

Appendix A

2019 YEAR-END OPERATING VARIANCE SUMMARY BY DEPARTMENT / DIVISION

| Departments/Divisions | Page # | 2018 | | | | 2019 | | | |
|--|--------|---------------------|----------------------|-----------------------------|---------------------|----------------------|---|---|--|
| | | Annual Gross Budget | Annual Net Budget | Year End Surplus/ (Deficit) | Annual Gross Budget | Annual Net Budget | Q2 (May 31) Projected Surplus / (Deficit) | Q3 (Aug 31) Projected Surplus / (Deficit) | Q3 % Var. Of Gross Bgt. Surplus/ (Deficit) |
| Representation | | | | | | | | | |
| Mayor's Office | 2 | 504,753 | 504,753 | \$ 9,687 | 905,325 | 905,325 | - | - | 0.0% |
| Council Administrative Services | 3 | 601,527 | 601,527 | \$ 28,205 | 966,269 | 689,104 | - | - | 0.0% |
| Total Representation | | 1,106,280 | 1,106,280 | \$ 37,892 | 1,871,594 | 1,594,429 | - | - | 0.0% |
| Office of the Chief Administrative Officer | | | | | | | | | |
| CAO's Office | 4 | 1,320,807 | 1,151,348 | \$ 170,118 | 1,315,018 | 1,285,018 | 125,000 | 80,000 | 6.1% |
| Office of the City Solicitor | | | | | | | | | |
| Planning & Building | 5 | 9,743,666 | 3,881,662 | \$ (42,184) | 10,487,849 | 4,456,479 | - | - | 0.0% |
| Legal | 6 | 17,162,635 | 6,772,609 | \$ (87,047) | 17,623,980 | 7,030,325 | (190,000) | 275,000 | 1.6% |
| Fire & Rescue Services | 7 | 46,493,654 | 45,502,965 | \$ (457,162) | 51,561,505 | 50,613,002 | (340,000) | (299,000) | -0.6% |
| Total Office of the City Solicitor | | 73,399,955 | 56,157,236 | \$ (586,393) | 79,673,334 | 62,099,806 | (530,000) | (24,000) | 0.0% |
| Office of the Chief Financial Officer | | | | | | | | | |
| Finance | 8 | 10,259,010 | 6,467,287 | \$ 873 | 11,261,685 | 6,727,929 | (39,000) | (170,000) | -1.5% |
| Information Technology | 9 | 7,954,334 | 6,678,895 | \$ 114,264 | 8,260,494 | 6,845,055 | - | - | 0.0% |
| Total Office of the Chief Financial Officer | | 18,213,344 | 13,146,182 | \$ 115,137 | 19,522,179 | 13,572,984 | (39,000) | (170,000) | -0.9% |
| Office of City Clerk | | | | | | | | | |
| Council Services | 10-11 | 10,483,425 | 7,150,594 | \$ 182,128 | 10,843,660 | 6,976,218 | (130,000) | 30,000 | 0.3% |
| Human Resources | 12 | 5,364,825 | 4,988,419 | \$ 4,268 | 6,440,414 | 5,409,401 | - | - | 0.0% |
| Windsor Public Library | 13 | 9,386,489 | 8,203,937 | \$ 322,389 | 9,271,926 | 8,020,055 | 60,000 | 60,000 | 0.6% |
| Total Office of City Clerk | | 25,234,739 | 20,342,950 | \$ 508,785 | 26,556,000 | 20,405,674 | (70,000) | 90,000 | 0.3% |
| Office of Parks, Recreation, Culture and Facilities | | | | | | | | | |
| Parks & Facilities | 14-15 | 41,239,338 | 26,330,162 | \$ (4,890) | 40,059,107 | 26,745,896 | 154,000 | (244,000) | -0.6% |
| Recreation & Culture | 16 | 24,114,601 | 12,816,436 | \$ 238,860 | 24,647,287 | 12,942,576 | - | (390,000) | -1.6% |
| Total Office of Parks, Recreation, Culture and Facilities | | 65,353,939 | 39,146,598 | \$ 233,970 | 64,706,394 | 39,688,472 | 154,000 | (634,000) | -1.0% |
| Office of the City Engineer | | | | | | | | | |
| Engineering | 17-18 | 27,449,528 | 3,369,287 | \$ (454,241) | 27,422,762 | 3,236,253 | (322,000) | (27,000) | -0.1% |
| Public Works Operations | 19 | 54,455,439 | 27,342,112 | \$ 2,391 | 55,964,369 | 27,179,197 | 845,000 | 822,000 | 1.5% |
| Transit Windsor | 20-21 | 33,931,108 | 13,271,519 | \$ (195,008) | 36,061,034 | 14,425,771 | 405,000 | - | 0.0% |
| Total Office of the City Engineer | | 115,836,075 | 43,982,918 | \$ (646,858) | 119,448,165 | 44,841,221 | 928,000 | 795,000 | 0.7% |
| Community Development & Health | | | | | | | | | |
| Employment & Social Services | 22-23 | 118,666,766 | 7,887,381 | \$ 691,753 | 117,503,235 | 7,664,726 | - | 166,000 | 0.1% |
| Housing & Children's Services/WECHC | 24 | 122,107,176 | 23,282,846 | \$ 217,503 | 121,414,027 | 23,642,230 | - | 308,000 | 0.3% |
| Huron Lodge | 25-26 | 23,427,040 | 7,317,503 | \$ (131,868) | 23,995,061 | 7,486,524 | (98,000) | (103,000) | -0.4% |
| Total Community Development & Health | | 264,200,982 | 38,487,730 | \$ 777,388 | 262,912,323 | 38,793,480 | (98,000) | 371,000 | 0.1% |
| Corporate Accounts | | | | | | | | | |
| | 27-29 | 228,641,359 | (316,872,705) | \$ 2,329,094 | 237,806,759 | (330,380,367) | 1,937,657 | 1,391,891 | 0.6% |
| Total City Departments Prior to Contingency & Additional Council-Approved Funding | | 793,307,480 | (103,351,463) | \$ 2,939,133 | 813,811,766 | (108,099,283) | 2,407,657 | 1,899,891 | 0.2% |
| Corporate Contingency Approved in 2019 Budget | | 1,500,000 | 1,500,000 | \$ - | 3,500,000 | 3,500,000 | - | - | 0% |
| Surplus (Deficit) Subtotal | | 794,807,480 | (101,851,463) | \$ 2,939,133 | 817,311,766 | (104,599,283) | 2,407,657 | 1,899,891 | 0.2% |
| Agencies, Boards & Commissions | | | | | | | | | |
| Windsor Police Services | 30 | 95,600,360 | 83,943,525 | \$ (587,065) | 106,512,992 | 88,737,654 | (474,000) | (474,000) | -0.4% |
| Agency Grants | 31 | 20,195,286 | 19,369,688 | \$ 429,914 | 19,420,107 | 19,319,509 | - | 269,000 | 1.4% |
| Committees of Council | 32 | 42,120 | 38,250 | \$ 6,782 | 42,120 | 42,120 | - | - | 0.0% |
| Total Agencies, Boards & Commissions | | 115,837,766 | 103,351,463 | \$ (150,369) | 125,975,219 | 108,099,283 | (474,000) | (205,000) | -0.2% |
| 2019 Net Operating Budget Surplus (Deficit) | | 910,645,246 | 0 | \$ 2,788,764 | 943,286,985 | 0 | 1,933,657 | 1,694,891 | 0.2% |

Less: Windsor Public Library \$ (322,389)

\$ 2,466,375

Less: Windsor Public Library (60,000) (60,000)

1,873,657 1,634,891 0.2%

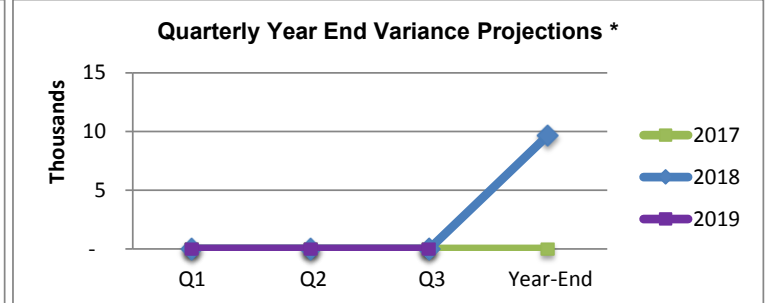
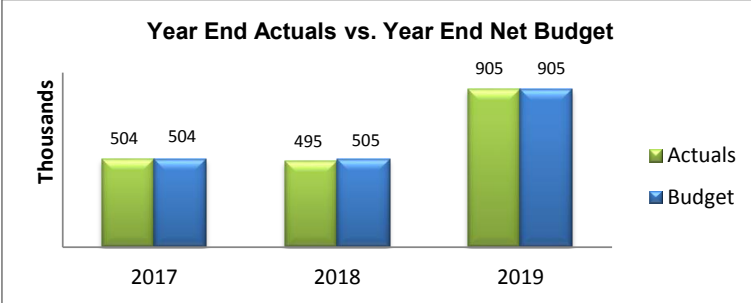
MAYOR'S OFFICE

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 504,157 | 504,753 | 905,325 |
| Annual Net Budget | 504,157 | 504,753 | 905,325 |
| Annual Net Expenditures | 504,157 | 495,066 | 905,325 |
| Year End Variance | 0 | 9,687 | 0 |
| Variance as % of GB | | 1.9% | |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | - | - | - |
| Third Quarter (Q3) | - | - | - |
| Year-End (Q4)* | - | 9,687 | - |

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



Description

No significant variances projected at this time.

Summary of Description

| Category | Amount |
|---------------------------------------|-------------|
| | \$ - |
| Net Year End Surplus/(Deficit) | \$ - |

Mitigating Steps

N/A

COUNCIL ADMINISTRATIVE SERVICES

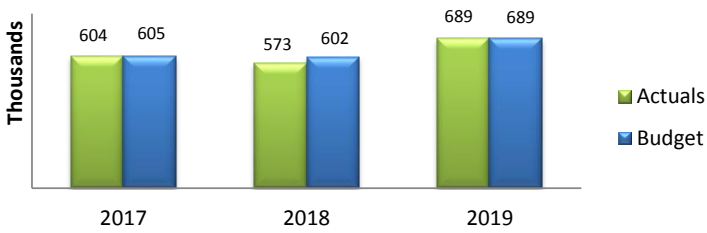
Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 604,938 | 601,527 | 966,269 |
| Annual Net Budget | 604,938 | 601,527 | 689,104 |
| Annual Net Expenditures | 603,657 | 573,322 | 689,104 |
| Year End Variance | 1,281 | 28,205 | . |
| Variance as % of GB | 0.2% | 4.7% | |

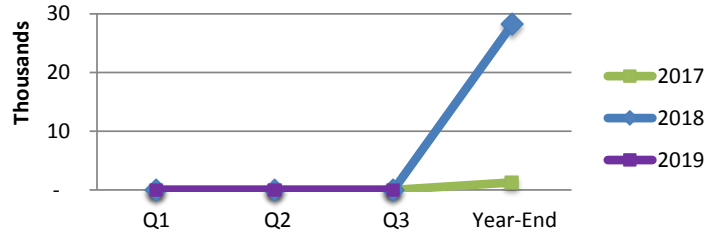
| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | - | - | - |
| Third Quarter (Q3) | - | - | - |
| Year-End (Q4)* | 1,281 | 28,205 | - |

* 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 |
|--------------------------------|--------|
| Net Year End Surplus/(Deficit) | \$ - |

Mitigating Steps

N/A

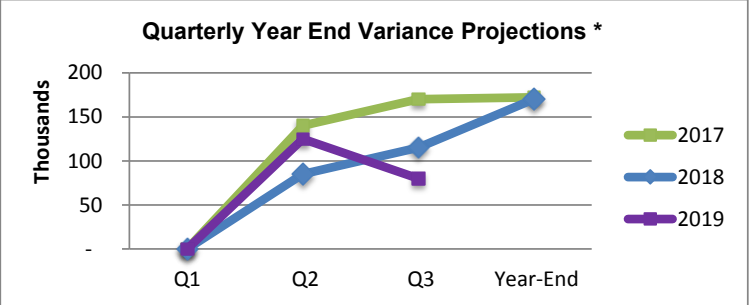
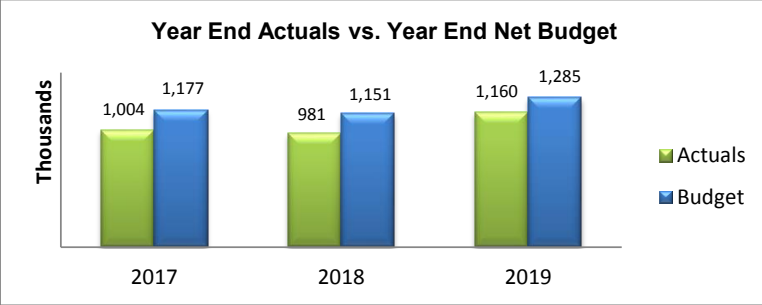
CAO'S OFFICE

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 1,333,810 | 1,320,807 | 1,315,018 |
| Annual Net Budget | 1,176,539 | 1,151,348 | 1,285,018 |
| Annual Net Expenditures | 1,004,311 | 981,230 | 1,160,018 |
| Year End Variance | 172,228 | 170,118 | 125,000 |
| Variance as % of GB | 13.0% | 12.9% | 9.5% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 140,000 | 85,000 | 125,000 |
| Third Quarter (Q3) | 170,000 | 115,000 | 80,000 |
| Year-End (Q4)* | 172,228 | 170,118 | - |

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



Description

The CAO's Office budget contains provisional budgets for corporate matters and 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 3rd quarter 2019, there is a possibility that a portion of these funds may be used by year end.

