

***Item No.***

**THE CORPORATION OF THE CITY OF WINDSOR  
CHIEF FINANCIAL OFFICER - FINANCE**



***MISSION STATEMENT:***

*"The City of Windsor, with the involvement of its citizens, will deliver effective and responsive municipal services, and will mobilize innovative community partnerships"*

<b>LiveLink REPORT #:</b> 15235	<b>Report Date:</b> April 7, 2011
<b>Author's Name:</b> Poorvangi Raval	<b>Date to Council:</b> May 3, 2011
<b>Author's Phone:</b> 519-255-6100 ext-6343	<b>Classification #:</b>
<b>Author's E-mail:</b> praval@city.windsor.on.ca	

**TO:** Mayor and Members of City Council

**SUBJECT:** 2010 Year-End Budget Variance Report

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**1. RECOMMENDATION:** City Wide: X Ward(s): \_\_\_\_\_

1. THAT Council **RECEIVE FOR INFORMATION** the 2010 Year-end Operating Budget Variance Report, dated April 7, 2011.
2. THAT Consistent with normal practice Council **APPROVE** the transfer of the 2010 net year end operating surplus of \$2,307,758 to the Budget Stabilization Reserve Fund.
3. THAT, in order to avoid the need to re-budget for various items, Council **APPROVE** \$3,210,380 in budget carryovers as detailed in Appendix C – 2010 Budget Carry-Forwards.
4. THAT Council **APPROVE** the balancing of and transfers from capital projects, as detailed in Appendix D.
5. THAT Council approve Windsor Tunnel Commission CDN Reserve Fund (F148) and USD Reserve Fund (F149) to be closed as per CR130/2010.
6. THAT pursuant to Bill 124 legislation, Council **APPROVE** the transfer of \$1,682,830 from the Building Permit Reserve to the Operating Fund, in order to recover the net building permits related expenditures incurred during 2010 in the Operating Fund.

7. THAT Council **APPROVE** the establishment of a Tax Appeals Reserve Fund starting in Fiscal year 2010 and that any surplus/deficit in the Municipal Taxation account will be funded from /returned to this Reserve Fund on an annual basis subject to the approval of the CFO and City Treasurer.
8. THAT Council **APPROVE** the establishment of a Fire Clothing Reserve Account and that any surplus/deficit in the fire clothing account budgeted under Firefighting Department #0191110 will be funded from /returned to this Reserve account on an annual basis subject to the approval of the CFO and City Treasurer.
9. THAT Council **APPROVE** the establishment of a Non-Union Salary Market Review Reserve Account and that the approved annual operating budget be transferred to this reserve account subject to the approval of the CFO and City Treasurer.
10. THAT Council **APPROVE** the establishment of a Succession Planning Reserve Account and that the annual approved budget related to this matter be transferred to this reserve account subject to the approval of the CFO and City Treasurer.
11. THAT Council **APPROVE** the establishment of a Municipal Elections Reserve Account and transfer the 2010 surplus of \$56,040.10 from operating fund to this reserve account.
12. THAT Council **APPROVE** the following transfers, of a housekeeping nature, to/from various reserves:
  - a. The transfer of \$38,512.61 from the Capital Expenditure Reserve Fund #160 to Legal Property Operating Account (Dept ID #0122960) to fund transitional costs related to the temporary upkeep of Riverside and Adstoll Arenas and Edward Community Centre.
  - b. The transfer of \$11,318.80 from the Budget Stabilization Reserve Fund #139 for non-union Labour Relation costs incurred in the operating budget.
  - c. The transfer of \$118,178.82 from the Budget Stabilization Reserve Fund #139 for retro payments made to Health and Safety Advisors based on the results of reviews by the Non Union Job Evaluation Committee.
  - d. The transfer of \$900 from the Budget Stabilization Reserve Fund# 139 for expenses approved by the Windsor Bicycling Committee.
  - e. The transfer of \$ 12,390.29 from the Budget Stabilization Reserve Fund #139 for Spitfire Parade expenses.

## **EXECUTIVE SUMMARY:**

The Corporation ended 2010 fiscal year with an operating surplus of \$2,307,758. Consistent with City Council's decisions in prior years, the net surplus will be transferred to the Budget Stabilization Reserve Fund. These results are subject to the annual external audit. The above noted figures are net of budget carryovers in the amount of \$3,210,380 for accounts that, due to timing, were committed but not expended in 2010 and for which the related budgets for those items have been carried forward in 2011. These 2010 approved carry-forwards are outlined in Appendix C.

As Council will recall, a \$1,500,000 contingency (equal to approximately 0.2% of the gross operating budget) is included in the budget to mitigate the impact of changes to estimates and judgements made, in many cases with incomplete information, during the budget development process. Because the corporation ended the year in a surplus position, this contingency was not required to offset any deficit. However, there are very significant property tax appeals, whose disposition cannot be quantified with certainty at this time. Therefore a transfer of \$1,500,000 to the newly established Tax Appeals Reserve Fund is being recommended. The \$2,307,758 surplus is net of the noted \$1,500,000 transfer.

The table below provides a summary of the budgets and year-end variances for City Departments, Corporate Accounts, and Agencies & Boards for 2010. The 2010 year-end variances have been sorted from largest deficit to largest surplus. Detailed variance explanations for each department can be found in Appendix A of the report.

## 2010 OPERATING VARIANCE SUMMARY BY DEPARTMENT

Departments/Division	2010		
	Annual Net Budget (\$)	Year End* As at Dec 31 (\$)	% Variance of Gross Bgt. YE (\$)
Parks & Facility Operations	15,156,185	(1,129,876)	-4.6%
Recreation & Culture	6,880,611	(886,923)	-5.2%
Legal (*)	4,560,018	(601,563)	-7.7%
Asset Planning	509,983	(543,771)	-107%
Corporate Human Resource Accounts	32,337,384	(499,333)	-1.5%
Policy, Gaming & Licensing	(1,215,054)	(425,794)	-25.5%
Environmental & PW Operations	22,512,469	(194,801)	-0.3%
Engineering	6,648,368	(156,781)	-1.7%
Planning	2,314,894	(101,036)	-3.4%
Building	1,597,536	(52,446)	-0.9%
Council Administrative Services	530,594	(26,350)	-5.0%
Financial Accounting	2,558,194	(1,376)	0.0%
Huron Lodge	8,451,400	4,676	0.0%
Employee Relations	238,724	5,461	2.3%
Information Technology	4,828,551	10,702	0.2%
Human Resources	3,523,917	59,223	1.6%
Communication & Customer Service	2,140,932	66,671	2.8%
Comm. Development & Health Office	249,153	67,089	10.5%
Council Services	2,013,515	125,563	5.3%
Taxation & Financial Projects	652,122	141,865	7.6%
Provincial Offences	(857,452)	158,543	2.9%
Fire & Rescue Services	33,746,782	174,686	0.5%
Financial Planning	1,868,158	229,394	8.6%
CAO's Office	1,493,194	456,074	30.5%
Housing & Children's Services	21,167,925	639,313	0.8%
Employment & Social Services	24,475,025	2,031,567	1.6%
Corporate Financial Accounts (**)	(298,483,363)	3,221,106	1.8%
<b>Total City Departments</b>	<b>(100,100,235)</b>	<b>2,771,883</b>	<b>0.4%</b>
<b>Agencies, Boards &amp; Commissions</b>			
Transit Windsor	11,153,054	(310,150)	-1.1%
Windsor Police Services	64,388,280	(153,698)	-0.2%
Agency Grants	14,721,734	(77,762)	-0.5%
Windsor Public Library	7,729,359	0	0.0%
Committees of Council	57,808	1,503	2.6%
Auditor General's Office	550,000	75,977	13.8%
<b>Total Agencies, Boards &amp; Commissions</b>	<b>98,600,235</b>	<b>(464,130)</b>	<b>-0.4%</b>
Budget Stabilization Contingency Acct.	1,500,000	0	100%
<b>Grand Total</b>	<b>0</b>	<b>2,307,758</b>	<b>0.3%</b>
<b>Net Total</b>	<b>0</b>	<b>2,307,758</b>	<b>0.3%</b>

\* Includes Post Closing Entry of (\$ 224,643)

\*\* Includes corporate fringe benefits (also known as Corporate Human Resources Account)

## **2. BACKGROUND:**

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

Furthermore, the table below provides a five year historical picture of the City's year end operating variances for the corporation, as well as the percentage variance to budget. These reported year end variances reflect the mitigating measures implemented in the respective years.

### **CITY OF WINDSOR'S YEAR END REPORTED OPERATING VARIANCE**

<b>Year</b>	<b>Surplus</b>	<b>% of Gross Budget</b>
2006	\$1,693,318	0.23%
2007	\$5,422,794	0.70%
2008	\$ 418,624	0.05%
2009	\$2,740,013	0.36%
2010	\$2,307,758	0.30%

## **3. DISCUSSION:**

### Tax Supported Variances

The overall operating year-end surplus for 2010 was \$2,307,758 or 0.30% of the 2010 gross approved budget. These numbers are still subject to the results of the external audit. Appendix A provides detailed comments and explanations of the departments variances. The comments are based on departmental input as well as a review from the Finance Department.

Included in arriving at the above noted figures are budget carryovers in the amount of \$3,210,380 for accounts that, due to timing, were committed but not expended in 2010. The carryovers allow the related budget to be carried to 2011 in order to avoid the need to re-budget for these items and avoid unwarranted variances. Appendix C contains a detailed listing of the approved budget carryovers.

It should be further emphasized that the financial results of the Corporation often depends upon the existing economic environment and can be influenced by uncontrollable variables such as inflation rates, interest rates, unemployment rates, and social assistance caseloads. Similarly, the financial results also depend upon uncontrollable factors such as weather conditions, items that are impacted by world events such as fuel costs, etc.

Consequently, material fluctuations in prior period projected variances can occur if any unforeseen activity is experienced.

It should also be noted that as previously reported to Council, some departments have incurred one-time personnel costs related to the ongoing bumping process. Generally, these are relatively minor amounts and have been absorbed as part of gapping savings. Some more notable amounts (i.e. Huron Lodge & Recreation) have itemized these amounts in their detailed variance analysis. These one-time expenditures should be viewed in the context of the significant ongoing operational savings achieved through the alternative service delivery choices previously implemented.

### Temporary Borrowing of Money

On January 4, 2010, Council approved (CR4/2010) the authorization of temporary borrowing of money for expenditures for the year 2010, if and when required, as provided for under the provisions of Section 407 of the Municipal Act. In addition, administration is to provide Council with a quarterly update on the use of borrowed funds. As of December 31st, the City of Windsor had not used the Scotiabank line of credit.

### Windsor Tunnel Commission

CR130/2010 approved the following:

“That City of Windsor By-law Number 10456 establishing the Windsor Tunnel Commission BE RESCINDED and that By-law 56-2010 BE PASSED by Council for this purpose.”

Separate Windsor/Detroit Tunnel Corporation accounts were set up as part of the purchase of the City Tunnel assets by that Corporation, as per the noted Council resolution. The previous Tunnel Commission accounts have been closed out as a result of the transaction. However, closure of reserve accounts requires Council approval.

Therefore, as a housekeeping matter, Administration recommends formal closure of the Windsor Tunnel Commission Reserve Funds (funds 148 and 149). There is a nil balance in those reserve funds.

### Establishment of New Reserve Accounts:

#### a. Establishment of New Tax Appeals Reserve Fund:

Over the years it has been a challenge in projecting the realistic variance in Corporate Municipal Taxation account. This is mainly due to uncertainty related to the potential assessment appeals, the outcome of those appeals as well as the

timing of those decisions. Hence, Administration is recommending setting up a new Tax Appeals Reserve Fund to mitigate these fluctuations. This implies that any deficit/surplus in the Municipal Taxation account will be funded from /returned to this Reserve Fund subject to the approval of the CFO and City Treasurer. A number of significant appeals are in process and provisions for potential reductions were included in the 2010 budget. Given that at the end of the year a number of those appeals were still in process, \$3.2M of the budget provision was transferred to the new Tax Appeals reserve Fund. Additionally, the \$1.5M from the unallocated budget contingency was also transferred to this reserve fund. These actions will mitigate the risks of substantial budget deficits in the year when these appeals are finalized

b. Establishment of New Fire Clothing Reserve Account:

Under the clothing points system as per the collective agreement, fire personnel are able to carry over a portion of unused points each year to obtain clothing/footwear as needed. It is upon the fire personnel's discretion to utilize these points and hence on many occasions, the annual budget is not sufficient to cover redemption of accumulated points. Fire has received carry forward dollars for the unspent clothing budget in 2010. In order to avoid the need to carry forward the unspent budget dollars and offset future deficits, the department feels it's prudent to establish a reserve account. This reserve account will be funded on an annual basis from any unspent amount within the clothing budget line item in Firefighting Department #0191110. Conversely, any deficit will be funded from this reserve account. The noted transfer to or from the new reserve fund will be subject to the approval of the CFO and City Treasurer

c. Establishment of New Non-Union Salary Market Review Reserve Account:

The 2011 Human Resources Operating Budget template- Issue 49 for \$12,000 outlined the following:

“Report to Council#14985 on November 29, 2010 approved \$35,950 inclusive of administrative fees and travel, plus applicable taxes for the consultant for the 2010 Non-Union Salary Market Comparison study.

In the Financial Matters of Report #14985 section the following was mentioned, “In order to meet this obligation, it is recommended that the Human Resources base budget be adjusted to allow for an annual contribution to a reserve account of approximately one-third (1/3) of the cost of this work so that this obligation is properly funded as each 3 year commitment arises.”

The annual budget of \$12,000 will be transferred to a Reserve account to fund the market study every three years.”

This issue was approved by Council and hence, administration recommends establishment of Non-Union Salary Market Review Reserve account, consistent with the noted report to Council.

d. Establishment of New Succession Planning Reserve Account:

2011 Human Resources Operating Budget template, Issue #55 for \$100,000 outlined the following:

“From 2010 to 2015, there are over 400 employees eligible to retire and over 800 employees eligible for retirement from 2010 to 2020. This potentially represents an estimated 17 percent and 32 percent of the City of Windsor’s workforce, respectively.

The requested budget amount of \$100,000 will be used for the purposes of workforce/succession planning so as to facilitate the funding of successive planning initiatives.”

This issue was approved by Council in order to minimize service disruptions during the significant upcoming retirements and hence, the department recommends establishment of the Non-Union Salary Market Review Reserve account. The annual budget would be transferred into the reserve and succession planning initiatives would be funded from the noted reserve.

e. Establishment of New Municipal Elections Reserve Account:

The Municipal Elections Account #0111510 funds operating expenses pertaining to Elections. This account ended up with a surplus of \$56,040.10 in 2010. Hence a new reserve account #1762 was set-up to receive the surplus in 2010 in order to help fund the expenses for 2014 elections.

An operating budget request will be brought forward in 2013 to transfer funds in non-election years to this reserve in order to avoid a spike in the operating budget every fourth year.

Miscellaneous Housekeeping Transfers To/From Reserves-

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

- a. Certain temporary and non-recurring transitional costs have been incurred related to the temporary upkeep of Riverside and Adstoll Arenas and Edward Community Centre in the amount of \$38,512.61. Therefore, a transfer in this amount from the Capital Expenditure Reserve Fund to the Legal Property account was done.
- b. Certain costs were incurred related to the issues surrounding the non-union labour relations occurred during the year and therefore it is being recommended that \$11,318.80 be taken from the Budget Stabilization Reserve Fund.
- c. The Corporation has put in place a process whereby changes to job duties can trigger a request for a review of the job ratings by the NUJEM. On July 30, 2008, the NUJEM Committee noted an error made by the Hay Group with respect to how the Health and Safety Advisor positions were rated in terms of the "information and material resources" job evaluation factor.

As a result, retro payments in the amount of \$118,178.82 were required to be made to the Health and Safety Advisors. This called for a transfer in that amount from the Budget Stabilization Reserve Fund #139.

- d. In the Feb 8, 2011 Bicycling Committee Meeting, the Committee members approved promotional expenses to the upset limit of \$900. The meeting was delayed due to severe weather conditions. The Committee wished to approve the amount in the 2010 Budget. However due to the timing of the meeting, this expenditure was approved after the 2010 year-end expenditure deadline. As a consequence, a transfer of \$900 from the Budget Stabilization Reserve Fund# 139 is being recommended to offset the amount related to this issue that was transferred to the same reserve as part of the year end surplus.
- e. At the Council meeting dated 17th May 2010, discussion occurred regarding funding of Spitfire Parade expenses for the Spitfire Memorial Cup win. Although Council approved this, the resolution did not detail the funding source. Hence a housekeeping transfer of \$12,390.29 from the Budget Stabilization Reserve Fund #139 is being recommended.

## Non-Tax Supported Variances

### **Building Permit Reserve**

The 2010 year-end building permit operations incurred a deficit of (\$1,682,830). Building Code Act legislation is intended to ensure that permit revenues only fund expenditures related to the permits process including related inspections. In order to smooth out the

peaks and valleys inherent with the economic cycles associated with the building industry, the City set up a reserve in 2005 to accumulate annual operating surpluses and deficits from these operations.

Taking into consideration the 2010 reported revenue deficit the current deficit balance showing in the Building Permit Reserve Fund is (\$7,156,257). A deficit in the reserve can be addressed by increasing permit fees, reducing expenditures, a subsidization from the general tax base, or a combination of all three.

The Building Department staff continues to undertake significant ongoing mitigating efforts in order to manage costs within their control. This is demonstrated by the fact that the actual expenses have been declining in recent years and have often been below budget. As a result, the majority of the reserve draw is attributed to the low volume of permits issued in the current economic environment.

A Departmental forecast of building permit revenue suggests no change is expected to revenue levels in 2011 although the Department is optimistic that the economy is improving. Additional mitigating measures are currently being explored by the Building Staff. A detailed action plan with proposed recommendations is expected to be presented to City Council in the first half of 2011.

A number of mitigating measures have been previously approved by Council as part of the annual operating budget.

The chart below provides comparative analysis of the total value of construction in the City of Windsor and the impact on Building Permits over the last 7 years:

Year	Value of Construction	YOY % chg.	# of Permits	YOY % chg.
2004	\$ 336,235,650	N/A	4006	N/A
2005	305,783,636	-9.1%	2453	-38.8%
2006	337,195,825	10.3%	1769	-27.9%
2007	231,083,505	-31.5%	1624	-8.2%
2008	115,056,950	-50.2%	1382	-14.9%
2009	235,253,356	104.5%	1523	10.2%
2010	283,612,541	20.6%	1915	25.7%

Source: City of Windsor, Building Department

## **Off Street Parking Reserve**

The year-end transfer to the Off Street Parking Reserve, reflecting the net profit for the year, amounted to \$240,837. This transfer to the Off Street Parking Reserve from the operating account does not impact the levy-supported budget.

After taking into account the actual 2010 year end transfer and other activity throughout 2010, the year-end deficit balance in the On-Off Street Parking Reserve is (\$1,167,226). The latest projection indicates that the Off Street Parking Reserve should be in a surplus position in early 2015.

## **Sewer Surcharge Reserve**

The 2010 Sewer Surcharge Operating Fund ended the year with a \$3.2 million deficit. This deficit, along with a 2010 approved budget draw of \$1.2 million, has resulted in a draw of \$4.4 million from the Sewer Surcharge Reserve Fund. The variance was largely due to \$2.8 million in projected revenues that did not materialize due to decreased water consumption. The decrease in water consumption has a significant impact on the sewer surcharge model because a significant portion of the expenditures are relatively fixed.

## Year End Capital Closeouts

Appendix D has been attached providing a detailed list of all capital projects closed out throughout the year. This includes the breakdown of all capital projects that were balanced via transfers to/from other capital projects as well as other capital projects that were balanced via transfers to/from its original funding sources. There were a total of 51 capital projects that were consolidated and/or closed in 2010, which amounted to a total surplus of \$6,084,859.

In summary, a net surplus of \$1,336,938.69 involved the transfer of funds to/from other capital projects approved by Council which required additional funding and therefore is not available for alternative reallocation. A further net surplus of \$3,107,608.17 from the closing of sewer surcharge related capital projects has been used to offset the 2010 sewer surcharge reserve fund deficit noted above and is also unavailable for alternative reallocation. A net surplus of \$541,769.23 involved the transfer of funds to/from dedicated reserves which must be returned to those reserves. Finally, the remaining surplus of \$1,098,543.32 involved the transfer of funds to/from the Pay-As-You-Go/Capital Expenditure Reserve. These funds were used to expedite the funding of those capital projects that remained unfunded (as per the 2009 budget's acceleration of projects) in order to avoid the incurrence of related interest financing charges.

