Deficit)		\$ 640,000
		<hr/> <hr/>

Mitigating Steps

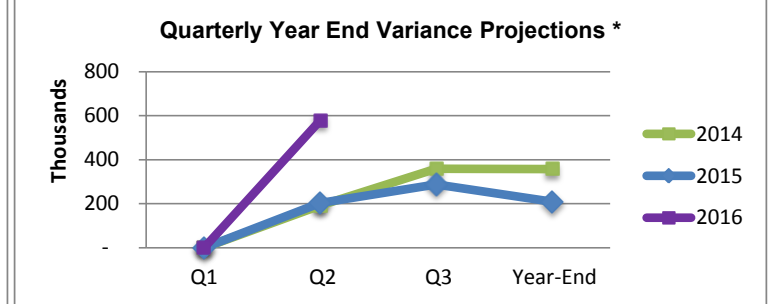
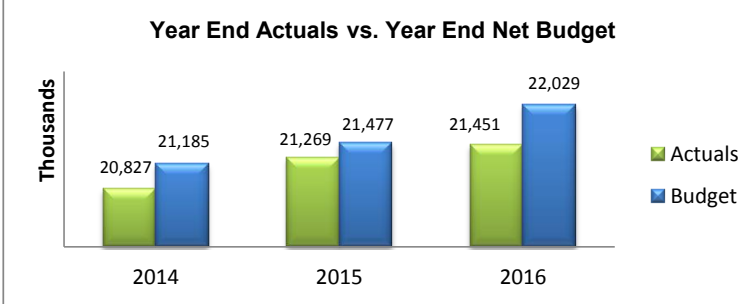
HOUSING & CHILDREN SERVICES

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	87,388,448	95,411,337	95,986,699
Annual Net Budget	21,184,758	21,477,255	22,029,359
Annual Net Expenditures	20,826,858	21,268,724	21,451,359
Year End Variance	357,900	208,531	578,000
Variance as % of GB	0.4%	0.2%	0.6%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	191,000	203,900	578,000
Third Quarter (Q3)	359,000	287,900	-
Year-End (Q4)*	357,900	208,531	-

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



Description

A net City surplus of \$578,000 is being projected for both Housing and Children Services and Windsor Essex Community Housing Corporation (WECHC) combined, detailed as follows:

Housing and Children Services Surplus: \$165,000

Housing Services is projecting a net city surplus of \$165,000. This surplus is comprised of \$144,000 (net city) due to lower mandated subsidy payments required by service providers, as well as the reconciliation of service provider 2015 fiscal year-end reports. In addition, a surplus of \$21,000 is expected as the final 2016 County weighted assessment rate has resulted in higher County revenue than budgeted.

WECHC Surplus: \$413,000

A \$375,000 (net City) surplus is projected for Windsor Essex Community Housing Corporation (CHC) in relation to the in-year reconciliation of their 2015 year-end reports. In addition, a year end surplus of \$38,000 is projected as the final 2016 County weighted assessment rate has resulted in higher County revenue than budgeted.

The overall projected surplus for Housing Services and WECHC may vary if there are any unexpected variances associated with the in-year reconciliations of service provider fiscal year end reports or if any emergency one time expenditures arise during the last half of the year.

Summary of Description

	Category	Amount
<i>Housing and Children Services</i>		
1. Housing Subsidy Surplus	Grants & Subsidies	\$ 144,000
2. County Revenue	Other Miscellaneous Revenue	\$ 21,000
Total Housing and Children Services		\$ 165,000
<i>Windsor Essex Community Housing Corporation</i>		
3. WECHC Year End Reconciliations	Grants & Subsidies	\$ 375,000
4. County Revenue	Other Miscellaneous Revenue	\$ 38,000
Total Windsor Essex Community Housing Corporation		\$ 413,000
Net Year End Surplus/(Deficit)		\$ 578,000