Summary of Description

| Category | Amount |
|---------------------------------------|------------------|
| 1 Salary Gapping | \$ 20,000 |
| 2 Minor Variances in Various Accounts | \$ 60,000 |
| Net Year End Surplus/(Deficit) | \$ 80,000 |

Mitigating Steps

N/A

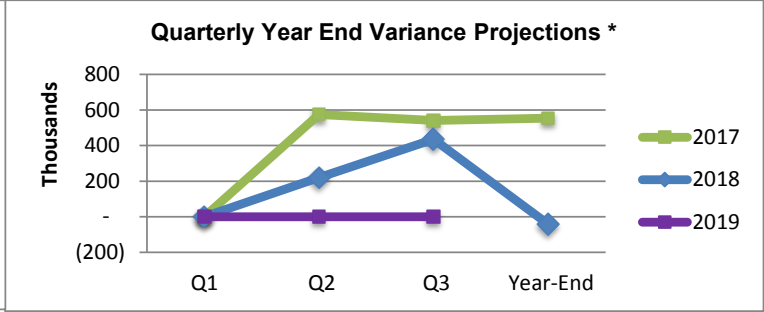
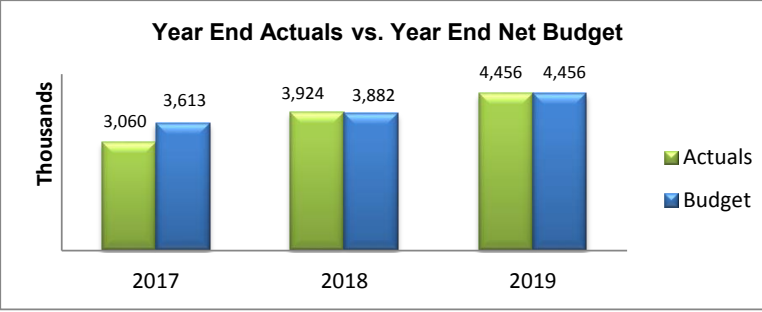
PLANNING AND BUILDING

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 8,742,973 | 9,743,666 | 10,487,849 |
| Annual Net Budget | 3,613,431 | 3,881,662 | 4,456,479 |
| Annual Net Expenditures | 3,059,647 | 3,923,846 | 4,456,479 |
| Year End Variance | 553,784 | (42,184) | 0 |
| Variance as % of GB | 5.7% | -0.4% | |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 574,400 | 220,000 | - |
| Third Quarter (Q3) | 540,600 | 435,400 | - |
| Year-End (Q4)* | 553,784 | (42,184) | - |

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



Description

For the 2019 fiscal year, the Planning & Building department is anticipating to break even with a zero variance within the tax levy funded portion of their operating budget.

Salary Gapping: \$159,000

Savings of \$159,000 have been realized to date due to staff turnover in various divisions.

User Fee Revenue shortfall: (\$255,000)

A potential net revenue shortfall of (\$255,000) is anticipated due to lower than expected volume of administrative fee revenue being realized in the area of property standards, bylaw enforcement and development application fees. Staff are currently heavily involved with follow up of issued warnings and orders regarding property standards as well as legal proceedings on existing files while still continuing proactive efforts. Only a small portion (\$18,000) of the projected revenue shortfall is related to development application fees.

Overtime: (\$12,000)

Building Services staff have been working extra in order to address the large influx of permit applications received as well as handling the transition to full digitalization of applications from the development community. Staff doing by-law related work (property standards and rental units) have also been incurring some overtime to address the existing work volume.

Miscellaneous Expense Accounts: \$108,000

A collective surplus in miscellaneous expense accounts of \$108,000 is anticipated, which will help offset the above negative variance amounts.

Summary of Description

| | Category | Amount |
|-----------------------------------|----------------------------------|--------------|
| 1. Salary Gapping | Salaries & Benefits | \$ 159,000 |
| 2. Overtime | Salaries & Benefits | \$ (12,000) |
| 3. User Fee Revenue | User Fees, Permits & Charges | \$ (255,000) |
| 4. Miscellaneous Expense Accounts | Other Miscellaneous Expenditures | \$ 108,000 |

Net Year End Surplus/(Deficit)

\$ -

Mitigating Steps

Administration continuously seeks out opportunities for efficiencies in carrying out its operations and controlling costs. The department also pursues new technologies to assist with better service delivery, while at the same time maintaining a balance of resources adequate to meet the demands and volume of customer activity. The Evolta project (digitizing of the permits process), currently being implemented, will aid in that regard.

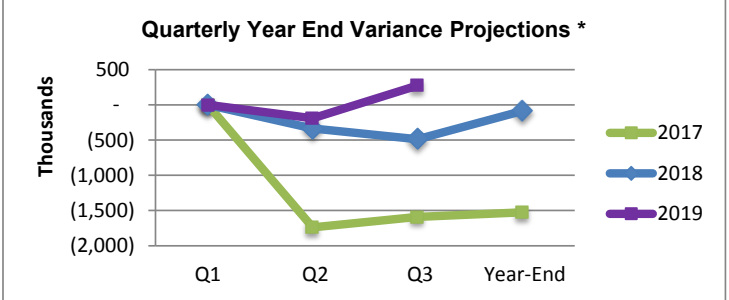
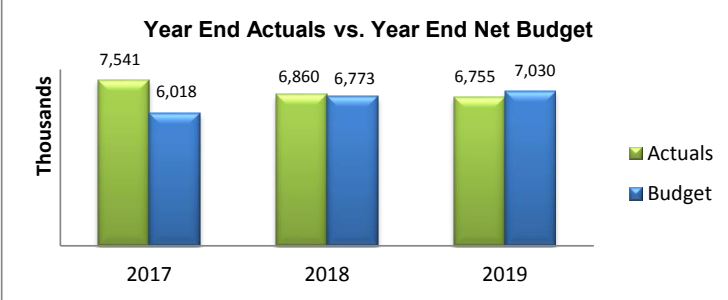
LEGAL

Financial Summary

| | 2017 | 2018 | 2019 |
|--------------------------|--------------------|-----------------|----------------|
| | Financials | Financials | Financials |
| Annual Gross Budget (GB) | 17,009,347 | 17,162,635 | 17,623,980 |
| Annual Net Budget | 6,018,338 | 6,772,609 | 7,030,325 |
| Annual Net Expenditures | 7,541,319 | 6,859,656 | 6,755,325 |
| Year End Variance | (1,522,981) | (87,047) | 275,000 |
| Variance as % of GB | -8.9% | -0.5% | 1.6% |

| | 2017 | 2018 | 2019 |
|---------------------|---------------|---------------|---------------|
| | Est. Variance | Est. Variance | Est. Variance |
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | (1,738,000) | (333,000) | (190,000) |
| Third Quarter (Q3) | (1,589,740) | (487,000) | 275,000 |
| Year-End (Q4)* | (1,522,981) | (87,047) | - |

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



Description

Overall, the Legal Department has a projected year end surplus of \$275,000. The variance is comprised of the following:

Insurance Premiums: \$125,000

The projected surplus in insurance premiums are temporary because Cyber insurance and coverage for Lou Romano have yet to be obtained. If paid in 2019, the premiums should be prorated for the year. It is expected that in 2020 they will be charged for the entire year. However, the actual cost of premiums has not been finalized, as cyber insurance is still being quoted and the replacement value for Lou Romano is still under review.

Claim Costs:

Risk Management estimates a projected \$600,000 surplus in claim costs for 2019. However, the intention of the department is to transfer any surplus to the Self Insurance Reserve Fund. This surplus amount is therefore being excluded from the Q3 Operating Budget Variance Report.

Salary Gapping: \$150,000

A projected net surplus of \$150,000 across all divisions in the salary accounts due to position vacancies and salary gapping.

Summary of Description

| | Category | Amount |
|--|---------------------|-------------------|
| 1. Insurance Premiums | Purchased Services | 125,000 |
| 3. Position Vacancies & Salary Gapping | Salaries & Benefits | 150,000 |
| Net Year End Surplus/(Deficit) | | \$ 275,000 |

Mitigating Steps

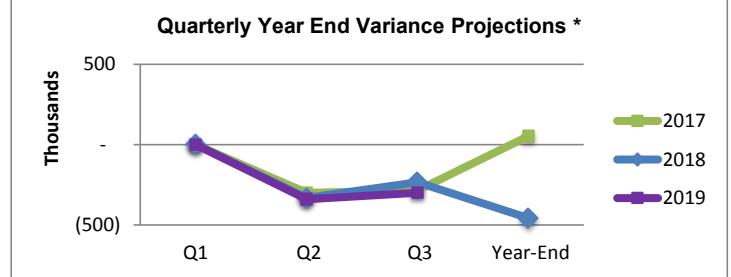
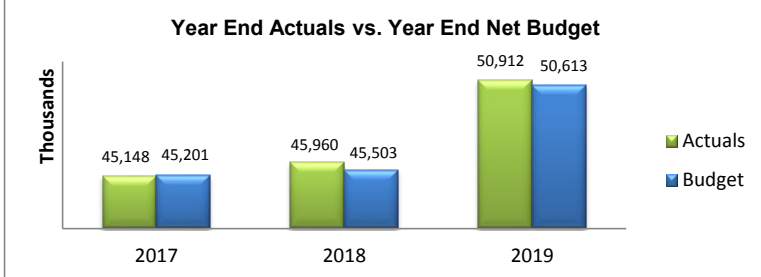
FIRE & RESCUE SERVICES

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 46,176,988 | 46,493,654 | 51,561,505 |
| Annual Net Budget | 45,201,199 | 45,502,965 | 50,613,002 |
| Annual Net Expenditures | 45,148,217 | 45,960,127 | 50,912,002 |
| Year End Variance | 52,982 | (457,162) | (299,000) |
| Variance as % of GB | 0.1% | -1.0% | -0.6% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | (299,600) | (332,000) | (340,000) |
| Third Quarter (Q3) | (286,000) | (234,000) | (299,000) |
| Year-End (Q4)* | 52,982 | (457,162) | - |

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



Description

Windsor Fire & Rescue Services is currently projecting an estimated year-end deficit variance of (\$299,000). Please note that 2019 budget increase differential is mainly due to new labour agreement settled in June 2018 and reflected in the 2019 budget.

Miscellaneous: (\$32,000)

The Fire & Rescue division is projecting a (\$32,000) shortfall among few accounts. The Communication division will incur a deficit in Crisys software maintenance account of (\$10,000) due to additional cost for vehicle technology solutions and 2% inflationary annual increase from the vendor. The Training division will incur a deficit of (\$10,000) in recruit training costs. The Fire Operations division is projecting a small deficit of (\$5,000) in personal protective equipment (PPE) due to a renewed contract with the supplier that resulted in a slightly higher cost and finally a deficit of (\$7,000) for interdepartmental service in winter maintenance of all fire halls.

User Fee Revenue for Windsor Fire and Rescue Services: (\$35,000)

Fire & Rescue department is projecting a shortfall of (\$35,000) in User Fee revenue for Apparatus and Fire Operation divisions.

Net Salary Variance: (\$232,000)

A net deficit of (\$232,000) is projected to incur in the net salary accounts for the Windsor Fire and Rescue Services.

The variance consists of Fire Operations division overtime deficit in the amount of (\$300,000). The department is experiencing increased number of long term absences as well as unexpected staffing changes, creating a greater number of vacancies. Emergency Communication department is projected to incur an overtime deficit of (\$60,000) due to scheduling to fill vacant hours in dispatch. Remaining overtime deficit of (\$22,000) is due to heavy workloads among various remaining departments. Finally, a surplus of \$150,000 is projected from salary gapping budget which is a reflection of vacancies projected causing overtime mainly in Fire Operations division. It should be noted that within this surplus lies a deficit of (\$18,731) from Retro Compression pay paid out from the new WPPFA labour agreement approved in July 2018. There are provisional funds in corporate accounts related to Corporate Salary & Wage to offset this variance.

Summary of Description

| | Category | Amount |
|---------------------------------|----------------------------------|-------------|
| 1. Other Miscellaneous Expenses | Other Miscellaneous Expenditures | \$ (32,000) |
| 2. User Fee | User Fees, Permits & Charges | (35,000) |
| 3. Net Salary Variance | Salaries & Benefits | (232,000) |
| | | - |

Net Year End Surplus/(Deficit)

\$ (299,000)

Mitigating Steps

The Fire and Rescue Services division will continue to mitigate overtime variance through attendance management process and take reasonable steps to reduce or eliminate other expense variances, while maintaining approved service levels.