Administration will continue to work diligently to improve City's performance by finding efficiencies across the Corporation and incorporating various mitigating measures and steps into the operations of the departments. This is evident by the overall corporate year end variances over the past years. Departments have and will continue to monitor the operating budget on an ongoing basis to ensure that their expenditures and revenue are in line with budget.

#### **4. FINANCIAL MATTERS:**

Discussed throughout the report.

#### **5. CONSULTATIONS:**

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

#### **6. CONCLUSION:**

While there were many variances within the individual accounts, overall the Corporation ended the 2010 year with a net surplus of \$2,307,758. The comparison table below provides a summary of the projected variances for first, second and third quarter 2010 and actual year-end variances:

2010 Year-end Projections By Quarter	1st Quarter	2nd Quarter	3rd Quarter	Year-End Actual
2010 Projected Year-end (Deficit)/Surplus Budget Stabilization Contingency Account	(\$5,147,100) \$1,500,000	(\$6,270,100) \$1,500,000	(\$3,816,600) \$1,500,000	\$2,307,758 \$0
<b>2010 Projected Year-end (Deficit)/Surplus (including Budget Stabilization Contingency Account)</b>	<b>(\$3,647,100)</b>	<b>(\$4,770,100)</b>	<b>(\$2,316,600)</b>	<b>\$2,307,758</b>

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**Onorio Colucci**  
**Chief Financial Officer & City Treasurer**

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**George Wilkki**  
**Corporate Lead - Economic Development & Public Safety**

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**Mario Sonego**  
**City Engineer**

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**Ronna Warsh**  
**Community Development & Health Commissioner**

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**Valerie Critchley**  
**City Clerk/Licencing Commissioner**

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

**APPENDICES:**

**Appendix A – Components of the 2010 Year End Variance**  
**Appendix B – 2010 Operational & Economic Stats**  
**Appendix C – 2010 Budget Carry Forwards**  
**Appendix D – 2010 Capital Closeouts for Year-End**

**DEPARTMENTS/OTHERS CONSULTED:**

**Name:**  
**Phone #: 519 ext.**

**NOTIFICATION :**

Name	Address	Email Address	Telephone	FAX

## 2010 OPERATING YEAR-END VARIANCE SUMMARY BY DEPARTMENT

Departments	Page #	2008			2009			2010		
		Annual Net Budget	Year End* As at Dec 31	% Var. of Gross Bgt. YE	Annual Net Budget	Year End* As at Dec 31	% Var. of Gross Bgt. YE	Annual Net Budget	Year End* As of Dec 31	% Var. of Gross Bgt. YE
<b>Representation</b>										
Council Administrative Services	2	0	0	0.0%	0	0	0.0%	530,594	(26,350)	-5.0%
<b>Total Representation</b>		0	0	0.0%	0	0	0.0%	530,594	(26,350)	-5.0%
<b>Office of the Chief Administrative Officer</b>										
CAO's Office	3	4,925,413	1,027,361	17.0%	3,751,439	705,512	14.1%	1,493,194	466,074	30.5%
<b>Total Office of the Chief Admin. Officer</b>		4,925,413	1,027,361	17.0%	3,751,439	705,512	14.1%	1,493,194	466,074	30.5%
<b>Office of the Chief Financial Officer</b>										
Finance		4,882,751	268,769	4.1%	4,815,395	123,630	1.8%	2,558,194	(1,376)	0.0%
Financial Accounting	4							1,868,158	229,394	8.6%
Financial Planning	5							652,122	141,665	7.6%
Taxation & Financial Projects	6							509,983	(543,771)	-107%
Asset Planning	7							4,828,551	10,702	0.2%
Information Technology	8	5,051,701	20,824	0.3%	4,800,963	(8,212)	-0.1%	(298,483,363)	3,221,106	1.8%
Corporate Financial Accounts**	9,10	(257,031,059)	3,240,927	6.6%	(255,232,076)	4,396,189	2.0%	(288,066,355)	3,057,920	1.6%
<b>Total Office of the Chief Financial Officer</b>		(247,097,207)	3,530,520	3.1%	(245,615,728)	4,511,616	3.9%	(288,066,355)	3,057,920	1.6%
<b>Office of City Clerk</b>										
Council Services	11	4,840,610	236,969	4.3%	3,992,597	181,255	1.7%	2,013,516	125,563	5.3%
Policy, Gaming & Licensing	12							(1,215,054)	(425,794)	-25.5%
Communication & Customer Service	13							2,140,932	66,671	2.8%
Provincial Offences	14							(857,452)	158,543	2.9%
Employee Relations	15							238,724	5,461	2.3%
Human Resources	16	3,649,457	87,417	2.3%	3,595,262	173,988	4.6%	3,523,917	59,223	1.6%
Corporate Human Resource Accounts	17							32,337,384	(499,333)	-1.5%
<b>Total Office of City Clerk</b>		8,490,067	324,382	3.5%	7,587,849	355,213	2.4%	38,181,966	(509,666)	-1.1%
<b>Office of the City Solicitor</b>										
Legal (*)	18	2,112,134	181	0.0%	3,128,679	(716,069)	-10.2%	4,660,018	(601,563)	-7.7%
Fire & Rescue Services	19	31,139,962	(759,731)	-2.4%	30,983,012	423,609	1.3%	33,745,782	174,866	0.5%
Building	20	525,280	35,793	0.7%	418,180	(2,132)	0.0%	1,597,536	(52,446)	-0.9%
Planning	21	2,583,511	383,796	11.4%	2,556,999	115,254	3.5%	2,314,894	(101,036)	-3.4%
<b>Total Office of the City Solicitor</b>		37,118,553	(436,764)	-0.8%	37,499,750	(313,628)	-0.8%	42,219,230	(580,359)	-1.1%
<b>Office of the City Engineer</b>										
Engineering	22,23	4,697,754	(866,083)	-11.9%	5,325,795	(567,533)	-7.0%	5,648,368	(156,781)	-1.7%
Environmental & PW Operations	24,25	26,906,981	(1,120,067)	-1.7%	26,033,309	719,702	1.1%	22,512,409	(194,801)	-0.3%
Parks & Facility Operations	26,27	15,135,269	(335,921)	-1.4%	15,250,685	(656,275)	-2.7%	15,156,185	(1,129,876)	-4.6%
<b>Total Office of the City Engineer</b>		46,740,004	(2,322,851)	-2.4%	46,609,799	(504,106)	-0.5%	44,317,022	(1,481,458)	-1.5%
<b>Community Development &amp; Health</b>										
Comm. Development & Health Offices	28	0	0	0.0%	0	0	0.0%	249,153	67,089	10.5%
Employment & Social Services	29	29,273,914	175,441	0.2%	26,512,825	(772,887)	-0.7%	24,475,025	2,031,557	1.6%
Housing & Children's Services	30	21,302,412	889,707	1.1%	21,062,505	495,418	0.6%	21,167,925	659,313	0.8%
Huron Lodge	31	7,956,503	(2,282,624)	-11.6%	8,365,537	212,034	1.0%	8,451,400	4,876	0.0%
Recreation & Culture	32,33	7,443,680	(687,592)	-4.5%	5,766,920	(1,543,087)	-9.3%	8,880,811	(896,923)	-5.2%
<b>Total Community Development &amp; Health</b>		65,976,519	(1,905,068)	-0.8%	65,347,787	(1,560,250)	-0.7%	81,224,114	1,855,722	0.8%
<b>Total City Departments</b>		(83,846,651)	217,580	0.0%	(84,819,114)	3,204,357	-0.7%	(100,100,235)	2,771,883	0.4%
<b>Agencies, Boards &amp; Commissions</b>										
Auditor General's Office	34	570,732	(187,175)	-29.3%	550,000	(256,303)	-46.6%	550,000	75,977	13.8%
Windsor Police Services	35,36	63,339,379	(634,590)	-0.9%	63,426,740	(1,727,009)	-2.4%	64,368,260	(163,698)	-0.2%
Transit Windsor	37	10,914,625	(497,182)	-1.8%	11,611,015	19,868	0.1%	11,153,054	(310,150)	-1.1%
Windsor Public Library	38	7,871,714	0	0.0%	7,729,359	0	0.0%	7,729,359	0	0.0%
Agency Grants	39	0	0	0.0%	0	0	0.0%	14,721,734	(77,782)	-0.5%
Committees of Council	40	0	0	0.0%	0	0	0.0%	57,808	1,503	2.6%
<b>Total Agencies, Boards &amp; Commissions</b>		82,696,650	(1,298,956)	-1.3%	83,319,114	(1,964,344)	-1.8%	90,640,235	(464,130)	-0.4%
Budget Stabilization Contingency Acct.		1,500,000	1,500,000	0.2%	1,500,000	1,500,000	0.2%	1,500,000	0	100%
<b>Grand Total</b>		350,000	418,624	0.1%	0	2,740,013	0.4%	0	2,307,758	0.3%
<b>Net Total</b>		350,000	418,624	0.1%	0	2,740,013	0.4%	0	2,307,758	0.3%

\* Includes Post Closing Entry of (\$ 224,843)

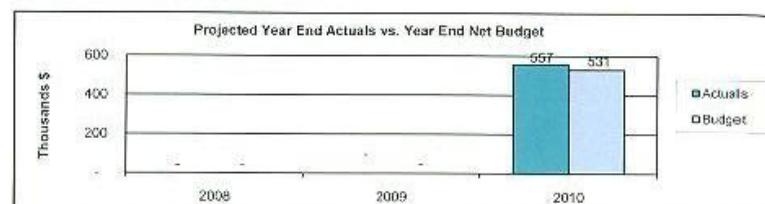
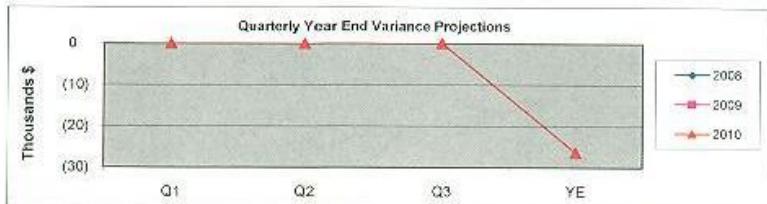
\*\* Includes corporate fringe benefits (also known as Corporate Human Resources Account)

## COUNCIL ADMINISTRATIVE SERVICES

## Financial Summary

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				-				-				530,594
Annual Net Budget				-				-				530,594
Annual Net Expenditures				-				-				556,944
<b>Projected Year End Variance</b>				-				-				(26,350)
Variance as % of Gross Budget				-				-				

NOTE: The Council Administrative Division was reported as part of Council Services in prior years. Therefore, historical financial information is not available at this time.

Description

No materially significant variance.

Summary of Description

In summary, the year end variance is comprised of the following:

1 Minor Operating Account Variances

**Amount**  
\$ (26,350)

**Net Year End Deficit**

**\$ (26,350)**

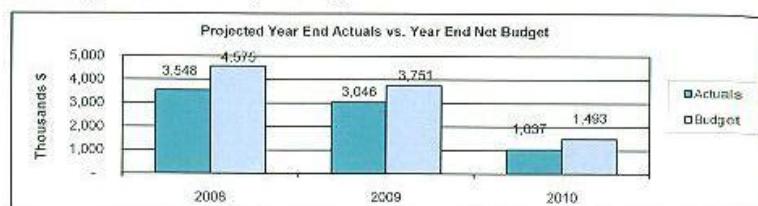
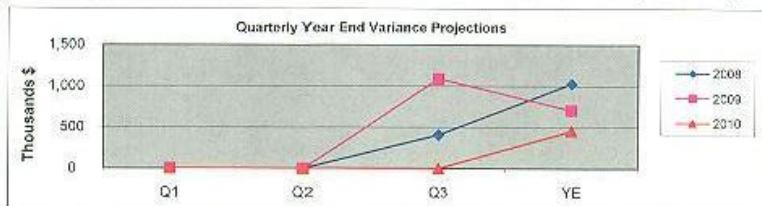
Mitigating Steps

## OFFICE OF THE CAO

## Financial Summary

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				6,041,352				4,987,516				1,493,194
Annual Net Budget				4,575,413				3,751,439				1,493,194
Annual Net Expenditures				3,548,052				3,045,927				1,037,120
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>406,000</b>	<b>6.7%</b>	<b>1,027,361</b>	<b>21.8%</b>	<b>1,086,000</b>	<b>14.1%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>456,074</b>
Variance as % of Gross Budget												

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

Approximately 52% of the year end variance is a result of the Office of Continuous Improvement not being fully staffed and running until the last 2 months of 2010. The CAO office budget contains provisional/contingency budgets for Corporate consulting and other matters. It is difficult to anticipate until very close to year end, what these budgets may be used for and the CAO is pleased to report that these budgets were not fully spent by end of year, thus contributing to the city's favourable year end position.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1 Office of Continuous Improvement	\$ 239,998
2 Corporate Consulting & Economic Development	195,853
3 Minor variances in multiple accounts	20,223

**Net Year End Surplus**

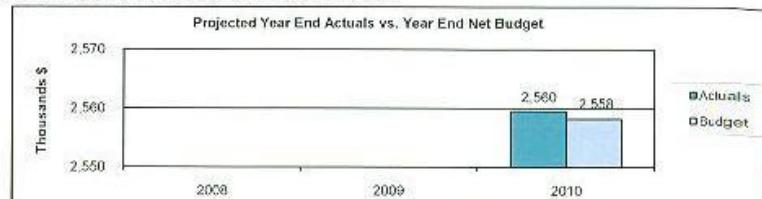
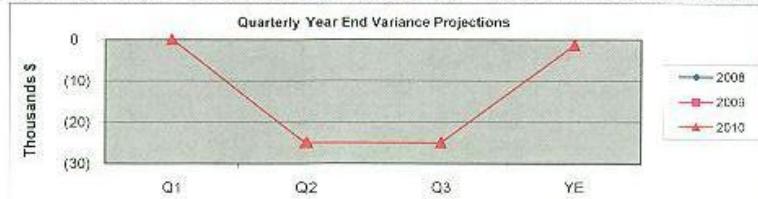
**\$ 456,074**

**Mitigating Steps**

**FINANCIAL ACCOUNTING****Financial Summary**

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget												2,869,585
Annual Net Budget												2,558,194
Annual Net Expenditures												2,559,570
Projected Year End Variance												(1,376)
Variance as % of Gross Budget												0.0%

NOTE: The Financial Accounting Division was reported as part of the Finance Department in prior years. Therefore, historical financial information is not available at this time.

**Description**

No materially significant variance has been realized. The previously projected deficit was ultimately offset by savings from gapping of vacant positions.

**Summary of Description**

In summary, the year end variance is comprised of the following:

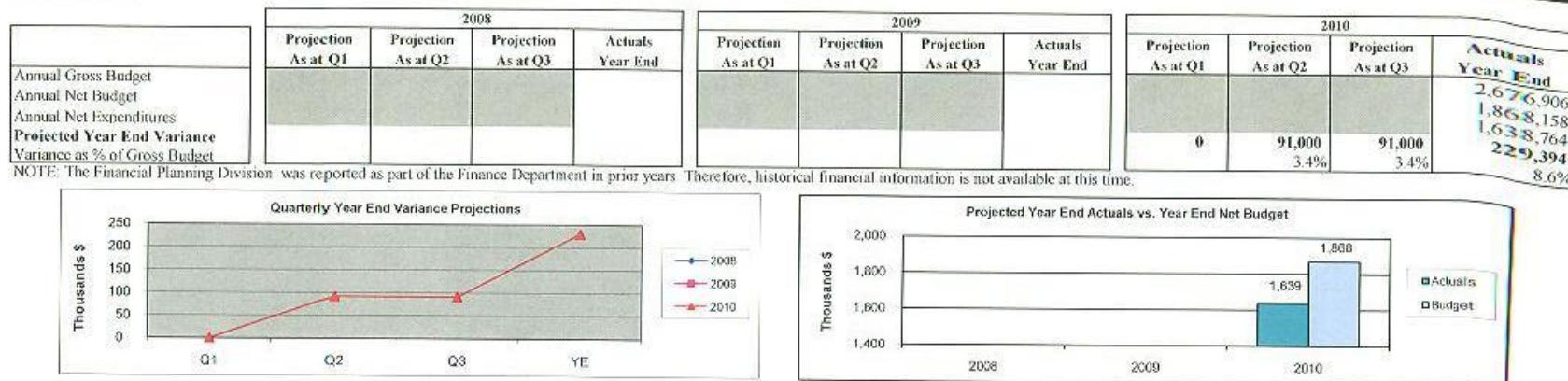
1. Reduction in recoveries
2. Gapping of Vacant Positions
3. Other Miscellaneous

Amount
\$ (21,081)
19,846
(141)

**Net Year End Deficit**

**\$ (1,376)**

**Mitigating Steps**

**FINANCIAL PLANNING****Financial Summary****Description**

The surplus in this area is mainly attributable to gapping of vacant positions and related savings from travel and training budgets. Increased recoveries for internal staff also form a significant part of the surplus. These overall savings are higher than projected at third quarter.

This is primarily due to:

- Higher than budgeted recoveries from the Province for Finance staff working in Social Services
- Gapping of Financial Analyst positions vacated in late August
- Vacancies created in filling the ISF manager role in the latter part of the year

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1 Gapping of Vacant Positions	\$ 156,426
2 Savings in Training and Travel	14,079
3 Increased Salary Recoveries	56,156
4 Other Miscellaneous	2,733

**Net Year End Surplus**

\$ 229,394

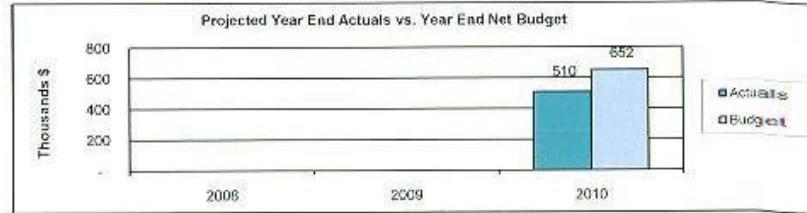
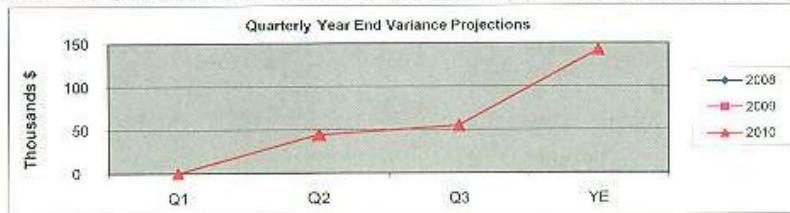
**Mitigating Steps**

## TAXATION &amp; FINANCIAL PROJECTS

## Financial Summary

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget												1,871,752
Annual Net Budget												652,122
Annual Net Expenditures												510,257
<b>Projected Year End Variance</b>												<b>141,865</b>
Variance as % of Gross Budget												7.6%

NOTE: The Taxation & Financial Projects Division was reported as part of the Finance Department in prior years. Therefore, historical financial information is not available at this time.

**Description**

The surplus in this area is primarily attributable to surpluses in revenues from ownership changes and letters of default, partially offset by a shortfall in tax information dial up revenues. These revenue streams are user-driven and therefore difficult to predict; however this greater than projected surplus can be principally credited to:

- Enhanced efforts made at the end of the year to review and identify activity subject to the ownership change fee (e.g. condominium conversions, new property assessments received by way of supplemental assessments); and
- Enhanced collection efforts undertaken in the last quarter as it relates to tax collections resulted in greater fee revenue.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1 Surplus in Ownership Changes Revenue	\$ 102,559
2 Surplus in Letters of Default Revenue	97,950
3 Shortfall in Tax Information Dial Up Fees	(70,392)
4 Gapping of Vacant Positions	22,722
5 JJE Decision	(10,929)
6 Other Net Miscellaneous	(45)
<b>Net Year End Surplus</b>	<b>\$ 141,865</b>

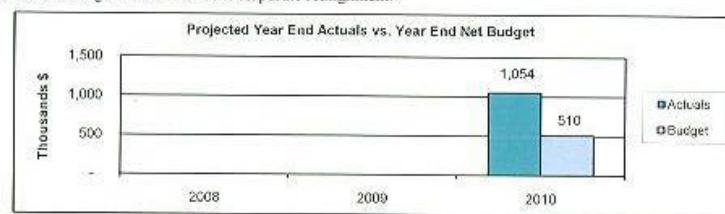
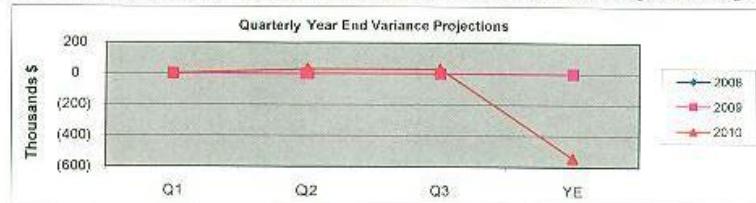
**Mitigating Steps**

Efforts have been made to realign the 2011 revenue budgets to more closely estimate revenue streams; however, as these revenues are dependent upon taxpayer activity and behaviours these revenues are hard to predict.