Mitigating Steps

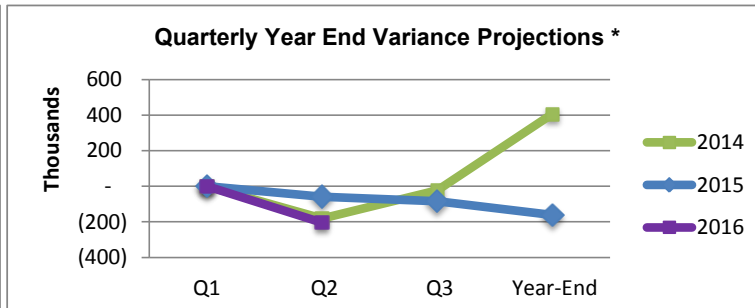
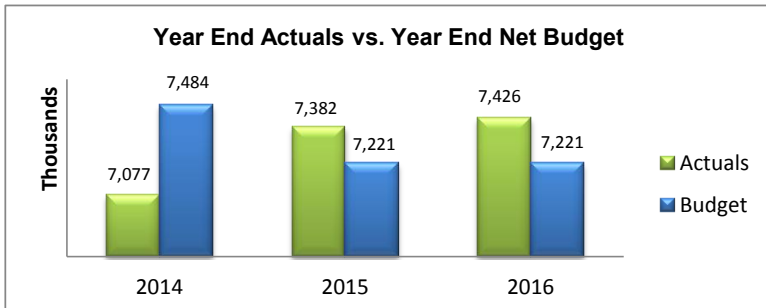
HURON LODGE

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	21,876,229	22,351,439	22,351,439
Annual Net Budget	7,483,874	7,221,184	7,221,184
Annual Net Expenditures	7,077,156	7,382,392	7,426,184
Year End Variance	406,718	(161,208)	(205,000)
Variance as % of GB	1.9%	-0.7%	-0.9%

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	(182,000)	(58,000)	(205,000)
Third Quarter (Q3)	(23,000)	(84,000)	-
Year-End (Q4)*	406,718	(161,208)	-

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



Description

Huron Lodge is expected to end the year in a deficit position of (\$205,000). Historically, the department experienced funding surpluses from the Ministry of Health and Long-Term Care (MOHLTC) which would generally offset the department as a whole.

Increase in Revenue: \$90,000

The MOHLTC announced that in July 2016 there would be an increase in the co-payment that residents pay for basic accommodation in long-term care homes. This increase is intended to help with the rising costs of accommodations due to inflationary increases. In addition, a modest increase to the accommodation rates for newer residents admitted to preferred beds was also announced. Using previous trends, it is expected that Resident Revenue will end the year in a positive variance of approximately \$90,000.

Provincial Funding: \$0

The MOHLTC announces increases and decreases periodically which impact Huron Lodge's level of funding received. Funding levels depend on the home's Case Mix Index (CMI) rating and the province's overall funding availability for all long term care homes. In January of this year the MOHLTC announced a CMI decrease for Huron Lodge. The CMI is used to calculate the nursing and personal care per diem amount funded to long term care homes. A decrease in CMI translates to a decrease in funding for the home. Most recently on July 8 2016, the MOHLTC announced increases in other funding envelopes. With the information we have at the time, the department is projecting a zero variance in the funding category.

Maintenance & Repairs: (\$65,000)

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. Huron Lodge identified a need for a replacement of equipment through the capital budget process. As the capital funds for these projects have been delayed to 2019, the department may continue to see larger variances until such time where equipment is replaced. Historically, this line item has seen a budget shortfall but unexpected funding increases would offset these costs for the department.

Salary Accounts: (\$230,000)

Salaries are projected to end the year with a deficit of (\$230,000). Higher than budgeted contractual obligations such as shift and holiday premiums, vacation payouts for regular part-time employees contribute to 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. Currently there are 25-30% staff members who participate in the Attendance Management Program with Huron Lodge Managers to address absences. The Attendance Management Program is described in further detail in the Mitigating Steps.