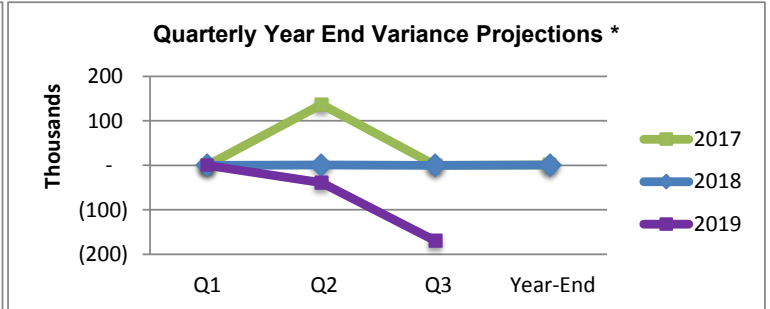
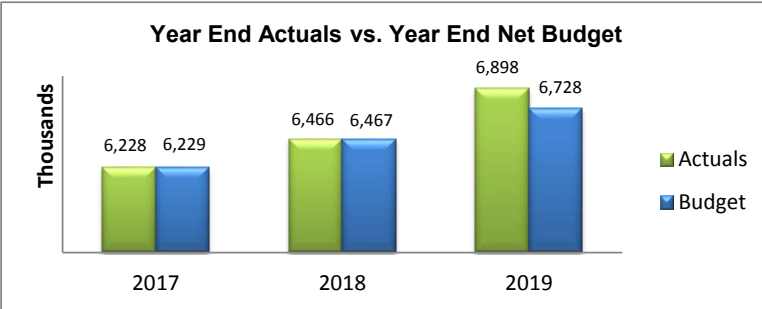
FINANCE

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 9,445,098 | 10,259,010 | 11,261,685 |
| Annual Net Budget | 6,229,178 | 6,467,287 | 6,727,929 |
| Annual Net Expenditures | 6,228,301 | 6,466,414 | 6,897,929 |
| Year End Variance | 877 | 873 | |
| Variance as % of GB | 0.0% | 0.0% | |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 137,000 | 873 | (39,000) |
| Third Quarter (Q3) | - | - | (170,000) |
| Year-End (Q4)* | 877 | 873 | - |

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



Description

Finance is projecting an operating deficit of (\$170,000).

Salaries: \$13,500

Salaries is currently trending towards a year-end surplus of approximately \$13,500.

External Revenue (\$183,500)

Revenue generated through external sources is projected to be in a net deficit position of (\$183,500). This amount is comprised of a projected deficit of (\$150,000) in Tax Lien Registration fees, (\$25,000) in Dial-Up Service fees, (\$20,000) in Letters of Default offset by a net surplus of \$11,500 in other added charges and services. Many of these revenues are dependent upon external factors such as real estate sales, property standard complaints and property tax arrears activity which can fluctuate annually and can be difficult to predict with any certainty. Positive economic conditions which has afforded taxpayers the ability to address their individual situations involving tax arrears has resulted in a decreased number of tax lien registrations.

Summary of Description

| | Category | Amount |
|---------------------------------------|-----------------------------|---------------------|
| 1. Salaries | Salaries & Benefits | \$ 13,500 |
| 2. External Revenues | Other Miscellaneous Revenue | \$ (183,500) |
| Net Year End Surplus/(Deficit) | | \$ (170,000) |

Mitigating Steps

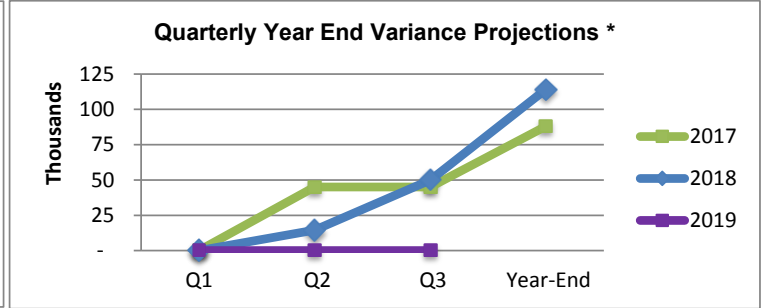
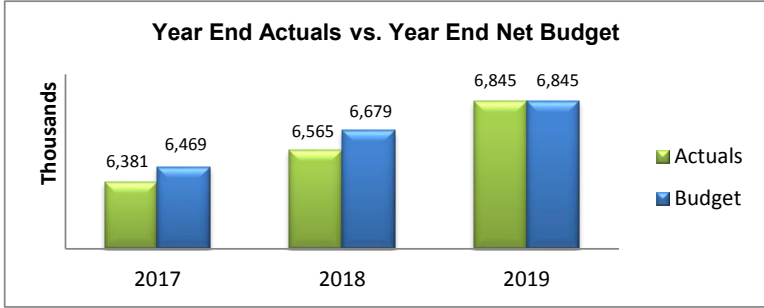
N/A

INFORMATION TECHNOLOGY (I.T.)

| <u>Financial Summary</u> | 2017 | 2018 | 2019 |
|--------------------------|---------------|----------------|------------|
| | Financials | Financials | Financials |
| Annual Gross Budget (GB) | 7,744,735 | 7,954,334 | 8,260,494 |
| Annual Net Budget | 6,469,296 | 6,678,895 | 6,845,055 |
| Annual Net Expenditures | 6,381,192 | 6,564,631 | 6,845,055 |
| Year End Variance | 88,104 | 114,264 | 0 |
| Variance as % of GB | 1.1% | 1.4% | |

| | 2017 | 2018 | 2019 |
|---------------------|---------------|---------------|---------------|
| | Est. Variance | Est. Variance | Est. Variance |
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 45,000 | 14,500 | - |
| Third Quarter (Q3) | 45,000 | 50,000 | - |
| Year-End (Q4)* | 88,104 | 114,264 | - |

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



Description

Council Resolution B7/2019 approved the 2019 Operating Budget which included one-time funding of up to \$140,000 from the Budget Stabilization Reserve (BSR) for Information Technology (I.T.) security initiatives. While it is anticipated I.T. will have a small year end surplus mainly due to salary gapping, it is expected that some one-time funding will still be required in order to maintain a neutral year end variance.

Summary of Description

1. Minor Variances in Various Accounts
 2. Security Initiatives
 3. Recovery From BSR
- Net Year End Surplus/(Deficit)**

| Category | Amount |
|---------------------------------------|-------------|
| Other Miscellaneous Expenditures | \$ 72,000 |
| Purchased Services | \$ (97,000) |
| Transfers from Other Funds | \$ 25,000 |
| Net Year End Surplus/(Deficit) | \$ - |

Mitigating Steps

N/A

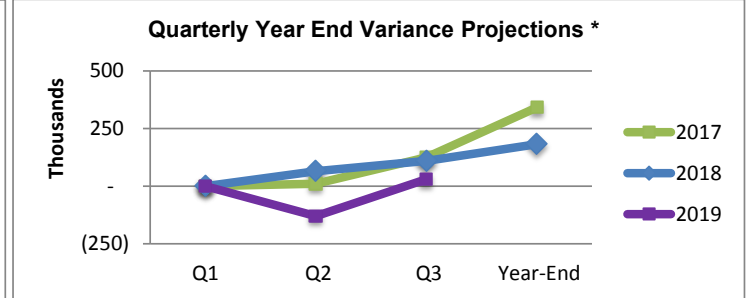
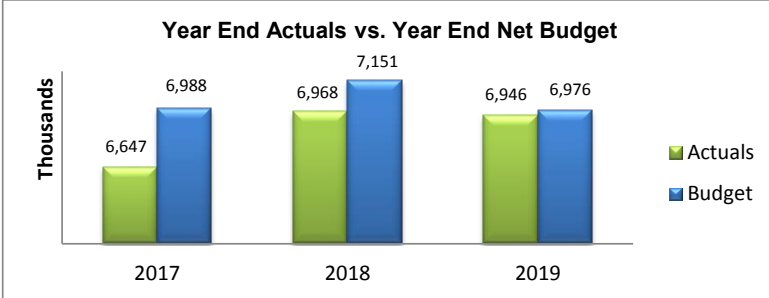
COUNCIL SERVICES

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 10,193,204 | 10,483,425 | 10,843,660 |
| Annual Net Budget | 6,988,231 | 7,150,594 | 6,976,218 |
| Annual Net Expenditures | 6,646,938 | 6,968,466 | 6,946,218 |
| Year End Variance | 341,293 | 182,128 | 30,000 |
| Variance as % of GB | 3.3% | 1.7% | 0.3% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 10,000 | 65,000 | (130,000) |
| Third Quarter (Q3) | 125,000 | 110,000 | 30,000 |
| Year-End (Q4)* | 341,293 | 182,128 | - |

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



Description

The Council Services Department, comprised of the Policy, Gaming, Licensing and By Law Enforcement, Communications and Customer Service, Employee Relations and Council Services divisions, is projecting a year end surplus of \$30,000. The surplus position represents a 0.3% variance from the annual operating budget. The Department is anticipating a large revenue shortfall from the new Dirty Yard Work Order fee that was introduced in May 2019 to deter the repeat Dirty Yard Bylaw offenders. As an effective deterrent, there are less revenues generated from this fee than originally budgeted. This deficit is partially offset by salary gapping, software hosting contract savings and a revenue surplus in lottery gaming licensing, marriage licensing and civil marriage ceremonies. The following budget variances are detailed for the year within the department.

Salary Allocations / Gapping Surplus: \$55,000

The WPL Archivist salary budget was transferred to Council Services in 2019, however, his position remains in WPL to-date and his salary allocation was not charged to Council Services. The resulting surplus of \$68,000, along with other salaries gappings of \$82,000 in Council Services amount to \$150,000. This surplus is being offset by the salary expense deficit of (\$95,000) in the Call Centre due to the cost of backfilling two RFT positions that are on long term disability and one RFT position on accommodation, in addition to one RFT overbudget due to a signed Memorandum of Agreement.

Civil Ceremonies and Marriage License Revenue Surplus: \$60,000

The revenues from civil marriage ceremony services have been on an increasing trend over the years. Budget Issue 2020-0182 was created to increase the budget revenue in 2020. The records department is projecting a \$50,000 surplus from civil marriage ceremonies at the end of 2019. In addition, revenues from the issuance of marriage licenses and witnesses for civil ceremonies are also showing an year-to-date surplus. Overall, a revenue surplus of \$60,000 is projected for year-end.

Call Centre Software Hosting Contract Savings: \$15,000

Motorola Solutions Canada hosts and supports the Call Centre's Customer Service Request (CSR) software that collect, manage and report citizen requests for municipal service and information. In 2019, quarterly charges have come in lower than the budgeted amount. A total savings of \$15,000 is anticipated by the end of the year.

Dirty Yard Work Order User Fees Revenue Shortfall: (\$175,000)

A revenue shortfall due to the new Dirty Yard Work Order Fee introduced with the intent to deter property owners from violating the Dirty Yard By-law 3-2006. If successful, it would actually create a deficit for the program. During budget deliberations, the fee was increased from the proposed \$75 per violation to full cost recovery at \$215 per violation. Originally the fee was to be applied to the first and subsequent offences, as opposed to on the second and subsequent offences. As a result of this change, a potential shortfall in the anticipated revenue of \$175,000 is being projected. Given the early stage of the program's implementation, it is still unclear how the public will respond to the new fee. It is, however, anticipated that the fee will be an effective deterrent as intended, and the volume of filed complaints will decrease as a result. Administration will monitor this new program closely and take proactive actions to mitigate any variances.

Appendix A - 2019 Q3 Operating Budget Variance

Lottery Licensing Revenue Surplus: \$75,000

Base on the year-to-date revenues generated from the gaming licencing, a year end surplus of \$75,000 is anticipated. The three bingo halls in Windsor are generating a higher than anticipated revenues, resulting a surplus projection for the lottery icensing revenue. It is to be noted that, in 2020 the only remaining traditional paper bingo hall is expected to convert to e-bingo. This will change the existing funding model that is determined by the Ontario Lottery and Gaming (OLG) to the e-bingo funding model, and reduce the expected revenue by approximately 50%. Budget issue 2020-0291 is to be put forward to change the budget revenue in the anticipation of the e-bingo in 2020.

| <u>Summary of Description</u> | <u>Category</u> | <u>Amount</u> |
|--|----------------------------------|------------------|
| 1. Marriage License Revenue | User Fees, Permits & Charges | \$ 60,000 |
| 2. Salary Gapping | Salaries & Benefits | \$ 55,000 |
| 3. Call Centre Software Hosting Contract | Operating & Maintenance Supplies | \$ 15,000 |
| 4. Dirty Yard Work Order User Fees | User Fees, Permits & Charges | \$ (175,000) |
| 5. Lottery Licensing Revenue | User Fees, Permits & Charges | \$ 75,000 |
| | | - |
| Net Year End Surplus/(Deficit) | | \$ 30,000 |

Mitigating Steps

N/A

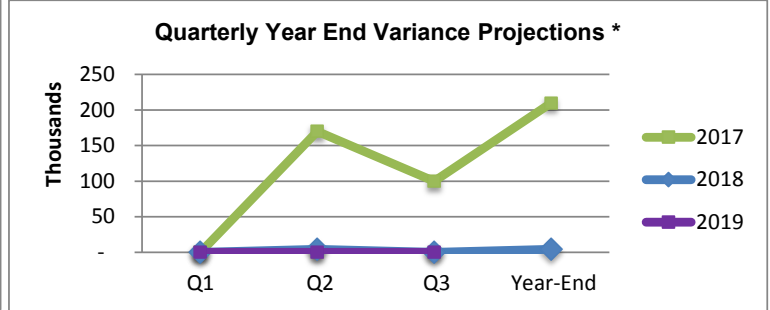
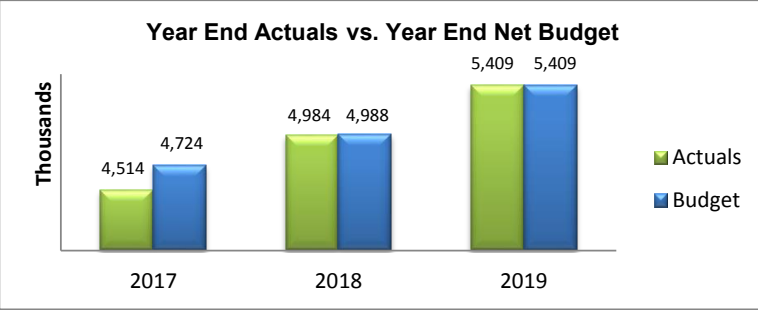
HUMAN RESOURCES

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 5,015,420 | 5,364,825 | 6,440,414 |
| Annual Net Budget | 4,723,763 | 4,988,419 | 5,409,401 |
| Annual Net Expenditures | 4,514,131 | 4,984,151 | 5,409,401 |
| Year End Variance | 209,632 | 4,268 | 0 |
| Variance as % of GB | 3.9% | 0.1% | |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 170,000 | 4,268 | - |
| Third Quarter (Q3) | 100,000 | - | - |
| Year-End (Q4)* | 209,632 | 4,268 | - |

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



Description

No significant variances projected at this time.