**ASSET PLANNING****Financial Summary**

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget												\$509,983
Annual Net Budget												\$509,983
Annual Net Expenditures												1,053,754
Projected Year End Variance	0	0	0	0	0	0	0	0	0	30,000	30,000	(\$543,771)
Variance as % of Gross Budget										5.9%	5.9%	-106.6%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

The deficit in this area is primarily attributable to the overall corporate utility budget deficit, and is partially offset by savings from gapping of vacant positions.

The overall corporate utility accounts ended the year with a deficit of (\$637,581) primarily in the hydro accounts. At a high level, the general costs of electricity both regulated charges and commodity rates have increased in the past year. The weighted average spot market cost of electricity has increased by 19.9% compared to 2009. Commodity prices are driven by supply and demand and accordingly these accounts are difficult to budget because of the uncertainty of market conditions.

Over the last year, some corporate facilities have experienced a consumption increase of approximately 5.8%.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1 Corporate Utility Deficit	\$ (637,581)
2 Gapping of Vacant Positions	136,731
3 Fleet Vehicle for Temporary Position	(18,397)
4 Other Miscellaneous	(24,524)

**Net Year End Surplus**

**\$ (543,771)**

**Mitigating Steps**

The budgets for 2011 have been adjusted to reflect increased consumption where applicable as well as any inflationary costs that are expected for 2011. In addition, it is expected that efficiency and retro-fit program expected to be concluded in the first half of 2011 will provide some energy cost reductions for the second half of 2011.

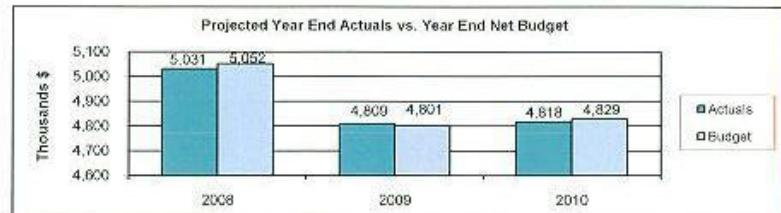
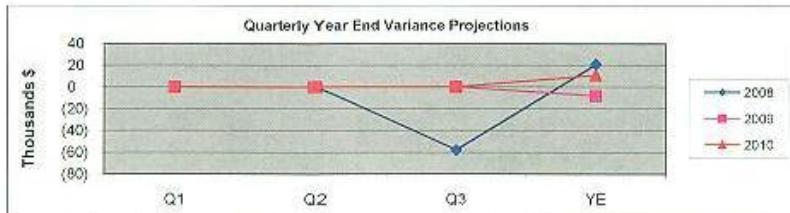
## INFORMATION TECHNOLOGY

## Financial Summary

	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				6,330,434
Annual Net Budget				5,051,701
Annual Net Expenditures				5,030,877
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>(58,000)</b>	<b>20,824</b>
Variance as % of Gross Budget			-0.9%	0.3%

	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				6,102,602
Annual Net Budget				4,800,953
Annual Net Expenditures				4,809,165
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(8,212)</b>
Variance as % of Gross Budget			-0.1%	

	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				6,107,129
Annual Net Budget				4,828,551
Annual Net Expenditures				4,817,849
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,702</b>
Variance as % of Gross Budget			0.2%	

**Description**

No materially significant variance.

**Summary of Description**

In summary, the year end variance is comprised of the following:

1 Minor Operating Account Variances

**Amount**  
\$ 10,702

**Net Year End Surplus**

**\$ 10,702**

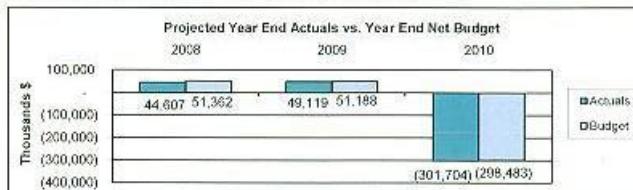
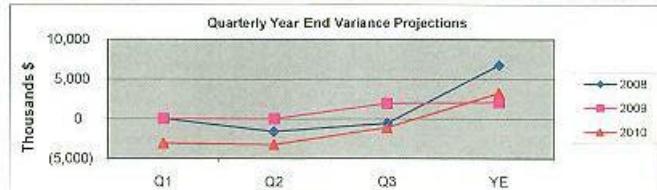
**Mitigating Steps**

## CORPORATE FINANCIAL ACCOUNTS

## Financial Summary

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				101,723,229				101,807,116				178,368,186
Annual Net Budget				51,361,520				51,187,974				(298,483,363)
Annual Net Expenditures				44,606,868				49,119,003				(301,704,469)
Projected Year End Variance	0	(1,585,000)	(560,000)	6,754,652				2,068,971				3,221,106
Variance as % of Gross Budget		-1.6%	-0.6%	6.6%				2.0%				1.8%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

Ontario Municipal Partnership Fund = \$3,378,900

As previously reported to Council, unbudgeted revenue of \$753,900 was received from the Ministry related to the 2008 OMPF reconciliation. While there is still uncertainty surrounding the 2010 reconciliations, internal analysis estimates a \$625,000 refund for 2009 and a \$2,000,000 refund for 2010. These figures have been accrued accordingly to 2010. Subsequent to year-end, confirmation was received that 2009 was reconciled and the city would receive \$653,100.

Corporate Wage Provision for JJE and WSIB = \$681,427

This surplus is comprised of \$500,000 for corporate JJE provisions & \$150,000 for WSIB provisions (while these provisions are budgeted for in Corporate accounts, actual costs for both incurred in the departments), and \$31,427 related to remaining provisions from previously negotiated salary and wage contracts.

Statutory Fringe Benefits = \$395,759

This total year end surplus is comprised of deficits in the Employment Insurance (\$73,009) and Employer Health Tax (\$90,235) accounts, and surpluses in the Canada Pension Plan and Sick Leave Gratuity accounts of \$269,542 & 289,462, respectively.

Raceway Slots = \$186,032

Higher than anticipated revenue from Raceway Slots was received this year, yielding a surplus of \$186,032 in this account.

Interest & Penalties on Receivables = \$155,753

This surplus is related to actual revenue charged on overdue accounts.

Payments in Lieu of Taxes = \$77,373

This year end surplus is due to increased enrolment at the Colleges and Universities.

Interest & Penalties on Taxes = (\$136,881)

This account is budgeted by estimating the tax arrears balances over the fiscal year and is therefore subject to variances.

Interest on Investments - (\$184,017)

The Interest on Investments deficit is largely due to lower than projected interest rates.

**CORPORATE FINANCIAL ACCOUNTS**Capital Interest Income = (\$303,773)

This deficit was realized from Capital Interest Income charged to capital projects with unfunded balances. This account is difficult to project as it is dependent on the timing of capital expenditures in the hundreds of open capital projects.

Allowance for Doubtful Accounts = (\$456,342)

The deficit in this account is a result of a one-time adjustment to an intercompany trade receivable balance(EWSWA) for interest that was incorrectly charged. The invoice to EWSWA was set-up as interest bearing instead of non-interest bearing which lead to this adjustment.

Interest Paid to Reserves = (\$573,385)

This variance is as a result of higher than projected cash flow balances within the reserves.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1. Ontario Municipal Partnership Fund	\$ 3,378,900
2. Corporate Wage Provision	681,427
3. Statutory Fringe Benefits	395,759
4. Raceway Slots	186,032
5. Interest & Penalties on Receivables	155,753
6. Payments in Lieu of Taxes	77,373
7. Other miscellaneous	82,172
8. Local Improvements	(81,912)
9. Interest & Penalties on Taxes	(136,881)
10 Interest on Investments	(184,017)
11 Capital Interest Income	(303,773)
12 Allowance for Doubtful Accounts	(456,342)
13 Interest Paid to Reserves	(573,385)
 <b>Net Year End Deficit</b>	 <b><u>\$ 3,221,106</u></b>

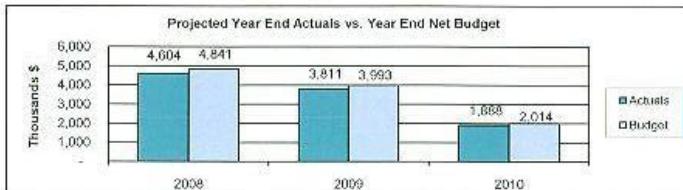
**Mitigating Steps**

## COUNCIL SERVICES

## Financial Summary

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				5,561,157				10,959,889				2,350,77
Annual Net Budget				4,840,610				3,992,597				2,013,51
Annual Net Expenditures				4,603,645				3,811,342				1,887,95
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>122,000</b>	<b>236,965</b>	<b>0</b>	<b>0</b>	<b>228,000</b>	<b>181,255</b>	<b>(480,000)</b>	<b>(430,000)</b>	<b>(221,000)</b>	<b>125,56</b>
Variance as % of Gross Budget			2.2%	4.3%			2.1%	1.7%	-20.4%	-18.3%	-9.4%	5.3

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

The Council Services division is reporting a surplus of \$125,563 representing savings from the Integrity Commissioner and LAS account of \$47,065 primarily from the Integrity Commissioner position being vacant for most of 2010. Also, contributing to the surplus in this division is \$52,350 from the Civic Corner advertising in the Windsor Star. This surplus has been addressed in a 2011 budget reduction for this line item. Finally, operational savings of \$26,148 in various accounts.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1. Integrity Commissioner and Civic Corner Advertising	\$ 99,415
2. Operational savings	26,148

**Net Year End Deficit**

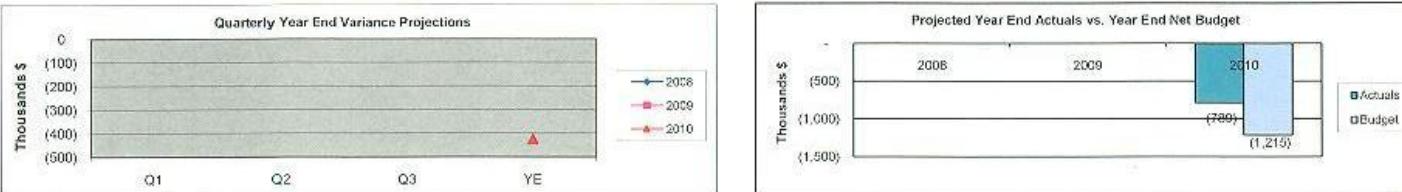
**\$ 125,563**

**Mitigating Steps**

**POLICY, GAMING & LICENSING****Financial Summary**

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget												1,668,630
Annual Net Budget												(1,215,054)
Annual Net Expenditures												(789,260)
Projected Year End Variance												(425,794)
Variance as % of Gross Budget												-25.5%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

The shortfall in the Licensing and Gaming division of (\$425,794) is primarily attributable to the following variances. A deficit in the lottery/gaming program is a result of changes in the municipal gaming environment especially with the introduction of the E-bingo in 2009. Due to limited information available during the development of the 2010 budget process the budgets were not adjusted from the previous years to reflect the new model resulting in the shortfall of (\$483,291). The 2011 Operating budget line item for the lottery license fee budget was reduced and approved to reflect expectations in the municipal gaming environment for 2011.

Business licence fees also experienced a shortfall of (\$44,600) as the budgets were also maintained at prior year levels and the reduction in fees realized are attributable to the existing economic climate. An overall deficit of (\$22,225) in the Dog licensing program due to higher than anticipated pound fees. A surplus in the Bingo Industry Group (BIG) program of \$188,448 is offset by a deficit of (\$64,126) in salary costs due to bumping. The BIG program did not experience much activity other than salaries of the gaming/lottery staff and a few other minor expenditures related to this program. The group involved with this program has been inactive in recent years and the 2011 Operating budget has been adjusted accordingly.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1 Bingo Industry Group	188,448
2 Lottery License Fees	\$(483,291)
3 Salary deficit	(64,126)
4 Business Licenses Fees	(44,600)
5 Dog Licensing program	(22,225)
<b>Net Year End Surplus</b>	<b><u>\$(425,794)</u></b>

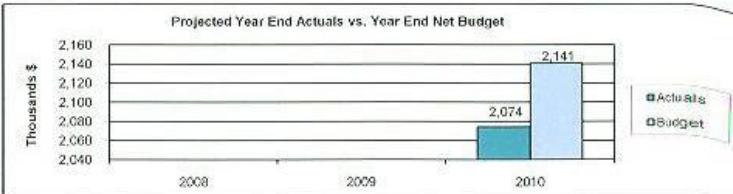
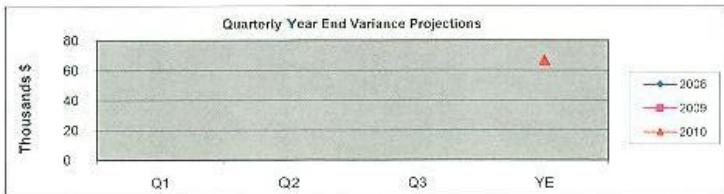
**Mitigating Steps**

## COMMUNICATION &amp; CUSTOMER SERVICE

## Financial Summary

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget												2,378,739
Annual Net Budget												2,140,932
Annual Net Expenditures												2,074,261
Projected Year End Variance												66,671
Variance as % of Gross Budget												2.8%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

Description

The Communications division has ended the year in a surplus of \$66,671 that can be attributed to salary gapping savings.

Summary of Description

In summary, the year end variance is comprised of the following:

1. Salary Gapping

Amount  
\$ 66,671

Net Year End Surplus

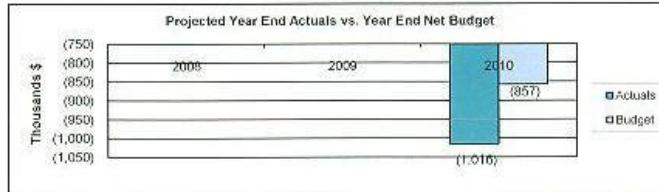
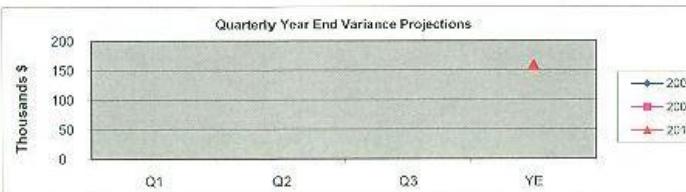
\$ 66,671

Mitigating Steps

**PROVINCIAL OFFENCES****Financial Summary**

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget												5,560,322
Annual Net Budget												(857,452)
Annual Net Expenditures												(1,015,995)
Projected Year End Variance												158,543
Variance as % of Gross Budget												2.9%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment

**Description**

The Provincial Offences division ended the year in a surplus of \$158,543. This surplus is partly attributed to an increase of \$383,845 in court fines collected and offset by \$308,287 in payments made to the County, Pelee Island and the Province that are directly related to net operating revenue. The result is a net revenue surplus of \$75,558. In addition, there was salary gapping savings of \$82,985 in the temporary staffing account that contributed to the overall surplus.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1 Net Revenue Increase - Court Fines	\$ 75,558
2 Salary Gapping	82,985

**Net Year End Surplus**

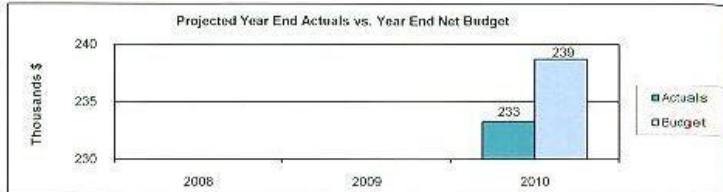
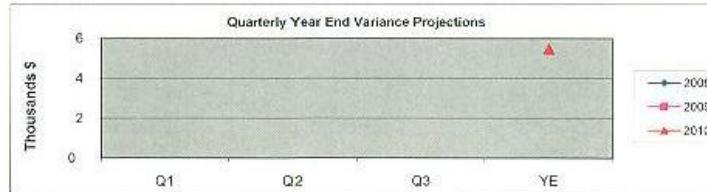
**\$ 158,543**

**Mitigating Steps**

**EMPLOYEE RELATIONS****Financial Summary**

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget												238,724
Annual Net Budget												238,724
Annual Net Expenditures												233,263
<b>Projected Year End Variance</b>												<b>5,461</b>
Variance as % of Gross Budget												2.3%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

The Employee Relations division is reporting a slight year end surplus of \$5,461 due to operational savings.

**Summary of Description**

In summary, the year end variance is comprised of the following:

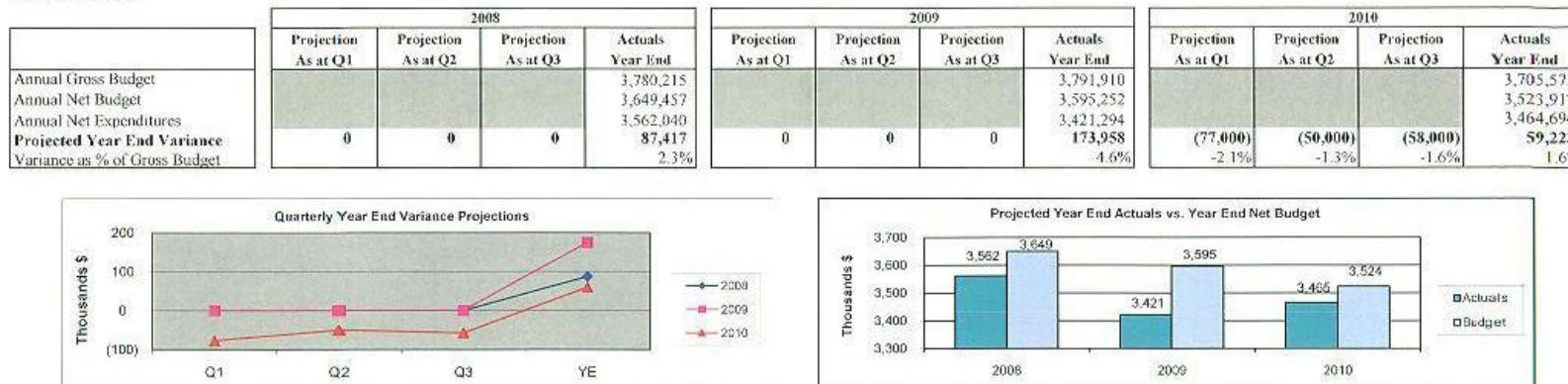
1 Miscellaneous Operational Expenditure Savings

**Amount**  
\$ 5,461

**Net Year End Surplus**

**\$ 5,461**

**Mitigating Steps**

**HUMAN RESOURCES****Financial Summary****Description**

The Human Resources Division ended the year in a surplus of \$59,223. Contributing to this yearend surplus is salary gapping of \$46,650 that was achieved with two positions and operational savings of \$27,173 in various accounts within the Division. The Diversity and Accessibility program is reporting a yearend deficit of (\$14,600) in the cost of providing closed captioning services during Council deliberations. For 2011, a dedicated budget has been approved to fund this initiative.