Summary of Description

	Category	Amount
1. Increase in Revenues	Grants & Subsidies	\$ 90,000
2. Provincial Funding	Grants & Subsidies	\$ -
3. Maintenance & Repairs	Other Miscellaneous Expenditures	(65,000)
4. Salary Accounts	Salaries & Benefits	(230,000)
Net Year End Surplus/(Deficit)		\$ (205,000)

Mitigating Steps

Huron Lodge focuses on quality improvement which requires the team to monitor variances in all areas. Improving efficiencies and process improvements are continuously being implemented thereby improving the overall operations of the home.

Furthermore, Huron Lodge is committed to a comprehensive Attendance Management Program in conjunction with Human Resources and Employee Relations to reduce absenteeism. Where employees experience 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.

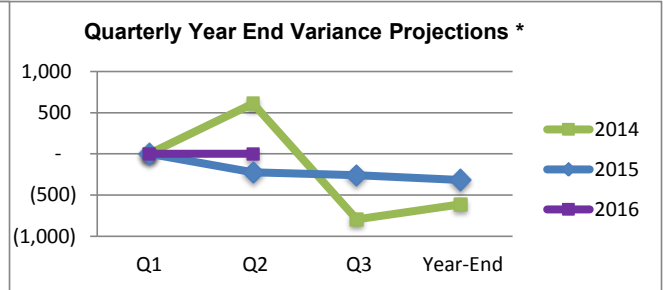
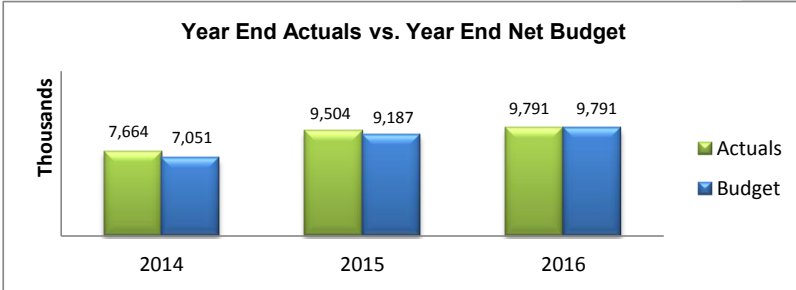
RECREATION & CULTURE

Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	18,919,303	21,454,846	21,617,445
Annual Net Budget	7,051,073	9,187,227	9,790,969
Annual Net Expenditures	7,664,339	9,504,252	9,790,969
Year End Variance	(613,266)	(317,025)	0
Variance as % of GB	-3.2%	-1.5%	

	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	610,000	(225,000)	-
Third Quarter (Q3)	(795,000)	(258,000)	-
Year-End (Q4)*	(613,266)	(317,025)	-

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



Description

The Recreation & Culture Department has no materially significant variance to report at this time. The majority of revenue for Recreation & Culture is realized in the third and fourth quarters of the year and the revenue patterns make it extremely difficult to accurately project year end variances based on the limited information available at the time of this report. Therefore, the projection has significant risk of fluctuation and will be monitored closely. Although there are some variances within the various Recreation & Culture operating divisions, the year end position of the department is projected to be on target. Accounts will continue to be closely monitored to ensure current spending remains in-line with budget estimates.

Summary of Description

1. Projected to end the year within budget estimates

Category

Amount

\$ -
-
\$ -

Net Year End Surplus/(Deficit)

Mitigating Steps

Recreation and Culture in 2016 is closely monitoring the financial statements for all facilities.

TRANSIT WINDSOR

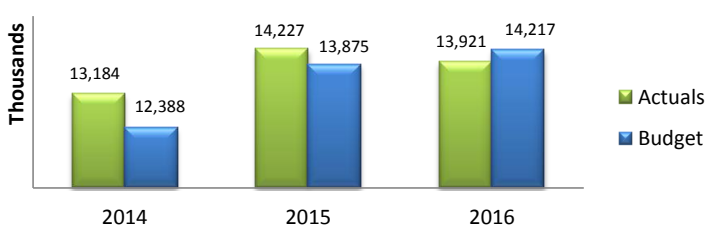
Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	29,843,504	32,880,828	33,005,763
Annual Net Budget	12,387,926	13,874,952	14,216,829
Annual Net Expenditures	13,184,008	14,227,064	13,920,829
Year End Variance	(796,082)	(352,112)	296,000
Variance as % of GB	-2.7%	-1.1%	0.9%