Summary of Description

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

Mitigating Steps

N/A

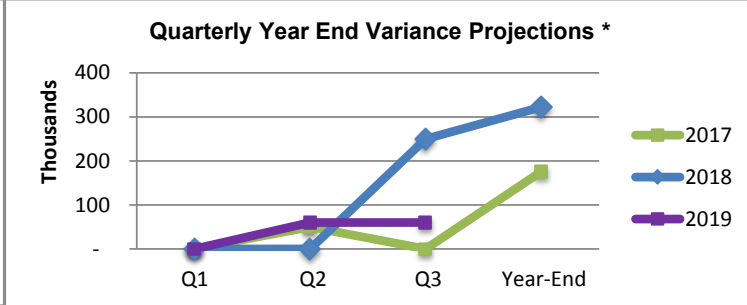
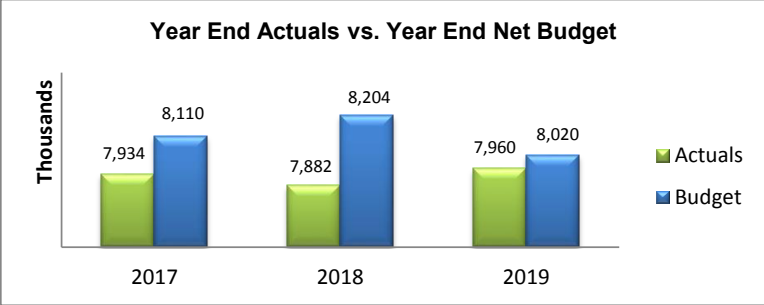
WINDSOR PUBLIC LIBRARY

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 9,173,305 | 9,386,489 | 9,271,926 |
| Annual Net Budget | 8,109,957 | 8,203,937 | 8,020,055 |
| Annual Net Expenditures | 7,934,133 | 7,881,548 | 7,960,055 |
| Year End Variance | 175,824 | 322,389 | 60,000 |
| Variance as % of GB | 1.9% | 3.4% | 0.6% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 50,000 | - | 60,000 |
| Third Quarter (Q3) | - | 250,000 | 60,000 |
| Year-End (Q4)* | 175,824 | 322,389 | - |

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



Description

Staff Gapping \$60,000

Some budgeted positions were vacant at the beginning of 2019. In addition, there are planned leave of absences scheduled in the year, resulting in a surplus of \$60,000 in salaries and benefits.

WPL Financial Reporting

It should be noted that the WPL's financial position at the end of each fiscal year is not included 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 statement, which includes an accumulated surplus or deficit. Although the City provides the WPL with operational support consistent with other departments, the overall surplus or deficit is reported within the financial results of the WPL and is not reported in the overall position of the City at year end. However, it is being provided here for information purposes.

Summary of Description

| Category | Amount |
|---------------------------------------|------------------|
| 1. Staff Gapping | \$ 60,000 |
| | \$ - |
| Net Year End Surplus/(Deficit) | \$ 60,000 |

Mitigating Steps

N/A

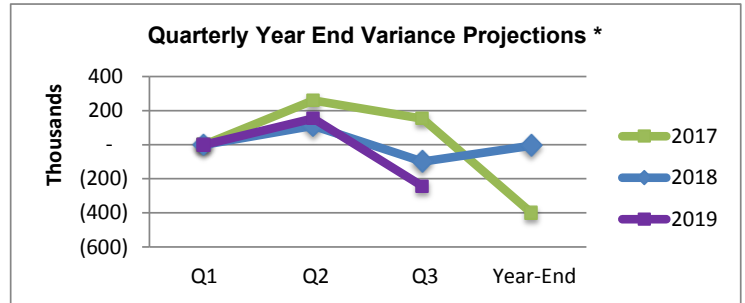
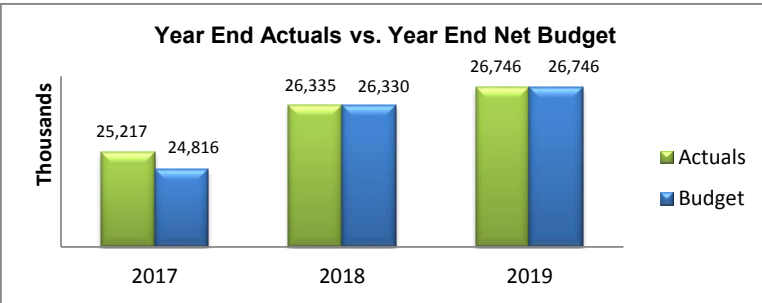
PARKS & FACILITIES

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 39,518,665 | 41,239,338 | 40,059,107 |
| Annual Net Budget | 24,815,537 | 26,330,162 | 26,745,896 |
| Annual Net Expenditures | 25,217,303 | 26,335,052 | 26,989,896 |
| Year End Variance | (401,766) | (4,890) | (244,000) |
| Variance as % of GB | -1.0% | 0.0% | -0.6% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 259,800 | 111,000 | 154,000 |
| Third Quarter (Q3) | 153,500 | (99,200) | (244,000) |
| Year-End (Q4)* | (401,766) | (4,890) | - |

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



Description

As a result of the variances in both Parks and Facility Operations, the Department is reporting a year-end deficit of (\$244,000).

Parks

The Parks division is projecting a deficit of (\$142,000) for the year ended December 31st, 2019. This deficit position represents a 1% variance from the annual operating budget. The deficit is primarily as a result of the reduction of salary recoveries from capital for the Parks Development staff who continue to work on non-capital work during the year. The cost savings for salary gapping from the delay in filling positions for permanent staffing have been offset by temporary staffing cover workload requirements in various divisions across the Department. The Parks department also experienced increased rainfall in core spring and early summer maintenance periods within parklands which has resulted in increased overtime levels and required additional unbudgeted activities with flood mitigation which required immediate resolution. The Department continues to work diligently to mitigate expenditures in order to stay within the approved Council approved budget for 2019. The following budget variances are detailed for the year within the department.

Salary Recovery from Capital (\$170,000)

The Parks Design and Development division was expected in the 2019 budget to recover the majority of the salary costs from Capital. This division also works on the completion of ward funded projects and operational support for amenities within parklands. Therefore, there is an expected variance for the salary expenditures that remain in the operating costs for Parks which were not recovered from capital projects. The projected variance has increased since the 2nd quarter variance report due to the increase in non-capital work performed by the division. The Department is attempting to mitigate the negative variance through gapping in other areas of the Department. In addition, a budget issue will be brought forward to address the variance on an ongoing basis for Council consideration as part of the 2020 budget deliberations.

User Fees (\$5,000):

The budget deficit in this category is a result of the cancellation of recreational programming at Ojibway Park Nature Centre by school groups as a result of the amount of rainfall in Q1 and Q2. In addition during the year, there was a delay in the timing of the user fees rates approvals to April 1st which is expected to yield some small variances to budget.

Salary and Wages: \$33,000

The delay in the hiring of new positions approved within the Parks operating budget on April 1st, in addition to timing of recruitment of open positions has yielded surplus amounts of \$598,000, which represents the variance from the annualized salaries and forecasting timing of hirings. There are some additional costs related to overtime which have yielded a deficit of (\$182,000) in Parks Operations resulting from increased rainfall levels which have extended the normal periods maintenance of parks and sports fields to maintain service levels. Temporary staffing has also offset the salary and benefit surplus with a forecasted deficit in this category (\$383,000) to accommodate staffing required for the completion of work in various divisions across the department.

Facility Operations

The Facilities division is reporting a deficit of \$102,000 for the year ended December 31, 2019. This deficit is approximately a 1% variance from the annual operating budget for this division. The deficit is primarily as a result of the increase in unanticipated security related costs for the new City Hall. In addition, the cost for the chemicals used in the pools at WIATC has been increasing over the years without an updated budget. The overall deficit is partially offset by a surplus in reduced spending in Maintenance Parts and Materials. The following budget variances are detailed for the year within the Facilities Division:

Contracted Services: (\$213,000)

Facility Operations is forecasting a deficit of (\$213,000) in Contracted Services at the end of 2019. This shortfall is mainly due to the increased security related costs at the new City Hall. The new 350 City Hall Square is approximately 82% larger than the old City Hall building, and a full-time security desk is warranted to ensure the safety level of the building. With just over a full year of operation in the new City Hall, has allowed Administration to better analyze the security needs of this facility. A budget issue has been put forward to address the needs to adjust the security budget requirement for 2020.

WIATC Chemicals: (\$71,000)

The budget amount for chemicals at the WIATC has not changed since its opening in 2013. Over the years, the cost of chemicals used within the facility has increased significantly due to increased chemical costs and increased activities at the facility, resulting in a greater need for more frequent pool cleaning and maintenance. At the end of 2019, Facility Operations is anticipating a deficit of (\$71,000) in their chemical expenses. A budget issue has been brought forward in the 2020 operating budget to address this budgetary shortfall.

WSIB-Workers Compensation Expense Deficit: (\$25,000)

Facility Operations is anticipating a budget deficit of (\$25,000) in workers' medical compensation at the end of 2019. By the end of the year, the trend is projecting an increase of 73% from the previous year.

Maintenance Parts and Materials Surplus: \$207,000

Based on the trend for the three quarters in the year, Facilities Operations is projecting a year-end surplus of \$207,000 for maintenance parts and materials in 2019. This is mainly due to reduced spending on parts and materials at various corporate facilities. However, spending may increase in the last quarter depending on the number and type of work orders that are requested.

Summary of Description

| | Category | Amount |
|---------------------------------------|----------------------------------|----------------------------|
| <i>Parks</i> | | |
| Salary Recovery From Capital | Recovery of Expenditures | \$ (170,000) |
| Salary Gapping | Operating & Maintenance Supplies | \$ 33,000 |
| User Fees | User Fees, Permits & Charges | <u>\$ (5,000)</u> |
| | | <u>\$ (142,000)</u> |
| <i>Facility Operations</i> | | |
| Contracted Services | Purchased Services | \$ (213,000) |
| Chemicals | Operating & Maintenance Supplies | \$ (71,000) |
| WSIB - Workers' Comp | Salaries & Benefits | \$ (25,000) |
| Maintenance Parts and Materials | Operating & Maintenance Supplies | <u>\$ 207,000</u> |
| | | <u>\$ (102,000)</u> |
| Net Year End Surplus/(Deficit) | | <u>\$ (244,000)</u> |

Mitigating Steps

The Parks & Facility Operations department will continue to monitor variances throughout 2019 and take any reasonable steps to reduce or eliminate variances, while mitigating any negative impact on service levels.

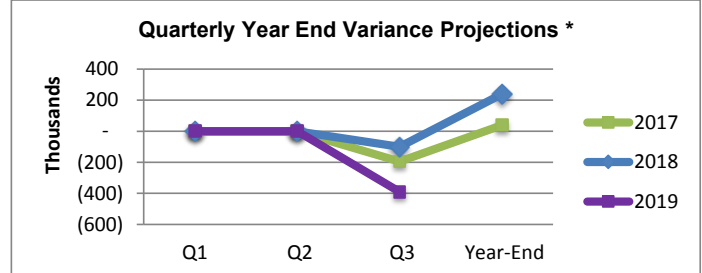
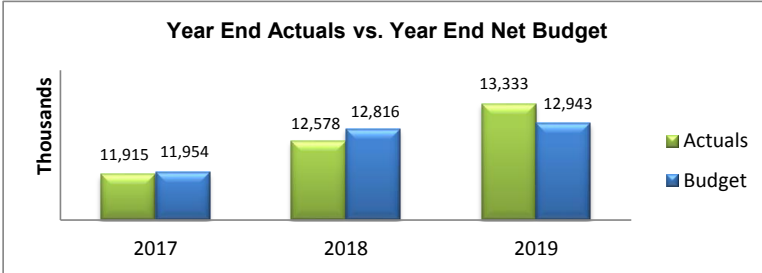
RECREATION & CULTURE

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 23,789,014 | 24,114,601 | 24,647,287 |
| Annual Net Budget | 11,953,684 | 12,816,436 | 12,942,576 |
| Annual Net Expenditures | 11,914,933 | 12,577,576 | 13,332,576 |
| Year End Variance | 38,751 | 238,860 | (390,000) |
| Variance as % of GB | 0.2% | 1.0% | -1.6% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | - | - | - |
| Third Quarter (Q3) | (195,000) | (100,000) | (390,000) |
| Year-End (Q4)* | 38,751 | 238,860 | - |

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



Description

The Recreation and Culture department has highlighted potential variance risks within the operating division based on all available information at the time of this report. The department is projecting a potential overall year end deficit of (\$390,000). The majority of revenue for Recreation and Culture is realized in the fourth quarter of the year. The revenue patterns make it extremely difficult to accurately project year end variances based on the limited information available at the time of this report. Therefore, the projections in this report have significant risk of fluctuation and will be monitored closely. The vast majority of recreation centres and divisions are projected to come in on budget. As revenues fluctuate, adjustments relating to expenditures are made including staffing and material costs.