As reported to Council in each quarterly variance report throughout 2010, the Non Union Job Evaluation Maintenance Committee had identified a discrepancy made by the Hay Group resulting in a payout of \$118,178.82 to five Health and Safety Advisors earlier this year. This payout was funded through the Budget Stabilization Reserve Fund as per Council Report #14378 dated December 7, 2009 and resolution CR420/2009. The funding of this variance has resulted in an overall surplus at year end versus the projected deficits throughout Q1-Q2.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1. Salary gapping	\$ 46,650
2. Operational savings	27,173
3. Closed Captioning Costs	(14,600)

**Net Year End Surplus**

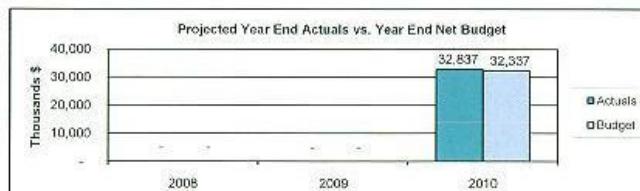
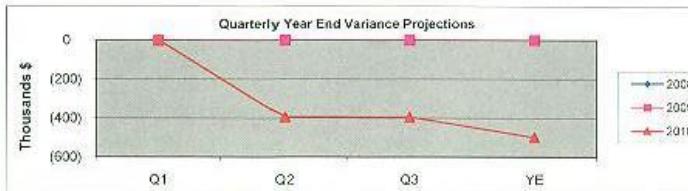
**\$ 59,223**

**Mitigating Steps**

**CORPORATE HUMAN RESOURCE ACCOUNTS****Financial Summary**

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				-				-				32,337,384
Annual Net Budget				-				-				32,337,384
Annual Net Expenditures				-				-				32,836,717
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(395,000)</b>	<b>(396,000)</b>	<b>(499,333)</b>
Variance as % of Gross Budget												-1.2%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

This Division ended the year in a negative variance due to the increase costs incurred for Greenshield benefit costs of (\$422,164) due to usage and cost of dental services , drug costs etc and also a deficit of (\$77,169) has been realized in the OMERS account that reflects a higher cost of this service.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1 Greenshield corporate department	\$(422,164)
2 OMERS corporate department	(77,169)

**Net Year End Deficit**

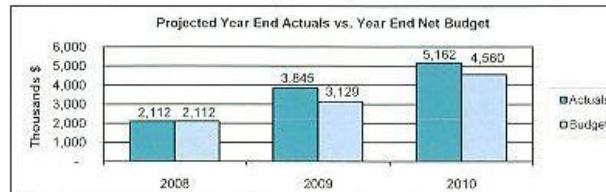
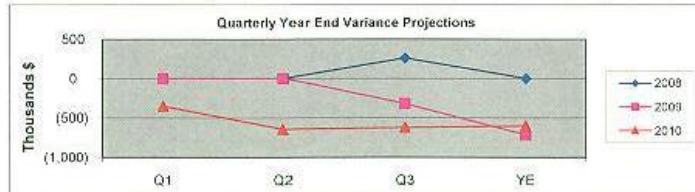
**S(499,333)**

**Mitigating Steps**

**LEGAL****Financial Summary**

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				12,325,926				6,992,276				7,818,483
Annual Net Budget				2,112,134				3,128,679				4,560,018
Annual Net Expenditures				2,111,953				3,844,748				5,161,581
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>258,000</b>	<b>181</b>				<b>(716,069)</b>				<b>(601,563)</b>
Variance as % of Gross Budget				2.1%				-4.6%				-7.7%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

The total Legal deficit, (\$601,563) is comprised of (\$572,126) for Legal and (\$29,437) for Purchasing and Risk Management. The deficit variance is primarily due to external legal costs relating to legal counsel, labour arbitration and litigation costs. These costs were incurred as a result of Corporate and departmental issues, projects and work and are difficult to predict and budget for. The overall deficit is partially offset by miscellaneous operating account surpluses, including salary gapping savings and increased user fees in Purchasing due to ISF activity.

A post closing entry in the amount of \$224,643 was done in 2010 and this entry has been reflected in the above noted variance.

**Summary of Description**

In summary, the year end variance is comprised of the following:

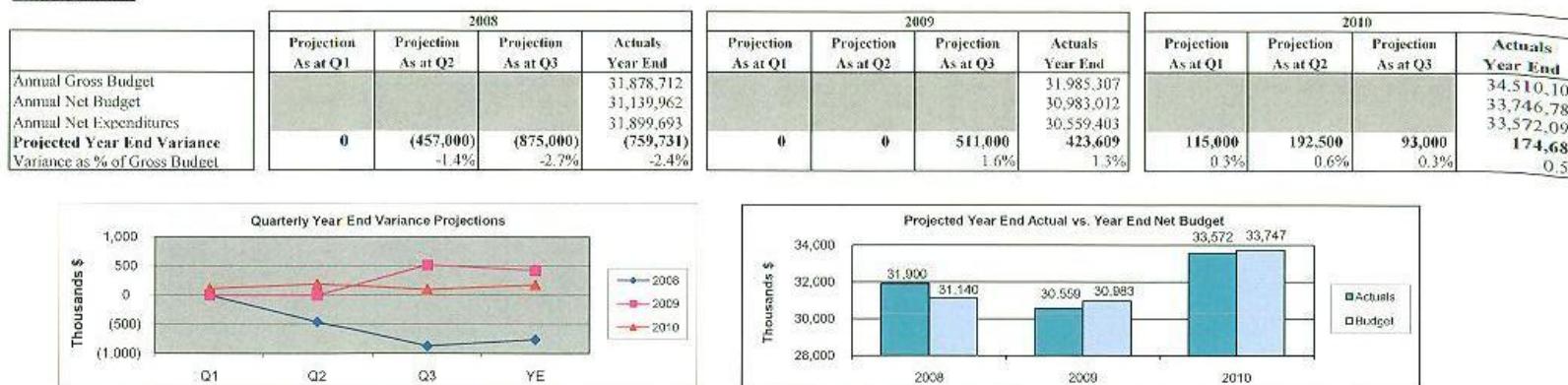
	<b>Amount</b>
1 Legal Services	\$(445,379)
2 Labour Arbitration	(234,724)
3 Litigation	(10,201)
4. Miscellaneous line by line	88,741

**Net Year End Deficit**

**\$ (601,563)**

**Mitigating Steps**

Although it is difficult to budget for these External Legal costs, as the annual costs can fluctuate depending on the issues, projects and work being done at the City, a \$250,000 budget increase has been approved in the 2011 budget.

**FIRE & RESCUE SERVICES****Financial Summary****Description**

Fire & Rescue Services realised a year end surplus of \$174,686 representing less than 1% of the department's gross budget. Contributing to this surplus was a net salary gapping savings of \$323,341 due to retirements, promotions, leaves, transfers, and injuries. In addition, there was a net revenue surplus of \$296,749 mainly due to the G8 Summit. Offsetting these surpluses was a deficit in the department's Other Pay and Overtime (\$277,758), resulting from retirement payouts and acting pay in situations such as vacancies, injuries, and succession planning. There was a year end deficit in the WSIB accounts of (\$127,224) and a minor deficit in other miscellaneous line-by-line accounts of (\$40,422).

**Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1 Net Salary Surplus	\$ 323,341
2 Net Revenue Surplus	296,749
3 Other Pay and Overtime	(277,758)
4 Net WSIB Deficit	(127,224)
5 Miscellaneous line-by-line	(40,422)

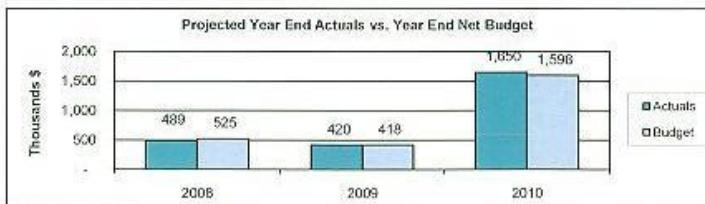
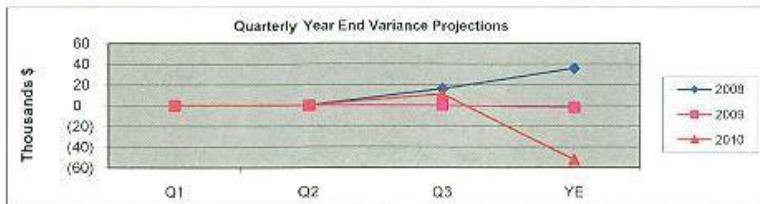
**Net Year End Surplus****\$ 174,686****Mitigating Steps**

Fire is working to mitigate overtime deficits by investigating the pattern of absenteeism with the intent of requiring medical documentation for those employees who have been using excessive sick leave primarily on weekends.

**BUILDING****Financial Summary**

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				4,809,010				4,752,084				5,931,346
Annual Net Budget				525,290				418,180				1,597,536
Annual Net Expenditures				489,497				420,312				1,649,982
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>16,000</b>	<b>0.3%</b>	<b>35,793</b>	<b>0.7%</b>	<b>0</b>	<b>0</b>	<b>(2,132)</b>	<b>0</b>	<b>11,000</b>	<b>(52,446)</b>
Variance as % of Gross Budget												-0.9%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

The Building Department ended the year with a (\$52,446) operating deficit in the levy supported portion of their budget. The permit fees funded portion of the budget is reported separately in the body of the variance report.

The deficit was mainly comprised of a shortfall of (\$44,634) in revenue in the area of property standards enforcement offset by increased revenue of \$16,179 from dirty yard clean ups and unspent graffiti budget of \$14,865 (due to the request for services coming from 311 and staff requests being lower than projected). A net deficit of (\$38,856) was experienced in the fringe benefits recovery account, however this exact amount was recovered in the corporate accounts and therefore there is no overall budget variance within the corporation's accounts for this matter.

Total construction permits issued for 2010 was 1915 with a construction value of \$283 million compared to 1523 permits in 2009 at \$235 million. While total figures were up from 2009, many of the permits were comprised of the lower revenue generating categories (i.e. home construction and building renovations) vs. bigger projects such as institutional, commercial and industrial. The tax levy funded portion of the Building Department budget also increased exponentially in 2010 as a result of the Corporate restructuring which merged By-law Compliance & Enforcement with the existing Building Department complement.

**Summary of Description**

In summary, the year end variance is comprised of the following:

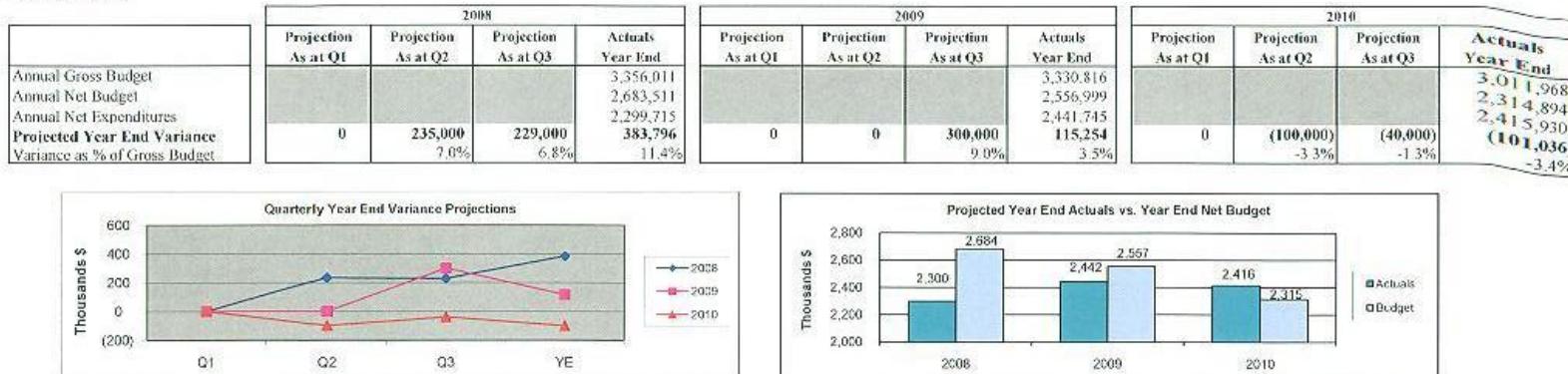
1. Revenue shortfall in property standards enforcement.	Amount
2. Increased revenue from yard clean ups.	\$ (44,634)
3. Unexpended graffiti budget	16,179
4. Fringe Benefits Recovery	14,865
<b>Net Year End Deficit</b>	<b>(38,856)</b>
	<b>\$ (52,446)</b>

**Mitigating Steps**

The Building Department continues to seek out and adopt measures to help minimize operating deficits and transfers from the Building Permit Fee Reserve by gapping vacant positions where possible, frugal managing of all controllable operating costs, increased efficiencies, exploring and implementing new fees where permissible as well as updating the existing fees structure. A further report in this regard is expected to be ready and tabled with City Council in the first half of 2011.

## PLANNING

## Financial Summary

**Description**

The Planning Department realized a net operating deficit of (\$101,036) in 2010. This was primarily due to a net shortfall in development application revenues of (\$380,041) due to current economic conditions and lower development activity. In addition, unbudgeted costs were incurred related to the Worker Compensation Board (\$41,000) and one time renovations (\$25,000) at the 400 office suite. The renovation was expected to be funded from overall budget savings in the department that did not materialize at year end. Offsetting the deficit variances were salary gapping savings of \$314,398 due to delayed filling of vacancies until later in the year as well as an achieved \$30,607 surplus in more discretionary expense accounts such as travel and purchased services.

**Summary of Description**

In summary, the year end variance is comprised of the following:

1. Development Applications revenue shortfall	Amount
2. Unbudgeted WSIB costs	(\$380,041)
3. Office Renovations	(\$41,000)
4. Salary Gapping	(\$25,000)
5. Savings realized in miscellaneous expense accounts such as travel, training and consulting.	314,398
	30,607
<b>Net Year End Deficit</b>	<b><u>\$ (101,036)</u></b>

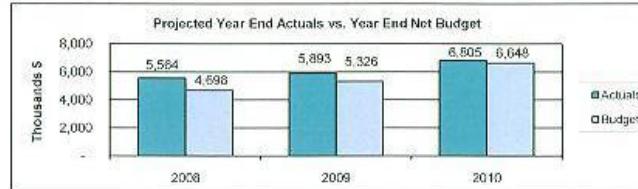
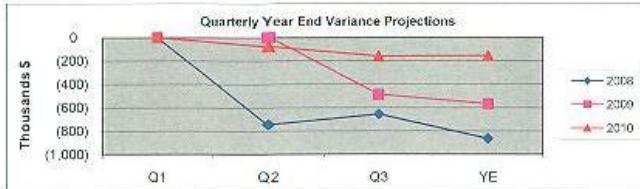
**Mitigating Steps**

The Planning Department will endeavour to mitigate costs in 2011 in similar fashion to that carried out in 2010 (staff gapping, restricted misc. spending) to offset revenue shortfalls as they occur.

**ENGINEERING****Financial Summary**

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				7,268,826				8,080,431				9,352,013
Annual Net Budget				4,697,754				5,325,795				6,648,368
Annual Net Expenditures				5,563,817				5,893,328				6,805,149
<b>Projected Year End Variance</b>	<b>0</b>	<b>(745,000)</b>	<b>(656,000)</b>	<b>(866,063)</b>				<b>(489,000)</b>	<b>(567,533)</b>			<b>(156,781)</b>
Variance as % of Gross Budget		-10.2%	-9.0%	-11.9%				-6.1%	-7.0%			-1.7%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

**Description**

The year-end deficit in the Engineering Department of (\$156,781) can be attributed to an overall increase in street light maintenance costs, reduction in overall revenue, shortfall in recoveries related to salaries and overall increase in unplanned and operating expenses. Offsetting these shortfalls is savings on account of salary gapping.

Due to the existing aging Streetlight infrastructure, greater than normal maintenance was required, resulting in an overall deficit in the street light maintenance account of approximately (\$98,741).

To fund the E.I.S. system, there is a 5% surcharge on the Right Of Way Permits, Building Permits and Geomatic products. The number of building permits issued year to date continues to be weak and this has a direct impact on GIS surcharge revenue in the Geomatics division and other revenues in the Development & Geomatics Division. The other revenues in Geomatics Division such as sale of maps and other products continue to deteriorate.

There is also a drop in revenue in the Development division primarily on account of Sidewalk Cafes and Secondary inspections fees. The revenue reduction in Sidewalk Cafes is mainly attributable to the Downtown BIA infrastructure projects as many restaurants could not put up sidewalk cafes in 2010 and this may impact 2011 revenues as well. In 2010, the Development division had introduced a new fee - Secondary Inspection however, no inspections have occurred in 2010. This could be partly attributed to the residents being more diligent in ordering an inspection and partly to the enforcement process. Offsetting the revenue reduction is an overall increase in the number of Moving, Driveways and Sewer Permits issued in 2010. Due to various Windmill projects initiated in the Windsor-Essex Region, there has been a significant increase in the number of Moving Permits issued by the City. The increase in Driveway and Sewer permits can be attributed to the improving economy. As a result, the net revenue shortfall is approximately (\$128,908).

There was a net shortfall in recoveries of salaries from Capital projects of approximately (\$40,776) for 2010; however the gross shortfall in recoveries of salaries is approximately (\$113,994). The difference of (\$73,218) is mainly due to the recovery of Fringe Benefits for certain staff members from the Budget Stabilization Reserve and the Windsor Tunnel Commission. Fringe Benefits are a corporate account and this amount will help offset the overall fringe variance on a corporate level. The gross shortfall in recoveries is primarily due to short term gapping as well as under recovery in the Engineering and Development Divisions of (\$105,994) and time spent by the Engineering staff on Flood control activities of approximately (\$8,000). Due to the increase in the overall Development work in 2010, the employees of these departments had to be re-assigned from Capital projects resulting in an overall reduction in recoveries. Development work is of operational nature and hence non-recoverable. The Development division's budget has been adjusted in 2011 to reflect the current scenario. In addition, as noted above, due to the flood event that

**ENGINEERING**

On June 28th, 2010, Council approved a contribution of \$10,000 to be made to Ontario Good Roads Association (OGRA), which was outside the Budget process. Administration decided to fund this expense from the Public Works Support department and hence the department realized a deficit of (\$10,000) related to this contribution.

There has been an overall increase in the Operating costs of approximately (\$32,042) mainly on account of computer software purchase, office furniture & equipment, vehicle rental and car allowance (due to ISF projects there had been an increase in usage of City Vehicles and their costs are not recoverable from Capital projects) and other general costs.

Offsetting the above-noted deficit is short term salary gapping savings of \$153,686.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1 Street Lighting - Maintenance Expenses (Enwin)	\$ (98,741)
2 Revenue shortfall	(128,908)
3 Shortfall in recoveries related to salaries	(40,776)
4 Payment to OGRA	(10,000)
5 Increase in Operating Costs	(32,042)
6 Salary gapping savings	153,686
<b>Net Year End Deficit</b>	<b><u><u>\$ (156,781)</u></u></b>

**Mitigating Steps**

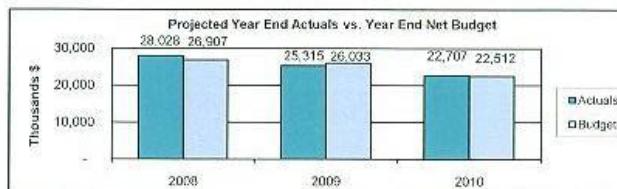
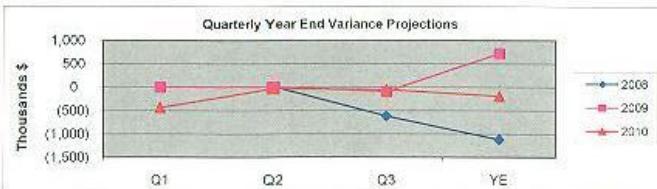
In 2011, the department will strive to take various measures to mitigate the deficit. One of the measures is to continue to monitor the budget and take steps to reduce the operating expenses and maximize revenues where possible. The accelerated capital budget and the need to proceed rapidly on projects to which ISF Funding has been allocated has limited the use of gapping for vacant positions; however, salary recoveries from these and other capital projects will be made to the maximum extent possible. On the Streetlight Maintenance front, the department is in conversation with Enwin Utilities to come up with a plan which will assist in reducing the maintenance costs.

## ENVIRONMENTAL &amp; PW OPERATIONS

## Financial Summary

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				67,153,251				68,009,930				65,841,507
Annual Net Budget				26,906,981				26,033,309				22,512,469
Annual Net Expenditures				28,027,848				25,314,607				22,707,270
Projected Year End Variance	0	0	(615,000)	(1,120,867)				718,702				(194,801)
Variance as % of Gross Budget			-0.9%	-1.7%								-0.3%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.



## Description

The Parking Enforcement Division has finished 2010 with a deficit of (\$904,763) due to decrease in ticket revenue. Ticket revenue has been steadily decreasing since 2005 due to the economic conditions of the past several years and overly optimistic revenue projections. The 2011 budget for ticket revenue has been adjusted. Ticket revenue levels will be closely monitored.

The Fleet Division has finished 2010 with a net surplus of \$750,554 resulting from the outsourcing of Environmental and Parking services. Outsourcing has resulted in temporary salary gapping and reductions in parts and maintenance expenses for the year. In addition to outsourcing factors, there was lower than anticipated depreciation contributions due to the deferral of fleet replacements. The 2011 budget for Fleet has been adjusted to reflect the required budget changes for the department related to the outsourcing of 2010.

A surplus of \$493,428 was incurred in the Waste Disposal area of PW Operations due to lower than anticipated landfill tipping fees paid. As a result of decreased consumption and reduced commercial packaging, 7% less garbage tonnage was collected in 2010, resulting in less tonnage heading to the landfill. In addition, costs for waste diversion were lower due to a 13% decrease in Yard Waste tonnage collected and a 9% decrease in Recycling collected. These decreases have also been observed in neighbouring municipalities and are thought to be a result of the economy in general.

Offsetting the surplus in Waste Disposal was a deficit of (\$211,666) in the Waste Collection area due to lower than anticipated containerized collection revenues. This revenue projection has been revised for a second consecutive budget year and will continue to be monitored going forward. In addition, a deficit of (\$270,206) was incurred in Lost Time due to higher than anticipated WSIB.