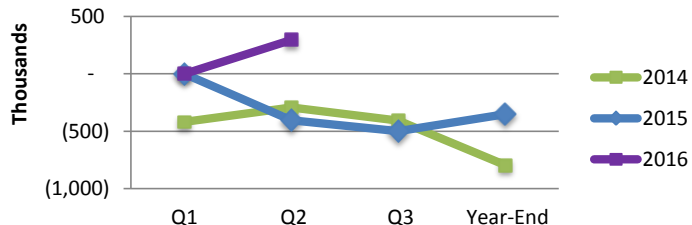
	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(420,000)	-	-
Second Quarter (Q2)	(294,000)	(404,000)	296,000
Third Quarter (Q3)	(408,000)	(500,000)	-
Year-End (Q4)*	(796,082)	(352,112)	-

* 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

Transit Windsor Administration monitors the operating budget on an ongoing basis, and is projecting a potential year end surplus of \$296,000 at the second quarter.

Fuel & Lubricants: \$420,000

Current fuel prices are resulting in a projected favourable variance in the fuel account of approximately \$420,000. The 2016 approved budget for fuel was set at \$0.90 per litre. Based on approximately 3.1 million litres of diesel consumed annually, every \$0.01 decrease below the budget figure of \$0.90 per litre translates to a savings of approximately \$31,000. The average cost for diesel for Transit Windsor from January 1, 2016 to May 31, 2016 was \$0.71 per litre. This represents a \$0.19 decrease, or a price variance of approximately \$589,000 for diesel fuel for the Transit fleet. However, it should be noted that the price of diesel fuel has been fluctuating over the last several weeks and the spot rate for fuel on June 22, 2016 was \$0.7820 per litre. Therefore, in an effort to remain cautious, the variance projection to year end for fuel was based on the average price for fuel for January - May, 2016 and then using the spot rate in effect as at June 22, 2016 for June to December, 2016. The fuel price variance projected for the remainder of the year may change if the spot price of fuel starts to increase. Given the volatility in predicting fuel prices, Transit Windsor will continue to monitor this closely.

Transfer from Capital: (\$100,000)

Transit Windsor budgets \$500,000 each year as a transfer from capital to fund the fleet refurbishment and repair costs incurred in Transit Windsor's operating fund that extend the useful life of the buses. Transit Windsor has had some recent resource constraints in the garage and administration has deployed resources toward running repairs back log, changes required for the Information Technology System project and MTO inspection preparation. The redeployment of resources has resulted in a shift away from refurbishment repairs, and thus a potential shortfall in the amount that can be recovered from capital for refurbishment repairs. The potential deficit (shortfall in the amount of revenue that can be transferred from capital) is potentially (\$100,000).

Fees and Service Charges: (\$24,000)

Transit Windsor is projecting a deficit of approximately (\$24,000) in the international tolls account which is attributable to the fluctuation being experienced in the exchange rate for fiscal 2016. Transit Windsor will continue to monitor the volatility in the exchange rates for budget forecasts and future budget development.

Transit Revenue

Transit Windsor has seen an increase in its ridership statistics over May 2015 levels. The increase has been primarily in sale of Transit Windsor's ticket sales. Declining Ontario Works (OW) caseloads present a risk of declining revenue for Transit Windsor, as many OW clients are provided with a stipend for bus pass purchases. So far in 2016, this risk has not materialized. Ongoing monitoring of OW caseload declines is necessary in order to gauge the impact on Transit revenues. At this time, however, Transit Windsor is projecting a \$0 variance in revenues.

Salary and Wages: \$0

At this point, Transit Windsor is projecting to be within budget estimates in salary and wages. It should be noted however, any unanticipated detours, special events or delays at the Tunnel could negatively impact the projected variance for the remainder of the year.