Sports Fields (\$40,000):

The City of Windsor has seen significant rainfall in 2019, in particular during the spring season, resulting in the Department projecting a deficit variance in sports field revenue of (\$40,000).

Lakeview Park Marina (\$350,000):

With higher than normal water levels combined with wind pushing the water on shore in 2019, it has resulted in significant damage to the docks with lifted wooden planks off their steel structures. As a result, the docks have been deemed unsafe for both staff and seasonal boaters to access and the docks to the main basin of the marina have been closed for the remainder of the season and the power to the docks shut off until they can be made safe. Per report #C98/2019 that went forward to Council on June 3, 2019 Council approved per CR276/2019 the replacement of docks at Lakeview Park Marina. The installation of floating docks throughout the marina will address the issue of fluctuating water levels on an ongoing basis. The damage and

Summary of Description

| Category | Amount |
|---------------------------------------|---------------------|
| 1. Sports Field Revenue | (40,000) |
| 2. Lakeview Park Marina | (350,000) |
| Net Year End Surplus/(Deficit) | \$ (390,000) |

Mitigating Steps

The department will continue to monitor variances throughout 2019 and take any reasonable steps to reduce or eliminate variances while mitigating any negative impact on service levels. The department is looking to recover some financial loss at Lakeview Park Marina through an insurance claim.

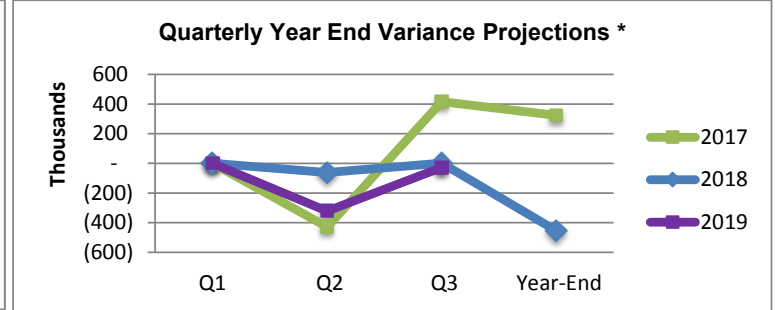
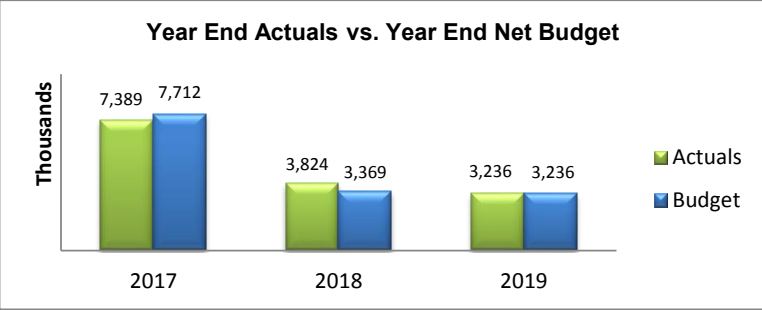
ENGINEERING

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 31,517,465 | 27,449,528 | 27,422,762 |
| Annual Net Budget | 7,712,486 | 3,369,287 | 3,236,253 |
| Annual Net Expenditures | 7,388,657 | 3,823,528 | 3,263,253 |
| Year End Variance | 323,829 | (454,241) | (27,000) |
| Variance as % of GB | 1.0% | -1.7% | -0.1% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | (428,700) | (61,500) | (322,000) |
| Third Quarter (Q3) | 415,900 | 1,600 | (27,000) |
| Year-End (Q4)* | 323,829 | (454,241) | - |

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



Description

The Engineering department is projecting a deficit of (\$27,000), due to projected deficits in Engineering and the Office of the City Engineer of (\$14,000) and (\$17,000), respectively. Partially offsetting these deficits is an anticipated \$4,000 surplus in Pollution Control.

Pollution Control

The Pollution Control division, specifically the Environmental Master Plan area, is projecting a surplus of \$4,000.

Miscellaneous Line Items - Surplus of \$4,000

Miscellaneous line item variances are projected to contribute a \$4,000 surplus.

Engineering

The Engineering division is projecting a deficit of (\$14,000), made up of the following:

Licenses & Permits / Other General Revenue / GIS User Fees – Surplus of \$81,000

User Fees, largely driven by GIS Surcharge Fees on building permits, are expected to contribute a surplus of \$56,500 to the Division. Additionally, Other General Revenues, comprised mostly of fees received for use of advertising space on street furniture, are projected to contribute a further \$16,700 surplus. Miscellaneous revenues make up the remaining \$7,800 in projected surpluses.

Salaries / Work Auth Recoveries – Surplus of \$26,000

Vacancies in the area are the largest contributor towards the \$26,000 surplus.

Utilities (Streetlights) – Deficit of (\$103,000)

Offsetting the surpluses identified above for the Division is a deficit of (\$103,000), due to maintenance costs paid to EnWin for the City’s streetlight infrastructure which continue to trend higher than expected due to aging wiring and other electrical components.

Miscellaneous Line Items – Deficit of (\$18,000)

Miscellaneous deficits totalling (\$18,000) are projected for the Division.

Office of the City Engineer

The Office of the City Engineer is projecting a deficit of (\$17,000).

Miscellaneous Line Items - Deficit of (\$17,000)

Miscellaneous line item variances are projected to deliver a (\$17,000) deficit.

Appendix A - 2019 Q3 Operating Budget Variance

Summary of Description

| | Category | Amount |
|---|------------------------------|---------------------------|
| <i>Pollution Control</i> | | |
| 1 Miscellaneous Line Items | Other Miscellaneous Revenue | 4,000 |
| <i>Total Pollution Control</i> | | <u>4,000</u> |
| | | |
| <i>Development, Projects & Right-of-Way (ROW)</i> | | |
| 1. Licenses / User Fees / Other General Revenue | User Fees, Permits & Charges | 81,000 |
| 2 Salaries / Work Auth Recoveries | Salaries & Benefits | 26,000 |
| 3 Utilities (Streetlights) | Utilities, Insurance & Taxes | (103,000) |
| 4 Miscellaneous Line Items | Other Miscellaneous Revenue | (18,000) |
| <i>Total Development, Projects & Right-of-Way (ROW)</i> | | <u>(14,000)</u> |
| | | |
| <i>Office of the City Engineer</i> | | |
| 1 Miscellaneous Line Items | Other Miscellaneous Revenue | (17,000) |
| <i>Total Office of the City Engineer</i> | | <u>(17,000)</u> |
| | | |
| Net Year End Surplus/(Deficit) | | <u><u>\$ (27,000)</u></u> |

Mitigating Steps

The department will continue to work closely with EnWin to contain Streetlight maintenance costs going forward.

PUBLIC WORKS OPERATIONS

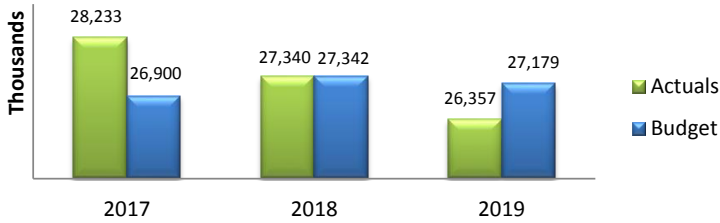
Financial Summary

| | 2017 | 2018 | 2019 |
|--------------------------|--------------------|--------------|----------------|
| | Financials | Financials | Financials |
| Annual Gross Budget (GB) | 54,304,502 | 54,455,439 | 55,964,369 |
| Annual Net Budget | 26,900,403 | 27,342,112 | 27,179,197 |
| Annual Net Expenditures | 28,232,659 | 27,339,721 | 26,357,197 |
| Year End Variance | (1,332,256) | 2,391 | 822,000 |
| Variance as % of GB | -2.4% | 0.0% | 1.5% |

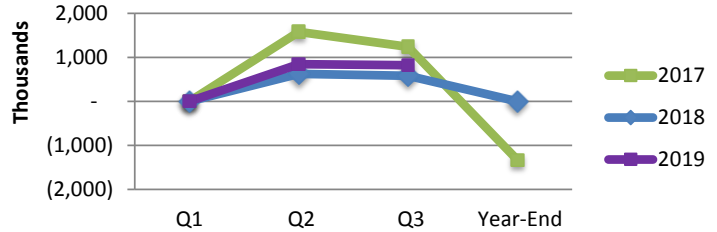
| | 2017 | 2018 | 2019 |
|---------------------|---------------|---------------|---------------|
| | Est. Variance | Est. Variance | Est. Variance |
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 1,578,900 | 625,500 | 845,000 |
| Third Quarter (Q3) | 1,241,000 | 583,000 | 822,000 |
| Year-End (Q4)* | (1,332,256) | 2,391 | - |

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

Year End Actuals vs. Year End Net Budget



Quarterly Year End Variance Projections *



Description

The PW Operations Department is projecting an overall surplus of \$822,000 at year-end 2019 as of 3rd quarter 2019 comprised of the following variances:

Salary and Wage: \$897,000

A projected overall surplus of approximately \$1,014,000 is expected in 2019 related to salary and wage. The projected surplus is the net total of the surpluses and deficits expected related to salary and wage gapping due to a number of vacancies across the department resulting from retirements and staff appointments into new positions offset with the hiring of extra staff to accommodate heavy work load situations where required. Administration is expecting there may be deficits of approximately (\$117,000) incurred related to overtime costs that will partially offset the final surplus realized related to staffing. Administration also expects there may be offsetting deficits related to contracted services, but at the time of completing this variance analysis, it is too early in the construction season to project what those total costs may be.

Leachate Treatment: \$50,000

A surplus of approximately \$50,000 is expected for 2019 costs related to leachate treatment based on actual 2019 costs to date and analysis of historical costs.

Winter Control: (\$50,000)

A deficit of approximately (\$50,000) is possible for 2019 related to the winter control service based on lower than average winter conditions during the first quarter of 2019, and a five-year average of winter service in the final quarter. The final variance is dependent upon winter conditions and resulting service in the final quarter of 2019.

Fuel: (\$75,000)

A projected deficit of approximately (\$75,000) related to fuel is expected for 2019 due to higher than anticipated fuel pricing for the year to date. Should Public Works end 2019 with an overall deficit position, an offsetting transfer from the Budget Stabilization Reserve as approved by Council in budget issue 2019-0149 will offset the final fuel deficit. The final variance related to fuel may also be impacted by coming changes to the product supplied by our fuel supplier. Exact impact of the changes are unknown at the time of this variance report preparation, but it should be noted, additional pricing impacts may be possible.

Summary of Description

| | Category | Amount |
|---------------------------------------|----------------------------------|-------------------|
| Salary and Wage | Salaries & Benefits | 897,000 |
| Leachate Treatment | Purchased Services | 50,000 |
| Winter Control | Purchased Services | (50,000) |
| Fuel | Operating & Maintenance Supplies | (75,000) |
| Net Year End Surplus/(Deficit) | | \$ 822,000 |

Mitigating Steps

N/A

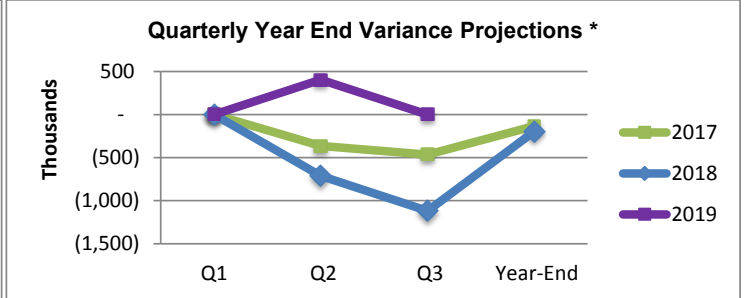
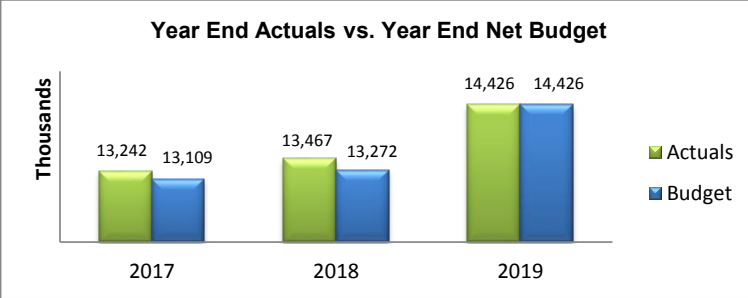
TRANSIT WINDSOR

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 33,504,338 | 33,931,108 | 36,061,034 |
| Annual Net Budget | 13,108,590 | 13,271,519 | 14,425,771 |
| Annual Net Expenditures | 13,241,986 | 13,466,527 | 14,425,771 |
| Year End Variance | (133,396) | (195,008) | 0 |
| Variance as % of GB | -0.4% | -0.6% | |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | (363,000) | (710,000) | 405,000 |
| Third Quarter (Q3) | (465,000) | (1,118,700) | - |
| Year-End (Q4)* | (133,396) | (195,008) | - |

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



Description

As at the end of 3rd quarter, Transit Windsor is projecting no budget variance at year-end.