The Winter Control Division finished 2010 with a deficit of (\$345,899) due to a greater number of winter events and record snowfall in 2010. The budget in winter control is based on total events averaged over a number of years and the past several years have been above average. The winter control budget will continue to be adjusted annually based on the annual contractual cost increases stipulated in the various contracts for services and materials.

The Right of Way Maintenance Division has finished 2010 with a surplus of \$270,213 due to increased capital recoveries for staff time due to an increase in the funding levels for the Road Rehab Proj.

The Field Services Division finished 2010 with a deficit of (\$203,687) resulting from a decrease in their recoveries from capital related to the ISF projects.

Offsetting the overall deficit in Operations is a net surplus of \$268,547 resulting from year end recovery of fringe and utility deficits. However fringes and utilities are recovered/offset corporately, therefore this departmental variance results in a net corporate variance of zero.

**ENVIRONMENTAL & PW OPERATIONS**

Other miscellaneous operating variances resulted in a net deficit of (\$41,322) in various operating accounts throughout the Department.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1. Parking Enforcement	\$ (904,763)
2. Fleet	750,554
3. Waste Disposal	493,428
4. Winter Control	(345,899)
5. Right of Way Maintenance	270,213
6. Solid Waste Lost Time	(270,206)
7. Waste Collection	(211,666)
8. Field Services	(203,687)
9. Fringe & Utility net surplus	268,547
10 Other Operations/Environmental Divisions	(41,322)
<b>Net Year End Deficit</b>	<b><u>\$ (194,801)</u></b>

**Mitigating Steps**

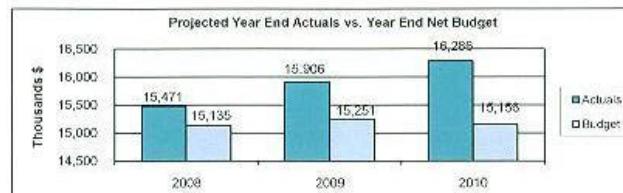
The preparation of the 2011 PW Operations operating budget is expected to mitigate the most significant sources to the 2010 year-end operating budget variance. In addition to an adjustment to the budgeted revenues for containerized collection and a reduced staff complement resulting in fewer WSIB claims and/or modified work, it is also expected that EWSWA will invoice for landfill tipping fees using a flat annual fee for each participating municipality based on prior year tonnages. This should ensure no budget variance with regards to landfill tipping fees, which has been one of the largest variances within the area in recent years.

In addition, the Winter Control Division is receiving additional 2011 budget dollars related to cost escalations for both contractors and salt, and the Parking Enforcement Division is receiving a 2011 Budget decrease related to the ticket revenue. Further detailed analysis of the Winter Control and Parking Enforcement budgets will be completed for the 2012 budget process. The budgets in the Fleet Division have also been adjusted to reflect the required reductions related to the Environmental and Parking outsourcing exercises completed in 2010.

## PARKS &amp; FACILITY OPERATIONS

## Financial Summary

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				23,857,293				24,099,885				24,697,116
Annual Net Budget				15,135,269				15,250,685				15,156,185
Annual Net Expenditures				15,471,190				15,905,960				16,286,061
Projected Year End Variance	0	(45,000)	(120,000)	(335,921)	0	0	0	(655,275)	0	0	(300,000)	(1,129,876)
Variance as % of Gross Budget	-0.2%	-0.5%	-1.4%					-2.7%				-4.6%



## Description

The Parks & Facility Operations Department ended 2010 with a deficit of (\$1,129,876). The major shortfalls were:

- 1) Parks L82 Union wages budget shortfall of (\$450,816). A review of the L82 salary lines highlighted a budget shortfall of (\$450,816). A number of factors that contributed to the compounding of this deficit are prior years' JJE awards and the impact of negotiated clauses such as 'the older workers clause' whereby an older worker, through their collective agreement can apply to finish their last 5 years of employment in a classification that is less strenuous but continue to be paid at the higher classification rate. The Department put a plan into place to address these items based on projected retirements, however the annual attrition rate was interrupted by the work stoppage in 2009 and as such, the adjustments did not materialize. An extensive analysis was completed for the 2011 Budget to adjust the wage accounts for L82 Wages to accurately reflect the true costs to the department.
- 2) Unrealized revenues in the Facilities Operation division of (\$289,446). A reduction in requests for facility maintenance work from both internal and external clients was not anticipated in 2010. The 2011 year doesn't appear to be better as clients continue to delay work due to budget pressures. The department is undergoing a complete review of the current maintenance staff establishment including staff reductions that will offset this decline in recoveries for future years.
- 3) A budget shortfall of (\$152,326) in the internal seasonal vehicle rental account. The Parks department has a high demand for seasonal vehicle use and this account has traditionally ended each year in a deficit. Through an extensive review of both dedicated and seasonal vehicle requirements a corporately balanced budget is being developed for 2011, which will eliminate future deficits in this account and better reflect the true costs to the department.
- 4) An over expenditure of (\$110,378) for security at 350 and 400 City Hall Square due to continued demand for 24 hour security from both internal and external clients. Despite the approved budget reductions in this line item over the past few years, the continued demand for service by tenants at the City Hall campus has not allowed the reduction in service to be fully implemented and the department continues to incur costs at historical levels.

**PARKS & FACILITY OPERATIONS****Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1. Budget Shortfall in Wages	\$ (450,816)
2. Unrealized Revenues	(289,446)
3. Seasonal Vehicle Rental Budget Shortfall	(152,326)
4. Budget Shortfall in External Security Costs	(110,378)
5. Winter Control Deficit	(92,569)
6. Net Deficit in other Miscellaneous accounts	(34,341)
<b>Net Year End Deficit</b>	<b><u>\$ (1,129,876)</u></b>

**Mitigating Steps**

In order to mitigate the deficits, the department has undertaken the following measures:

**1. Parks L82 Union Wages:**

An extensive analysis was completed for the 2011 Budget to adjust the wage accounts for L82 Wages to accurately reflect the true costs to the department.

**2. Unrealized Revenues in Facilities Operations:**

The department is undergoing a complete review of the current maintenance staff establishment including staff reductions that will offset this decline in recoveries for future years.

**3. Internal Seasonal Vehicle Account:**

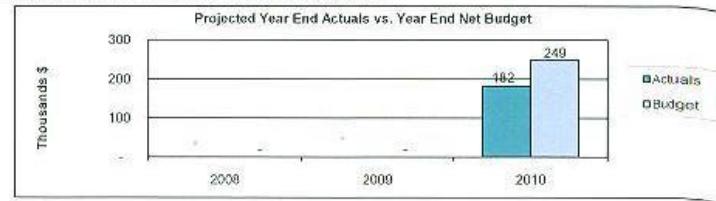
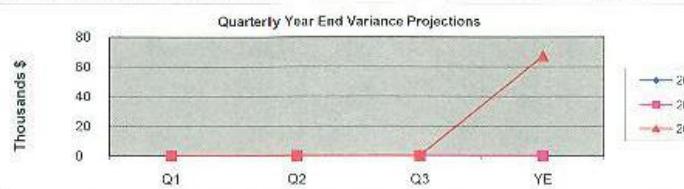
Through an extensive review of both dedicated and seasonal vehicle requirements a corporately balanced budget is being developed for 2011, which will eliminate future deficits in this account and better reflect the true costs to the department.

## COMMUNITY DEVELOPMENT &amp; HEALTH OFFICE

## Financial Summary

	2008			2009			2010					
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				-				-				636,991
Annual Net Budget				-				-				249,153
Annual Net Expenditures				-				-				182,064
Projected Year End Variance	0	0	0	0	0	0	0	0	0	0	0	67,089
Variance as % of Gross Budget												10.5%

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

Description

A \$67,089 surplus was realized by the Community Development and Health Office, broken down as follows:

The **Physician Recruitment initiative** shows a surplus of \$57,909 consisting of (i) 2010 actual expenses being lower than budget by \$29,000 and (ii) reconciliation of 2009 expenditures resulting in reimbursement to the city of \$28,909.

The **Office of the Community Development and Health Commissioner** ended with a surplus of \$9,180 due to actual recovery of staffing costs from other areas being higher than budgeted.

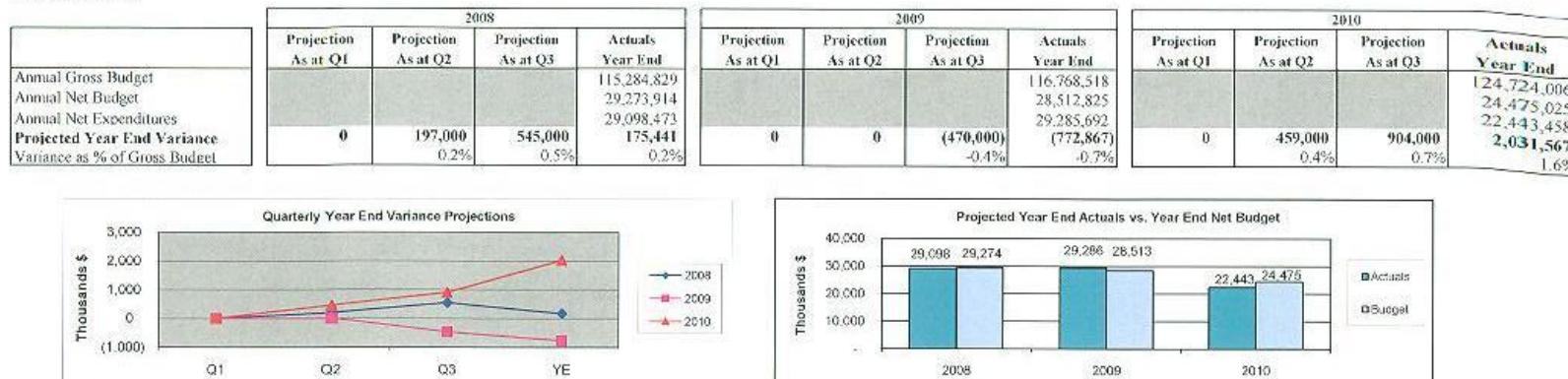
Summary of Description

In summary, the year end variance is comprised of the following:

	Amount
1. Physician Recruitment	\$ 57,909
2. Community Development and Health Office	9,180

**Net Year End Surplus** **\$ 67,089**

Mitigating Steps

**EMPLOYMENT & SOCIAL SERVICES****Financial Summary****Description**

A \$2,031,567 surplus was realized for Employment and Social Services (E & SS), broken down as follows :

OW Administration and Employment Assistance ended the year with a surplus of \$1,413,913 mainly due to lower administration expenditures than budgeted of \$856,338 and one time administration subsidy of \$557,575 not in the budget. Savings due to lower caseload than budgeted were seen in expenses such as postage and office supplies, gapping led to lower staffing costs and the one time administration subsidy reduced the municipal burden further .

Ontario Works (OW) Financial Assistance ended the year with a surplus of \$712,419 due to lower expenditures resulting from OW caseload growth being lower than budgeted.

Municipally Funded Assistance ended the year with a surplus of \$118,816 primarily due to lower than budgeted requests for assistance with Funeral and Burial expenditures.

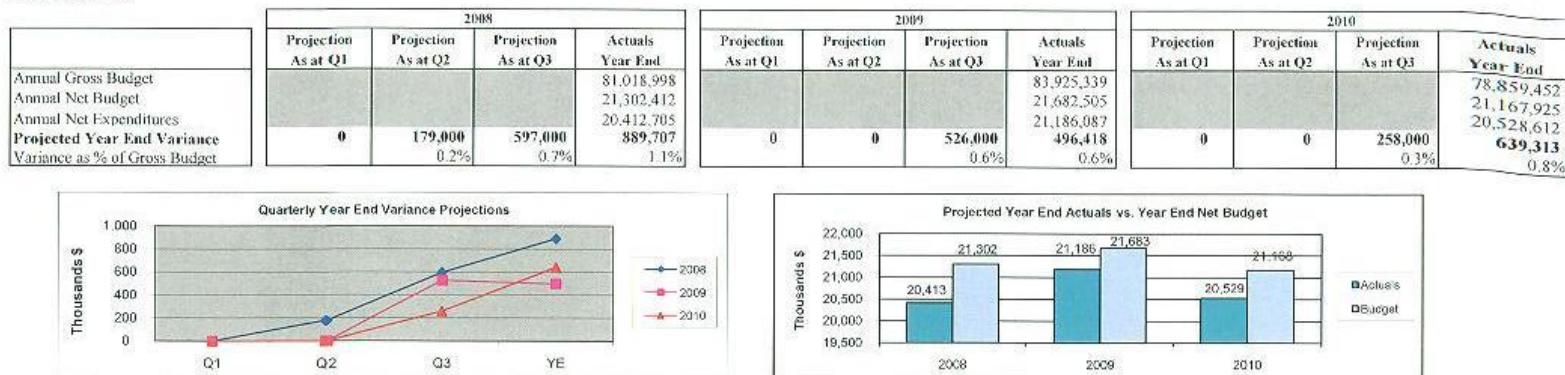
Avg Monthly Caseload	2009 Monthly Average	2010 Monthly Average	Increase over prior year	Budgeted Increase
OW	9,510	9,900	4.1%	10.0%
ODSP	8,516	9,152	7.5%	5.0%

**Summary of Description**

In summary, the year end variance is comprised of the following:

1. OW Administration		<b>Amount</b>
2. OW Employment Assistance		\$1,283,444
3. OW Financial Assistance		130,469
4. 100% Municipal Assistance		712,419
5. ODSP		118,816
<b>Net Year End Surplus</b>		<b>(213,581)</b>
		<b>\$2,031,567</b>

**Mitigating Steps**

**HOUSING & CHILDREN'S SERVICES****Financial Summary****Description**

A \$639,313 surplus was realized for Housing and Children Services, broken down as follows:

Housing Administration ended the year with a surplus of \$208,489 due to expenditure recoveries from other areas and net subsidy requirements being lower than anticipated.

Residential Support ended the year with a \$162,204 surplus. Of this surplus, approximately \$91,950 is due to lower than budgeted demand for services within the lodging homes and emergency shelter programs. The remaining surplus of \$13,254 is related to a fringe variance in 100% Provincially/Federal funded programs. Also, the surplus was a result of unanticipated one time 100% Provincial funding of \$57,000 provided by MCSS to offset 100% City Costs relating to the Consolidated Homelessness Prevention Program.

Children Services realized a surplus of \$106,522 due, in part, to increased county revenue as a result of increase demand for services in the county.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1 Housing Administration	\$ 208,489
2 Residential Support	162,204
3 Children's Services	106,522
4 Pathway to Potential	162,098

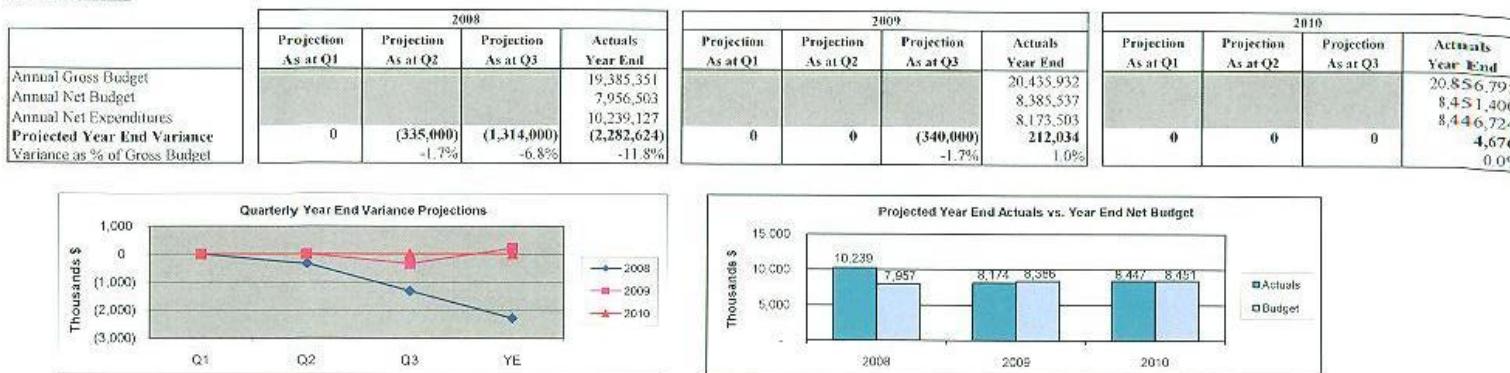
**Net Year End Surplus**

**\$ 639,313**

**Mitigating Steps**

**HURON LODGE**

## Financial Summary

**Description**

Huron Lodge ended the year with a surplus of \$4,676.

Salaries ended the year with a deficit of (\$153,046) due to factors such as replacement staffing for attendance at mandatory training, replacement of injured staff on modified duties, etc. Huron Lodge continues to be proactive by implementing initiatives in order to reduce variances that occur in these accounts such as strict scheduling guidelines, the postponement of training to 2011, as well as reformatting mandatory training procedures in 2010 to reduce replacement requirements. The continued monitoring of attendance at work has resulted in a cost avoidance of approximately \$473,500 for the department in 2010. This initiative will continue in 2011.

In addition, there was also an impact to salaries as a result of the bumping process, which caused a deficit of (\$41,932).

As previously communicated, the department has a continued obligation to pay WSIB expenses, which ended the year with a deficit of (\$202,614). Huron Lodge was able to manage this deficit in 2010, as was achieved in 2009, however WSIB will continue to be a variance risk in 2011. Huron Lodge in conjunction with Human Resources will continue to enhance and promote safe return to work for all injured staff.

As previously communicated to Council, the funding amount in 2010 subsidy resulted in a surplus of \$320,196. Additionally, resident revenue experienced a surplus of approximately \$96,232.

Other miscellaneous accounts experienced a net variance of (\$14,160).

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1. Salaries	(\$153,046)
2. Salaries - Bumping Impact	(\$41,932)
3. Workers Compensation	(\$202,614)
4. MOHLTC Subsidy	320,196
5. Resident Revenue	96,232
6. Other Miscellaneous Accounts	(\$14,160)
<b>Net Year End Surplus</b>	<b>\$ 4,676</b>

**Mitigating Steps**

## RECREATION &amp; CULTURE

## Financial Summary

	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				15,211,879
Annual Net Budget				7,443,690
Annual Net Expenditures				8,131,282
Projected Year End Variance	0	0	(365,000)	(687,592)
Variance as % of Gross Budget			-2.4%	-4.5%

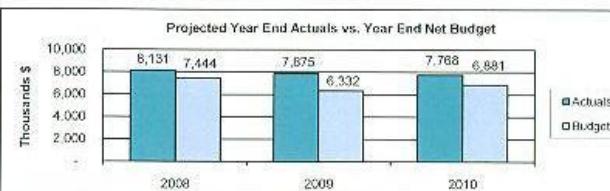
NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

## 2008

## 2009

## 2010

	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Actuals Year End
Annual Gross Budget				16,627,353	16,959,512
Annual Net Budget				6,331,807	6,880,611
Annual Net Expenditures				7,874,874	7,767,534
Projected Year End Variance	0	0	0	(1,543,067)	(886,923)
Variance as % of Gross Budget				-9.3%	-5.2%



## Description

The Recreation and Culture department ended 2010 in a deficit position of (\$886,923). The overall deficit is the net result of several variance line items which have been detailed below:

- 1) Throughout 2010, the Corporation experienced corporate wide bumping within the Local 543 employees. Through the bumping process at times there was an overlapping of staff which resulted in a deficit of (\$76,041).
- 2) There was a revenue shortfall in events managed by Global Spectrum at the WFCU Centre causing a deficit variance of (\$88,500) in non-OHL events. This amount should be considered along with the significant community wide benefits achieved by the non-OHL events (employment, tourism, family recreation choices, etc).
- 3) Recreation also realized a deficit of (\$90,916) in salaries due to replacement of workers on sick leave, employees receiving retro payments and the payment of non-union overtime per the CANUE agreement. The City has set aside a corporate provision that offsets both the retro payment and non-union overtime.
- 4) As reported to City Council at the meeting of Feb. 28, 2011, during 2010 administration finally received the assessment values from MPAC for property taxes chargeable at the WFCU Centre. Therefore, property taxes for the years 2008 through 2010 were charged in 2010 causing a deficit variance of (\$102,669). At the noted Council meeting, approval was given to authorize administration to execute Municipal Capital Facility agreements with tenants of the WFCU Centre. Therefore, this issue is a one-time cost covering 2008 to 2010 that will not be an issue going forward.
- 5) A review of the Local 82 wage lines highlighted a budget shortfall of (\$165,103). The Local 82 staff are shared between Recreation and Parks and therefore the allocation to Recreation was impacted by the same factors as in Parks & Facility Operations. (See also Parks and Facility Operations variance report). A number of factors that contributed to the compounding of this deficit are prior years JJE awards and the impact of negotiated clauses such as "the older workers clause" whereby an older worker, through their collective agreement can apply to finish their last five years of employment in a classification that is less strenuous but continue to be paid at the higher classification rate. An extensive analysis was completed for the 2011 budget and as part of the budget, Council approved a wage adjustment provision for this matter. Therefore, this should not be an issue on a go forward basis.
- 6) Overall, the department achieved approximately 95% of its revenue budget even given the current economic challenges. The major revenue shortfalls were as follows: Lakeview Park Marina (\$78,800), Arenas (\$260,000), other facilities (\$197,000) for a total revenue shortfall of approximately (\$535,000). Offsetting the revenue shortfall was a surplus of \$172,106 on the expenditure side (excluding uncontrollable items 1, 3, 4, & 5 noted above) relating to concerted cost avoidance efforts aimed at mitigating the City's net costs of providing the services. Overall, these factors resulted in a net budget shortfall of (\$363,694) across the various recreation facilities operated by the department.