Summary of Description

	Category	Amount
1. Surplus in Motor Fuel & Lubricants	Operating & Maintenance Supplies	\$ 420,000
2. Transfer from Capital Fund	Transfers to Reserves & Capital Funds	(100,000)
3. Fees and Service Charges	User Fees, Permits & Charges	(24,000)
4. Transit Revenue	User Fees, Permits & Charges	-
Net Year End Surplus/(Deficit)		<u>\$ 296,000</u>

Mitigating Steps

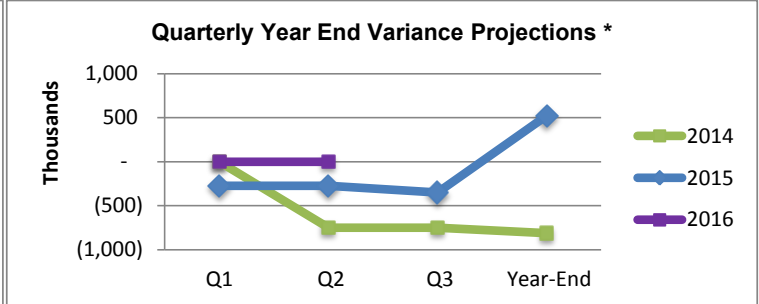
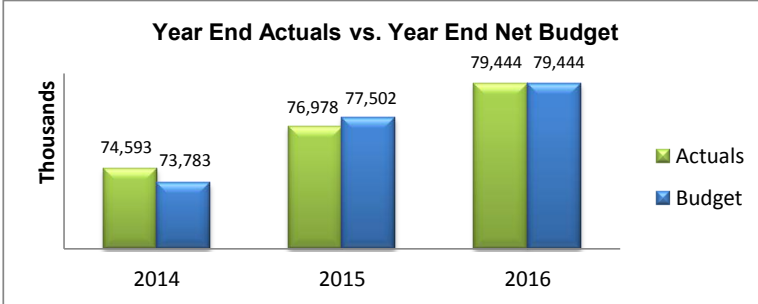
WINDSOR POLICE SERVICES

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	82,830,647	86,783,914	88,950,982
Annual Net Budget	73,782,958	77,501,516	79,444,014
Annual Net Expenditures	74,593,332	76,978,456	79,444,014
Year End Variance	(810,374)	523,060	0
Variance as % of GB	-1.0%	0.6%	

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	(275,000)	-
Second Quarter (Q2)	(750,000)	(275,000)	-
Third Quarter (Q3)	(750,000)	(350,000)	-
Year-End (Q4)*	(810,374)	523,060	-

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



Description

As reported to the Windsor Police Services Board at its April meeting, no significant variances were projected at 1st quarter and this continues to remain the same at this time.

Summary of Description

Description	Category	Amount
1. Projected to end the year within budget.		-
Net Year End Surplus/(Deficit)		\$ -

Mitigating Steps

N/A.

AGENCY GRANTS

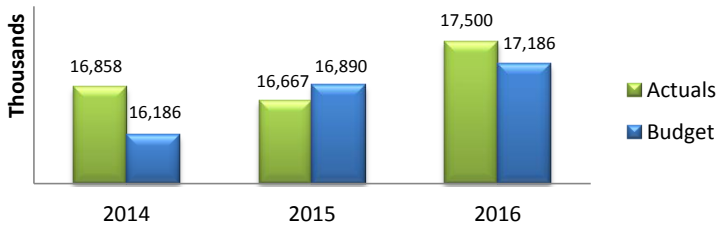
Financial Summary

	2014 Financials	2015 Financials	2016 Financials
Annual Gross Budget (GB)	16,287,054	16,991,096	17,286,927
Annual Net Budget	16,186,455	16,890,498	17,186,329
Annual Net Expenditures	16,857,599	16,667,034	17,500,329
Year End Variance	(671,144)	223,464	(314,000)
Variance as % of GB	-4.1%	1.3%	-1.8%