Pension-Contributory: \$340,000

Transit Windsor is anticipating a \$340,000 surplus in the Pension- Contributory account. This surplus is due to the minimum employer contribution requirements for 2019 and the use of a Letter of Credit for making the required contribution payments for the Pension Plan for Employees of Transit Windsor for the year.

Transit Revenue: \$270,000

Transit Windsor is projecting a surplus of \$270,000 for Transit Revenue as of third quarter. Overall, Transit Windsor has continued to see an increase in student ridership over 2018. The increase coincides with the implementation of the U-Pass program along with an influx of St. Clair College students purchasing student bus passes during 2019. The student ridership is anticipated to continue for the remainder of the year.

Legal Services: \$25,000

The Legal Services account is projected to end 2019 with a \$25,000 surplus for Transit Windsor. This variance is attributed to the shift in using the City Legal Department more, with little outside resources required.

Minor Apparatus & Tools: (\$25,000)

Transit is anticipating a (\$25,000) deficit in Minor Apparatus and Tools. This budget shortfall is due to the necessary supplies required to maintain tools and equipment for the Transit Fleet. This account budget will be reviewed in order to assess if an increase in the budget is required in order to maintain necessary tools and equipment for the Transit Fleet.

Facility- Operations- Labour Internal: (\$50,000)

Transit Windsor is anticipating a deficit of (\$50,000) in the Facility Operations- Labour Internal account. The City of Windsor's Facilities department completes maintenance and cleaning work needed throughout the year at the Windsor International Transit Terminal (Witt) and Transit is then charged for the work completed. The maintenance and cleaning required during previous years has increased and the trend is continuing for 2019. Transit will be requesting matching funding to the facilities department's budget in order to be able to accommodate the maintenance work and other expenses incurred at WITT.

Program Supplies: (\$120,000)

Transit Windsor is projecting a (\$120,000) deficit in the Program Supplies account for 2019. As Transit has transitioned to Smart Cards for all bus passes this year, earlier in the year, two forms of passes, Smart Card and Magnetic Strip were required to be purchased and held in inventory for sale. In order to provide the required passes, Transit was required to purchase both forms of passes, therefore increasing the costs for passes. As all bus passes have now shifted to Smart Cards, the requirement to purchase both forms of passes is no longer a factor. This account is anticipated to normalize in the upcoming year.

Salaries, Wages and Overtime: (\$130,000)

Transit Windsor is projecting a (\$130,000) deficit in overall Salaries, Wages and Overtime for 2019. This deficit is due to unexpected retirements during 2019 which required significant vacation time payouts. Also, due to the delay of required positions to provide service being filled, additional overtime was incurred and therefore increased the overtime actuals.

Scrap Inventory (Obsolete Inventory): (\$150,000)

Transit Windsor is anticipating a deficit in the scrap inventory account due to the required write-off of obsolete inventory, of approximately \$150,000 for 2019. Annually, Transit assesses all assets recorded in inventory and determines if a write off is required due to inventory being obsolete and no longer useable. This year, the fleet department has identified over 469 various parts, including two engines, which are no longer useable as parts are for buses that are no longer included in the Transit fleet. Obsolete parts are listed on GovDeals for sale in order to attempt to recover some of the costs however, if sold, the recovery is very minimal. Transit continues to look for ways to keep the ordering of inventory efficient and on an as needed basis however due to the time required for parts to be delivered, and the importance of having parts readily available to mitigate downtime of buses in repair, Inventory must be kept on site.

Motor Fuel: (\$160,000)

A projected deficit of approximately (\$160,000) related to fuel is expected for 2019 due to higher than budgeted fuel pricing for the year to date. If Transit Windsor is in an overall deficit position at year-end, there will be a transfer from the Budget Stabilization Reserve offsetting this motor fuel deficit, as approved by Council in budget issue 2019-0100. There is a risk associated with projecting to year-end in that fuel prices continue to be difficult to predict. As with any forecast of a commodity's price for an entire year, variances are likely due to unforeseen price fluctuations. The fuel price variance projected for the remainder of the year may change if the spot price of fuel continues to increase, leading to a greater negative variance.

Summary of Description

| | Category | Amount |
|---|----------------------------------|--------------------|
| 1. Pensions - Contributions | Salaries & Benefits | \$ 340,000 |
| 2. Transit Revenue | User Fees, Permits & Charges | \$ 270,000 |
| 3. Legal Services | Purchased Services | \$ 25,000 |
| 4. Minor Apparatus and Tools | Minor Capital | \$ (25,000) |
| 5. Facilities Operations Labour- Internal | Operating & Maintenance Supplies | \$ (50,000) |
| 6. Program Supplies | Operating & Maintenance Supplies | \$ (120,000) |
| 7. Salary and Wages | Salaries & Benefits | \$ (130,000) |
| 8. Scrap Inventory | Operating & Maintenance Supplies | \$ (150,000) |
| 9. Motor Fuels | Operating & Maintenance Supplies | \$ (160,000) |
| Net Year End Surplus/(Deficit) | | <u>\$ -</u> |

Mitigating Steps

Transit will continue to monitor accounts that are expected to incur deficits and mitigate through a decrease in spending in other accounts that will allow for fewer expenses to be incurred during the year.

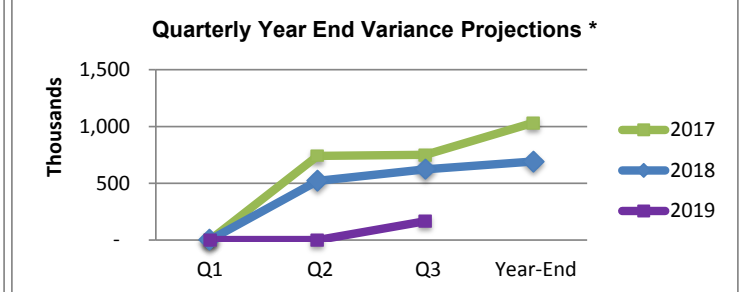
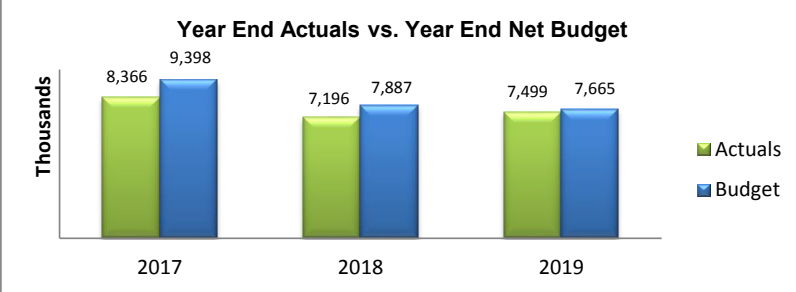
EMPLOYMENT & SOCIAL SERVICES

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 118,491,577 | 118,666,766 | 117,503,235 |
| Annual Net Budget | 9,398,178 | 7,887,381 | 7,664,726 |
| Annual Net Expenditures | 8,365,839 | 7,195,628 | 7,498,726 |
| Year End Variance | 1,032,339 | 691,753 | 166,000 |
| Variance as % of GB | 0.9% | 0.6% | 0.1% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 741,000 | 520,500 | - |
| Third Quarter (Q3) | 751,000 | 623,500 | 166,000 |
| Year-End (Q4)* | 1,032,339 | 691,753 | - |

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



Description

As of August 31st 2019, the Employment and Social Services Department is projecting a \$166,000 City budget surplus at year-end.

Community Development and Health Office & Social Policy & Planning - \$0

No significant year-end variance is expected for the Community Development and Health Office & Social Policy & Planning.

Ontario Works Program Delivery and Other Employment Programs: \$166,000

Ontario Works Program Delivery is projected to end the year with a net City surplus of \$166,000 comprised of the following:

Salary accounts are projected to be lower than budget by approximately \$133,000 due to gapping. Employment Related Costs accounts are projected to be lower by \$26,000 and Other Miscellaneous accounts by \$7,000.

A year-end surplus is expected in Ontario Works Program Delivery program despite the provincial revenue losses detailed below:

The 2019 OW Program Delivery (PD) funding allocation was received after Council approved the 2019 Municipal Budget. The level of OW PD funding is recalculated every two years. Provincial funding is distributed based on the municipality’s OW average caseload in proportion to the total provincial average caseload for the prior two years. Due to this recalculation, OW PD funding is overstated in the municipal budget by approximately \$199,000.

As noted in Council Report C91/2019, dated April 17, 2019, the Ministry of Children, Community and Social Services released the 2019 Ontario Works Service Delivery Priorities memo, which contained direction that OW Program Delivery budget submissions should not exceed the previous year’s actual expenditures. The indication from the Ministry is that any expenditures above the 2018 expenditure level will not be eligible for provincial funding and will have to be funded by the municipality. The City and County share in the cost of OW PD based on the arbitrated weighted assessment formula. At present, it is projected that the 2019 municipal budget is sufficient to absorb the loss of provincial revenue noted above.

In addition to this budget risk, the memo indicates that negotiated 2019 Employment Outcome targets must be at minimum 3% higher than the 2018 year-end actuals. In-year renegotiation of targets to reflect major changes in the economy will not be permitted. Non-achievement of targets may result in a funding recovery in 2020 of up to a maximum 15% of the \$6.7 million in total upload funding.

100% Municipal Assistance & Ontario Works Financial Assistance: \$0

No significant variance is expected for 100% Municipal Assistance & Ontario Works Financial Assistance.

Summary of Description

| | Category | Amount |
|--|----------------------------------|-------------------|
| <i>Total CDO Office & Social Policy & Planning</i> | Recovery of Expenditures | \$ - |
| <i>Ontario Works Program Delivery</i> | | |
| Salary & Benefits | Salaries & Benefits | \$ 133,000 |
| Other Miscellaneous | Other Miscellaneous Expenditures | \$ 7,000 |
| Employment Related Expense | Purchased Services | \$ 26,000 |
| <i>Total Ontario Works Program Delivery</i> | | \$ 166,000 |
| <i>100% Municipal Assistance & OW Financial Assistance</i> | Grants & Subsidies | \$ - |
| Net Year End Surplus/(Deficit) | | \$ 166,000 |

Mitigating Steps

At present it is expected that the loss of Provincial OW PD funding in 2019 can be managed through mitigating strategies and by continuing to monitor variances. We will look for operational savings and not fill vacant positions (where possible) in order to minimize staffing impacts.

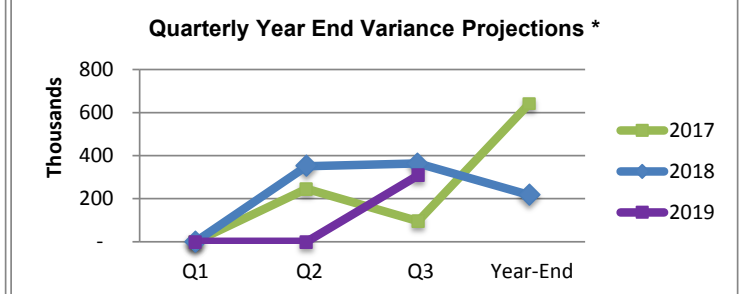
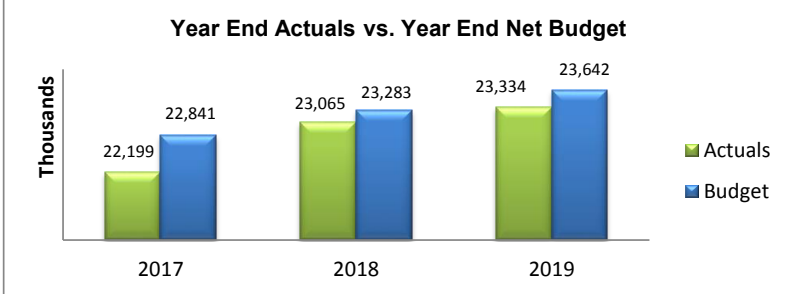
HOUSING & CHILDREN'S SERVICES

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 103,721,182 | 122,107,176 | 121,414,027 |
| Annual Net Budget | 22,841,372 | 23,282,846 | 23,642,230 |
| Annual Net Expenditures | 22,199,381 | 23,065,343 | 23,334,230 |
| Year End Variance | 641,991 | 217,503 | 308,000 |
| Variance as % of GB | 0.5% | 0.2% | 0.3% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | 246,000 | 350,600 | - |
| Third Quarter (Q3) | 96,100 | 363,900 | 308,000 |
| Year-End (Q4)* | 641,991 | 217,503 | - |

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



Description

As detailed below, Housing and Children's Services and Windsor Essex Community Housing Corporation (WECHC) combined is projecting a year-end City surplus of \$308,000 at this time.

Housing Services, inclusive of Windsor Essex Community Housing Corporation, is expected to incur a surplus of \$308,000. The loss of Federal Block Funding from the Federal government is projected to create a (\$430,000) net City deficit. This deficit, however, is expected to be offset by a net city surplus of \$671,000 due to lower mandated subsidy payments being required by WECHC and other service providers in 2019, as well as from the reconciliation of service provider fiscal year-end reports. At this time, it is projected that one-time funding of \$216,000 from the Budget Stabilization reserve that was approved by Council (Council Report C33/2019, Council Resolution B7/2019) will not be required to offset potential Federal Block Funding loss pressure. Higher than budgeted County revenue of \$67,000 is also projected due to of the shift in weighted assessment rates after the budget was set.