**RECREATION & CULTURE****Summary of Description**

In summary, the year end variance is comprised of the following:

	<b>Amount</b>
1 Local 543 Bumping Impact (One-Time)	\$ (76,041)
2 Non-OHL Events	(88,500)
3 Salary Issues (Retro Payments, Sick Coverage, Salary Market Review and CANUE Over Time)	(90,916)
4 WFCU Property Taxes (One-Time)	(102,669)
5 Budget Shortfall in Local 82 Wages (One-Time)	(165,103)
6 Other Net Facility Shortfalls	(363,694)
<b>Net Year End Deficit</b>	<b><u><u>\$ (886,923)</u></u></b>

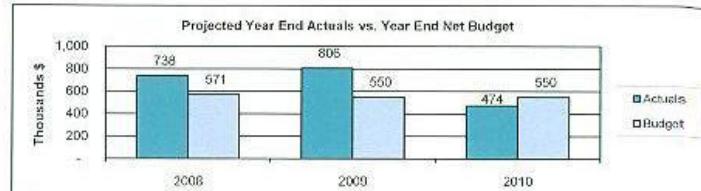
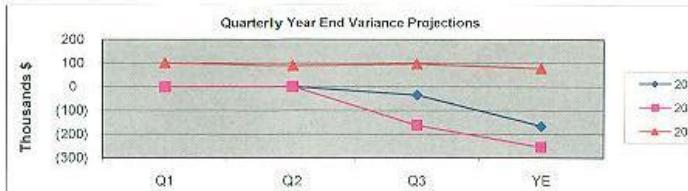
**Mitigating Steps**

Recreation in 2011 is closely monitoring the monthly financial statements and will bring forward any concerns or anticipated variances as part of the quarterly variance to Council. Additionally, Council approved departmental budget changes in 2011 to reflect the revenue challenges and Local 82 funding imbalance which will assist in mitigating future variances. Council has also approved changes to the Recreation fee schedule which will assist in offsetting some of the inflationary costs associated with the day-to-day operations.

Recreation has and will continue to implement the short-term mitigating steps and will be continuing to review them going forward. Some of the short-term solutions includes adjusting hours of operations, staffing and controlling expenditures to high priority issues such as mechanical and structural repairs. With the economy starting to recover it is felt that these controls are manageable however a long-term solution includes consolidating facilities. Recreation has prepared a business case of consolidating facilities to address the shortfalls within Recreation on a long-term basis.

**AUDITOR GENERAL'S OFFICE****Financial Summary**

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				570,732				550,000				550,000
Annual Net Budget				570,732				550,000				550,000
Annual Net Expenditures				737,907				806,303				474,023
<b>Projected Year End Variance</b>	<b>0</b>	<b>0</b>	<b>(35,000)</b>	<b>(167,175)</b>				<b>(256,303)</b>				<b>75,977</b>
Variance as % of Gross Budget			-6.1%	-29.3%				-46.6%				13.8%

**Description**

The year end variance is mainly a result of salary gapping which was partially offset by the consulting expense being higher than the consulting budget.

**Summary of Description**

In summary, the year end variance is comprised of the following:

1. Salary gapping
2. Consulting & Legal services
3. Minor variances in multiple accounts

	Amount
1. Salary gapping	\$ 138,275
2. Consulting & Legal services	(56,168)
3. Minor variances in multiple accounts	(6,130)

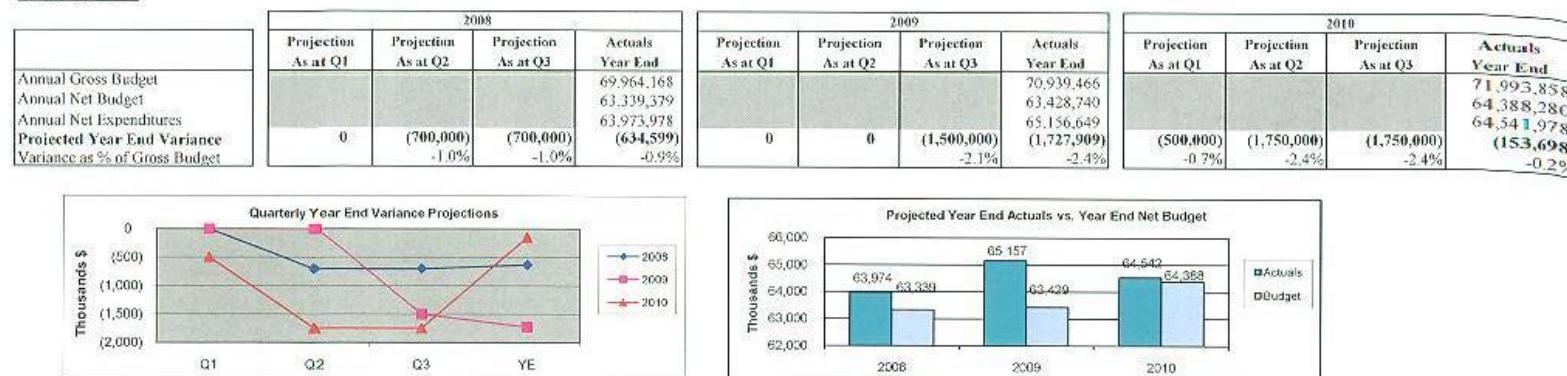
**Net Year End Surplus**

\$ 75,977

**Mitigating Steps**

**POLICE SERVICES**

## Financial Summary

**Description**

This description has been provided by the Windsor Police Services administration, as the City does not provide financial support.

- Overtime** - as has been the case for several years, the overtime budget was again over spent due to insufficient budget provision and the unexpected cases and situations that arise during the year that require extensive court attendance and additional labour effort to resolve them.
- Workers Compensation** - similar to overtime, workers compensation has had an insufficient budget provision. Many of these costs are uncontrollable as the WSIB Board assesses the award and associated costs to us. These include administration, medical, salary and pension costs that can continue on long after the initial occurrence.
- Hydro Capacity Charge** - similar to 2009 budget, hydro capacity charge for the Police headquarters building was over budget due to an insufficient corporate utility budget allocation.
- Salaries and Benefits** - savings due to retirements and the associated deferrals of promotions and rank increases.

**Summary of Description**

In summary, the year end variance is comprised of the following:

	Amount
1. Overtime Costs	\$(1,092,891)
2. Workers Compensation Costs	(325,398)
3. Hydro Capacity Charges	(184,865)
Subtotal	<u><u>\$(1,603,154)</u></u>
4. Net Salary and Other Benefits Savings	1,449,456
<b>Net Year End Deficit</b>	<b><u><u>\$(153,698)</u></u></b>

**Mitigating Steps**

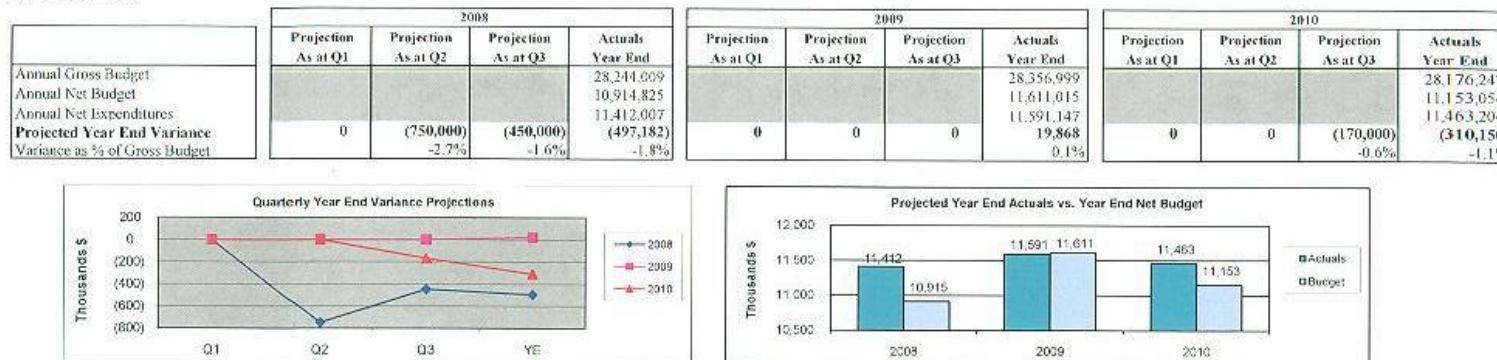
- Overtime** - a number of overtime mitigation efforts were instituted in the second half of 2010 largely in the area of scheduling and extensions of shifts of Patrol officers. The other major area of overtime which annually accounts for approx. 30% of total overtime is court appearances. Nominal savings were achieved in 2010 but will require a greater joint effort with the court side of scheduling appearances. It is expected that these measures will continue into 2011 netting greater savings, barring any unforeseen major incidences.

**POLICE SERVICES**

2. **Workers Compensation** - policy reviews and risk assessments continued to be undertaken and there was continuous effort to make the work environment as healthy and safe as possible. ~~W~~ continued to challenge claims where applicable, however, sometimes this involved additional legal and administrative costs.
3. **Hydro Capacity Charge** - this cost is largely fixed based on set rates in the energy service agreement with Windsor Utilities Commission. This variance can be eliminated with the proper ~~co~~orporate
4. **Salaries and Other Benefits** - savings were achieved through retirements and the associated deferrals of promotions and rank increases. Much of this required negotiations with the WPA ~~and~~ may not occur on a go forward basis.

## TRANSIT WINDSOR

## Financial Summary

**Description**

Transit Windsor experienced a year end deficit of (\$310,150). This was primarily due to an unfavourable variance in Transit Revenue of approximately (\$200,000), a deficit in the fuel account of (\$399,780) (which included a deficit of \$225,000 for oil, lubricants and gasoline), a deficit in the pension plan special payments of (\$217,797), a deficit in the vehicle maintenance materials account of \$240,000, a variance in costs associated with the maintenance of the Terminal of (47,001) and an unfavourable variance of (\$75,000) in the net benefit, salary and wage accounts.. Offsetting these were a surplus of \$180,000 in the building maintenance area, \$300,000 related to the recovery of over depreciating the shuttle vehicles, a favourable variance in utilities of \$69,428 and an increase of \$320,000 in the net outside service and contract revenue.

**Summary of Description**

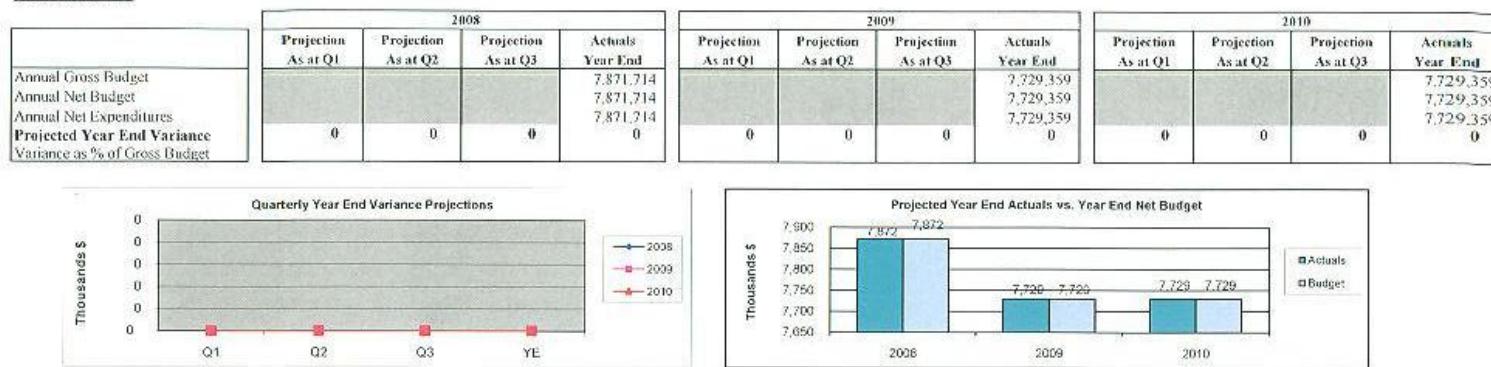
In summary, the year end variance is comprised of the following:

	Amount
1. Unfavourable Variance in Transit Revenue	\$(200,000)
2. Over Expenditure in Motor Fuel and Lubricants Account	(399,780)
3. Pension Plan Special Payment	(217,797)
4. Unfavourable Variance in Vehicle Maintenance Materials	(240,000)
5. Variance in Costs Associated With The Maintenance of the Terminal	(47,001)
6. Net Salary and Wage Accounts	(75,000)
7. Surplus in Building Maintenance Account	180,000
8. Recovery of Over Depreciating Shuttle Vehicles	300,000
9. Favourable Variance in Utilities	69,428
10. Net Outside Service and Contract Revenue	320,000
<b>Net Year End Deficit</b>	<b><u>\$(310,150)</u></b>

**Mitigating Steps**

## WINDSOR PUBLIC LIBRARY

## Financial Summary

Description

No variance to be reported.

Summary of Description

In summary, the year end variance is comprised of the following:

Amount

Net Year End Surplus

\$ -

Mitigating Steps

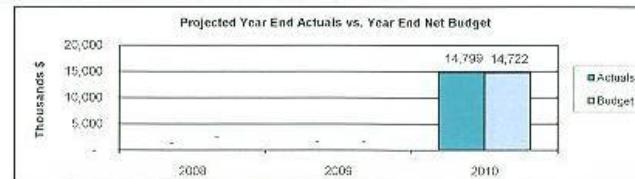
**AGENCY GRANTS**Financial Summary

	2008			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				-
Annual Net Budget				-
Annual Net Expenditures				-
Projected Year End Variance	<b>0</b>	0	<b>0</b>	0
Variance as % of Gross Budget				

	2009			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
				-
				-
				-
	0	0	<b>0</b>	0

	2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
				14,721,734
				14,721,734
				14,799,496
				(77,762)
				-0.5%
	0	(45,500)	0	(77,762)

NOTE: 2008 & 2009 historical budget and actual information is not comparable due to the changes to the budget costs centres arising out of most recent corporate realignment.

Description

The total deficit in Agency Grants was \$77,762. Of the total deficit, \$18,405 was in the Health Unit account due to the Health Unit's board approval coming subsequent to our budget approval. The balance deficit of \$59,357 was incurred in the Land Ambulance account due to the 2009 reconciliation booked in 2010 (prior year reconciliation occurs after our books close, and the accrual estimate provided by the County was off).

Summary of Description

In summary, the year end variance is comprised of the following:

1. Health Unit
2. Land Ambulance Account

Amount
\$ (18,405)
(59,357)

Net Year End Deficit

**\$ (77,762)**

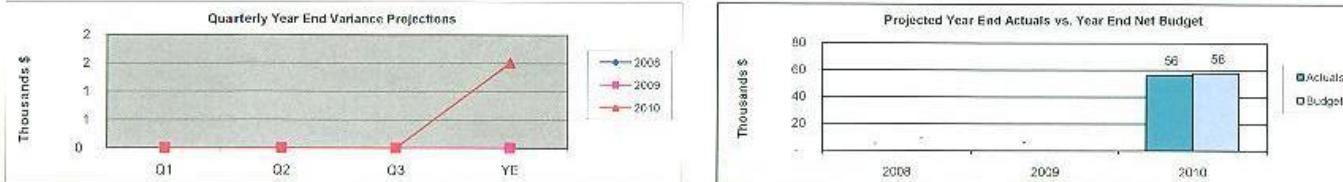
Mitigating Steps

## COMMITTEES OF COUNCIL

## Financial Summary

	2008				2009				2010			
	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End	Projection As at Q1	Projection As at Q2	Projection As at Q3	Actuals Year End
Annual Gross Budget				-								57,808
Annual Net Budget				-								57,808
Annual Net Expenditures				-								56,305
Projected Year End Variance	0	0	0	0	0	0	0	0	0	0	0	1,503
Variance as % of Gross Budget												2.6%

NOTE: The Committees of Council was reported as part of Council Services in prior years. Therefore, historical financial information is not available at this time.

**Description**

No materially significant variance.

**Summary of Description**

In summary, the year end variance is comprised of the following:

1. Minor Operating Account Variances

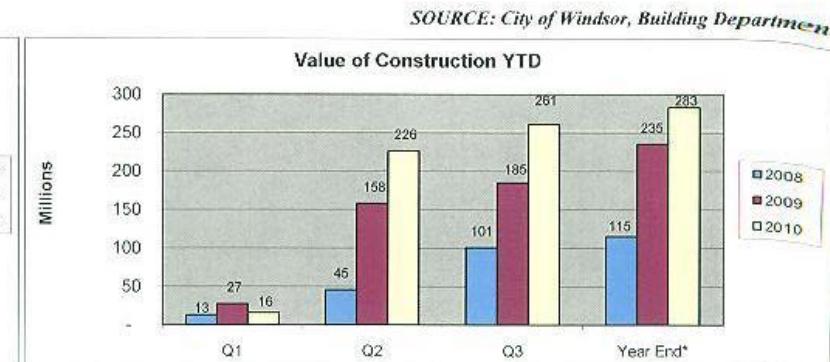
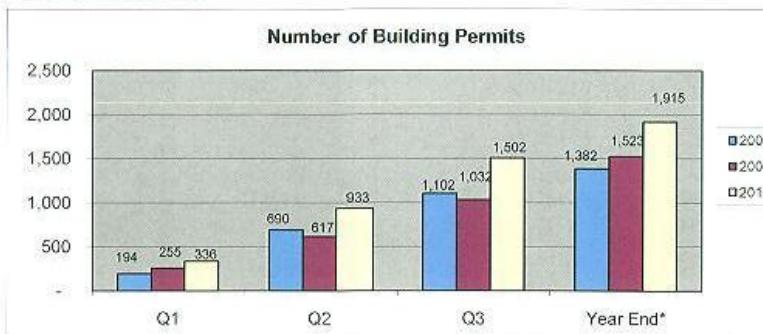
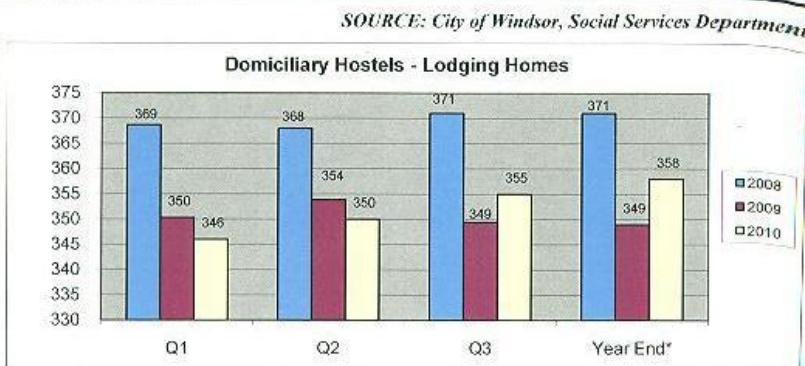
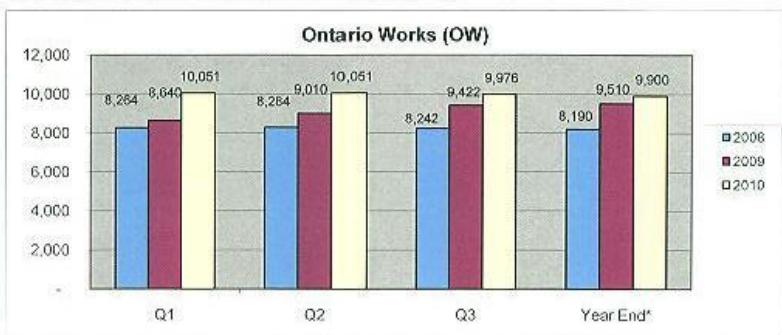
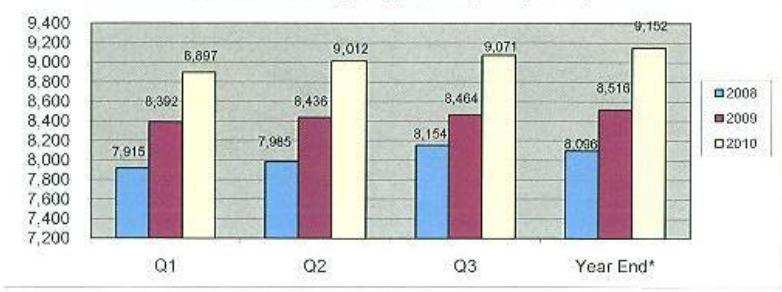
**Amount**