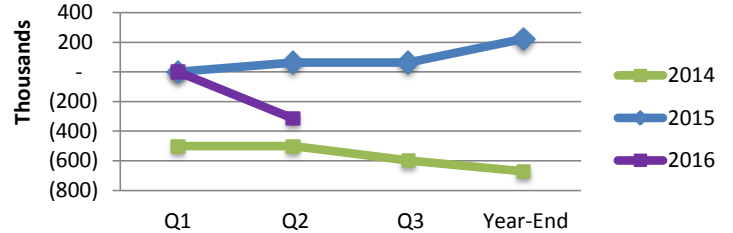
	2014 Est. Variance	2015 Est. Variance	2016 Est. Variance
First Quarter (Q1)	(501,720)	-	-
Second Quarter (Q2)	(501,720)	62,000	(314,000)
Third Quarter (Q3)	(598,120)	62,000	-
Year-End (Q4)*	(671,144)	223,464	-

* 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

Land Ambulance: (\$314,000)

The approved land ambulance budget was not available from the County when the City’s budget was approved in December 2015, and a budget estimate was made for the City’s share of costs. Based on the 2016 Land Ambulance budget approved by the County, the City’s share is expected to be \$9,693,210, which is \$226,000 higher than budgeted. In addition, the final 2015 reconciliation was also higher than originally estimated by approximately \$88,000 resulting in an overall yearend deficit projection of approximately (\$314,000).

Summary of Description

Description	Category	Amount
1. Land Ambulance	Transfers to External Agencies	\$ (314,000)
Net Year End Surplus/(Deficit)		\$ (314,000)

Mitigating Steps

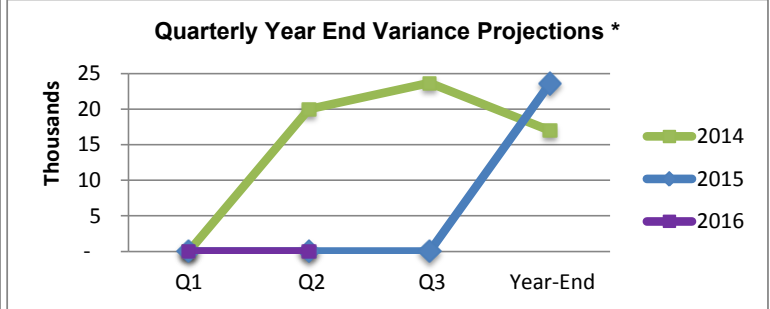
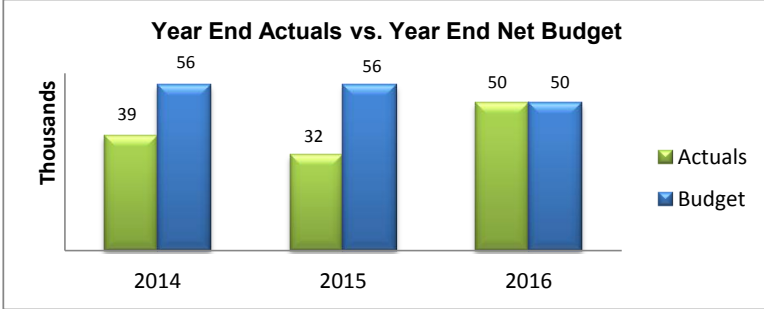
COMMITTEES OF COUNCIL

Financial Summary

	2014	2015	2016
	Financials	Financials	Financials
Annual Gross Budget (GB)	55,920	55,920	49,920
Annual Net Budget	55,920	55,920	49,920
Annual Net Expenditures	38,917	32,314	49,920
Year End Variance	17,003	23,606	0
Variance as % of GB	30.4%	42.2%	

	2014	2015	2016
	Est. Variance	Est. Variance	Est. Variance
First Quarter (Q1)	-	-	-
Second Quarter (Q2)	20,000	-	-
Third Quarter (Q3)	23,700	-	-
Year-End (Q4)*	17,003	23,606	-

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



Description

The International Relations Committee is undertaking initiatives in 2017 that require coordination in 2016 for Windsor’s 125th birthday celebrations, any year end surplus would be recommended to fund these festivities.

Summary of Description

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

Mitigating Steps