The Community Homelessness Prevention Initiative (CHPI) budget is not projecting a City variance at this time. One-time funding of \$500,000 from the Budget Stabilization reserve that was approved by Council will be utilized to offset anticipated pressures in the Emergency Shelter system (Council Report C5/2019, Council Decision B11/2019). To avoid reductions to services, on July 22 City Council approved additional one-time funding of \$537,495 from the Budget Stabilization reserve to offset Provincial funding that was deferred to April 1, 2020. (CR374/2019)

Children Services is not projecting a negative budget variance as previously anticipated. On June 3rd, report (CR91/2019) was provided to Council with information related to new municipal cost sharing implications for Child Care programs that were identified in the 2019 Provincial Budget. On August 28, 2019, the Province announced that it was deferring municipal cost-sharing requirements to the 2021 budget year.

Summary of Description

Housing and Children Services/WECHC

| Category | Amount |
|---|-------------------|
| 1. Housing Services/WECHC Surplus | \$ 308,000 |
| 2 Consolidated Homelessness Prevention Initiative | \$ - |
| 3 Children Services | \$ - |
| 4 Pathway to Potential | \$ - |
| Net Year End Surplus/(Deficit) | \$ 308,000 |

Mitigating Steps

CHPI – Administration monitors expenditures regularly and has taken steps to reduce costs in the emergency shelter program. The emergency shelter have implemented diversion strategies to help individuals and families maintain current safe and affordable housing options, rather than entering the emergency system. Also, new federal funding has been utilized to add resources to help families in the emergency shelters find housing.

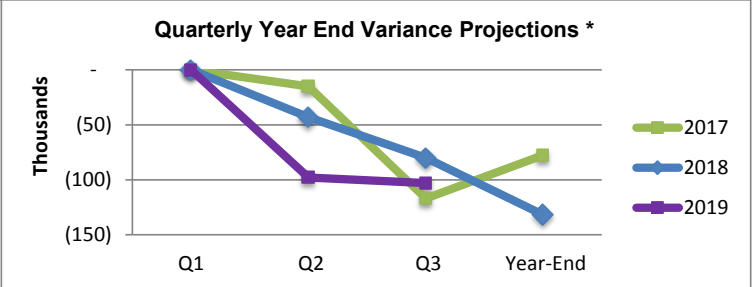
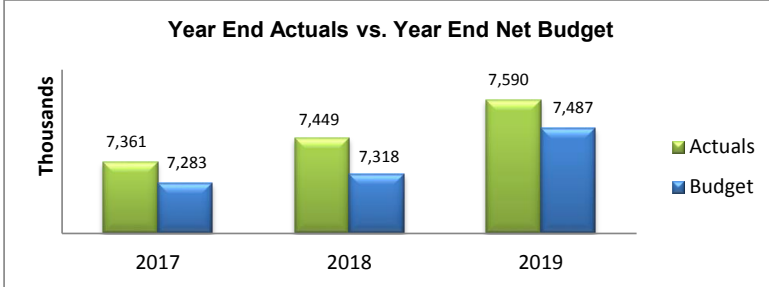
HURON LODGE

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 22,883,479 | 23,427,040 | 23,995,061 |
| Annual Net Budget | 7,283,223 | 7,317,503 | 7,486,524 |
| Annual Net Expenditures | 7,360,805 | 7,449,371 | 7,589,524 |
| Year End Variance | (77,582) | (131,868) | (103,000) |
| Variance as % of GB | -0.3% | -0.6% | -0.4% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | (15,000) | (43,000) | (98,000) |
| Third Quarter (Q3) | (117,000) | (80,000) | (103,000) |
| Year-End (Q4)* | (77,582) | (131,868) | - |

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



Description

Huron Lodge is expecting to end the year in a deficit position of approximately (\$103,000).

Provincial Funding: \$160,000

As of June 21, 2019, The Ministry of Health and Long Term Care is renamed the Ministry of Long Term Care, separate from the Ministry of Health. The majority of this surplus is due to the unbudgeted increase in Behavioral Supports Ontario (BSO) funding announced in late 2018 which has continued for 2019 in the annual amount of \$103,859. The surplus in this account directly offsets a portion of the deficit in the salary accounts related to the Behavioural Supports program. BSO funding is specifically used for staffing to most benefit residents with responsive behaviours.

Accommodation Revenue: \$60,000

Each year the Ministry of Long Term care increases the rates for resident accommodations due to inflation. With the current resident mix at the time, it is estimated that the increase in Accommodation Revenue at the end of the year will be \$60,000.

Lease Revenue: \$17,000

In April 2019, Huron Lodge commenced a lease agreement with the Alzheimer Society of Windsor and Essex County for an Adult Day Away Program in the basement level of the home. Huron Lodge will create a budget for the annual revenue and expense (if any) through the 2020 budget process.

Facilities Services: \$0

The facilities department manages the contract for housekeeping and laundry as well as building and equipment repairs and preventative maintenance programs for the home. The facility also contracts out the laundry services for linens which is expected to see a (\$25,000) deficit. The home is experiencing an increasing number of residents with health conditions with frequent episodes of incontinence resulting in more pounds of linens to be laundered. The repairs and preventative maintenance expenses are also expected to see an estimated (\$20,000) variance due to the budget remaining the same for several years and the rising costs of contracted labour associated with specific trades. Overall, facilities services are expected to remain on target due to gapping in salaries which is expected to offset the deficits described.

Kitchen Supplies: (\$20,000)

Supplies in the kitchen including chemicals are expected to end the year in a variance of (\$20,000). Kitchen supplies include chemicals for specialized cleaning and items to support safe food handling and food production. The budget for these items has remained unchanged for a number of years. Historically, the department has mitigated any overages in this account. The department has experienced a five year average deficit in this account of (\$16,000).

Equipment Repairs: (\$25,000)

Equipment repairs is expected to experience a budget shortfall predominately due to the nursing equipment repairs and preventative maintenance costs. The department is hopeful that the variance in these repairs and preventative maintenance accounts will show a decline in 2020 with the introduction of many new nursing equipment pieces this year purchased through capital as well as the operating budget.

Equipment Replacements: (\$45,000)

This year the home acquired some nursing equipment pieces which were beyond repair. Sit to stand floor lifts and a shower chair lifts were purchased before the capital budget was approved. The department continues to review, identify needs and prioritize capital budget items accordingly. At times, immediate replacement is required and this is done through the operating accounts. The department estimates that no additional operating dollars will be used for equipment acquisitions in 2019.

Salary Accounts: (\$250,000)

Salary Accounts for nursing, dietary, administration, resident services are expected to end the year in a deficit position of approximately (\$250,000). Unbudgeted staff accommodations and payouts in the nursing, resident services and administration areas are expected to total approximately \$178,000 in additional costs to Huron Lodge's salary accounts in 2019. Huron Lodge plans to mitigate some of the additional expenses through salary gapping and surpluses in the WSIB accounts. At the in-camera meeting on November 19, 2018, council approved a one-time transfer from the fringe rate stabilization reserve in the amount of \$50,000 to offset a staffing payout which was paid in 2019. At the end of the year, finance will review the financial position of the corporation and transfer the funds if appropriate reducing the salary deficit. It is important to note, that Huron Lodge did not predict that the new Ministry of Long Term Care funding model would have an adverse impact on salary related funding.

Summary of Description

| | Category | Amount |
|---------------------------------------|----------------------------------|----------------------------|
| 1. Provincial Funding | Grants & Subsidies | \$ 160,000 |
| 2. Accommodation Revenue | Other Miscellaneous Revenue | 60,000 |
| 3. Lease Revenue | Other Miscellaneous Revenue | 17,000 |
| 4. Facilities Services | Other Miscellaneous Expenditures | - |
| 5. Kitchen Supplies | Operating & Maintenance Supplies | (20,000) |
| 6. Equipment Repairs | Minor Capital | (25,000) |
| 7. Equipment Replacements | Minor Capital | (45,000) |
| 8. Salary Accounts | Salaries & Benefits | (250,000) |
| Net Year End Surplus/(Deficit) | | <u>\$ (103,000)</u> |

Mitigating Steps

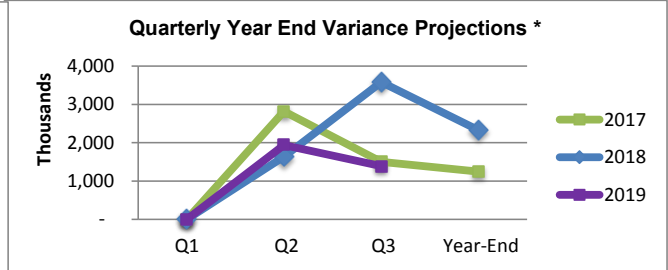
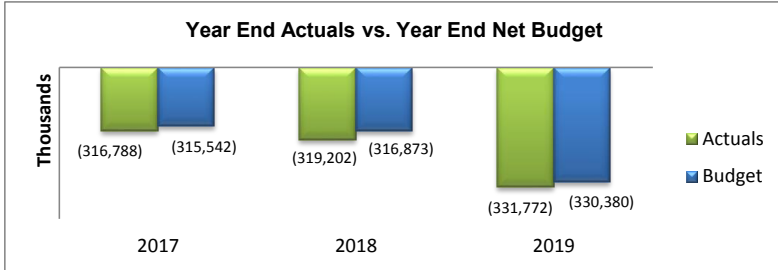
The department is dedicated to reviewing salary accounts in detail so budgets are adjusted based on historical data. Budget issues related to contractual obligations relating to other pay such as vacation payouts and shift premiums have been addressed through the budget process and continue to be monitored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

Huron Lodge has chosen to utilize dispensers for infection control and chemical supplies, which may mitigate a portion of the estimated deficit in the kitchen supplies expense category.

Huron Lodge is dedicated to exploring external funding opportunities from committees and agencies to assist with minor capital items for the home. The Ladies Auxiliary Group assists annually with funding for resident programming and equipment needs. The Windsor Accessibility Advisory Committee funded the outdoor equipment and cement pad installed in 2017. Most recently, a grant application was submitted this year to the Royal Canadian Legion Ladies Auxiliary Group to fund the purchase of beds.

CORPORATE ACCOUNTS

| <u>Financial Summary</u> | 2017 | 2018 | 2019 | 2017 | 2018 | 2019 |
|--------------------------|------------------|------------------|------------------|--|---------------|---------------|
| | Financials | Financials | Financials | Est. Variance | Est. Variance | Est. Variance |
| Annual Gross Budget (GB) | 220,184,625 | 228,641,359 | 237,806,759 | - | - | - |
| Annual Net Budget | (315,541,718) | (316,872,705) | (330,380,367) | 2,818,972 | 1,638,927 | 1,937,657 |
| Annual Net Expenditures | (316,787,587) | (319,201,799) | (331,772,258) | 1,502,120 | 3,581,927 | 1,391,891 |
| Year End Variance | 1,245,869 | 2,329,094 | 1,391,891 | 1,245,869 | 2,329,094 | - |
| Variance as % of GB | 0.6% | 1.0% | 0.6% | * Note: Year-end numbers are based on actual results, not projections. | | |



Description

Fund Transfers

Sewer Surcharge Recovery: \$758,509

Sewer surcharge recovery is higher than budgeted due to the timing of sewer surcharge expenditure increase approved for 2019. This is offset by increased overhead-related expenditures in other departments in various accounts attributable to sewer surcharge.

Interest and Bank Charges

Net Interest on Investments: (\$500,000)

It is anticipated that the Bank of Canada will decrease the overnight rate by 25 bps as of November. This will result in a projected deficit of (\$400,000) for interest on investments. Higher than projected reserve balances being retained throughout the year has resulted in more interest income being allocated to the reserves resulting in a projected deficit of (\$100,000) in interest paid to reserves.

Capital Interest Income: \$100,000

The projected surplus related to capital interest income is the result of increased enhanced capital spending. City Council has also approved a number of capital projects pre-committing future funds which are starting earlier than anticipated. This has resulted in additional capital projects being assessed interest charges until permanent funding becomes available.

General Corporate Revenues

Casino Hosting Fee: (\$90,000)

Based on 2017 trends as an indicator relative to the projections for the final quarter of 2019, total contributions from the OLG are projected to result in a deficit of (\$90,000).

General Expense Accounts

Community Improvement Plan Tax Rebate: (\$150,000)

The Community Improvement Plan grant payments is projected to end the year in a deficit position of (\$150,000). Due to the timing of when applications are approved, development completed and property tax reassessment takes place, it is difficult to project when the grants will become payable.

Waiver of Fees: (\$42,447)

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 related to the waiver of fees. Fees approved to date this year amounts to \$42,447. No specific operating budget allocation has been approved related to the Waiver of Fees policy.

General Provisions: \$1,000,000

The General Provision account is projected to end the year with a surplus of \$1,000,000. This budget contains corporate provisions for JJE, unanticipated WSIB Costs, an overtime provision for eligible non-union members, and a general contingency provision. This account also contains provisions and accruals for various collective agreements that have been updated to reflect expected costs for 2019. It is noted that the surplus contingency amount is offset by various deficit amounts experienced across various line items in the budget.

Corporate Fringe Benefits

Sick Leave Gratuity: \$0

The Sick Leave Gratuity account is often difficult to predict as the timing of retirements is uncertain and subject to a great deal of variability year over year. The sick leave payouts for 2019 is projected to be significantly lower. Aside from the Fire & Rescue department, there are very few remaining retirees that are eligible for the payouts. An estimated surplus of \$1,000,000 is currently being projected, which will be transferred to the Fringe Rate Stabilization Reserve Fund at year-end, as per normal practice.