\$ 1,503

**Net Year End Surplus**

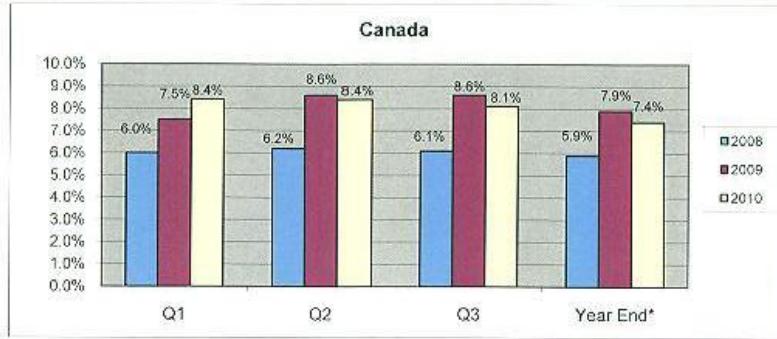
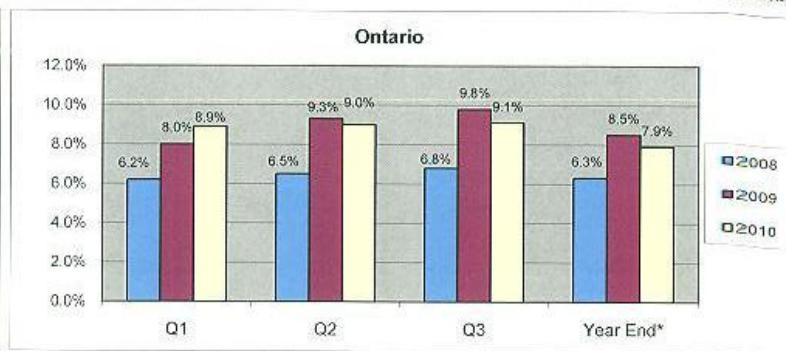
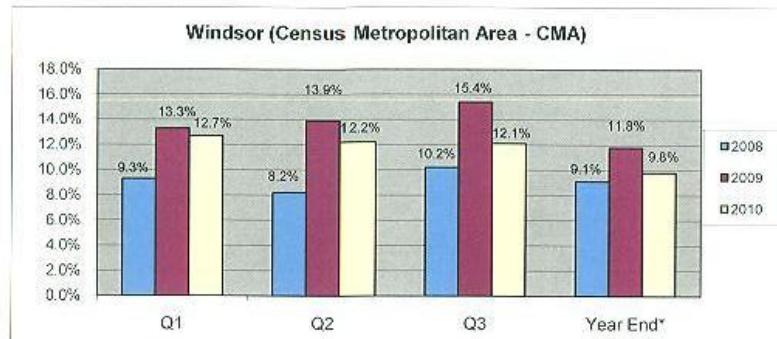
\$ 1,503

**Mitigating Steps**

**Building Permit Activity****Social Services Caseloads (Average Monthly Caseload)****Ontario Disability Support Program (ODSP)**

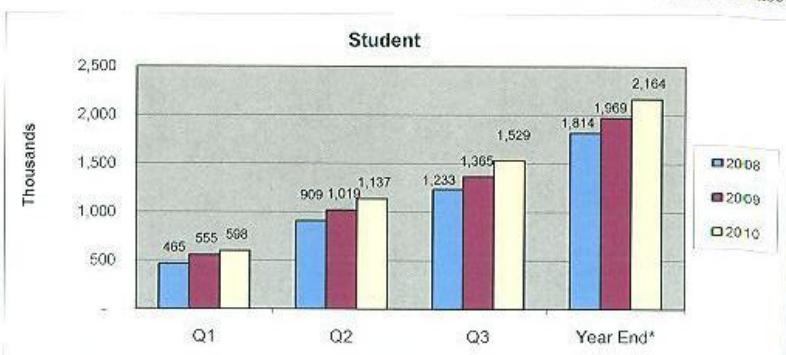
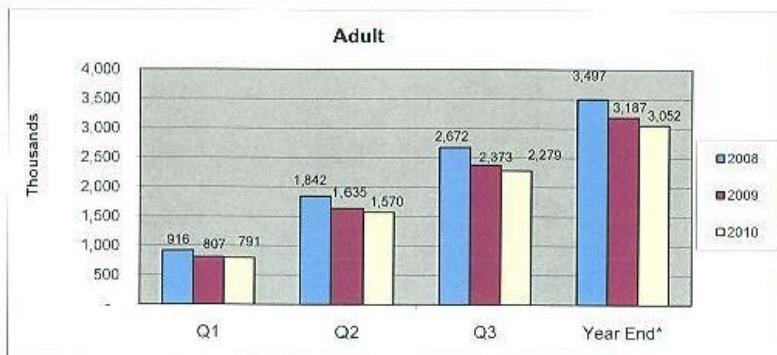
## Unemployment Rates (3-month Moving Average, unadjusted)

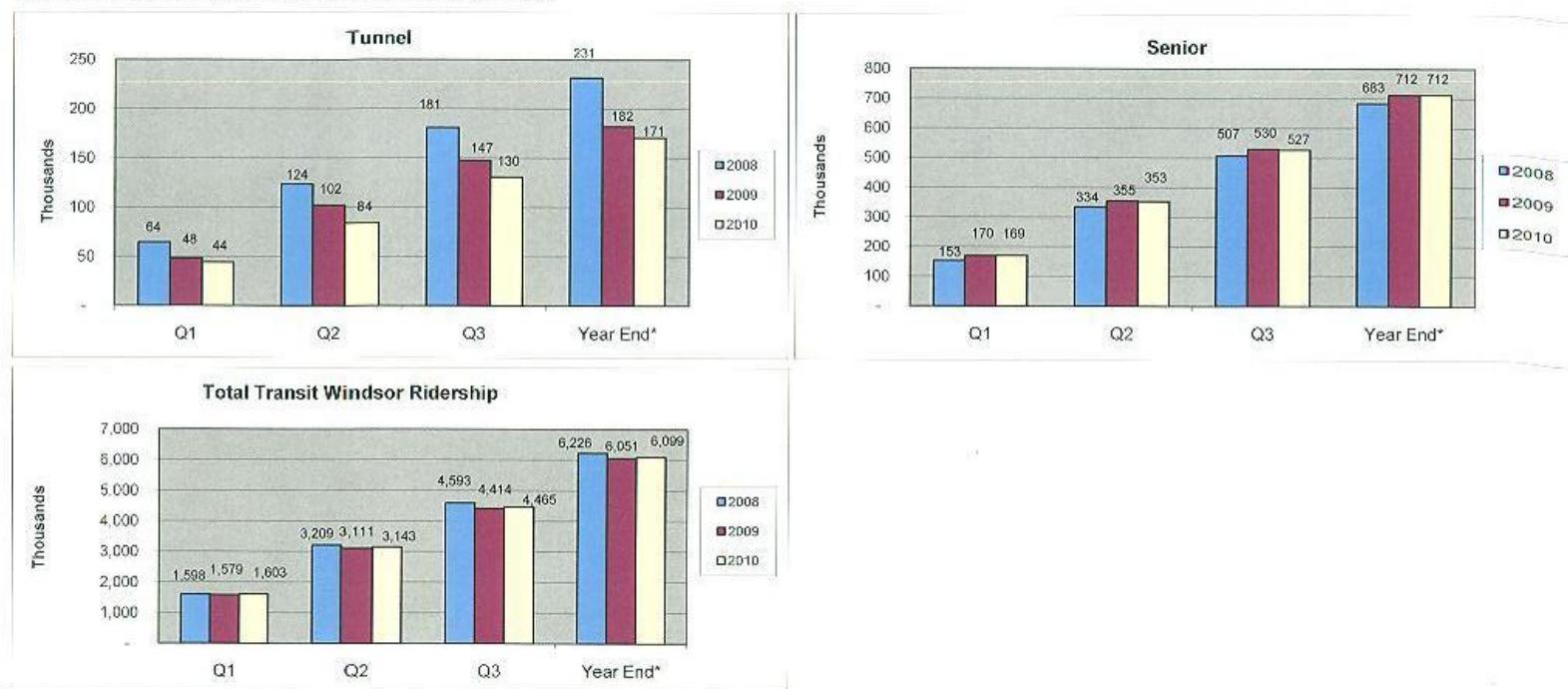
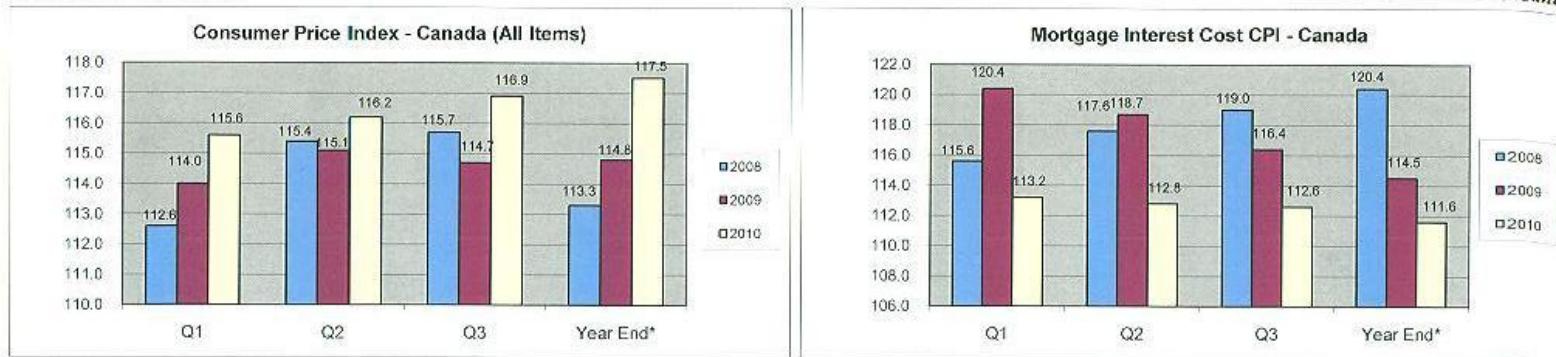
SOURCE: Statistics Canada

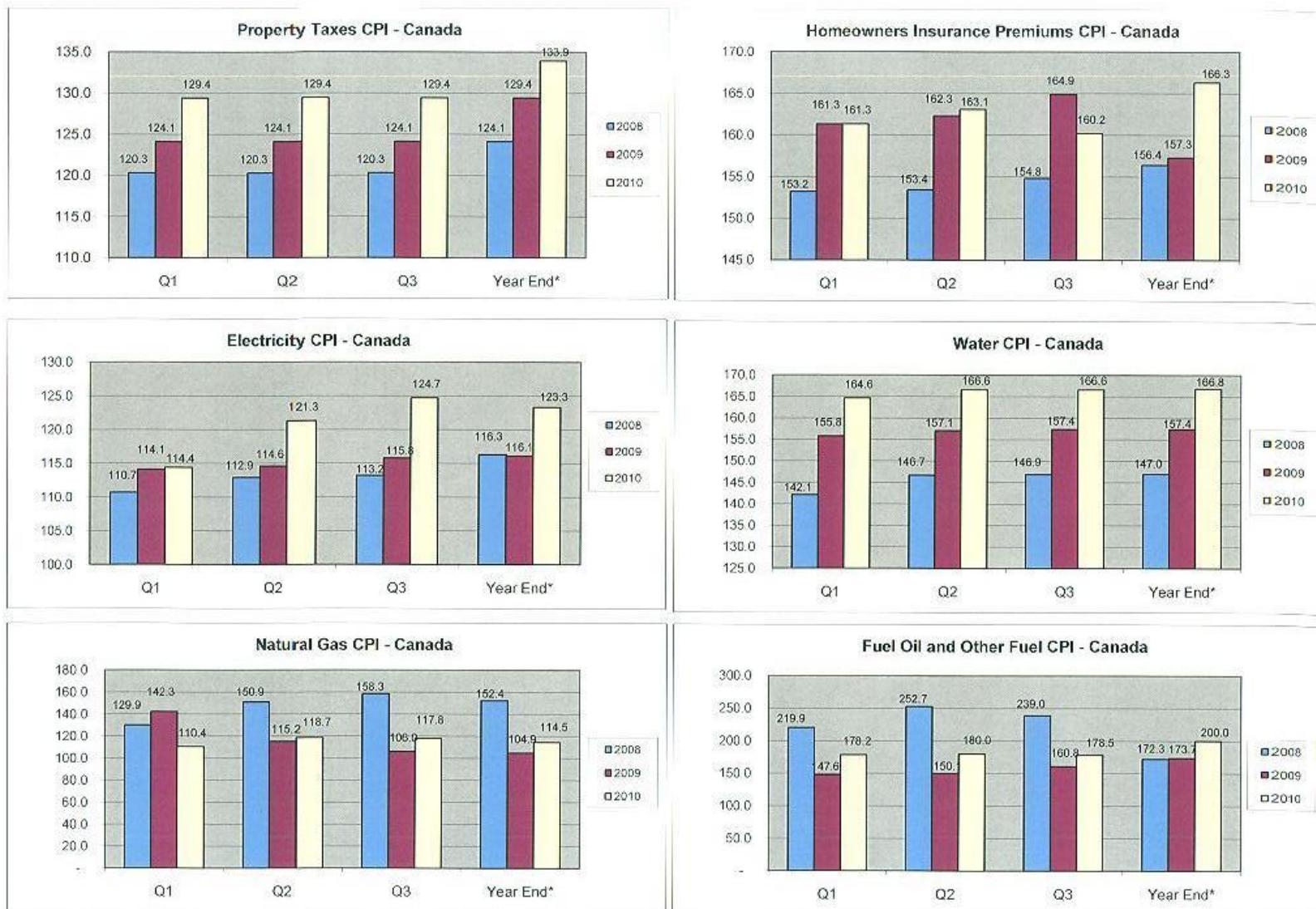


## Transit Windsor Ridership (Combined Cash &amp; Pass Fares)

SOURCE: Transit Windsor



Transit Windsor Ridership (Combined Cash & Pass Fares) Cont'd.Consumer Price Index (CPI)

Consumer Price Index (CPI) Cont'd.

APPENDIX B

City of Windsor - Operational & Economic Statistics as at Dec. 31, 2010

Building Permit Activity	Year	Q1	% Chg	Q2	% Chg	Q3	% Chg	Year End*	% Chg
Number of Permits YTD	2008	194		690		1,102		1,382	
	2009	255	31.4%	617	-10.6%	1,032	-6.4%	1,523	10.2%
	2010	336	31.8%	933	51.2%	1,502	45.5%	1,915	25.7%
Value of Construction YTD (\$)	2008	12,575,000		45,454,900		100,702,100		115,056,950	
	2009	27,212,850	116.4%	157,782,599	247.1%	184,885,749	85.6%	235,253,356	104.5%
	2010	15,824,500	-41.8%	226,221,450	43.4%	261,168,491	14.3%	283,000,000	20.3%

Source: City of Windsor, Building Department

Social Services Caseloads (Ave. monthly caseload)	Q1	% Chg	Q2	% Chg	Q3	% Chg	Year End*	% Chg	
Ontario Works (OW)	2008	8,264		8,284		8,242		8,190	
	2009	8,640	4.5%	9,010	3.8%	9,422	14.3%	9,510	16.1%
	2010	10,051	16.3%	10,051	11.6%	9,976	5.9%	9,900	4.1%
Ontario Disability Support Program (ODSP)	2008	7,915		7,985		8,154		8,096	
	2009	8,392	6.0%	8,436	5.6%	8,464	3.8%	8,516	5.2%
	2010	8,897	6.0%	9,012	6.8%	9,071	7.2%	9,152	7.5%
Dormitory Hostels - Lodging Homes	2008	369		368		371		371	
	2009	350	-5.0%	354	-3.8%	349	-3.8%	349	-5.9%
	2010	346	-1.2%	350	-1.1%	355	1.6%	358	2.6%

Source: City of Windsor, Social Services Department

Unemployment Rates (3-month moving) not seasonally adjusted	Q1	% Chg	Q2	% Chg	Q3	% Chg	Year End*	% Chg	
Windsor (Census Metropolitan Area)	2008	9.3%		8.2%		10.2%		9.1%	
	2009	13.3%	43.0%	13.9%	69.5%	15.4%	51.0%	11.8%	29.7%
	2010	12.7%	-4.5%	12.2%	-12.2%	12.1%	-21.4%	9.8%	-16.9%
Ontario	2008	6.2%		6.5%		6.8%		6.3%	
	2009	8.0%	29.0%	9.3%	43.1%	9.8%	44.1%	8.5%	34.9%
	2010	8.9%	11.3%	9.0%	-3.2%	9.1%	-7.1%	7.9%	-7.1%
Canada	2008	6.0%		6.2%		6.1%		5.9%	
	2009	7.5%	25.0%	8.6%	38.7%	8.6%	41.0%	7.9%	33.9%
	2010	8.4%	12.0%	8.4%	-2.3%	8.1%	-5.8%	7.4%	-6.3%

Source: Statistics Canada

Transit Windsor Ridership (Combined Cash & Pass Fares)	Q1	% Chg	Q2	% Chg	Q3	% Chg	Year End*	% Chg	
Adult	2008	916,362		1,842,404		2,671,610		3,497,061	
	2009	806,570	-12.0%	1,634,845	-11.3%	2,372,609	-11.2%	3,187,327	-8.9%
	2010	791,473	-1.9%	1,570,146	-4.0%	2,278,769	-4.0%	3,092,220	-4.2%
Student	2008	464,633		908,973		1,233,462		1,814,354	
	2009	554,692	19.4%	1,019,387	12.1%	1,364,617	10.6%	1,969,328	8.5%
	2010	598,230	7.8%	1,136,584	11.5%	1,529,315	12.1%	2,164,069	9.9%
Senior	2008	152,929		333,958		507,167		882,836	
	2009	169,808	11.0%	354,867	6.3%	529,522	4.4%	712,147	4.3%
	2010	169,147	-0.4%	352,712	-0.6%	526,594	-0.6%	712,428	0.0%
Tunnel	2008	64,313		123,640		180,969		231,384	
	2009	47,934	-25.5%	102,199	-17.3%	147,352	-18.6%	182,129	-21.3%
	2010	44,196	-7.8%	84,001	-17.8%	130,421	-11.5%	170,627	-6.3%
TOTAL	2008	1,598,239		3,208,975		4,593,208		6,225,635	
	2009	1,579,004	-1.2%	3,111,298	-3.0%	4,414,100	-3.9%	6,050,931	-2.8%
	2010	1,603,046	1.5%	3,143,443	1.0%	4,465,099	1.2%	6,099,344	0.8%

Source: Transit Windsor

APPENDIX B

Consumer Price Index (CPI) not seasonally adjusted

	Q1	% Chg	Q2	% Chg	Q3	% Chg	Year End*	% Chg
Consumer Price Index (CPI) - Canada (All Items)	2008	112.6		115.4		115.7		113.3
	2009	114.0	1.2%	115.1	-0.3%	114.7	-0.9%	114.8
	2010	115.6	1.4%	116.2	1.0%	116.9	1.9%	117.5
Mortgage Interest Cost CPI	2008	115.6		117.6		119.0		120.4
	2009	120.4	4.2%	118.7	-0.9%	116.4	-2.2%	114.5
	2010	113.2	-6.0%	112.8	-5.0%	112.6	-3.3%	111.6
Property Taxes CPI (Including Special Charges)	2008	120.3		120.3		120.3		124.1
	2009	124.1	3.2%	124.1	3.2%	124.1	3.2%	129.4
	2010	129.4	4.3%	129.4	4.3%	129.4	4.3%	133.9
Homeowners Insurance Premiums CPI	2008	153.2		153.4		154.8		156.4
	2009	161.3	5.3%	162.5	5.8%	164.9	6.5%	157.3
	2010	161.3	0.0%	163.1	0.5%	160.2	-2.9%	166.3
Electricity CPI	2008	110.7		112.9		113.2		116.3
	2009	114.1	3.1%	114.6	1.5%	115.8	2.3%	116.1
	2010	114.4	0.3%	121.3	5.8%	124.7	7.7%	123.3
Water CPI	2008	142.1		146.7		146.9		147.0
	2009	155.8	9.6%	157.1	7.1%	157.4	7.1%	157.4
	2010	164.6	5.6%	166.6	6.0%	166.6	5.8%	166.8
Natural Gas CPI	2008	129.9		150.9		158.3		152.4
	2009	142.3	9.5%	115.2	-23.7%	106.0	-23.0%	104.9
	2010	110.4	-22.4%	118.7	3.0%	117.8	11.1%	114.5
Fuel Oil and Other Fuel CPI	2008	219.9		252.7		239.0		172.3
	2009	147.6	-32.9%	150.1	-40.6%	160.8	-32.7%	173.7
	2010	178.2	20.7%	180.0	19.9%	178.5	11.0%	200.0

Source: Statistics Canada

**APPENDIX C**  
**2010 Budget Carry-Forwards**

<b>Department</b>	<b>Description</b>	<b>Amount (\$)</b>
Auditor General's Office	Furniture for Auditor General's Office	3,500
<b>Auditor General's Office Total</b>		<b>3,500</b>
CAO's Office	Office furniture for new staff	3,076
CAO's Office	OCI - Audit Management Software	34,000
CAO's Office	100 Mile Peninsula from the Economic Development Initiative	60,000
CAO's Office	Cover cost of hiring Gazda, Houlne & Associates for NU salary market comparison (As per CR #431/2010)	45,000
<b>CAO's Office Total</b>		<b>142,076</b>
Communications/Customer Service	Finish implementation of Service Delivery Review Report	100,000
<b>Communications/Customer Service Total</b>		<b>100,000</b>
Corporate Finance	Neighbourhood Improvement Fund - committed to Ward 5 for Fire Hydrant Installation	6,001
Corporate Finance	Salary & Wage Provisions	1,162,000
<b>Corporate Finance Total</b>		<b>1,168,001</b>
Council Committees	Heritage Committee - Heritage plaques, Ontario Heritage Conference & Public Relations	3,291
Council Committees	Windsor Accessibility Advisory Committee-Outreach Program & Windsor Essex Employment Group	5,336
Council Committees	Mayor's Youth Advisory Committee-printing costs, upgrade & maintain MYAC web site, promotional t-shirts & brochures	5,407
Council Committees	WEDEC - conference in Feb 2011 & educational materials & initiatives	10,021
Council Committees	Diversity Committee	11,845
Council Committees	Senior Advisory Committee-travel/registration & accommodation conference costs for ICAA in 2011, Marketing & Communications costs & New Beginnings	7,973
Council Committees	International Relations- Sculpture Symposium, promotion of International Children's Games & The Twin Cities Monument Project	13,267
Council Committees	Town & Gown Committee - Open House meetings & hosting a Symposium	3,155
<b>Council Committees Total</b>		<b>60,295</b>
Development & Geomatics	GIS Upgrades	21,000
<b>Development &amp; Geomatics Total</b>		<b>21,000</b>
Employment & Social Services	MCSS performance linked funding under the Ontario Works Employment Assistance	164,072
Employment & Social Services	MTCU New Work Transition Incentive program	222,568
<b>Employment &amp; Social Services Total</b>		<b>386,640</b>
Financial Planning	Unused travel budget from OMBI travel in 2011	5,723
<b>Financial Planning Total</b>		<b>5,723</b>

**APPENDIX C**  
**2010 Budget Carry-Forwards**

<b>Department</b>	<b>Description</b>	<b>Amount (\$)</b>
Fire & Rescue Services	Public Access Defibrillator program	65,479
Fire & Rescue Services	Surplus in the clothing account for pint system. Reserve to be set up in 2011	27,690
Fire & Rescue Services	Defibrillator Tiered Response program	47,753
<b>Fire &amp; Rescue Services Total</b>		<b>140,922</b>
Human Resources	Training initiative in 2011 for motivational seminar.	10,000
Human Resources	E-learning courses for Health & Safety	18,584
Human Resources	Employee Wellness initiative.	18,808
<b>Human Resources Total</b>		<b>47,392</b>
Mayor's Office	Mayor's Office Year End Balances (Staff Gapping)	360,558
Mayor's Office	Mayor's Office Year End Balances (Community Relations)	137,845
Mayor's Office	Mayor's Office Year End Balances (Economic Development)	565,996
Mayor's Office	Mayor's Office Year End Balances (Together We Triumph)	1,259
<b>Mayor's Office Total</b>		<b>1,065,658</b>
Parks & Facilities Operations	Friends for Atkinson Pool revenue carryforward from 2009	3,259
<b>Parks &amp; Facilities Operations Total</b>		<b>3,259</b>
Police Services	Continue with the office renovation of the Information Services area.	48,189
<b>Police Services Total</b>		<b>48,189</b>
Purchasing & Risk Management	Travel & Training for out of town training of new staff in 2011	4,376
Purchasing & Risk Management	Travel & Training for out of town training of new staff in 2011	3,350
<b>Purchasing &amp; Risk Management Total</b>		<b>7,726</b>
Transportation Planning	Radar Trailer Repairs/Order Additional 5 counters & Tubes	10,000
<b>Transportation Planning Total</b>		<b>10,000</b>
<b>Grand Total</b>		<b>3,210,380</b>

**APPENDIX D - Summary of Capital Projects Closed (for 2010)**

As at December 31, 2010

**SUMMARY**

	<b># of Projects</b>	<b>Amount</b>
Surplus	38	\$ 6,228,461
Deficits	13	\$ (143,602)
<b>Net Surplus on Capital Projects Ck</b>	<b>51</b>	<b>\$ 6,084,859</b>

Project ID	Service Area	Project Name	Surplus/ (Deficit)	Sub-Total by Fund	Fund	Funding Source/Transfer	Project Variance Comments
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**Projects Fully Funded From Transfer Between Projects**

7081001	Office of the City Engineer	2008 City-Wide Road Rehab.	\$ 8,014.46	007	7091002 - 2009 City Wide Road Rehab.		Project closed and inactivated by JE #107795 dated Dec. 31, 2009. Expenses for miscellaneous items (catchbasins, riser rings, frame & covers) were slightly less than anticipated. Balance was transferred to the ongoing City-Wide Rd. Rehabilitation project 7091002. Council approval to reallocate funding is being sought through Y/E Council report.
7052006	Office of the City Engineer	Wyandotte Rail Structure/Intersection	\$ 728,479.14	007	7092018 - Walker/Wyandotte Intersection - ISF		As of February 5, 2010, project 7052006 was in a surplus position of \$728,479 as a result of Phase 1 tender coming in below project estimates. CR29/2010, Report #14522 authorized the transfer over to fund the shortfall in project 7092018.
7035174	Office of the City Engineer	Bike Facility Development	\$ 184,628.81	007	7086009 - Bikeways Development		Prior year(s) surplus consolidated into ongoing capital project. Council approval to reallocate funding is being sought through Y/E Council report.
7096002	Office of the City Engineer	Purchase of Additional Fleet Equipment	\$ (26,302.20)	007	7091012 - 2009 Fleet Replacements		Project 7091012 was an approved funding source for project 7096002, per CR261/2009, Report #14193. The exact amount was transferred to balance and close the project.
7071038	Office of the City Engineer	Wilson Park (Benson School)	\$ (722.05)	007	7085007 - Playgrounds		Project did not materialize as planned. Council approval to reallocate funding is being sought through Y/E Council report.
7073111	Office of the City Engineer	Grand Marais Drain Improvement	\$ 90,889.07	007	7082003 - Gr. Marais Drain-Central/Walker		Prior year(s) surplus consolidated into ongoing capital project. Council approval to reallocate funding is being sought through Y/E Council report.
7052170	Office of the CFO	City Hall Exterior Improvement	\$ 144,164.64	007	7101017 - Corporate Re- org/Re-alignment Phase 2		As per CR259/2010, Report #14763, surplus funding was transferred to fund Phase 2 Corporate Re-org/Re-alignment.
7101008	Office of the City Clerk	HR Renovations @ 171 Gouyeau	\$ 70,000.00	007	7101017 - Corporate Re- org/Re-alignment Phase 2		As per CR259/2010, Report #14763, surplus funding was transferred to fund Phase 2 Corporate Re-org/Re-alignment.
7016515	Office of the City Solicitor	Restoration - Fire Trucks	\$ 3,227.94	001	0191410 - Fire Apparatus		The remaining balance of \$3,227.94 was transferred to Fire Apparatus to offset large restoration costs in 2010 related accidents. Council approval to reallocate funding is being sought through Y/E Council report.

APPENDIX D - Summary of Capital Projects Closed (for 2010)  
As at December 31, 2010

<b>SUMMARY</b>		
	<b># of Projects</b>	<b>Amount</b>
Surplus	38	\$ 6,228,461
Deficits	13	\$ (143,602)
<b>Net Surplus on Capital Projects Clc</b>	<b>51</b>	<b>\$ 6,084,859</b>

<b>Project ID</b>	<b>Service Area</b>	<b>Project Name</b>	<b>Surplus/ (Deficit)</b>	<b>Sub-Total by Fund</b>	<b>Fund</b>	<b>Funding Source/Transfer</b>	<b>Project Variance Comments</b>
7059905	Office of the CFO	Mainframe Migration	\$ 134,558.88		007	7074016 - Disaster Recovery	CR191/2010, Report #14689. The exact amount of surplus was transferred to balance and close project.
<b>Net Surplus Closed to Other Projects</b>			<b>\$ 1,336,938.69</b>				

**Projects Balanced & Closed via Transfer to/from Original Funding Sources**

7081014	Office of the CFO	Dev. Chgs. Background Study	\$ 41,223.33		121	Dev Chg - General	Surplus funds returned back to original funding source as project budget was a preliminary estimate.
<b>Total Fund 121 Surplus</b>			<b>\$ 41,223.33</b>				
7031105	Office of the City Engineer	Shanfield Shores	\$ (2,165.26)		126	Dev Chg - Park Development	Project was completed with a slight deficit due to slightly higher than anticipated construction costs.
<b>Total Fund 126 Deficit</b>			<b>\$ (2,165.26)</b>				
7081021	Office of the City Engineer	SWCC - Rep Garage Improvements	\$ (11,292.66)		134	Solid Waste Control Centre	Work was required to mitigate an unsafe working condition and the setup of a stockroom/supervisory office. Construction and material costs were slightly above original project estimates.
<b>Total Fund 134 Deficit</b>			<b>\$ (11,292.66)</b>				
7085004	Office of the City Engineer	2008 Fleet Replacement	\$ 532,117.86		136	Fleet Replacement	Surplus funds returned back to original funding source as project budget was a preliminary estimate.
<b>Total Fund 136 Surplus</b>			<b>\$ 532,117.86</b>				
7081009	Office of the City Engineer	Tree Planting along E.C. Row Corridor	\$ (22,574.84)		139	Budget Stabilization Reserve	Revenue received from Jamieson Lab Inc. to offset the cost of planting the trees was recorded in operating and subsequently closed out at year-end to the BSR. Hence, the deficit in the project is being recovered this year from the reserve from the prior year.
<b>Total Fund 139 Deficit</b>			<b>\$ (22,574.84)</b>				
7052013	Office of the City Engineer	Prince Rd. San. - Myrtle/Daytona	\$ 126,022.47		153	Sanitary Sewer Surcharge	Project was completed and under budget due to unused contingencies and a favourable difference in tendered versus constructed quantities.
7054061	Office of the City Engineer	Prince Rd Storm - Myrtle/Daytona	\$ 123,584.11		153	Sanitary Sewer Surcharge	Surplus is a result of the tender price being less than project estimate.

**APPENDIX D - Summary of Capital Projects Closed (for 2010)**  
**As at December 31,2010**

<b>SUMMARY</b>		
	<b># of Projects</b>	<b>Amount</b>
Surplus	38	\$ 6,228,461
Deficits	13	\$ (143,602)
<b>Net Surplus on Capital Projects Clk</b>	<b>51</b>	<b>\$ 6,084,859</b>

<b>Project ID</b>	<b>Service Area</b>	<b>Project Name</b>	<b>Surplus/ (Deficit)</b>	<b>Sub-Total by Fund</b>	<b>Fund</b>	<b>Funding Source/Transfer</b>	<b>Project Variance</b>	<b>Comments</b>
7032013	Office of the City Engineer	College/Prince Algonquin Sanitary	\$ 13,127.81		153	Sanitary Sewer Surcharge		Surplus funds returned back to original funding source as project budget was a preliminary estimate.
7062900	Office of the City Engineer	Albert Rd.- Alice/Tecumseh	\$ 171,942.51		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7062902	Office of the City Engineer	Montcalm/Glenfield Chappell	\$ 62,684.28		153	Sanitary Sewer Surcharge		Surplus funds returned back to original funding source as project budget was a preliminary estimate.
7062903	Office of the City Engineer	Reedmere Ave.- Raymond/CNR	\$ 312,049.21		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7071001	Office of the City Engineer	Buckingham- Riverside/Wyandotte	\$ 193,096.05		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7071003	Office of the City Engineer	Meldrum- Milroy/Tecumseh	\$ 157,031.38		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7071118	Office of the City Engineer	Lena- Girardot/Manchester Sewer	\$ 204,372.22		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7082006	Office of the City Engineer	Assumption- Pierre/Langlois	\$ 5,099.55		153	Sanitary Sewer Surcharge		Surplus funds returned back to original funding source as project budget was a preliminary estimate.
7082011	Office of the City Engineer	Alexis Rd.- Seminole/Alice	\$ 412,716.98		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7082012	Office of the City Engineer	Rossini Blvd.- Wyandotte/Cul	\$ 348,396.51		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7059062	Office of the City Engineer	Riverside Flood Abatement Project	\$ 427,451.88		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7062003	Office of the City Engineer	Totten-Huron Church/Betts Storm	\$ 91,956.13		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7062002	Office of the City Engineer	Totten- Daytona/Betts Sanitary	\$ 169,868.09		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7032054	Office of the City Engineer	Woodlawn/Ypres/ Memorial Sanitary Sewer	\$ 162,169.74		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.

**APPENDIX D - Summary of Capital Projects Closed (for 2010)**

As at December 31, 2010

<b>SUMMARY</b>		
	<b># of Projects</b>	<b>Amount</b>
Surplus	38	\$ 6,228,461
Deficits	13	\$ (143,602)
<b>Net Surplus on Capital Projects Ck</b>	<b>51</b>	<b>\$ 6,084,859</b>

<b>Project ID</b>	<b>Service Area</b>	<b>Project Name</b>	<b>Surplus/ (Deficit)</b>	<b>Sub-Total by Fund</b>	<b>Fund</b>	<b>Funding Source/Transfer</b>	<b>Project Variance</b>	<b>Comments</b>
7071061	Office of the City Engineer	Bettis - Totten/Algonquin Storm	\$ 99,094.65		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
7041061	Office of the City Engineer	Prince Rd Storm Relief Drainage	\$ 26,944.60		153	Sanitary Sewer Surcharge		Surplus is a result of the tender price being less than project estimate.
<b>Total Fund 153 Surplus</b>			<b>\$ 3,107,608.17</b>					
7032177	Office of the CFO	New Property Tax System	\$ 412,826.82		160	Capital Expenditure Reserve		Surplus is a result of the use of internal resources during the testing and implementation phases of the project instead of relying on external consultants. The project budgeted for contingencies as well which were no longer required.
7035103	Office of the City Engineer	Little River Corridor/New Park	\$ (8,044.40)		160	Capital Expenditure Reserve		Deficit due to slightly higher than anticipated construction costs.
7071027	Office of the City Engineer	Parksid Tennis Refurbishments	\$ 5,297.95		160	Capital Expenditure Reserve		Surplus funds returned back to original funding source as project budget was a preliminary estimate.
7082900	Office of the City Engineer	Eastbound Bridge Rehab-EC Row	\$ (36,856.47)		160	Capital Expenditure Reserve		Project expenditures were slightly higher than anticipated due to increased road (granular) costs as a result of poor sub-grade road conditions.
7091020	Office of the City Clerk	Photo ID Printer	\$ 3,561.25		160	Capital Expenditure Reserve		Surplus funds returned back to original funding source as project budget was a preliminary estimate.
7091028	Office of the CFO	Concrete Approach - Fire Hall #6	\$ 2,219.84		160	Capital Expenditure Reserve		Surplus funds returned back to original funding source as project budget was a preliminary estimate.
73111N	Office of the City Engineer	Huron Church - Dorchester/Girard et	\$ (2,217.51)		160	Capital Expenditure Reserve		As per CRI032:92, items (1) & (2) have now proceeded in 2010, but the project ID was already closed. The City agreed to cover all legal costs and land transfer tax incurred as per the agreement of purchase and sale.
<b>Total Fund 160 Surplus</b>			<b>\$ 376,787.48</b>					
7091016	Office of the City Engineer	Little River Pedestrian Bridge	\$ (9,411.61)		169	Pay As You Go Cap Reserve		Deficit due to slightly higher than anticipated construction costs.
7092001	Office of the City Clerk	Boundary Study	\$ (6,609.17)		169	Pay As You Go Cap Reserve		Deficit due to higher than expected cost of brochures sent to each household in Windsor explaining the new 10-ward system.

**APPENDIX D - Summary of Capital Projects Closed (for 2010)**

As at December 31, 2010

**SUMMARY**

	<b># of Projects</b>	<b>Amount</b>
Surplus	38	\$ 6,228,461
Deficits	13	\$ (143,602)
<b>Net Surplus on Capital Projects Cl</b>	<b>51</b>	<b>\$ 6,084,859</b>

<b>Project ID</b>	<b>Service Area</b>	<b>Project Name</b>	<b>Surplus/ (Deficit)</b>	<b>Sub-Total by Fund</b>	<b>Fund</b>	<b>Funding Source/Transfer</b>	<b>Project Variance Comments</b>
7062909	Office of the City Engineer	Rose - Westminster/Princess	\$ (13,075.60)	169	Pay As You Go Cap Reserve	Deficit due to slightly higher than anticipated engineering costs.	
7035033	Office of the City Engineer	Local Improvements Program	\$ 337,832.73	169	Pay As You Go Cap Reserve	Surplus is a result of the tender price being less than project estimate.	
7071033	Office of the City Engineer	Lloyd George - Tecumseh to Rose	\$ 81,619.69	169	Pay As You Go Cap Reserve	The project was bid competitively. Being one of the early projects tendered by Public Works in 2007, contributed to the savings in this tender. Also, this being a local improvement project, recoveries were collected from residents after the construction was completed.	
7052024	Community Dev. & Health	H11 - New Facility Relocation	\$ (4,330.08)	169	Pay As You Go Cap Reserve	Deficit due to the large number of staff required to be trained in the new Huron Lodge Facility.	
7051008	Office of the City Engineer	Per. Emerg. Power City Hall	\$ 200,729.88	169	Pay As You Go Cap Reserve	As per CR191/2010 - Data Centre Move, \$340,000 was transferred to Proj. ID #7074016 to fund the costs associated with moving the computer room from the 350 building to the 400 building. The remaining surplus was then transferred back to its original funding source.	
7061037	Office of the City Engineer	Parks/Facility Mgmt Amalgamation	\$ -	169	Pay As You Go Cap Reserve	Journal ID #118526 allocated labour and materials required in the finalization of the parks main office renovations. The project was completed and closed with a zero variance.	
7091026	Office of the City Engineer	Field Survey Equipment	\$ 10,000.00	169	Pay As You Go Cap Reserve	Project expenses were incurred in operating and absorbed through the year-end operating variance report, hence the project was closed and the surplus returned back to its original funding source.	
7091027	Community Dev. & Health	Jefferson Child Care Playground	\$ 125,000.00	169	Pay As You Go Cap Reserve	As a result of Council's decision to close all child care centres, this project request was no longer required, hence the project was closed and the surplus returned back to its original funding source.	
<b>Total Fund 169 Surplus</b>			<b>\$ 721,755.84</b>				
7091038	Agencies and Boards	Handi-Transit Bus Acquisitions	\$ 4,460.80	187	Ontario Bus Replacement Program	Project was completed and under budget by \$4,460.80. The surplus was transferred back to the reserve.	
<b>Total Fund 187 Surplus</b>			<b>\$ 4,460.80</b>				
<b>Net Transfers To/From Original Funding Source</b> <span style="float: right;">4,747,920.72</span>							
<b>Net Surplus on Capital Projects Closed in 2010</b> <span style="float: right;">\$ 6,084,859</span>							