Green Shield Program: \$0

The projected Green Shield claim activity for 2018/2019 is experiencing a positive trend primarily due to the impact of the OHIP+ through March 31, 2019 and cost trends remaining below expectations, including travel benefits. A surplus cheque of an estimated \$2,500,000 is expected, which will be transferred to the Fringe Rate Stabilization Reserve Fund at year-end, as per normal practice.

Short-Term Disability Program: (\$80,000)

The Short Term Disability Program for Transit Windsor is projecting a deficit of (\$80,000) due to increased claim activity.

Other Municipal Taxes

Heads & Beds: \$240,750

A surplus of \$240,750 is primarily due to the increased enrolment at both the University and St. Clair College.

Railway & Hydro: \$13,079

A surplus of \$13,079 is due to an increase to the fees charged for railway and hydro corridors.

Payment in Lieu-Previously Exempt Properties: \$30,000

The surplus of \$30,000 is due to the increase in assessment value for 2019 related to the Joint Justice Facility.

Corporate Utilities

The analysis below for Electricity, Natural Gas and Water is reflective of information available for the months of January to July 2019.

Electricity: \$400,000

Year to date consumption data indicates a decrease of 4.5% and a corresponding decrease in costs of 2% compared to 2018. The consumption decrease is primarily related to the electricity produced by the two CHP systems (Huron Lodge & WFCU Centre) now in full operation. In addition, reductions in the Global Adjustment rate which has resulted from the two water treatment plants and the WIATC being classified as Class A accounts continues to provide some operational savings. A budget surplus of \$400,000 is being projected for year end.

The costs associated with the Paul Martin building and the Windsor Biosolids Processing Facility are reflected in the projected surplus. This surplus also takes into account approximately \$2 million of capital transfers anticipated at year end to fund energy savings projects. Efforts to reduce electricity consumption and contain operating costs are critical and continue to be a central focus of Corporate Energy Initiatives.

Water: \$50,000

Consumption has decreased by 14.7% with a corresponding cost decrease of 0.08% compared to 2018. One-time consumption charges at Lou Romano Water Reclamation Plant (LRWRP) and Capri Pizzeria Recreation Complex identified in 2018, which have since been optimized are contributing factors to the consumption/cost decrease. The Sewer Surcharge increase effective May 1st, will have a negative budget impact of approximately (\$140,000). Overall, a budget surplus of \$50,000 is being projected for year end.

Natural Gas: (\$156,000)

Consumption of natural gas increased by 30.3% with a corresponding cost increase of 16.4% compared to 2018. This increase is mainly the result of the two CHP systems being fully operational, as well as consumption associated with the Paul Martin building and the Windsor Biosolids Processing Facility.

District Energy: (\$182,000)

As a result of a new contract agreement between District Energy Windsor (DEW) and Enwave Energy Corporation (chilled and hot water provider), utility rates for 2019 are currently under review. An analysis utilizing current rates results in a projected budget shortfall of (\$182,000).

| | Category | Amount |
|--|-------------------------------|----------------------------|
| <i>Corporate Accounts</i> | | |
| 1. Sewer Surcharge Recovery | Recovery of Expenditures | 758,509 |
| 2. Interest on Investments | Investment Income & Dividends | (400,000) |
| 3. Interest Paid to Reserves | Investment Income & Dividends | (100,000) |
| 4. Capital Interest Income | Investment Income & Dividends | 100,000 |
| 5. Casino Hosting Fee | User Fees, Permits & Charges | (90,000) |
| 6. Community Improvement Plan | Financial Expenses | (150,000) |
| 7. Waiver of Fees | Financial Expenses | (42,447) |
| 8. Corporate Salary Provision | Salaries & Benefits | 1,000,000 |
| 9. Sick Leave Gratuity | Salaries & Benefits | - |
| 10. Green Shield | Salaries & Benefits | - |
| 11. Short-Term Disability | Salaries & Benefits | (80,000) |
| 12. Other Municipal Taxes-Heads & Beds | Taxes - Municipal | 240,750 |
| 13. Other Municipal Taxes-Railway & Hydro | Taxes - Municipal | 13,079 |
| 14. Payment in Lieu-Previously Exempt Properties | Taxes - Municipal | 30,000 |
| Total Corporate Accounts | | <u>1,279,891</u> |
| <i>Corporate Utilities</i> | | |
| 15. Hydro | Utilities, Insurance & Taxes | 400,000 |
| 16. Water | Utilities, Insurance & Taxes | 50,000 |
| 17. Natural Gas | Utilities, Insurance & Taxes | (156,000) |
| 18. District Energy | Utilities, Insurance & Taxes | \$ (182,000) |
| Total Corporate Utilities | | <u>\$ 112,000</u> |
| Net Year End Surplus/(Deficit) | | <u>\$ 1,391,891</u> |

Mitigating Steps

N/A

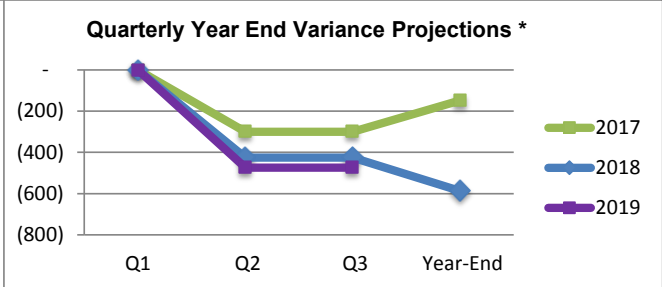
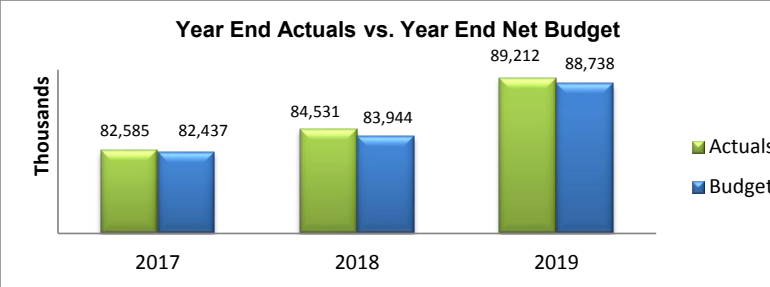
WINDSOR POLICE SERVICES

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 92,773,764 | 95,600,360 | 106,512,992 |
| Annual Net Budget | 82,437,022 | 83,943,525 | 88,737,654 |
| Annual Net Expenditures | 82,585,404 | 84,530,590 | 89,211,654 |
| Year End Variance | (148,382) | (587,065) | (474,000) |
| Variance as % of GB | -0.2% | -0.6% | -0.4% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | (300,000) | (425,000) | (474,000) |
| Third Quarter (Q3) | (300,000) | (425,000) | (474,000) |
| Year-End (Q4)* | (148,382) | (587,065) | - |

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



Description

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

Provincial Funding (\$474,000):

Over the past several months the provincial government has been undertaking a broad review of their programs to ensure long-term sustainability. As a result of this review, the Ministry of the Solicitor General announced on April 18th, 2019 that the Police Effectiveness and Modernization (PEM); Community Policing Partnerships (CPP), Safer Communities – 1000 Officers Partnership (SCOOP), Provincial Anti-Violence Intervention Strategy (PAVIS), and Supporting Police Response to Sexual Violence and Harassment (SVHAP) grant programs will be replaced by the new Community Safety and Policing (CSP) grant program.

This change in provincial priority will result in a (\$474,000) revenue shortfall for the 2019 fiscal year, along with each subsequent year of the program.

Summary of Description

| Category | Amount |
|---------------------------------------|---------------------|
| 1. Provincial Funding | \$ (474,000) |
| Net Year End Surplus/(Deficit) | \$ (474,000) |

Mitigating Steps

WPS will advocate for provincial and federal revenue reform through the OACP, calling on governments to streamline funding allocations based on predictable, simple, and transparent methodologies.

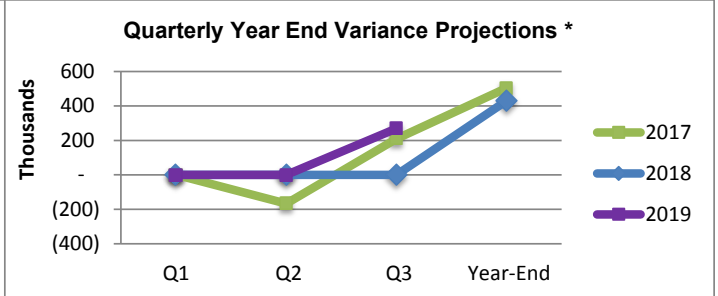
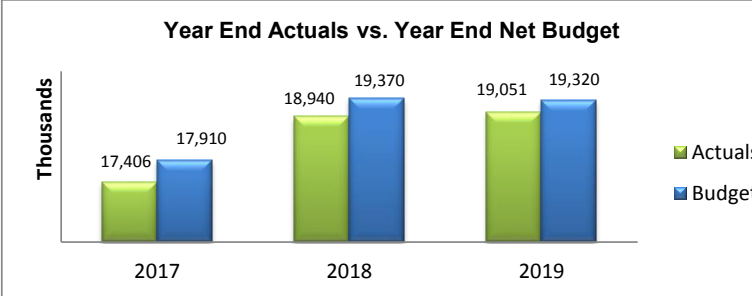
AGENCY GRANTS

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 18,010,674 | 20,195,286 | 19,420,107 |
| Annual Net Budget | 17,910,076 | 19,369,688 | 19,319,509 |
| Annual Net Expenditures | 17,406,072 | 18,939,774 | 19,050,509 |
| Year End Variance | 504,004 | 429,914 | 269,000 |
| Variance as % of GB | 2.8% | 2.1% | 1% |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|-----------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | (166,870) | - | - |
| Third Quarter (Q3) | 209,044 | - | 269,000 |
| Year-End (Q4)* | 504,004 | 429,914 | - |

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



Description

Windsor-Essex County Health Unit (WECHU): \$519,000

The Windsor-Essex County Health Unit has communicated an overall surplus of \$519,000 for the 2018 year, which is presently under review with the Ministry and will be returned to the City once approved. This amount has been accrued in the City's books for 2019.

Land Ambulance: (\$250,000)

The County is projecting a year-end deficit of approximately (\$250,000) for the City's share of costs primarily due to a shortfall in Provincial funding.

Summary of Description

| Category | Amount |
|---------------------------------------|-------------------|
| 1. Health Unit | \$ 519,000 |
| 2. Land Ambulance | (250,000) |
| Net Year End Surplus/(Deficit) | \$ 269,000 |

Mitigating Steps

N/A

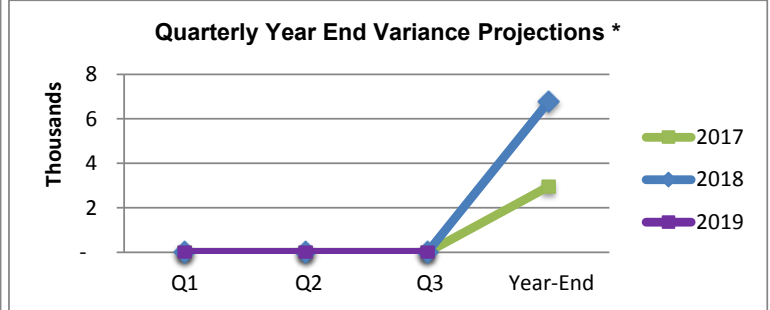
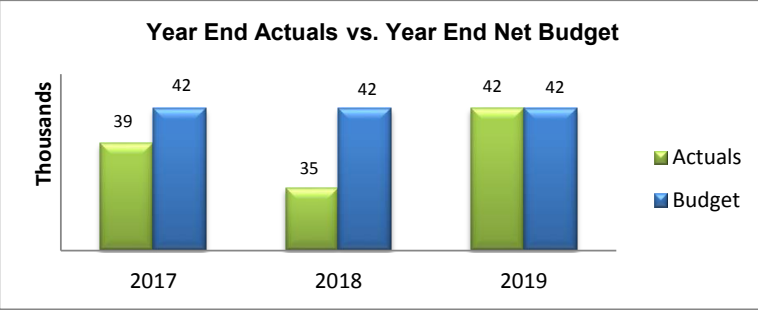
COMMITTEES OF COUNCIL

Financial Summary

| | 2017 Financials | 2018 Financials | 2019 Financials |
|--------------------------|--------------------|--------------------|--------------------|
| Annual Gross Budget (GB) | 42,120 | 42,120 | 42,120 |
| Annual Net Budget | 42,120 | 42,120 | 42,120 |
| Annual Net Expenditures | 39,159 | 35,338 | 42,120 |
| Year End Variance | 2,961 | 6,782 | 0 |
| Variance as % of GB | 7.0% | 16.1% | |

| | 2017 Est. Variance | 2018 Est. Variance | 2019 Est. Variance |
|---------------------|-----------------------|-----------------------|-----------------------|
| First Quarter (Q1) | - | - | - |
| Second Quarter (Q2) | - | - | - |
| Third Quarter (Q3) | - | - | - |
| Year-End (Q4)* | 2,961 | 6,782 | - |

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



Description

No significant variances projected at this time.

Summary of Description

1. Miscellaneous Line Items

| Category | Amount |
|---------------------------------------|-------------|
| Other Miscellaneous Expenditures | \$ - |
| Net Year End Surplus/(Deficit) | \$ - |

Mitigating Steps

N/A